

Are You Underinsured?



Make Sure You're Covered

Are you underinsured? Many people underestimate how much Insurance cover they actually need! Or they simply renew their Insurance policies each year without taking into consideration renovations or new purchases.

CGU insurance cover aims to provide you with protection and peace of mind, so that in the unfortunate event that your home or contents are lost or damaged, you will be covered for their full repair or replacement cost.

That's why we're helping with this useful guide

We've created this step-by-step guide which will help you estimate just how much home buildings and contents insurance cover you really need.

Alternatively, you can use our online calculators, which do all the calculations for you. Simply visit www.cgu.com.au

Take some time to go through the guide and work out the value of your home building and its contents. Then consider if you need to change the amount of your cover. You could be pleasantly surprised at how little extra it costs. Please remember that it's your responsibility to make sure the amount you're insured for is adequate.

#Typical building replacement costs are provided by Reed Business Information Pty Ltd (ABN 47 000 146 821) trading as Reed Construction Data ('Reed') and typical building contents replacement costs are provided by Sum Insured Pty Ltd trading as Home Contents (ABN 55 947 630 521) ('SI'). Information is current as at 1 September 2006. Whilst every care is taken to ensure the accuracy of the information as a guide for costing, no responsibility is accepted by either Reed or SI for its accuracy. Please check with a Quantity Surveyor, Valuer or other suitably qualified professional for an accurate estimate. Insurance Australia Ltd takes no responsibility for the costs provided by Reed or SI nor any liability for the accuracy of or reliance upon or use of the costs.

*Please note that CGU's building policies will cover you automatically in the event of a total loss for an additional amount up to 10% of the buildings sum insured for each of the following; removal of debris and demolishing costs, and rebuilding fees.

Your Contents

Rather than asking you to list all your home contents, this calculator estimates the average quantity of contents you're likely to have in each room. The suggested values for each room depend on the quality of your contents. Please note some items, e.g. jewellery and CDs, have limits to their cover under general contents. You may want to list them on your policy if the value is above the stated limits. See page 12 for contents limits.

Check the benchmarks below to work out the standard of your home contents.

Average	Quality	Prestige
'no name' brands, basic equipment, self-assembled furniture, etc.	well-known brands, superior equipment, joinery, standard furniture, etc.	designer brands, handcrafted furniture, etc.

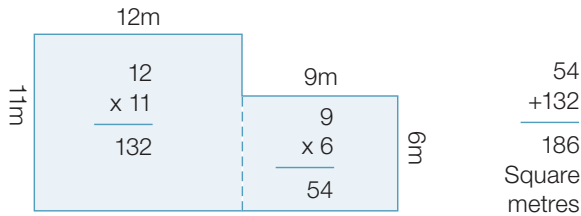
Home contents (per room)

Room type	A Suggested Values (based on the standard of your contents)			B The number of rooms of this type	Multiply A and B and enter results here
	Average	Quality	Prestige		
Bedroom (1 x adult)	\$11,250	\$25,500	\$74,400	x	\$
Bedroom (2 x adult)	\$15,350	\$34,850	\$101,650	x	\$
Bedroom (1 x child)	\$7,750	\$15,700	\$40,600	x	\$
Bedroom (2 x child)	\$12,050	\$24,400	\$65,000	x	\$
Bathroom	\$800	\$1,400	\$3,100	x	\$
Kitchen	\$5,850	\$11,150	\$25,300	x	\$
Laundry	\$2,100	\$3,450	\$6,900	x	\$
Entry/Foyer	\$1,150	\$2,550	\$6,200	x	\$
Dining	\$5,000	\$12,250	\$31,400	x	\$
Living/Lounge	\$12,700	\$23,850	\$60,450	x	\$
Family	\$7,450	\$14,950	\$32,250	x	\$
Rumpus	\$5,200	\$11,150	\$25,050	x	\$
Sunroom	\$3,050	\$6,350	\$13,550	x	\$
Study	\$4,500	\$8,050	\$20,350	x	\$
Billiard	\$4,950	\$8,600	\$19,300	x	\$
Garage/Storage	\$2,900	\$5,200	\$11,000	x	\$
Garden shed	\$1,200	\$1,850	\$2,950	x	\$
Patio/Balcony/Deck	\$1,350	\$2,550	\$5,650	x	\$
Pool area (not including pool)	\$3,050	\$4,250	\$8,700	x	\$

TOTAL ALL AMOUNTS \$

Your Building

Simply follow the six steps below to estimate the cost to rebuild your home building.



Step one

Work out the size of your home – if you don't already know it – and write down this number at **A** below. It doesn't matter if you don't have a tape measure. Simply take a big step or pace of about a metre and see how many paces it takes you to cross the main areas or rooms each way.

Step two

Select the building style and period of construction that most closely matches your home. Write this figure at **B** below.

Period	Wall Type	Average Standard m ² Housing Prices Per State							
		ACT	NSW	NT	SA	TAS	VIC	QLD	WA
Victorian (1840 - 1890)	Brick; full	\$2,590	\$2,460	\$4,140	\$2,300	\$2,550	\$2,420	\$2,350	\$2,410
	Timber frame; weatherboard linings	\$2,280	\$2,170	\$3,750	\$2,080	\$2,290	\$2,180	\$2,080	\$2,270
Federation (1891 - 1913)	Brick; full	\$2,620	\$2,490	\$4,050	\$2,250	\$2,510	\$2,390	\$2,300	\$2,340
	Timber frame; weatherboard linings	\$2,340	\$2,220	\$3,710	\$2,060	\$2,290	\$2,180	\$2,050	\$2,220
War (1914 - 1945)	Brick; full	\$2,380	\$2,260	\$3,660	\$2,030	\$2,230	\$2,120	\$2,080	\$2,120
	Timber frame; weatherboard linings	\$2,130	\$2,020	\$3,350	\$1,860	\$2,030	\$1,930	\$1,860	\$2,010
Post War (1946 - 1959)	Brick; full	\$2,060	\$1,960	\$3,210	\$1,780	\$1,950	\$1,850	\$1,810	\$1,840
	Timber frame; weatherboard linings	\$1,790	\$1,750	\$2,920	\$1,620	\$1,770	\$1,680	\$1,620	\$1,740
	Timber frame; sheet linings	\$1,760	\$1,720	\$2,810	\$1,560	\$1,720	\$1,630	\$1,580	\$1,650
Contemporary (1960 - Present)	Brick; full	\$1,680	\$1,600	\$2,700	\$1,500	\$1,570	\$1,490	\$1,500	\$1,500
	Brick; veneer	\$1,530	\$1,450	\$2,450	\$1,360	\$1,420	\$1,350	\$1,350	\$1,390
	Concrete block; solid	\$1,640	\$1,560	\$2,620	\$1,470	\$1,540	\$1,460	\$1,480	\$1,510
	Stone; solid	\$3,490	\$3,320	\$5,580	\$3,100	\$3,260	\$3,100	\$3,130	\$3,200
	Timber frame; weatherboard linings	\$1,490	\$1,410	\$2,430	\$1,350	\$1,400	\$1,330	\$1,320	\$1,400
	Timber frame; sheet linings	\$1,450	\$1,380	\$2,340	\$1,300	\$1,360	\$1,290	\$1,280	\$1,330
Project (1960 - Present)	Brick; full	\$1,300	\$1,240	\$2,190	\$1,220	\$1,420	\$1,270	\$1,160	\$1,160
	Brick; veneer	\$1,180	\$1,120	\$1,990	\$1,110	\$1,280	\$1,150	\$1,040	\$1,080
	Timber frame; weatherboard linings	\$1,150	\$1,090	\$1,970	\$1,100	\$1,260	\$1,140	\$1,020	\$1,080
	Timber frame; sheet linings	\$1,120	\$1,070	\$1,900	\$1,060	\$1,230	\$1,100	\$990	\$1,030

<input type="text"/>	x	\$	<input type="text"/>	=	\$	<input type="text"/>
A size in m ²			B cost per m ²			C

Step Three

If your home is elevated (raised above ground level on columns or posts, usually by about 1.2m or more) this will add an extra 15% to the building cost. If your home is elevated, work out the extra cost to build an elevated home below:

$$\text{\$ } \boxed{} \times 0.15 = \text{\$ } \boxed{}$$

C **D**

Add the cost of building an elevated home **D** to **C**:

$$\text{\$ } \boxed{} + \text{\$ } \boxed{} = \text{\$ } \boxed{}$$

C **D** **E**

OR

If your home is not elevated, simply write amount **C** at **E**.

	<div style="border: 1px solid black; padding: 5px; display: inline-block;"> \\$ </div>
E	

Step Four

Add the cost of any additional features or home improvements.

Other Features	ACT	NSW	NT	SA	TAS	VIC	QLD	WA	TOTAL
Air conditioning (m ²)	\$87	\$83	\$120	\$83	\$88	\$83	\$83	\$83	
Carport; single	\$15,800	\$15,000	\$21,800	\$12,100	\$12,400	\$11,800	\$11,200	\$12,500	
Carport; double	\$25,100	\$23,900	\$35,000	\$19,400	\$19,900	\$18,900	\$17,800	\$19,900	
Garage; single	\$23,700	\$22,500	\$34,200	\$19,000	\$19,200	\$18,200	\$17,800	\$18,800	
Garage; double	\$37,000	\$35,200	\$53,300	\$29,600	\$30,100	\$28,600	\$27,800	\$29,500	
Deck (m ²)	\$420	\$400	\$620	\$340	\$350	\$330	\$340	\$380	
Pergola (m ²)	\$151	\$143	\$207	\$115	\$125	\$119	\$118	\$129	
Verandah (m ²)	\$520	\$490	\$740	\$410	\$440	\$410	\$390	\$420	
Pool	\$24,100	\$22,950	\$41,400	\$22,950	\$24,100	\$22,950	\$22,950	\$22,950	
Spa	\$4,640	\$4,410	\$7,110	\$3,950	\$4,140	\$3,940	\$3,890	\$3,980	
Tennis court	\$90,700	\$86,300	\$141,300	\$78,500	\$82,500	\$78,500	\$78,500	\$78,500	
Gazebo (9m ²)	\$7,940	\$7,560	\$12,100	\$6,720	\$7,320	\$6,970	\$6,490	\$7,220	
Glass house (9m ²)	\$5,360	\$5,100	\$9,330	\$5,180	\$5,310	\$5,050	\$4,920	\$5,050	
Playhouse (1.8x1.8m)	\$2,400	\$2,280	\$3,750	\$2,080	\$2,160	\$2,050	\$2,020	\$2,310	
Garden shed (1.8x1.8m)	\$3,420	\$3,250	\$5,330	\$2,960	\$3,150	\$3,000	\$2,910	\$3,070	
Shade sail	\$2,250	\$2,140	\$3,820	\$2,120	\$2,240	\$2,130	\$2,090	\$2,140	

NB : Based on Average standard 200m² 1 storey, 2 bathroom home on level site in Capital city. Prices include External Works and GST. Price exclude Demolition and Professional fees.

Add extra for elevated home 15%.

Add extra for slope of land; gentle slope 5%; moderate slope 20%; severe slope 30%.

Add extra for standard:

Victorian	Quality 15%;	Prestige 65%
Federation	Quality 15%;	Prestige 50%
War	Quality 15%;	Prestige 50%
Post War	Quality 40%;	Prestige 100%
Contemporary	Quality 85%;	Prestige 175%

TOTAL COST OF ADDITIONAL FEATURES

<div style="border: 1px solid black; padding: 5px; display: inline-block;"> \\$ </div>	F
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Add the cost of additional features **F** to **E**:

$$\text{\$ } \boxed{} + \text{\$ } \boxed{} = \text{\$ } \boxed{}$$

E **F** **G**

Sample Calculation

Home details = 220m² contemporary period, quality standard, brick veneer walls, gently sloping land in NSW w/- air conditioning, double garage, 20m² deck.

Average standard m ² housing price				
* Contemporary; brick veneer: NSW	220	m ²	\$1,380	\$303,600
Add extra for elevated			0%	\$0
Sub Total				\$303,600

Other Features				
Air Conditioning	220	m ²	\$83	\$18,260
Garage; double	1	number	\$35,200	\$35,200
Deck	20	m ²	\$400	\$8,000
Sub Total				\$365,060

Add extra for gentle slope			5%	\$18,253
Sub Total				\$383,313

Add extra for standard			85%	\$325,816
Total				\$709,129

Step Five

To build a home on sloping land will add to the building cost.

If your home is built on sloping land, work out the extra cost by choosing one of the grades below and multiplying **G** by the appropriate amount:

Gentle slope (5°)	\$ <input type="text"/>	x0.05 =	\$ <input type="text"/>
	G		H

Moderate slope (15°)	\$ <input type="text"/>	x0.3 =	\$ <input type="text"/>
	G		H

Severe slope (35°)	\$ <input type="text"/>	x0.4 =	\$ <input type="text"/>
	G		H

Add the extra cost of building on a slope **H** to **G**:

\$ <input type="text"/>	+	\$ <input type="text"/>	=	\$ <input type="text"/>
G		H		I

OR

If your home is **not built on sloping land**, simply write amount **G** at **I** below.

No slope	\$ <input type="text"/>
	I

Step Six

Adjust the amount for the standard of finish and materials in your home.

Style of home	Average	Quality	Prestige
Victorian 1840 to 1890	0%	15% J = 0.15	65% J = 0.65
Federation 1891 to 1913	0%	15% J = 0.15	50% J = 0.50
War 1914 to 1945	0%	15% J = 0.15	50% J = 0.50
Post War 1946 to 1959	0%	40% J = 0.4	100% J = 1
Contemporary 1960 to present	0%	85% J = 0.85	175% J = 1.75
Contemporary project style home	0%	85% J = 0.85	175% J = 1.75

If you're not sure to what standard your home is built, check the lists of features on page 10 and 11.

Work out the extra cost of building to a quality or prestige standard using figure at **J** in the table on page 9:

\$	x	=	\$
I			K

Add this extra cost **K** to **I**

\$	+	\$	=	\$
I		K		TOTAL COST

This total cost is an estimate of your sum insured to rebuild your existing home to its current standard at today's prices.#

Average

- Standard design
- Laminated kitchen bench tops and cupboard doors
- Basic appliances and tapware
- Framed shower screens
- Basic aluminium windows
- Flush faced doors
- Steel door furniture
- Simple architraves and skirtings
- Plain ceilings and cornices
- Average ceramic tiling
- Minimal electrical facilities

Quality

- Architectural design
- Granite or laminated timber kitchen bench tops
- Vinyl or polyurethane kitchen cupboard doors
- European appliances and tapware
- Semi framed or frameless shower screens
- Timber or improved aluminium windows
- Feature doors
- European door furniture
- Larger architraves and skirtings
- Decorative ceilings and cornices
- Porcelain tiling (floor to ceiling)
- Average electrical facilities

Prestige

- Complex architectural design
- Granite kitchen bench tops
- Polyurethane or solid timber kitchen cupboard doors
- European appliances and tapware
- Frameless shower screens
- Timber or improved aluminium windows
- Custom doors
- European door furniture
- Larger architraves and skirtings
- Decorative ceilings and cornices
- Stone tiling (floor to ceiling)
- Extensive electrical facilities

Limits for Contents Insurance

The categories below have limits to their cover under General Contents. You may be able to increase these limits for selected items, subject to underwriting guidelines.

- Jewellery, watches and items that contain gold or silver - \$2,500 per item*
- Furs - \$2,500 per item*
- Battery powered items such as audio visual equipment, camera equipment and mobile phones - \$2,500 per item*
- Sporting equipment up to \$3,000 in total*
- Office and Surgery equipment up to \$10,000 in total*
- Goods used for earning an income up to \$5,000 in total*

*The limits provided reflect the maximum amount we will pay on any claim for these items under General Contents. You can increase these limits by specifying these items under the valuables section of our policies and paying an additional premium (subject to underwriting guidelines).

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This guide contains general information only, and may not suit your particular circumstances.

Before you decide whether to buy or continue to hold CGU Home Insurance, you should:

- Calculate the actual value of your home contents and/or the actual replacement value of your home
- Consider the information in our Home Insurance Product Disclosure Statements and Policy Booklets.



Insurer
CGU Insurance Limited
ABN 27 004 478 371

Your insurance adviser is