



MASSACHUSETTS PROPERTY INSURANCE UNDERWRITING ASSOCIATION

Underwriting Division

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To: All Massachusetts Producers

RE: **Introduction of Marshall Swift & Boeckh Residential Replacement Cost Estimator**

The Association in its continuing efforts to provide the highest level of service possible, is pleased to introduce MPIUA's Marshall Swift & Boeckh (MS&B) RCT Express residential home cost estimating system as the new and only means of calculating replacement cost for its Homeowners and Dwelling Fire Policies.

MS&B RCT Express is the leading Home Cost Estimator in the Insurance Industry. MS&B's RCT Express is a 'Total Component' system using locally researched costs, formulas and database to analyze and select detailed components of buildings, labor and material costs to develop the replacement cost. The Association considers this a superior method to the current "room count" method utilized by the Association.

The Association's MS&B RCT Express site is seamlessly accessed through the Producer Interface portion of MPIUA's website. Effective 9/1/2005 the Association requires the submission of the Association's MS&B RCT Replacement Cost Estimator with all HO 00 02,03 and 05 and DP 00 01, 02 and 03 submissions for New Business and changes in coverage. Other products, including the Association's current Home Cost Estimator will not be accepted. One of the major functions of the MSB RCT Express site is to store the Replacement cost data for the Association. Because of this, the Association will not accept MSB RCT Express through any other MSB RCT Express site or desktop application.

The Association has included with this letter the following:

- Instructions on how to enter the Associations MS&B RCT Express website and recommended steps to complete the MS&B cost estimator, Application and Submission of both.
- MS&B Property Data form, which includes all available options within the MS&B RCT Express system. This form can be utilized as a reference tool for any home with special features.
- A worksheet to be utilized in gathering the appropriate information from the applicant to complete the MS&B express cost estimator. Please note this worksheet should be for the most basic home and any additional feature that would be increase the replacement cost should be indicated in the Other Special Features field.

The Association believes that MS&B RCT Express replacement costs will benefit Producers and the Association by providing uniformity for all producers in assisting applicants and insureds with the determination of accurate replacement costs, reduce the number of midterm endorsements increasing coverage to meet the Association's Insurance to Value program and minimize producers errors and omissions exposure due to underinsuring.

If you have any questions regarding this service enhancement, please contact the Association's Consumer Service unit.

James H. Pappas
Vice President Underwriting

Did you check your smoke detectors today!