

ALTA NEWS

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**AMERICAN
LAND TITLE
ASSOCIATION**



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Low Mortgage Rates Keep Title Industry Rolling

Washington, DC— A recent study confirmed what members of The American Land Title Association (ALTA), already knew – 2004 was the second strongest year for revenues ever due to the continued high level of re-financings and the strong new and resale housing markets.

According to ALTA director of research, Richard McCarthy, “Revenues for 2004 were slightly behind 2003’s record year. No one could have predicted that consumers would continue to refinance so often due to interest rates that remain at near 40-year lows.”

Gross revenue (total operating income) for the industry was down just 1.2 % from 2003 at \$16.4 billion, as compared to \$16.56 billion in 2003. The loss ratio (losses as a percentage of total operating income) was 4.3% as compared to 4.0% for 2003. The industry still paid losses and loss adjustment expenses of \$699 million in 2004, as compared to \$662 million in 2003. The net gain from operations was \$755.1 million, down 26% from 2003’s record of \$1.025 billion. Net income after taxes (which includes investment income) was \$1.086 billion in 2004 compared to \$1.107 billion in 2003.

For more information on the study, contact Richard McCarthy at rich_mccarthy@alta.org or 1-800-787-2582, ext. 216.

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The American Land Title Association represents title insurance companies and their agencies nationwide on a variety of industry and legislative issues. Members of the Association search and insure land titles to protect real estate investors including homebuyers and mortgage lenders.