In an effort to keep property values reliable and accurate for a longer period of time between appraisals, Catholic Mutual Group, utilizes an internally developed recalculation process for many of its dioceses.

Since 2005, nearly 80 of Catholic Mutual Group’s Diocesan Members have gone through the appraisal process.

Once a Diocese has had an appraisal completed by an independent appraiser that Catholic Mutual Group has a working relationship with, the appraised values are typically implemented during the next renewal of property coverage. At the same time, a copy of the data used by the independent appraiser to develop building values is shared with Catholic Mutual Group, and is stored in our internal database, for future renewal updates. Catholic Mutual Group is able to take the data used from the appraisal and recalculate costs to rebuild the building, in essence re-appraise the building value every year.

The recalculation takes into consideration the components used to construct, along with the design and complexity of the building. In addition, it is able to factor in other pertinent information including the location of the building based on its zip code, providing a much more refined valuation for the building in a more specific area.

Prior to the development of the recalculation process, building values were updated based on a regional trending factor. These trending factors are an average of costs for a multiple state region. With data and values now being updated for longer periods of time, it is very important for the Arch/Diocesan Members to keep Catholic Mutual Group notified of “value adding” changes to their buildings. In cases of where additions and/or major renovations are completed, it is crucial that Catholic Mutual Group receives notification to update the value and data to accurately reflect the building being insured.
Its still a good time to be in the construction industry, as commercial construction continues to grow, and residential construction which was starting to slow is picking back up. As previously mentioned in prior editions public construction remains stalled with no indication that this will change.

Most construction materials show an increase in cost over the past year. As a whole, materials are up 6-7% over this past year.

Construction wages remain steady, with no signs of slowing down, with the biggest complaint from employers being that there just aren’t enough good trades people available.

**Fun fact:** According to CoreLogic the average construction cost in the U. S. increased by 3% between 07/2016 - 07/2017.
Catholic Mutual Group was established as The Catholic Mutual Relief Society of America in 1889 by a group of Midwest Catholic bishops who were unable to obtain reasonably priced, reliable insurance on their churches. The bishops worked together to form a mutually protective organization which would help repair or rebuild damaged church properties. From these humble beginnings, Catholic Mutual Group has grown to be the largest provider to the Catholic dioceses, religious orders and other Catholic institutions, including schools, retirement facilities, counseling centers and human service programs in North America.

**Becoming, more than a place for worship**

*Canon law explicitly defines the church building as a sacred building destined for divine worship (Canon 214).*

When you think of the Catholic Church, do you think of beautiful stained glass windows, the crucifix that is always in place above a traditional altar, and rock hard pews and kneelers?

Or do you think of a new style of church?

Today’s modern Catholic Church is moving to a more multi-functional building, with less traditional furnishings, and spaces utilized for many other types of functions.

In addition to a place of worship, the modern church is becoming more of a community gathering space incorporating gymnasium space, daycares, and classrooms. The shape of the new church, is more “theater” like with additional open space and pews wrapping around the large altar areas.

The modern church is being built with materials selected for their low maintenance making it easier to replace, repair, and make seamless additions if and when needed.

**Fun fact:** In 1623 Pope Urban VIII commissioned Gian Lorenzo Bernini to design and construct a large structure that would be placed over the main altar of the basilica, the baldachin acts as a visual focus within the basilica, it is a very large structure and forms a visual mediation between the enormous scale of the building and the human scale of the people officiating at the ceremonies beneath.