

Mississippi Residential Property Insurance Underwriting Association

Phone (601) 981-2915 2685 Crane Ridge Drive P.O. Box 5389 Jackson, Mississippi 39296-5389

March 1, 2005

To Member Companies

ACCOUNTING REPORT FOR YEAR ENDED DECEMBER 31, 2004

The following documents which summarize the transactions, conditions, operations and affairs of the Mississippi Residential Property Insurance Underwriting Association for the year ended December 31, 2004, are now available on the website www.msplans.com.

- Exhibit 1 -Statement of Assets, Liabilities and Members' Equity
- Exhibit 2 -Income Statement and Equity Account
- Exhibit 3A -Members' Account - Year Ended December 31, 2004
- Exhibit 3B -Members' Account - January 01, 2003 through December 31, 2004
- Exhibit 4A -Statistical Report - Premiums
- Exhibit 4B -Statistical Report - Losses
- Exhibit 4C -Statistical Report - Loss Expense
- Exhibit 5 -Insurance In-Force as of December 31, 2004
- Exhibit 7 -Reporting Schedule P Number of Claims Outstanding

To record its participation, members should apply the appropriate percentage of participation to the data for each policy year shown on Exhibit 3A. Your participation should be recorded as reinsurance assumed.

A report of all Companies' Preliminary Percentage Participation for the period January 1, 2004 through December 31, 2004 was furnished you in June, 2004. Each company's Percentage Participation may be found on the reference website.

Should you have specific questions concerning the reports of the Association, please direct them to Mr. Jim Redd at the address or telephone number listed on our letterhead.

Yours very truly,



Albert G. Parks
Manager

MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
STATEMENTS OF ASSETS, LIABILITIES AND MEMBERS' EQUITY
DECEMBER 31, 2004

ASSETS:	LEDGER ASSETS	NON-LEDGER ASSETS	NON-ADMITTED ASSETS	NET-ADMITTED ASSETS
CASH	2,269,857	0	0	2,269,857
INVESTMENTS	2,022,059	0	0	2,022,059
ACCRUED INTEREST RECEIVABLE	0	16,676	0	16,676
	2,627	0	0	2,627
TOTAL ASSETS	4,294,543	16,676	0	4,311,219

LIABILITIES:

UNPAID LOSSES-(IBNR INCLUDED)	528,252
UNPAID LOSS EXPENSE	52,826
UNPAID SERVICE FEES-PREMIUMS	21,933
UNEARNED PREMIUMS	2,982,540
COMMISSIONS PAYABLE	51,297
ACCOUNTS PAYABLE	4,050
TOTAL LIABILITIES	3,640,898

MEMBERS' EQUITY:

2003 POLICY YEAR	1,253,721
2004 POLICY YEAR	(570,666)
2005 POLICY YEAR	(12,735)
TOTAL MEMBERS' EQUITY	670,321
TOTAL LIABILITIES AND MEMBERS' EQUITY	4,311,219

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
STATEMENTS OF REVENUE, EXPENSES AND MEMBERS' EQUITY
YEAR ENDED DECEMBER 31, 2004**

UNDERWRITING INCOME:

PREMIUM EARNED	4,952,297
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DEDUCTIONS:

LOSSES INCURRED	2,800,955
LOSS EXPENSES INCURRED	199,291
SERVICE FEES - PREMIUMS	456,368
COMMISSIONS INCURRED	563,125
OPERATING EXPENSE INCURRED	433,638

TOTAL DEDUCTIONS	4,453,377
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NET UNDERWRITING GAIN	498,920
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OTHER INCOME:

INVESTMENT INCOME	49,803
INSPECTION FEES	112,270
OTHER	2,500

TOTAL OTHER INCOME	164,573
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NET INCOME	663,493
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EQUITY ACCOUNT:

MEMBERS' ACCOUNT, JANUARY 01, 2004	(34,502)
NET INCOME	663,493
DISTRIBUTIONS TO MEMBERS	41,330
ASSESSMENTS	0
MEMBERS' ACCOUNT, DECEMBER 31, 2004	670,321

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT
DECEMBER 31, 2004**

	2002	2003	2004	2005	TOTALS
<u>INCOME RECEIVED:</u>					
PREMIUMS WRITTEN	0	272,757	5,365,293	63,675	5,701,725
INTEREST RECEIVED	0	2,186	33,127	0	35,313
INSPECTION FEES RECEIVED	0	0	112,120	0	112,120
OTHER	0	0	2,650	0	2,650
TOTAL	0	274,943	5,513,190	63,675	5,851,808
<u>EXPENSES PAID:</u>					
LOSSES	0	1,260,449	1,206,391	0	2,466,840
LOSS EXPENSE	0	86,403	70,714	0	157,117
SERVICE FEE - PREMIUMS	0	39,222	412,543	0	451,765
COMMISSIONS PAID	0	(768)	584,673	0	583,905
OPERATING EXPENSE	0	0	433,638	0	433,638
OTHER	0	0	0	0	0
TOTAL	0	1,385,306	2,707,959	0	4,093,265
					0
NET CASH FROM OPERATIONS	0	(1,110,363)	2,805,231	63,675	1,758,543
<u>DEDUCT CURRENT RESERVES:</u>					
LOSSES	0	150,807	377,445	0	528,252
LOSS EXPENSE	0	15,081	37,745	0	52,826
UNEARNED PREMIUMS	0	0	2,918,865	63,675	2,982,540
SERVICE FEE - PREMIUMS	0	0	16,839	5,094	21,933
COMMISSIONS PAYABLE	0	0	43,656	7,641	51,297
OPERATING EXPENSE	0	0	0	0	0
OTHER	0	0	0	0	0
TOTAL	0	165,888	3,394,550	76,410	3,636,848
<u>ADD PRIOR RESERVES:</u>					
LOSSES	0	194,137	0	0	194,137
LOSS EXPENSE	0	10,652	0	0	10,652
UNEARNED PREMIUMS	0	2,231,135	1,977	0	2,233,112
SERVICE FEE - PREMIUMS	0	17,172	158	0	17,330
COMMISSIONS	0	72,077	0	0	72,077
OPERATING EXPENSE	0	0	0	0	0
OTHER	0	0	0	0	0
TOTAL	0	2,525,173	2,135	0	2,527,308
NET RESERVE CHANGE	0	2,359,285	(3,392,415)	(76,410)	(1,109,540)
<u>OTHER CHANGES:</u>					
DEDUCT PRIOR INTEREST ACCRUED	0	(2,186)		0	(2,186)
ADD CURRENT INTEREST ACCRUED	0	0	16,676	0	16,676
ASSESSMENTS	0	0	0	0	0
DISTRIBUTIONS	(41,330)	0	0	0	(41,330)
CHANGE IN MEMBERS' EQUITY	(41,330)	1,248,922	(572,694)	(12,735)	622,163

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT FOR UNSETTLED POLICY YEARS
DECEMBER 31, 2004**

	2003	2004	2005	TOTALS
INCOME RECEIVED:				
PREMIUMS WRITTEN	3,834,931	5,367,270	63,675	9,265,876
INTEREST RECEIVED	8,286	33,127	0	41,413
INSPECTION FEES RECEIVED	102,140	112,120	0	214,260
OTHER	3,000	2,650	0	5,650
TOTAL	3,948,357	5,515,167	63,675	9,527,199
EXPENSES PAID:				
LOSSES	1,551,474	1,206,391	0	2,757,865
LOSS EXPENSE	112,586	70,714	0	183,300
SERVICE FEE - PREMIUMS	293,474	412,543	0	706,017
COMMISSIONS PAID	283,579	584,673	0	868,252
OPERATING EXPENSE	287,635	433,638	0	721,273
OTHER	0	0	0	0
TOTAL	2,528,748	2,707,959	0	5,236,707
NET CASH FROM OPERATIONS	1,419,609	2,807,208	63,675	4,290,492
DEDUCT CURRENT RESERVES:				
LOSSES	150,807	377,445	0	528,252
LOSS EXPENSE	15,081	37,745	0	52,826
UNEARNED PREMIUMS	0	2,918,865	63,675	2,982,540
SERVICE FEE - PREMIUMS	0	16,839	5,094	21,933
COMMISSIONS	0	43,656	7,641	51,297
OPERATING EXPENSE	0	0	0	0
OTHER	0	0	0	0
TOTAL	165,888	3,394,550	76,410	3,636,848
OTHER CHANGES:				
ADD CURRENT				
INTEREST ACCRUED	0	16,676	0	16,676
OTHER CHANGES	0	0	0	0
TOTAL	0	16,676	0	16,676
ASSESSMENTS	0	0	0	0
DISTRIBUTIONS	0	0	0	0
MEMBERS' EQUITY	1,253,721	(570,666)	(12,735)	670,321

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF PREMIUMS
YEAR ENDED DECEMBER 31, 2004**

	2003	2004	2005	TOTALS
<u>PREMIUMS WRITTEN:</u>				
FIRE & EXTENDED COVERAGE	272,757	5,365,293	63,675	5,701,725
TOTAL	<u>272,757</u>	<u>5,365,293</u>	<u>63,675</u>	<u>5,701,725</u>
<u>UNEARNED PREMIUMS -PRIOR:</u>				
FIRE & EXTENDED COVERAGE	2,231,135	1,977	0	2,233,112
TOTAL	<u>2,231,135</u>	<u>1,977</u>	<u>0</u>	<u>2,233,112</u>
<u>UNEARNED PREMIUMS-CURRENT:</u>				
FIRE & EXTENDED COVERAGE	0	2,918,865	63,675	2,982,540
TOTAL	<u>0</u>	<u>2,918,865</u>	<u>63,675</u>	<u>2,982,540</u>
<u>EARNED PREMIUMS:</u>				
FIRE & EXTENDED COVERAGE	2,503,892	2,448,405	0	4,952,297
TOTAL	<u>2,503,892</u>	<u>2,448,405</u>	<u>0</u>	<u>4,952,297</u>

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSSES
YEAR ENDED DECEMBER 31, 2004**

	2002	2003	2004	TOTALS
PAID:				
FIRE	0	1,131,995	1,023,038	2,155,033
EXTENDED COVERAGE	0	128,454	183,353	311,807
TOTAL	0	1,260,449	1,206,391	2,466,840
CURRENT OUTSTANDING:				
FIRE	0	123,307	149,600	272,907
EXTENDED COVERAGE	0	27,500	120,500	148,000
TOTAL	0	150,807	270,100	420,907
CURRENT IBNR:				
FIRE	0	0	107,345	107,345
EXTENDED COVERAGE	0	0	0	0
TOTAL	0	0	107,345	107,345
PRIOR OUTSTANDING:				
FIRE	0	111,394	0	111,394
EXTENDED COVERAGE	0	11,500	0	11,500
TOTAL	0	122,894	0	122,894
PRIOR IBNR:				
FIRE	0	71,243	0	71,243
EXTENDED COVERAGE	0	0	0	0
TOTAL	0	71,243	0	71,243
INCURRED LOSSES:				
FIRE	0	1,072,665	1,279,983	2,352,648
EXTENDED COVERAGE	0	144,454	303,853	448,307
TOTAL	0	1,217,119	1,583,836	2,800,955

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS EXPENSE
YEAR ENDED DECEMBER 31, 2004**

	2002	2003	2004	TOTALS
<u>PAID:</u>				
FIRE	0	44,800	25,587	70,387
EXTENDED COVERAGE	0	41,603	45,127	86,730
TOTAL	0	86,403	70,714	157,117
<u>CURRENT OUTSTANDING:</u>				
FIRE	0	15,081	25,695	40,776
EXTENDED COVERAGE	0	0	12,050	12,050
TOTAL	0	15,081	37,745	52,826
<u>PRIOR OUTSTANDING:</u>				
FIRE	0	9,789	0	9,789
EXTENDED COVERAGE	0	863	0	863
TOTAL	0	10,652	0	10,652
<u>INCURRED LOSS EXPENSE:</u>				
FIRE	0	50,092	51,282	101,374
EXTENDED COVERAGE	0	40,740	57,177	97,917
TOTAL	0	90,832	108,459	199,291

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
POLICIES & INSURANCE IN-FORCE
DECEMBER 31, 2004**

COUNTY	POLICIES IN-FORCE	INSURANCE IN-FORCE	COUNTY	POLICIES IN-FORCE	INSURANCE IN-FORCE
ADAMS	163	7,149,000	LEFLORE	153	5,899,000
ALCORN	74	3,472,000	LINCOLN	128	6,689,000
AMITE	65	2,604,000	LOWNDES	216	13,539,000
ATTALA	73	2,511,000	MADISON	86	4,544,000
BENTON	30	1,235,000	MARION	81	3,778,000
BOLIVAR	198	8,069,000	MARSHALL	145	7,354,000
CALHOUN	21	919,000	MONROE	47	2,722,000
CARROLL	21	802,000	MONTGOMERY	55	2,560,000
CHICKASAW	52	2,549,000	NESHOBA	13	475,000
CHOCTAW	32	1,166,000	NEWTON	26	1,261,000
CLAIBORNE	57	2,567,000	NOXUBEE	9	358,000
CLARKE	46	2,081,000	OKTIBBEHA	48	2,649,000
CLAY	49	1,988,000	PANOLA	43	1,792,000
COAHOMA	85	3,251,000	PEARL RIVER	109	5,687,000
COPIAH	132	5,682,000	PERRY	24	860,000
COVINGTON	105	4,272,000	PIKE	179	8,468,000
DESOTO	66	6,022,000	PONTOTOC	21	1,141,000
FORREST	201	10,337,000	PRENTISS	105	4,687,000
FRANKLIN	19	812,000	QUITMAN	36	1,379,000
GEORGE	82	4,129,000	RANKIN	96	7,617,000
GREENE	18	784,000	SCOTT	101	4,278,000
GRENADA	101	4,756,000	SHARKEY	5	238,000
HANCOCK	503	30,643,000	SIMPSON	64	3,028,000
HARRISON	668	46,525,000	SMITH	26	1,137,000
HINDS	672	43,713,000	STONE	19	926,000
HOLMES	114	4,256,000	SUNFLOWER	117	4,657,000
HUMPHREYS	4	142,000	TALLAHATCHIE	55	2,475,000
ISSAQUENA	4	106,000	TATE	19	1,277,000
ITAWAMBA	66	2,584,000	TIPPAH	23	1,092,000
JACKSON	518	32,107,000	TISHOMINGO	74	2,313,000
JASPER	51	2,224,000	TUNICA	21	913,000
JEFFERSON	24	1,046,000	UNION	9	302,000
JEFFERSON DAVIS	69	3,203,000	WALTHALL	80	4,007,000
JONES	169	9,162,000	WARREN	86	3,958,000
KEMPER	50	1,689,000	WASHINGTON	133	5,881,000
LAFAYETTE	58	2,715,000	WAYNE	58	2,349,000
LAMAR	38	2,513,000	WEBSTER	10	320,000
LAUDERDALE	176	9,516,000	WILKINSON	40	1,745,000
LAWRENCE	94	3,525,000	WINSTON	30	1,173,000
LEAKE	25	921,000	YALABUSHA	57	2,063,000
LEE	83	5,175,000	YAZOO	148	5,839,000

TOTAL IN - FORCE

7,871

412,352,000

MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
REPORTING SCHEDULE P NUMBER OF CLAIMS OUTSTANDING
FOR THE TEN YEAR PERIOD ENDING DECEMBER 31, 2004

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	TOTAL
COVERAGES:											
FIRE	0	0	0	0	0	0	0	0	9	11	20
EXTENDED COVERAGE	0	0	0	0	0	0	0	0	11	28	39
TOTALS	0	0	0	0	0	0	0	0	20	39	59