

ALTA NEWS

**AMERICAN
LAND TITLE
ASSOCIATION**

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For Immediate Release

American Land Title Association Reports 2011 Title Insurance Premiums on Pace; Industry Paid \$1.02 Billion in Claims Last Year

Washington, D.C., April 25, 2012 — The [American Land Title Association](#) (ALTA) reported \$9.47 billion in title insurance premiums written during 2011, according to its [2011 Year-End and Fourth-Quarter Market Share Analysis](#).

After 2010 ended a string of four consecutive years of declining title insurance premiums written with a very slight increase over 2009, 2011 premiums written continued at approximately the same pace, with only a 1.5 percent decrease from 2010 levels.

“Despite the sluggish housing market, the industry remains in a very strong financial position as total assets are over \$8.2 billion with cash and invested assets at almost \$7.3 billion,” said Michelle Korsmo, chief executive officer of ALTA. “This is a good sign that the title insurance business has leveled off and the industry is the right size for the current market place.”

Over the past year, the industry saw a strong reduction in operating loss of almost \$200 million to \$20 million in 2011 as loss and loss adjustment expenses were down by 1.3 percent and other operating expenses were down by 3.5 percent. Coupled with a substantial increase in net investment gain, net income for the industry was a positive \$298 million in 2011 versus a negative \$132 million in 2010. Total operating income decreased 1.2 percent, which was down for the sixth consecutive year.

While statutory reserves fell 2.7 percent as a result of claims settlements, they are currently at \$4.8 billion. According to the data, the industry paid \$1.02 billion in claims during 2011, compared to \$1.07 billion in 2010. These payments were made to, or on behalf of, insured homeowners for losses they experienced under policies issued to them or their lender, or to defend those titles from the claims of others.

“For more than a century, title insurance companies have protected the interests of homebuyers through a process that has given Americans a sense of security in what is almost always their most significant investment – their homes,” Korsmo said.

On a state-by-state basis, 14 states and the District of Columbia showed year-over-year increases for title insurance premiums written. Of the 36 states that reported title premium decreases, 30 declined less than 10 percent. The states generating the most title insurance premiums during 2011 were California (\$1.33 billion, down 5.3 percent compared to 2010), Texas (\$1.15 billion, up 8.5 percent), New York (\$719.5 million, up 8.3 percent), Florida (\$718.6 million, up 1.8 percent) and Pennsylvania (\$410.0 million, down 4.5 percent).

In terms of market share, the Fidelity Family of title insurance underwriters captured 34.7 percent of the market in 2011, the First American Family garnered 26.8 percent, the Stewart Family had 13.7 percent and the Old Republic Family recorded 13 percent. Meanwhile, independent title insurance companies comprised 11.8 percent of the market in 2011.

ALTA expects to release its first-quarter 2012 Market Share Analysis around June 1.

About ALTA

The [American Land Title Association](#), founded in 1907, is a national trade association representing more than 4,000 title insurance companies, title agents, independent abstracters, title searchers, and attorneys. With offices throughout the United States, ALTA members conduct title searches, examinations, closings, and issue title insurance that protects real property owners and mortgage lenders against losses from defects in titles.

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