



Presentation to NZPIF Communications Meeting
Wellington - May 2019



Official Insurance Partner

Sample Property:

- ▶ \$300,000 Sum Insured
- ▶ \$20,000 Landlords Contents
- ▶ \$20,000 Loss of Rents
- ▶ \$25,000 Malicious Damage
- ▶ Located in Cambridge
- ▶ Built in 1960.



AA Insurance

Quoted 2018

Pay Annually	Pay Monthly	Pay Fortnightly
\$1,734.40		
You pay less if you choose to pay annually. Inc. GST and applicable levies.		

Quoted 2019

Pay Annually	Pay Monthly	Pay Fortnightly
\$1,415.78		
You pay less if you choose to pay annually. Inc. GST and applicable levies.		



Quoted 2018

Premier Rental Property

\$1,262.29
per year

Quoted 2019

Premier Rental Property

\$1,324.33
per year



Quoted 2018

Per year
\$1,487.65

Quoted 2019

Per year
\$1,904.70



Quoted 2018

Your Home Comprehensive quote

Get \$300,000 home sum insured for

\$1,122.10
per year

Quoted 2019

Your Home Comprehensive quote

Get \$300,000 home sum insured for

\$895.25
per year

IMPORTANT: Home cover only
State quotes do include Landlord Insurance
ie Loss of Rents / Landlords Contents / Malicious Damage



TOWER
Insurance

Quoted 2018

Per Year
\$1,103.65

Quoted 2019

Per Year
\$1,058.47

Quoted 2018

Total Premium: **\$953.78** inc gst

New Zealand Property Investors Federation discount of
\$24.94 applied

Quoted 2019

Monthly \$89.18

✓ **Annually \$953.78**

Buy this insurance

Email me this quote

New Zealand Property Investors Federation discount of **\$24.94** applied



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Let's get you a quote. It only takes a few seconds.

I want insurance for my house located in Select ▼



Landlord insurance made easy with NZPIF & Initio

Initio is NZ's specialist rental property insurance provider

Initio provides a quick, non-creepy insurance experience.

Get an discounted quote in seconds and if you like what you see you can start the cover online, with payment by credit card or real time bank transfer. Certificate of insurance to your inbox in a couple of seconds, and the flexibility to change your cover and make a claim online anytime through your own personalised dashboard.

It's a technology first approach. Initio uses technology to save NZPIF members time and money. Most importantly Initio cuts the non-sense and pays claims quickly.

Initio is here to help. If you need assistance with your insurance [click here](#) to contact us.

[Get instant quote](#)

NZPIF insurance partnership

NZPIF and initio have teamed up to provide Members with an extensive insurance offering that is specifically designed for rental properties. It covers the property itself and your landlord risks.

As a NZPIF member you receive discounted pricing.

NZPIF has selected initio as its insurance partner because initio consistently outperforms other property insurers on price, coverage and claims responsiveness.



How do we Compare?

- | | | |
|----|---------------|--|
| 1) | Initio | \$953.78 / \$650 Excess / 2018 Quote
\$953.78 / \$650 Excess / 2019 Quote |
| 2) | Tower | \$1,103.65 / \$500 Excess / 2018 Quote
\$1,058.47 / \$500 Excess / 2019 Quote |
| 3) | State (no LL) | \$1,122.10 / \$550 Excess / 2018 Quote
\$ 895.25 / \$550 Excess / 2019 Quote |
| 4) | AMI | \$1,262.29 / \$550 Excess / 2018 Quote
\$1,324.33 / \$550 Excess / 2019 Quote |
| 5) | NZI | \$1,487.65 / \$550 Excess / 2018 Quote
\$1,904.70 / \$550 Excess / 2019 Quote |
| 6) | AA | \$1,734.40 / \$500 Excess / 2018 Quote
\$1,415.78 / \$500 Excess / 2019 Quote |



(Initio Own Home \$764.89)

Hear from our customers!



- ▶ "We have been a client of initio for over a year, now. Initio has saved us money and we like the user friendly website. It is only when something goes wrong, that you find out how good an insurance is: We did have a wilful damage claim and it was settled promptly and efficiently. We can recommend initio to all property investors."

Wolfgang H, Hastings - Property Investor

Hear from our customers!



Joanne Robb shared a link to the group: Property Investors Chat Group NZ.
April 3 · 📷

Shout out and thanks today for Initio. I changed all my property to them last year, saved \$5000 in the process and was pretty happy. So not only is it easy and reasonable to insure your property with them, the claim process that I am currently going through is simple, common sense and professional. Highly recommended.



INITIO.CO.NZ

House & Landlord Insurance - instant online quote - Initio

NZ's top property investors choose Initio. All-in-one Landlord Insurance for



By Billie Sue, Mar 26, 2019

Super easy to deal with even when I had to put in a meth claim. Highly recommend for other landlords.



By Glenda, Aug 2, 2018

I lodged the claim online late at night and was advised by 10am the next morning that the money was in my account. This was way beyond my expectations and allowed me to buy a new phone immediately. I have since told a number of people about my experience with Initio. I was very happy with the prompt service. I found out about Initio because it is recommended at Property Investors Palmerston North. It gives me great cover for a reasonable price. Thank you.

UPDATE

We've been busy

- ▶ Month to month insurance launched
- ▶ Site re-design
- ▶ Live policy (on-demand insurance)
- ▶ Customer dashboard enhancements
- ▶ New Policy wording
- ▶ Claims automation

We lead the market on:

Price, Landlord Insurance Coverage, Ease, Claims

UPDATE

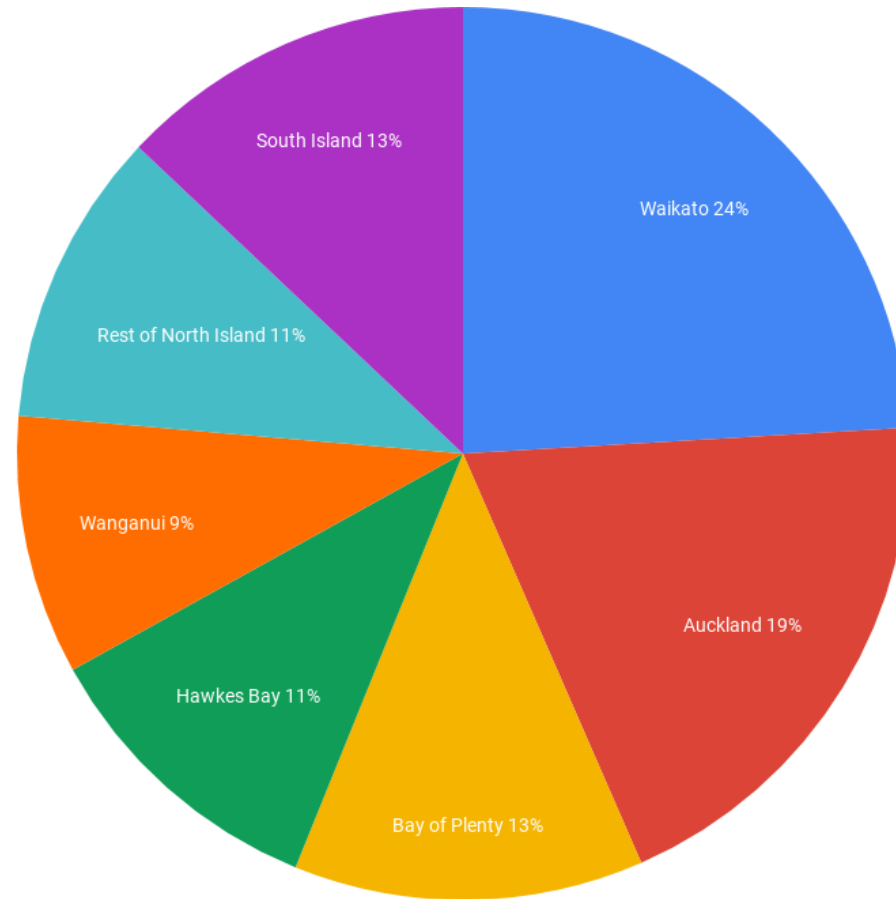
Other existing features

- ▶ Quote in 10 seconds, insured in 2 minutes
- ▶ Non-complex claims paid in 1 hour
- ▶ We insure:
 - ▶ Multi unit rental properties (up to 6 units under one roof)
 - ▶ Holiday homes (Air BnB, Bookabach)
 - ▶ Owner occupied home and contents
- ▶ Online with initio or personal touch with First Lane
(AirNZ direct or travel agent)

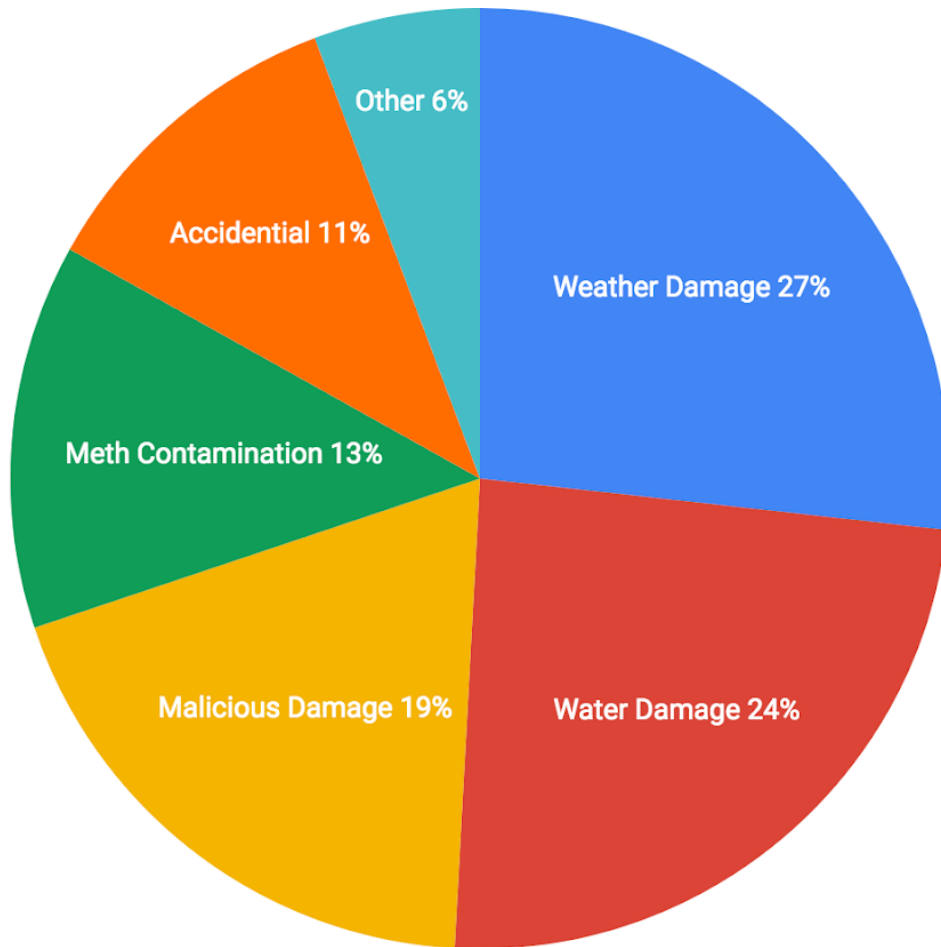
NZPIF-Initio-First Lane Relationship

- ▶ Member benefits
 - ▶ Discounted premium (it's the only discount we give)
 - ▶ The strength of NZPIF relationship
 - ▶ Inspection periods (work in progress)
- ▶ **1,410** live NZPIF member properties insured
 - ▶ 7% share of member properties (assuming 20k total properties)
 - ▶ Still significant scope for growth. What are the barriers for members changing to initio?

location of insured member properties



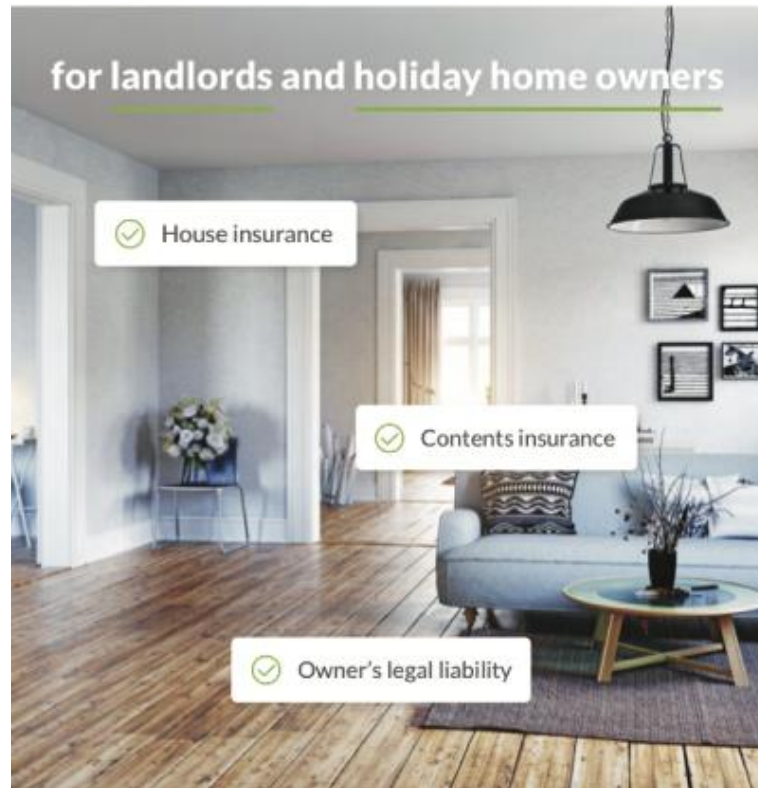
Member claims by cost (2018)



New policy wording



Initio insurance policy



New policy wording

New cover benefits

+ New building work

Up to \$10,000 of cover is available per annual period for a new structure valued at \$10,000 or less being built at the home, including any associated materials that are to be included in the new structure. Covers loss or damage caused by specified events only. *Please contact us if you need separate cover for building work that falls outside of the above criteria.*

+ Stress payment

If we pay a total loss claim for the home, we'll also pay you \$1,000 for stress caused by the loss.

+ Electronic Programs

If your electronic equipment suffers loss or damage covered under the home section of this policy, you're also covered for the reasonable cost of restoring, re-setting or re-programming programs, software and other coded instructions necessary to operate that equipment. *There's no cover for any data that may be stored on that equipment.*

+ Post-event inflation protection

Under the home section of this policy, up to 10% of the relevant policy limit or sum insured is available as additional cover if building costs increase due to widespread damage following a natural disaster, storm or flood.

+ Water or sewage pipe blockage

Up to \$1,000 of cover is available per annual period towards unblocking water or sewerage pipes at the home. *No excess applies.*

+ Keys and locks

The maximum amount payable during an annual period for your home's keys and locks is \$1,000. *No excess applies.*

New policy wording

Improvements to existing cover

✓ Vacant homes

Where the home has been vacant for more than 60 consecutive days we continue to provide insurance cover but with a higher than standard excess (\$5,000). If you have an active, professionally-installed alarm, the excess reduces from \$5,000 to \$1,000. Under the old policy the alarm excess was \$2,500.

✓ Simplified cover for contents

Landlords contents is automatically included under the policy (\$20,000 of cover for free). you have the choice of increasing this cover up to \$60,000. The policy is designed to cover things like ovens, curtains, drapes. Under the old wording these items were covered for their present day value. The cover has been improved so we'll now either pay:

- to replace the item if it's under 5 years of age, or
- the present value of the item if it's 5 years of age or over, or
- to repair the item as close as possible to the condition it was in before the loss or damage.

learn more about [contents cover for rental properties here](#)

✓ Carpets

Fitted floor coverings, including glued, smooth edge or tacked carpet and floating floors are defined as part of the home under the policy and now covered for replacement (new for old).

✓ Landlord's protection

Additional Benefits for landlords (in addition to existing benefits for malicious damage):

- Loss of rent due to non-payment of rent because of prevention of access or failure of public facilities, up to 6 weeks' rent
- Loss of rent due to the tenant vacating the property without notice, up to 6 weeks' rent
- Loss of rent due to eviction for non-payment of rent, up to 6 weeks' rent.

The excess has changed from minimum \$500 to the standard policy excess.

Learn more about [landlords protection here](#)

✓ Legal liability

Your legal liability cover of up to \$2,000,000 for damage to another person's property is extended to cover liability for another person's accidental death or bodily injury in connection with your home or its grounds. The limit is now GST inclusive. Defence costs you incur with our prior approval are now covered on top of this. Clarification that there's no cover for liability in connection with seepage, pollution or contamination, unless it occurs during the period of cover and is caused by a sudden and accidental event that occurs during the period of cover.

New policy wording

The not so good

✘ Tree disposal

Your policy no longer covers the disposal of tree debris following damage to your home or contents caused by a falling tree or part of a tree.

✘ Recreational features and retaining walls

There is now a sub-limit of \$45,000 for all recreational features (tennis courts, pools etc) and a sub-limit of \$25,000 for all retaining walls, unless these items are specified with a higher limit as shown in your schedule. [More details here](#)

✘ Landlord's obligations

This section outlines the increased standard of care that is now required of landlords to make a claim for damage or loss cause by a tenant (such as intentional damage, theft, vacating without notice, eviction for non payment, and meth contamination).

The inspection and monitoring requirements must be met from when your policy renews. The updated tenant-vetting requirements will only apply to new tenancies that commence after your policy renews, not to your existing tenants.

You'll also need to test for methamphetamine contamination before and after each tenancy, in order to be covered for methamphetamine contamination-related liability as a landlord. ***This is not a requirement for methamphetamine contamination to the home.*** [Learn more about landlord obligations here](#)

✘ Landscaping

The maximum amount payable to restore your garden or lawn has reduced from \$3,000 to \$2,500. Cover applies only where a claim is payable for damage to the home and the landscaping damage occurred during the same event.

✘ Methamphetamine contamination

We continue to provide cover for meth however the maximum amount payable for cleaning or repairing the house and its contents damaged by methamphetamine contamination (manufacture and consumption) has reduced from the house sum insured to the amount shown in the schedule, currently \$30,000. An excess of \$2,500 applies to each claim. There are additional conditions and limitations for tenancies or occupancies of 90 days or less. [Learn more about meth here](#)

Upcoming 2019

- ▶ EQC cover and levies 1 July 2019
- ▶ Premium changes (seismic changes 1 July 2019)
- ▶ Claims automation
- ▶ One click premium
- ▶ Continued research into Landlord enhancements
- ▶ Promotion to PIF Regional organisations

Thank you for your support

