

Texas Land Title Association
Feb. 2, 2019
Review Of Title Experience
All Agencies And Underwriters Combined

Summary Of Overall Rate Indications

	<u>Past 10 Yrs (2007-2016)</u>	<u>Past 15 Yrs (2002-2016)</u>	<u>TLTA¹ Recommendation</u>	
(1) Loss & LAE Ratio	2.80%	2.87%	2.86%	Attachment 2 - Exhibit A
(2) Expense Ratio	78.64%	81.92%	81.42%	Attachment 2 - Exhibit A
(3) Provision for Catastrophic Claims	1.00%	1.00%	1.00%	
(4) Total Loss, Expense, and Catastrophic Ratio	82.45%	85.78%	85.28%	= (1) + (2) + (3)
Adjustments to Loss, Expense, and Catastrophic Ratio				
(5) Impact of Refinace Credit	-1.91%	-1.91%	-1.91%	Attachment 4 - Exhibit A
(6) Increase Limit to \$25K	0.15%	0.15%	0.15%	Attachment 4 - Exhibit B
(7) Add New Large Policy Tiers	-0.18%	-0.18%	-0.18%	Attachment 4 - Exhibit C
(8) Adjusted Loss, Expense, and Catastrophic Ratio	84.08%	87.48%	86.97%	= (4) / [1 + (5)+(6)+(7)]
(9) Profit Load - 8.50%	8.50%	8.50%	8.50%	Attachment 3 - Exhibit A
(10) Indicated Rate Change	-8.1%	-4.4%	-4.9%	= (8) / [1 - (9)] - 1

1 - TLTA Recommendation developed using weighted average of loss/LAE and expense ratios of 85% for Past 15 Years and 15% for Past 10 Years.