

Title Insurance Industry Market Share and Financial Statement compilations for the 2nd Quarter of 2010 are now available on the ALTA website ([www.alta.org/industry/financial.cfm](http://www.alta.org/industry/financial.cfm)).

The second quarter of 2010 proved to be profitable for the industry. Operating Income was down 9% from the second quarter of 2009 and Loss Expense was up by 12.7%, but these were offset by a decrease in Operating Expense of \$248 million (10.6%), leaving Operating Loss at the same level as 2009. Net Investment Gain was 45% less than 2009, leaving Net Income 56% lower than the second quarter of 2009, but still positive at \$48.3 million.

Consequently, the industry remains in a strong financial position at June 30th, with Admitted Assets of over \$8.5 billion, including over \$7.4 billion in Cash and Invested Assets. Also, Statutory Reserves were almost \$5 billion and Statutory Surplus exceeded \$2.4 billion.

After 13 consecutive quarters in which Title Premiums Written declined from the prior year's equivalent quarter, the 3rd Quarter of 2009 ended this string with an increase of 1.4% over 3rd Quarter of 2008. The 4th Quarter of 2009 and the 1st Quarter of 2010 continued the trend. The 2nd Quarter of 2010, however, ends the string of three consecutive quarters in which Title Premiums Written increased over the prior year's equivalent quarter, reporting a decline of 8.5% compared to the 2nd Quarter of 2009.

Notable in the 2nd Quarter are changes in title insurance underwriter family market share. The Fidelity Family leads the industry with 38.4% of the national market, up 1.4% from the 1st Quarter. Meanwhile, First American declined 1.7% to 26.6%, Stewart increased 1% to 14.7%. Old Republic decreased .1% to 10.4% and Regional Companies decreased by .8% to 9.9%.

On a state-by-state basis, only 4 states plus the District of Columbia showed 2nd Quarter 2010 written premiums increasing over 2nd Quarter 2009, while 46 states recorded decreases. Five states were down over 30%, but only one state, Oregon (-36.8%) is in the top 20. Ten states were down between 20 and 30%, but only one (Utah) was in the top 20. There were 17 states down between 10 and 20% and 14 states down less than 10%. Of those reporting increases, only one, District of Columbia (20.4%) increased more than 20%. Of the ten largest states, eight showed decreases from 1.8% (Michigan) to 19.2% (Pennsylvania) and only two showed increases - New York at 2.4% and Texas at .1%. The largest state - California was down 13.6%, Texas (the #2 state) was up .1% and Florida, the #3 state, was down 2.2%.