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TYLER TECHNOLOGIES TO PROVIDE EDEN FINANCIAL MANAGEMENT SOFTWARE TO TWO CALIFORNIA CITIES

Dallas, October 31, 2006 -- Tyler Technologies, Inc. (NYSE: TYL) announced today that the cities of Lynwood and Vernon, California, have each contracted to purchase Tyler's fully integrated EDEN financial management software solution. The agreements both include the software licenses and professional services associated with the implementation of EDEN core financials applications, as well as annual support and maintenance.

In addition to core financials, Lynwood is purchasing EDEN payroll and citizen services applications, as well as GASB 34 Reporter and EDEN Web Extensions to enable citizens to conduct transactions with the City 24/7 online. Both cities will benefit from Standard Forms Creation and Crystal Reports, and Vernon will also implement Tyler Output Processor and a new document management solution as part of the conversion to the EDEN system.

Jeff Green, president of Tyler's EDEN division, stated, "We're pleased to welcome the cities of Lynwood and Vernon as the latest clients to select our EDEN Enterprise Resource Planning (ERP) solution to meet their financial management requirements. Tyler's extensive customer base in the state of California provides us with a strong understanding of the requirements of Lynwood and Vernon, as well as the ability to keep them current on all mandated state and federal reporting requirements. We're confident that both cities will improve the efficiency and effectiveness of their daily business operations through the seamless integration of our software applications."

According to Lynwood's Information Systems Manager, Peter Han, the City's selection of EDEN as its ERP solution was the result of a thorough review process. "The City of Lynwood's decision to purchase Tyler's EDEN software was based on an extensive evaluation process of several financial software vendors," stated Mr. Han. "The selection committee ultimately chose EDEN software because it offered all the modules we were looking for and had positive feedback from other cities already using the software," he added.

Outlining how the City anticipates implementation of the EDEN financial management software will affect its daily operations, Mr. Han stated, "The City hopes to streamline business processes, provide better customer support and services, enhance reporting capabilities, and create a more efficient workforce through improved data processing." He believes that the core financial, paperless requisitions and purchase orders, permit tracking, water billing, and human resource applications will have the greatest impact on the City.

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Incorporated in 1921, the City of Lynwood was named for a local dairy. This 4.9 square mile community lies in Los Angeles County and is centrally located between two major highways, making it a short drive to downtown Los Angeles, downtown Long Beach and Los Angeles International Airport (LAX). This ethnically diverse and rapidly growing city of over 90,000 residents features a predominantly young population with a median age of 24. Traditionally a bedroom community, Lynwood is currently in the midst of several redevelopment initiatives, including plans to revive the downtown area and to construct new housing.

Also located in Los Angeles County, the City of Vernon was founded in 1905 as an "exclusively industrial" city. The City has over 1,200 businesses (primarily industrial), employing more than 44,000 people, within its 5.2 square miles. City services are tailored to the industrial needs of the community, and include a Class 1-rated fire department (one of 25 in the United States) and a utilities department offering some of the lowest electrical rates in the state of California. Vernon recently completed construction of its own power plant to accommodate the City's growth, and is planning to build a 940-megawatt facility in the near future.

The City of Vernon currently outsources a portion of its information technology operations, ensuring continued integrity and security for their computer systems. This approach, integrated with the new EDEN financial software applications from Tyler, will provide the City with a highly functional and technologically sound accounting infrastructure. "Tyler's EDEN financial software package is a perfect fit for Vernon," stated Carlos Fandino, Jr., the City's Transmission and Distribution Manager. "It meets our needs on a variety of levels, ensuring an easy and cost-effective means to provide quality service to the industries of the City. The Tyler solution makes the entire process smooth and efficient, and City Hall can meet budgetary demands by keeping staffing costs down."

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 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.tylertech.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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