

## EQCover for holiday homes & offshore placements

### Holiday homes

Does EQCover apply to holiday homes that are also rented out on a short-term basis to a paying third party?

These homes may be used for only a part of the year by the owner, part of the year rented out or vacant when nobody is using them.

If the intention for the holiday home is that the owner will use it whenever they wish and they store their own possessions there, then EQC can still cover these properties, no matter how minimal their use of the property is.

If the property is set up purely as a commercial enterprise for short-term lets and the owners do not use it, then EQCover would not apply.

### Caravans

There are two distinct types of caravan accommodation.

Example 1. The caravan is able to be towed to a camp site and is then towed away once the holiday is over. EQCover does not apply.

Example 2. The caravan is towed or delivered to a site and is self contained, connected to local services or has its own ability to be

self sufficient and cannot be moved (wheels removed, fixed to pile structure). EQCover does apply.

If such caravans are insured for “market value” or indemnity value, EQCover is automatically \$100,000 or if the size of the caravan is known and the size is used to calculate the EQCover, the cover is the size x \$1,000 per sqm.

If the caravan is insured for replacement, EQCover is limited by the cap of \$100,000. If the replacement sum insured is for example \$30,000, EQCover would also be \$30,000.

### Offshore placements

Sometimes an intermediary in New Zealand or overseas arranges offshore cover for residential property located in New Zealand.

EQCover still applies in this situation and remittance of the EQC premium is made directly to EQC, generally within 60 days of the inception/expiry date of the cover (unless other arrangements have been made).

If you have any queries, please call EQC’s compliance manager, Derek Gibb on (04) 978-6410.

