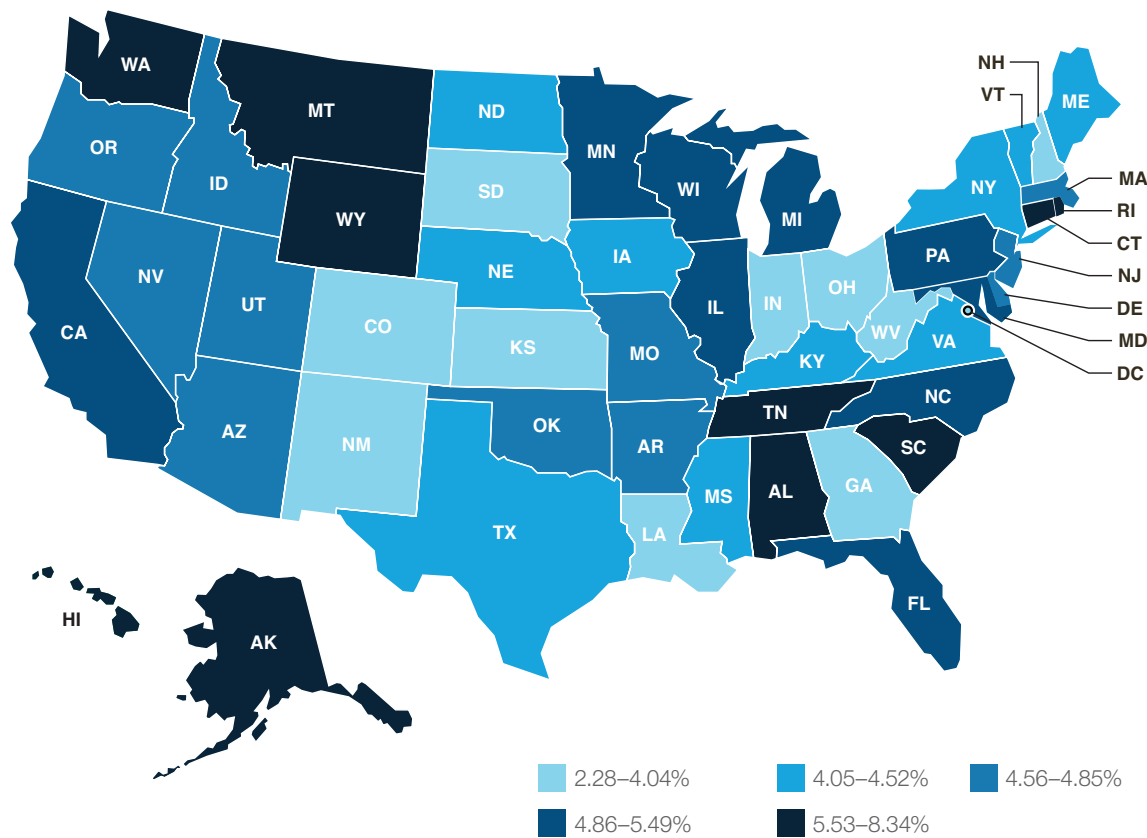


This report provides reconstruction cost trends at the national and state levels. 360Value® Quarterly Cost Updates are derived from building cost research conducted by industry leader Xactware.

Reconstruction cost increases continue at slightly slower pace

Total reconstruction costs, including materials and retail labor, increased 4.8% from July 2019 to July 2020.* This is slightly down from the 5.0% growth seen from April 2019 to April 2020, and it puts the current year on an upward trend. Costs increased slightly in the second quarter of 2020 at 1.0%.

Reconstruction costs increased in all states. Connecticut, Hawaii, and Washington had the highest changes at 8.3%, 7.9%, and 7.7% respectively. Washington D.C. had the lowest change, at 2.3%. Notably, cost changes in Florida have been variable; the state had an increase of 35 rank positions.



Changes in reconstruction costs by state.

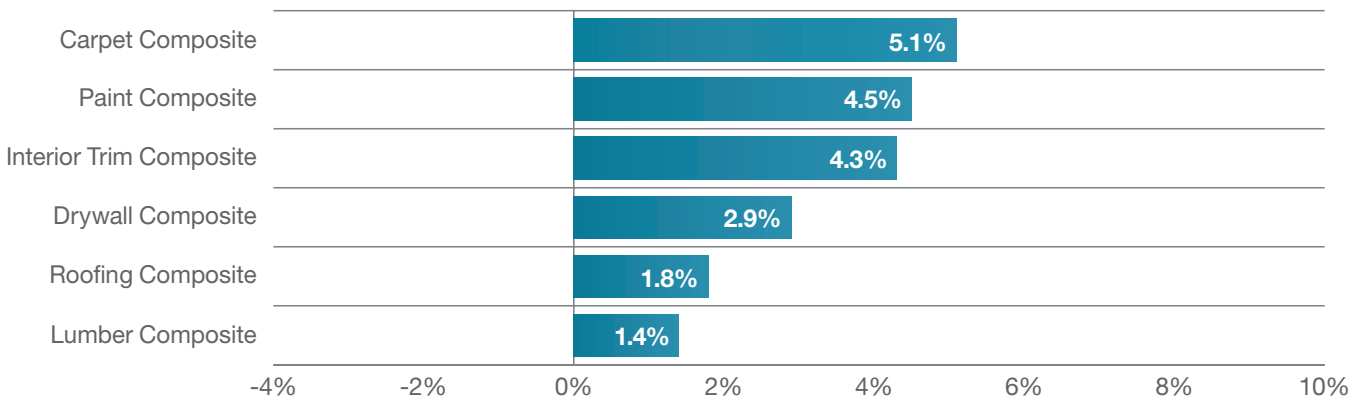
States are grouped in quintiles; each range/color in the legend includes 20% of the total number of states.

*All rates, percentages, increases, decreases, etc., are calculated as percentage change from July 2019 to July 2020, unless otherwise noted.

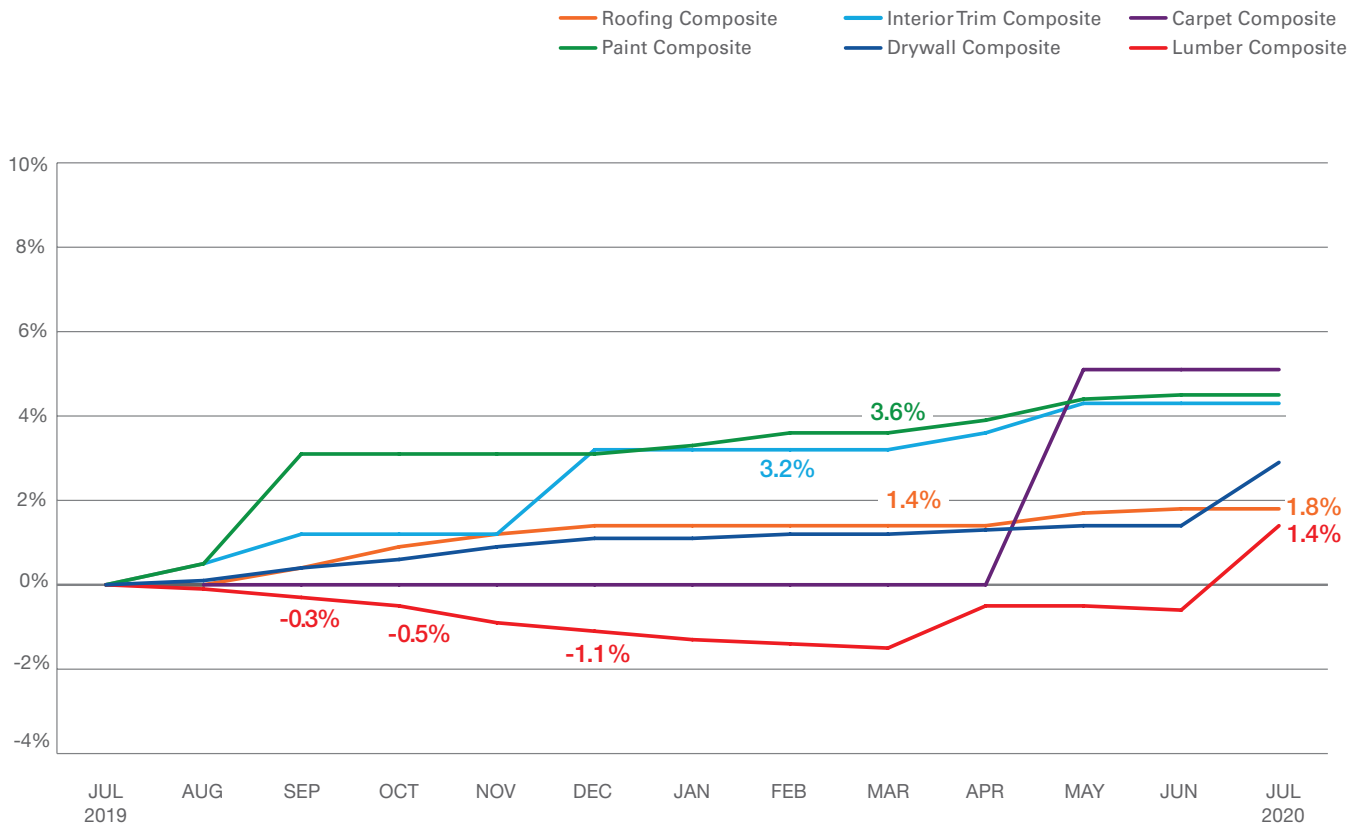
Material Cost Analysis

Combined costs for material composites increased 3.9%. Costs were up for all categories. Carpet costs saw the highest increase at 5.1%, followed closely by paint at 4.5% and interior trim at 4.3%. The remaining categories increased just 1.4% to 2.9%.

Percentage change in costs



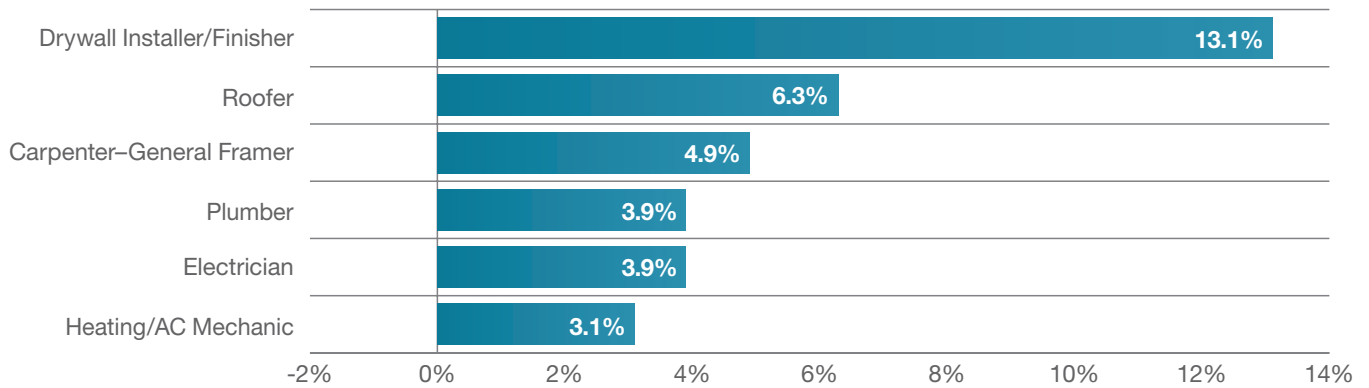
Percentage change in costs by month



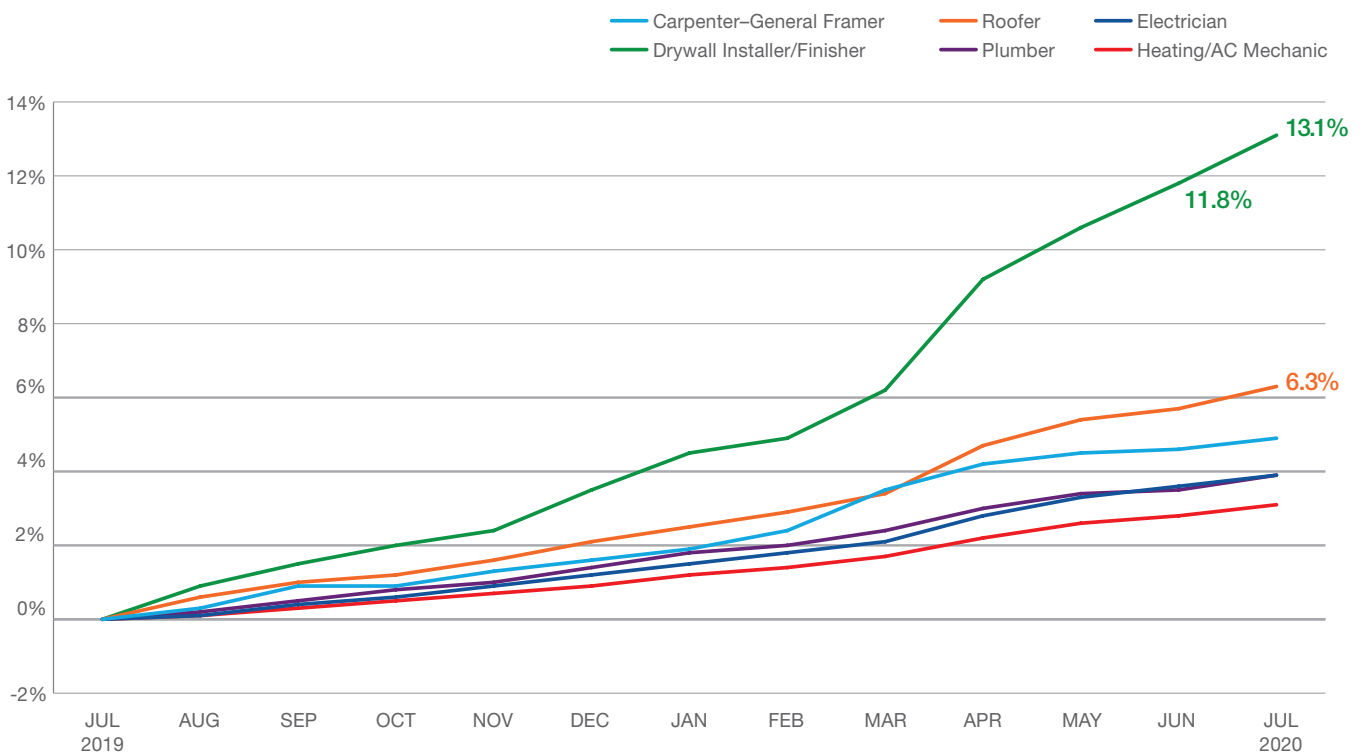
Labor Cost Analysis

Combined retail labor costs increased 6.4%, consistent with the preceding quarter. All common labor trades saw steady cost increases. Drywall installer/finisher costs continued to increase the most, at 13.1%. Roofer cost increases trailed by a large margin at 6.3%. Heating/AC mechanic costs continued to have the lowest total increase at 3.1%.

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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