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CITY OF LOWELL, MASSACHUSETTS, ADDS DISASTER RECOVERY SERVICES FROM TYLER TECHNOLOGIES

Dallas, October 19, 2006 -- Tyler Technologies, Inc. (NYSE: TYL) announced today that it has signed a contract to provide disaster recovery services to the City of Lowell, Massachusetts, broadening its long-term relationship with the fourth-largest municipality in Massachusetts.

With a population of approximately 105,000, this birthplace of the American Industrial Revolution has transformed itself from being "the Mill City" into a more technology-based city that is rich in culture. In recent years Lowell has experienced a city-wide renaissance, becoming home to art and music festivals, farmers' markets, outdoor concerts and a myriad of artistic offerings and endeavors.

As the City has transformed, so has the technology infrastructure that helps keep it running. The City of Lowell's Chief Information Officer, Mirán Fernandez, takes this seriously, with full support from City Manager Bernard F. Lynch. Mr. Fernandez and his team have taken a high level view of Lowell's technology infrastructure requirements and have devised a strategy to protect the City's investments. As part of that strategy, the City has made significant improvements in network infrastructure, replicated data sources, and upgraded hardware and software systems.

Many of these changes have driven increased efficiency and helped streamline the delivery of essential services. For example, with upgrades to the City's servers and MUNIS® software from Tyler Technologies, the processing time for generating utility bills was reduced from 12 to18 hours to 2 hours, with a significant impact on the related demands on employee and technology resources.

For the next phase in the transformation, Mr. Fernandez focused on a critical aspect of protecting the City's core financial operations — a disaster recovery program. As a member of the City's Emergency Operations Team, he explained that a disaster recovery program is used to identify critical business processes and users, and to define and document recovery procedures. A disaster is defined as any unplanned event that shuts down a system or threatens the City's financial standing or public image. The City of Lowell selected Tyler Technologies to provide those disaster recovery services.

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The City of Lowell, including the City's public school system, has used Tyler Technologies' MUNIS Financial Management software for seven years and Tyler's Pension Management software for even longer. As Mr. Fernandez noted, "Apart from the actual revenue data, payroll and retirement data are two of the most important functions we process in-house through Tyler's software — and we need to protect them. It makes sense that Tyler is the best choice to deliver a disaster recovery solution, given their expertise and facilities." He continued, "The City of Lowell chose Tyler Disaster Recovery over other software and service companies because of our comfort with interacting with Tyler, their products, their secure and well thought out data center, the expertise of their staff, and their fee structure. Tyler's flat annual fee for Disaster Recovery services is a real plus."

Dick Peterson, President of Tyler's MUNIS division, acknowledges the benefits to Lowell. "With Tyler's Disaster Recovery services, the City's data will be replicated for troubleshooting any issues. We've seen this service save communities' valuable data in all kinds of disasters, both natural and circumstantial, including several clients affected by Hurricane Katrina last year. Ensuring that a city like Lowell is able to produce its payroll, send out retirement checks, and continue to run smoothly in the face of disaster is our goal."

Tyler's Disaster Recovery team will help identify critical business processes and users, define and document recovery procedures, and test the disaster recovery plan. Tyler is providing disaster recovery services for the City's Pension Management and MUNIS applications, which includes off site back-up, use of a recovery server, alternate processing locations and remote access. Tyler transparently retrieves a copy of Lowell's data every night and retains it in Tyler's state-of-the-art data center located in Falmouth, Maine. Tyler thereby ensures that Lowell's critical users can always process work at the data center via modem or by utilizing Tyler offices in Falmouth or Westborough, Massachusetts. Following a declared disaster, the City of Lowell can be back up and running, using the previous night's data, within 12 business hours.

The complete disaster recovery system for the City is redundant and failsafe. Most importantly, the City of Lowell is now prepared for any potential disaster or catastrophe that may affect its financial operations. The City of Lowell's citizens can feel confident about the security of the City's critical financial data during a disaster and about its ability to continue to perform crucial processes such as paying employees and generating revenues. As a result, Mr. Fernandez and his MIS team can focus on other technology initiatives and improvements to Lowell, the birthplace of the American Industrial Revolution.

Based in Dallas, Tyler Technologies is a leading provider of end-to-end information management solutions and services for 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.tylertech.com.

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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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