

Mississippi Residential Property Insurance Underwriting Association

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

April 26, 2007

To Member Companies

ACCOUNTING REPORT FOR YEAR ENDED DECEMBER 31, 2006

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, 2006, are now available on the website www.msplans.com.


- Exhibit 1 -Statement of Assets, Liabilities and Members' Equity
- Exhibit 2 -Statements of Revenue, Expense and Members' Equity
- Exhibit 3A -Members' Account - Year Ended December 31, 2006
- Exhibit 3B -Members' Account - January 01, 2005 through December 31, 2006
- 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, 2006
- 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, 2006 through December 31, 2006 was furnished you previously. 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. Joel Ferriss or Mrs. Judy Brown at the address or telephone number listed on our letterhead.

Yours very truly,



Joe S. Shumaker
Manager

MISSISSIPPI RESIDENTIAL INSURANCE UNDERWRITING ASSOCIATION
ACCOUNTING REPORT
YEAR ENDED DECEMBER 31, 2006

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**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
STATEMENT OF ASSETS, LIABILITIES AND MEMBERS' EQUITY
DECEMBER 31, 2006**

	<u>LEDGER</u> <u>ASSETS</u>	<u>NON-LEDGER</u> <u>ASSETS</u>	<u>NON-ADMITTED</u> <u>ASSETS</u>	<u>NET-ADMITTED</u> <u>ASSETS</u>
<u>ASSETS:</u>				
CASH	\$ 5,312,924	\$ -	\$ -	\$ 5,312,924
INVESTMENTS	-	-	-	-
ASSESSMENTS RECEIVABLE	96,500	-	-	96,500
RECEIVABLE	20,470	-	-	20,470
FURNITURE AND EQUIPMENT	336,319	-	-	336,319
TOTAL ASSETS	<u>\$ 5,766,213</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,766,213</u>
<u>LIABILITIES:</u>				
UNPAID LOSSES-(IBNR INCLUDED)				\$ 552,481
UNPAID LOSS EXPENSE				55,247
UNPAID SERVICE FEES-PREMIUMS				66,780
UNEARNED PREMIUMS				4,136,772
COMMISSIONS PAYABLE				64,361
ACCOUNTS PAYABLE				5,981
TOTAL LIABILITIES				<u>4,881,622</u>
<u>MEMBERS' EQUITY:</u>				
2004 POLICY YEAR				(3,561,917)
2005 POLICY YEAR				3,905,109
2006 POLICY YEAR				558,522
2007 POLICY YEAR				(17,123)
TOTAL MEMBERS' EQUITY				<u>884,591</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY				<u>\$ 5,766,213</u>

MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
STATEMENT OF REVENUE, EXPENSES AND MEMBERS' EQUITY
YEAR ENDED DECEMBER 31, 2006

UNDERWRITING INCOME:

PREMIUM EARNED		\$ 6,371,554
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DEDUCTIONS:

LOSSES INCURRED	\$ 3,205,330	
LOSS EXPENSES INCURRED	401,965	
SERVICE FEES - PREMIUMS	638,669	
COMMISSIONS INCURRED	753,994	
OPERATING EXPENSE INCURRED	477,104	
	477,104	
TOTAL DEDUCTIONS		5,477,062

NET UNDERWRITING GAIN (LOSS)		894,492
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OTHER INCOME:

INVESTMENT INCOME	159,615	
INSPECTION FEES	141,680	
OTHER	2,025	
	2,025	
TOTAL OTHER INCOME		303,320

NET INCOME (LOSS)		\$ 1,197,812
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EQUITY ACCOUNT:

MEMBERS' ACCOUNT, JANUARY 01, 2006		\$ (313,221)
NET INCOME		1,197,812
DISTRIBUTIONS TO MEMBERS		-
ASSESSMENTS		-
MEMBERS' ACCOUNT, DECEMBER 31, 2006		\$ 884,591

MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT
DECEMBER 31, 2006

	2005	2006	2007	TOTALS
<u>INCOME RECEIVED:</u>				
PREMIUMS WRITTEN	\$ (139,463)	\$ 7,670,092	\$ 95,125	\$ 7,625,754
INTEREST RECEIVED	-	159,615	-	159,615
INSPECTION FEES RECEIVED	-	141,680	-	141,680
OTHER	-	2,025	-	2,025
TOTAL	(139,463)	7,973,412	95,125	7,929,074
<u>EXPENSES PAID:</u>				
LOSSES	4,340,794	952,172	-	5,292,966
LOSS EXPENSE	453,848	105,167	-	559,015
SERVICE FEE - PREMIUMS	37,026	561,714	-	598,740
COMMISSIONS PAID	-	745,582	-	745,582
OPERATING EXPENSE	-	477,102	-	477,102
TOTAL	4,831,668	2,841,737	-	7,673,405
NET CASH FROM OPERATIONS	(4,971,131)	5,131,675	95,125	255,669
<u>DEDUCT CURRENT RESERVES:</u>				
LOSSES	90,260	462,221	-	552,481
LOSS EXPENSE	9,026	46,221	-	55,247
UNEARNED PREMIUMS	-	4,041,647	95,125	4,136,772
SERVICE FEE - PREMIUMS	-	59,170	7,610	66,780
COMMISSIONS PAYABLE	-	54,848	9,513	64,361
TOTAL	99,286	4,664,107	112,248	4,875,641
<u>ADD PRIOR RESERVES:</u>				
LOSSES	2,640,116	-	-	2,640,116
LOSS EXPENSE	212,297	-	-	212,297
UNEARNED PREMIUMS	2,791,619	90,953	-	2,882,572
SERVICE FEE - PREMIUMS	19,574	7,276	-	26,850
COMMISSIONS	46,854	9,095	-	55,949
OPERATING EXPENSE	-	-	-	-
OTHER	-	-	-	-
TOTAL	5,710,460	107,324	-	5,817,784
NET RESERVE CHANGE	5,611,174	(4,556,783)	(112,248)	942,143
<u>OTHER CHANGES:</u>				
ASSESSMENTS	-	-	-	-
DISTRIBUTIONS	-	-	-	-
CHANGE IN MEMBERS' EQUITY	\$ 640,043	\$ 574,892	\$ (17,123)	\$ 1,197,812

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT FOR UNSETTLED POLICY YEARS
DECEMBER 31, 2006**

	2004	2005	2006	2007	TOTALS
<u>INCOME RECEIVED:</u>					
PREMIUMS WRITTEN	\$ 5,249,467	\$ 5,143,184	\$ 7,761,045	\$ 95,125	\$ 18,248,821
INTEREST RECEIVED	49,803	99,360	159,615	-	308,778
INSPECTION FEES RECEIVED	112,120	71,800	141,680	-	325,600
OTHER	2,650	250	2,025	-	4,925
TOTAL	5,414,040	5,314,594	8,064,365	95,125	18,888,124
<u>EXPENSES PAID:</u>					
LOSSES	6,974,829	8,986,281	952,172	-	16,913,282
LOSS EXPENSE	624,216	984,760	105,166	-	1,714,142
SERVICE FEE - PREMIUMS	421,066	440,064	561,713	-	1,422,843
COMMISSIONS PAID	577,032	520,017	745,582	-	1,842,631
OPERATING EXPENSE	433,638	379,077	477,102	-	1,289,817
OTHER	-	-	-	-	-
TOTAL	9,030,781	11,310,199	2,841,735	-	23,182,715
NET CASH FROM OPERATIONS	(3,616,741)	(5,995,605)	5,222,630	95,125	(4,294,591)
<u>DEDUCT CURRENT RESERVES:</u>					
LOSSES	-	90,260	462,221	-	552,481
LOSS EXPENSE	-	9,026	46,221	-	55,247
UNEARNED PREMIUMS	-	-	4,041,647	95,125	4,136,772
SERVICE FEE - PREMIUMS	-	-	59,170	7,610	66,780
COMMISSIONS	-	-	54,849	9,513	64,362
OPERATING EXPENSE	-	-	-	-	-
OTHER	-	-	-	-	-
TOTAL	-	99,286	4,664,108	112,248	4,875,642
OTHER CHANGES	54,824	-	-	-	54,824
ASSESSMENTS	-	10,000,000	-	-	10,000,000
DISTRIBUTIONS	-	-	-	-	-
MEMBERS' EQUITY	\$ (3,561,917)	\$ 3,905,109	\$ 558,522	\$ (17,123)	\$ 884,591

MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
 STATISTICAL REPORT OF PREMIUMS
 YEAR ENDED DECEMBER 31, 2006

	2005	2006	2007	TOTALS
<u>PREMIUMS WRITTEN:</u>				
FIRE & EXTENDED COVERAGE	\$ (139,463)	\$ 7,670,092	\$ 95,125	\$ 7,625,754
<u>UNEARNED PREMIUMS -PRIOR:</u>				
FIRE & EXTENDED COVERAGE	2,791,619	90,953	-	2,882,572
<u>UNEARNED PREMIUMS-CURRENT:</u>				
FIRE & EXTENDED COVERAGE	-	4,041,647	95,125	4,136,772
<u>EARNED PREMIUMS:</u>				
FIRE & EXTENDED COVERAGE	\$ 2,652,156	\$ 3,719,398	\$ -	\$ 6,371,554

MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
 STATISTICAL REPORT OF LOSSES
 YEAR ENDED DECEMBER 31, 2006

	2005	2006	TOTALS
<u>PAID:</u>			
FIRE	\$ 1,427,887	\$ 816,299	\$ 2,244,186
EXTENDED COVERAGE	2,912,906	135,873	3,048,779
TOTAL	4,340,793	952,172	5,292,965
<u>CURRENT OUTSTANDING:</u>			
FIRE	27,518	271,500	299,018
EXTENDED COVERAGE	62,742	35,500	98,242
TOTAL	90,260	307,000	397,260
<u>CURRENT IBNR:</u>			
FIRE	-	155,221	155,221
EXTENDED COVERAGE	-	-	-
TOTAL	-	155,221	155,221
<u>PRIOR OUTSTANDING:</u>			
FIRE	599,300	-	599,300
EXTENDED COVERAGE	1,935,163	-	1,935,163
TOTAL	2,534,463	-	2,534,463
<u>PRIOR IBNR:</u>			
FIRE	-	-	-
EXTENDED COVERAGE	105,653	-	105,653
TOTAL	105,653	-	105,653
<u>INCURRED LOSSES:</u>			
FIRE	856,105	1,243,020	2,099,125
EXTENDED COVERAGE	\$ 934,832	\$ 171,373	\$ 1,106,205
TOTAL	\$ 1,790,937	\$ 1,414,393	\$ 3,205,330

MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
 STATISTICAL REPORT OF LOSS EXPENSE
 YEAR ENDED DECEMBER 31, 2006

	2005	2006	TOTALS
<u>PAID:</u>			
FIRE	\$ 64,552	\$ 35,697	\$ 100,249
EXTENDED COVERAGE	389,296	69,470	458,766
TOTAL	453,848	105,167	559,015
<u>CURRENT OUTSTANDING:</u>			
FIRE	2,752	42,671	45,423
EXTENDED COVERAGE	6,274	3,550	9,824
TOTAL	9,026	46,221	55,247
<u>PRIOR OUTSTANDING:</u>			
FIRE	70,496		70,496
EXTENDED COVERAGE	141,801		141,801
TOTAL	212,297	-	212,297
<u>INCURRED LOSS EXPENSE:</u>			
FIRE	(3,192)	78,368	75,176
EXTENDED COVERAGE	253,769	73,020	326,789
TOTAL	\$ 250,577	\$ 151,388	\$ 401,965

MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
POLICIES & INSURANCE IN-FORCE
DECEMBER 31, 2006

COUNTY	POLICIES IN-FORCE	INSURANCE IN-FORCE	COUNTY	POLICIES IN-FORCE	INSURANCE IN-FORCE
ADAMS	170	\$ 7,878,000	LEFLORE	190	\$ 7,262,000
ALCORN	105	4,116,000	LINCOLN	160	7,806,000
AMITE	57	2,371,000	LOWNDES	232	12,714,000
ATTALA	91	2,807,000	MADISON	113	4,924,000
BENTON	28	1,312,000	MARION	141	6,657,000
BOLIVAR	181	6,780,000	MARSHALL	117	5,031,000
CALHOUN	29	1,171,000	MONROE	44	2,140,000
CARROLL	25	1,020,000	MONTGOMERY	64	2,251,000
CHICKASAW	62	3,079,000	NESHOPA	9	435,000
CHOCTAW	14	513,000	NEWTON	38	1,454,000
CLAIBORNE	69	2,959,000	NOXUBEE	8	320,000
CLARKE	45	1,695,000	OKTIBBEHA	42	2,228,000
CLAY	60	2,308,000	PANOLA	37	1,308,000
COAHOMA	122	4,314,000	PEARL RIVER	281	16,795,000
COPIAH	172	10,935,000	PERRY	23	1,006,000
COVINGTON	109	4,733,000	PIKE	165	7,303,000
DESOTO	46	3,668,000	PONTOTOC	13	1,159,000
FORREST	358	16,672,000	PRENTISS	115	4,514,000
FRANKLIN	21	735,000	QUITMAN	48	1,732,000
GEORGE	246	12,803,000	RANKIN	79	5,742,000
GREENE	31	1,607,000	SCOTT	102	3,598,000
GRENADA	90	4,475,000	SHARKEY	7	325,000
HANCOCK	630	59,510,000	SIMPSON	50	2,181,000
HARRISON	1715	142,826,000	SMITH	20	792,000
HINDS	699	41,897,000	STONE	77	4,434,000
HOLMES	157	5,564,000	SUNFLOWER	143	5,587,000
HUMPHREYS	8	250,000	TALLAHATCHIE	66	3,642,000
ISSAQUENA	3	76,000	TATE	11	628,000
ITAWAMBA	88	2,725,000	TIPPAH	22	869,000
JACKSON	1384	104,433,000	TISHOMINGO	94	3,205,000
JASPER	70	2,546,000	TUNICA	16	622,000
JEFFERSON	32	1,126,000	UNION	20	631,000
JEFFERSON DAVIS	58	2,916,000	WALTHALL	86	4,261,000
JONES	316	14,889,000	WARREN	111	5,515,000
KEMPER	58	1,992,000	WASHINGTON	253	9,514,000
LAFAYETTE	59	2,384,000	WAYNE	108	4,730,000
LAMAR	59	3,289,000	WEBSTER	8	232,000
LAUDERDALE	249	13,610,000	WILKINSON	33	1,680,000
LAWRENCE	95	3,804,000	WINSTON	43	1,786,000
LEAKE	28	997,000	YALABUSHA	52	1,773,000
LEE	78	3,813,000	YAZOO	157	5,976,000
TOTAL IN - FORCE				11,315	\$ 661,360,000

MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
REPORTING SCHEDULE P NUMBER OF CLAIMS OUTSTANDING
DECEMBER 31, 2006

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>TOTAL</u>
<u>COVERAGE:</u>				
FIRE	4	3	13	20
EXTENDED COVERAGE	6	9	7	22
TOTALS	<u>10</u>	<u>12</u>	<u>20</u>	<u>42</u>