**Insurance/Inihua: knowing the options**

When you own a house/whare, it’s important buy home insurance/inihua. That way, if your home gets damaged or destroyed by a fire or an earthquake, your insurance/inihua company can help you to cover the costs of fixing or replacing it.

Insuring the things inside your house/whare is important too. This type of insurance/inihua is called contents insurance. If someone steals the things you own or they get damaged in an accident, you can get money from an insurance/inihua company to help replace them.

There are different options for [**house/whare and contents insurance**](https://sorted.org.nz/guides/protecting-wealth/insuring-our-homes/)and some plans combine the two. Here are some important things to know before you take out contents insurance:

# Replacement cover

Your insurance/inihua company will give you money to replace a lost or destroyed item or to fix it. However:

* Items may not be replaced if they are old
* You may not get the full amount you need to replace something. Lots of things lose their value over time and the insurer will consider how much something was worth at the time it was lost or damaged
* There will be a limit on how much money you can claim.

**What does contents insurance cost?**

# Part 1: Estimate the value of belongings

When you buy contents insurance, you need to give your insurer an estimate of how much your belongings are worth. The contents of a house/whare can be put into different categories, for example, whether they are kitchen items or items for personal use. Research the cost of items in the table below. Alternatively, you could replace these items with items you used in the building a tiny house/whare activity. Alternatively, you could replace these items with items you used in the **building a tiny house/ whare** activity.

|  |
| --- |
| LIVING |
| Couch |  |
| Rug |  |
| TV/electronics |  |
| Curtains/blinds |  |
| Personal taonga |  |
| KITCHEN |
| Stove/oven |  |
| Fridge |  |
| Glassware |  |
| Small appliances, e.g., ket- tle, toaster |  |
| Cutlery/utensils |  |
| Plates |  |
| Pots/pans |  |
| BATHROOM |
| Hairdryer |  |
| Towels |  |
| Toiletries |  |

|  |
| --- |
| BEDROOM |
| Bedroom furniture |  |
| Bedding |  |
| Curtains/blinds |  |
| Personal taonga |  |
| GENERAL/PERSONAL EFFECTS |
| Clothing and footwear |  |
| Mobile phone |  |
| Camera |  |
| Clocks/watches |  |
| Jewellery |  |
| Personal taonga |  |

TOTAL

# Part 2: How much does contents insurance/inihua cost?

When you buy insurance/inihua, you have to pay the company a premium, which is the cost of the insurance/inihua. When you make a claim, you have to pay some money. This is called the excess. If you choose to pay a high excess, your premium is usually cheaper than if you choose a low-excess option.

Find out the cost of contents insurance/inihua from at least two insurance/inihua providers (for example, AA, State or Tower). You can use the [**CanStar Blue**](https://www.canstarblue.co.nz/banking-insurance/home-contents-insurance/)website to access these insurance/inihua companies.

Once you are on an insurance/inihua provider’s website, follow these steps to get a quote:

* Click on the “get a quote” button.
* Select contents insurance.
* Enter the following information:
	+ a policy start date, for example, today’s date
	+ your address and postal code
	+ an age over 25, for example, a birth year earlier than 1994
* Choose a freestanding house/whare for the type of building.
* Put in the estimated value of the contents in the table or in your tiny house/whare.

Explore the impact of changing the excess on the quote.

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| --- | --- | --- | --- | --- |
| PROVIDER | COST OF CONTENTS | COST OF INSURANCE/INIHUA WITH EXCESS OF: | COST OF INSURANCE/INIHUA WITH EXCESS OF: | DIFFERENCE |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |