

Title Insurance Industry Market Share and Financial Statement compilations for the 3rd Quarter of 2010 are now available on the ALTA website ([www.alta.org/industry/financial.cfm](http://www.alta.org/industry/financial.cfm)).

The third quarter of 2010 proved to be difficult for the industry. Operating Income was down 8% (\$242 million) from the third quarter of 2009 and although Loss Expense was down by 4.8% (\$14 million), Operating Expense increased almost \$21 million (.2%), leaving an Operating Loss of \$33.4 million compared to a gain of \$215.6 million in the 3rd Quarter of 2009. Net Investment Gain of \$74.6 million was also down compared to \$214.9 million, leaving Net Income at \$28.9 million, down substantially from Net Income of \$376 million for the third quarter of 2009.

Notwithstanding, the industry remains in a strong financial position at September 30th, with Admitted Assets of over \$8.6 billion, including almost \$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, ended the string of three consecutive quarters in which Title Premiums Written increased over the prior year's equivalent quarter, and the 3rd Quarter continues this, reporting a decline of 1.9% compared to the 3rd Quarter of 2009.

Again, notable in the 3rd Quarter are changes in title insurance underwriter family market share. The Fidelity Family leads the industry with 36.4% of the national market, but down 2% from the 2nd Quarter. Meanwhile, First American increased .9% to 27.5%, Stewart decreased .6% to 14.1%. Old Republic increased .8% to 11.2% and Regional Companies increased by .9% to 10.8%.

On a state-by-state basis, only 10 states plus the District of Columbia showed 3rd Quarter 2010 written premiums increasing over 3rd Quarter 2009, while 40 states recorded decreases. Eight states were down over 20%, but only one state, (Utah) was in the top 20. There were 8 states down between 10 and 20% but only one state, (Michigan) was in the top 20. Twenty-four states were down less than 10%. Of those reporting increases, only three, Kansas (up 63.2%), District of Columbia (up 29.6%) and Washington (up 21.0%) increased more than 20%. Of the ten largest states, six showed decreases under 10% while four showed increases ranging from 2.2% (Florida) to 21.0% (Washington). The largest state - California was down 7.2%, Texas (the #2 state) was up 6.2% and Florida, the #3 state, was up 2.2%.