



# Insurance made easy for first home buyers



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*This guide is designed to help first home buyers get their heads around house and contents insurance. It answers common questions and breaks down what matters when it comes to protecting your new home and everything in it. While initio has put this together, the advice is general and useful for anyone buying their first home who wants to feel more confident about their insurance choices.*

## You've got enough on your plate. Let's make insurance the easy part.

### ► Who this guide is for

Ask yourself:

- Are you buying your first home in New Zealand?
- Are you feeling the financial pinch from deposits, moving costs, and everything else that comes with getting into your first home?
- Do you prefer to get things done online, quickly and easily?
- Are you unsure what insurance you actually need, or when you're meant to get it?

**If that's you, you're in the right place.**

# When do you need insurance?

This can catch lots of buyers out. You can't leave insurance until after settlement - in most cases, your bank will need confirmation of cover before they'll release your loan and you want to make sure it's in place in time to protect your new asset.

Here's a quick guide to when you'll need to look at either arranging the cover or at least ensuring you can get cover;

## **Auction purchase:**

Before you bid at an auction you want to be sure that you can get cover on the property when it's needed.

Get confirmation from your insurer that the insurance won't be an issue (for settlement day) should you be successful at the auction. You don't want to be caught out with a signed sale and purchase agreement on a home you can't insure.

## **Conditional offer on finance:**

Most banks require confirmation of insurance cover before approving your loan, so you'll usually need to provide a 'letter of intent' or a 'certificate of insurance' within the conditional period to satisfy your finance clause. It will need to show that you can get insurance in place on the settlement day.

## **Settlement day:**

Even if your offer is unconditional, you'll want to make sure your new asset is protected from the day of settlement.





# House? ✓ Insurance? Let's go

The great news is, with initio, getting confirmation of cover is super fast and straightforward.

There are **two ways** to show your bank or lawyer that the property can be insured:

## 1. Letter of Intent

Start by getting a quote. You can customise your cover — set your excess, choose your start date\*, and adjust your sum insured. Once you're happy, continue the application by selecting either the monthly or annual payment option (don't worry, you won't be charged unless you choose to purchase the cover later).

Next, fill in the property details, your personal information, and claims history — even if you haven't secured the home yet, complete the application as though it's your new property.

Most applications are instantly approved on our website. If yours is approved, you'll see both an option to purchase the cover and an option to download the Letter of Intent on the final page. Just download that "Letter of Intent" and send it to your mortgage provider. That's it! They'll have the information they need.

If your application needs to be reviewed by a person, you'll see a 'submit for review' button. Our team will be in touch within one business day to gather any additional information that's needed to confirm we can provide cover for you. They'll provide instructions from there on how to proceed.

Once issued, the Letter of Intent confirms that the property is insurable for you. It's perfect if you're still finalising your purchase, comparing options, or need something fast for your bank.

*\*start date can be an estimated date if your unsure if your purchase will be successful yet.*



# House? ✓ Insurance? Let's go (*continued*)

## 2. Certificate of Insurance

If you've bought the house and you're ready to proceed with insurance, complete the sign-up and pay your premium. Follow the same steps as obtaining a 'Letter of intent', selecting the settlement date as the effective date and use the **purchase** option on the final page.

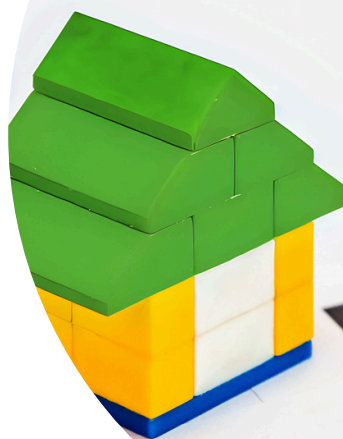
You can forward it straight to your solicitor or bank. You can choose an insurance start date up to 30 days in advance.

You'll instantly receive a Certificate of Insurance by email - official confirmation that your property is fully insured and active.

*All you need to get started is your address.*

- *No phone calls.*
- *No waiting around.*

*And if you need to make changes later, you can log in and manage your policy anytime through your initio dashboard.*



# Understanding your cover

Before we jump in, let's be clear: choosing the right policy matters. Insurance isn't one-size-fits-all, and the wrong policy could mean you're not covered when you need it most.

Start by thinking about how you'll use your property. Is it your full-time home? Will you rent it out occasionally? Do you have more than one dwelling on the section? These details affect what type of policy you should choose - and not every provider makes that obvious.

Initio offers products for homeowners, landlords, and even some short-term rental hosts. Not sure what suits? Check out our [online guides](#) for a clear breakdown or give our support team a call if you're still not sure.



Here are the key things you need to know as a first-home buyer:



## SUM INSURED

This is the maximum amount your house is covered for if it needs to be rebuilt. It's not the market value of your home — it's based on rebuild costs, including demolition, site clearance, and structures like fences and driveways. It's tempting to reduce this number to save on premium, but underinsuring could leave you seriously short in a worst-case scenario. If you're looking to save money, consider a higher excess instead.

## EXCESS

This is the amount you pay if you make a claim. A higher excess usually means a lower premium (and vice versa). If you wouldn't bother claiming for a \$500 loss, why pay to insure it?

## WHAT'S COVERED

Initio's standard policy includes cover for fire, flood, storm, accidental damage, burglary, and natural disasters.

## WHAT'S NOT COVERED

General wear and tear, gradual damage, and maintenance aren't covered. You'll need another cover for renovation works unless it's purely cosmetic like some paint and wallpaper.

*You can view the full policy wording online any time.  
We keep things transparent so there are no surprises.*



# Compare insurance providers with our digital comparison tool

## Compare house insurance cover

It's the most common question we get, so we've built this guide to help you compare.

Landlord

Home

**initio**

initio Home Insurance Policy

[Initio homeowner insurance policy NZ1811](#)

21/07/2020

Replacement to Sum Insured

Yes

\$20,000, maximum 12 months

No, \$250 Excess

**AA Insurance**

**AA Insurance**

**amj**

**STATE**

**TOWER**

**trademe insurance**

**Gallagher**  
Formerly crumbie lockwood

**Ad**

## Not all insurance policies are built the same

Insurance policies can differ in what they cover, how much you'll need to pay if something goes wrong (the excess), and how claims are handled. Some policies might offer broad protection, while others may have exclusions or lower limits that catch you out later.

Initio's online comparison tool makes it easy to see how cover stacks up across different providers, for both home and landlord insurance.

[View digital comparison tool](#)



# Common pitfalls and smart tips

Sorting insurance can feel like just another item on the to-do list when you're buying your first home. But getting it wrong can cost you later. From underinsuring your home to choosing a policy based only on price, here are some of the most common pitfalls—plus tips to help you get the cover that's right for you from the start.



## UNDERINSURING YOUR HOME

It might lower your premium, but it could leave you thousands short if disaster strikes. Insure your home for its full replacement value — including site works like driveways and fencing, demolition costs, removal of debris and don't forget the GST content. If you're looking to save, adjust your excess instead.



## GUESSING YOUR REBUILD VALUE

Your insurer can't see your home, they use standard assumptions. Use tools like the Cordell calculator or get a professional valuation to get it just right.

[CALCULATE YOUR SUM INSURED](#)



## CHOOSING THE WRONG EXCESS

A higher excess can reduce your premium, but it means paying more out of pocket if something goes wrong. Choose an excess that suits your financial comfort zone. If you wouldn't claim for smaller issues, why pay to insure them?



## PRICE ISN'T EVERYTHING

The cheapest policy isn't always the best, and the most expensive might come with extras you don't need. Focus on what the policy covers, whether it suits your situation and the service reputation of the provider.



## Common pitfalls and smart tips



### OVERESTIMATING COVER

Insurance doesn't cover everything. It's there for sudden, accidental events - not general maintenance, wear and tear, or gradual damage. Renovations and other risks might need additional cover.



### CONTENTS INSURANCE?

If you're moving into your first home with furniture, electronics, and other valuables, contents insurance is a smart add-on. You can bundle it with your house insurance through initio.



### WHAT ABOUT MY CAR?

It's important to have the right vehicle cover in place, whether that's full cover or third party only. Some policies also offer optional add-ons like roadside assist, so it's worth comparing what's available and choosing what suits you best.



### CLAIM TIME MATTERS

It's worth looking for an insurance provider with a strong track record of handling claims fairly. Check out Google reviews or independent review sites to see how real customers rate their claims experience—it's one of the best ways to spot a provider you can trust.

# Why price isn't everything

It's tempting to go with the cheapest quote, especially when you've just forked out for a deposit, moving costs, and a few unexpected surprises. But with insurance, cheaper isn't always better.



A low premium might come with limited cover, a high excess, or a claims process that leaves you frustrated. If something does go wrong, you want an insurer that actually pays the claim – and makes it easy to do so.

When comparing providers, look beyond price:

## What's their claims reputation?

Check Google, Facebook, or MoneyHub for real feedback from real customers.

## Do they make it easy to claim?

Can you lodge and track everything online, or will you end up stuck on the phone - on hold, repeating yourself, and getting passed around?

## Is the cover actually right for you?

The wrong policy might leave you out of pocket.

With initio, you get more than just sharp pricing:

- Thousands of verified 5-star reviews
- A quick and transparent online claims process
- Backed by IAG, NZ's largest general insurer
- Policies designed specifically for New Zealand homeowners, landlords, and holiday home owners

*Smart insurance isn't just about getting cover - it's about knowing that cover will deliver when you need it.*



**RENE SWINDLEY**  
CEO



## Complex insurance made simple (finally)

**Buying your first home is a big deal. Sorting insurance shouldn't be.** That's why initio was created, to make home and contents insurance simpler, faster, and actually work for people.

Behind the tech is a team of real humans who care deeply about making things better. We built our own platform from scratch because we knew there had to be a smarter way to do insurance. One that doesn't involve waiting on hold, confusing forms, or wondering if you're even covered properly.

Our team is made up of people who've bought homes, fixed leaky taps, and dealt with life's curveballs - just like you. So we've built insurance that's clear, fair, and easy to manage. Everything happens online, from quote to confirmation, but we're just a phone call away if you ever need help.

**At initio, we believe good insurance starts with good people. And when it's backed by smart technology? Even better.**



# Your digital assistant, meet Chad

Need help while you're getting a quote or have a burning insurance-based question? Meet Chad, our smart digital assistant, available on the initio website 24/7. Just click on the 'Help' button to ask your first question.



**Chad can answer common questions, help you understand your cover, and point you in the right direction, no waiting required.**

We've also packed our website with useful resources:

- Detailed FAQs that actually explain things clearly
- Guides and videos on topics like sum insured and claim examples
- Step-by-step help to make changes to your policy

And if you need more than just guidance, we've got real people here too. Our local support team is just a message or call away. We're digital by default, but backed by genuine, expert help when you need it most.

## Other resources

The amount of information thrown at you when you buy a house can be... a lot. Between contracts, finance terms, LIM reports and now insurance, it's easy to feel like you're meant to become an expert overnight.

**Take what you need, skip what you don't. No pressure.**

### Getting started

- [How do I buy my first policy?](#)
- [How to get confirmation of cover](#)
- [How to choose the right excess](#)
- [Essential guide to home insurance](#)
- [5 mistakes to avoid when insuring your home](#)

### Technical bits & pieces

- [How to calculate your sum insured](#)
- [Read our policy wordings](#)
- [Navigating your initio dashboard](#)
- [Moving house? What insurance covers](#)
- [Things we don't cover](#)

[See full list](#)



# Ready to get cover?

If you're about to buy a house, or just want to know where you stand, get a quote in seconds:

[Get quote](#)

## No degree needed, just simple insurance



Comprehensive protection



100% online



Fast, easy claims



Support when you need it



Financial strength you can trust

[initio.co.nz](https://initio.co.nz)

