

# Residential Exterior and Interior finishing materials | 2024

## Overview

The construction of new homes has seen the introduction of a large variety of **new & innovative materials being used in finishing**. Such materials are used to provide finished surfaces on the interior and exterior of subject risks.

This is **especially the case for High Value (HV) dwellings**. In HV risks, the finished surfaces inside and out are specially designed to stand out. By nature such finishes are quality and typically indicative of the overall construction of the dwelling envelope.

## Finishes and Replacement Cost

To list all materials we would classify as “new and innovative” is outside the scope of this InspekTech® Circular. Instead, we will focus on a few finishing materials that are emerging as being notable in usage.

In terms of Replacement Cost the better, and higher the quality in that better, is what will always **drive-up claims sq. ft. value**. Keep this in mind as you note the bullet points below:

## Exterior

- Exterior cladding materials have undergone considerable change over the past 5 years.
- Cement fiber paneling has become more prevalent (i.e. not just lap siding, but full wall panels of which some are textured and set into aluminum frames).
- The use of multiple types of siding in designed patterns to add both colour and texture has seen the introduction of Aluminum Composites that can mimic the look and texture of wood

siding and smooth metal paneling.

- Traditional materials such as wood siding are changing. Siding is gravitating increasingly toward a more refined appearance in many quality material grades.
- Stone and brick are being replaced with look-a-like components made from recycled materials such as plastics, concrete and wood waste.

The changes in the marketplace and the exterior offerings available are driving Replacement Costs upward.

### Interior

- Flooring has seen use of vinyl composite tiles made to look like a wide variety of hardwood and tiled surfaces.
- Glass and ceramic tiles, while not new, are now being manufactured with greater attention to the look and quality than ever before.
- Kitchen countertops and bathroom vanity tops now have hybrid natural and manufactured surfaces.
- The choice of interior materials are almost becoming endless. Furthermore, to meet Building Code requirements materials are now more carefully measured against other policy and governmental standards that often inherently increase overall cost.

Just like exterior finishes, transformations in interior offerings are driving Replacement Costs upward.

### Conclusion

A large variety of new materials are now being used in exterior and interior finishing. These finishes create **new costing realities** that are often changing but need to be captured for Replacement Cost.

In being able to provide **accurate Replacement Costs** for such finishing materials there can sometimes be the need to research and innovate on costing methodologies. InspekTech® is well positioned to do this given our own internal resources, experience, and info connections that we can pull accordingly as needed.

From an **insurance underwriting perspective**, claims sq ft Replacement Cost has to be factored to its **variable cost nature** on each risk. Real world cost fluctuations occur throughout the underwriting envelope and are increasing in scope and complexity.

InspekTech® services includes a site visit that collects location components & real time conditions. These critical site details are then factored into claims sq ft insurance Replacement Cost calculations.

**An InspekTech® appraisal report is the best way of ensuring supportable & accurate baselines for insurance underwriting results.**

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Please contact InspekTech® should you require more information.

Thank you,  
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