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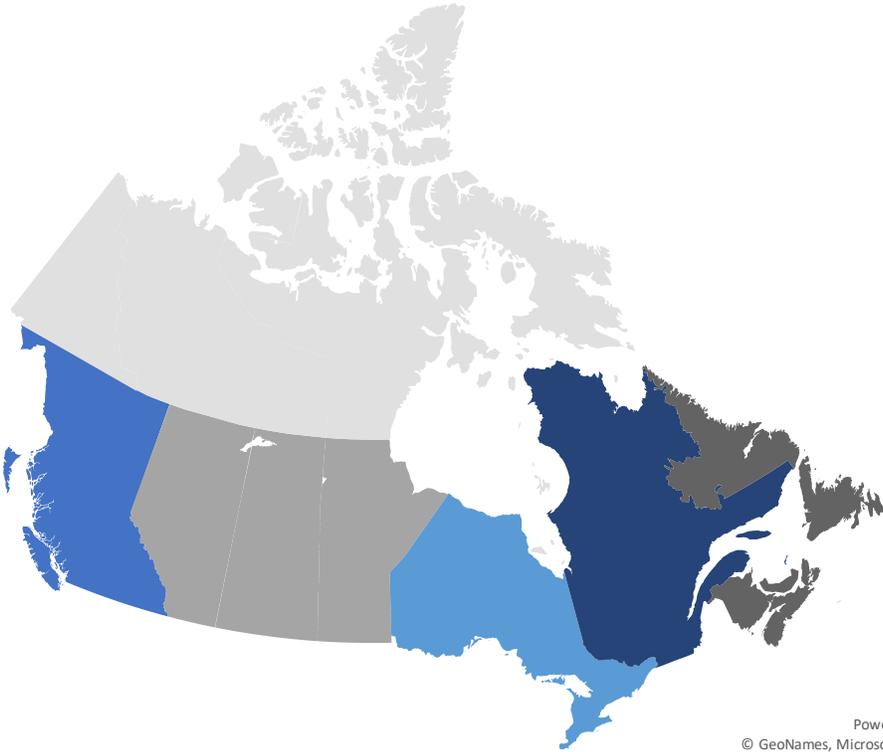
Canada Claims Construction Bulletin

Monthly overview of recent pricing trends in the property insurance, construction, and restoration industries.

April 2024

Defined Regions

■ West Coast ■ Prairies ■ Ontario ■ Québec ■ Atlantic Coast



CoreLogic® curates this monthly bulletin of regional construction cost insights, which are reflected in the CoreLogic Claims Pricing database. We combine the current month’s pricing data with four common loss scenarios to create models illustrating market impacts that are applied across five regions and compared month over month and year over year.

Our experts provide detailed analyses of changes and trends to provide additional insight into key drivers. View our [Construction Database Pricing Methodology whitepaper](#) to gain additional insight into how we populate cost values.

April Pricing Insights

2024 Updates from the CoreLogic Pricing Analysis and Delivery Team

Throughout 2023 and into 2024, the CoreLogic Pricing Analysis and Delivery Team has continued to research and survey labor costs and best industry practices for all construction categories within the Claims Construction Cost Database. Based on this research and analysis, CoreLogic will continue to implement incremental monthly changes throughout 2024 to each respective trade category to standardize labor trade assignments in the CoreLogic Pricing Database.

The April database will align the Window and Window Screen categories to the Exterior Finishes Installer labor trade and support the Window category with further expansion and revisions during Q2 of 2024. With the June database, labor trade assignment updates will occur for Excavation, Antenna and Satellite Dishes, Vents, Cleaning Upholstery, Moisture Protection, Cleaning Electrical items, Wall Coverings, Interior Furnishings, Miscellaneous, Metal Structures, Permits & Fees, Paneling & Wood Wall Finishes, Interior Lath & Plaster, Contents Packing, Handling & Storage, Fireplace, Temporary Repairs, Outbuildings, Drywall, Concreted & Asphalt and Exterior Furnishings categories.

In addition to standardizing labor trade assignments, the Claims Construction Cost Database will continue to increase subcontractor overhead and material markup allowances across all trades during the first half of 2024, resulting in single-digit upward movement of labor trade rates and material prices. These overhead and material markup allowances reflect escalating costs for subcontractors such as increased vehicle acquisition and maintenance, real estate expenses, increases in software and other office expenses, and increased job-site material delivery charges. Customers will notice above average upward labor rate adjustments to certain Western region markets beginning in the April database release.

CoreLogic will be updating the Construction Pricing Database Methodology Whitepaper to reflect additional considerations not previously outlined.

Line-Item Refresh

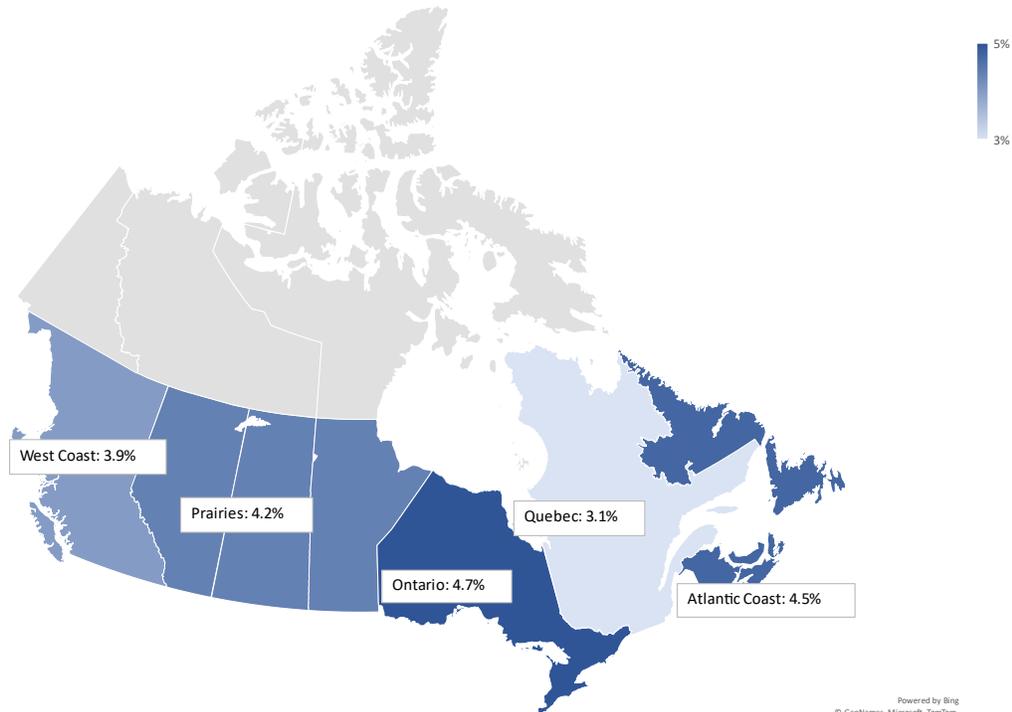
The April 2024 Pricing Database release will not contain any category refreshes although work is ongoing. The realignment process will continue on a rolling month basis for all categories within the Claims Construction Cost Database. The Fencing and Interior Lath and Plaster categories will be updated with the May Pricing Database release. The line-item realignment project is planned to continue through 2024 when all categories will be complete in December.

May 2024 Update for Canadian Claims Customers

Throughout 2023 and into 2024, the CoreLogic Pricing Analysis and Delivery Team performed comprehensive research to survey labor and material costs across various North American regions. This research has led to a decision to expand the number of Claims Pricing Database regions available in the Canadian market. Effective with the May 2024 CADC Claims Database release, CoreLogic will expand the number of Canadian regions from 30 to 53. These new regions reflect a more targeted approach to CoreLogic’s pricing methodology and will allow future published pricing to reflect unique geographic regional variability of claims repair costs. The following new regions will be added to the existing 30 Canadian regions:

Kamloops, BC	Yarmouth, NS	Timmins, ON
Brandon, MB	Hamilton, ON	Windsor, ON
Bathurst, NB	Kingston, ON	Joilette, QC
Fredericton, NB	Owen Sound, ON	Rimouski, QC
Moncton, NB	Peterborough, ON	Saguenay, QC
Corner Brook, NL	Sarnia, ON	St. Jerome, QC
Sydney, NS	Sudbury, ON	Trois Rivieres, QC
Truro, NS	Thunder Bay, ON	*Gatineau, QC (Previously Hull, QC)

Fire/Lightning (Large Loss) Insights: 12-Month Trend

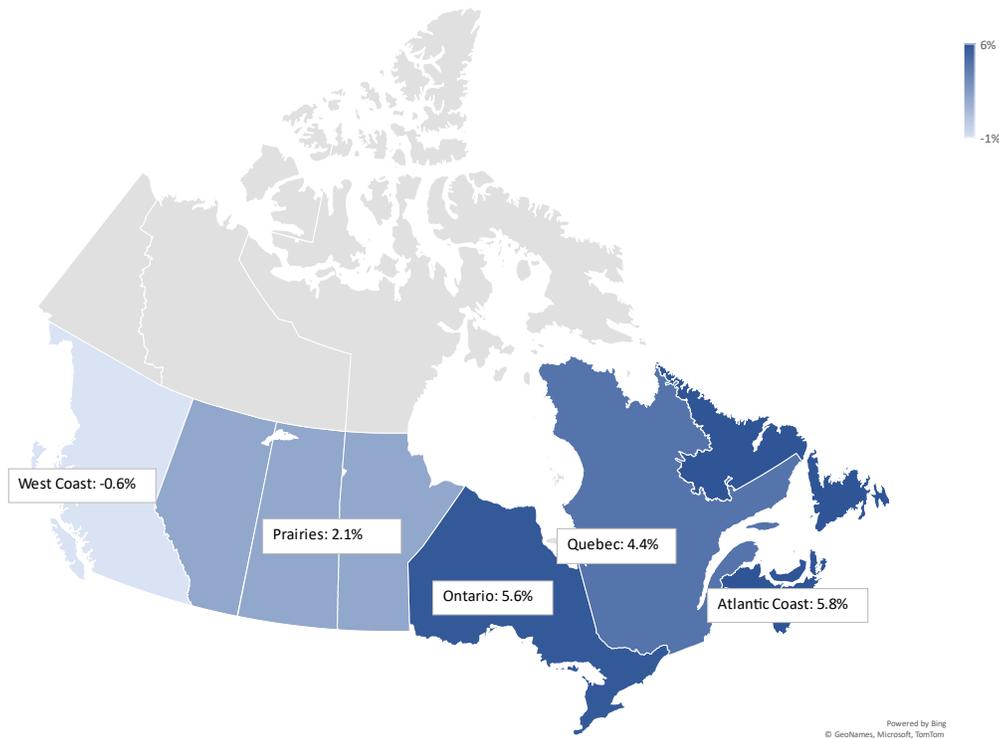


In this category, large loss claims are modeled from a typical fire loss where all components of a home's construction are affected, and losses typically exceed \$100,000.

- The Fire/Lightning scenario and its related labor categories has been stable over the last month.
- Since April 2023 pricing increased 4% for the loss scenario with the Atlantic (4.5%) and Ontario (4.7%) regions rising above the average. Year over year, the average increase for most labor categories is 4.6%, except HVAC technicians, which increased 4.8%.
- The table below references materials with the most movement since last year.

Material	Change from April 2023 Pricing
Framing/Rough Carpentry	-14.7%
Drywall	11.7%
Cabinetry	9.4%

Wind/Hail (Exterior/Roof) Insights: 12-Month Trend

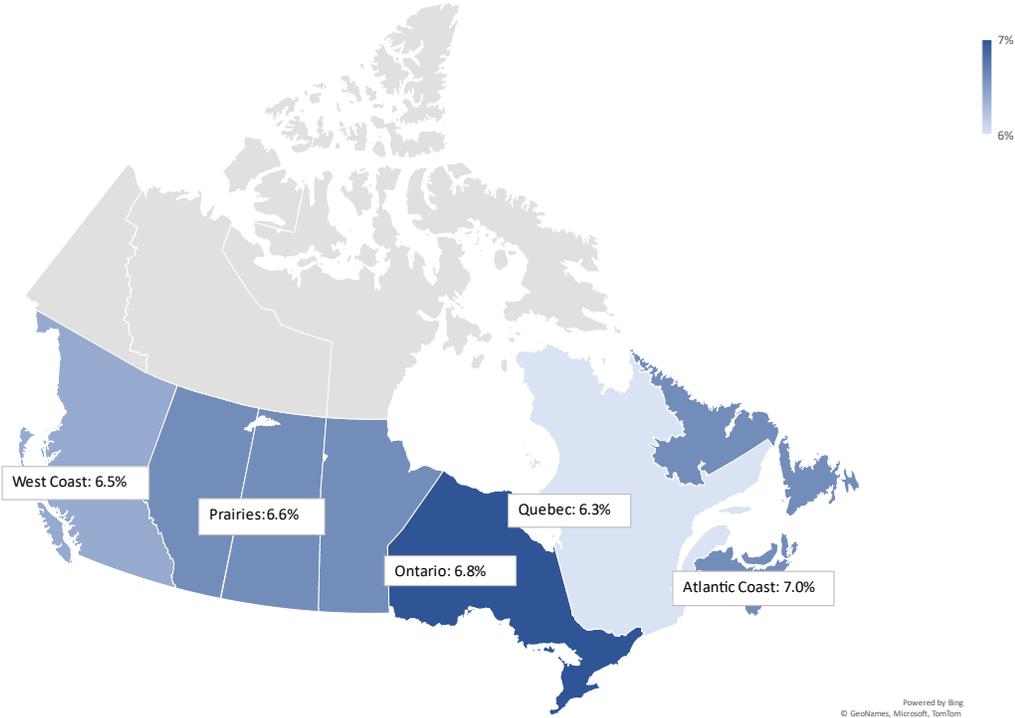


This category represents losses due to weather activity consisting of wind and/or hail. Restoration from this damage requires roof replacement, partial siding replacement, and accompanying accessories.

- The Wind/Hail scenario pricing had little movement month over month.
- Since last month, siding materials decreased on average 1.4% and there was minimal change in roofing and fencing material costs.
- The scenario is up on average 3.5% from April 2023 driven in part by increases in roofing materials and labor rates for roofing (4.6%) and siding (5.6%).

Material	Change from April 2023 Pricing
Fencing Material	-11.9%
Roofing Material	5.1%

Interior Reconstruction (Water) Insights: 12-Month Trend



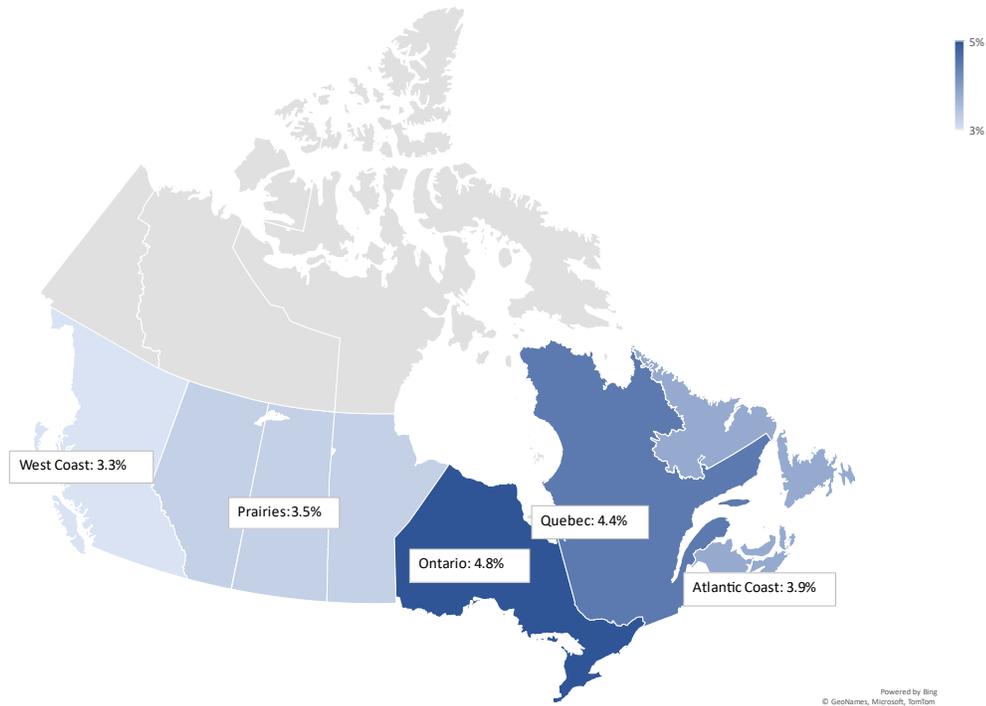
Moderately complex losses are modeled in the interior water loss scenario using the bathroom as the origin of loss, and a combination of replacement and repair of common household finishes is required.

- Since April 2023, the Interior Reconstruction scenario has developed the most averaging 6.6% higher.
- Compared to a year ago, associated labor categories increased on average 4.6%. Notable year over year material pricing changes are listed in the table.

Material	Change from April 2023 Pricing
Finish Carpentry/Trim	-5.4%
Insulation	7.2%

- Month over month, pricing for this loss scenario and associated labor rates is stable.

Water Mitigation (Drying) Insights: 12-Month Trend



Typical drying costs for a residential structure include those related to water extraction, removal of wet material and use of drying equipment.

- Pricing has developed year over year on average 4% for this loss scenario, with the Ontario (4.8%) and Quebec (4.4%) regions rising even higher.
- As a result of extensive research and survey work done by the CoreLogic Pricing Analysis and Delivery Team, water mitigation technician labor rates have adjusted year over year by an average of 4.6%.
- The Water Mitigation scenario pricing is on par with last month driven by stable water mitigation technician labor rates across all regions.

About CoreLogic Data Research

CoreLogic develops this report using up-to-date materials and labor costs. CoreLogic's team of analysts continuously researches hard costs such as labor, material, and equipment – including mark-ups. CoreLogic updates its database every month accordingly.

Our research also covers soft costs such as taxes and fringe benefits for reconstruction work performed as part of the insurance industry. CoreLogic monitors demographics and econometric statistics, government indicators, and localization requirements, including market trends from thousands of unique economies throughout Canada.

Other factors in our process include the following:

- Wage rates for more than 85 union and non-union trades.
- More than 100,000 construction data points.
- Productivity rates and crew sizes.
- Building code requirements and localized cost variables.

Additionally, we validate cost data by analyzing field inspection records, contractor estimates, phone surveys, and both partial and complete loss claim information.

Please complete the [online form](#) to provide feedback or request information on any items in our construction database. Please contact your sales executive or account manager for additional explanations or questions. A more detailed methodology explanation can be found in our [Construction Database Pricing Methodology Whitepaper](#).

About CoreLogic

CoreLogic is a leading global property information, analytics, and data-enabled solutions provider. The company's combined data from public, contributory, and proprietary sources include over 4.5 billion records spanning more than 50 years, providing detailed coverage of property, mortgages and other encumbrances, consumer credit, tenancy, location, hazard risk and related performance information. The markets served by CoreLogic include real estate and mortgage finance, insurance, capital markets, and the public sector. CoreLogic delivers value to clients through unique data, analytics, workflow technology, advisory and managed services. Clients rely on CoreLogic to help identify and manage growth opportunities, improve performance, and mitigate risk. Headquartered in Irvine, Calif., CoreLogic operates in North America, Western Europe, and Asia Pacific. For more information, please visit www.corelogic.com.

NOTE: The building material, labor, and other cost information in this bulletin is generated using research, sources and methods current as of the date of this bulletin and is intended only to provide an estimated average of reconstruction cost trends in the specified general geographic regions of the United States. This cost information may vary further when adjusting claim values for specific property locations or specific business conditions.

*Construction cost insights as reflected in the CoreLogic Claims Pricing Database.