



Guide to Reviewing Your Home & Contents Sum Insured

Strictly Confidential

Why Your Sums Insured Matter

Your sum insured represents the maximum amount your insurer will pay to repair or rebuild your home and replace your contents in the event of a covered loss.

For your home, this should reflect the full cost to demolish, plan and rebuild your home using modern materials, techniques and to an equivalent standard and size as your current home.

For your contents, this should reflect the full replacement cost of all personal belongings at today's retail prices — not their second-hand or depreciated value.

If your sums insured are set too low, you may not receive enough from the insurer to fully reinstate your home or replace your belongings, and you may need to fund any shortfall yourself. If they are set higher than required, you may be paying a higher premium than necessary.

It is therefore important that your sums insured are reviewed regularly and kept up to date to reflect current rebuild and replacement costs.

Calculating Your Home Sum Insured

There are two primary ways to determine an appropriate rebuild value:

Professional Valuation

You may engage a qualified property valuer, quantity surveyor or suitably experienced professional to provide a formal insurance valuation. This is generally the most accurate method, particularly for architecturally designed, high-specification or unique homes.

Cordell Sum Sure Calculator

The Cordell Sum Sure Calculator is an independent online tool provided by CoreLogic that estimates the likely cost to rebuild your home based on current construction costs for homes of similar size, materials and design.

It is a widely used starting point for estimating a suitable sum insured and is intended to help you make an informed decision about your rebuild value.

You can access the calculator here:

<https://sumsure.corelogic.co.nz/#/products/8/profiles/227>

The calculator generates an estimate only and relies entirely on the accuracy and completeness of the information entered. It is important that all property details, construction features and improvements are carefully reviewed before relying on the output.

If you do not obtain a formal rebuild valuation, we recommend completing a Cordell calculation at least annually for each insured property and retaining a copy for your records. Your selected sum insured should be reviewed against the rebuild estimate and adjusted where appropriate.

Calculating Your Contents Sum Insured

Your contents sum insured should reflect the total cost to replace all personal belongings within your home in the event of a total loss.

This includes everyday household items as well as higher-value possessions — furniture, clothing, electronics, appliances, kitchenware, tools, jewellery, watches, artwork, sporting equipment and items stored in garages, sheds or outbuildings. It should also allow for the cumulative value of smaller items, which are often underestimated when viewed individually but become significant when considered collectively.

The sum insured should reflect the price of purchasing new equivalent items at current retail values — not second-hand, market or depreciated values.

High Value & Specified Items

Most contents policies apply sub-limits to certain categories of items, particularly jewellery & watches, artworks, collectibles, bicycles and camera equipment.

This means that while these items are covered under your general contents sum insured, the amount payable for any one item — or sometimes for a category of items — may be limited unless they are specifically listed on the policy.

We recommend identifying any individual item with a replacement value exceeding \$3,000 (noting that unspecified item limits vary between insurers). It is important that these items are disclosed so we can review your policy wording, confirm whether specification is required and ensure appropriate cover is in place.

If there is any uncertainty around whether an item should be specified, we encourage you to discuss this with us so we can help ensure there are no unintended coverage limitations at claim time.

Contents Calculators

If you are unsure how to set your contents sum insured, you may use an online contents calculator as a general guide.

You can access the calculator here:

https://homecontents.co.nz/index.php?c=web_intro&profile=nz_suminsured_iagexgst_rwd

The calculator provides an indicative estimate only and relies entirely on the accuracy and completeness of the information entered. It does not fully account for the quality, brand, condition or uniqueness of your contents.

For greater accuracy, we recommend completing a detailed room-by-room review of your home to ensure your selected sum insured reflects the full replacement cost of all contents.

Important Responsibility Statement

We are not qualified to determine or certify rebuild or replacement values for your home or contents. Underinsurance is common in New Zealand and can result in a significant financial shortfall in the event of a total loss.

The responsibility for selecting and maintaining appropriate sums insured rests with you as the policyholder. We encourage you to review your home and contents sums insured regularly — particularly following renovations, improvements or significant purchases — and to obtain professional advice where appropriate.