

2022 REPORT

Residential + Commercial  
**Reconstruction  
Cost Analysis**



Study of square foot valuations — comparing 2020 and 2022

*Hausch*  
& COMPANY

# ABOUT OUR STUDY

Hausch & Company conducted this study with Xactimate Valuation tool to analyze reconstruction costs of residential and commercial properties — comparing April 2020 to April 2022. The study used actual claim files processed from 26 states and updated the valuation using 2022 pricing (see [appendix](#) for table).

Our findings indicate that costs for rebuilding have remained inflated since the start of the pandemic. On average, residential properties had almost a 20% increase in reconstruction costs over the past two years, and commercial properties had a 15% increase.

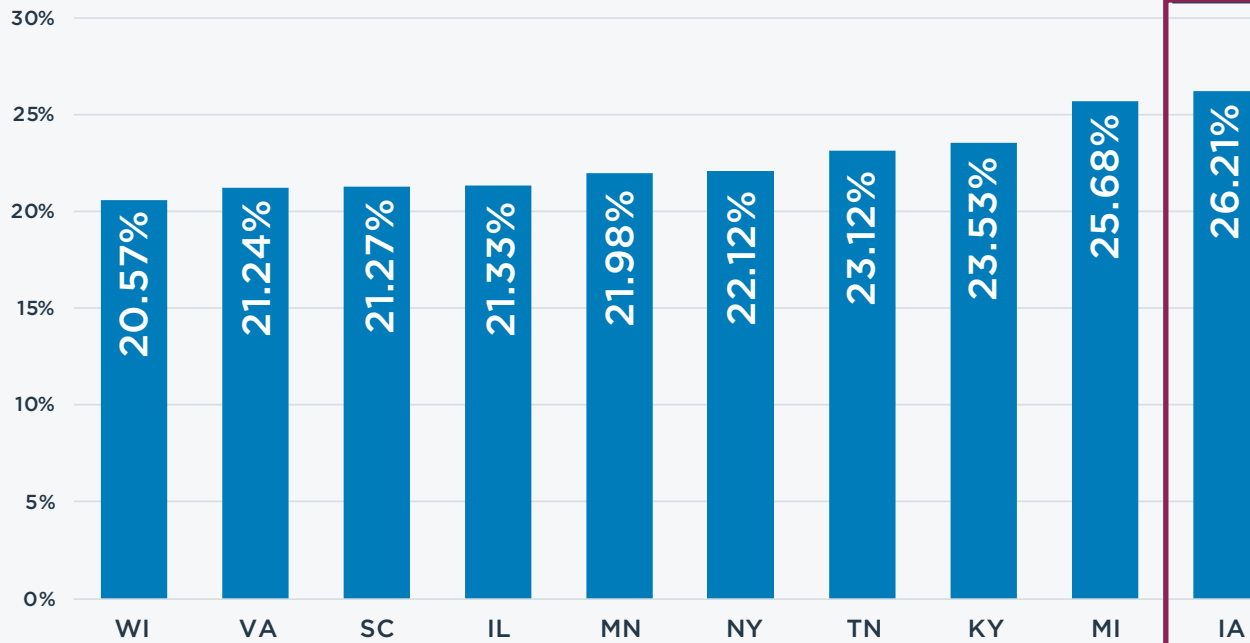


## KEY FINDINGS

- Reconstruction costs increased in all 26 states, with the highest for residential properties in Iowa (26%) and commercial properties in Oklahoma (20%).
- Lumber continues to be a primary driver in rising reconstruction costs, with rough framing having the most significant increase — averaging 41% for residential properties.
- Rough framing for homes was the highest reconstruction cost increase for all 26 states.
- Window replacement comes in second with a 17% increase, followed by a 15% increase in cost for exterior finishes and roofing of residential properties.



# TOP 10 STATES WITH THE HIGHEST % CHANGE IN RECONSTRUCTION COSTS FOR **RESIDENTIAL** PROPERTIES

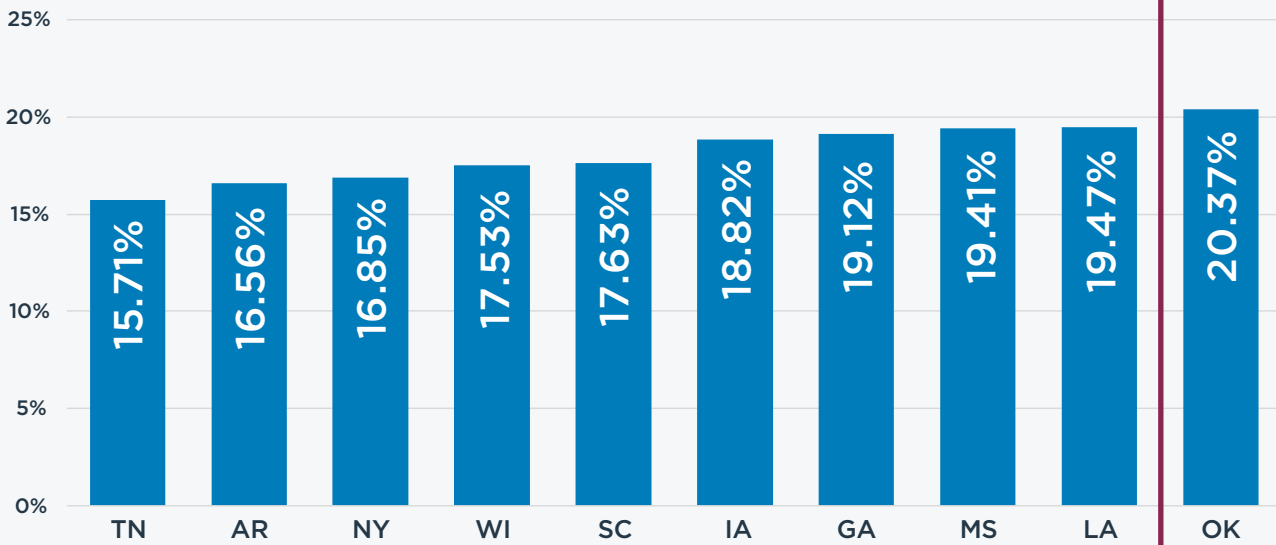


| Construction Type    | April 2022 \$      | April 2020 \$      | % Change      |
|----------------------|--------------------|--------------------|---------------|
| <b>Rough Framing</b> | <b>\$55,347.82</b> | <b>\$27,806.24</b> | <b>49.76%</b> |
| Electrical           | \$10,689.95        | \$8,305.77         | 22.30%        |
| Exterior Finishing   | \$25,146.38        | \$19,728.30        | 21.55%        |
| Windows              | \$1,543.04         | \$1,290.40         | 16.37%        |
| Roofing              | \$8,140.55         | \$6,971.25         | 14.36%        |
| Interior Finishes    | \$40,390.67        | \$34,637.07        | 14.24%        |
| Plumbing             | \$7,603.89         | \$6,814.54         | 10.38%        |



Residential homes in Iowa had a 26% increase in reconstruction costs over the two-year study, with rough framing having the most significant cost change at almost 50% — the highest of all states in the study.

# TOP 10 STATES WITH THE HIGHEST % CHANGE IN RECONSTRUCTION COSTS FOR **COMMERCIAL** PROPERTIES



| Construction Type  | April 2022 \$ | April 2020 \$ | % Change |
|--------------------|---------------|---------------|----------|
| Structure          | \$77,163.64   | \$47,327.16   | 38.67%   |
| Plumbing           | \$44,040.97   | \$35,135.59   | 20.22%   |
| Exterior Finishing | \$61,773.65   | \$49,298.99   | 20.19%   |
| Electrical         | \$29,175.04   | \$24,155.11   | 17.21%   |
| General Conditions | \$26,193.50   | \$22,317.33   | 14.80%   |
| Heating/AC         | \$48,964.26   | \$42,624.88   | 12.95%   |
| Roofing            | \$14,710.60   | \$13,086.05   | 11.04%   |

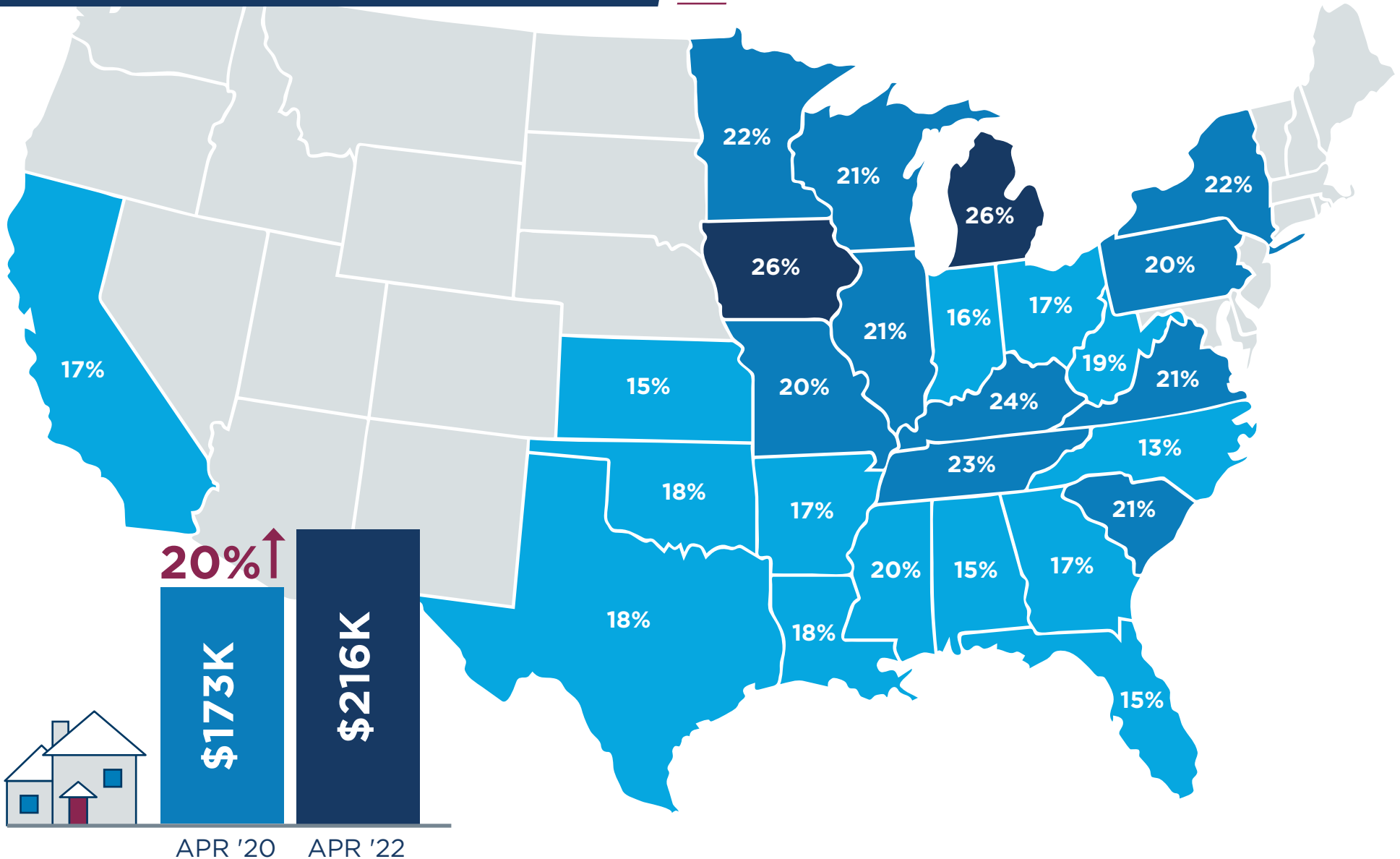


Commercial properties in Oklahoma had a 20% increase in reconstruction costs over the two-year study, with structure costs having the most significant change — near 40%.



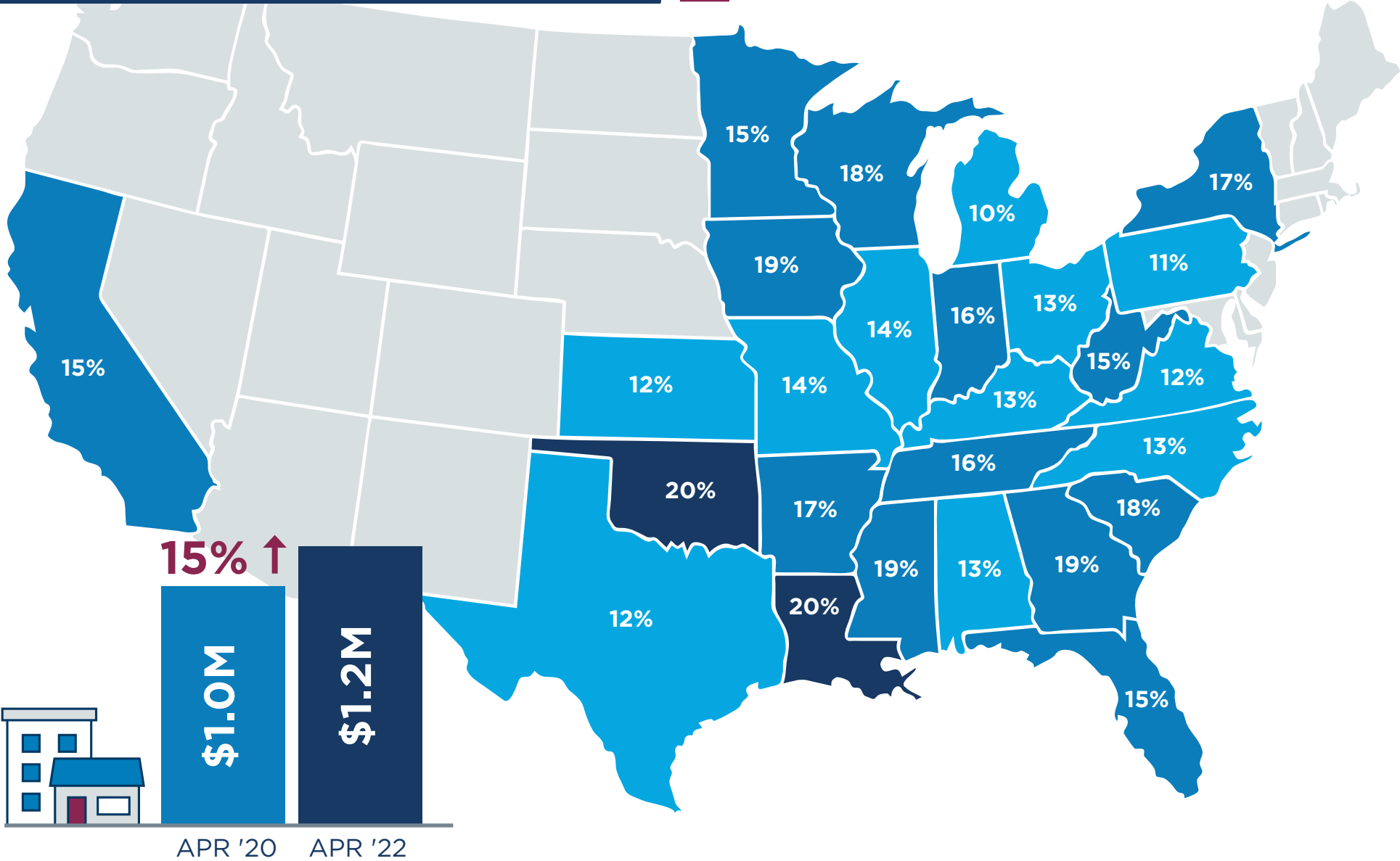
# OVERVIEW OF % CHANGE IN RECONSTRUCTION COSTS FOR **RESIDENTIAL** PROPERTIES

The 26 states in the study averaged almost a 20% increase for reconstruction costs for residential properties from April 2020 to April 2022.



# OVERVIEW OF % CHANGE IN RECONSTRUCTION COSTS FOR **COMMERCIAL** PROPERTIES

The 26 states in the study averaged just over a 15% increase for reconstruction costs for commercial properties from April 2020 to April 2022.





**Residential Property Comparison by State**

| State          | April 2022          | April 2020          | % Change      |
|----------------|---------------------|---------------------|---------------|
| NC             | \$276,391.55        | \$240,266.87        | 13.07%        |
| FL             | \$237,964.97        | \$196,182.19        | 14.97%        |
| KS             | \$156,118.88        | \$132,214.83        | 15.31%        |
| AL             | \$183,607.46        | \$155,467.21        | 15.33%        |
| IN             | \$184,831.24        | \$155,202.00        | 16.03%        |
| GA             | \$211,196.68        | \$175,524.84        | 16.89%        |
| CA             | \$184,831.24        | \$155,202.00        | 17.05%        |
| OH             | \$183,607.46        | \$155,467.21        | 17.30%        |
| AR             | \$178,653.03        | \$147,514.59        | 17.44%        |
| LA             | \$211,196.68        | \$175,524.84        | 18.16%        |
| OK             | \$184,831.24        | \$155,202.00        | 18.28%        |
| TX             | \$140,833.84        | \$115,027.10        | 18.32%        |
| WV             | \$291,931.23        | \$237,315.98        | 18.71%        |
| MO             | \$211,196.68        | \$175,524.84        | 19.81%        |
| PA             | \$184,831.24        | \$155,202.00        | 20.14%        |
| MS             | \$433,547.03        | \$346,046.78        | 20.18%        |
| WI             | \$176,063.71        | \$139,845.33        | 20.57%        |
| VA             | \$224,782.27        | \$177,044.57        | 21.24%        |
| SC             | \$169,683.55        | \$133,595.61        | 21.27%        |
| IL             | \$160,127.81        | \$125,974.92        | 21.33%        |
| MN             | \$168,620.76        | \$131,553.66        | 21.98%        |
| NY             | \$146,512.74        | \$114,100.03        | 22.12%        |
| TN             | \$215,362.35        | \$165,573.19        | 23.12%        |
| KY             | \$151,671.88        | \$115,984.91        | 23.53%        |
| MI             | \$538,004.62        | \$399,860.71        | 25.68%        |
| IA             | \$167,964.43        | \$123,935.46        | 26.21%        |
| <b>Average</b> | <b>\$215,575.94</b> | <b>\$172,713.25</b> | <b>19.39%</b> |

\*NOTE:  
 The data in this report was created using valuations completed in 2020 and updated in 2022 to make a comparison. Replacement costs vary dramatically by area. The specific information provided is not intended to be used as general information for underwriting, coverage, or rating decisions.



**Commercial Property Comparison by State**

| State          | April 2022            | April 2020            | % Change      |
|----------------|-----------------------|-----------------------|---------------|
| MI             | \$619,650.97          | \$558,568.78          | 9.86%         |
| PA             | \$368,212.06          | \$326,733.53          | 11.26%        |
| TX             | \$2,031,901.64        | \$1,792,617.90        | 11.78%        |
| VA             | \$1,784,559.78        | \$1,570,113.77        | 12.02%        |
| KS             | \$286,364.80          | \$251,431.95          | 12.20%        |
| NC             | \$276,391.55          | \$240,266.87          | 12.84%        |
| AL             | \$1,374,184.92        | \$1,194,736.28        | 13.06%        |
| KY             | \$151,671.88          | \$115,984.91          | 13.32%        |
| OH             | \$392,669.19          | \$340,269.39          | 13.34%        |
| MO             | \$727,127.04          | \$624,975.12          | 14.05%        |
| IL             | \$858,757.57          | \$737,110.75          | 14.17%        |
| FL             | \$744,293.77          | \$635,031.68          | 14.68%        |
| MN             | \$1,320,303.33        | \$1,119,638.76        | 15.20%        |
| WV             | \$2,239,901.17        | \$1,894,182.23        | 15.43%        |
| CA             | \$1,242,781.07        | \$1,050,919.01        | 15.44%        |
| IN             | \$796,991.90          | \$673,262.26          | 15.52%        |
| TN             | \$1,219,454.64        | \$1,027,875.82        | 15.71%        |
| AR             | \$524,130.11          | \$437,349.93          | 16.56%        |
| NY             | \$674,825.46          | \$561,122.63          | 16.85%        |
| WI             | \$2,288,492.74        | \$1,887,351.43        | 17.53%        |
| SC             | \$588,841.79          | \$485,002.23          | 17.63%        |
| IA             | \$1,207,718.27        | \$980,427.11          | 18.82%        |
| GA             | \$963,859.36          | \$779,539.02          | 19.12%        |
| MS             | \$2,234,805.30        | \$1,801,073.72        | 19.41%        |
| LA             | \$1,366,328.80        | \$1,100,370.98        | 19.47%        |
| OK             | \$500,571.33          | \$398,584.32          | 20.37%        |
| <b>Average</b> | <b>\$1,220,568.22</b> | <b>\$1,024,432.93</b> | <b>15.22%</b> |

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