

Buy Down your Earthquake Excess

Due to the recent natural disasters experienced in Christchurch, earthquake insurance premiums for your commercial property have increased, as well as the earthquake excess.

In Rotorua for example the earthquake excess is now 5% of the value of your commercial property (including residential body corporates*). With some older buildings the earthquake excess is 10% of the value of your property.

For Example:

Building Value of \$10,000,000	x 5%	= Earthquake Excess of \$500,000
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These large deductibles for earthquake will put pressure on accounts with large sums insured, and the excess will have to be funded in the event of an earthquake (even if there is only minor damage as the excess always kicks in first). If you had a partial loss on the above example and the damage was \$750,000 you would have to come up with \$500,000 first prior to getting any repairs done.

For body corporates this could be a particular issue. Body corporates tend to have higher sums insured and a lot of older buildings have been converted to residential apartments.

We now have access to a facility that will allow you do buy down (or purchase insurance cover) for the amount of your earthquake excess.

To get a quote we need:

1. Building Location
2. Current Earthquake Deductible
3. Age of Building



Please feel free to contact us. We do not need to insure the building and are happy to provide quotes to buy out your earthquake deductible.

Ph: 0800 404 202

Email: info@hallamjones.co.nz

A Disclosure Statement is free on request.

*EQC will provide a \$100,000 EQC cover per unit. The balance is then insured by the commercial insurer. EQC excess will apply first and the balance will have a 5% of value (min. \$5000) earthquake excess).

Disclaimer: This illustration is not intended to contain the full terms of offer of insurance. The figures shown in the illustrations are estimate only. Hallam Jones does not accept any liability for errors, misprints or omissions in the figures.

