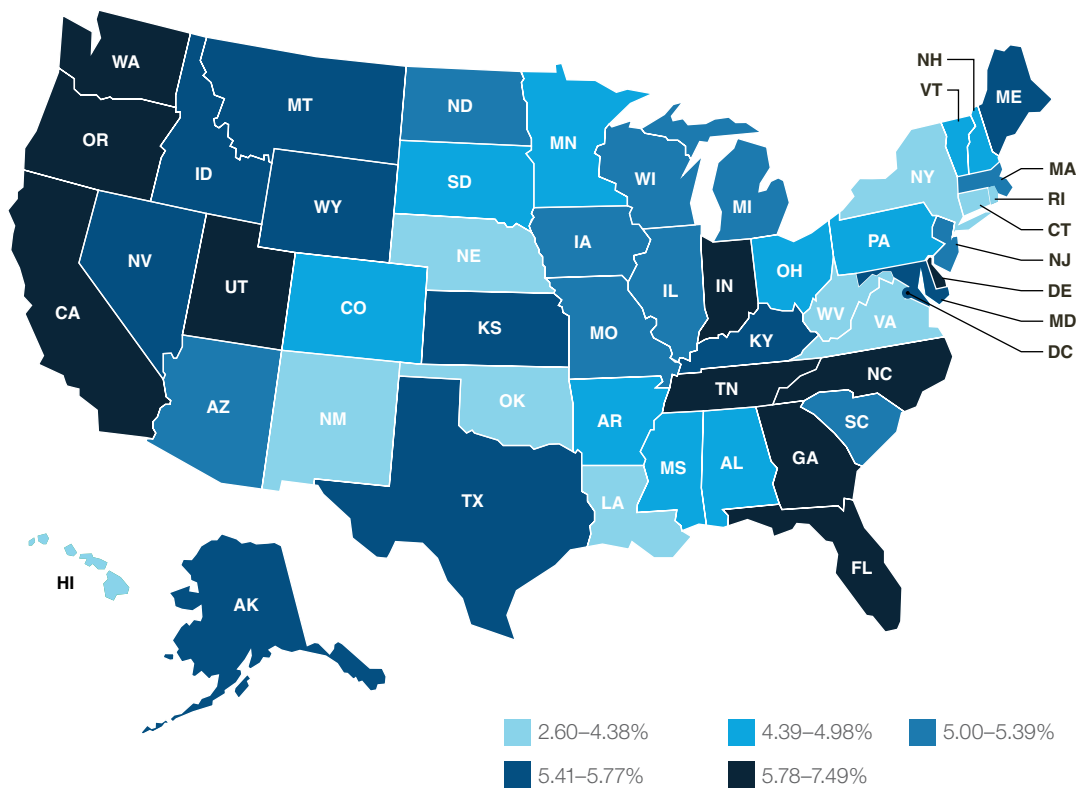


This report provides reconstruction cost trends at the national and state levels. 360Value® Quarterly Cost Updates are derived from building cost research conducted by industry leader Xactware®.

Reconstruction costs plateau after steady increases

Total reconstruction costs, including materials and retail labor, grew 5.1 percent* from July 2017 to July 2018. At the national level, changes in costs have plateaued.

Reconstruction costs increased in all states. Delaware, Oregon, and Indiana had the highest cost changes (7.5 percent, 7.2 percent, and 6.4 percent, respectively). Delaware leaped from the 33rd highest cost increase to the number one highest increase. Hawaii continued to experience the lowest increases, at 2.6 percent.



Changes in reconstruction costs by state.

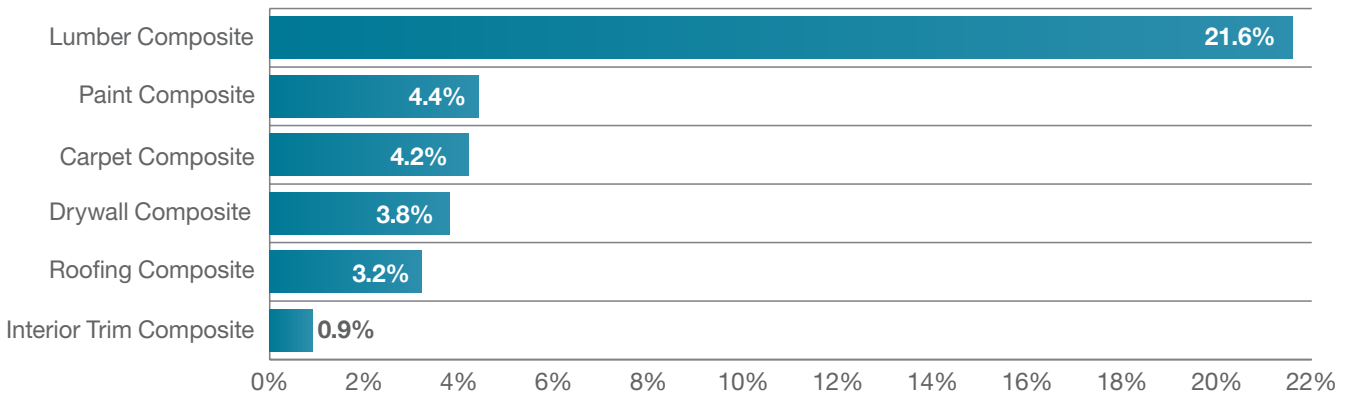
States are grouped in quintiles; each range/color in the legend includes 20 percent of the total number of states.

*All rates, percentages, increases, decreases, etc., are calculated as percentage change versus the 12th month prior, unless otherwise noted.

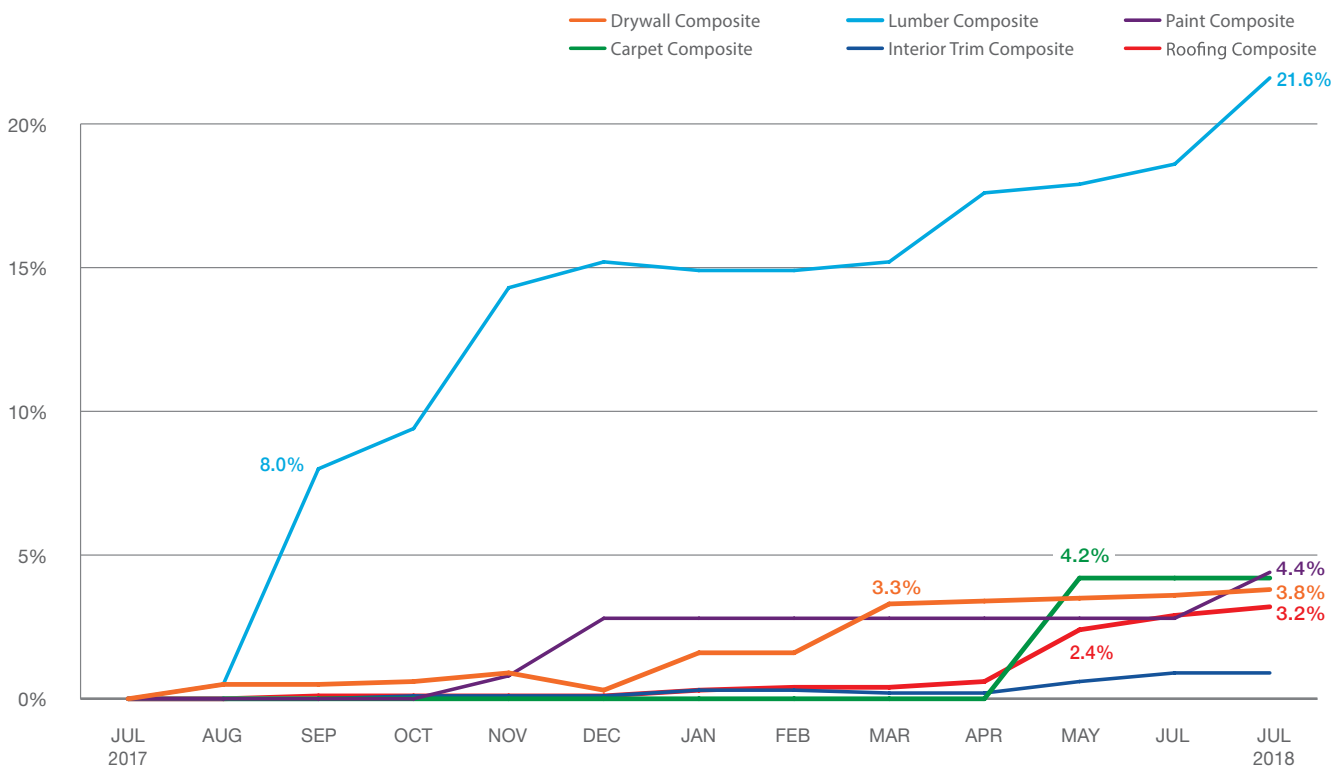
Material Cost Analysis

Combined costs for material composites increased 5.2 percent. All categories saw total cost increases. Lumber costs continued to climb, reaching a 21.6 percent increase. Paint, carpet, drywall, and roofing all rose at roughly similar rates. Carpet and roofing each saw a small bump in cost changes for May. For carpet, a focused survey on carpet material was identified as the cause, and price changes in asphalt shingles and wood shakes were the cause for the roofing increase. For drywall, a small jump in March resulted from the cost of gypsum board.

Percentage change in costs



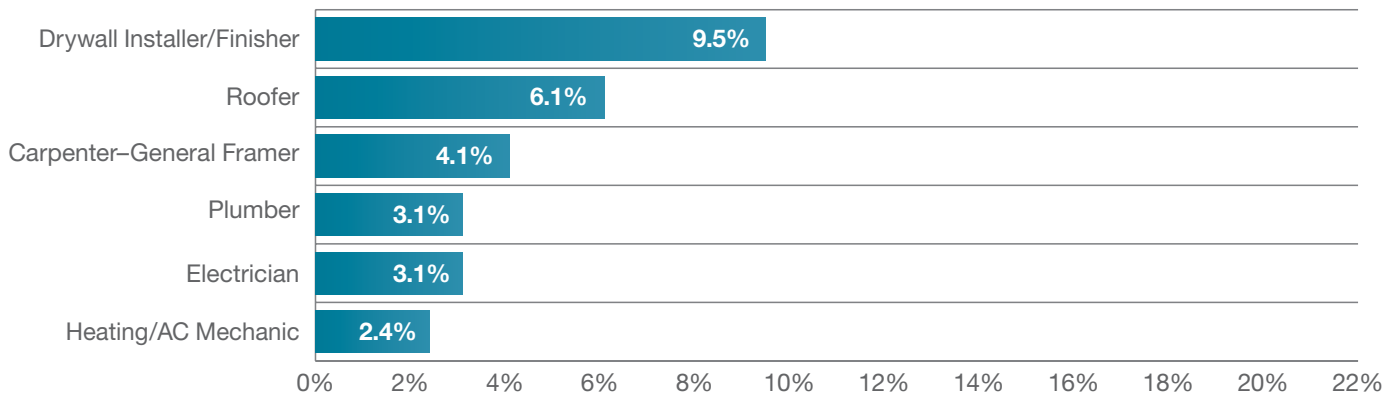
Percentage change in costs by month



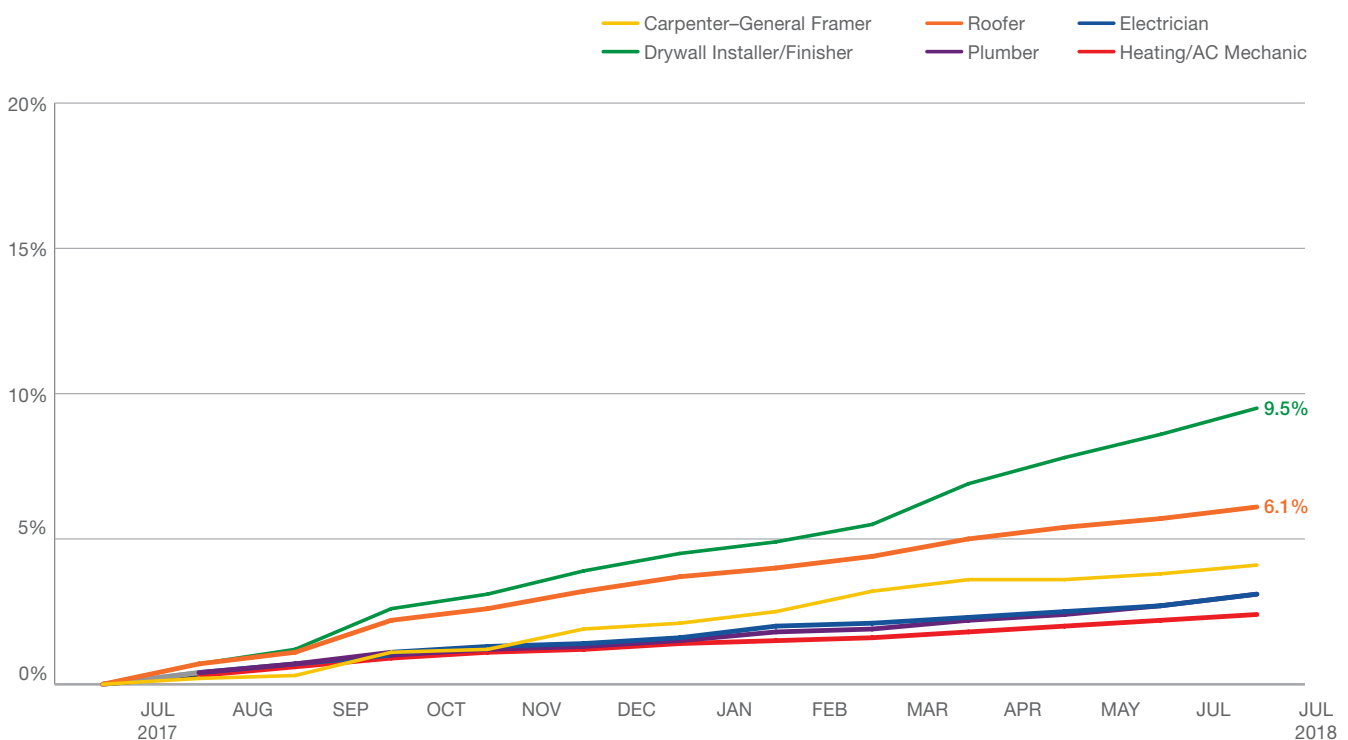
Labor Cost Analysis

Combined retail labor costs increased 4.2 percent. All common labor trades saw small but steady cost increases. Rates for drywall installers increased the most at 9.5 percent. Roofers were next at 6.1 percent. Costs for carpenters, plumbers, electricians, and heating/AC mechanics rose by approximately 2.0 to 4.0 percent each.

Percentage change in costs



Percentage change in costs by month



About this report

360Value Quarterly Cost Updates are derived from building cost research conducted by industry leader Xactware, a Verisk business, and validated at a highly localized level.

Our comprehensive research process includes real-time feedback on reconstruction costs from tens of thousands of contractors and claims adjusters, extensive material and labor cost surveys, and analysis of more than 5 million actual damage repair estimates for claims each year.

The data contained in this report should not be used as the basis for underwriting, coverage, rating, or renewal decisions, as changes in replacement costs vary dramatically at the individual property level.



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