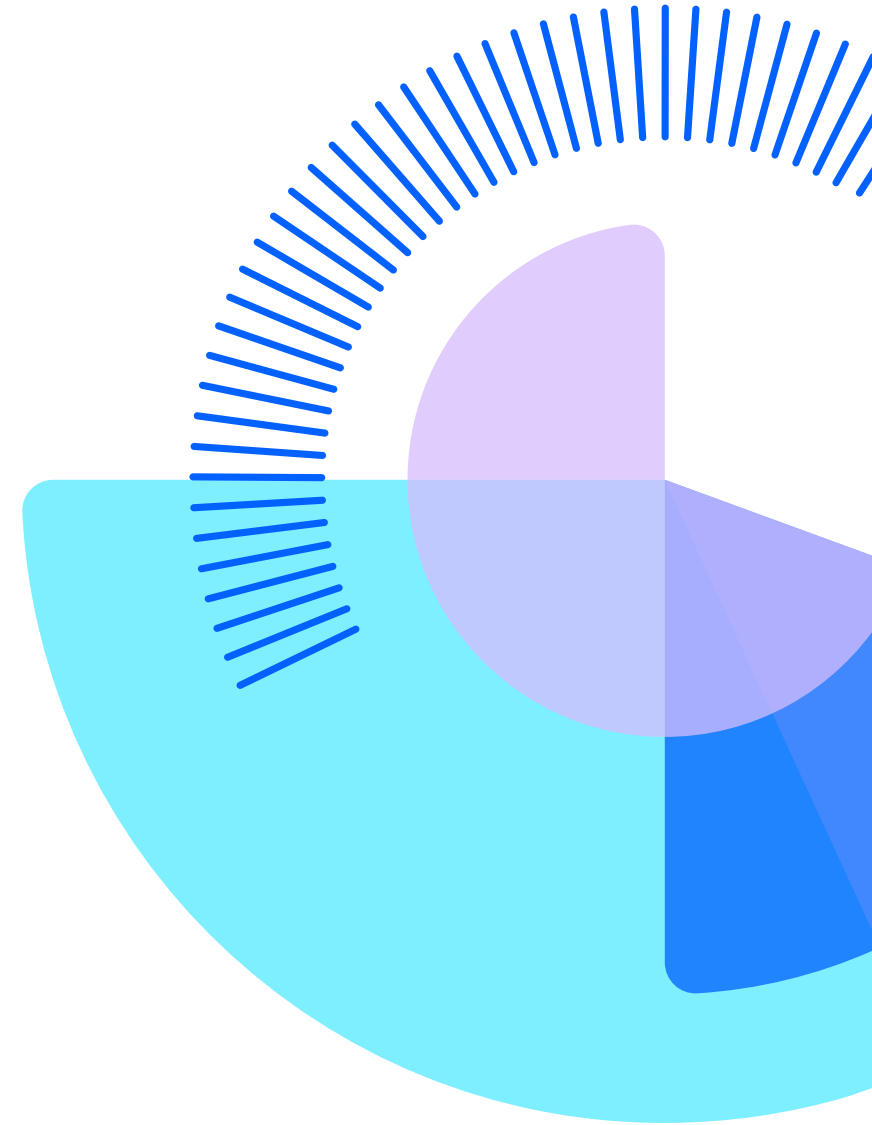




Repair & Remodel Costs Rising Slowly

Is this the calm before the storm?

June 24, 2026



What We'll Cover Today

1 Q1 2026 Verisk Repair & Remodel Cost Index Results

- National repair & remodeling costs
- Housing, Inflation and labor costs
- Cost increases by product category
- Cost increases by region & state

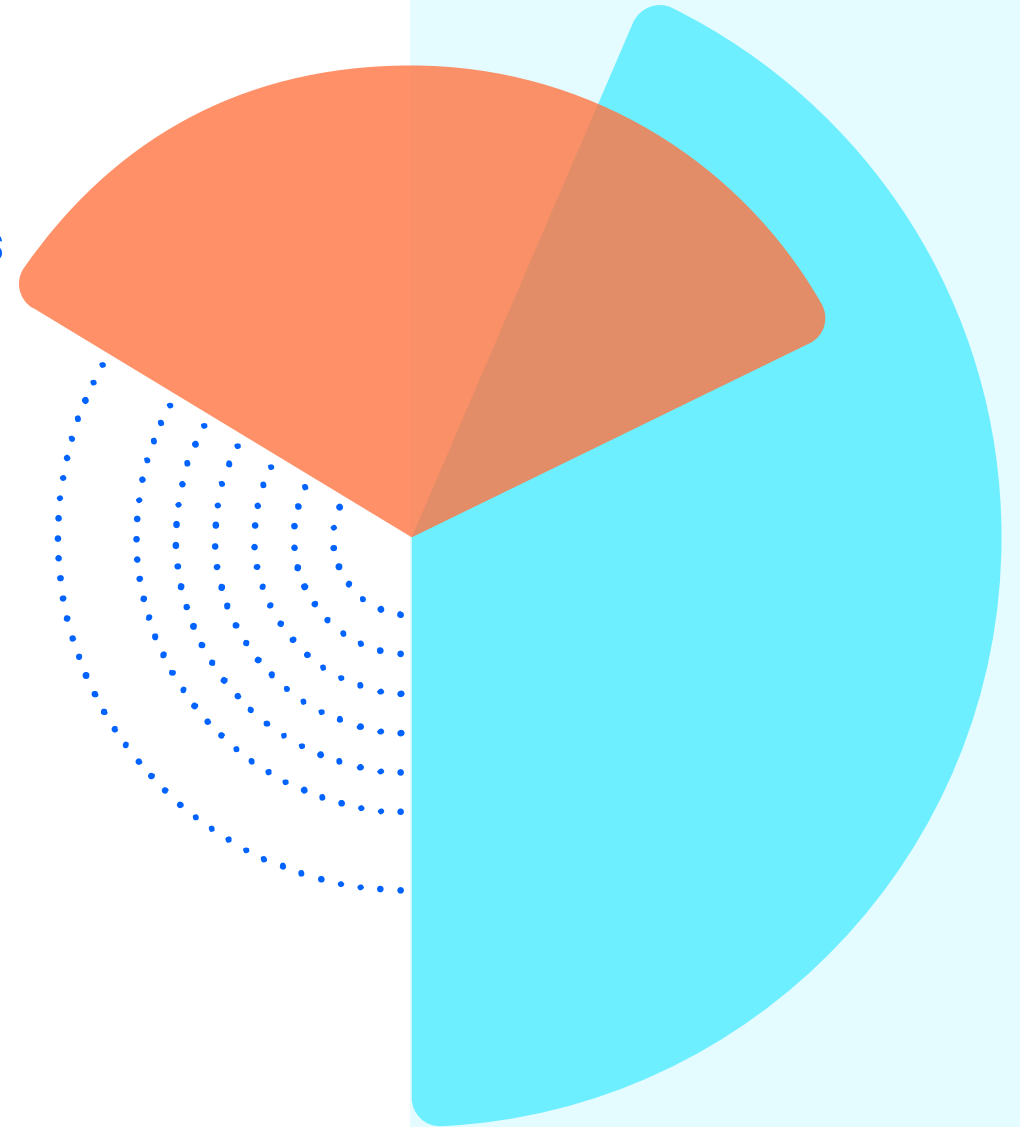
2 Real World Project Costs

- Bathroom Remodels and Painting Jobs

3 Outlook for 2026-2027

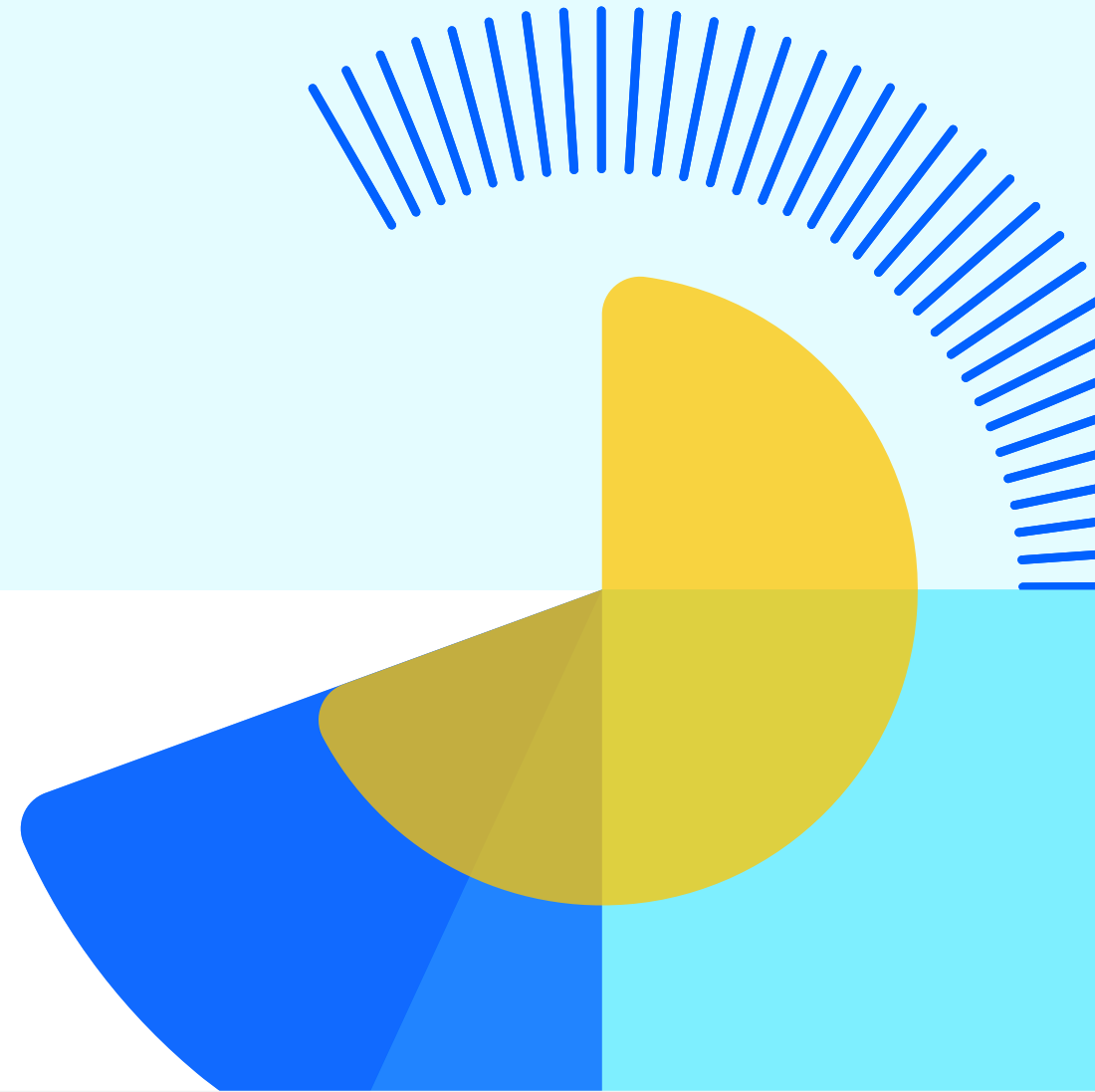
- Where will prices head in the coming year?
 - Will rising oil prices cause overall costs to accelerate?

4 Wrap-up/Q&A



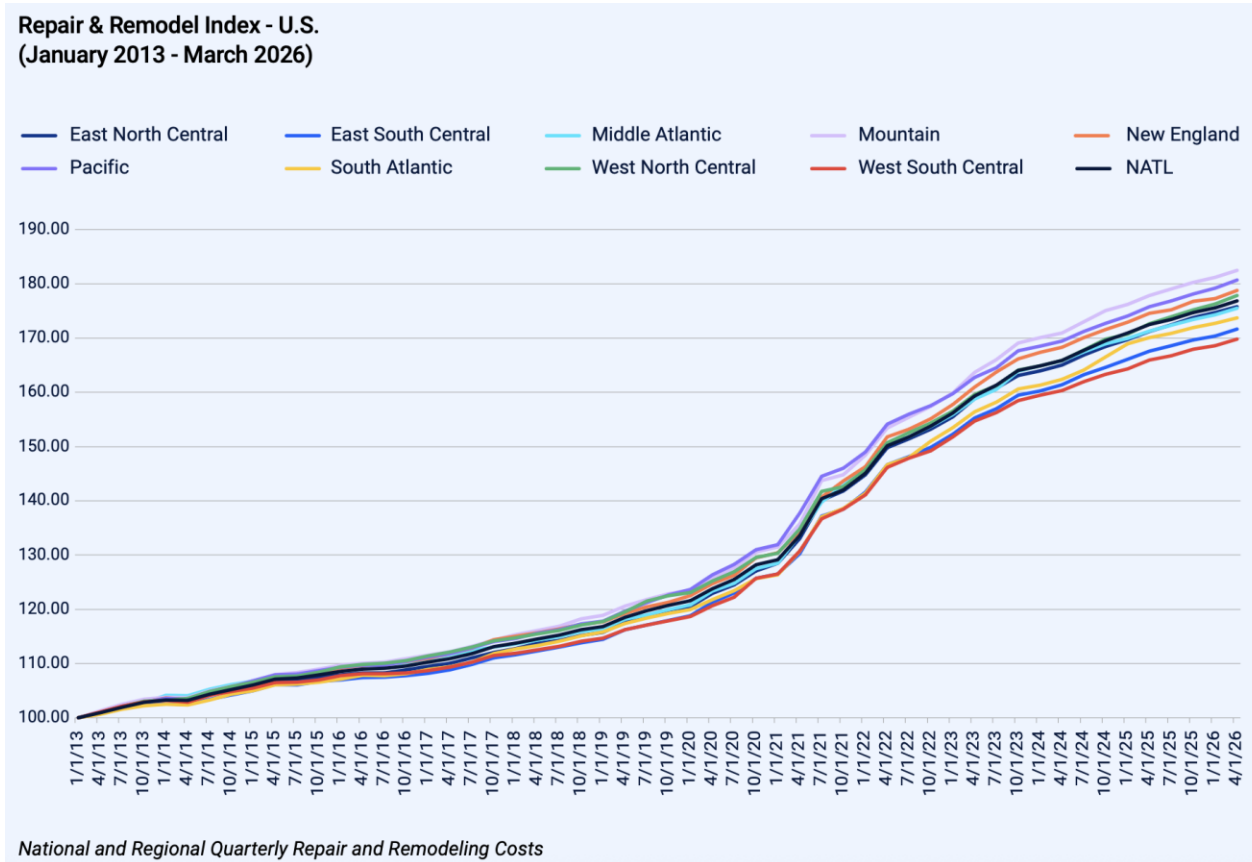
Results of Q1 2026

Verisk Repair & Remodel Cost Index



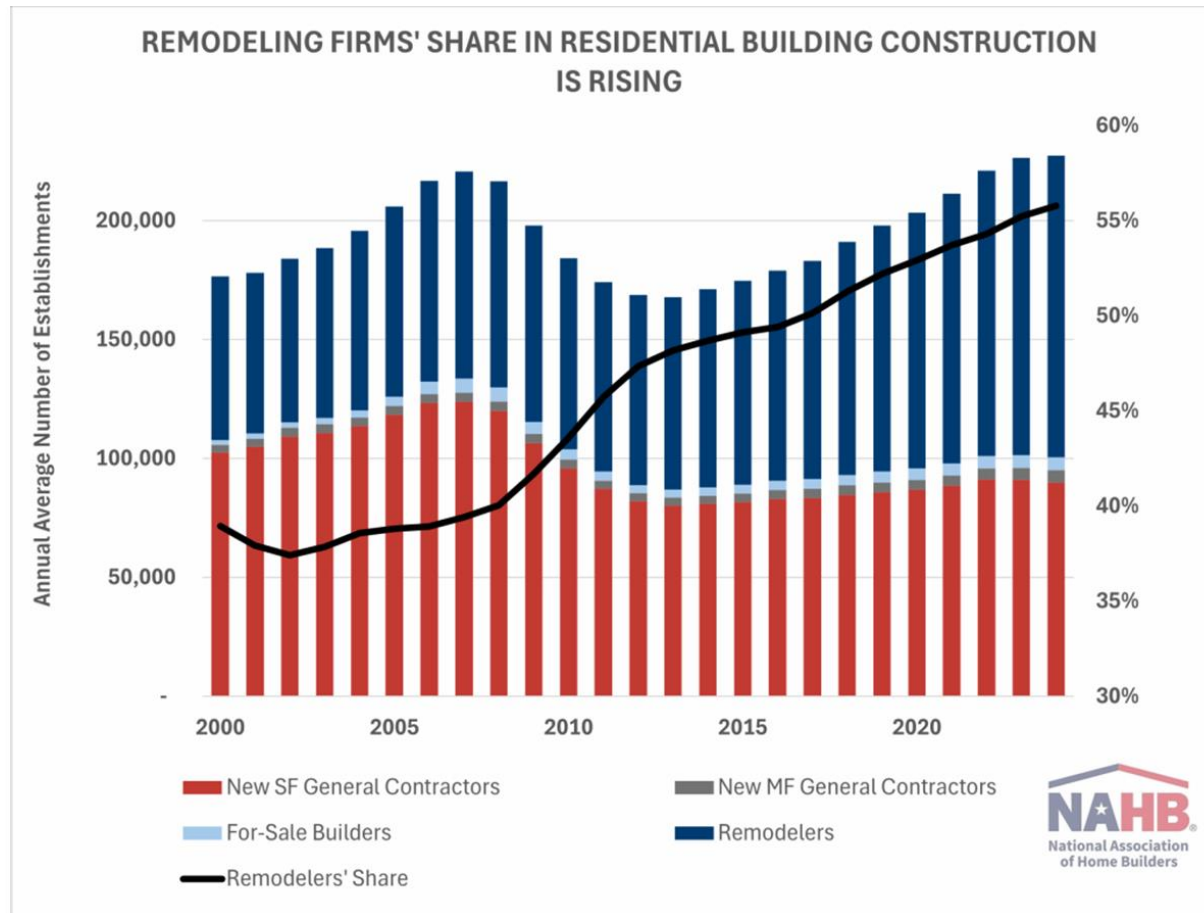
Costs Rose 2.54% Annually in Q1 2026

Repair & Remodel Costs Up Almost 68% Over the Past Decade



Remodeling Accounting for More of Construction Costs

Remodeling Now Over 55% of Home Construction Spending

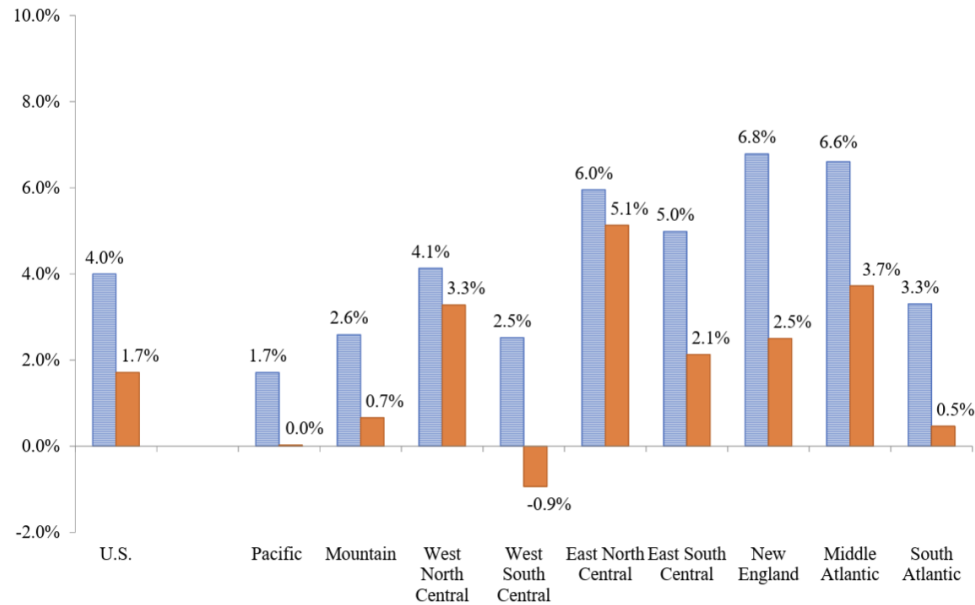


Repair Costs Outpacing Home Price Appreciation

Home Prices Continue Rising in Some Markets, but More Slowly

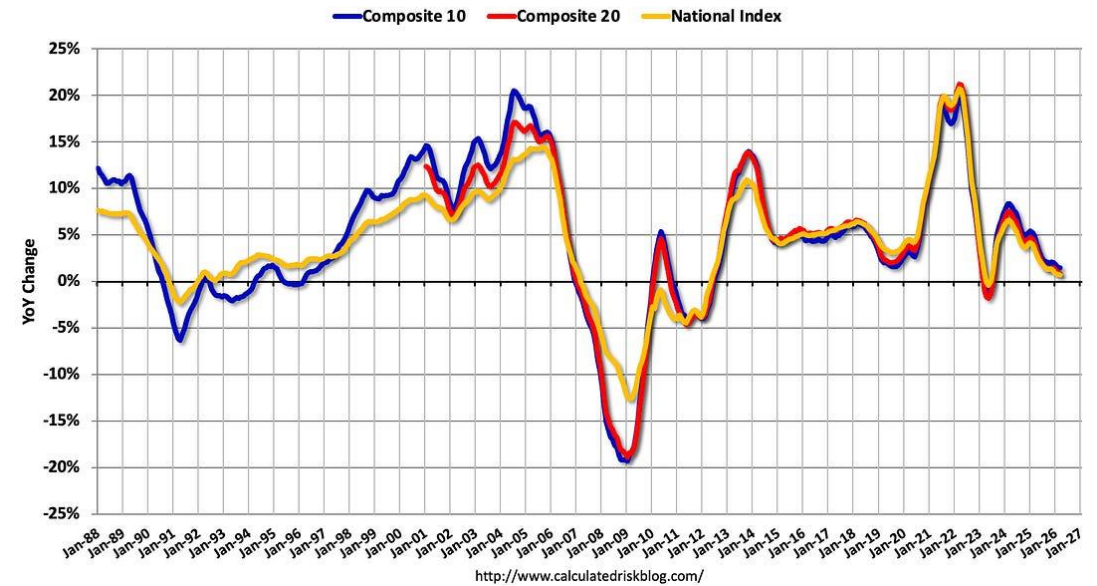
Twelve-Month House Price Changes – Prior Year vs. Most Recent Year
Purchase-Only FHFA HPI® (Seasonally Adjusted, Nominal)

Price Change: 03/2024 - 03/2025 Price Change: 03/2025 - 03/2026



Source: FHFA

Case-Shiller National and Composite Indices SA, Year-over-year Change

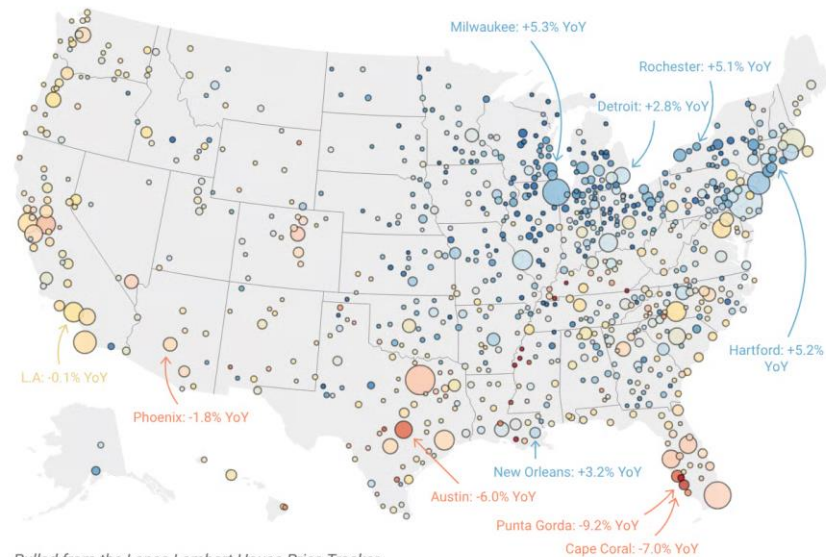


Home Price Appreciation Slowing Dramatically

Home Prices Turning Negative in One-Third of Major Metros

One-year change in metro-level home prices between April 2025 and April 2026

Circle size by number of active homes for sale in April 2026



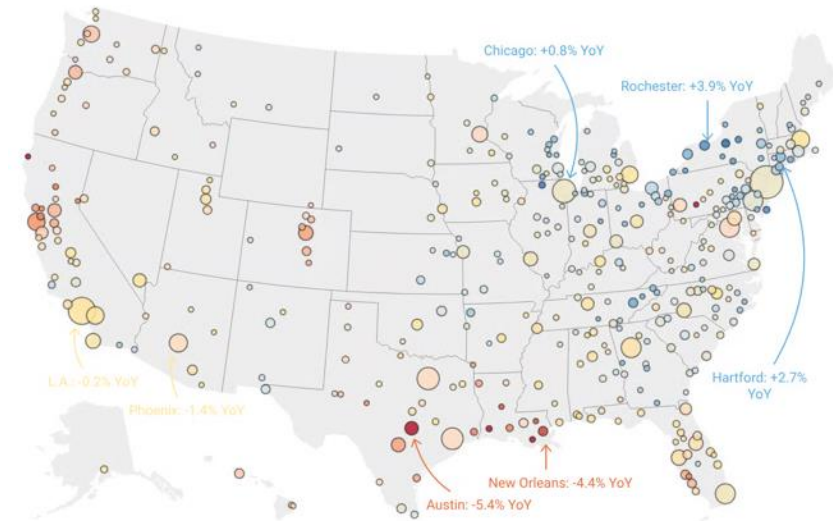
Pulled from the Lance Lambert House Price Tracker

Map: Lance Lambert • Source: ResiClub analysis using the Zillow Home Value Index through the April 2026 reading, published in May 2026



Zillow forecast for metro-level home price change between April 2026 and April 2027

Circle size by metro area population



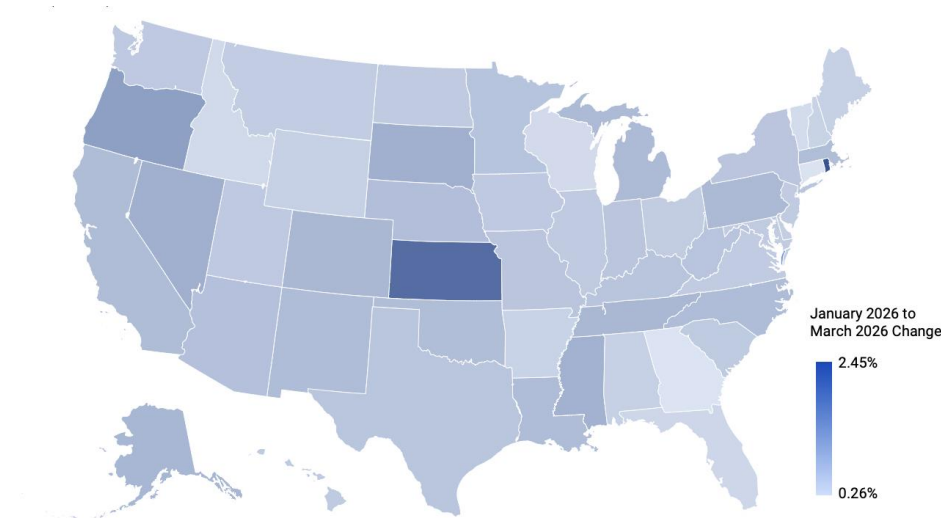
Zillow expects national home prices, as measured by the Zillow Home Value Index, to fall -0.1% between April 2026 and April 2027.

Map: Lance Lambert • Source: Zillow 12-month forecast published in May 2026



Quarterly Repair Costs Rose in All 50 States

Rhode Island, Kansas, Oregon, South Dakota, Nevada, and Mississippi Had the Highest Percentage Increases



Rate of Repair Price Increases, Q1 2026 – Source: Verisk Repair & Remodel Cost Index

Top 10 States with the Highest Quarterly Increases (January 2026 to March 2026 Change)

RI 2.45%	KS 2.05%	OR 1.27%	SD 1.03%	NV 1.02%
MS 1.00%	AK 0.93%	TN 0.91%	CO 0.91%	PA 0.86%

10 States with the Smallest Quarterly Price Increases (January 2026 to March 2026 Change)

GA 0.26%	CT 0.27%	VT 0.36%	WI 0.38%	ID 0.38%
FL 0.44%	AR 0.49%	NH 0.49%	WY 0.52%	ME 0.52%

Rate of Repair Price Increases, Q1 2026. Source: Verisk Repair & Remodel Cost Index

Costs Increased in Every Region of the Country

Northwest, Pacific, and Mountain States Saw Highest Increases

	Q3-Q4 2025	Q4 2025-Q1 2026	Q1 2025-2026
East North Central	0.50%	0.62%	2.65%
East South Central	0.39%	0.79%	2.44%
Mid-Atlantic	0.49%	0.71%	2.46%
Mountain	0.53%	0.71%	2.61%
New England	0.30%	0.84%	2.41%
Pacific	0.57%	0.84%	2.78%
South Atlantic	0.44%	0.57%	2.11%
West North Central	0.58%	0.93%	3.05%
West South Central	0.39%	0.71%	2.33%
U.S. National	0.47%	0.74%	2.54%

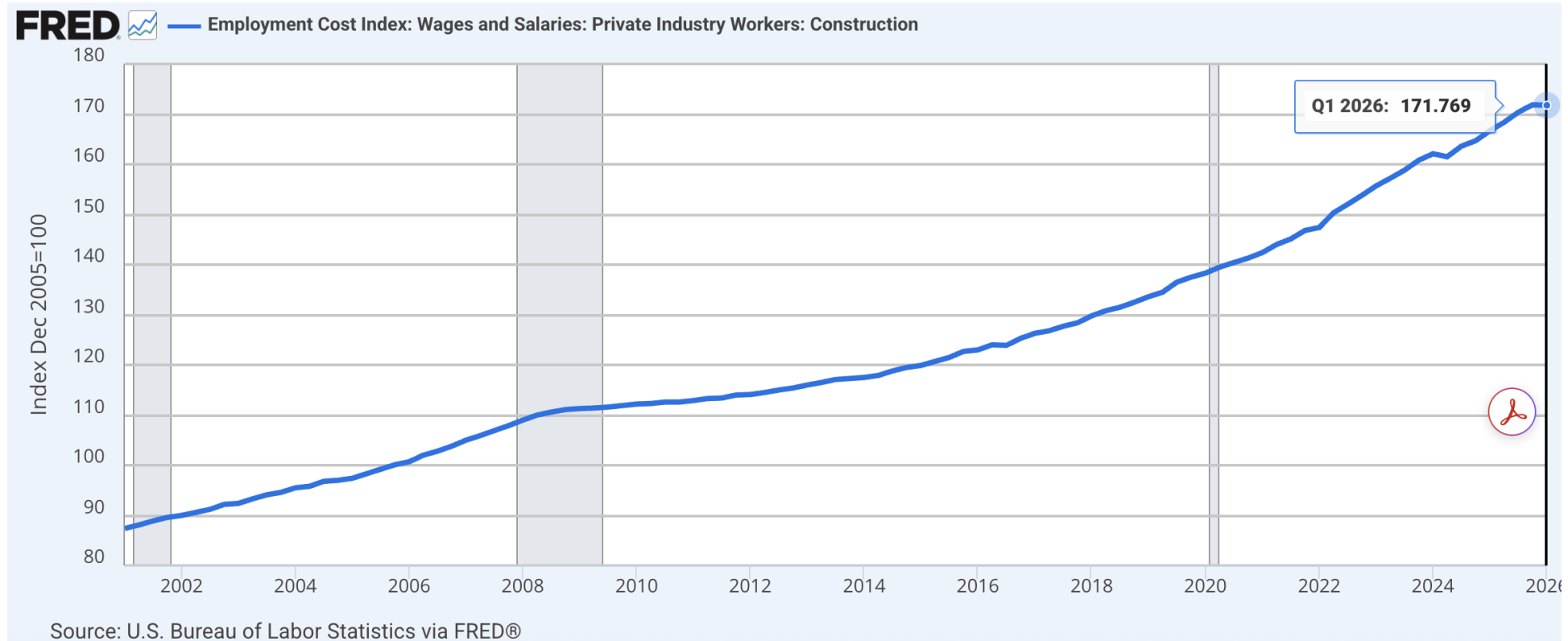
Prices Increase in Every Category of Repair & Remodeling

Labor-Intense Categories Report Highest Quarterly Cost Increases

Category	Quarterly Cost Increase	Labor as a % of Cost
Replace Fiber Cement Lap Siding	1.09%	83.3%
Seal/Prime/Paint Entire House Interior	1.77%	80.4%
Replace Tile Flooring	1.19%	79.0%
Remodel Vinyl Siding	0.44%	76.0%
Bathroom Remodel – Full Bath	0.81%	75.1%

Labor Costs Main Reason for Repair Cost Increases

Construction Labor Costs Have Risen 72% Since 2005



Higher Oil Prices Driving Higher Inflation, May Cause Prices to Rise Further in the Coming Months

ICE Brent Crude (Aug'26)

*Data is delayed | Exchange | USD

77.90 UNCH (UNCH)

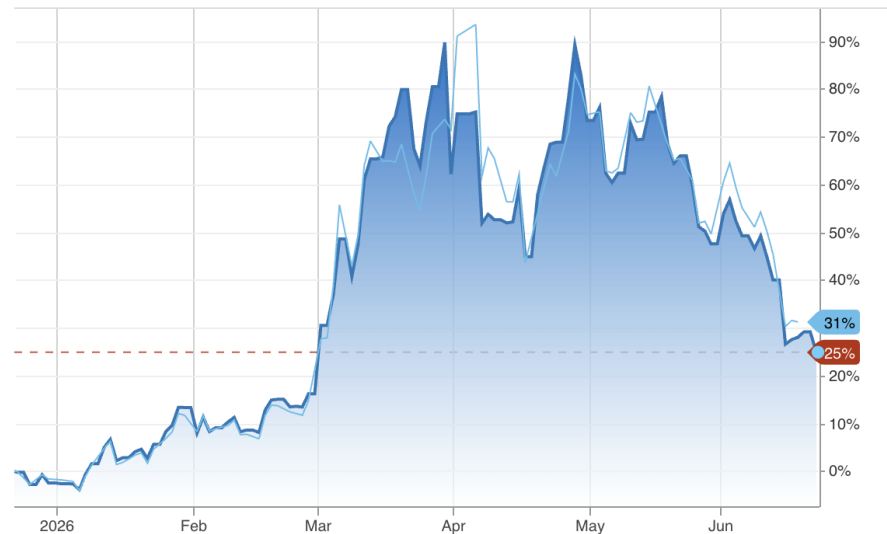
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WATCHLIST +

QUOTE DETAILS

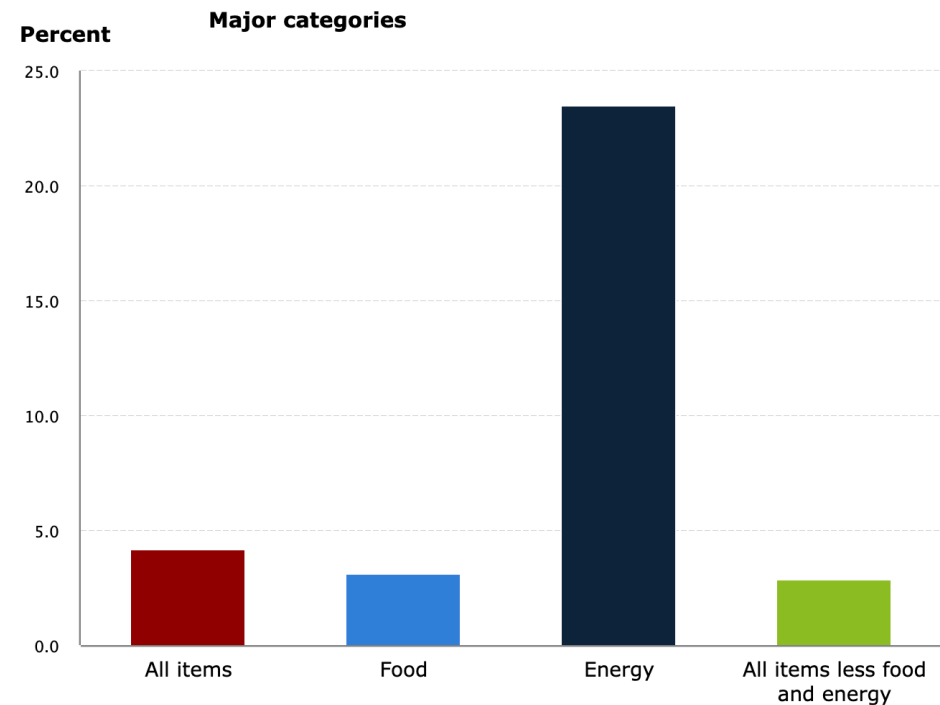
1D 5D 1M 3M **6M** YTD 1Y 5Y ALL

@CL.1



12-month percentage change, Consumer Price Index, selected categories, May 2026, not seasonally adjusted

Click on columns to drill down



Source: U.S. Bureau of Labor Statistics.

Higher Oil Prices Can Have Direct & Indirect Impact

Manufacturing & Transportation Costs Both Likely to Rise

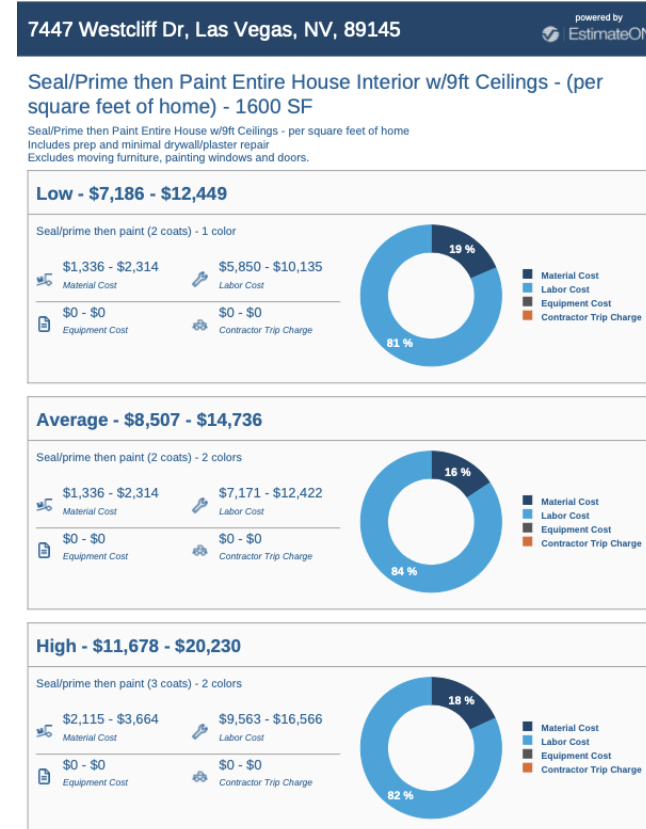
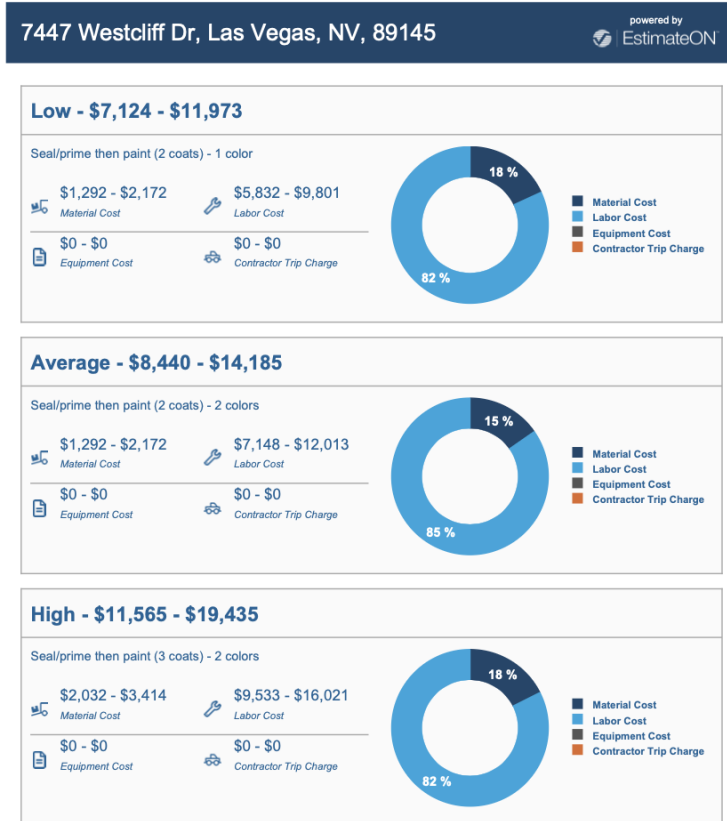
Affected building product category	Expected effect due to manufacturing costs	Expected effect due to transportation costs	Expected lag time
Asphalt-heavy (Asphalt roofing: shingles, built-up roofing, modified bitumen, felts)	Very High – Bitumen is a direct crude oil derivative; manufacturing costs closely track oil prices	High – Heavy, bulky products with significant exposure to freight costs	1–4 months
Plastics-heavy (PVC pipe/siding, polyolefin house wrap, EPS/XPS, foam insulation)	High – Made from petrochemical feedstocks derived from oil and natural gas	Moderate – Moderate freight share of delivered cost; products are lighter but still volume-driven	Weeks to months (often affected by months-long supply contracts)
Freight-heavy (Long-haul delivered materials, such as concrete, masonry, lumber, drywall, etc.)	Low – Limited direct petroleum input in manufacturing (for other products not already captured in the categories above)	Very High – Transportation costs are highly sensitive to fuel prices, with rapid surcharge pass-through	Days to weeks

Implications of Higher Costs

What Typical Repair & Remodel Jobs Cost Today

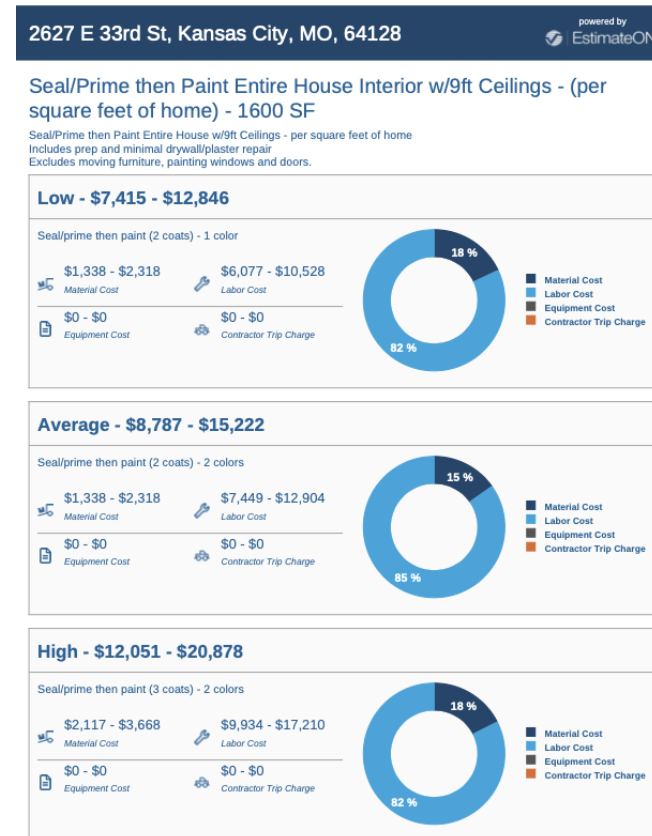
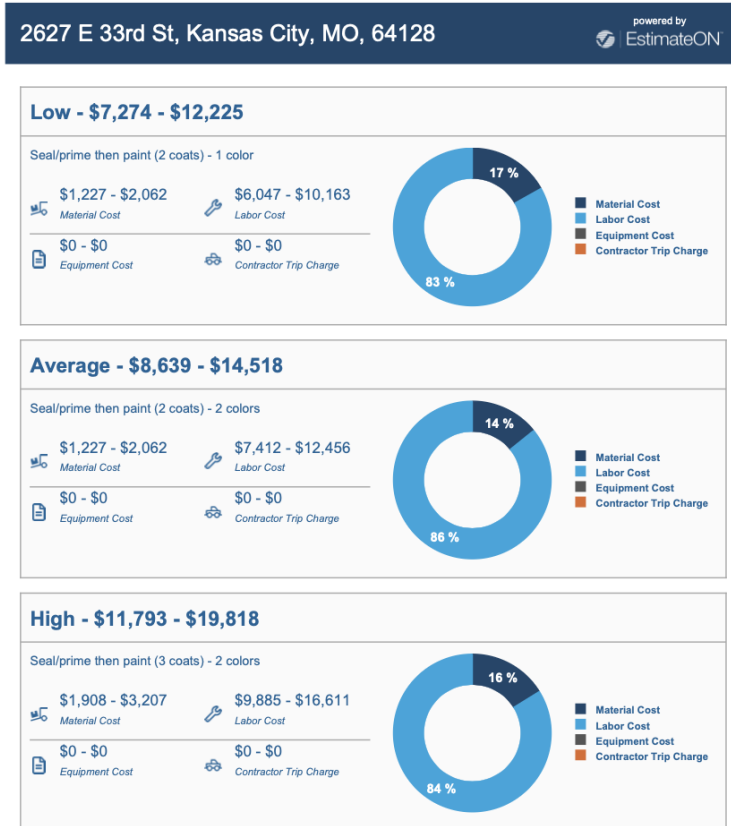
Price Changes of Select Jobs: Q3 2025 vs. Q1 2026

Seal/Prime, then Paint Interior of Entire House – 9ft Ceilings, 1,600SF



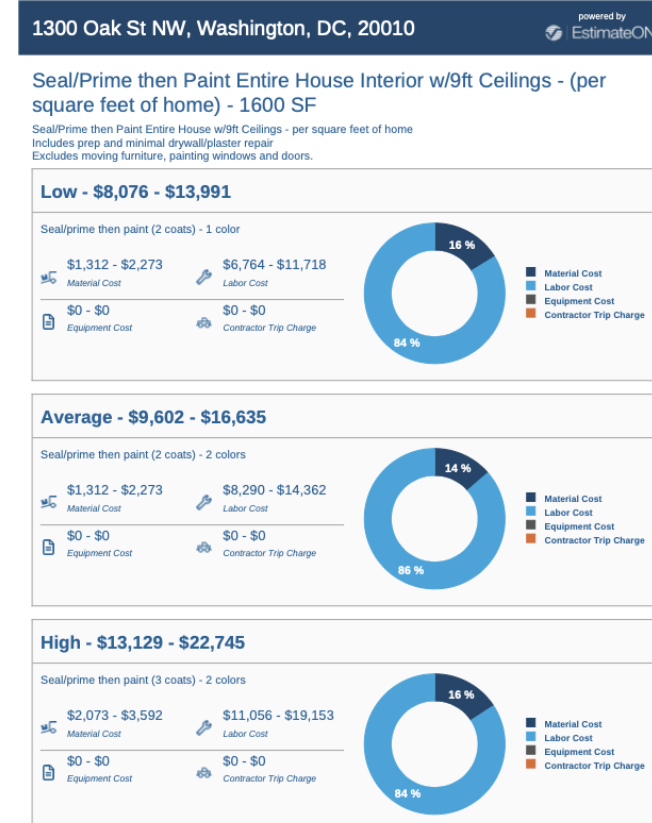
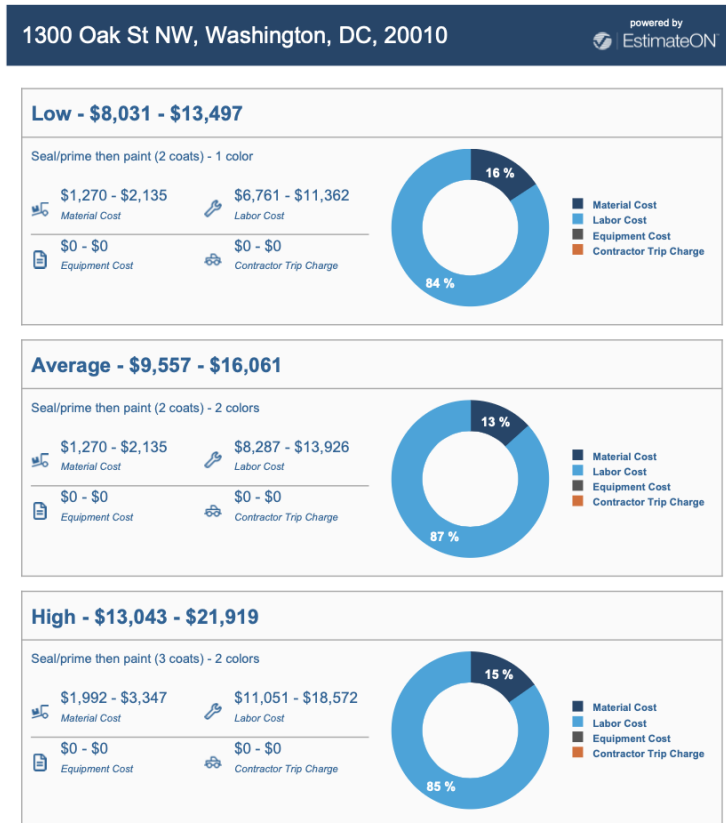
Price Changes of Select Jobs: Q3 2025 vs. Q1 2026

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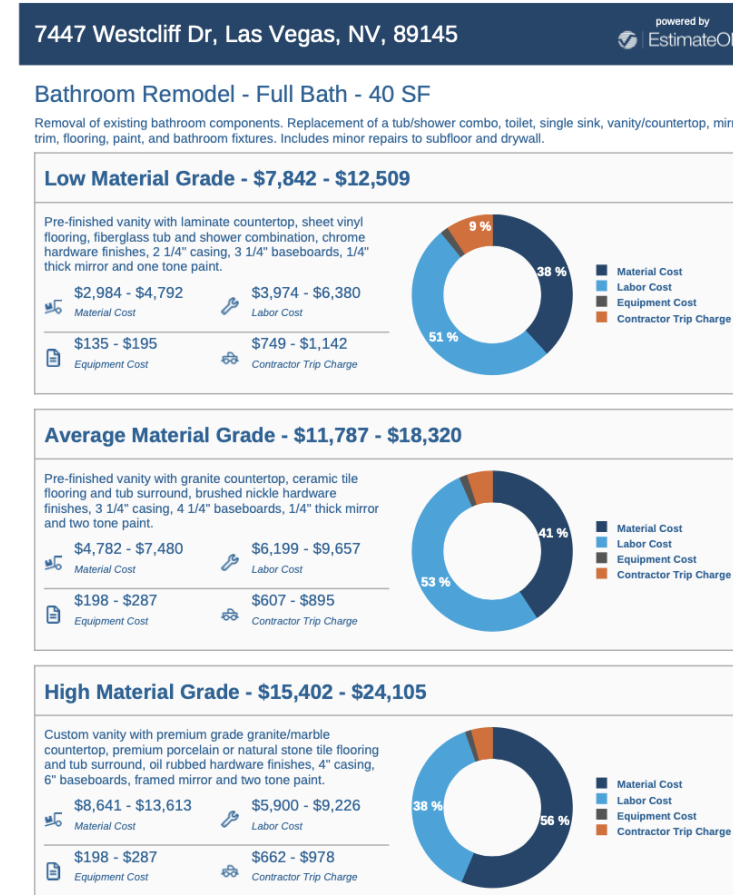
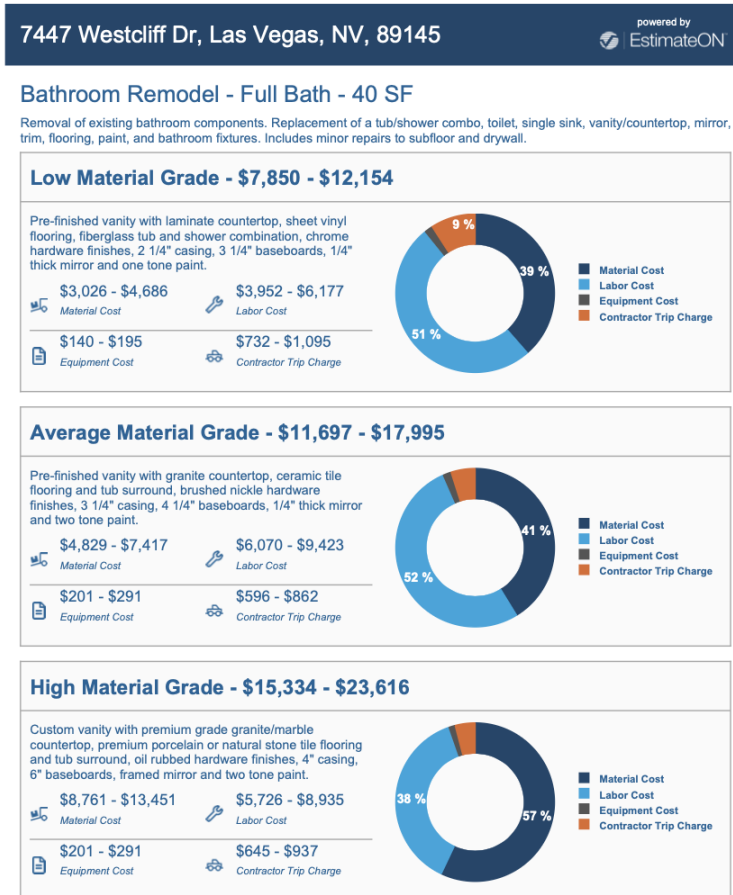
Price Changes of Select Jobs: Q3 2025 vs. Q1 2026

Seal/Prime, then Paint Interior of Entire House – 9ft Ceilings, 1,600SF



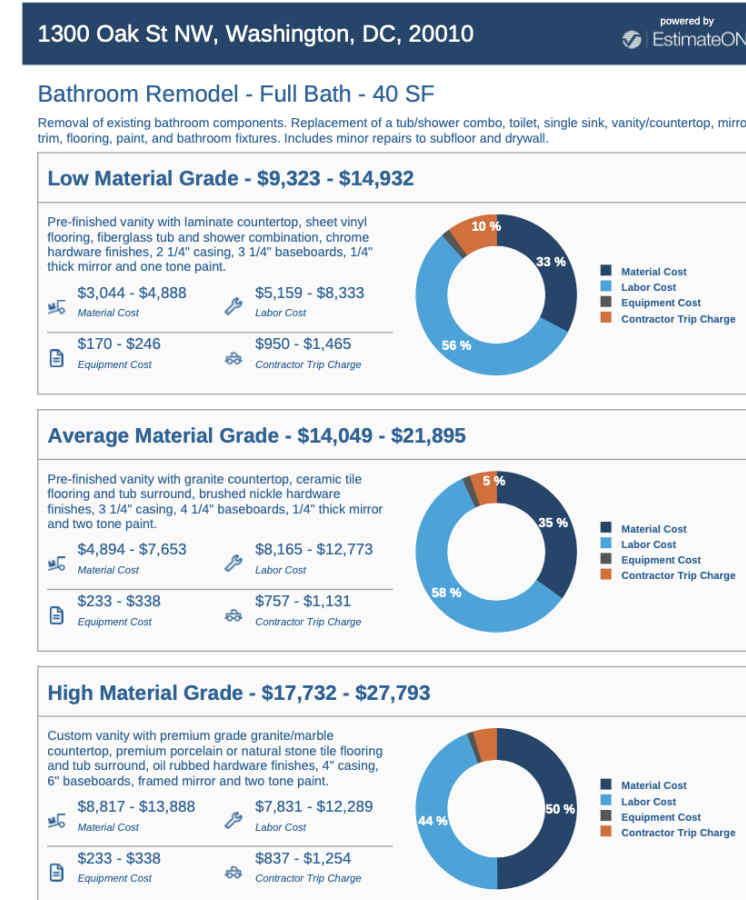
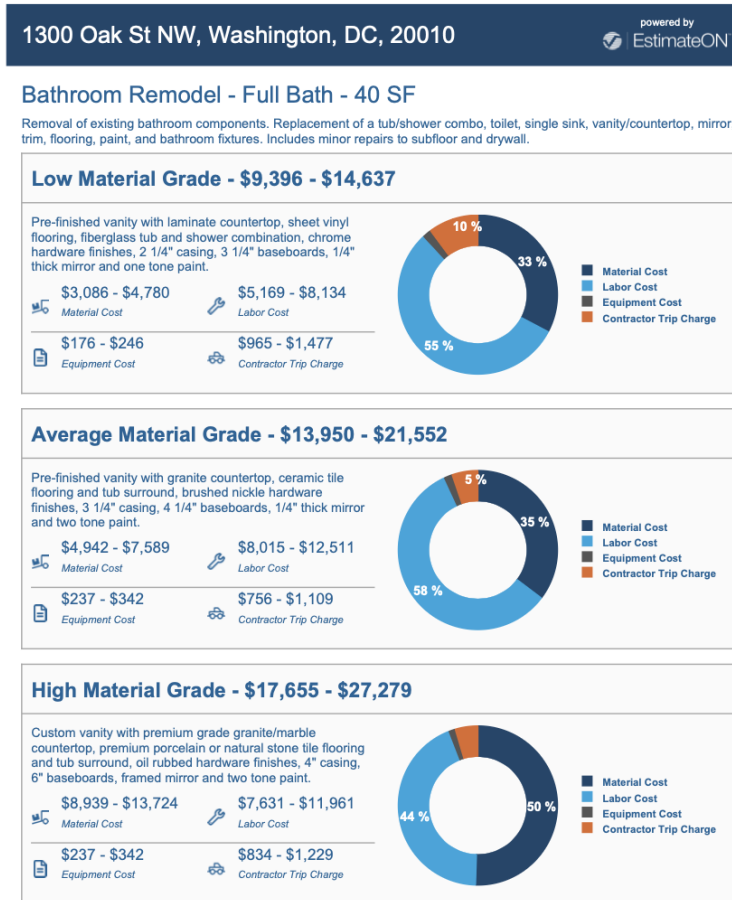
Price Changes of Select Jobs: Q3 2025 vs. Q1 2026

Bathroom Remodel – Full Bath – 40SF



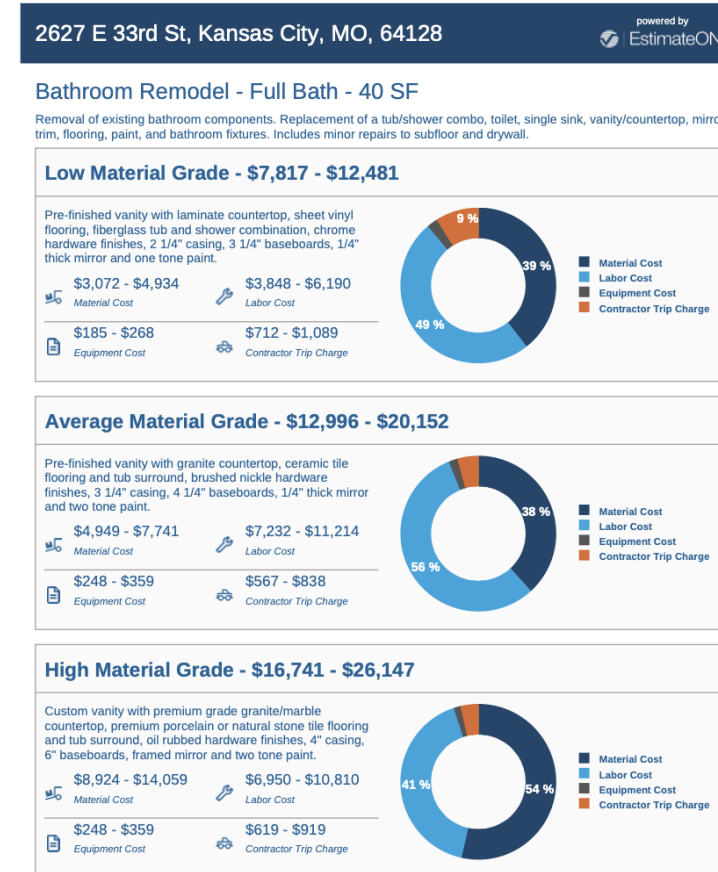
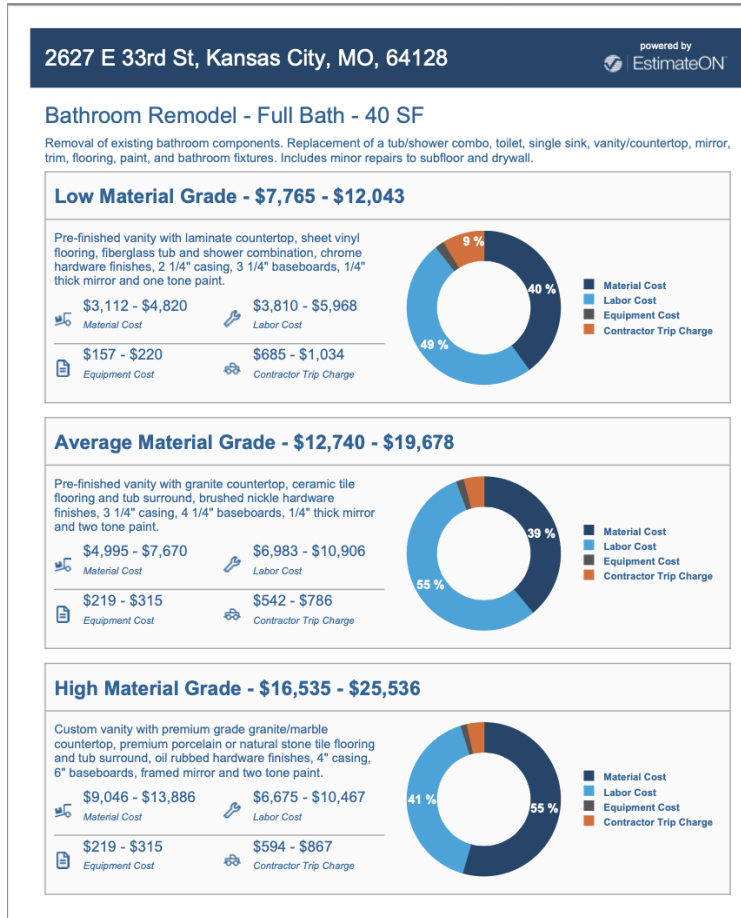
Price Changes of Select Jobs: Q3 2025 vs. Q1 2026

Bathroom Remodel – Full Bath – 40SF



Price Changes of Select Jobs: Q3 2025 vs. Q1 2026

Bathroom Remodel – Full Bath – 40SF



Outlook for 2026 - 2027

Questions & Answers





Thank you!

Thank you for joining today's review of the Q1 2026 Verisk Repair & Remodel Cost Index. We appreciate your time.

About Verisk Repair & Remodel Cost Index

The Verisk Repair & Remodel Cost Index tracks residential repair and remodeling cost trends across the U.S., providing insights into labor, materials, inflation, and regional market conditions to support informed planning and decision-making.