

Mississippi Residential Property Insurance Underwriting Association

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

March 20, 2008

To Member Companies

ACCOUNTING REPORT FOR YEAR ENDED DECEMBER 31, 2007

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, 2007, are now available on the website www.msplans.com/MRPIUA/index.shtml.

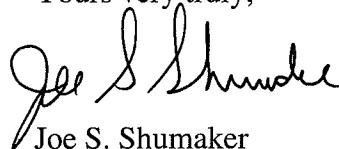
- Exhibit 1 -Statement of Assets, Liabilities and Members' Equity
- Exhibit 2 -Statements of Revenue, Expense and Members' Equity
- Exhibit 3A -Members' Account - Year Ended December 31, 2007
- Exhibit 3B -Members' Account - January 01, 2006 through December 31, 2007
- Exhibit 4A -Statistical Report - Premiums
- Exhibit 4B -Statistical Report - Losses
- Exhibit 4C -Statistical Report - Loss Expense
- Exhibit 5 -Insurance In-Force as of December 31, 2007

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, 2007 through December 31, 2007 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, 2007**

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**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
STATEMENTS OF ASSETS, LIABILITIES AND MEMBERS' EQUITY
DECEMBER 31, 2007**

	LEDGER ASSETS	NON-LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
ASSETS:				
CASH IN BANK AND MONEY MARKET FUNDS	\$ 3,931,761	\$ -	\$ -	\$ 3,931,761
CERTIFICATE OF DEPOSIT	4,125,225	-	-	4,125,225
ACCRUED INVESTMENT INCOME	57,760	-	-	57,760
ASSESSMENTS RECEIVABLE	322,098	-	-	322,098
RECEIVABLE	3,702	-	-	3,702
FURNITURE AND EQUIPMENT	284,062	-	-	284,062
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TOTAL ASSETS	\$ 8,724,608	\$ -	\$ -	\$ 8,724,608
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LIABILITIES:				
UNPAID LOSSES				\$ 960,641
UNPAID LOSS EXPENSE				96,065
UNPAID PREMIUM TAXES				39,247
UNEARNED PREMIUMS				4,327,545
COMMISSIONS PAYABLE				53,915
ACCOUNTS PAYABLE				10,227
				<hr/>
TOTAL LIABILITIES				5,487,640
				<hr/>
MEMBERS' EQUITY:				
2006 POLICY YEAR				1,910,921
2007 POLICY YEAR				1,326,047
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TOTAL MEMBERS' EQUITY				3,236,968
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TOTAL LIABILITY AND MEMBERS EQUITY				\$ 8,724,608
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EXHIBIT 2

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
STATEMENTS OF REVENUE, EXPENSES AND MEMBERS' EQUITY
YEAR ENDED DECEMBER 31, 2007**

UNDERWRITING INCOME:

PREMIUM EARNED		\$ 8,231,926
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DEDUCTIONS:

LOSSES INCURRED	\$ 3,562,241	
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LOSS EXPENSES INCURRED	316,956	
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SERVICE FEES - PREMIUMS	48,134	
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PREMIUM TAXES	166,894	
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COMMISSIONS INCURRED	871,034	
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OPERATING EXPENSE INCURRED	1,005,113	
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OTHER	-	
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TOTAL DEDUCTIONS		<u>5,970,372</u>
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NET UNDERWRITING GAIN (LOSS)		2,261,554
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OTHER INCOME:

INVESTMENT INCOME	324,006	
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INSPECTION FEES	109,960	
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OTHER	50	
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TOTAL OTHER INCOME		<u>434,016</u>
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NET INCOME (LOSS)		<u><u>\$ 2,695,570</u></u>
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EQUITY ACCOUNT:

MEMBERS' ACCOUNT, JANUARY 01, 2006		\$ 884,591
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NET INCOME		2,695,570
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DISTRIBUTIONS TO MEMBERS		(762,073)
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ASSESSMENTS		<u>418,880</u>
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MEMBERS' ACCOUNT, DECEMBER 31, 2006		<u><u>\$ 3,236,968</u></u>
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MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT
DECEMBER 31, 2007

	2004	2005	2006	2007	2008	TOTALS
INCOME RECEIVED:						
PREMIUMS WRITTEN	-	-	(134,683)	8,428,788	128,594	8,422,699
INTEREST RECEIVED	-	-	-	266,246	-	266,246
INSPECTION FEES RECEIVED	-	-	-	109,960	-	109,960
OTHER	-	-	-	50	-	50
TOTAL	-	-	(134,683)	8,805,044	128,594	8,798,955
EXPENSES PAID:						
LOSSES	-	56,862	1,964,008	1,133,211	-	3,154,080
LOSS EXPENSE	-	17,832	141,617	116,689	-	276,137
SERVICE FEE - PREMIUMS	-	-	28,106	86,809	-	114,915
PREMIUM TAXES	-	-	-	127,647	-	127,647
COMMISSIONS PAID	-	-	447,469	434,012	-	881,481
OPERATING EXPENSE	-	-	-	952,856	-	952,856
OTHER	-	-	-	-	-	-
DEPRECIATION	-	-	-	52,256	-	52,256
TOTAL	-	74,694	2,581,199	2,903,479	-	5,559,373
NET CASH FROM OPERATIONS	-	(74,694)	(2,715,882)	5,901,565	128,594	3,239,582
DEDUCT CURRENT RESERVES:						
LOSSES	-	-	564,015	396,626	-	960,641
LOSS EXPENSE	-	-	56,402	39,664	-	96,065
UNEARNED PREMIUMS	-	-	-	4,198,951	128,594	4,327,545
SERVICE FEE - PREMIUMS	-	-	-	-	-	-
PREMIUM TAXES PAYABLE	-	-	-	39,247	-	39,247
COMMISSIONS PAYABLE	-	-	-	53,915	-	53,915
OPERATING EXPENSE	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	620,417	4,728,402	128,594	5,477,413
ADD PRIOR RESERVES:						
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	-	-	59,169	7,610	-	66,779
COMMISSIONS	-	-	54,849	9,513	-	64,362
OPERATING EXPENSE	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	99,286	4,664,107	112,248	-	4,875,641
NET RESERVE CHANGE	-	99,286	4,043,691	(4,616,154)	(128,594)	(601,772)
OTHER CHANGES:						
DEDUCT PRIOR						
INTEREST ACCRUED	-	-	-	-	-	-
ADD CURRENT						
INTEREST ACCRUED	-	-	-	57,760	-	57,760
ASSESSMENTS	3,465,415	-	-	-	-	3,465,415
DISTRIBUTIONS	-	(3,808,608)	-	-	-	(3,808,608)
CHANGE IN MEMBERS' EQUITY	\$ 3,465,415	\$ (3,784,016)	\$ 1,327,808	\$ 1,343,170	\$ -	\$ 2,352,377

MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT FOR UNSETTLED POLICY YEARS
DECEMBER 31, 2007

	2006	2007	2008	TOTALS
INCOME RECEIVED:				
PREMIUMS WRITTEN	\$ 7,626,362	\$ 8,523,913	\$ 128,594	\$ 16,278,869
INTEREST RECEIVED	159,615	266,246	-	425,861
INSPECTION FEES RECEIVED	141,680	109,960	-	251,640
OTHER	2,025	50	-	2,075
TOTAL	7,929,682	8,900,169	128,594	16,958,445
EXPENSES PAID:				
LOSSES	2,916,180	1,133,212	-	4,049,391
LOSS EXPENSE	246,783	116,689	-	363,471
SERVICE FEE - PREMIUMS	589,820	86,808	-	676,628
PPEMIUM TAXES PAID	-	127,647	-	127,647
COMMISSIONS PAID	1,193,051	434,012	-	1,627,063
OPERATING EXPENSE	477,102	952,856	-	1,429,958
DEPRECIATION	-	52,256	-	52,256
TOTAL	5,422,935	2,903,479	-	8,326,415
NET CASH FROM OPERATIONS	2,506,747	5,996,690	128,594	8,632,030
DEDUCT CURRENT RESERVES:				
LOSSES	564,015	396,626	-	960,641
LOSS EXPENSE	56,402	39,664	-	96,065
UNEARNED PREMIUMS	-	4,198,951	128,594	4,327,545
SERVICE FEE - PREMIUMS	-	-	-	-
COMMISSIONS	-	39,247	-	39,247
OPERATING EXPENSE	-	53,915	-	53,915
OTHER	-	-	-	-
TOTAL	620,417	4,728,402	128,594	5,477,413
OTHER CHANGES:				
ADD CURRENT				
INTEREST ACCRUED	-	57,760	-	57,760
OTHER CHANGES	24,591	-	-	24,591
TOTAL	24,591	57,760	-	82,351
ASSESSMENTS	-	-	-	-
DISTRIBUTIONS	-	-	-	-
MEMBERS' EQUITY	\$ 1,910,921	\$ 1,326,047	\$ -	\$ 3,236,968

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
 STATISTICAL REPORT OF PREMIUMS
 YEAR ENDED DECEMBER 31, 2007**

	2006	2007	2008	TOTALS
PREMIUMS WRITTEN:				
FIRE & EXTENDED COVERAGE	\$ (134,683)	\$ 8,428,788	\$ 128,594	\$ 8,422,699
UNEARNED PREMIUMS -PRIOR:				
FIRE & EXTENDED COVERAGE	4,041,647	95,125	-	4,136,772
UNEARNED PREMIUMS-CURRENT:				
FIRE & EXTENDED COVERAGE	-	4,198,951	128,594	4,327,545
EARNED PREMIUMS:				
FIRE & EXTENDED COVERAGE	<u>\$ 3,906,964</u>	<u>\$ 4,324,962</u>	<u>\$ -</u>	<u>\$ 8,231,926</u>

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSSES
YEAR ENDED DECEMBER 31, 2007**

	2005	2006	2007	TOTALS
PAID:				
FIRE	\$ (22,962)	\$ 1,758,288	\$ 1,026,718	\$ 2,762,044
EXTENDED COVERAGE	79,824	205,720	106,492	392,036
TOTAL	56,862	1,964,008	1,133,211	3,154,081
CURRENT OUTSTANDING:				
FIRE	-	464,415	208,500	672,915
EXTENDED COVERAGE	-	99,600	17,600	117,200
TOTAL	-	564,015	226,100	790,115
CURRENT IBNR:				
FIRE	-	-	170,526	170,526
EXTENDED COVERAGE	-	-	-	-
TOTAL	-	-	170,526	170,526
PRIOR OUTSTANDING:				
FIRE	27,518	271,500	-	299,018
EXTENDED COVERAGE	62,742	35,500	-	98,242
TOTAL	90,260	307,000	-	397,260
PRIOR IBNR:				
FIRE	-	155,221	-	155,221
EXTENDED COVERAGE	-	-	-	-
TOTAL	-	155,221	-	155,221
INCURRED LOSSES:				
FIRE	(50,480)	1,795,982	1,405,744	3,151,246
EXTENDED COVERAGE	17,082	269,820	124,092	410,994
TOTAL	\$ (33,398)	\$ 2,065,802	\$ 1,529,837	\$ 3,562,241

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS EXPENSE
YEAR ENDED DECEMBER 31, 2007**

	2005	2006	2007	TOTALS
PAID:				
FIRE	\$ 812	\$ 78,523	\$ 80,728	\$ 160,063
EXTENDED COVERAGE	17,020	63,094	35,960	116,074
TOTAL	<u>17,832</u>	<u>141,617</u>	<u>116,689</u>	<u>276,138</u>
CURRENT OUTSTANDING:				
FIRE	-	46,442	37,903	84,345
EXTENDED COVERAGE	-	9,960	1,761	11,721
TOTAL	<u>-</u>	<u>56,402</u>	<u>39,664</u>	<u>96,066</u>
PRIOR OUTSTANDING:				
FIRE	2,752	42,671	-	45,423
EXTENDED COVERAGE	6,274	3,550	-	9,824
TOTAL	<u>9,026</u>	<u>46,221</u>	<u>-</u>	<u>55,247</u>
INCURRED LOSS EXPENSE:				
FIRE	(1,940)	82,294	118,631	198,985
EXTENDED COVERAGE	10,746	69,504	37,721	117,971
TOTAL	<u>\$ 8,806</u>	<u>\$ 151,798</u>	<u>\$ 156,352</u>	<u>\$ 316,956</u>

MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION
POLICIES & INSURANCE IN-FORCE
DECEMBER 31, 2007

COUNTY	POLICIES IN-FORCE	INSURANCE IN-FORCE	COUNTY	POLICIES IN-FORCE	INSURANCE IN- FORCE
ADAMS	183	\$ 8,765,000	LEFLORE	195	\$ 7,247,000
ALCORN	181	7,953,000	LINCOLN	160	7,352,000
AMITE	54	2,058,000	LOWNDES	212	11,321,000
ATTALA	93	3,049,000	MADISON	111	4,526,000
BENTON	27	1,263,000	MARION	156	7,675,000
BOLIVAR	191	7,113,000	MARSHALL	119	5,195,000
CALHOUN	28	1,392,000	MONROE	39	2,415,000
CARROLL	23	915,000	MONTGOMERY	71	2,384,000
CHICKASAW	58	2,751,000	NESHOBA	15	741,000
CHOCTAW	23	986,000	NEWTON	34	1,329,000
CLAIBORNE	69	2,962,000	NOXUBEE	8	286,000
CLARKE	40	1,715,000	OKTIBBEHA	35	1,885,000
CLAY	48	2,058,000	PANOLA	45	1,816,000
COAHOMA	145	5,013,000	PEARL RIVER	307	17,711,000
COPIAH	171	8,090,000	PERRY	26	953,000
COVINGTON	102	5,017,000	PIKE	155	7,329,000
DESOTO	31	2,490,000	PONTOTOC	26	1,702,000
FORREST	418	19,952,000	PRENTISS	113	4,335,000
FRANKLIN	23	840,000	QUITMAN	48	1,611,000
GEORGE	336	19,137,000	RANKIN	74	4,746,000
GREENE	45	2,040,000	SCOTT	115	4,552,000
GRENADA	97	4,967,000	SHARKEY	9	405,000
HANCOCK	640	61,902,000	SIMPSON	40	1,970,000
HARRISON	1,915	167,070,000	SMITH	19	696,000
HINDS	667	38,022,000	STONE	94	5,192,000
HOLMES	163	5,658,000	SUNFLOWER	143	5,644,000
HUMPHREYS	8	232,000	TALLAHATCHIE	82	3,189,000
ISSAQUENA	2	68,000	TATE	8	458,000
ITAWAMBA	92	3,169,000	TIPPAH	32	1,233,000
JACKSON	1,626	130,403,000	TISHOMINGO	97	3,368,000
JASPER	65	2,488,000	TUNICA	16	569,000
JEFFERSON	40	1,802,000	UNION	16	712,000
JEFFERSON DAVIS	48	2,378,000	WALTHALL	80	4,441,000
JONES	375	16,458,000	WARREN	108	5,895,000
KEMPER	54	2,096,000	WASHINGTON	331	12,150,000
LAFAYETTE	48	1,904,000	WAYNE	139	6,313,000
LAMAR	63	4,031,000	WEBSTER	7	191,000
LAUDERDALE	265	13,439,000	WILKINSON	32	1,435,000
LAWRENCE	76	3,149,000	WINSTON	58	2,386,000
LEAKE	23	675,000	YALABUSHA	51	1,707,000
LEE	67	3,446,000	YAZOO	179	6,232,000
TOTAL IN - FORCE				12,228	\$ 730,213,000