




CoreLogic®



Equity Report

FIRST QUARTER 2016



“More than 1 million homeowners have escaped the negative equity trap over the past year. We expect this positive trend to continue over the balance of 2016 and into next year as home prices continue to rise. Nationally, the CoreLogic Home Price Index was up 5.5 percent year over year through the first quarter. If home values rise another 5 percent uniformly across the U.S., the number of underwater borrowers will fall by another one million during the next year.”

Anand Nallathambi, president and CEO of CoreLogic

Equity Report – National Overview

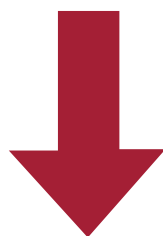
- ▶ Rising home prices led to improvements in home equity, with 268 thousand residential properties regaining equity in Q1 2016 from prior quarter. The number of mortgaged residential properties with equity is now at 46.7 million.
- ▶ An additional 800,000 properties would regain equity if home prices rose another 5 percent.
- ▶ Over 50 million with a mortgage, 9.1 million, or 18 percent, of properties with a mortgage have positive equity, but are considered under-equited, with less than 20 percent equity.



10.3%

of mortgaged homes have negative equity

CoreLogic analysis indicates that approximately 4.0 million homes, or 8.0 percent of all residential properties with a mortgage, were still in negative equity at the end of the first quarter of 2016. Negative equity means that a borrower owes more on a home than it is worth. These properties may be referred to as underwater or upside down.



\$40.2B

decrease in aggregate value of negative equity

Negative Equity value decreased \$40.2 billion from \$340 billion in Q1 2015 to \$299.5 billion in Q1 2016, a decrease of 11.8%.

Negative Equity value fell \$11.8 billion from \$311.3 billion in Q4 2015 to \$299.5 billion in Q1 2016, an decrease of 3.8%.

An additional 800,000 properties would regain equity if home prices rose another 5 percent

* Q4 2015 data was revised. Revisions with public records are standard, and to ensure accuracy, CoreLogic incorporates the newly released public data to provide updated results.

Under Equity

Properties with less than 20 percent equity



UNDERWRITING CONSTRAINTS MAY MAKE IT MORE DIFFICULT FOR UNDER-EQUITIED BORROWERS TO OBTAIN NEW HOME FINANCING.

18.0%

of mortgaged residential properties are under-equited

Borrowers with less than 20-percent home equity are referred to as under-equited. Of the 46.7 million properties with a mortgage currently with equity, approximately 9.1 million, or 18 percent, have less than 20-percent equity.

2.3%

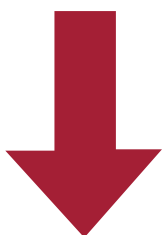
of residential properties are near-negative equity

Additionally, at the end of the first quarter, 1 million homes, or 2.2 percent, had less than 5 percent equity. This is referred to as near-negative equity, which puts these properties at risk should home prices fall.

“Quote here.”

Dr. Frank Nothaft, chief economist for CoreLogic

Equity Snapshot



56.9%

Average Loan to Value

The average loan-to-value ratio for all mortgaged homes is 56.9 percent. Of residential properties with a mortgage, 800,000, or 1.6 percent, have a loan-to-value ratio of 100 percent to 105 percent. Another 1.5 million, or 3 percent, have a loan-to-value ratio greater than 125 percent.



2.4M

Underwater borrowers hold a first lien without a home equity loan

Approximately 2.4 million upside-down borrowers hold first liens without home equity loans. With an average balance of \$244,000, these borrowers are underwater \$68,000 on average. An additional 1.6 million upside-down borrowers hold both first and second liens. The average balance for this group is \$307,000. Their average underwater amount is \$84,000.



95.0%

of more expensive homes have positive equity position

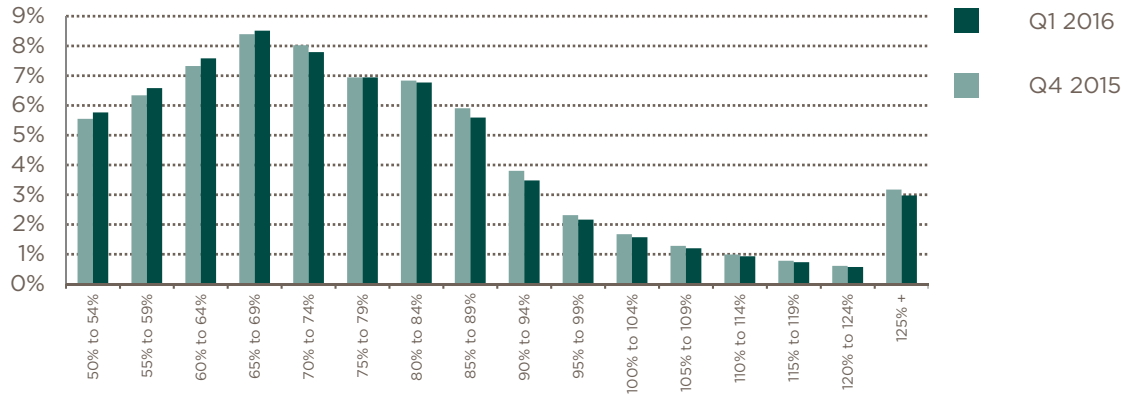
Home equity is concentrated at the higher end of the market. For example, 95 percent of homes valued at greater than \$200,000 have equity compared with 87 percent of homes valued at less than \$200,000.

National Equity Distribution

A look at loan-to-value ratios

Loan-to-Value Segment

National Equity Distribution by LTV Segment



Source: CoreLogic Q1 2016

Equity Share by State and Equity Cohorts

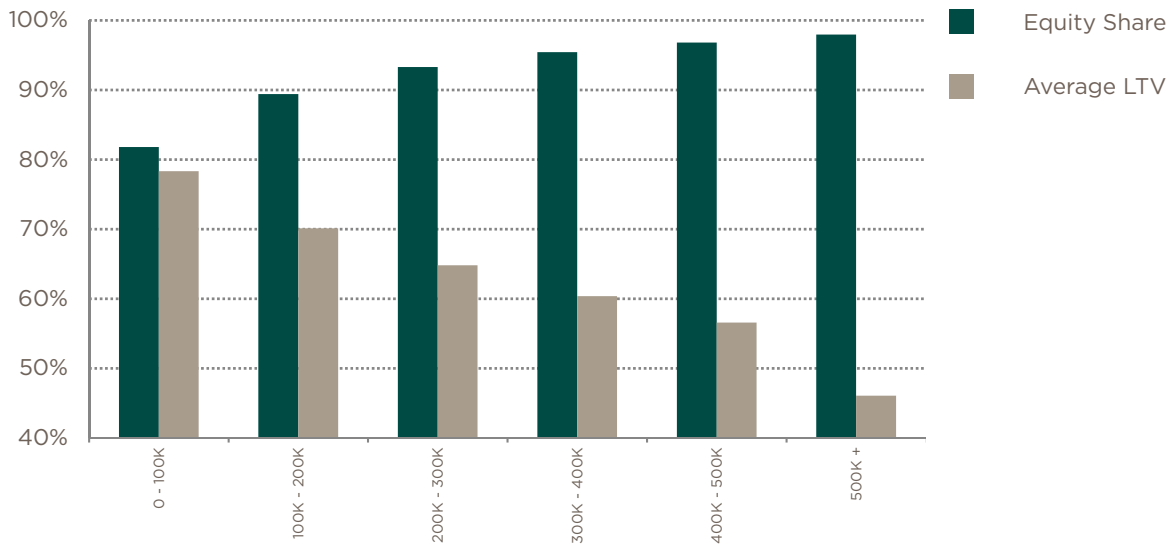


Source: CoreLogic Q1 2016

National Equity Distribution

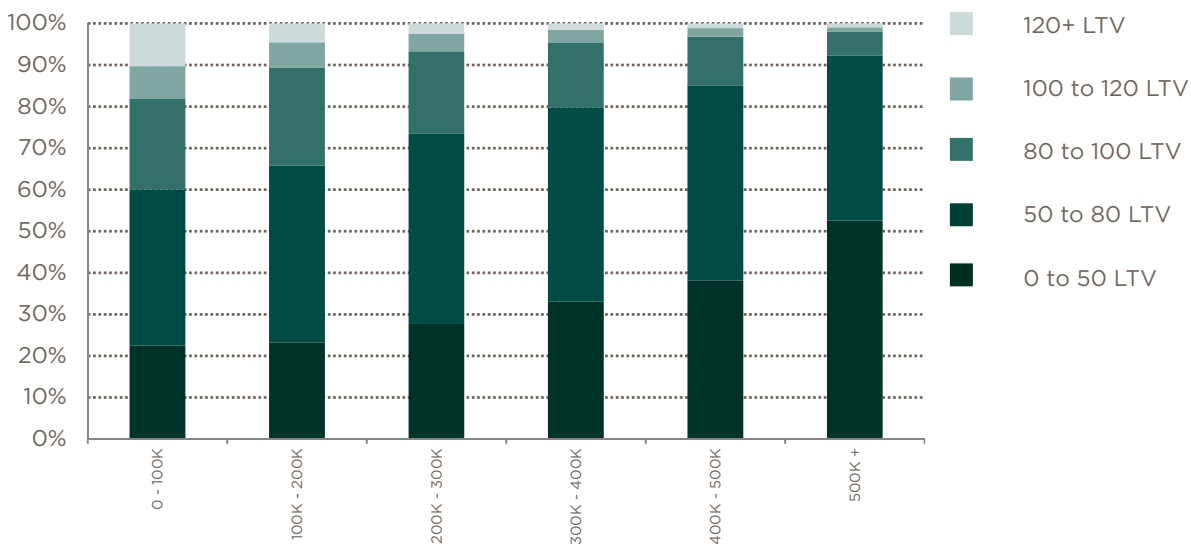
A look at loan-to-value ratios

Equity Share with Average LTV by Property Value



Source: CoreLogic Q1 2016

Cumulative Distribution of Equity by Property Value

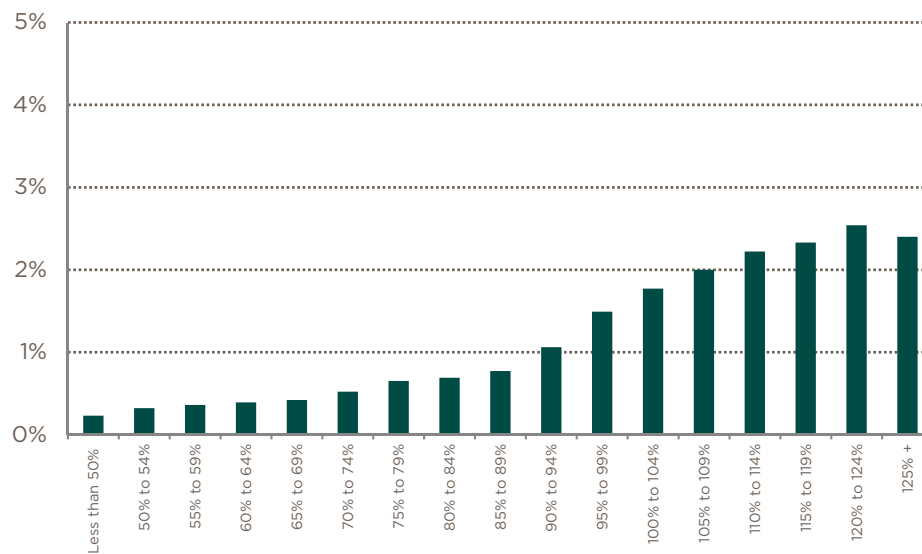


Source: CoreLogic Q1 2016

National Equity Distribution

A look at loan-to-value ratios

Default Rate by LTV



Source: CoreLogic Q1 2016

National Level Detail

National Residential Equity

	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Positive Equity Position													
LTV > 0 to < 100	79.8%	85.1%	86.7%	86.6%	87.1%	89.1%	89.6%	89.3%	89.7%	91.3%	91.7%	91.5%	92.0%
> 0 to < 80	56.7%	63.7%	65.9%	65.3%	66.3%	69.8%	70.4%	69.3%	70.1%	73.3%	73.8%	72.6%	74.0%
80 to < 100	23.1%	21.4%	20.8%	21.2%	20.8%	19.3%	19.3%	20.0%	19.6%	18.0%	17.9%	18.8%	18.0%
Near Negative Equity (95 to < 100)	4.5%	3.5%	3.3%	3.4%	3.3%	2.8%	2.7%	2.8%	2.7%	2.3%	2.2%	2.3%	2.2%
Negative Equity Position													
LTV 100+	20.2%	14.9%	13.3%	13.4%	12.9%	10.9%	10.4%	10.7%	10.3%	8.7%	8.3%	8.5%	8.0%
100 to < 105	3.5%	2.7%	2.5%	2.6%	2.5%	2.1%	2.0%	2.1%	2.0%	1.7%	1.6%	1.7%	1.6%
105 to < 125	8.3%	6.3%	5.7%	5.8%	5.6%	4.7%	4.5%	4.6%	4.4%	3.7%	3.5%	3.7%	3.4%
125+	8.4%	5.9%	5.1%	5.1%	4.9%	4.1%	3.9%	4.0%	3.8%	3.3%	3.1%	3.2%	3.0%
Number of Negative Equity Properties (millions)	9.8	7.2	6.5	6.6	6.3	5.4	5.2	5.3	5.1	4.4	4.2	4.3	4.0
Amount of Negative Equity (\$B)	582	433	403	403	388	350	341	348	340	311	304.7	311.3	299.5
Net Homeowner Equity (\$B)	\$4,170	\$5,029	\$5,329	\$5,288	\$5,500	\$5,956	\$6,052	\$5,938	\$6,145	\$6,609	\$6,725	\$6,612	\$6,907
Mortgage Debt Outstanding (\$B)	\$8,643	\$8,484	\$8,574	\$8,606	\$8,636	\$8,686	\$8,751	\$8,799	\$8,841	\$8,926	\$8,998	\$9,062	\$9,110
Average LTV	67.5%	62.8%	61.7%	61.9%	61.1%	59.3%	59.1%	59.7%	59.0%	57.5%	57.2%	57.8%	56.9%

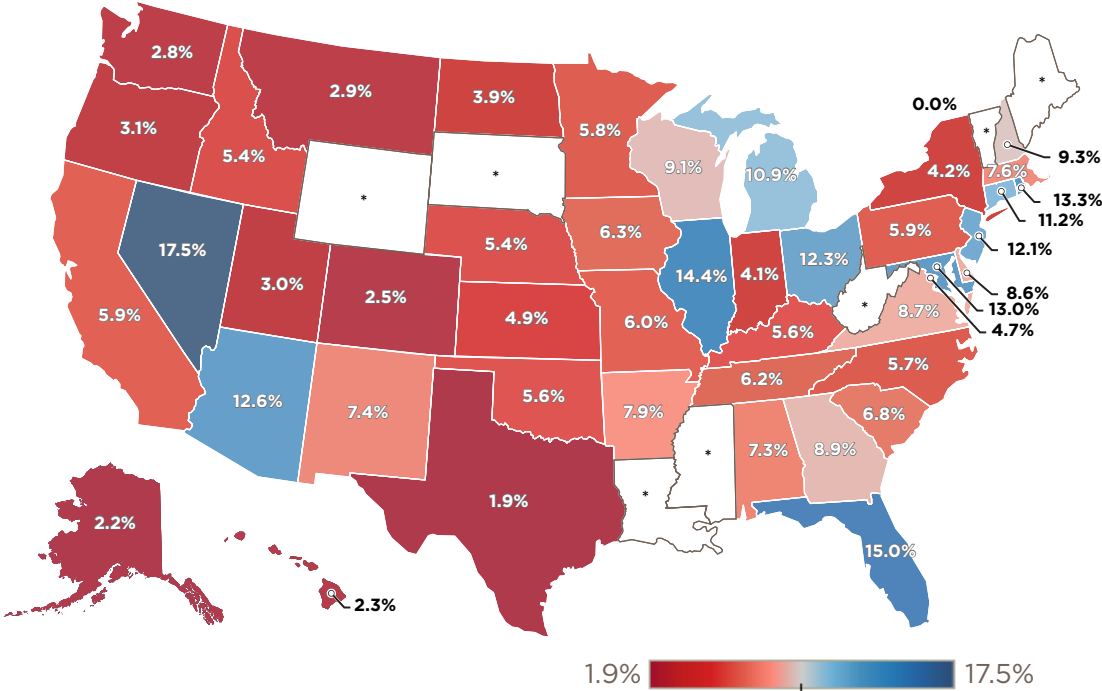
*Thousands of Units

*Quarters Q4 2014 and forward were revised

National Snapshot

Negative Equity Share by State Q1 2016

Negative Equity Share as of Q1 2016



* Louisiana, Maine, Mississippi, South Dakota, Vermont, West Virginia and Wyoming have insufficient equity data to report.
Source: CoreLogic

State Highlights

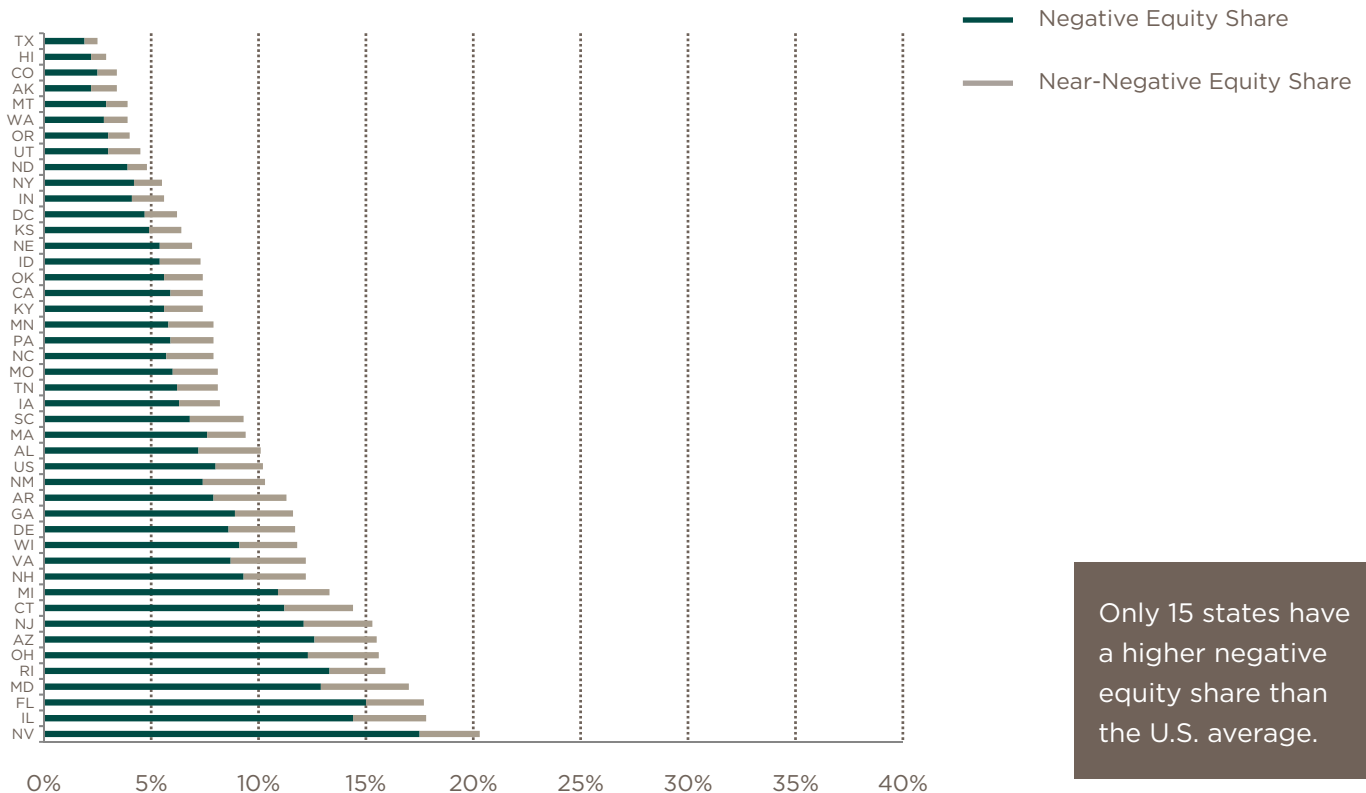


Top five states where mortgaged residential properties have negative equity

Top five states where mortgaged residential properties have equity

Nevada, Florida, Illinois, Rhode Island, and Maryland account for 30.2 percent of negative equity in the United States.

Near and Negative Equity Share



Source: CoreLogic Q1 2016

Only 15 states have a higher negative equity share than the U.S. average.

State Detail

Q1 2016 Negative Equity by State*

STATE	AVERAGE LTV	EQUITY SHARE	LTV SHARE >0 TO <80%	LTV SHARE 80% TO <100%	NEGATIVE EQUITY SHARE	NEAR-NEGATIVE EQUITY SHARE (95% TO <100% LTV)	NEAR-EQUITY SHARE (100% TO <105% LTV)	TOTAL MORTGAGED PROPERTY COUNT (THS.)
Alaska	63.9%	97.8%	74.5%	23.3%	2.2%	1.2%	0.6%	96
Alabama	65.9%	92.8%	64.2%	28.5%	7.3%	2.9%	1.8%	427
Arkansas	70.5%	92.1%	61.6%	30.5%	7.9%	3.4%	2.0%	302
Arizona	65.9%	87.4%	65.4%	22.0%	12.6%	2.9%	2.3%	1,339
California	49.0%	94.1%	82.4%	11.7%	5.9%	1.5%	1.2%	6,704
Colorado	56.1%	97.5%	84.7%	12.8%	2.5%	0.9%	0.5%	1,180
Connecticut	59.2%	88.8%	69.6%	19.2%	11.2%	3.2%	2.4%	846
District of Columbia	53.0%	95.3%	81.0%	14.3%	4.7%	1.5%	1.0%	101
Delaware	62.9%	91.4%	67.6%	23.7%	8.6%	3.1%	2.0%	208
Florida	61.7%	85.0%	68.0%	17.1%	15.0%	2.7%	2.3%	3,975
Georgia	64.9%	91.1%	68.5%	22.6%	8.9%	2.7%	1.9%	1,709
Hawaii	43.2%	97.8%	90.1%	7.7%	2.3%	0.7%	0.5%	247
Iowa	66.9%	93.7%	68.9%	24.7%	6.3%	1.9%	1.2%	449
Idaho	61.4%	94.6%	77.4%	17.2%	5.4%	1.9%	1.3%	280
Illinois	67.1%	85.6%	62.7%	22.9%	14.4%	3.4%	2.5%	2,233
Indiana	62.9%	95.9%	77.8%	18.1%	4.1%	1.5%	1.0%	836
Kansas	64.2%	95.1%	77.1%	18.0%	4.9%	1.5%	1.0%	341
Kentucky	64.5%	94.4%	69.5%	24.8%	5.6%	1.9%	1.1%	382
Massachusetts	53.2%	92.5%	78.2%	14.2%	7.6%	1.8%	1.4%	1,549
Maryland	65.2%	87.1%	61.2%	25.8%	12.9%	4.1%	2.9%	1,365
Michigan	63.2%	89.1%	72.0%	17.1%	10.9%	2.4%	1.9%	1,411
Minnesota	61.3%	94.2%	73.0%	21.2%	5.8%	2.1%	1.5%	732

*Only those properties with mortgages are included.

Equity All U.S.

Average Loan to Value: **56.9%**

Equity Share: **92.0%**

Loan to Value Share >0 to <80%: **74%**

Loan to Value Share 80% to <100%: **18.0%**

Negative Equity Share: **8.0%**

Near-Negative Equity Share (95% to <100% Loan to Value): **2.2%**

Near-Negative Equity Share (100% to 105% Loan to Value): **1.6%**

Total Mortgaged Property Count (ths.): **50,688**

States with Negative Equity Share Higher Than the National Average: **15**

Homes with Negative Equity: **4 million**

STATE	AVERAGE LTV	EQUITY SHARE	LTV SHARE >0 TO <80%	LTV SHARE 80% TO <100%	NEGATIVE EQUITY SHARE	NEAR-NEGATIVE EQUITY SHARE (95% TO <100% LTV)	NEAR-EQUITY SHARE (100% TO <105% LTV)	TOTAL MORTGAGED PROPERTY COUNT (THS.)
Missouri	63.8%	94.0%	74.2%	19.8%	6.0%	2.1%	1.4%	843
Montana	55.4%	97.2%	84.2%	12.9%	2.9%	1.0%	0.6%	139
North Carolina	63.0%	94.3%	71.3%	23.0%	5.7%	2.2%	1.4%	1,745
North Dakota	57.4%	96.1%	83.7%	12.4%	3.9%	0.9%	0.7%	81
Nebraska	68.5%	94.6%	70.9%	23.6%	5.4%	1.5%	0.9%	256
New Hampshire	64.7%	90.7%	66.8%	23.9%	9.3%	2.9%	2.1%	259
New Jersey	59.8%	87.9%	68.8%	19.1%	12.1%	3.2%	2.5%	1,852
New Mexico	62.9%	92.6%	70.4%	22.2%	7.4%	2.9%	1.9%	266
Nevada	68.8%	82.5%	62.2%	20.3%	17.5%	2.8%	2.3%	545
New York	45.2%	95.9%	84.4%	11.4%	4.2%	1.3%	0.9%	2,038
Ohio	68.0%	87.7%	64.1%	23.6%	12.3%	3.3%	2.6%	2,167
Oklahoma	69.3%	94.4%	65.6%	28.8%	5.6%	1.8%	1.0%	486
Oregon	54.4%	97.0%	84.5%	12.5%	3.1%	1.1%	0.7%	736
Pennsylvania	58.9%	94.1%	74.3%	19.8%	5.9%	2.1%	1.3%	2,059
Rhode Island	59.6%	86.7%	68.7%	18.0%	13.3%	2.6%	2.2%	239
South Carolina	62.6%	93.2%	69.4%	23.8%	6.8%	2.5%	1.6%	743
Tennessee	63.1%	93.8%	72.4%	21.5%	6.2%	1.9%	1.3%	1,041
Texas	55.5%	98.1%	89.2%	8.9%	1.9%	0.6%	0.3%	3,644
Utah	58.6%	97.0%	80.5%	16.5%	3.0%	1.5%	0.8%	499
Virginia	62.9%	91.3%	64.6%	26.8%	8.7%	3.5%	2.1%	1,442
Washington	52.9%	97.2%	83.7%	13.5%	2.8%	1.1%	0.7%	1,475
Wisconsin	66.5%	90.9%	66.6%	24.3%	9.1%	2.7%	1.9%	780

*Only those properties with mortgages are included.

Equity All U.S.

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Equity Share: **92.0%**

Loan to Value Share >0 to <80%: **74%**

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Negative Equity Share: **8.0%**

Near-Negative Equity Share (95% to <100% Loan to Value): **2.2%**

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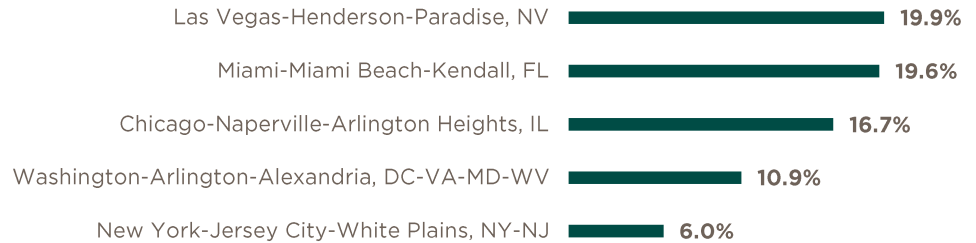
States with Negative Equity Share Higher Than the National Average: **15**

Homes with Negative Equity: **4 million**

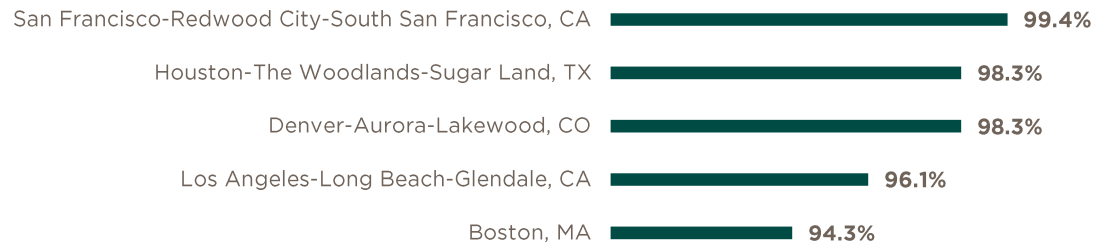
Metropolitan Area Highlights

Largest 10 Metros

Five metros with highest percentage of residences in negative equity



Five metros with highest percentage of residences with equity



Metropolitan Area Highlights

Q1 2016 Negative Equity by CBSA*

METROPOLITAN AREA	AVERAGE LTV	EQUITY SHARE	LTV SHARE >0 TO <80%	LTV SHARE 80% TO <100%	NEGATIVE EQUITY SHARE	NEAR-NEGATIVE EQUITY SHARE (95% TO <100% LTV)	NEAR-EQUITY SHARE (100% TO <105% LTV)	TOTAL MORTGAGED PROPERTY COUNT (THS.)
New York-Jersey City-White Plains, NY-NJ	47.9%	94.0%	81.6%	12.4%	6.0%	1.8%	1.3%	1,637
Los Angeles-Long Beach-Glendale, CA	46.8%	96.1%	86.6%	9.5%	3.9%	1.2%	0.9%	1,501
Chicago-Naperville-Arlington Heights, IL	66.5%	83.3%	62.1%	21.2%	16.7%	3.4%	2.7%	1,364
Washington-Arlington-Alexandria, DC-VA-MD-WV	62.9%	89.1%	64.2%	24.9%	10.9%	3.5%	2.3%	1,056
Houston-The Woodlands-Sugar Land, TX	53.8%	98.3%	91.5%	6.8%	1.7%	0.5%	0.3%	998
Denver-Aurora-Lakewood, CO	55.4%	98.3%	89.5%	8.8%	1.7%	0.5%	0.3%	643
Miami-Miami Beach-Kendall, FL	59.8%	80.4%	65.7%	14.7%	19.6%	2.6%	2.4%	440
Boston, MA	51.3%	94.3%	83.0%	11.4%	5.7%	1.4%	1.0%	412
Las Vegas-Henderson-Paradise, NV	72.7%	80.1%	58.9%	21.3%	19.9%	3.0%	2.5%	401
San Francisco-Redwood City-South San Francisco, CA	35.9%	99.4%	97.5%	1.9%	0.6%	0.2%	0.1%	259

* Metropolitan Areas used are CBSAs as defined by the Office of Management and Budget (OMB) or the Metropolitan Division of a CBSA where available.

CoreLogic Equity Report Methodology

The amount of equity for each property is determined by comparing the estimated current value of the property against the mortgage debt outstanding (MDO). If the MDO is greater than the estimated value, then the property is determined to be in a negative equity position. If the estimated value is greater than the MDO, then the property is determined to be in a positive equity position. The data is first generated at the property level and aggregated to higher levels of geography. CoreLogic data includes 49 million properties with a mortgage, which accounts for more than 85 percent of all mortgages in the U.S. CoreLogic uses its public record data as the source of the MDO, which includes both first-mortgage liens and second liens, and is adjusted for amortization and home equity utilization in order to capture the true level of MDO for each property. The calculations are not based on sampling, but rather on the full data set to avoid potential adverse selection due to sampling. The current value of the property is estimated using a suite of proprietary CoreLogic valuation techniques, including valuation models and the CoreLogic Home Price Index (HPI). Only data for mortgaged residential properties that have a current estimated value is included. There are several states or jurisdictions where the public record, current value or mortgage coverage is thin. These instances account for fewer than 5 percent of the total U.S. population.

ABOUT CORELOGIC

CoreLogic (NYSE: CLGX) is a leading global property information, analytics and data-enabled services provider. The company's combined data from public, contributory and proprietary sources includes over 4.5 billion records spanning more than 50 years, providing detailed coverage of property, mortgages and other encumbrances, consumer credit, tenancy, location, hazard risk and related performance information. The markets CoreLogic serves include real estate and mortgage finance, insurance, capital markets, and the public sector. CoreLogic delivers value to clients through unique data, analytics, workflow technology, advisory and managed services. Clients rely on CoreLogic to help identify and manage growth opportunities, improve performance and mitigate risk. Headquartered in Irvine, Calif., CoreLogic operates in North America, Western Europe and Asia Pacific. For more information, please visit www.corelogic.com.

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