



360Value Quarterly Reconstruction Cost Analysis

Q4 2022: United States



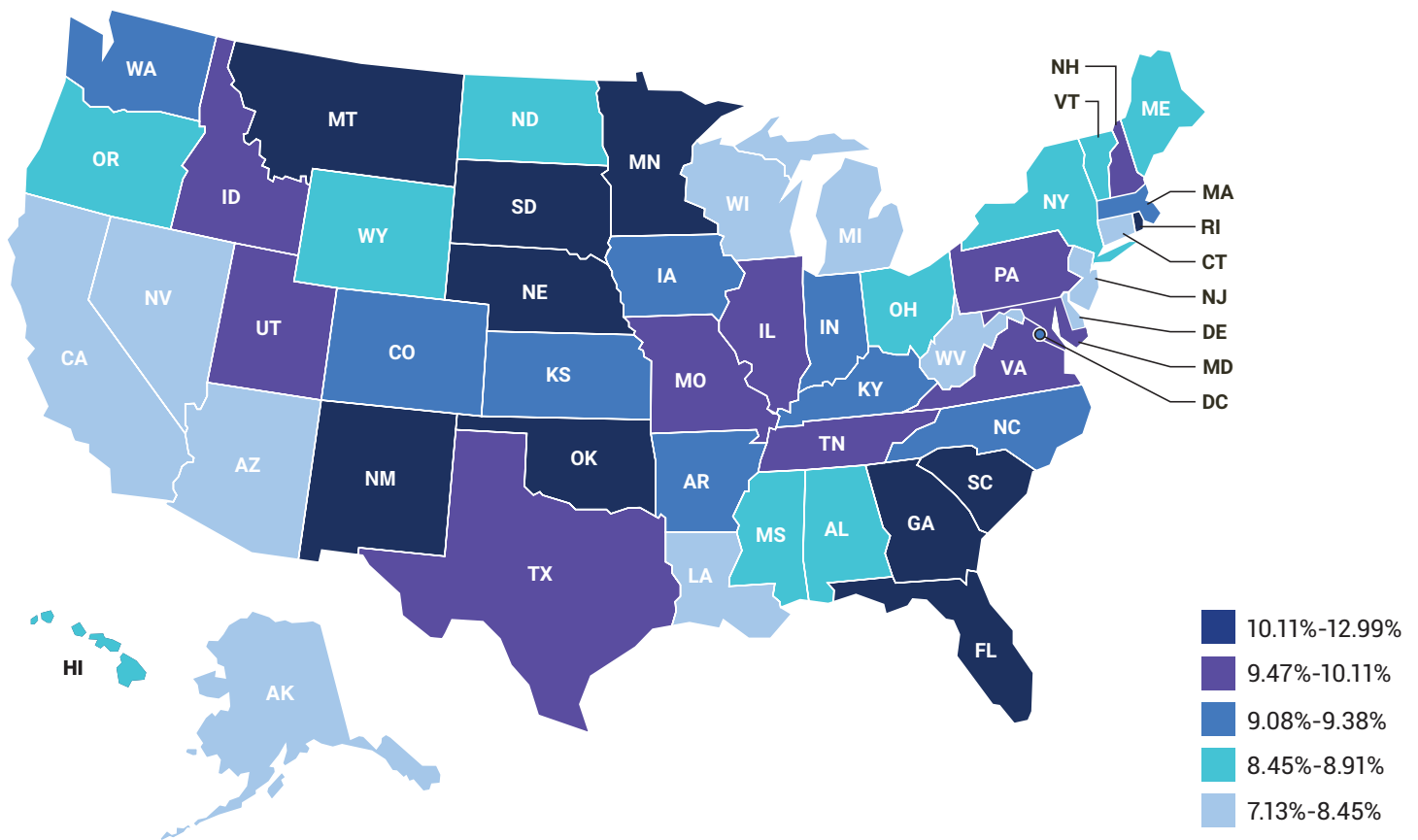
This report provides reconstruction cost trends at the national and state levels. The 360Value® Quarterly Reconstruction Cost Analysis is derived from building cost research conducted by Verisk using the industry-leading Xactimate estimating solution.

Continuing pressures drive upticks in reconstruction costs

Total reconstruction costs, including materials and retail labor, increased 9.3% from October 2021 to October 2022. This uptick follows the 3% jump from July 2021 to July 2022. Costs remain high amid continuing inflation, supply shortages, and labor strains following catastrophic events. Lumber—a persistent cost driver in recent years—increased moderately at 6%, whereas interior trim and roofing components rose as high as 18%. Quarterly reconstruction costs increased by 1.1%, a slight shift from the 1% decrease last quarter.

Residential Reconstruction Costs

Residential reconstruction costs increased in all states. Florida had the largest increase at 13%, followed by South Carolina (12.6%) and Georgia (11.1%). Louisiana’s rank changed the most significantly, falling from the fourth-highest cost increase in July 2022 to the 51st in October 2022, the smallest increase. Costs were up 7.1% in Louisiana year-over-year.



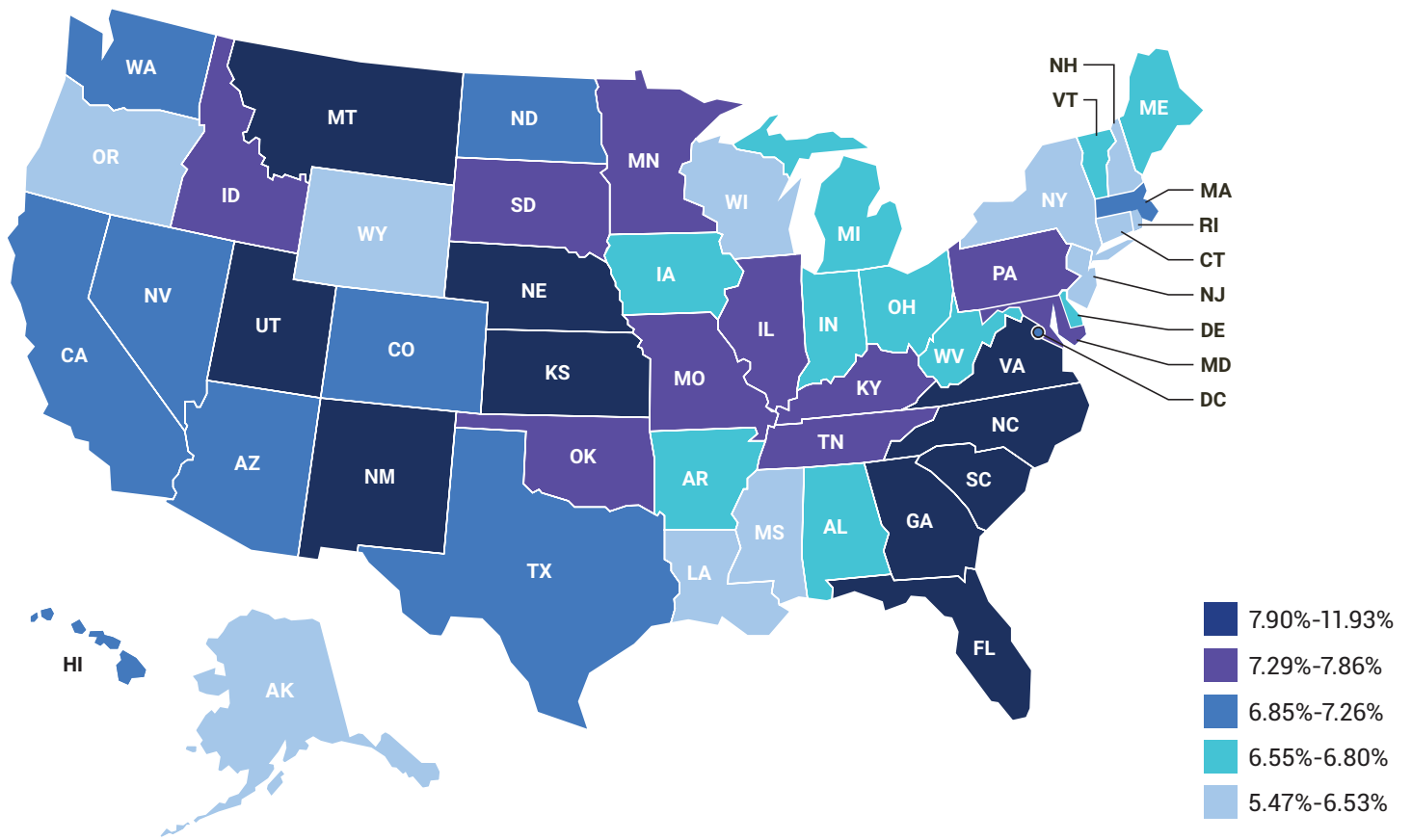
Changes in reconstruction costs by state.

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

*All rates, percentages, increases, decreases, etc., are calculated as percentage changes from October 2021 to October 2022 unless otherwise noted.

Commercial Reconstruction Costs

Every state saw higher commercial reconstruction costs. Florida had the largest increase at 11.9%, followed by South Carolina (9.9%) and New Mexico (8.9%). Louisiana had the largest shift in rank, down from the second-highest cost increase in July 2022 to the 47th in October 2022, with prices rising 6.1% year-over-year. In last place, Connecticut's costs increased by 5.5% between October 2021 and October 2022.



Changes in reconstruction costs by state.

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

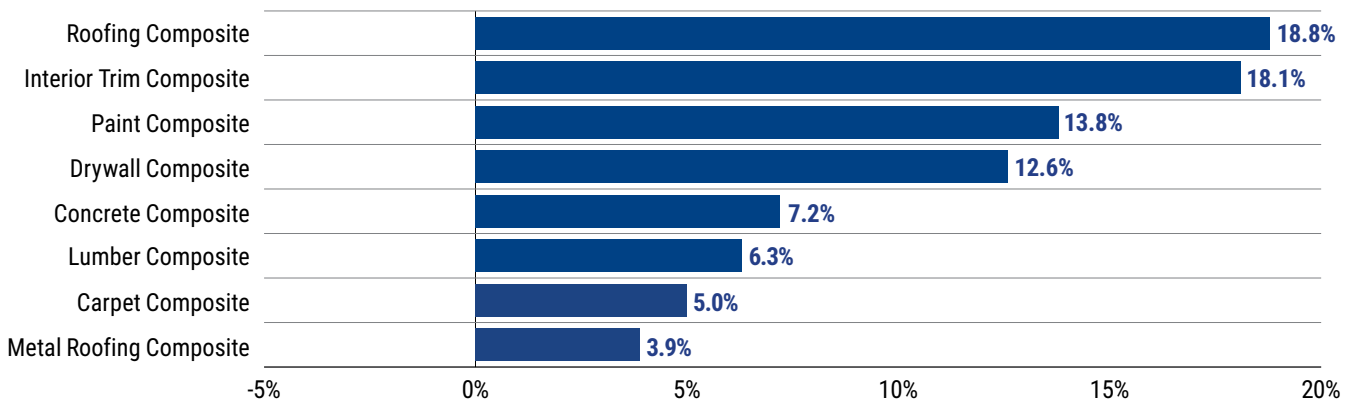
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Material Cost Analysis

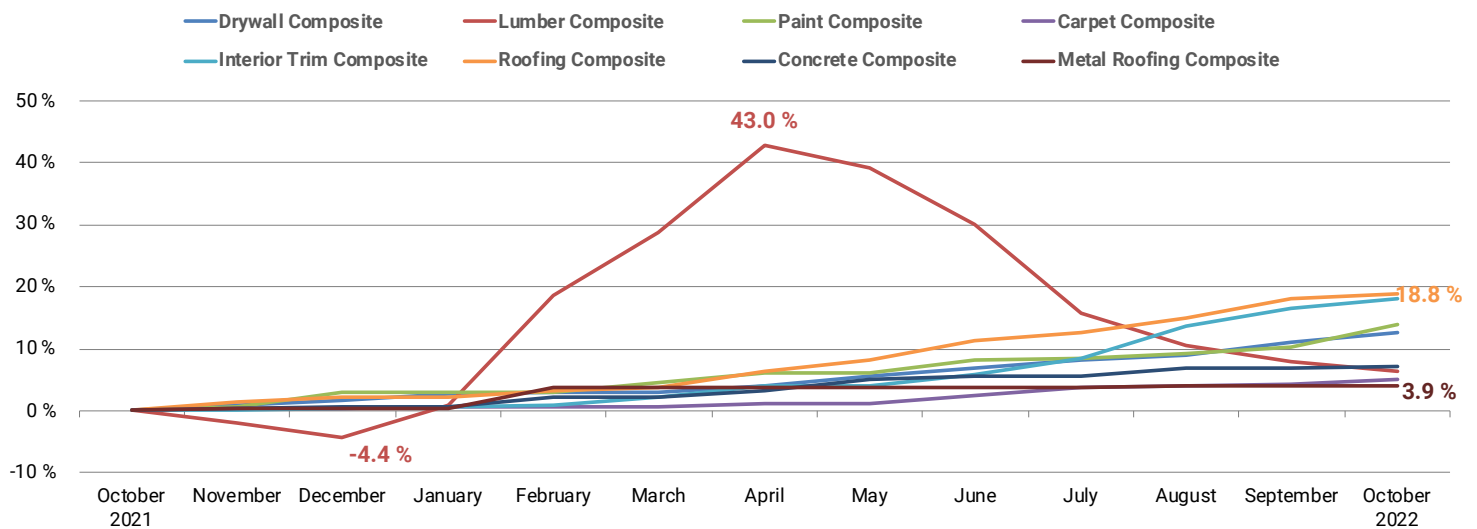
Combined costs for material composites increased 11.5% from October 2021 to October 2022—a strong surge following a 0.8% gain from July 2021 to July 2022. All categories were up, with interior trim and roofing serving as the primary drivers; both increased by more than 18%. This is partly reflected in the costs of interior doors, crown molding, and wooden shakes, all of which are lumber-derived.

Drywall costs rose by 12.6%. Paint costs rose by 13.8%, driven by stains, sealers, and primers. Lumber costs rose by 6.3%, a moderate change compared to prior quarters.

Percentage change in costs



Percentage change in costs by month

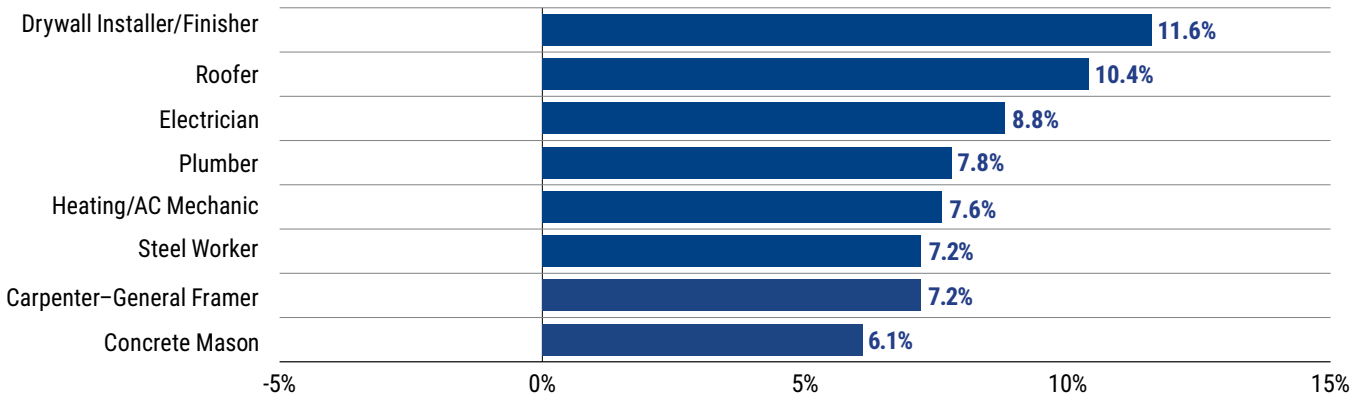


Labor Cost Analysis

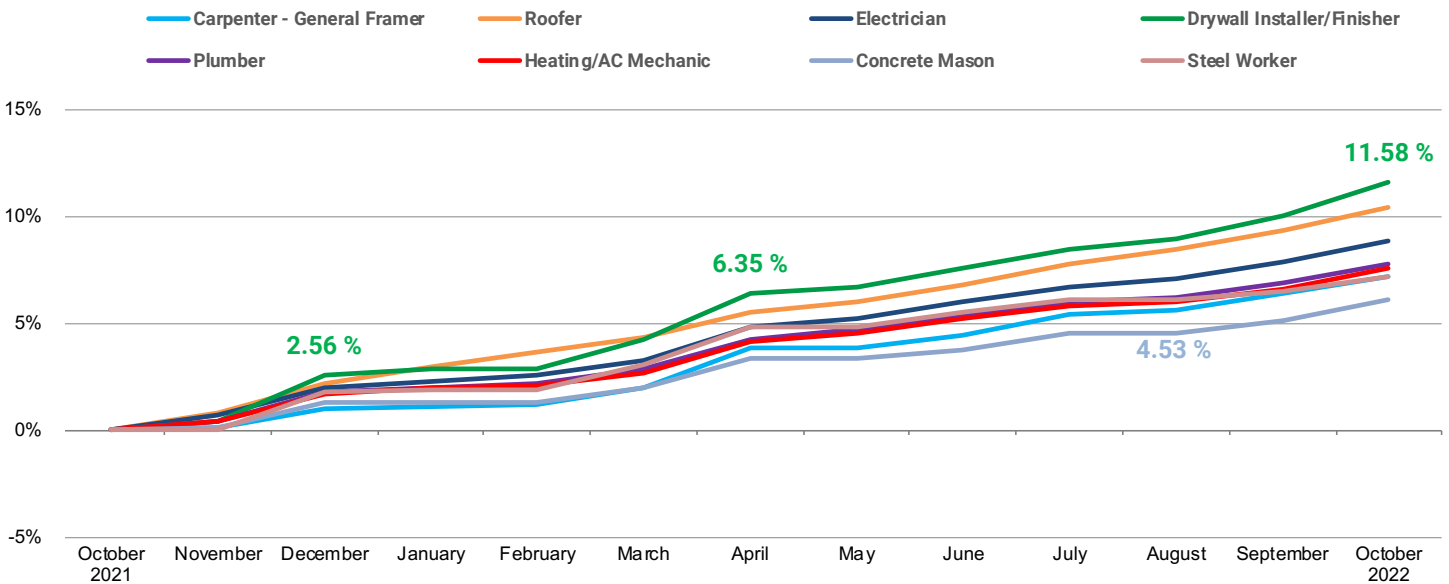
Combined hourly retail labor costs increased by 9.8% from October 2021 to October 2022, keeping pace with the increase recorded from July 2021 to July 2022. Labor costs reflect the strain in worker shortages following recent catastrophic events.

Drywall installer/finisher and roofer costs increased the most at 11.6% and 10.4%, respectively. Electrician costs increased 8.8%, while plumber costs rose 7.8%. Concrete mason costs increased by 6.1%.

Percentage change in costs



Percentage change in costs by month



Fuel cost increases were included in the Retail Labor Rates for the July 2022 publication based on the national average increase of fuel between May 23, 2022 and June 13, 2022. Retail Labor Rates in the United States increased by a minimum of \$0.40 per hour. More detailed information can be found in [this news release](#).

About this report

The *360Value Quarterly Reconstruction Cost Analysis* is derived from building cost research conducted by Verisk using the industry-leading Xactimate estimating solution.

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.

Verisk also updates reconstruction costs monthly to support providing reliable and timely pricing information. 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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