

ALTA NEWS

**AMERICAN
LAND TITLE
ASSOCIATION**

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For Immediate Release

American Land Title Association Reports Third-Quarter 2012 Title Insurance Premiums

Washington, D.C., Dec. 4, 2012 — The [American Land Title Association](#) (ALTA) reported title insurance premium volume continued to improve as premiums increased nearly 28 percent during the third quarter of 2012 compared to the same period a year ago.

According to ALTA's [2012 Third-Quarter Market Share Analysis](#), the title insurance industry generated \$3 billion in title insurance premiums during the third quarter of 2012 compared to \$2.4 billion during the third quarter of 2011. Through nine months, the title industry has generated \$8.09 billion in premiums, up from \$6.9 billion through nine months in 2011.

"Title insurance premium volume is highly dependent on real estate sales and mortgage-refinancing activity," said Michelle Korsmo, ALTA's chief executive officer. "The third quarter of 2012 continued to show improvement in our industry as it was the third consecutive quarter with an increase over the equivalent 2011 quarter."

Operating income was up 22 percent (\$581 million) from the third quarter of 2011, while loss expense was down 27 percent (\$81 million) and operating expenses increased 23 percent (\$532 million).

"This resulted in an operating gain of \$114 million which compares to a loss of \$16 million in the third quarter of 2011," Korsmo said. "The industry remains in a strong financial position and has admitted assets of \$8.7 billion, including nearly \$7.7 billion in cash and invested assets. Additionally, statutory reserves were almost \$4.7 billion and statutory surplus stood over \$3.1 billion."

The states generating the most title insurance premiums during the third quarter of 2012 were California (\$440.7 million, up 31.3 percent compared to the second quarter of 2011), Texas (\$382.1 million, up 26.1 percent), Florida (\$241.9 million, up 30.6 percent), New York (\$213.8 million, up 15.8 percent) and Pennsylvania (\$130 million, up 44.6 percent).

Five states experienced a 45 percent or more increase in title insurance premiums during the third quarter of 2012 compared to the same period a year ago, led by North Dakota (94.2 percent), Louisiana (52.9 percent), North Carolina (51.4 percent), Idaho (51 percent) and Nebraska (45.3 percent).

In terms of market share, the Fidelity Family of title insurance underwriters captured 33.7 percent of the market during the third quarter of 2012, while the First American Family garnered 26.1 percent, the Old

Republic Family recorded 13.7 percent and the Stewart Family had 13.6 percent. Meanwhile, regional underwriters held 13 percent of the market during the third quarter of 2012, up from 11.9 percent market share during the same period a year ago.

ALTA expects to release its fourth-quarter 2012 and year-end Market Share Analysis around March 20.

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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. 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.