

Media Release

Red zone offer extended to new categories

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Canterbury Earthquake Recovery Minister Gerry Brownlee has today announced the extension of the residential red zone offer to include residential properties that were under construction at the time of the 22 February 2011 earthquake, and a small number of not-for-profit non-residential buildings.

"Today's announcement is consistent with the Crown's Recovery Principles and will enable these people to also get on with their lives following the hardship caused by the earthquakes," Mr Brownlee said.

The 17 residential properties covered by the extension had building works insurance but were unable to get land insurance at the time of the earthquake, so did not fit the initial criteria of the Crown offer.

But Mr Brownlee says the majority of these homes are completed, or near completed, and their owners are essentially in the same boat as their red zoned neighbours.

"Having reviewed the criteria it's appropriate that we've reached this outcome," Mr Brownlee said.

Seven non-residential properties owned by not-for-profit organisations in the residential red zone are also covered by the extension. The organisations were able to insure their buildings but being non-residential meant they could not insure their land.

"Being insured meant these groups did everything they could to protect their interests in the event of a disaster. The zoning decisions will have serious implications for them, given the disruption to their services and activities.

"Extending the offer means they will have certainty to relocate and play important roles in the recovery of the community."

The owners of all of the properties now eligible for the Red Zone offer have until 30 April 2013 to settle their sale to the Crown. To date the Crown has paid out \$762 million in red zone settlements.