

Get the right amount of cover for your home

A guide to calculating square metres (SQM) and sum insured



Getting the right level of protection is important, especially when it comes to protecting your biggest asset.

We know that every home is different, so this guide explains what you should include when specifying the size of your house in square metres (SQM), and what to include when calculating the sum insured value.

By getting it right, it also means that you only pay for the cover you actually need.



Why do I need to get my square metres (SQM) and sum insured value correct?

If your house is destroyed by a sudden and accidental fire or explosion (excluding natural disaster fire or wide area damage fire), in most cases we'll rebuild your house based on the square metres listed on your schedule – regardless of the cost.

If your house is damaged for any other reason, it will be replaced up to the sum insured amount you've specified on your schedule. This will include any payment from EQC in the event of a natural disaster. It's really important to make sure that your sum insured is sufficient to cover all the costs of rebuilding your home, as this is the maximum you will be paid.

What to include when specifying square metres (SQM)

It's important to have the correct square metres (SQM) for your house listed on your schedule so you're not underinsured. There are three key areas that you need to consider when calculating the SQM figure of your house and other structures on your property:

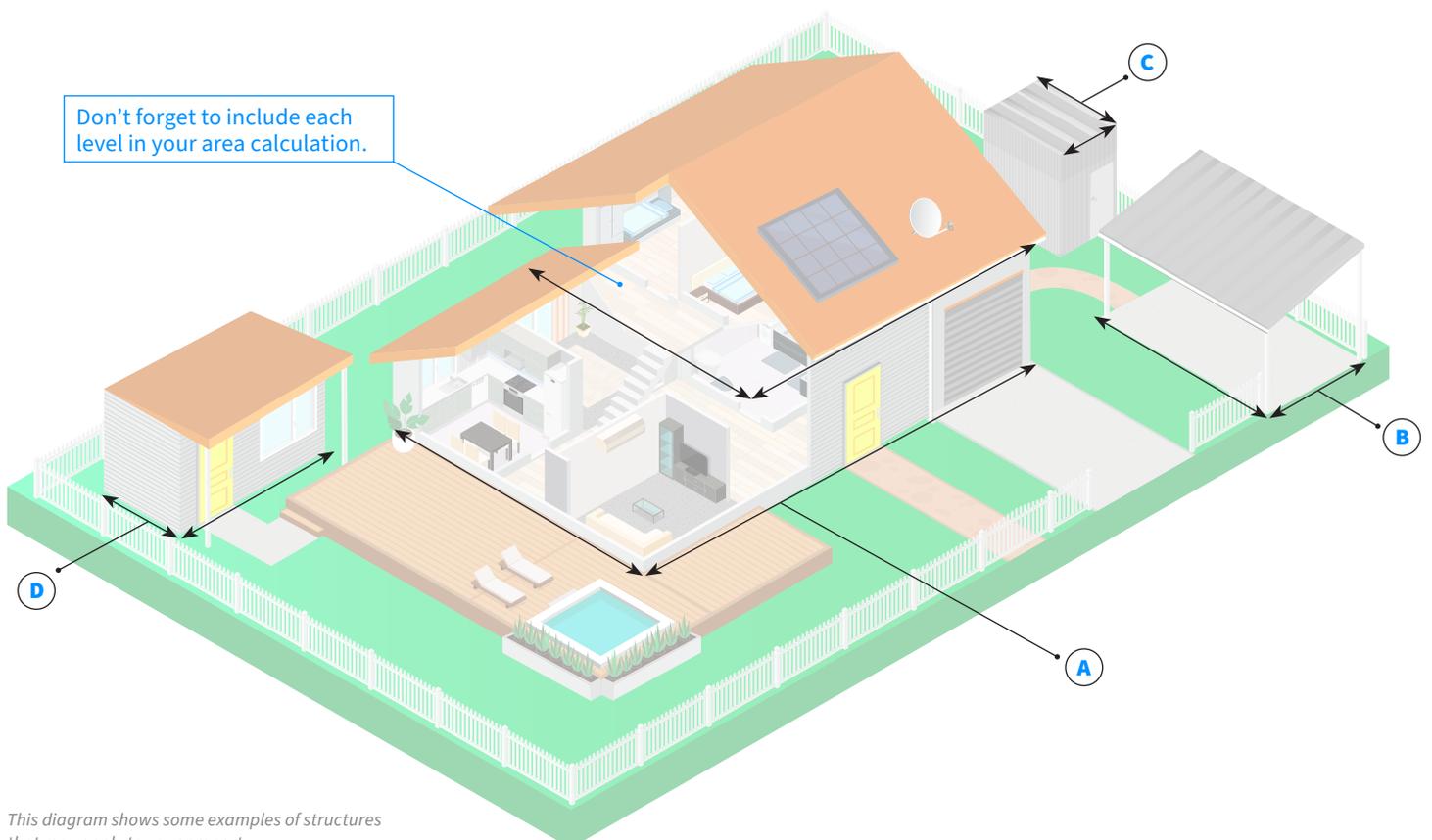
1. The total floor area of your house – this needs to include all levels of your house and any attached garaging, conservatories and developed basements.
2. The size of any separate garages or carports.
3. Any other detached outbuildings (see below for examples).

Note: You do **NOT** need to include balconies, patios, decking, verandahs or fencing when advising your SQM figure, as these are noted in your sum insured calculation.

SQM checklist: When specifying square metres (SQM), please include the total floor area for each of the following structures that are located within the residential boundaries of your property.

- A Residential dwelling/s** – the following should also be included in the SQM calculation of your residential dwelling if they apply to your property:
- > Garages or carports that are attached to the residential dwelling.
 - > Self-contained* sleepouts, cabins, granny flats that are attached to the residential dwelling.
 - > Multi-storey dwellings – remember to include each level in your SQM calculation.
- B Detached garages and carports.**
- C Detached outbuildings** such as pool houses, glasshouses, garden sheds.
- D Detached outbuildings** such as sleepouts, cabins, granny flats where they are either:
- > Not self-contained (e.g. used as a spare room with no kitchen or bathroom facilities) or
 - > Self-contained*.

***Is the self-contained sleepout, cabin or granny flat (either attached to your main dwelling or detached) tenanted?**
Please let us know if it is rented out so we can make sure you have the right cover.



This diagram shows some examples of structures that may apply to your property.

What to include when calculating the sum insured

Your sum insured isn't the same as the market value of your house. It's calculated based on how much it's likely to cost to fully rebuild your house in case of total loss.

It's your responsibility to ensure that the sum insured value you give us is as accurate as possible and covers all aspects of a rebuild – if it costs more than the sum insured to rebuild your home, you will have to make up the shortfall.

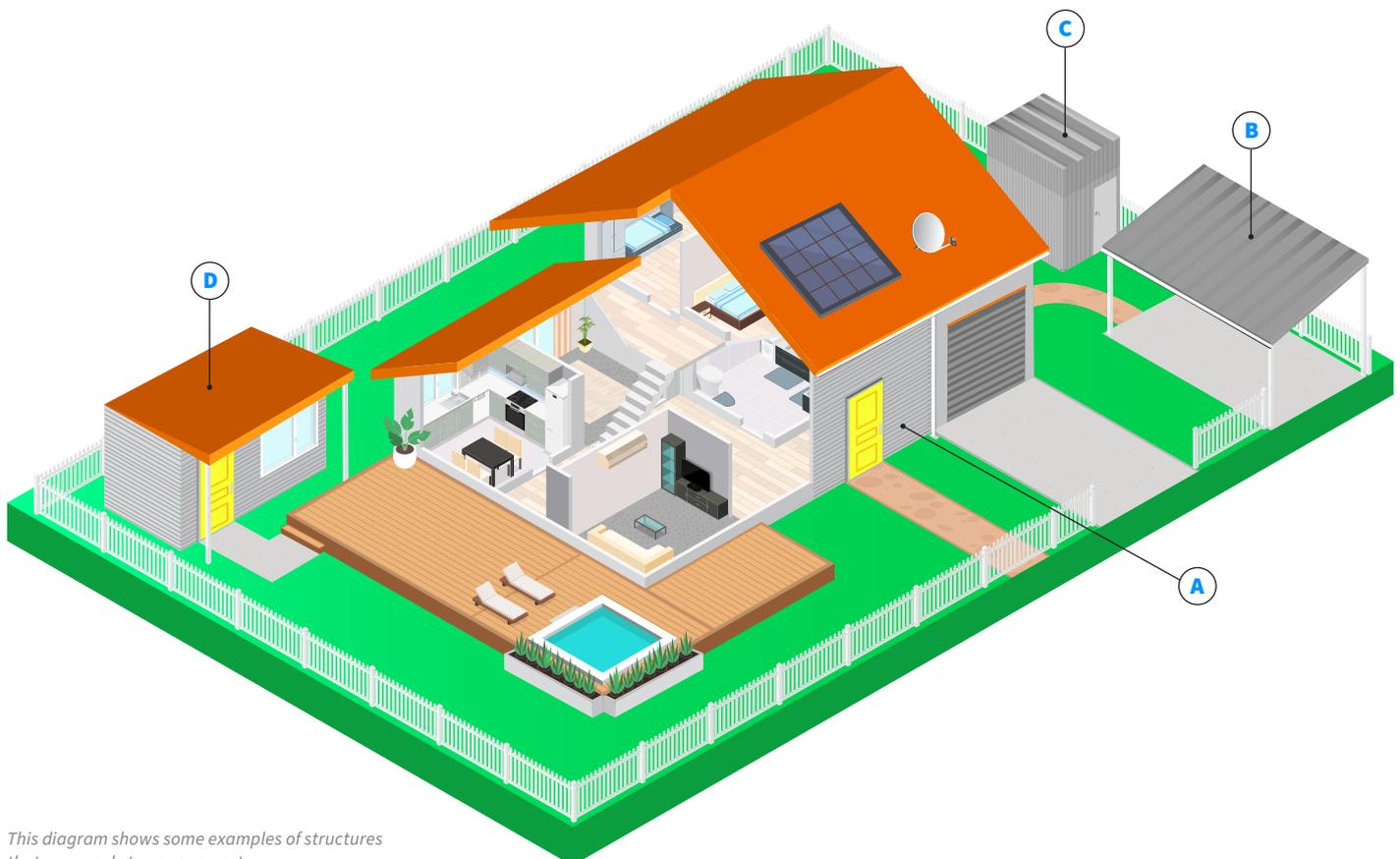
You can ask a licensed builder, quantity surveyor, architect or registered valuer to help you work out your sum insured, or you can do it yourself with the independent online [Cordell Sum Sure calculator](#).

When calculating the sum insured, please use the following four checklists to ensure all the features of your property are included.

Checklist 1: Please include any of the following structures that are located within the residential boundaries of your property.

- A Residential dwelling/s** including any:
 - > Garages or carports that are attached to the residential dwelling.
 - > Self-contained* sleepouts, cabins, granny flats that are attached to the residential dwelling.
- B Detached garages and carports.**
- C Detached outbuildings** such as pool houses, glasshouses, garden sheds.
- D Detached outbuildings** such as sleepouts, cabins, granny flats where they are either:
 - > Not self-contained (e.g. used as a spare room with no kitchen or bathroom facilities) or
 - > Self-contained*.

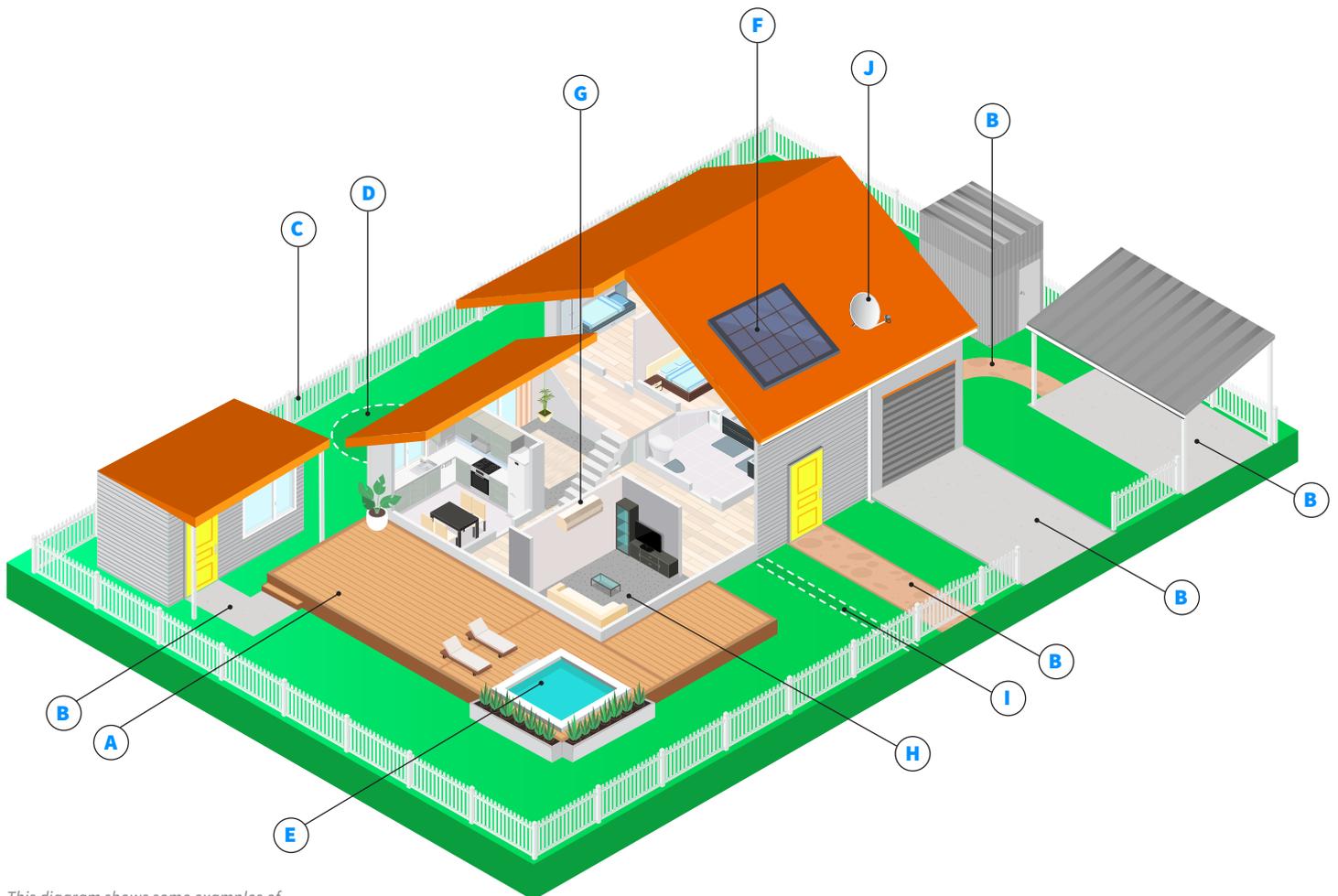
***Is the self-contained sleepout, cabin or granny flat (either attached to your main dwelling or detached) tenanted?**
Please let us know if it is rented out so we can make sure you have the right cover.



This diagram shows some examples of structures that may apply to your property.

Checklist 2: The following features are included in our House policy, so make sure these are included in your sum insured calculation if they apply to your property.

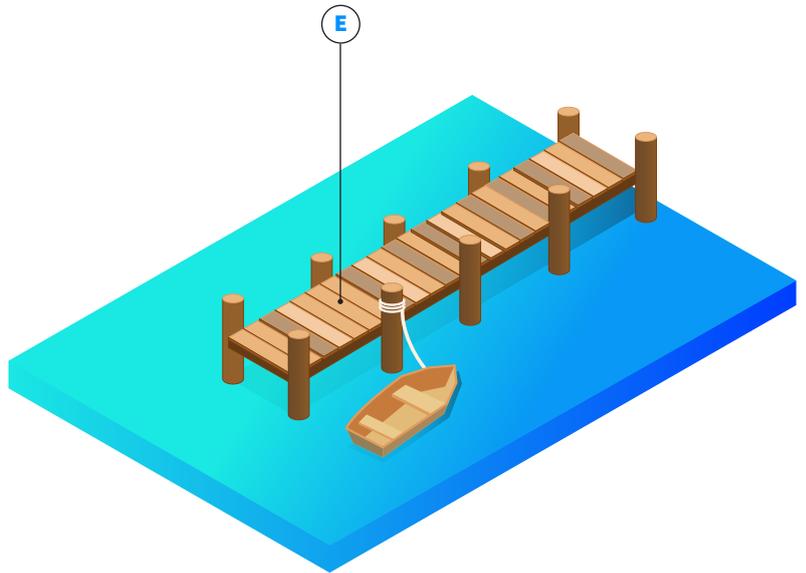
- | | | |
|----------|---|--------------------------|
| A | Decks, balconies, patios and verandahs. | <input type="checkbox"/> |
| B | Pathways, paving, driveways or sports courts, any private road, lane, right-of-way or access way providing access to a driveway owned by or shared by you and for which you're responsible. | <input type="checkbox"/> |
| C | Fences, gates, and free-standing garden walls. | <input type="checkbox"/> |
| D | Fixed water tanks, septic tanks and their systems. | <input type="checkbox"/> |
| E | Fixed or built-in swimming pools, spa pools and saunas and their systems. | <input type="checkbox"/> |
| F | Solar panels and solar heating systems. | <input type="checkbox"/> |
| G | Internal or external appliances or fixtures that are permanently plumbed or wired into the building. | <input type="checkbox"/> |
| H | Carpets and fixed floor coverings including glued, smooth edge or tacked carpet and floating floors. | <input type="checkbox"/> |
| I | Drains, pipes, gas lines, cables and poles for which you're legally responsible. | <input type="checkbox"/> |
| J | Aerials and satellite dishes attached to the house. | <input type="checkbox"/> |



This diagram shows some examples of features that may apply to your property.

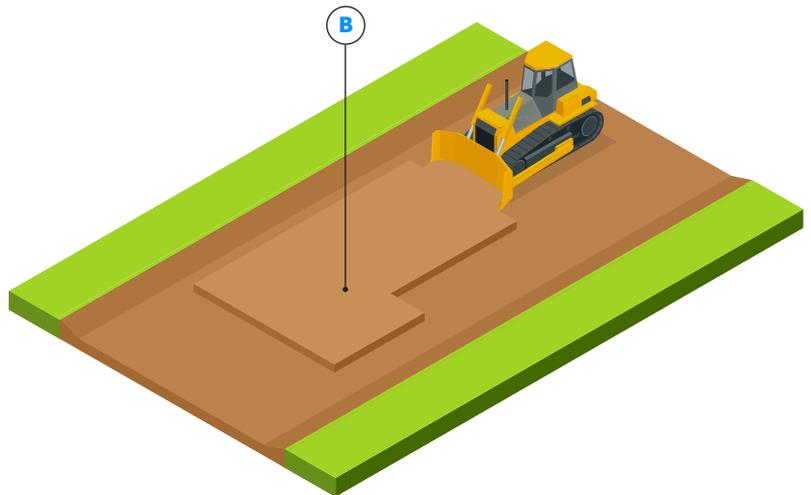
Checklist 3: These special features are also covered in our House policy, so please include them in your calculation if they apply to your property.

- A Alternative power.
- B Bores, pumps (personal use).
- C Bridges, culverts.
- D Cable car.
- E Jetties, wharves.
- F Retaining walls (over \$100,000).



Checklist 4: You also need to allow for:

- A Council consent fees and other professional fees.
- B Demolition and site clearing costs.



It's important that you review the sum insured each year, or when making improvements and renovations to your home, to make sure it's still appropriate.

Remember: You can amend your sum insured at any time.

For more information, please contact your broker.