tylerworks.

Contact: Brian K. Miller
Senior Vice President - CFO
Tyler Technologies, Inc.
(972) 713-3720
bmiller@tylerworks.com

FOUR TYLER TECHNOLOGIES CUSTOMERS SELECT MUNIS ASP SOLUTION

Dallas, January 6, 2006 -- Tyler Technologies, Inc. (NYSE: TYL) announced today that four of its existing customers have contracted for the MUNIS Application Service Provider (ASP) solution, bringing the total number of Tyler customers subscribing to this valuable hosting solution to 54. These newest ASP contracts are valued at more than $1.8 million. The Tyler customers who have recently added the MUNIS ASP service to their existing Tyler package include:

- City of Lawrence, Massachusetts – population 72,000
- City of Norwich, Connecticut – population 36,000
- Town of Wethersfield, Connecticut – population 26,000
- Town of Kittery, Maine – population 9,500

Through their purchase of the MUNIS ASP solution, each of these municipalities will now have its MUNIS software applications and data hosted and managed at Tyler's Falmouth, Maine office. The hosting solution offers ongoing support, maintenance and upgrades of software applications, hardware and operating system. Using the MUNIS ASP service will enable information technology resources at these municipalities to focus on strategic initiatives rather than resolving server issues such as maintenance and upgrades. Moreover, ASP hosting provides a secure method of transmitting data from workstations to the MUNIS servers, further lessening the burden on in-house information technology (IT) staff.

Tyler customers understand that MUNIS ASP services alleviate operational risks for their IT department, as well as provide them with greater support for their applications. "The City of Lawrence has decided to contract with MUNIS for its ASP services to transfer the operational risk for the city's Information Technology Department to a third party provider," commented John Griffin, Finance Director for the City of Lawrence, Massachusetts. "Upon touring Tyler's state-of-the-art data center in Falmouth, Maine, it became obvious to us that we could simultaneously reduce our operating risk and achieve a higher level of support services for our MUNIS applications," he explained.

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Another long-time Tyler client, the City of Norwich, Connecticut, decided to contract for the MUNIS ASP solution following turnover in their IT department. “We only have two IT positions, so we saw this as an opportunity to remove the burden of learning all the nuances of MUNIS system administration, allowing both individuals to focus on their other myriad responsibilities,” noted Joshua A. Pothier, Deputy Comptroller for the city.

Richard Peterson, Jr., President of Tyler’s MUNIS division, stated, “Having already benefited from Tyler’s MUNIS ERP software solution, these municipalities appreciate the value of their MUNIS applications and see the advantages of letting Tyler host their applications off-site. The MUNIS ASP solution is a cost-effective way for them to eliminate the demands of self-hosting. When existing customers expand their relationships with us, it’s a clear indication of their high level of trust in us.”

Tyler Technologies has a solid reputation for delivering turnkey ERP software solutions to local government business offices throughout the United States. Tyler’s MUNIS suite of products includes fully integrated Financial, Human Resource, Revenue and Productivity applications and services that make daily operations more efficient. In addition to meeting the needs of cities and counties, Tyler continues to expand its presence among utilities, schools and other local authorities.

Based in Dallas, Tyler Technologies is a leading provider of end-to-end information management solutions and services to local governments. Tyler partners with clients to make local government more accessible to the public, more responsive to needs of citizens, and more efficient. Tyler's client base includes nearly 6,000 local government offices throughout all 50 states, Canada, Puerto Rico and the United Kingdom. *Forbes Magazine* named Tyler one of the "200 Best Small Companies" in America in 2004. More information about Tyler Technologies can be found at www.tylerworks.com.

Tyler Technologies, Inc. has included in this press release "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 concerning its business and operations. Tyler Technologies expressly disclaims any obligation to release publicly any updates or revisions to these forward-looking statements to reflect any change in its expectations. These expectations and the related statements are inherently subject to risks and uncertainties that could cause actual results to differ materially from those set forth in, contemplated by, or underlying the forward-looking statements. The risks and uncertainties which forward-looking statements are subject to include, but are not limited to, changes in competition, changes in general economic conditions, changes in the budgets and regulatory environments of the Company's customers, risks associated with the development of new products and the enhancement of existing products, the ability to attract and retain qualified personnel, and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission.

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