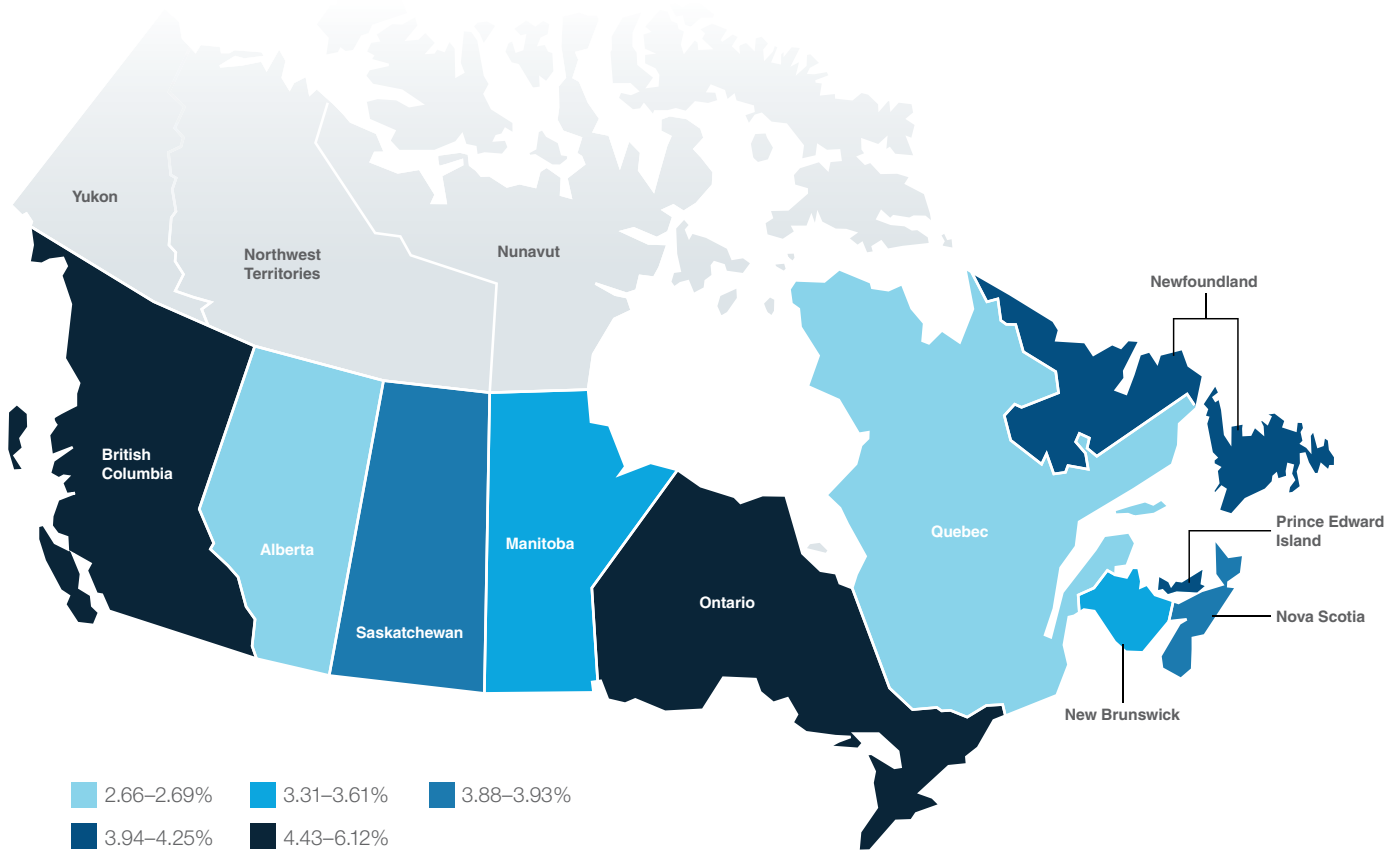


This report provides reconstruction cost trends at the national and provincial levels. *360Value® Quarterly Cost Updates* are derived from building cost research conducted by industry leader *Xactware®*.

# Reconstruction costs remain consistent

Total reconstruction costs, including materials and retail labour, increased 3.9 per cent\* from July 2017 to July 2018. Total costs saw a large increase in the third quarter of 2017 but have plateaued since then.



All provinces experienced increases. Costs in Ontario grew the most (6.1 per cent), followed by British Columbia (4.4 per cent) and Prince Edward Island (4.2 percent). Quebec and Alberta showed the lowest increases, at 2.7 per cent each.

Changes in reconstruction costs by province from July 2017 to July 2018.

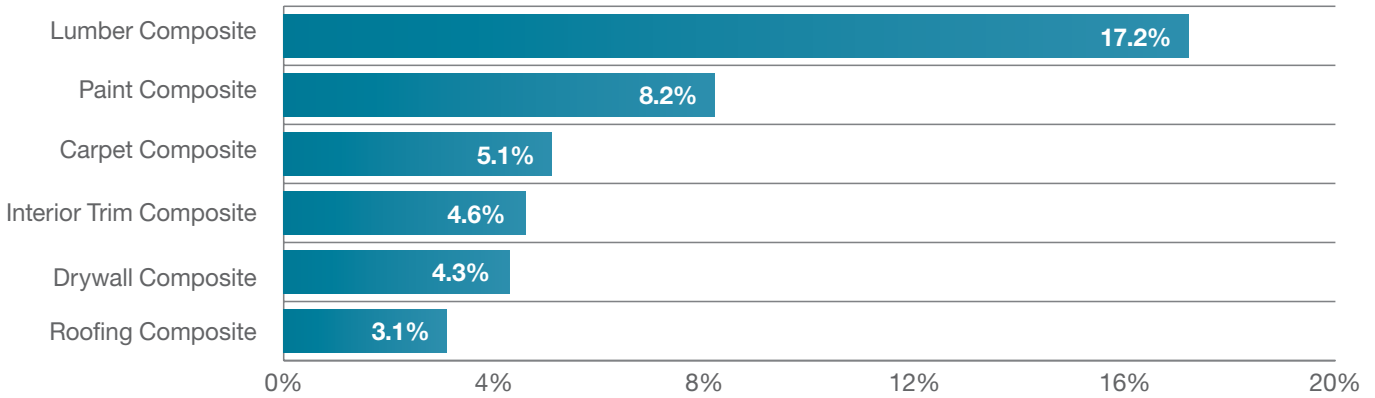
Provinces are grouped in quintiles; each range/colour in the legend includes 20 per cent of the total number of provinces.

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

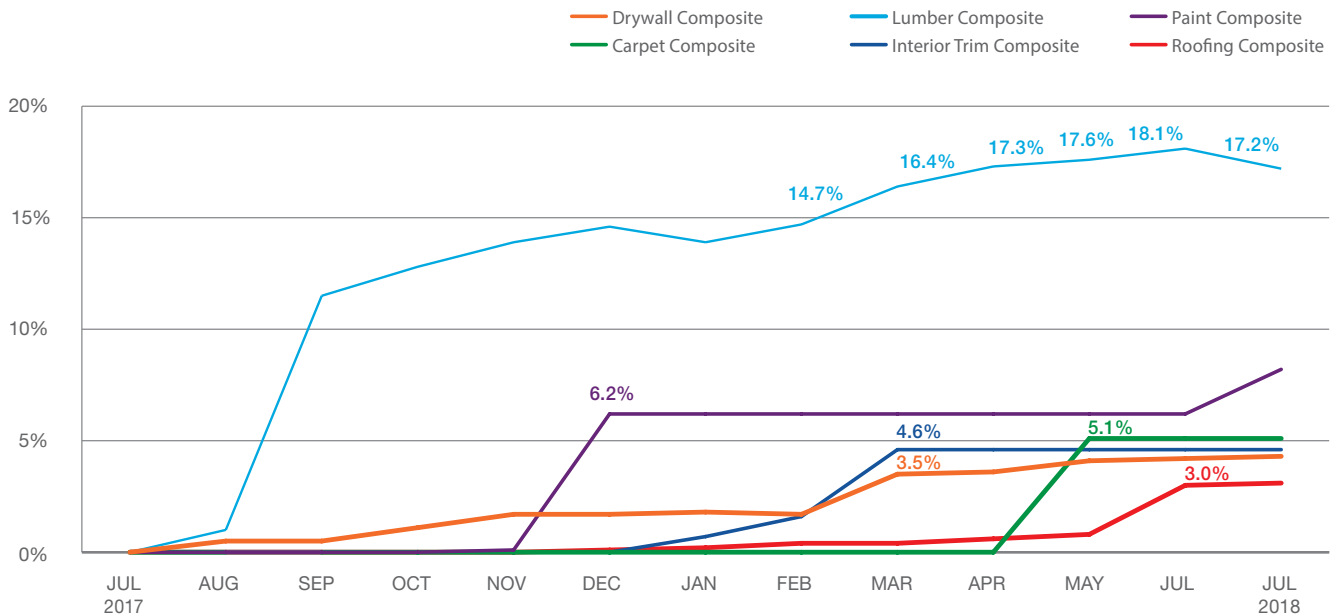
### Material Cost Analysis

Total material costs rose 4.1 per cent. Lumber costs increased the fastest, but they plateaued beginning in February. Paint costs increased 8.2 per cent, with a 6.1-percentage-point jump in December. In May, carpet increased 5.1 percentage points, resulting from a focused survey on carpet material. Interior trim grew 3.0 percentage points in March due to costs of interior door, corner trim, and cove moulding. Drywall has consistently increased since March due to changes in the cost of joint compound. In June, roofing grew 2.2 percentage points due to the cost of wood shakes.

Percentage change in costs



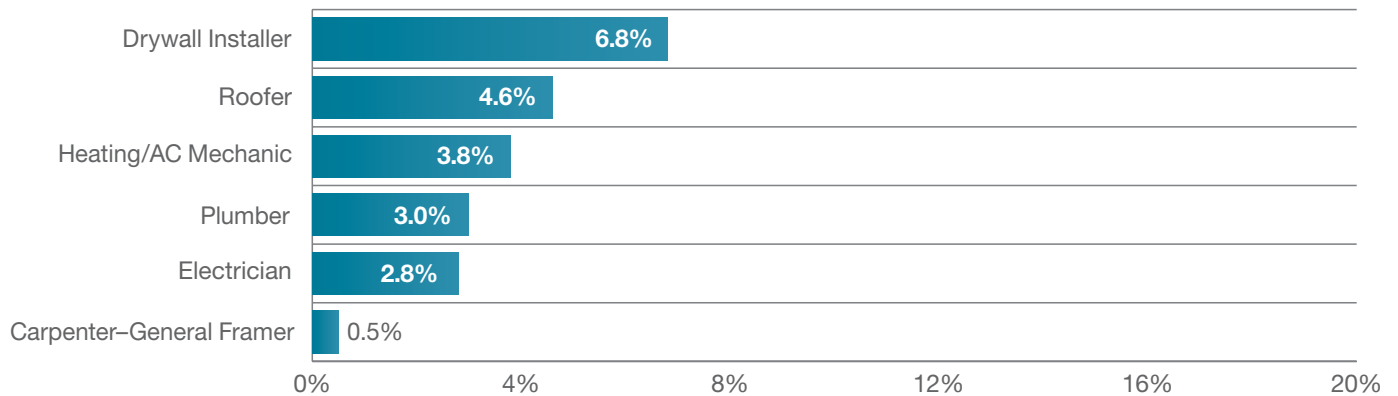
Percentage change in costs by month



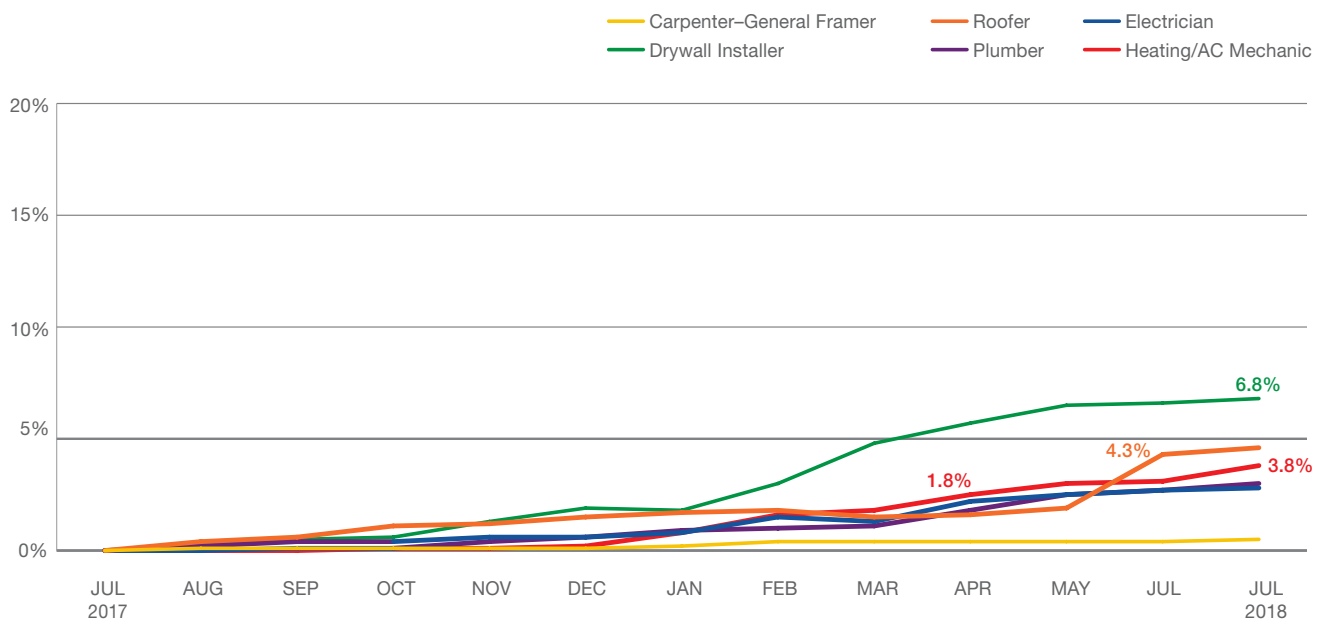
### Labour Cost Analysis

Total labour costs increased 4.3 per cent. Generally, costs for all six major labour trades grew steadily from July 2017 to July 2018. Drywall installer costs have shown the highest steady increases, reaching 6.8 per cent. Notably, costs for roofers grew 2.4 percentage points in June, and heating/AC mechanic costs increased 2.0 percentage points between March and July 2018.

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.



1-800-444-4554, option 3



[verisk.com/360Value](http://verisk.com/360Value)

