

Modified Replacement Cost

(Applies to PRP's and HO's)

Use the full premium for 100% of Replacement Cost for the Premium Residence Package or the Home Owners.

The Dwelling can be insured for 50%, 60%, 70%, or 80% of full Replacement Cost. Below are the factors used for each of the percentages. The factor is multiplied times the premium that would be charged for 100% Replacement Cost.

<u>Percentage</u>	<u>Multiplication Factor</u>
50%	.80
60%	.83
70%	.86
80%	.89

Partial losses will be adjusted on a Replacement Cost basis. Total losses will be settled based on the modified policy limit. Household Goods and Additional Living Expense will be added based on the value of the insured dwelling.