

# Understanding “Comparative Estimates”: Why They Are Misleading and Often Unfair

If you’ve ever filed a water damage claim, you may have been surprised to receive something called a “comparative estimate” from your insurance company.

On the surface, it looks like a simple second opinion — but in reality, it’s a powerful tool used by carriers to undervalue your loss.

Here’s what you need to know:

---

## 1. What Is a Comparative Estimate?

A “comparative estimate” is a document created by either:

- An insurance company staff adjuster
- A third-party auditor hired (and paid) by the carrier

It is based not on a real visit to your property, but on reviewing your contractor’s photos, drying logs, and invoice after the work has already been completed.

Their goal is simple:

Create a version of your bill with lower pricing, less work, and reduced costs — to minimize the amount the insurance carrier has to pay you.

---

## 2. Why Are Comparative Estimates Misleading?

Comparative estimates are problematic because:

- They are written by someone who never visited the property — they are guessing based on secondhand photos and reports.
- They are based on software pricing (like Xactimate) designed to favor the insurance industry, not market reality.

- They ignore real-world variables like emergency conditions, contamination, structural complexity, and custom work.

Imagine hiring a mechanic to rebuild your engine — only to have an insurance company desk reviewer “re-price” the job for half the cost based on a few photos.

It’s unfair, and it would never be accepted in any other industry.

---

### **3. How Comparative Estimates Undermine Your Claim**

Here’s what often happens:

- You submit a legitimate invoice for professional work.
- The carrier produces a “comparative estimate” showing a much lower price.
- They try to justify paying only the lower amount — forcing you to either accept less or fight back.

Many homeowners, unfortunately, feel pressured and give up.

At Restoration Doctor, we make sure you know your rights and don’t leave money on the table.

---

### **4. How to Protect Yourself Against Low Comparative Estimates**

- Hire a reputable, independent restoration company (like Restoration Doctor) — not one of the insurance company’s preferred vendors.
  - Document everything — keep detailed contracts, invoices, photos, and daily updates.
  - Demand transparency — ask the adjuster for the written basis of their comparative estimate.
  - Escalate if necessary — file complaints, demand formal dispute resolution, or consult with a property insurance attorney.
-

# Important Reminder:

A “comparative estimate” is NOT legally binding.

It’s just an internal opinion created to protect the carrier’s bottom line — not your property, your rights, or your recovery.

The real binding contract is between you (the homeowner) and your contractor.

---

Restoration Doctor has decades of experience fighting back against unfair tactics — and we are here to support you every step of the way.