APPRAISEITNOW

Valuing What Was Lost: The Date of Loss as the Effective Date in Insurance Claim Appraisals

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November 2026, version 1

Published by AppraiseItNow Inc., New York City. www.appraiseitnow.com

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Educational material, not an appraisal.

Summary of the date-of-loss principle in claim appraisals

An insurance claim asks a backward-looking question: what was the property worth at the moment it was damaged, destroyed or taken? That question fixes the appraisal to a single day in the past, the date of loss. Everything else in the assignment follows from that anchor. It shapes which market evidence is relevant, what condition the appraiser describes, and which facts the appraiser can no longer verify because the property no longer exists in its pre-loss state.

This 2026 paper makes four arguments.

1. An appraisal has an effective date, the date its value applies to. In a claim, the date of loss is the date that answers the question the claim actually poses.
2. An appraisal prepared after a loss can establish an opinion of value as of the date of loss. It cannot establish whether the loss is covered, what caused it, or which measure of recovery the policy pays.
3. When the property is gone, some facts about it can only be assumed. Professional standards allow this only under stated conditions and only with clear disclosure.
4. The quality of a claim appraisal depends heavily on records the policyholder created before the loss. Scheduling coverage with a current appraisal therefore also creates records that a later claim appraisal can use.

The paper relies on the Uniform Standards of Professional Appraisal Practice (USPAP), on the California Insurance Code as an example of how a state defines actual cash value, and on AppraiseItNow's own operating facts and assignment counts. It addresses personal property only. AppraiseItNow does not appraise real estate.

Defined terms used in this paper

Term	Meaning in this paper
Date of loss	The calendar date on which the insured property was damaged, destroyed, lost or stolen, as the claim identifies it
Effective date	The date to which an appraisal's opinion of value applies
Report date	The date on which the appraisal report is prepared and signed
Extraordinary assumption	An assumption, made for a specific assignment, that an uncertain fact is true
Scheduled coverage	Insurance on specifically listed items, usually supported by an appraisal or other valuation document
Claim appraisal	An appraisal prepared to support or evaluate a claim after a loss
Coverage appraisal	An appraisal prepared to establish or update the insured value of property before any loss

Why the date of loss matters to a policyholder's claim

The claim question is fixed in time

A policyholder who files a claim is not asking what a similar item costs today, what it might be worth next year, or what the policyholder paid for it a decade ago. The policyholder is asking what the item was worth on the day of the loss, measured under whatever standard the policy uses. Values move. A collectible category can soften or strengthen. Used vehicle and equipment markets can swing with supply conditions. Replacement prices for furniture, electronics and jewelry change with materials and labor. A value reported as of the wrong date can be accurate in itself and still be useless for settling the claim, because it answers a different question.

The rule on dates is short (USPAP, 2024 edition). An appraisal's effective date is the date the value applies to. It can be current, past (a date of death or donation) or future, and the report states both the effective date and the report date.

A claim appraisal is a retrospective assignment of this kind. The report is written on one date, and the value applies to an earlier date. Both dates appear in the report. A reader who sees only one of them can misunderstand what the value represents.

How the effective date changes with purpose

The date of loss is one of several effective dates an appraiser may be asked to use, and the contrast is instructive. AppraiseItNow describes its own approach to effective dates by purpose (www.appraiseitnow.com). AppraiseItNow sets the effective date by purpose: for insurance

coverage and personal use, the report date; for estate and probate, the date of death; for a donation, the contribution date, or the report date for a future gift signed no more than 60 days before it; for a gift, the date of the gift; for an insurance claim, the date of loss; for a divorce, the date counsel sets; for an IRA conversion, the conversion date.

Insurance appears twice in that list, with two different dates. A coverage appraisal looks at the property as it stands when the report is prepared, because its job is to set an insured amount going forward. A claim appraisal looks back to the date of loss, because its job is to measure what was lost. The same item can therefore carry two legitimately different values in two reports: one as of the day it was scheduled, and one as of the day it was destroyed. Neither report is wrong. Each answers its own question.

Why the stakes are concentrated in documentation

Insurance work is a defined part of AppraiseItNow's assignment mix (www.appraiseitnow.com). Of the 1,226 appraisals AppraiseItNow opened between November 8, 2025 and November 8, 2026, 521 were for charitable donations, 175 for insurance (102 claims and 73 coverage), 144 for estates (61 probate, 46 estate tax and 37 estate settlement), 50 for divorce and 15 for Roth IRA conversions.

Claims outnumbered coverage assignments in that period, 102 to 73. An appraisal that begins after the loss cannot examine the item in its pre-loss state, whereas one prepared beforehand could rely on photographs, measurements and inspection of the item itself. The rest of this paper explains what that difference means for the reliability of the value and the transparency of the report.

What USPAP and state law say about effective dates, assumptions and the measure of recovery

The effective date and the report date are separate

The central rule has already been stated: the report identifies both the effective date and the report date. For a claim, the effective date is the date of loss, and the report date is the later date on which the appraiser completes the work. Keeping the two separate tells the reader which day the value applies to and which day the report was prepared.

Adjusters and policyholders who read a claim appraisal should check that the report says which date the value applies to, and that this date matches the date of loss in the claim file. They should also check that the report's market or replacement-cost discussion is presented in a way consistent with that date.

Inspection is a scope decision, not a fixed requirement

A destroyed or stolen item cannot be inspected. USPAP does not require an in-person inspection in every assignment. The appraiser decides the scope of work, including how much inspection credible results need, and the report describes that scope (USPAP, 2024 edition).

This rule makes claim appraisals of lost property possible. The appraiser defines a scope of work that relies on whatever evidence survives, such as pre-loss photographs, receipts, prior appraisals, certificates, service records and identifying numbers, and the report states that scope. A reader can then judge the value in light of what the appraiser did and did not examine.

Remote, document-based appraisal is a common method, not an exceptional one. AppraiseItNow reports its method mix (www.appraiseitnow.com). Of the 1,226 appraisals AppraiseItNow opened between November 8, 2025 and November 8, 2026, 1,137 were done from photographs and documents and 27 in person; the method was not recorded for the other 62. A claim appraisal of property that no longer exists is, by necessity, an appraisal from photographs and documents. The difference is that the photographs were taken before the appraiser was engaged.

Extraordinary assumptions: when they are permitted and how they are disclosed

Some facts about lost property cannot be confirmed by any surviving record. Examples include the exact condition of a painting's surface on the morning of a fire, the hours on an engine whose meter was never photographed, and the presence of an original component that a receipt does not mention. USPAP addresses how an appraiser may proceed (USPAP, 2024 edition). An appraiser may assume an uncertain fact is true (an extraordinary assumption) only when it's needed for credible results, there's a reasonable basis for it and the analysis stays credible, and the report must say so clearly.

That sentence contains three conditions and one obligation, which are listed here in the rule's own terms:

- The assumption is needed for credible results.
- There is a reasonable basis for it.
- The analysis stays credible.
- The report must say so clearly.

This paper does not add tests to the rule.

As an illustration only, and not as part of USPAP, the kinds of uncertain facts that arise in date-of-loss work include the condition of an item on the date of loss, the hours or mileage shown on a meter that was never photographed, and the presence of a component that no record mentions. These are the places where an appraiser asks whether the rule's conditions are met.

The disclosure obligation is the policyholder's protection as much as the insurer's. A clearly stated assumption tells the reader exactly where the value would change if the assumed fact turned out to be false. A good report gives the reader enough information to see which way the

value would move if the assumption failed.

State law and the measure of recovery

An appraisal establishes a value under a stated standard. It does not decide which standard a policy pays. That question belongs to the policy and the governing law. Here is how that allocation works in at least one state (Cal. Ins. Code § 2051(b)). Whether a claim pays replacement cost or actual cash value depends on the policy and state law. California, for example, defines actual cash value as the cost to repair or replace less a fair deduction for depreciation, up to the policy limit.

The definition has three parts: a repair or replacement cost, a fair deduction for depreciation, and the policy limit. An appraisal can inform the first two parts under the value standard the assignment identifies. The policy and the governing law determine which measure applies and what limit caps the payment. When facts that bear on the value must be assumed rather than observed, the extraordinary-assumption disclosure tells the reader which facts those are.

For coverage appraisals, the value standard is part of the engagement itself. AppraiseItNow states its requirements (www.appraiseitnow.com). For an insurance coverage appraisal, AppraiseItNow needs the value standard (replacement cost for most items; fair market value or actual cash value for vehicles) and any format the insurer requires.

Practical consequences when insured property is damaged or gone

What a post-loss appraisal can establish

A claim appraisal prepared after a loss can establish:

- An opinion of value as of the date of loss, under the value standard the assignment identifies.
- A description of the property as the surviving evidence supports it, including maker, model, materials, size, identifying numbers and attributes that bear on value.
- An analysis of market evidence or replacement costs relevant to the date of loss.
- A clear statement of the scope of work, including what was examined, what records were relied on, and that the property itself could not be inspected.
- A clear statement of any extraordinary assumptions, and of the facts the value depends on that could not be verified.

What a post-loss appraisal cannot establish

A claim appraisal cannot, by its nature, establish:

- Whether the loss is covered under the policy.

- What caused the loss, or whether a peril excluded by the policy was involved.
- Which measure of recovery applies. As the California example shows, that depends on the policy and state law.
- The verified condition of an item that no surviving record shows.
- The value of the building or land at a loss location. AppraiseItNow does not appraise real estate.

The second list is not a weakness of claim appraisals. It defines their role. The adjuster, the policy language and the governing law decide coverage and the measure of recovery. The appraisal supplies an independent, documented opinion of value that those decisions can use.

Why damage photos are not the core evidence

Policyholders often assume that photographs of the wreckage are the most important thing to send an appraiser. For a claim appraisal, the question is what the property was worth on the date of loss, and the wreckage rarely shows that. AppraiseItNow's intake for claims reflects this (www.appraiseitnow.com). For an insurance claim appraisal, AppraiseItNow requires the carrier and the date of loss; the insurer's valuation report, its offer and the claim number help, and damage photos are not needed.

The carrier and the date of loss define the assignment: whose claim process the report serves and which date the value applies to. The insurer's valuation report and offer show the appraiser what figure is being compared and on what basis. That lets the appraisal respond to the actual point of disagreement rather than to a general question. The claim number ties the report to the file. What helps the value most is evidence of the property before the loss.

Common kinds of pre-loss evidence and what each can support

The table below is a general illustration of common types of pre-loss evidence, what each can support and where gaps typically remain. It is not a standard and does not rank the types.

Evidence type	What it can support	Typical gaps
Prior appraisal of the same item	Identification, description, condition at the prior effective date, prior value	Condition between the prior appraisal and the date of loss
Clear pre-loss photographs	Identity, visible condition, configuration, sometimes identifying marks	Hidden condition, internal components, exact date taken
Purchase receipts and invoices	Maker, model, purchase date, price paid, sometimes specifications	Later condition, later modifications
Certificates, titles and registrations	Identity, ownership history, identifying numbers	Condition
Service and maintenance records	Hours or mileage at dated intervals, repairs, operating status	Use after the last record
Owner's written description	Context and attributes not otherwise recorded	Independent verification

Where the available evidence leaves a gap like those in the right-hand column, the report may need an extraordinary assumption, and any such assumption must be disclosed clearly.

Hypothetical example: a fire destroys a painting and a dining set

In a hypothetical case, a house fire on a known date destroys a framed oil painting and a hardwood dining set. The policyholder holds a gallery invoice for the painting from several years earlier, three phone photographs of the painting hanging in the living room, and a furniture store receipt for the dining set. The insurer has issued a valuation report and an offer the policyholder considers low.

The appraiser sets the effective date as the date of loss and states the later report date separately. The scope of work states that neither item could be inspected and that the appraisal relies on the invoice, the receipts and the photographs. The photographs show the front of the painting and its frame but not the back or the signature at close range. The invoice names the artist and the title.

The appraiser can reasonably identify the painting from the invoice and photographs. The surface condition on the date of loss cannot be verified. The photographs show no visible damage, but they are not close enough to rule out issues that would affect value. If a condition assumption is needed for credible results, the photographs give a reasonable basis for it, and the analysis stays credible, the report states the extraordinary assumption in plain words. For example, it might say the painting is assumed to have been in the condition visible in the owner's photographs, without unrecorded damage or restoration. A reader then knows that the value depends on that assumed fact.

The dining set raises a different issue. The receipt establishes the maker, model and purchase price. The appraiser reports value under the standard the assignment identifies. Which standard the claim actually pays is a matter for the policy and state law, not for the appraiser. If the policy pays actual cash value and the state defines it as California does, the definition is a repair or replacement cost less a fair deduction for depreciation, up to the policy limit. Nothing in this hypothetical decides how much the policyholder will recover.

Hypothetical example: a stolen boat with incomplete records

In a second hypothetical, a trailered boat is stolen from a storage lot. The owner holds the title showing the HIN, a dealer invoice, and a marina service record showing engine hours at an annual service several months before the theft. The owner has no photograph of the engine hour meter taken close to the date of loss.

The engine hours on the date of loss cannot be verified. The service record is the closest dated evidence of hours. If assuming an hour figure consistent with the service record is needed for credible results, there is a reasonable basis for it, and the analysis stays credible, the report states this as an extraordinary assumption. It identifies the source of the assumed figure and makes clear that the actual hours on the date of loss were not observed. An adjuster reading the report can see exactly which fact is assumed and on what basis.

Hypothetical example: why the coverage value and the claim value differ

In a third hypothetical, a policyholder scheduled a piece of jewelry with a coverage appraisal whose effective date was the report date, two years before a burglary. After the burglary, the policyholder obtains a claim appraisal with the date of loss as its effective date. The two values differ.

This is expected. The coverage appraisal answered what the piece was worth, under its value standard, on the date it was scheduled. The claim appraisal answers what it was worth on the date it was stolen. Market movement in the intervening period can produce a different figure in either direction. The earlier appraisal remains valuable evidence because it documents identity, materials and condition at a known date. That documentation narrows what the claim appraisal must assume.

What missing information looks like across AppraiseItNow's work

Follow-up requests are a normal part of appraisal work, and AppraiseItNow's review data show how often they occur across all of its assignments, not only claims (www.appraiseitnow.com). Of 867 appraisals AppraiseItNow reviewed between October 27, 2025 and September 23, 2026, 31% needed something more from the client and 24.6% went through a formal request for missing details.

AppraiseItNow also reports response patterns for those requests (www.appraiseitnow.com). In 162 requests for missing details that AppraiseItNow sent between August 2025 and September 2026, the median first reply from the client came in 0.1 days; 55% were resolved within a day and 89% within a week. Identifiers such as a VIN or serial number took a median 0.6 days to arrive, receipts 0.7 days, donation documents 1.7 days and photos 2.0 to 3.7 days.

For date-of-loss work, the practical lesson concerns photographs. They had the longest median arrival times in those figures, and when property is gone, pre-loss photographs may be the only evidence of its condition. A policyholder who gathers them early gives the appraiser the best chance to limit extraordinary assumptions.

Recommendations for practitioners preparing and reading date-of-loss appraisals

The recommendations below are addressed to appraisers, adjusters, attorneys and policyholders. They describe practical steps. They do not change any rule stated earlier in this paper.

For appraisers preparing claim appraisals

1. State the date of loss as the effective date, and state the report date separately, in a location a reader cannot miss.
2. Confirm the date of loss against the claim file rather than relying on recollection. An error in the date changes the market evidence that is relevant.
3. Describe the scope of work in concrete terms: which items were not inspected because they were destroyed or missing, which records were relied on, and what those records show.
4. Before relying on an extraordinary assumption, ask whether it is needed for credible results, whether there is a reasonable basis for it, and whether the analysis stays credible with it in place.
5. Write each extraordinary assumption as a plain sentence identifying the assumed fact and its basis, not as boilerplate. A reader should be able to tell which value conclusions depend on which assumptions.
6. Identify the value standard the assignment uses. Do not characterize which standard the policy pays; that depends on the policy and state law.
7. Where the insurer's valuation report is available, address the specific points of difference, such as identification, condition, comparables or depreciation, rather than only presenting a competing number.
8. Keep the analysis tied to the effective date the report states, and say explicitly when any material in the report is offered only for context.

For adjusters and attorneys reading claim appraisals

1. Locate the effective date and the report date first. Confirm that the effective date matches the date of loss in the claim file.
2. Read the scope-of-work statement before the value conclusion. It defines what the appraiser could and could not verify.
3. List every extraordinary assumption the report discloses. For each one, ask whether the record contains evidence that confirms or contradicts the assumed fact.
4. Compare the value standard in the report with the measure of recovery the policy uses. If they differ, the report may still be useful, but the difference must be addressed.
5. Treat a report that discloses no assumptions for property that could not be inspected with care. Check whether the scope of work explains how condition was established.

For policyholders scheduling coverage now

A coverage appraisal prepared before any loss, supported by good photographs and records, provides material that a later claim appraisal can use. Its effective date is the report date, not a future date of loss. But it creates a dated record of identity, materials and condition. That record narrows, and sometimes removes, the need for extraordinary assumptions in a later claim appraisal.

AppraiseItNow's photo requirements show the kinds of images that support identification and condition across asset classes (www.appraiseitnow.com). AppraiseItNow's photo requirements by asset type: for vehicles, the outside and inside, plus the mileage for anything motorized; for boats, the outside with the cover off, the helm, the engine and the inside, plus the HIN and engine hours; for machinery, a few photos of each machine, the hours and whether it runs; for fine art, the front, back, signature and frame; for household items, one clear photo per item or group.

Policyholders can treat that list as a guide for their own records, whether or not an appraisal is being prepared at the moment. Images of the back of a painting, an engine hour meter or a serial plate are exactly the details that become impossible to recover after a fire or theft. When an in-person visit is part of a coverage assignment, AppraiseItNow describes the division of responsibility (www.appraiseitnow.com). On an in-person appraisal, the appraiser identifies and photographs everything at the visit; the client still provides the address and the paperwork they hold, such as titles, receipts, certificates and records.

A pre-loss documentation checklist for policyholders

- Keep a copy of every coverage appraisal and the insurer's schedule of covered items in a location separate from the insured property, such as a cloud account or another residence.
- For each significant item, keep at least one clear, dated photograph, plus detail photographs of signatures, maker's marks, serial plates, hour meters and odometers.

- Keep receipts, invoices, certificates, titles and registrations together, with copies stored off-site.
- Keep service and maintenance records for vehicles, boats and machinery, because they record hours, mileage and operating condition at dated intervals.
- Update photographs after significant repairs, restorations or modifications, because these change condition and sometimes value.
- Note the value standard on the coverage appraisal and confirm it matches what the insurer requires.

A post-loss checklist for policyholders supporting a claim

- Confirm the carrier name and the date of loss exactly as the claim file states them.
- Obtain the claim number, the insurer's valuation report and any offer in writing.
- Gather pre-loss evidence for each item: prior appraisals, photographs from all devices and accounts, receipts, certificates, titles and service records.
- Ask family members and others who may hold photographs of the property taken before the loss.
- Write a short factual description of each item's condition before the loss, noting which statements are supported by records and which are recollection.
- Expect the appraisal report to identify any facts it had to assume, and read those statements carefully, because they show where additional evidence could change the value.

Review questions

1. In a claim appraisal, why must the report state both the effective date and the report date, and what would a reader misunderstand if only one appeared?
2. Why might a coverage appraisal and a later claim appraisal of the same item report different values without either being wrong?
3. Which three conditions must be met before an appraiser relies on an extraordinary assumption, and what must the report then do?
4. Why are pre-loss photographs usually more useful to a claim appraisal than photographs of the damage?
5. Which questions in a claim does an appraisal not answer, and who answers them?
6. Under the California definition cited in this paper, what are the parts of actual cash value, and what limit applies?

About the publisher

This paper is published by AppraiseItNow Inc. AppraiseItNow is a tech-enabled appraisal company headquartered in New York City that prepares USPAP-compliant appraisals of personal property, fine art, machinery and equipment, vehicles, boats, inventory and closely held

businesses for clients in all 50 states, remotely and in person. AppraiseItNow prepares every appraisal in accordance with USPAP, the Uniform Standards of Professional Appraisal Practice. AppraiseItNow's appraisers specialize by asset class rather than by geography. AppraiseItNow does not appraise real estate. AppraiseItNow's website is www.appraiseitnow.com.

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