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CITY OF FRISCO, TEXAS PURCHASES MUNIS SOFTWARE FROM TYLER TECHNOLOGIES TO HELP MANAGE RAPID GROWTH

Dallas, May 23, 2006 -- Tyler Technologies, Inc. (NYSE: TYL) announced today that it has contracted with the rapidly growing city of Frisco, Texas to implement Tyler's MUNIS financial software. The agreement, which is valued at nearly $1 million, includes financial, human resource (HR), revenue, and productivity software applications to meet the city's growing needs. In addition to software, Tyler will provide professional services to Frisco, along with annual maintenance and support.

Jason Gray, Frisco Assistant City Manager, explained that the city's main objective in selecting an Enterprise Resource Planning (ERP) software solution was to improve its business procedures. "The city of Frisco currently operates on a largely manual system of processes. Our goal in looking for new software was to identify a solution that would help to streamline and automate our processes, while providing a much higher level of visibility into our financial and human resources data for our citizens, employees, directors, executives and the City Council," he said. "Frisco is one of the fastest growing cities in the United States, and just keeping up with the growth, let alone providing new functionality, is difficult enough."

Over the past 16 years the city of Frisco has experienced a tremendous explosion in population. One of the fastest growing cities in the country, Frisco has experienced an increase in population from just over 6,000 in 1990 to more than 86,000 today. In the five years from 2000 to 2005 alone, Frisco's estimated population grew by an astounding 119 percent. Frisco's rapid growth is expected to continue - its population is estimated to reach 120,000 residents by 2010. As a result, the city has had to steadily increase its services to meet the growing needs of residents. Implementing the fully integrated MUNIS ERP software system will allow the city to handle these changes with greater efficiency and to be more responsive to its citizens.

Commenting on the agreement, Richard Peterson, Jr., President of Tyler's MUNIS division, stated, "Tyler is extremely happy to welcome Frisco as the first city in the state of Texas to choose our MUNIS software as its financial management solution. The MUNIS system will provide the city of Frisco with the tools it requires to meet the demands of serving its rapidly growing population."

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Mr. Gray is confident that the city made the right decision by purchasing Tyler's MUNIS solution. "The city of Frisco selection committee and City Council were convinced that Tyler's MUNIS software offered the best combination of feature set, usability, reputation and value. We also appreciated the level of service we received from the Tyler staff," he commented.

According to Mr. Gray, the full integration of the MUNIS Financial applications with the Human Resources applications will be a major improvement over the city's current system. He believes the Workflow application, which automates approvals and notifications in the MUNIS system, is likely to have the greatest effect on business operations for the city. "Today, we operate on a home-grown human resources database that our IT department has done an excellent job of putting together, but which has very little integration with anything else. The major departmental impact is likely to be in HR as it will be moving from a system that covers only the basics to a fully functional HR package with tight integration to the general ledger and payroll applications," he stated. "The biggest impact overall, however, will be moving from a manual processing environment to an integrated electronic workflow process. It will benefit every user, every employee, and the city as a whole."

Located 20 miles north of Dallas in Collin County, the city of Frisco was formed in 1902 on land owned by a subsidiary of the Frisco Railroad. In 1906 it was officially incorporated as a city. From the beginning the city has served as a trade center for nearby farming communities. Today it offers some of the finest shopping in the region, with more than four million square feet of retail space. Frisco is also home to the training headquarters of the National Hockey League's Dallas Stars, as well as home to Major League Soccer's FC Dallas and the Frisco Roughriders, the AA affiliate of Major League Baseball's Texas Rangers.

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 more than 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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