

# Media Release

## Red zone offers get three month extension

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Canterbury Earthquake Recovery Minister Gerry Brownlee has announced a three month extension to the time required for insured residential red zoned property owners to choose a settlement option.

"Over 4200 people have already accepted one of the Crown offers that were first made in August 2011, and the Government is confident the extension will assist those who are yet to make a decision on which of the two offers to accept," Mr Brownlee said.

In August 2011 insured property owners in the residential red zone were given nine months to accept one of the two Crown offers:

**Option 1** – Crown purchase of the property based on the most recent rating valuation for the land, buildings and fixtures, with the Crown taking over all insurance claims for damage to the property.

**Option 2** – Crown purchase of the property at the most recent rating valuation of the land, and the Crown taking over the EQC claim for land damage only. Property owners retain the benefit of all insurance claims for the damage to their buildings and fixtures, and continue to deal with EQC and their private insurer to settle those claims.

"The nine month deadline for property owners to select an offer is rapidly approaching; however, when the first offer was made no one could have anticipated the significant impact of subsequent earthquake events.

"This has meant that for some red zone homeowners the insurance details required to accept Option 2 are not yet clear," Mr Brownlee said.

"We are therefore announcing a three month extension to help those who are yet to make a decision.

"We are extending the offer period confident that insurance matters will be resolved in time for people to meet the extended deadline. The final settlement date remains 30 April 2013."

**For more information on the Crown offer to residential red zone residents**

**visit:** <http://cera.govt.nz/residential-red-zone/offer-to-red-zone-residents>