



Dear TLTA Member,

At the beginning of each new year, we at TLTA pause to look in our rearview mirror to see what we've been able to accomplish over the last 12 months. Did we do what we set out to do and then some? Did we rise to the challenges presented to us? Most importantly, did we make a difference for our members and their businesses? I must say I'm very pleased with what I see in that mirror this year. I hope you'll take a few minutes to read our State of the Association and join me in taking pride in your Association and what we accomplished for the title industry in Texas.

Accomplishments aside, 2011 was not an easy year. We hoped the economy and housing market would begin to rebound and for many of you it was still a very challenging year. As my Depression-era Dad always told me, though, tough times can bring out the best in us. The past year required us all to stay on top of our game and to be laser focused on our priorities. With the strong leadership of our Board, an army of dedicated volunteers and a talented professional staff, we developed and carried out a plan to tackle what was most important.

At the top of the priority list was representing you during the 82nd Session of the Texas Legislature where we passed a record number of important bills for the industry, solving 15 distinct problems while also successfully fighting to preserve our current regulatory framework. A great deal of focus was also placed on working with the Texas Department of Insurance, including establishing relationships with our new Commissioner and her key staff. Additionally, we stayed constantly engaged in Washington, D.C. on the many federal issues that could alter the way you do business, including the new settlement forms proposed by the CFPB.

Secondarily, we focused on keeping you informed by streamlining our newsletters and providing you with regular compliance updates. We educated over 4,100 industry professionals at 40+ programs throughout the year and met in person with over 600 of you at our 15 regional town hall meetings across the state to hear what was on your mind and to bring you the latest updates from Austin.

Finally, we focused on the future, both in terms of the industry's well-being and also in terms of what this association should be doing as we move forward. In April, we'll debut the Alex H. Halff Leadership Academy to promote the growth of young leaders in the title business. We utilized the latest technology to expand our online resources including a huge library of on-demand educational programs and we're developing an online basic manual that will be available through a subscription service this spring. Most importantly, we're working every day to stay out in front of the issues that affect you and your business and to respond to them proactively. Rest assured, TLTA is here to protect and preserve the title industry for years to come.

I want to thank each of you for your ongoing loyal support, not only through your continued membership, but also through your invaluable input and your tireless volunteer efforts. It is a true honor to represent you and we look forward to working with each of you in the coming year.

Here's to a healthy and prosperous 2012!

Best regards,

Leslie Midgley
TLTA Executive Vice President and CEO

Table of Contents

- › Membership & Finances 2
- › Advocacy 3
- › Education 4
- › Professional Certification 5
- › Information & Resources 5
- › Award Winners 5

Membership Numbers Demonstrate Strength

- 90% of licensed agents and underwriters doing business in Texas are TLTA members and 98% of those companies renewed their membership last year
- More than 250 active volunteers and 40+ committees and task forces worked with the TLTA Board and staff on key industry issues
- 83% of TLTA members are now also members of the American Land Title Association, giving us a much stronger voice on the federal front

More Opportunities for Member Involvement At All Levels

- TLTA leadership traveled to 15 cities to update more than 600 members on new legislation, what's happening at TDI and other industry issues
- An Escrow Officer Committee was appointed to make recommendations to better serve this large segment of the industry
- The Young Title Professionals program now includes more than 350 active members

Financial Position Remains Strong Through Prudent Management and Cost Efficiencies

- The TLTA fiscal year ended June 30, 2011, with expenses coming in under budget and revenues exceeding budget
- Reserves were utilized to assist with funding the dues discount that was extended for another year, but that subsidy was minimized by the positive budget performance
- An annual audit was conducted in August and results were presented to the TLTA Board in October, indicating that the association remains in strong financial condition, with reserves at year-end exceeding the target levels required by the TLTA Reserve Policy



The 2011-2012 TLTA Board of Directors were installed at the 2011 Annual Conference & Business Meeting

Current TLTA Members

Agents/Underwriters	1,379
Individual Members	852
Associate Members	140
Total Members	2,371

2010-2011 Revenue

Dues	\$1,098,057
Education	\$425,354
Conference	\$136,555
Publications	\$115,845
Interest/Other Income	\$357,214
Total	\$2,133,025

2010-2011 Expenses

Government Relations	\$811,522
Administration	\$222,138
Education	\$382,594
Board & Committees	\$198,468
Conference	\$182,851
Publications	\$211,341
Member Services	\$194,948
Total	\$2,203,862

Advocacy Remains TLTA's Top Priority

TLTA Affirmative Agenda Successfully Moves Through 82nd Legislative Session

- Provided key information about the industry to every legislator before Session
- Tracked over 250 bills related to the title industry and your interests
- Resolved 15 key issues that will improve transactions, lower costs and prevent claims
- Defended against bills that would have disassembled the title insurance rate system

Worked To Improve Transactions, Lower Costs And Prevent Claims

- ✓ Eliminated the minerals credit and ensured that title companies may not be forced to insure a mineral estate
- ✓ Established more practical minimum capitalization requirements for agents
- ✓ Removed the biennial hearing requirement so hearings can be called as needed rather than requiring the industry to wait two years
- ✓ Prevented title agent and escrow licenses from being withheld due to a pending enforcement action unless there is an ongoing criminal investigation or alleged continuing acts of fraud
- ✓ Preserved P-53 promotional and educational opportunities
- ✓ Made banks responsible for mistakes in their payoff statements, not title companies
- ✓ Allowed buyers to purchase HOA resale certificates directly from the HOA
- ✓ Correction deeds are no longer in jeopardy and are now established as a valid mechanism
- ✓ Notice of a lis pendens will now take place when indexed so title agents can be aware of such claims at closing
- ✓ Notaries can now accept a current foreign passport issued to serve as proof of identity in residential transactions
- ✓ Private transfer fees on real property are now prohibited and notice must be maintained by existing beneficiaries



TLTA Legal Counsel Tom Rutledge (left) and TLTA Director of Government Affairs Aaron Day (right) work on legislation at the Capitol with TDI Government Relations Director Carol Cates

Telling Our Industry's Story at the Forefront of Regulatory Work

- Represented the industry in a series of meetings with the new Texas Department of Insurance (TDI) Commissioner and her key management team
- Worked proactively with TDI's Title Division by addressing issues and concerns at quarterly meetings
- Submitted a request for a Rule Hearing along with 40+ agenda items
- Worked with volunteers and TDI to create and distribute regular compliance updates
- Represented the industry at TDI hearings to implement agent solvency legislation
- Special task force appointed to review how P-53 and anti-rebating statutes are working to make recommendations to TDI

"In my many years in this industry, I can't recall TLTA ever hitting such multiple home runs in one session, particularly regarding issues so critical to us."

- TLTA Individual Member

TLTA Weighs in on Critical Legal Issues

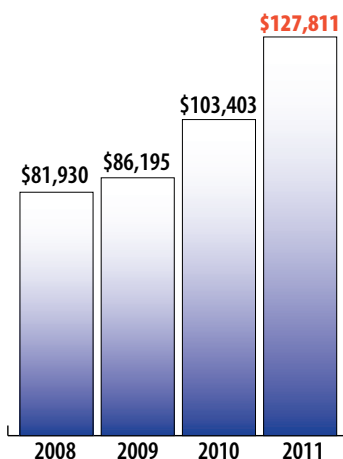
- Submitted letter to the Texas Supreme Court arguing for protection of bona fide purchasers and certainty in foreclosure transactions
- Filed a letter with the Attorney General's Office to support the industry's access to public records

TLTA Continues Representing You on Growing Number of Federal Issues

- Submitted 5 rounds of comments to the Consumer Financial Protection Bureau (CFPB) as they develop combined mortgage disclosure and settlement form prototypes
- Submitted a letter to the FHA in support of higher conforming loan limits
- Discussed Texas title industry issues in Washington D.C. with both U.S. Senators and 10 U.S. Representatives from Texas

TLTAPAC Raises Record Amount

- Contributed to every member of the House and Senate before the Legislative Session
- 46 members took the Career Commitment pledge, promising PAC support for the duration of their career



TLTAPAC DONATIONS 2008-2011



The 2011 TLTA Annual Conference & Business Meeting in San Antonio provided over 350 attendees with continuing education

TLTA Offers More Education Options Than Ever

- Educated more than 4,100 title professionals through 40 programs
- Close to 450 professionals attended the 21st Robert C. Sneed Texas Land Title Institute where a new downloadable materials feature was offered
- More than 350 industry professionals attended a successful Annual Conference & Business Meeting in San Antonio
- 185 title professionals attended a new series of live seminars in smaller and mid-tier cities
- Webinars were made easier to access from computers and mobile devices, such as an iPad
- There are now more than 50 programs in our On Demand Library
- Training made easier through new Introduction to Title Insurance video series

"We really like TLTA's webinars - they are a very efficient way for us to learn."

- TLTA Agent Member

Professional Certification Program Grows to 136

- TLTA certified 38 title industry professionals as either a Certified Abstract Examination Associate, Certified Escrow Settlement Associate or Certified Title Insurance Associate, bringing the total to 136
- New complimentary webinar walks prospective applicants through the certification process from application to testing
- Some TLTA webinars are now geared towards core Certification knowledge areas
- Program received recognition in publications from the Texas Association of Realtors, Texas Association of Builders and Texas Mortgage Bankers Association
- More testing locations added for ease of accessibility

Utilizing Technology to Give You the Information You Want When You Need It

- 6,000+ readers received 75 industry newsletters, updates and breaking news alerts
- More than 30,000 people visited the TLTA website last year
- Restructured Dateline newsletter delivers more condensed news on a weekly basis
- Improved e-commerce process is more efficient and user friendly
- Easier access to information and better promotion of the industry on our updated consumer resources webpage
- Online Membership Directory available 24/7, allowing members to update listings anytime
- Each week, TLTA fields dozens of member and consumer requests for information. Additionally, we serve as the official spokesperson for the industry, responding to media requests throughout the year

“The certification program has given new meaning to what we do every day. It has given us a way to back up our knowledge with reliable credentials that are recognized throughout the state.” - TLTA Certified Title Professional

Congratulations to our 2011 Award Winners

.....
Titleperson of the Year

Celia Flowers

.....
James H. Garst President’s Award

Mark Greek

.....
Professional Excellence Award

Jamie Jacks

Carolyn Gaston

John DeLoach, CTIA

.....
Rising Star Award

Brandy Barton, CESA

.....
Peggy Hayes Teaching Excellence Award

Brandi Abercrombie, CTIA

.....
E. Gordon Smith Scholarship Award

Ross Weaver

Questions?

- If you have any questions about the information in this report, please contact us at 512.472.6593 or at tlta@tlta.com.