

June 10, 2023

XXXXX XXXXX  
Adjuster, XXXXX XXXX XXXXXX Insurance  
0000 XXXX XXXX  
XXXXXXXX, Idaho 00000-0000

Mr. XXXXX XXXXX and Ms. XXXXXXXX XXXXX:

I am writing to you in regards to Claim [REDACTED], in which my 2018 Tesla Model 3 driven by my wife [REDACTED] was impacted in the left-rear by your client, [REDACTED] (Policy number [REDACTED]) on 2018 September 28. I appreciate your work to date in helping me to get the physical damage to my vehicle repaired. Pursuant to this accident, I have three additional matters that I need addressed in order to make me whole as a result of the damage to my vehicle: diminished value, depreciation, and the rental replacement.

## 1 Diminished Value

My car is brand new. It was delivered on 2018 March 28. It was therefore 6 months old at the time of the accident. Because of the damage incurred, it is now literally damaged goods. Even if the repairs are completed perfectly, now that the car has an accident on its CarFAX record, future institutional and retail buyers of the car will not be willing to pay as much for it. Nor should they. I wouldn't pay as much for a car that had been in an accident, especially one this new.

I have to admit that I had been considering selling this car or swapping it for a newer model next year once the short-range version with all-wheel-drive option becomes available. Clearly I cannot now reap the same benefit from that sale as I could prior to the accident caused by your client.

I priced out a used vehicle, sold private-party, on Kelly Blue Book's website ([kbb.com](http://kbb.com)) on 2018 December 12. I attribute the accident as causing the vehicle to be now rated in "fair" condition, as opposed to its previous "excellent" condition (as it is brand-new). The "excellent" value according to kbb was \$56,099, and the "fair" value was \$51,253, for a difference of \$4846 (see kbb website screenshots below). That difference comports similarly to estimates for the diminished value of the vehicle based on my reading of the

Tesla Motors Club forum website for others in similar situations.

I therefore request \$4846 for the diminished value of my vehicle as a direct result of the accident attributed to your client.

The image displays two side-by-side screenshots of the Kelley Blue Book website, showing the valuation for a 2018 Tesla Model 3 Sedan 4D near Moscow, ID 83843. Both screenshots show the car's overall consumer rating of 5/5 and 3 ratings. The left screenshot shows the car in 'Excellent' condition with a private party value of \$56,099. The right screenshot shows the car in 'Fair' condition with a private party value of \$51,253. Both screenshots include a 'Compare Your Values' section with tabs for Instant Cash Offer, Trade-in Value, and Private Party Value. The Private Party Value section includes a gauge, a 'PRIVATE PARTY VALUE' box, and a 'See Overview of Values' button.

## 2 Depreciation

Over and above the lost value due to physical damage, I am losing additional value owing to straightforward depreciation. Your client crashed into a 6-month-old car. I will be receiving back a 10-month-old car. Older cars are worth less than newer cars, and the rate of decrease in value maximizes when the car is age zero.

To quantify this depreciation I look to the depreciation rates of the Tesla Model S, because the Model 3 is so new that the oldest one in existence is only 15 months old. For Model S leases, 36-months 12,000 miles/yr, the residual vehicle value is 58.85% at the end of the lease<sup>1</sup>, corresponding to a 41.15% depreciation in 36 months. That's 1.14% per month. Assuming the same percentage decrease for the Model 3 (which seems conservative in that the 1.14%/month is averaged over the 3-year Model S lifespan while depreciation in reality is greater at the beginning and less at the end) and my \$56,000 sticker price (see below),

<sup>1</sup><https://forums.tesla.com/forum/forums/money-factor-and-residuals>, see the second reply down, by user "rdd".

that runs to \$638.40/month or \$20.59/day assuming a 31-day month.

I therefore request \$20.59 for each day older that the car I receive back will be relative to the age it was when it was damaged by your client.

**TESLA Model 3 Long Range**

Vehicle Identification Number: 5YJ3E1EA3JF008490  
 Date of Manufacture: 03/2018  
 Transportation Method: Truck  
 Delivered to: TESLA MOTORS, INC., Fremont, California, USA

STANDARD FEATURES		AS CONFIGURED	
<b>TECHNICAL</b>	<b>INTERIOR</b>	Model 3	\$35,000
Three phase, six pole, internal permanent magnet motor	15 inch capacitive touchscreen	Long-Range Battery	\$9,000
Drive inverter with regenerative braking system	Onboard maps and navigation	Premium Upgrades	\$5,000
Microprocessor controlled, lithium-ion battery	WiFi and Mobile network connectivity	Midnight Silver Metallic	\$1,000
Onboard charger and mobile connector	FM and Internet streaming radio	18" Wheels	INCLUDED
120 volt, 240 volt and J1772 charging adapters	Hands free talking with Bluetooth	Enhanced Autopilot	\$5,000
<b>SAFETY</b>	Voice activated controls		
Seven cameras, forward radar and twelve ultrasonic sensors	High definition backup camera		
Six front row and two side curtain airbags	One touch power windows		
Three point safety belts with belt-reminders for driver and four passengers	Dual zone climate control		
Two LATCH (Lower Anchors and Tethers for Children) attachments in second row	12 volt power outlet and two USB ports for media and power		
Electronic stability and traction control	<b>EXTERIOR</b>		
Four wheel antilock disc brakes with electronic parking brake	Full LED lighting		
Child safety locks and manual cargo door release mechanisms			
Anti-Theft Alarm System			

Destination and Regulatory Doc Fee: \$1,000  
**Total vehicle price: \$56,000**

**GOVERNMENT 5-STAR SAFETY RATINGS**  
 This vehicle has not been rated by the government for overall vehicle score, frontal crash, side crash, or rollover risk.  
 Source: National Highway Traffic Safety Administration (NHTSA) www.safercar.gov or 1-888-327-4236

**PARTS CONTENT INFORMATION**  
 FOR THIS VEHICLE:  
 US/CANADIAN PARTS CONTENT: 50%  
 MAJOR SOURCES OF FOREIGN PARTS CONTENT MEXICO: 25%  
 Note: Parts content does not include final assembly, distribution or other non-parts costs.

**FOR THIS VEHICLE:**  
 FINAL ASSEMBLY POINT: FREMONT, CA  
 COUNTRY OF ORIGIN: USA  
 MOTOR ASSEMBLY: USA  
 GEARBOX/TRANSMISSION: USA

**ADDITIONAL ASSEMBLY INFORMATION**  
 FOR THIS VEHICLE:  
 BATTERY FINAL ASSEMBLY POINT: FREMONT, CA, USA  
 ON-BOARD CHARGER FINAL ASSEMBLY POINT: FREMONT, CA, USA

**EPA DOT Fuel Economy and Environment** Electric Vehicle  
 These estimates reflect new EPA methods beginning with 2017 models. Midsize cars range from 14 to 136 MPGe. The best vehicle rates 136 MPGe.  
**130 MPGe** combined city/hwy  
 136 city 123 highway  
 26 kWh per 100 miles  
**Driving Range** 310 miles  
 Charge Time: 10 hours (240V)  
**Annual fuel COST \$500**  
 Fuel Economy & Greenhouse Gas Rating (tailpipe only) 10 Best  
 Smog Rating (tailpipe only) 10 Best  
 This vehicle emits 0 grams CO<sub>2</sub> per mile. The best emits 0 grams per mile (tailpipe only). Producing and distributing fuel also create emissions. Learn more at fueleconomy.gov.  
 Actual results will vary for many reasons, including driving conditions and how you drive and maintain your vehicle. The average new vehicle gets 27 MPG and costs \$5,750 to fuel over 5 years. Cost estimates are based on 15,000 miles per year at 0.13 per kWh. MPGe is miles per gasoline gallon equivalent. Vehicle emissions are a significant cause of climate change and smog.  
 fueleconomy.gov  
 Calculate personalized estimates and compare vehicles.  
 QR Code

### 3 Rental Vehicle

arranged for me a rental car from Enterprise in that I picked up on 2018 September 28. I returned it on 2018 October 13. I returned it because it sucked.

The Tesla Model 3 is a premium electric sedan. If I wanted to drive a gas-guzzling 2-year-old Nissan Maxima I would have bought one of those and saved myself \$40,000. I didn't. The rental vehicle that you provided did not match the standard of the vehicle my vehicle whose use was lost to me owing to the actions of your client.

To address this problem I borrowed a 2016 Tesla Model X P90D from by father,

of [REDACTED]. Although not a Model 3, this vehicle is actually even more expensive than a Model 3 and has met my needs since 2018 October 14.

Looking to find the actual value of a rented Tesla Model 3, per day, \$105/day is the very cheapest available Model 3 that I found for rent on turo.com in the entire western United States (see below).

I therefore request that you reimburse my father \$105/day, the equivalent rental value of my Model 3, for each day from 2018 October 14 through when I get my car back.

The screenshot displays the Turo website's search results for a Tesla Model 3 2018. The search parameters are set for a rental from 12/10/2018 at 10:00 AM to 01/15/2019 at 10:00 AM. The results show three options:

- A dark grey Tesla Model 3 2018 for \$125/day, based on 24 trips.
- A red Tesla Model 3 2018 for \$105/day, based on 28 trips, with 'BOOK INSTANTLY' and 'FREE DELIVERY' options.
- A white Tesla Model 3 2018 for \$105/day, based on 11 trips.

A map on the right side of the interface shows the search area in the western United States, with green dots indicating the locations of the cars: San Francisco, San Jose, Los Angeles, and San Diego.

## Conclusion

Believe it or not I'm not trying to squeeze you guys: I just want what's fair to put me in an equivalent state to what I would have had in a scenario where the 2018 September 28 collision never took place. Trust me, this is not my idea of a swell time. I wish this had never happened and that I had been able to continue on with my life, happily enjoying my new car. But I'm not able to do that because of the collision that was the fault of your client.

These are the values that I think are a fair representation of the additional monetary damages due me as a result of the accident. If you can convince me that other values would be a

better, more fair representation of these damages, then I would be happy to consider them. If, instead, your company wants to do anything that it can to reduce the payout, then I will not be impressed.

I look forward to hearing back from you with regard to these considerations after you've had a chance to consider them fully,

[REDACTED]

encl: Copies emailed to [REDACTED] and [REDACTED] on 2018 December 12. Hard copies mailed to the [REDACTED] and [REDACTED] offices 2018 December 12.