



EMMITT

CONSULTANTS

BUILDING COST EVALUATION

HOME INSURANCE ASSESSMENT

Street Address, Suburb



File. 0000

Date. December 2014

EMMITT.CO.NZ

Client Name
Street Address
Suburb

HOME INSURANCE ASSESSMENT

Street Address, Suburb

Dear Client Name,

Please find enclosed herewith our assessment for the above property to be rebuilt (to an equivalent design, specification, size and quality). This assessment is based on the drawings supplied by the client, measured on site or recieved from council, a site visit and photos taken on site as at "Site Visit Date".

Our assessment is our estimate, as at the Assessment Date, of the likely costs to rebuild the existing structures on the property, subject to a number of necessary assumptions. Also, while we have tried to allow for a certain degree of cost uncertainty by inclusion of a 10% contingency amount, we note the actual costs which may be incurred in the event of any future rebuild are subject to a number of variables beyond our reasonable foresight or control. As a result, our assessment is subject to, and provided entirely on the basis of, the assumptions, terms, conditions and disclaimers set out in our report ("Terms and Conditions"). Please ensure you read and fully understand those Terms and Conditions before placing any reliance on our assessment. Note also that because cost fluctuations will occur over time, it is important to ensure that you regularly review your level of insurance coverage to confirm that it is still sufficient and appropriate. We are happy to assist you with this.

Subject to the above comments, and the Terms and Conditions, we advise that our assessment to rebuild the existing house as at "Today's Date" \$000,000.00 (Hundred Thousand Dollars Only) including GST. This assessment is valid for 12 months.

Kindly contact the undersigned if you have any further queries regarding the above valuation.

Yours faithfully,

Nigel Emmitt

TERMS CONDITIONS & DISCLAIMERS

The estimated costs set out in this assessment report are the opinion of Emmitt Consultants Limited ("Emmitt Consultants"), of the likely cost, using costs/pricing commonly applicable as at the date of the assessment report, to rebuild the existing buildings on the property, using currently available equivalent materials and techniques, assuming the work was put out for fixed price tender to a reasonable number of Licensed Building Practitioners licensed to undertake such work, and using a principle consultant to undertake the work, on the basis of a reputable form of building contract commonly utilised in the New Zealand market as at the date of this report. Emmitt Consultants does not warrant or guarantee that any particular contractor will agree to undertake or complete the work for the estimated value;

The figures contained in this report do not include any allowance for:

- the value or cost of the land itself;
- any loss of rent or outgoings, and/or the costs of providing/obtaining interim alternative premises, during any reinstatement period;
- any additional costs caused by:
- undue time delays in obtaining any relevant or required consents for reconstruction;
- the existing property or building not complying, as at the date of this report, with any applicable legislation, regulations or bylaws (this report assumes that the building complies with the Building Act 1991 and all building codes and regulations which apply as at the date of this report);
- any existing improvements on the property not being lying fully within the title boundaries of the property;
- any need to comply with the Resource Management Act 1991 (or any substitute legislation); any need to comply with any new legislation, regulations or bylaws not fully in force or applying as at the date of this report;
- the applicable District Plan not allowing erection of a similar building on the same site for any reason;
- any detrimental or restrictive registrations against the title of the property (including wahi tapu and/or Historic places Trust registrations);
- inflationary factors affecting the market for building or construction materials and services (except to the extent covered by the standard 10% "contingencies" provision factored into the assessment);
- any need to remove any contamination or noxious materials, or to remove debris on adjoining properties/premises;
- damage to the land underlying the premises (including any additional foundational/engineering costs other than those which would normally be expected for a modern equivalent building of similar size on an undamaged site);
- any need for bridging finance by any party pending insurance settlements/payments; or
- any other matter, change or event whatsoever which was not reasonably foreseeable by Emmitt Consultants as at the date of this report.

All allowances, provisions or assumptions regarding inflationary cost increases or other cost-increase events or causes are given solely to provide a degree of protection against potential cost changes during the 12 months immediately following the date of the report. The actual extent or nature of any such cost changes after the date of this report are entirely outside the control of Emmitt Consultants however, and no warranty whatsoever is given re the accuracy of such estimates or the sufficiency of any such provisions or allowances.

The information in the report has been prepared solely to assist the named client who commissioned the report with establishing appropriate insurance values for their property, and may not be used for any other purpose or relied upon by any other party without the prior written consent of Emmitt Consultants;

This report may not be included (whether whole or in part) in any published document, circular or statement without the written approval of Emmitt Consultants as to the form and content in which any part of this report will appear.

Where any information used to provide this report has been provided by the named client, Emmitt Consultants may rely on that information without independently verifying it (unless expressly instructed to undertake such verification).

Definitions and Explanation of Terms

The Home Insurance Assessment report has been developed for use by Registered and Qualified Quantity Surveyors working for Emmitt Consultants. The report does not cover land, sales, rateable and/or market valuation. The report is designed to provide a Registered Quantity Surveyor with a consistent format in which to deliver to the client/property owner the completed report to submit for insurance purposes. The Registered Quantity Surveyor shall liaise closely with the client to ensure the report includes all necessary cost information relevant to both the client as well as the insurer. All of the estimates and descriptions will apply as at the date shown on the report.

1.0 General

Assessment Date:	The date in which the assessment was completed. All terms and conditions are therefore relevant as of this date.
Preliminaries:	Preliminary costs are expenses that will be incurred during construction, which are directly related to the running of the project and have not been included in the materials, labour or overheads. Preliminary costs apply to all projects no matter their size or quality. Ordering materials, supervising workers and attending site meetings must be taken into consideration as they contribute to the cost of the project.
Margins:	This figure reflects the amount the contractor, i.e. the builder, is to be paid for completing the required works.
Contingencies:	A contingency sum is a predetermined sum of money designated for a yet to be determined issue that can change the scope of the work during the actual construction of a project. It has been stated often that construction is more an art than a science. Therefore it is impossible to know in advance every issue or challenge that will be encountered.
AE & C Fees:	This reflects the Architects, Engineers and Consultancy fees associated with the construction of the property. This covers the work done by each respective party, however, it is a general assumption and may fluctuate depending on the specifics of the property.
Council Costs:	This reflects all council costs associated with the construction of the property.
G.S.T:	To be included in the assessment.
Total Floor Area:	<p>The area used for the calculation of element costs is the gross floor area, measured over all the exterior walls of the dwelling, over partitions, columns, interior structural or party walls, stairwells, lift wells, ducts, enclosed roof top structures and basement service areas. All exposed areas such as balconies, terraces, open floor areas and the like are excluded.</p> <p>Generally projections beyond the outer face of the exterior walls of a dwelling such as projecting columns, floor slabs, beams, sunshades and the like shall be excluded from the calculation of gross floor areas.</p> <p>Where the outer face of the exterior walls of a dwelling are not regular vertical surfaces, the overall measurements shall be taken at floor levels and note made of the vertical profile of the wall line.</p> <p>Where the mezzanine floors occur within a structure the gross floor area of this mezzanine shall be added to all other complete floor areas and become a constituent part of the gross floor area.</p> <p>Where areas of other items, sheds, courts, decks, retaining walls, courts, swimming pools, solar panels and the like, are listed, a description of how the area is calculated should be given. A suitably marked plan, attached to the report showing the area/location of these items is recommended.</p>
Property Description:	This should be a clear and concise general description giving sufficient detail to provide a "word picture" of the property being estimated. Any significant exclusions should be noted. e.g. curtains, etc.

Total rebuild cost: The estimated cost of rebuilding the property to an "as new condition" at a cost level that reflects the market at the date of the estimate, ignoring inflationary factors which may occur unless otherwise stated in the assessment. It will include the use of available equivalent building materials and techniques and an orderly design construction process. It will include an estimate of the additional costs necessary to comply with existing Acts of Parliament or Regulations under the Act or any By-Laws of the relevant Territorial or Local Authority. This includes compliance with the Building Act and Resource Management Act but specifically excludes any time delays due to the impact of the Resource Management Act. The Reinstatement Estimate assumes a total loss on the last day of the current insurance period.

2.0 Basis of Valuation

This valuation is based on the assumption that construction works will be competitively tendered. In the unlikely event of a catastrophic disaster such as the recent Christchurch earthquakes construction costs including rebuild periods may be significantly greater than those allowed for in this estimate. In order to maintain accuracy and robustness of the estimates due to the frequent market rate movements within the construction industry, we recommend that this estimate is updated on an annual basis, prior to reviewing the insurance policy.

Description of Property

Property is a single storey brick veneer and fibre cement clad dwelling with garage. External works include concrete driveway, stairs, footpaths, blockwall, timber fencing and landscaping.

Notifiable Items

The following is a list of items that the client must pay particular attention to in regards to the varying degrees of cover associated with each of the outlined items. Emmitt Consultants recommends liaising with the chosen insurance provider when it comes to the specific cover for these items as each insurer offers different degrees of cover. As a result the outlined costs associated with reinstating certain aspects of the property to their current state, may not be achievable depending on the specifics of the cover. The list is as follows:

Land: Many policies do not insure land, damage to land, or any costs involved in the repair or stabilisation of land in order to facilitate the repair or rebuild of the home, or any treatment of the land required to make it suitable for repair or building of the home. The only work to land covered by many a policy is work to retaining walls and the digging of foundations. Therefore the client must ensure that the land provides an adequate platform for the completion of any repair or rebuild that is to be undertaken.

Landscaping: When it comes to landscaping insurance companies will define a lump sum amount of cover in the event that the landscaping surrounding a property is destroyed therefore it is imperative that the client understands the extent of their cover when submitting their sum insured figure. Insurance companies will pay for loss to a clients gardens (including hedges, trees, shrubs, and plants), garden edging, lawns, and permanently installed ornamental fish ponds and water features that are not connected to the dwelling's water supply.

Retaining Walls: A typical insurance company will pay, within the sum insured, for loss to retaining walls arising out of any one event, including the clients share in retaining walls that are jointly owned. This includes the cost of gaining access to the wall, stabilising the soil, and providing footings and drainage materials directly necessary for the work to the retaining wall or part of the retaining wall that has suffered loss. A retaining wall means a wall which is built for the sole function of retaining land. Any incomplete retaining wall is not usually covered. Retaining walls which are over 1.5 metres above ground level are insured only if the appropriate local authority has issued any necessary permit, consent, or certificate. Note that the average liability will be limited to \$50,000 for any one event.

Street Name, Suburb

Summary

1. Demolition	SUM	\$ 00,000.00
2. Foundations	SUM	\$ 00,000.00
3. Exterior Walls	SUM	\$ 00,000.00
4. External Windows and Doors	SUM	\$ 00,000.00
5. Internal Walls	SUM	\$ 00,000.00
6. Internal Doors	SUM	\$ 00,000.00
7. Roof	SUM	\$ 00,000.00
8. Ceilings/Soffits	SUM	\$ 00,000.00
9. Floor Coverings	SUM	\$ 00,000.00
10. Services	SUM	\$ 00,000.00
11. Fittings	SUM	\$ 00,000.00
12. Allowances	SUM	\$ 0,000.00
13. Deck	SUM	\$ 00,000.00
14. Garage	SUM	\$ 00,000.00
15. External Works	SUM	\$ 000,000.00
16. Preliminaries and General items: (9%)	SUM	\$ 00,000.00
17. Margins and Overheads: (10%)	SUM	\$ 00,000.00
18. Contingencies: (10%)	SUM	\$ 00,000.00
19. AE & C fees 15%	SUM	\$ 000,000.00
20. Council costs	SUM	\$ 00,000.00

SUBTOTAL (Rounded to the nearest \$1000) \$ 000,000.00

G.S.T. 15% \$ 000,000.00

TOTAL REBUILD COST (Rounded to the nearest \$1000) \$ 000,000.00

All rates include labour, materials, fixings, wastage etc. *Refer to last page of report for future description.

SUBTOTAL (Rounded to the nearest \$1000)

\$ 000,000.00

Preliminaries

Allow for preliminary and general items 9%	SUM	\$ 00,000.00	\$ 00,000.00
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(Items relating to the construction of the building but part of the building eg. rubbish removal, water and power supply, insurances, scaffolding, foreman management cost etc.)

Margins

Allow for main contractors margins (including over heads) 10%	SUM	\$ 00,000.00	\$ 00,000.00
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Contingencies

Allowance for a contingency sum 10% (for unforeseeable items related to the project)	SUM	\$ 00,000.00	\$ 00,000.00
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AE&C Fees

Architects, Engineers and Consultants fees 15%	SUM	\$ 000,000.00	\$ 000,000.00
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Council costs	SUM	\$ 00,000.00	\$ 00,000.00
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SUBTOTAL (Rounded to the nearest \$1000)

\$ 000,000.00

G.S.T. 15%			\$ 000,000.00
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TOTAL REBUILD COST (Rounded to the nearest \$1000)

\$ 000,000.00

Total area: 000m²