

Construction Cost Survey 2006

Prepared for

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Introduction

In January 2006, the fourteenth survey of building supply, concrete, and shipping companies was conducted to determine the cost of a market basket of construction materials in communities throughout Alaska. This survey simulates contractor pricing for a model single-family home by tracking a basket of items representing approximately 30 percent of the home's total cost. However, it does not represent the home's total construction cost. Figure 6-1 shows the floor plan of the model house used in this survey.

The market basket provides a benchmark for comparing costs between the urban communities of Anchorage, Fairbanks, Juneau, Kenai, Ketchikan, Kodiak, Sitka, and Wasilla, as well as the rural communities of Barrow, Bethel, and Nome. In addition to the materials included in the market basket, suppliers also report the cost of doors and windows for the model home, while shipping companies provide the cost of transporting the market basket materials from Seattle to each community. A complete list of the market basket items and their specifications is included in Table 6-1.

Construction techniques, building requirements, and styles vary greatly from region to region, so not all of the materials surveyed may be used in every area. Beginning in 2003, Barrow, Bethel, and Nome included metal roofing, which is more common in rural areas, in their respective market baskets instead of the asphalt shingles used in urban areas. Costs for the three rural areas surveyed, Barrow, Bethel, and Nome, exclude concrete and rebar since pilings support houses above permafrost in these locations instead of slab foundations. Unless otherwise specified, the market basket prices quoted exclude concrete, rebar, doors, and windows.

Comparing 2006 to 2005

Alaska Market Baskets

Nine of the 11 communities experienced increases in the overall cost of the market basket materials. The percentage increases ranged from two percent (Fairbanks) to 20 percent (Sitka). The cost of the market basket in Nome decreased slightly from 2005's level, while prices dropped 14 percent in Bethel.

Seattle Market Basket

The Seattle market basket increased \$2,646 in 2006 to \$21,248. Substantial price increases occurred with the costs of trusses (\$728) and T-111 siding (\$644). Plain and type X sheetrock also experienced large price jumps, rising \$288 and \$287, respectively. Copper pipe and electric wire exhibited the greatest percentage increases (39 percent and 38 percent, respectively) in price. Single breakers, 2x6 studs, and asphalt shingles were the three items to decrease in price.

Concrete

The price of concrete in Ketchikan remained unchanged in 2006 at \$4,350. Otherwise, the cost of concrete increased in the remaining seven urban locations. Percentage increases ranged from less than one percent (Wasilla) to nine percent (Kenai). Anchorage remains home to the state's least expensive concrete, coming in at just under \$3,000. Concrete pricing in Kodiak, the state's priciest locale, is 83 percent higher than in Anchorage.

Rebar

The price of rebar increased in half of the urban locations, and decreased in the other half. Percentage increases ranged from one percent (Anchorage) to eight percent (Sitka). Percentage decreases varied from one percent (Wasilla) to 11 percent (Kodiak). The price of rebar dropped three percent to \$569 in Seattle.

Doors and Windows

Seven Alaska locations experienced increases in the total cost of doors and windows. The percentage increases ranged from three percent (Bethel) to 31 percent (Kodiak). Besides Kodiak, three additional cities had double digit percentage increases – Nome, Kenai, and Anchorage. The remaining four locations experienced price decreases. The percentage decreases ranged from less than one percent (Juneau) to nine percent (Barrow).

Shipping Costs from Seattle

The cost of transporting the building materials from Seattle increased in all areas but one. The percentage increases ranged from four percent (Kenai) to 13 percent (Kodiak). The one community to experience a drop in shipping costs was Bethel, as the price decreased three percent to \$11,300. The rising cost of fuel may explain some of the increases to the cost of shipping materials from Seattle to Alaska.

Construction Costs Around the State

- Statewide, the weighted-average costs of the market basket ranged from a low of \$19,262 in Ketchikan to a high of \$44,081 in Barrow.
- The disparity between the most expensive urban location and the least expensive rural location in 2006 is less than half of the difference found in 2005. In 2006, Kodiak became the most expensive urban location with a cost of \$23,349. Bethel remained the least expensive rural location for the fourth consecutive year with a cost of \$29,093. The urban/rural gap diminished this year due to the 14 percent drop in prices in Bethel.
- Building materials cost more in rural areas than urban areas, and more in northern Alaska than in Southcentral and Southeast Alaska. The main reason for this cost differential is the added expenditure of transportation – the further a community is from Seattle, the more expensive the price of building materials. The lack of infrastructure in rural areas requires materials to be barged or flown to the different areas and contributes to higher prices.
- Kodiak continued as the most expensive location, urban or rural, for doors and windows in 2006. The total cost of \$6,350 represents a 31 percent increase over last year's total cost of \$4,840 and a 79 percent upsurge over 2004's total. Doors and windows are now 44 percent higher in Kodiak than in Nome, the state's second most-costly location. Sitka replaced Anchorage as the least expensive location for doors and windows, notwithstanding the nine percent increase in Sitka. Anchorage's 18 percent rise was just enough to move Alaska's largest city down one notch to second, \$9 more than Sitka.

- The cost of the Anchorage market basket grew five percent in 2006 to \$21,421. Eleven of the 15 market basket items increased in price in 2006. Percentage increases ranged from two percent (R-21 insulation) to 137 percent (electric wire). The jump in the price of electric wire in Anchorage may seem exorbitant; however, Anchorage was one of the two locations throughout the state where the price of electric wire more than doubled over the past year, and one of the seven where the price increased at least 50 percent. Conversely, four items experienced percentage decreases, ranging from six percent (underlay and plywood) to 17 percent (2x4 studs).
- Fairbanks reported a market basket cost of \$22,160. Prices were higher for two-thirds of the market basket items. Percentage increases ranged from three percent (R-38 insulation) to 147 percent (electric wire). The prices of five items dropped in 2006, with the percentage decreases ranging from seven percent (underlay) to 12 percent (plywood).
- Juneau's market basket increased \$1,135 in 2006 to \$21,703, more than erasing the decrease evident in 2005. Although the prices of 10 of the 15 market basket items went up, three of these materials – 2x6 studs, plain sheetrock, and R-38 insulation – experienced slight increases of less than one percent, with each amounting to less than \$10. Otherwise, the percentage increases ranged from four percent (underlay) to 28 percent (single breakers and copper pipe). The percentage decreases varied between one percent (trusses) and seven percent (2x4 studs and ABS pipe).
- Barrow saw decreases to five market basket items, two more than the total in 2005. Percentage decreases ranged from one percent (plywood) to 29 percent (single breakers). Nine of the 10 items with increases grew by at least double-digit percentages; the price of trusses increased six percent. The 108 percent leap in the cost of plain sheetrock was by far the largest percentage gain evidenced by any of the Barrow market basket items. In fact, the \$2,951 pricing gain in plain sheetrock accounted for over half of the \$5,415 total increase in the overall market basket. Otherwise, the percentage increases ranged from 11 percent (underlay and 2x6 studs) to 34 percent (ABS pipe).
- Electric wire was the one item to increase in all 11 of the surveyed communities in Alaska. As mentioned earlier, substantial increases of over 50 percent were apparent in seven locales; overall, the percentage increases ranged from 11 percent (Bethel) to 147 percent (Fairbanks). An additional five materials – trusses, plain sheetrock, type X sheetrock, R-38 insulation, and ABS pipe – experienced increases in at least nine of the 11 locations.
- Increases in the price of copper over the past year may help to explain the cost increases of some building materials such as copper pipe and electric wire.
- The price of 2x4 studs decreased in nine of the 11 areas. The percentage decreases ranged from two percent (Ketchikan) to 18 percent (Bethel). Percentage increases of 14 percent were found in both Sitka and Barrow. On another note, the price of plywood decreased in eight communities, while the price of 2x6 studs fell in seven communities.

- Anchorage, with a cost of \$2,995, remained in the top position in 2006 as the area with the least expensive prices for concrete. Kodiak remained the most expensive area for concrete with a cost of \$5,475. In fact, the price difference between Kodiak and the second most-expensive area for concrete (Ketchikan) widened from \$900 in 2005 to \$1,125 in 2006.
- Juneau has replaced Anchorage as the least expensive location for rebar. Prices in the capital city fell \$55, or nine percent, in 2006 to \$551. Overall, the cost of rebar decreased in four places, while it increased in the other four (rebar is not surveyed in the three rural areas). Sitka experienced the greatest spike in prices at eight percent. This jump moved Sitka to the top of the list as the most expensive spot for rebar in the state at \$687. Fairbanks, last year's most high-priced locale, was a close second in 2006 at \$681.

Alaska Suppliers Comparison Index

Fluctuations in cost can best be examined in terms of the yearly change each area experiences in relation to a point of reference. One way to do this is to establish an index comparing each community's market basket cost to a benchmark. The Alaska Suppliers Comparison Index uses the largest city in Alaska, Anchorage, as its benchmark. To create this index, Anchorage's market basket cost is given an index value of 100. Dividing the average cost for a survey area by the Anchorage value (\$21,421) produces the index value for that community.

- The Anchorage market basket cost increased \$1,104, or five percent, in 2006. Areas with cost decreases or with increases below five percent experienced decreases in their indices. Areas with cost increases of greater than five percent experienced increases in their indices.
- Bethel's 14 percent reduction in its market basket translated into a 30 point reduction in its index value, dropping from 166 to 136. Nome's slight cost decrease of \$27 equated to a 10 point drop in its index value from 183 to 173. Although overall prices in Fairbanks nudged up two percent in 2006, its index value moved down to 103 from 107 since the cost of the market basket increased less than the five percent value found in Anchorage.
- Although Juneau's market basket increased six percent, which was greater than Anchorage's increase, its index value remained at 101 due to rounding to the nearest whole number. The remaining six communities saw increases to their respective index values, ranging from two points (Kodiak) to 16 points (Barrow). Ketchikan and Sitka continue to have lower overall market basket costs than Anchorage and, thus, possess index values of less than 100 (90 and 96, respectively).

- The gap between the two locations with the highest index values, Barrow and Nome, widened in 2006 from seven to 33 points. However, the disparity between the urban area with the highest index value and the rural area with the lowest was more than halved, thanks mostly to the substantial decrease found in Bethel, narrowing from 59 to 27 points. Of the eight urban locations, Kodiak has the highest overall market basket prices and, therefore, also has the highest index value at 109.
- With its four point decrease in 2006, the Fairbanks index value has now fallen for five consecutive years. Since 2001, Fairbanks' value has dropped from 120 down to 103. The index values for Ketchikan and Kodiak had fallen for four straight years through 2005; however, both values returned to 2004 levels in 2006.

Construction Costs in Alaska vs. Seattle

Suppliers from Seattle, Washington, and the surrounding metropolitan area are included in the Alaska Construction Cost Survey since some contractors acquire their materials from outside Alaska. For Alaska suppliers, the market basket price already includes the cost of shipping the goods to the worksite in their community. Transportation costs are added to Seattle's market basket total to estimate what local contractors would pay if they bought directly from Seattle suppliers and shipped their materials north to Alaska. Seattle prices cannot be compared directly to prices in the three rural areas because the Seattle market basket includes asphalt shingles rather than metal roofing.

- The Seattle market basket increased 14 percent in 2006 to \$21,248. For the second consecutive year, contractors in all eight urban Alaska locations would enjoy cost savings by purchasing the market basket items locally instead of buying in Seattle and having them shipped north.
- The greatest disparity between local and Seattle prices occurred in Fairbanks, where local prices beat Seattle prices by \$6,810. Sitka followed at a difference of \$6,064, while contractors in Anchorage would save \$5,874 by purchasing locally instead of buying and shipping from Seattle.
- Of the areas with local cost savings, the difference between local and Seattle pricing was the smallest in Juneau (\$2,861). However, this discount is close to three times higher than last year's \$1,009. Fairbanks, Anchorage, and Kodiak all saw their local/Seattle pricing spreads increase more than 50 percent. Of the urban locations, Sitka was the lone place to have its spread decrease; it fell nine percent in 2006.
- Seattle prices continue to offer savings to contractors in two of the three rural areas. However, contractors in Bethel can now benefit from purchasing market basket items locally instead of in Seattle. The cost of the market basket in Bethel in 2006 (\$29,093) is even lower than the overall 2005 pricing in Seattle plus shipping to southwest Alaska. The fact that Seattle costs increased 14 percent in 2006 only widened the divide between local and Seattle pricing for Bethel contractors.

- Contractors in Barrow and Nome can still gain from purchasing market basket items from Seattle. The difference between Barrow and Seattle suppliers increased 33 percent in 2006 as the cost of the overall market basket in Barrow surged past \$44,000. Meanwhile, the spread between local prices in Nome and those found in Seattle decreased 60 percent due to stable pricing in Nome.

Transportation Index for Market Basket from Seattle

One of the primary factors determining differences in building costs in Alaska is transportation. The cost of transporting materials from Seattle is directly related to the distance from Seattle to the surveyed communities. The Transportation Index uses basic market basket items rather than substituted items to compare the different communities. Metal roofing is lighter than asphalt shingles and, unlike shingles, can be shipped inside or outside a container. In areas where metal roofing is substituted, the cost of shipping the roofing materials could be as much as two-thirds less than asphalt shingles.

Like the Alaska Suppliers Comparison Index, the Transportation Index assigns Anchorage an index value of 100. Dividing the average value for a survey area by the Anchorage shipping cost (\$6,047) produces the index value for that community.

- Shipping costs to Anchorage increased \$636, or 12 percent, in 2006. Areas with cost increases of greater than 12 percent experienced increases in their indices. Areas with cost decreases or increases of less than 12 percent experienced decreases in their indices.
- Bethel was the only community that experienced a decrease in its shipping price. The cost fell \$317, or three percent, from \$11,617 to \$11,300. Bethel's index value dropped from 215 in 2005 to 187 in 2006.
- Anchorage had the third highest percentage increase in shipping costs in 2006. Kodiak had the highest rate of change at 13 percent, which corresponded to a two point index increase from 123 to 125. Ketchikan's percentage increase was a fraction of a percentage point higher than Anchorage's; Ketchikan's 12 percent increase in shipping costs held their index value at 33.
- The remaining seven communities experienced percentage increases of between four percent (Kenai) and 11 percent (Juneau). Besides the considerable decrease in Bethel's index, value changes were in the single digits. Both Kenai and Barrow saw their index values fall eight points each, while Wasilla's and Nome's both descended seven.
- Ketchikan is the closest city in proximity to Seattle of the 11 communities surveyed. Therefore, shipping costs to Alaska's "First City" remain the lowest. Ketchikan's shipping costs of \$2,003, and corresponding index value of 33, are only one-third of Anchorage's. On the opposite end of the scale, shipping costs to Barrow, the furthest city from Seattle, are \$17,113. This figure is almost three times the cost of shipping to Anchorage and over eight times the cost of shipping to Ketchikan.

Alaska Construction Cost Survey Methodology

The Alaska Department of Labor & Workforce Development's Research and Analysis Section conducts the Alaska Construction Cost Survey annually on behalf of the Alaska Housing Finance Corporation. This survey simulates contractor pricing for a model single-family home by tracking a basket of items representing approximately 30 percent of the home's total cost.

- Building supply companies in 11 communities throughout Alaska were surveyed. These include the urban areas of Anchorage, Fairbanks, Juneau, Kenai, Ketchikan, Kodiak, Sitka, and Wasilla. The three rural cities of Barrow, Bethel, and Nome are also represented. In addition, the largest Seattle suppliers are surveyed.
- Twenty-two local suppliers in Alaska and seven in Washington responded to this year's survey. The Alaska respondents represent 11 unique firms, as some companies have stores in multiple locations. In addition, 17 concrete suppliers and six shipping companies participated in this year's survey.
- All companies are given an itemized list of building materials with specific quantities to price. The complete list of materials in the market basket and the quantities used to calculate the items' extended prices are detailed in Table 6-1. The market basket includes selected construction materials comprising approximately 30 percent of the materials used for the model house. It does not represent the total construction cost. Prices of concrete, rebar, doors, and windows are also collected but are not included in the market basket total.
- Figure 6-1 shows the floor plan of the model house used in this survey.
- Transportation costs are added to Seattle's market basket total to simulate what local contractors would pay if they bought directly from Seattle suppliers and shipped their materials to Alaska. To determine the cost of transportation, carriers are given the weight (approximately 49,000 pounds) and the volume (about 2,000 cubic feet) of the materials. These measurements generally require a 20-foot platform and a 20-foot container for all of the materials. Another assumption is that all of the fees for required services are included in the reported cost of the shipment. These services include loading/unloading, protection and fastening of goods, and delivery to the building site. The shippers' market basket includes asphalt shingles rather than metal roofing.
- It is expected that larger building supply firms get volume discounts that are then passed on to the contractor. To reflect the vendors' respective market shares, respondents' values are weighted by the size of the respective firms. For Alaska businesses, size is based on the reported number of employees from the Alaska Department of Labor & Workforce Development's employment security tax wage database for the second quarter of 2005. America's Labor Market Information System provides 2006 employee counts for Seattle suppliers.

- Two comparison indices are used – one for the building material market basket and the other for the transportation costs from Seattle. These indices allow communities to measure changes to the cost of construction materials in relation to a fixed value. The benchmark values are the costs for Anchorage, the largest community in Alaska. Dividing the average cost of a survey area by the Anchorage value produces both indices. This creates an Anchorage benchmark of 100. In this way, communities can be gauged in relation to Anchorage for a particular year.
- Changes in the makeup of the market basket make year-to-year comparisons difficult. In 2001, cedar bevel siding was replaced with T-111 siding. This lowered not only the cost of the market basket, but also the transportation costs. In 2002, Barrow did not report prices for asphalt shingles because most new construction on the North Slope incorporates metal roofing materials instead. This affected both the transportation costs and the market basket total. In 2003, metal roofing was substituted for asphalt shingles in the three rural areas.

Appendix A

Construction Cost Survey Tables and Charts

Average Price for Construction Materials

Alaska Suppliers
2006

Table 6-1

Market Basket Items	Quantity	Units	Size	Length	Urban								Rural *		
					Anchorage	Fairbanks	Juneau	Kenai	Ketchikan	Kodiak	Sitka	Wasilla	Barrow	Bethel	Nome
BCI 60 Series	768	ft	14"		\$2,622	\$2,571	\$2,775	\$2,762	\$2,749	\$3,187	\$2,292	\$2,665	\$2,195	\$1,860	\$4,235
2-4-1 T&G FF Underlay 4' x 8'	62	pcs	1 1/8"		2,888	3,210	2,964	3,266	2,555	2,813	2,643	2,910	5,927	3,575	4,675
T-111 8" Center Groove 4' x 10' Siding	60	pcs	5/8"		3,068	2,951	3,350	3,118	2,634	3,422	3,229	3,191	5,175	3,764	4,481
CDX 4' x 8' #53	106	pcs	5/8"		2,633	2,736	2,608	2,756	1,967	2,512	2,212	2,467	5,629	3,135	4,578
Studs #2 & btr Kiln-dried	164	pcs	2" x 4"	92 5/8"	469	542	517	515	405	529	427	547	1,312	730	884
Studs #2 & btr #14 Kiln-dried	263	pcs	2" x 6"	92 5/8"	1,192	1,413	1,238	1,350	915	1,210	1,002	1,387	2,630	1,694	2,199
4' x 12' Plain Sheetrock #84	95	pcs	1/2"		1,502	1,634	1,440	1,734	1,332	1,734	1,537	1,575	5,679	1,671	2,504
4' x 12' Type X Sheetrock #109	68	pcs	5/8"		1,245	1,282	1,335	1,373	1,084	1,445	1,278	1,310	4,080	2,135	2,472
Fiberglass Bat Insulation (2,560 sq ft)	40	bags	R-38" x 24"	64 sq ft	2,326	2,150	2,122	2,352	1,830	2,113	2,163	2,311	3,160	4,092	4,032
Fiberglass Bat Insulation (2,034 sq ft)	30	bags	R-21" x 15"	68 sq ft	1,320	1,428	1,221	1,521	1,082	1,300	1,325	1,421	2,100	2,552	1,842
NMB Electric Wire	3	boxes	250'		225	252	143	170	177	180	157	180	270	204	246
Single Breaker	15	pcs	15 Amp		94	88	120	88	120	57	85	55	75	105	115
Copper Pipe Type 'M'	150	ft	3/4"		177	174	160	178	203	194	191	191	240	222	304
ABS Pipe	100	ft	3"		169	155	133	178	169	169	198	205	250	264	198
3 Tab Shingles Brown	102	bundles			1,491	1,574	1,577	1,762	2,040	2,484	1,734	1,631	N/A	N/A	N/A
Metal Roofing	3,215	sq ft	3' x 20'		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5,359	3,090	4,340
Total (Without Concrete & Rebar)					\$21,421	\$22,160	\$21,703	\$23,123	\$19,262	\$23,349	\$20,473	\$22,046	\$44,081	\$29,093	\$37,105
Concrete	30	yds			2,995	3,145	4,200	3,441	4,350	5,475	4,260	3,190			
#4 Rebar	93	pcs	1/2"	20'	567	681	551	656	604	576	687	600			
Total (With Concrete & Rebar)					\$24,983	\$25,986	\$26,454	\$27,220	\$24,216	\$29,400	\$25,420	\$25,836			

Source: Alaska Department of Labor & Workforce Development, Research and Analysis Section, Construction Cost Survey 2006
Weighted average using 2005 Q2 ODB202 number of employees where applicable
Totals may not sum due to rounding
N/A = Not Applicable

Average Price for Doors & Windows

Alaska Suppliers
2006

Market Basket Items	Quantity	Units	Size	Urban								Rural	
				Anchorage	Fairbanks	Juneau	Kenai	Ketchikan	Kodiak	Sitka	Wasilla	Barrow	Bethel
R7 Metal Insulated Doors with 6" Jamb	2	pcs	3'	\$414	\$300	\$331	\$395	\$390	\$495	\$440	\$456	\$680	\$369
Low E Argon Windows with R > 2.8 Vinyl Casements	3	pcs	2.6' x 3'	575	613	643	658	591	1,161	564	613	870	868
Low E Argon Windows with R > 2.8 Vinyl Casements, 5.7 E-Gress	6	pcs	2.6' x 4'	1,307	1,489	1,408	1,492	1,470	2,604	1,271	1,393	1,800	1,967
Low E Argon Windows with R > 2.8 Vinyl Casements, 5.7 E-Gress	2	pcs	8.0' x 4'	680	1,069	1,277	1,122	954	2,090	692	1,181	1,000	553
Total Cost of Doors & Windows				\$2,976	\$3,471	\$3,659	\$3,667	\$3,405	\$6,350	\$2,967	\$3,643	\$4,350	\$3,757

Source: Alaska Department of Labor & Workforce Development, Research and Analysis Section, Construction Cost Survey 2006
Weighted average using 2005 Q2 ODB202 number of employees where applicable
Totals may not sum due to rounding

Average Price for Construction Materials

Seattle Suppliers (without Concrete, Doors & Windows)
2006

Table 6-3

Market Basket Items	Quantity	Units	Size	Length	Seattle Area
BCI 60 Series	768	ft	14"		\$3,022
2-4-1 T&G FF Underlay 4' x 8'	62	pcs	1 1/8"		2,921
T-111 8" Center Groove 4' x 10' Siding	60	pcs	5/8"		3,787
CDX 4' x 8' #53	106	pcs	5/8"		2,289
Studs #2 & btr Kiln-dried	164	pcs	2" x 4"	92 5/8"	461
Studs #2 & btr #14 Kiln-dried	263	pcs	2" x 6"	92 5/8"	1,094
4' x 12' Plain Sheetrock #84	95	pcs	1/2"		1,081
4' x 12' Type X Sheetrock #109	68	pcs	5/8"		1,080
3 Tab Shingles Brown	102	bundles			1,202
Fiberglass Bat Insulation (2,560 sq ft)	40	bags	R-38" x 24"	64 sq ft	2,337
Fiberglass Bat Insulation (2,034 sq ft)	30	bags	R-21" x 15"	68 sq ft	1,451
NMB Electric Wire	3	boxes	250'		145
Single Breaker	15	pcs	15 Amp		75
Copper Pipe Type 'M'	150	ft	3/4"		170
ABS Pipe	100	ft	3"		133
Total (Without Rebar)					\$21,248
#4 Rebar	93	pcs	1/2"	20'	569
Total (With Rebar)					\$21,817

Source: Alaska Department of Labor & Workforce Development, Research and Analysis Section, Construction Cost Survey 2006
Weighted average using 2006 ALMIS Employer Database (1st Edition) number of employees where applicable
Totals may not sum due to rounding

Transportation Cost of Market Basket

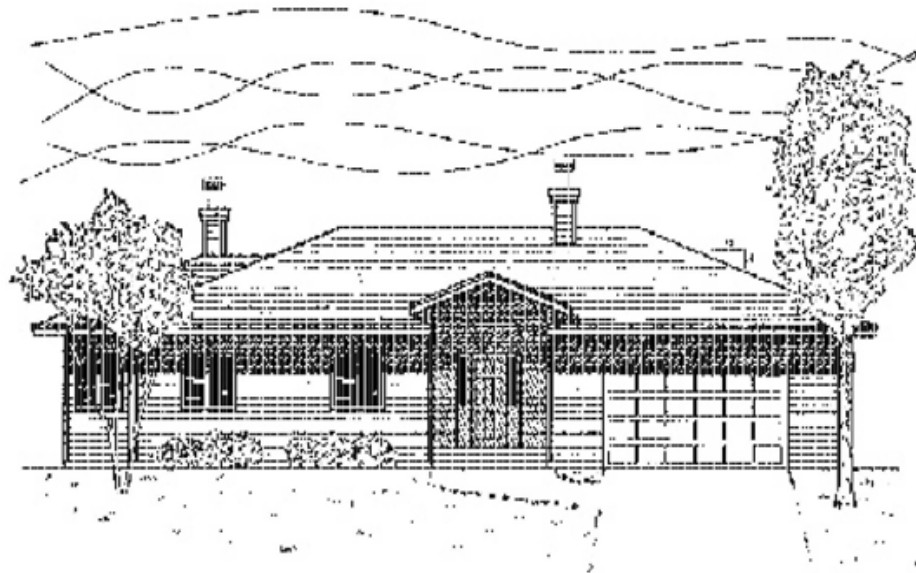
Shipping & Handling (Without Concrete, Rebar, Doors, & Windows)
2006

Table 6-4

Destination	Seattle
Ketchikan	\$2,003
Juneau	3,316
Sitka	5,289
Wasilla	5,954
Anchorage	6,047
Kenai	6,729
Kodiak	7,536
Fairbanks	7,722
Bethel	11,300
Nome	13,400
Barrow	17,113

Source: Alaska Department of Labor & Workforce Development, Research and Analysis Section, Construction Cost Survey 2006
Weighted average using 2005 Q2 ODB202 or 2006 ALMIS Employer Database (1st Edition) number of employees where applicable

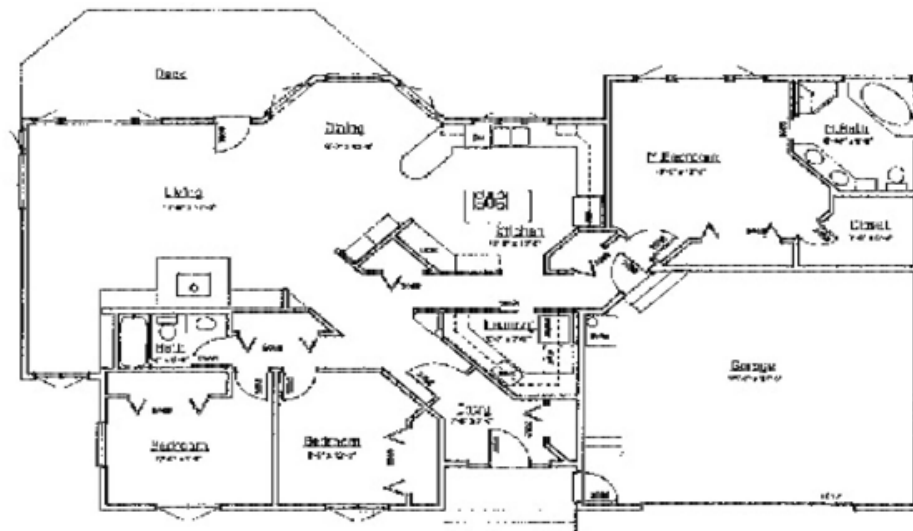
Artist Rendering of Model Home



FRONT ELEVATION

Source: Alaska Department of Labor & Workforce Development, Research and Analysis Section, Construction Cost Survey 2006
 Note: 1/ Seattle prices include asphalt shingles. 2/ Rural areas include metal roofing instead of asphalt shingles.

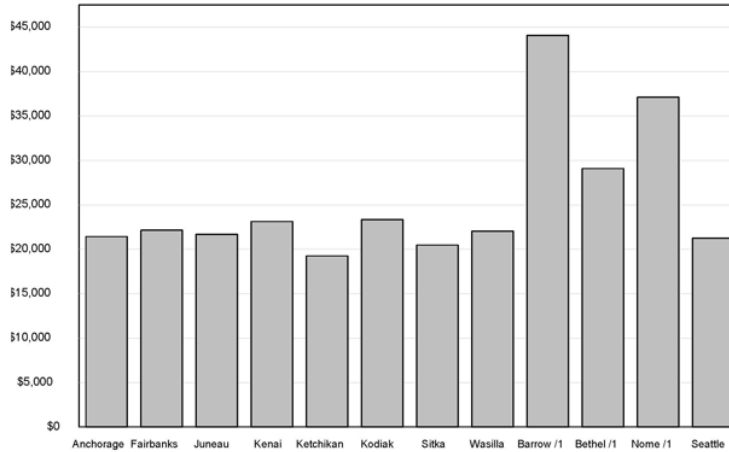
Floor Plan of Model Home



Floor Plan
 1/23/03, P. 1

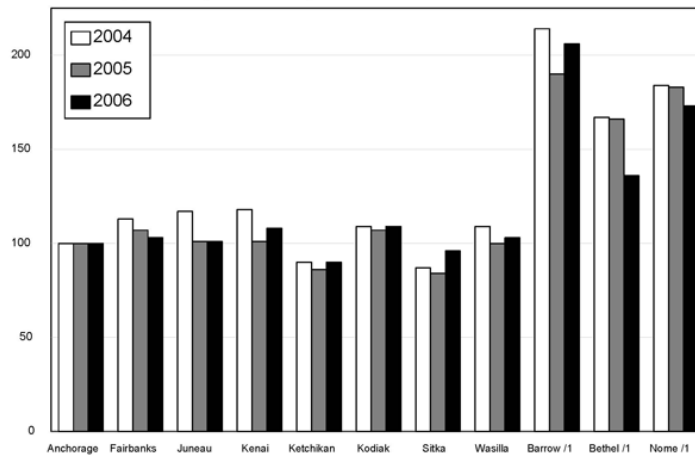
Source: Alaska Department of Labor & Workforce Development, Research and Analysis Section, Construction Cost Survey 2006
 Note: 1/ Seattle prices include asphalt shingles. 2/ Rural areas include metal roofing instead of asphalt shingles.

Average Cost of Market Basket 2006
 Urban & Rural Residential Construction (Without Concrete, Rebar, Doors, & Windows)
 Alaska and Seattle Suppliers



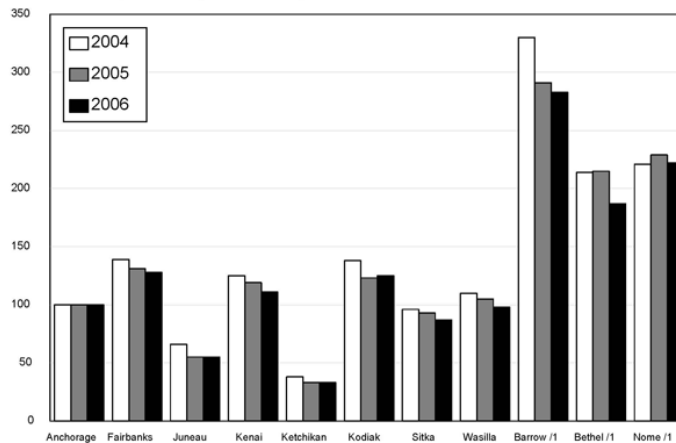
Source: Alaska Department of Labor & Workforce Development, Research and Analysis Section, Construction Cost Survey 2006
 Note: 1/ Rural areas include metal roofing instead of asphalt shingles.

Alaska Suppliers Comparison Index
 Urban & Rural Residential Construction (Without Concrete, Rebar, Doors, & Windows)
 Index by Community with Anchorage as Baseline



Source: Alaska Department of Labor & Workforce Development, Research and Analysis Section, Construction Cost Survey 2006
 Note: 1/ Rural areas include metal roofing instead of asphalt shingles.

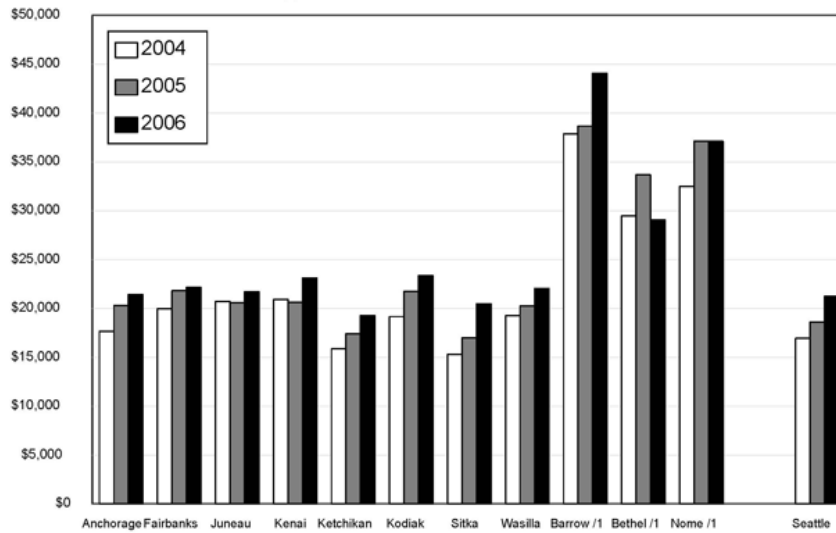
Transportation Index for Market Basket from Seattle
 Urban & Rural Residential Construction (Without Concrete, Rebar, Doors, & Windows)
 Index by Community with Anchorage as Baseline



Source: Alaska Department of Labor & Workforce Development, Research and Analysis Section, Construction Cost Survey 2006
 Note: 1/ Rural areas include metal roofing instead of asphalt shingles.

Average Cost of Market Basket 2004-2006

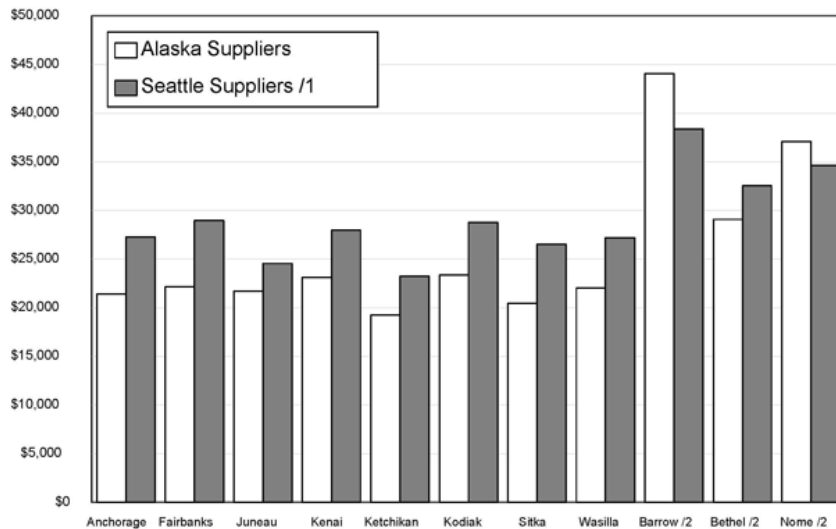
Urban & Rural Residential Construction (Without Concrete, Rebar, Doors, & Windows)
Alaska and Seattle Suppliers



Source: Alaska Department of Labor & Workforce Development, Research and Analysis Section, Construction Cost Survey 2006
Note: /1 Rural areas include metal roofing instead of asphalt shingles.

Average Cost of Market Basket 2006

Alaska & Seattle Suppliers (Without Concrete, Rebar, Doors, & Windows)



Source: Alaska Department of Labor & Workforce Development, Research and Analysis Section, Construction Cost Survey 2006
Note: /1 Seattle prices include asphalt shingles. /2 Rural areas include metal roofing instead of asphalt shingles.