

18 April 2011

Attn: Vickie Garcia
USAA
9800 Fredericksburg Rd
San Antonio, TX 78288

Re: 1736763-7105-9-9034

Ms. Garcia,

We've reviewed the Valuescope market report, our own maintenance records, and comparable vehicles available in our market. We believe the recommended settlement amount of \$3,336.75 is well under the true market value of our stolen vehicle.

First, our vehicle was in far better condition than just "good," based on two considerations. According to Kelly Blue Blue criteria, it was in "excellent" condition:

- Looks new, is in excellent mechanical condition, and needs no reconditioning;
- Never had any paint or body work and is free of rust;
- Clean title history and will pass a smog and safety inspection;
- Engine compartment is clean, with no fluid leaks and is free of any wear or visible defects; and
- *Complete and verifiable service records.*

Our vehicle met all these conditions. More importantly, the owner of our long-time automotive service provider concurs with this assessment. We've taken all six of our vehicles to FastLane for virtually all of our maintenance needs for more than a decade. The owner, Tim Lane, routinely test drove our vehicles after service visits, and we routinely asked him for safety inspections of our vehicles whenever we used them for out-of-state trips. As a result, he's quite familiar with our conscientious care and maintenance of our vehicles. As a licensed auto dealer for over ten years, he's certainly well qualified to attest that the condition of our stolen vehicle was "excellent."

Second, our own search of the local and regional markets for similar vehicles showed recent prices of \$1,000 to \$3,000 above the value cited in the Valuescope report.

Finally, we have concerns about the methodology used by your evaluator. The prices quoted do not indicate whether those are list prices, take prices, or asking prices – or some other price

entirely – making it impossible to determine whether the valuation was fair. We suspect it was not. Furthermore, the dealer locations selected were certainly not local, nor could they even be considerable regional. An especially puzzling matter was their reliance on dealers in Ohio to determine our local replacement value.

In consideration of all these factors, we ask that you take a closer look at our claim.

Respectfully,

A handwritten signature in black ink that reads "M. Kruehoski". The signature is written in a cursive style with a large, prominent initial "M".

Mike Kruehoski

USAA member 1736763

1408 Arizona St NE

Albuquerque, NM 87110

cc: Tim Lane, Value Automotive Inc., dba FastLane