



Capture luxury home reconstruction costs to the last custom detail

360Value®

There may be very little that's standard about a luxury home, and it can be a challenge to place the right levels of homeowners coverage on such properties.

Luxury homes: A small market, a big challenge

High-grade materials, custom features, and the need for specialized craftsmanship make reconstruction cost estimates especially complex for these top-of-the-line homes.

For example, not all exterior brick veneer is alike. This finish on a luxury home may differ materially in quality and craftsmanship from that on a lesser-grade premium home, with a significant cost differential.

A Verisk study found an average reconstruction cost of more than \$500 per square foot on a sampling of luxury homes—28 percent higher on average than estimates for more common custom and premium quality homes.



**Luxury classification
can raise cost per
square foot up to 55%**

Dig deeper to know more

Mastering reconstruction cost estimates at the very top of the homeowners market demands deep data resources to capture a segment that represents a small percentage of all houses built in the United States. A further challenge is integrating this data into underwriting workflows.

Verisk's 360Value® is up to the task, helping you account for labor and materials costs beyond the ordinary. And like all 360Value insights, you get true component-based replacement cost estimates based on actual claims information.

A solid foundation

360Value reconstruction cost estimates are derived from building cost research conducted by Verisk 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.

When it's not your average house

As you fill out your valuation, Verisk's 360Value identifies key property characteristic data sets for the most reliable reconstruction cost estimates.

For example, the iron railings on the staircase in a luxury home have a higher value than typical railings in an average house. Clicking the luxury checkbox in the 360Value user interface helps to account for these features and ensure the right level of coverage for luxury homes. Labor and materials for such one-of-a-kind creations can run the cost per square foot to multiples of that for a premium or custom home. And such homes can have a near-endless range of amenities, from home theaters and bowling alleys to sport courts and security gates.



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