



Q3 2024 Remodel Index Report

United States

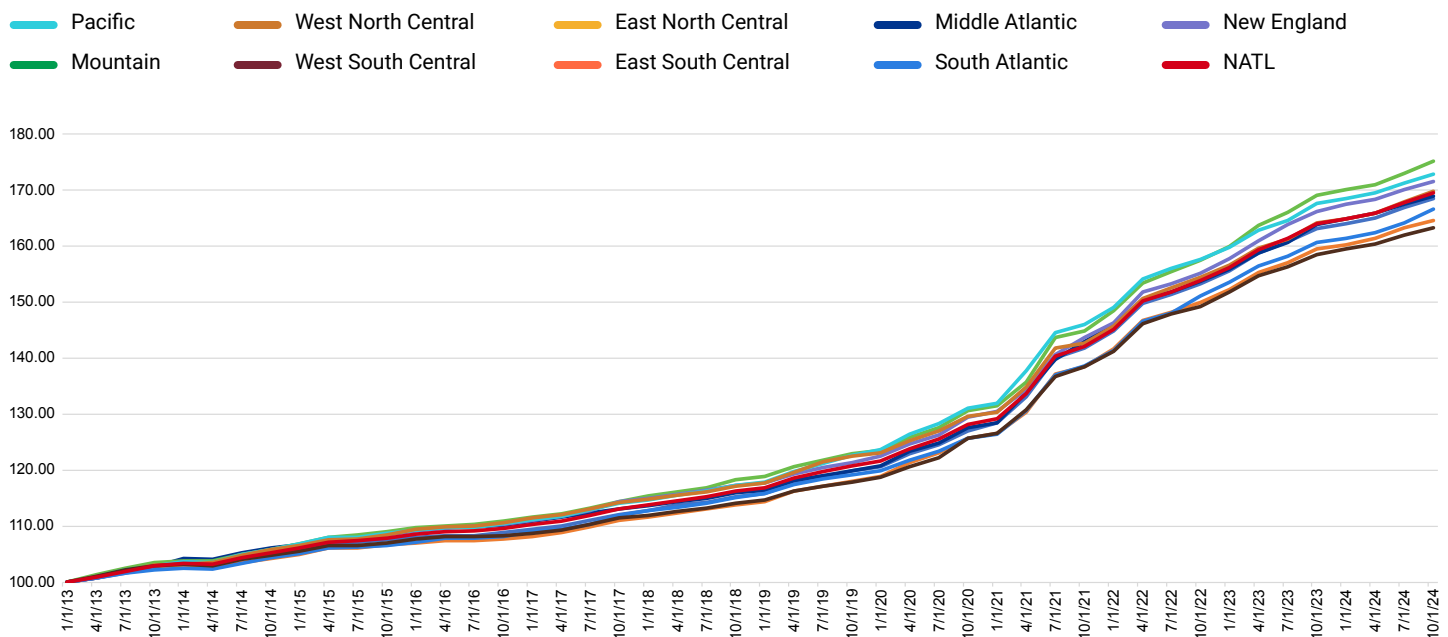


Home repair cost hikes eased in Q3 2024

Home repairs and remodeling costs increased at a slower pace in the third quarter of 2024, rising by 1.08% from the previous quarter and 3.35% from the third quarter of 2023. Costs have set new highs for the past decade, rising more than 69.5% from the first quarter of 2013.

Figure 1: US Verisk Remodel Index by Region, 2013-2024

(Source: Verisk data)



While repair and remodeling costs continue to rise, the annual increase of 3.35% represents a significant moderation in price growth compared with recent years. This marks a substantial slowdown from the 5.5% annual increase reported in Q4 2023 and an even more dramatic decrease from the 12.3% peak in Q4 2021. The current rate of increase suggests that cost pressures are continuing to ease as supply chains normalize and pandemic-related disruptions fade. This trend of moderating price increases is expected to continue, indicating a potential return to more historical patterns of cost growth in the remodeling industry.

Repair and remodeling costs continue to rise nationwide, but the rate of increase is decelerating toward pre-pandemic levels. In the most recent quarter, labor costs rather than rising material prices largely appear to have driven those increases.

In the third quarter, prices varied significantly across the 31 categories covered in the report. Nine categories increased, with exterior painting rising the most at 3.36%, followed by tile flooring at 2.18%. Fourteen categories experienced decreases, while eight remained stable. Many categories that did show increases saw modest gains of less than 1%, suggesting a broader pattern of price stabilization across most remodeling categories.

Quarter-over-quarter repair and remodeling costs rose more quickly than home prices during the same period, increasing 1.08% compared with a 0.2% quarterly increase in home prices, according to [ATTOM's Q3 2024 Home Sales Report](#). However, home prices rose more rapidly on an annual basis than repair and replacement costs—5.3% versus 3.35%.

Both home prices and repair costs outpaced general inflation in the third quarter, when the Consumer Price Index was 2.1% and the Personal Consumption Expenditure Index was 2.2%.

Regional trends

South Atlantic and Mountain regions lead growth.

Every region of the U.S. experienced continued quarter-over-quarter and year-over-year cost increases in Q3 2024. The Mountain region saw costs rise by 1.21% compared with the previous quarter, leading all regions, while the East South Central and West South Central regions showed the smallest quarterly gains at 0.84%.

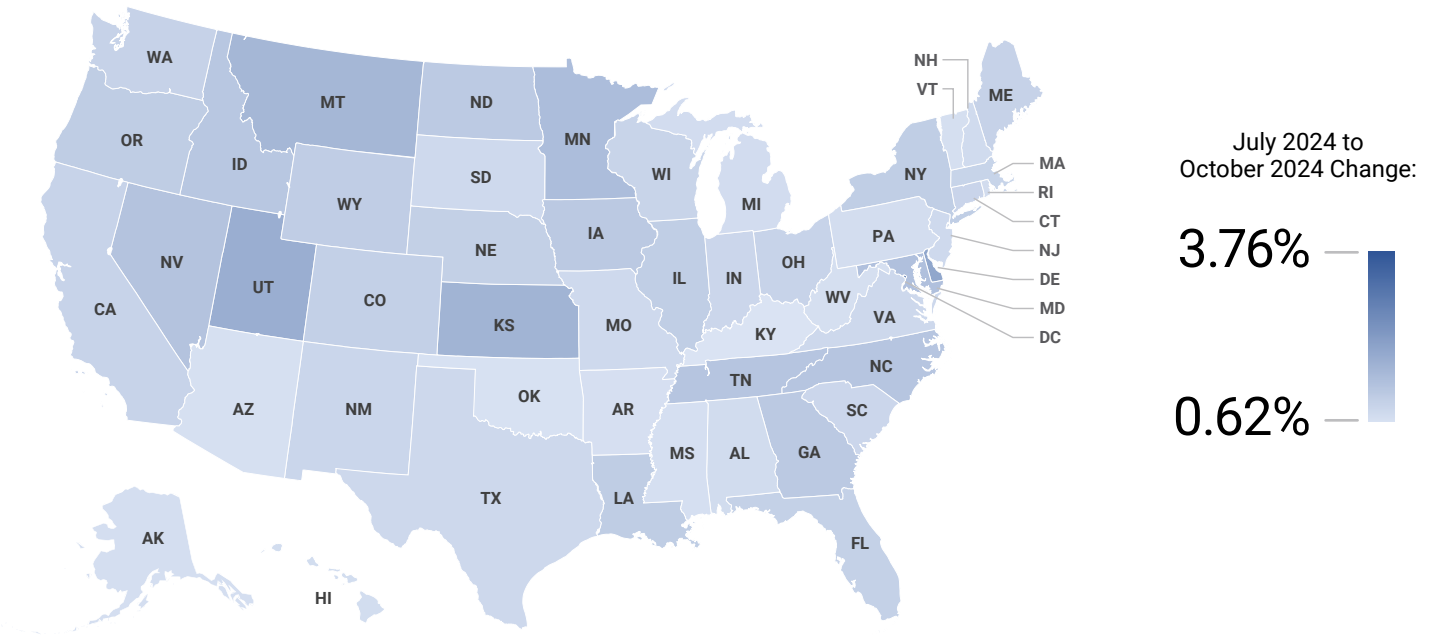
The South Atlantic (3.68%) and Mountain (3.58%) regions had the highest rates of annual cost increases. The Mountain region continued to have the highest overall cost increases over the previous ten years, rising nearly 73 points since the Verisk Remodel Index began tracking price increases in early 2013.

The West South Central region's quarterly (0.84%) and annual (3.03%) increases were both among the lowest of all regions. This region also shows the smallest total increase since 2013, rising approximately 62 points over the decade.



Rate of Verisk Remodel Index increases by state.

(Source: Verisk data)



State-level trends

State variations show regional diversity.

Washington, D.C. led the nation with a quarterly rate of increase at 1.49%, followed by Delaware (1.43%) and Utah (1.21%). Several states showed notable quarterly increases, including Montana (0.87%), Florida (0.87%), and South Carolina (0.84%). New York (0.77%) and South Dakota (0.73%) also demonstrated significant price growth during the quarter.

At the other end of the spectrum, Kentucky, Oklahoma, and Arizona showed the most modest increases, with rates below 0.45%. Arkansas and Mississippi rounded out the states with the lowest quarterly increases, remaining less than 0.55%.



About the index

The Verisk Remodel Index tracks costs on 31 different categories of home repair, comprising more than 10,000 line items, including appliances, doors, framing, plumbing, and windows. Prices are compiled and updated monthly in more than 430 local market areas nationwide. The index cost basis is January 2013, and the report is updated quarterly.

State and category information is available upon request, and more detailed data is available for purchase or licensing. **Contact us at 833-784-9228 for more information.**

