



Title Insurance Industry Market Share and Financial Statement Compilations for the 2nd Quarter of 2016 Executive Summary

Title Insurance Industry Market Share and Financial Statement compilations for the 2nd Quarter of 2016 are now available on the ALTA website (www.alta.org/industry/financial.cfm).

The second quarter of 2016 was a positive quarter for the title insurance industry. Title Insurance Premiums Written were up 3.9% from the second quarter of 2015. Total Operating Income was up 5.1%. Operating Expenses were up 4.4% and Loss and Loss Adjustment Expenses were up 10.5% resulting in Net Operating Gain up 11.2%. Coupled with an increase in Net Investment Gain of 22.9%, this resulted in Net Income of \$201.0 Million, compared to \$172.6 Million for the 2nd Quarter of 2015, an increase of 16.5%.

With over \$200 Million of Net Income, the industry continued its strong financial position. Total Assets exceed \$9 Billion, including over \$8.1 Billion in Cash and Invested Assets. Statutory Surplus is over \$4.1 Billion and Statutory Reserves are strong at over \$4.3 Billion.

After 7 consecutive quarters in which Title Premiums Written increased from the prior years equivalent quarter, the 4th Quarter of 2013 ended this string with a decrease of 6.9% from the 4th Quarter of 2012 and the 3rd Quarter of 2014 became the fourth consecutive quarter with a decrease over the equivalent prior year's quarter. The 4th Quarter of 2014 essentially broke even with a 0.3% increase and the 1st Quarter of 2015 improved upon this change in direction with an increase of 11.1%. The 2nd Quarter of 2016 became the sixth consecutive quarter with an increase - up 3.9%.

On a state-by-state basis, 41 states, plus the District of Columbia, showed 2nd Quarter 2016 written premiums increasing from 2nd Quarter 2015. Three states and the District of Columbia were up over 20%, fifteen states up between 10% and 20% and 23 states up less than 10%. Nine states showed decreases, but three were greater than 10% - New York, Alaska and North Dakota.

Of the ten largest states, seven recorded increases with one, Pennsylvania, greater than 20%, and one, Michigan between 10% and 20%. Three of the ten largest showed decreases, with one, New York, down over 10%. The largest state - Texas was up 5.4%, California (the #2 state) was down 1.0%, Florida, the #3 state, was up 6.9%, New York, the #4 state, was down 10.5% and Pennsylvania, the #5 state, was up 20.2%.