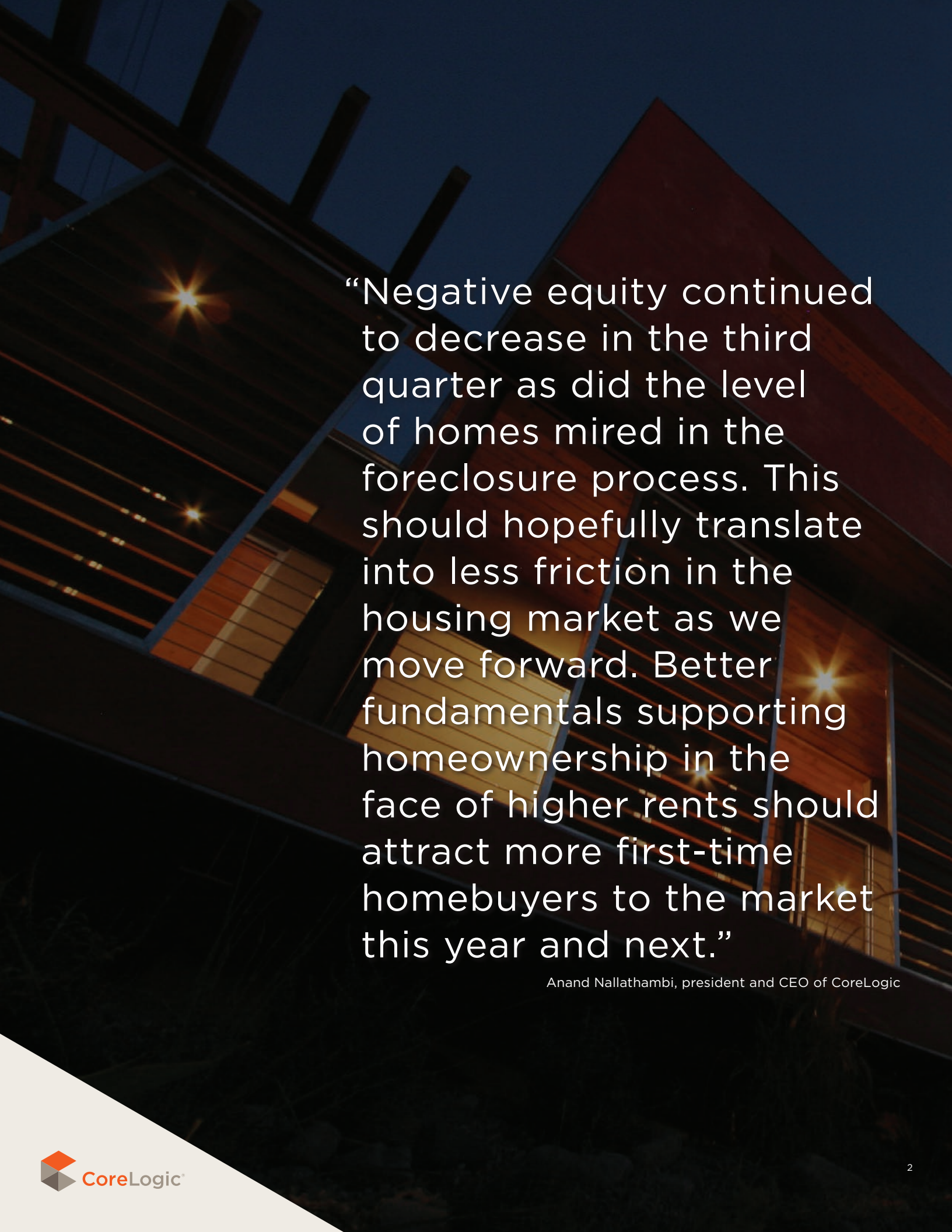




Equity Report

THIRD QUARTER 2014

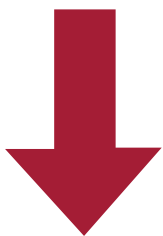


“Negative equity continued to decrease in the third quarter as did the level of homes mired in the foreclosure process. This should hopefully translate into less friction in the housing market as we move forward. Better fundamentals supporting homeownership in the face of higher rents should attract more first-time homebuyers to the market this year and next.”

Anand Nallathambi, president and CEO of CoreLogic

Equity Report – National Overview

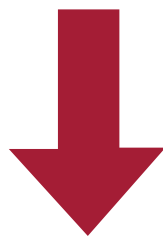
- ▶ Rising Home Prices Led to Improvements In Home Equity, with 273,000 Residential Properties Regaining Equity In Q3 2014
- ▶ 5.1 Million Homes with a Mortgage Still in Negative Equity
- ▶ 9.4 Million Mortgaged Properties Have Positive Equity But Are Considered Under-Equited



10.3%

of mortgaged homes have negative equity

CoreLogic analysis indicates that approximately 5.1 million homes, or 10.3 percent of all residential properties with a mortgage, were still in negative equity at the end of the third quarter of 2014. 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.



\$10.2B

decline in aggregate value of negative equity

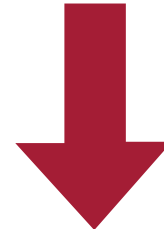
For the homes in negative equity status, the national aggregate value of negative equity was \$338 billion for third quarter 2014, compared to \$348.2 billion for second quarter 2014*, a decrease of \$10.2 billion.

An additional 1.0 million properties would regain equity if home prices rose another 5 percent.

* Q2 2014 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



19.0%

of mortgaged residential properties are under-equited

1.3%

of residential properties are near-negative equity

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

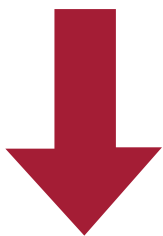
Borrowers with less than 20-percent home equity are referred to as under-equited. Of the 44.6 million properties with a mortgage currently with equity, approximately 9.4 million, or 19 percent, have less than 20-percent equity.

Additionally, at the end of the third quarter, 1.3 million homes, or 2.6 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.

“Nationally, the negative equity share is down over three percentage points over the past year. Declines were concentrated in a handful of states, such as Nevada, Georgia, Michigan and Florida. Forecasted house price appreciation of about five percent over the next year suggests that negative equity should be at about 8 percent a year from now, still above average, but approaching the pre-crisis level.”

Sam Khater, deputy chief economist for CoreLogic

Equity Snapshot



58.9%

Average Loan to Value

The average loan-to-value ratio for all mortgaged homes is 58.9 percent. Of residential properties with a mortgage, 1.0 million, or 2 percent, have a loan-to-value ratio of 100 percent to 105 percent. Another 1.9 million, or 3.9 percent, have a loan-to-value ratio greater than 125 percent.



3M

Underwater borrowers hold a first lien without a home equity loan

Approximately 3 million upside-down borrowers hold first liens without home equity loans. With an average balance of \$230,000, these borrowers are underwater \$58,000 on average. An additional 2.1 million upside-down borrowers hold both first and second liens. The average balance for this group is \$299,000. Their average underwater amount is \$78,000.



94.0%

of more expensive homes have positive equity position

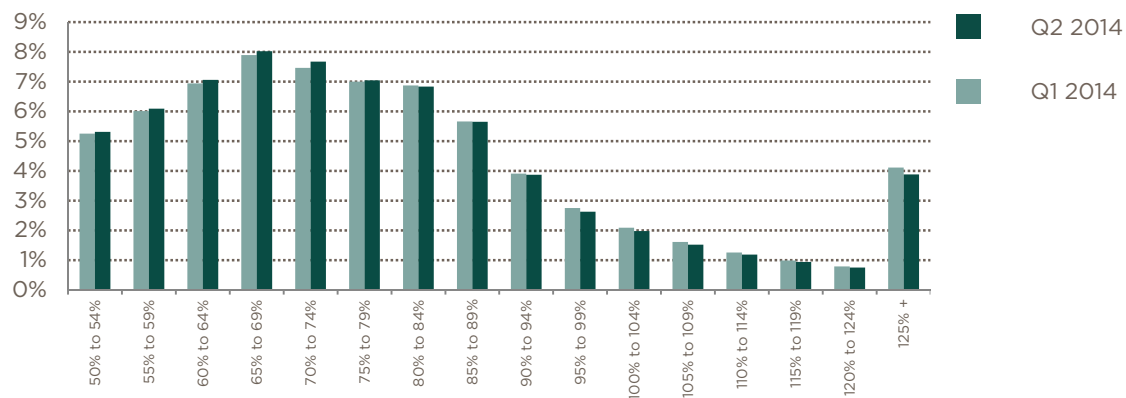
Home equity is concentrated at the higher end of the market. For example, 94 percent of homes valued at greater than \$200,000 have equity compared with 85 percent of homes valued at less than \$200,000.

National Equity Distribution

A look at loan-to-value ratios

Loan-to-Value Segment

National Equity Distribution by LTV Segment



Source: CoreLogic Q3 2014

Equity Share by State and Equity Cohorts

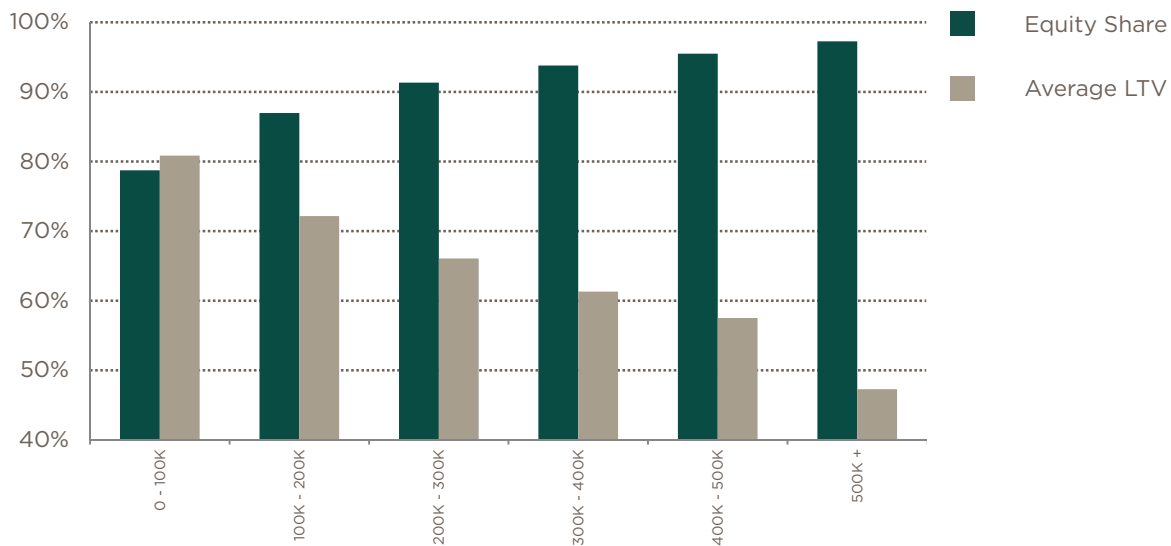


Source: CoreLogic Q3 2014

National Equity Distribution

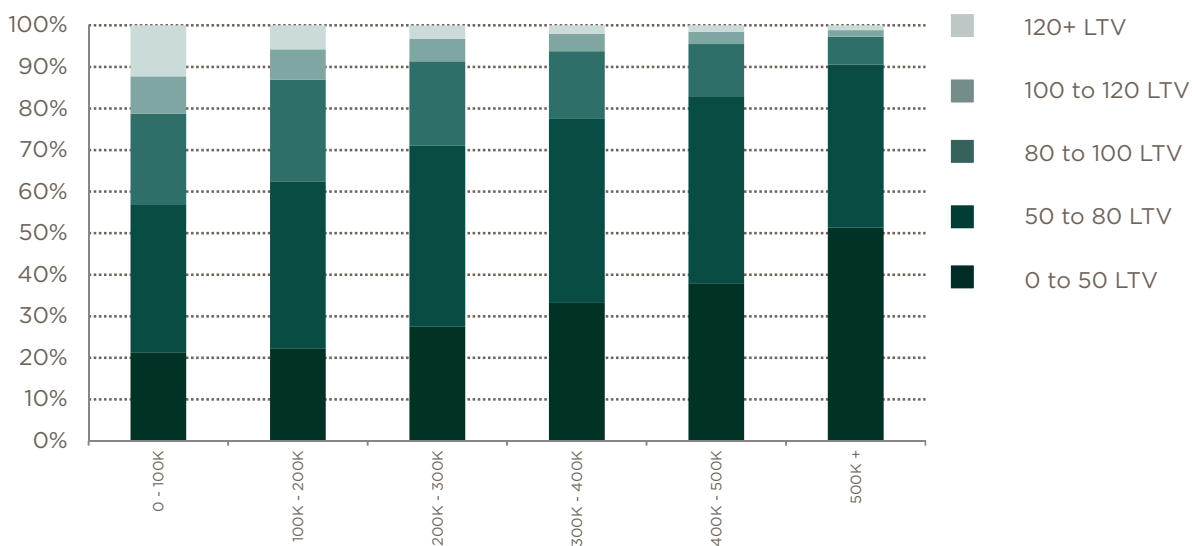
A look at loan-to-value ratios

Equity Share with Average LTV by Property Value



Source: CoreLogic Q3 2014

Cumulative Distribution of Equity by Loan Value

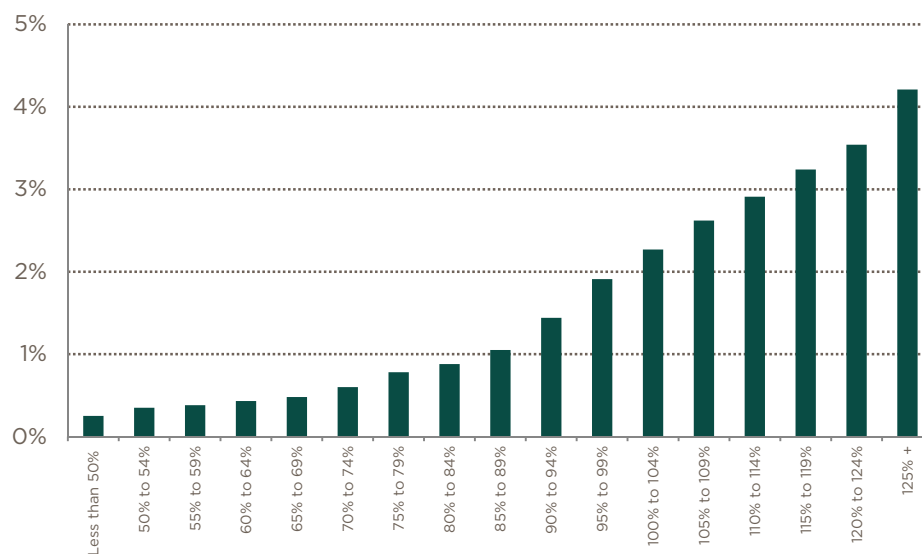


Source: CoreLogic Q3 2014

National Equity Distribution

A look at loan-to-value ratios

Default Rate by LTV



Source: CoreLogic Q3 2014

National Level Detail

National Residential Equity

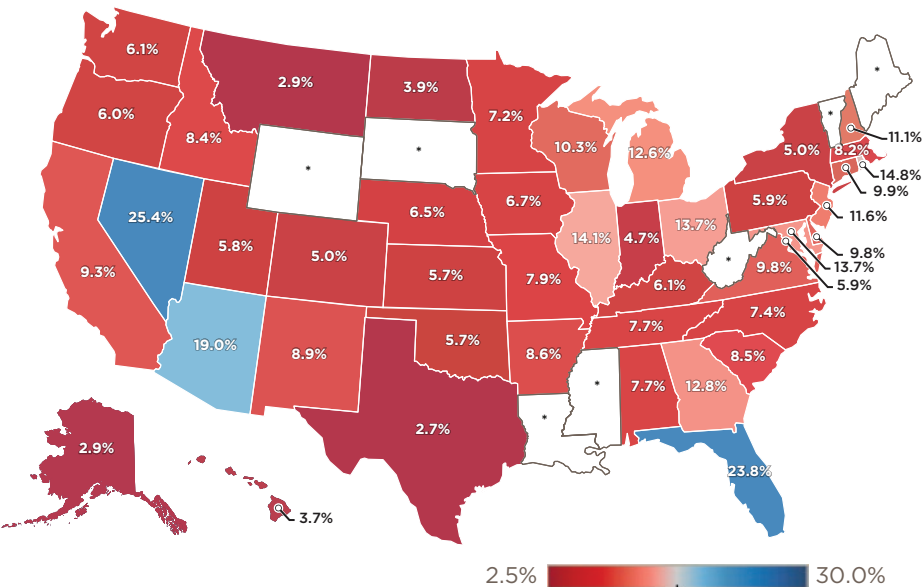
	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014
Positive Equity Position													
LTV > 0 to < 100	75.6%	74.8%	76.3%	77.7%	78.0%	78.4%	79.8%	85.1%	86.7%	86.5%	87.2%	89.1%	89.7%
> 0 to < 80	53.2%	52.4%	53.5%	54.9%	55.0%	55.2%	56.7%	63.7%	65.9%	65.3%	66.5%	70.0%	70.8%
80 to < 100	22.4%	22.4%	22.8%	22.8%	23.0%	23.2%	23.1%	21.4%	20.8%	21.2%	20.7%	19.2%	19.0%
Near Negative Equity (95 to < 100)	4.8%	4.9%	4.9%	4.7%	4.8%	4.8%	4.5%	3.5%	3.3%	3.4%	3.2%	2.7%	2.6%
Negative Equity Position													
LTV 100+	24.4%	25.2%	23.7%	22.3%	22.0%	21.6%	20.2%	14.9%	13.3%	13.5%	12.8%	10.9%	10.3%
100 to < 105	3.8%	4.0%	3.9%	3.7%	3.7%	3.7%	3.5%	2.7%	2.5%	2.6%	2.4%	2.1%	2.0%
105 to < 125	9.4%	9.7%	9.3%	8.8%	8.7%	8.7%	8.3%	6.3%	5.7%	5.8%	5.5%	4.7%	4.4%
125+	11.1%	11.6%	10.6%	9.8%	9.6%	9.2%	8.4%	5.9%	5.1%	5.1%	4.8%	4.1%	3.9%
Number of Negative Equity Properties (millions)	11.6	12.1	11.4	10.8	10.6	10.5	9.8	7.2	6.5	6.6	6.3	5.4	5.1
Amount of Negative Equity (\$B)	722	743	692	690	670	628	582	433	403	402	386	348	338
Net Homeowner Equity (\$B)	\$3,578	\$3,479	\$3,611	\$3,782	\$3,769	\$3,868	\$4,170	\$5,029	\$5,329	\$5,287	\$5,533	\$5,982	\$6,100
Mortgage Debt Outstanding (\$B)	\$8,654	\$8,655	\$8,635	\$8,666	\$8,606	\$8,631	\$8,643	\$8,484	\$8,574	\$8,606	\$8,636	\$8,685	\$8,751
Average LTV	70.7%	71.3%	70.5%	69.6%	69.5%	69.1%	67.5%	62.8%	61.7%	61.9%	61.0%	59.2%	58.9%

*Thousands of Units

National Snapshot

Negative Equity Share by State Q3 2014

Negative Equity Share as of Q3 2014



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

State Highlights

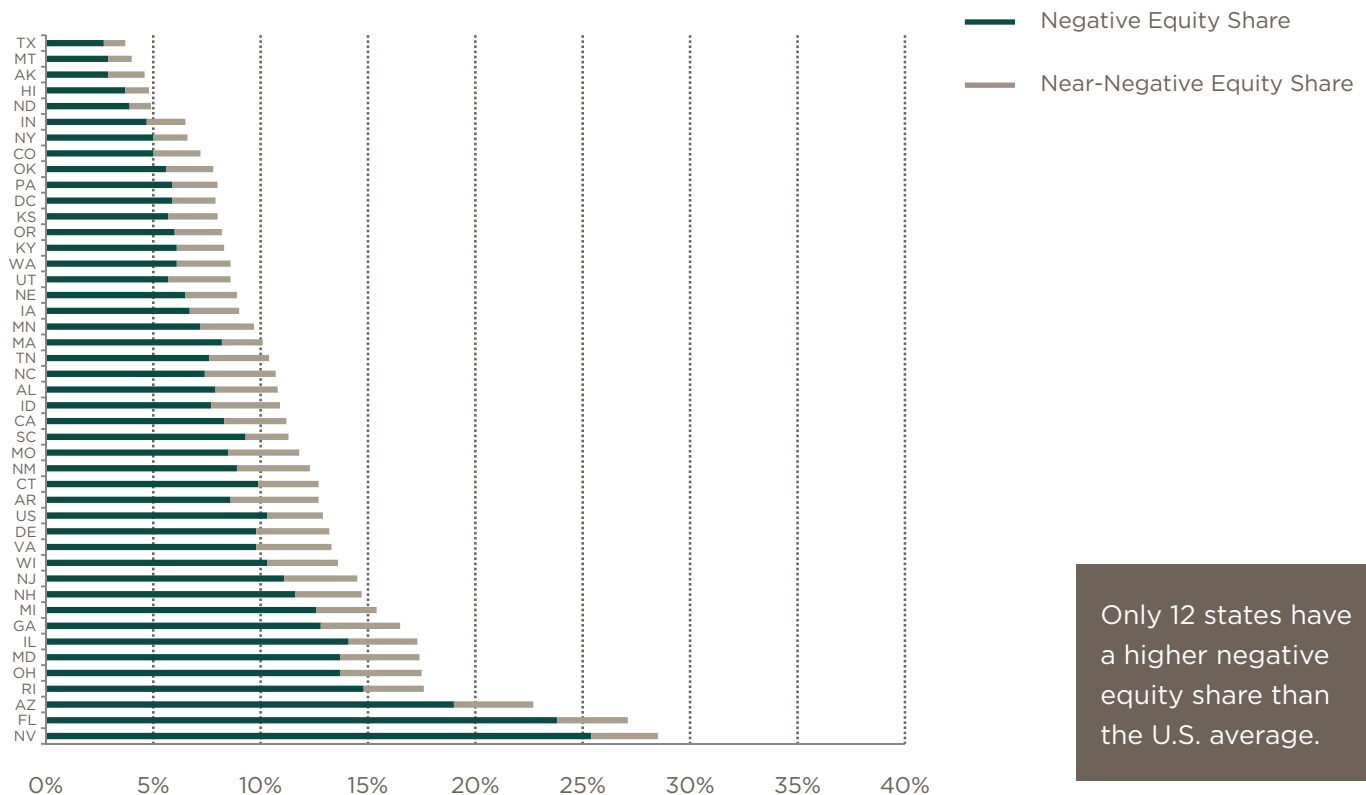


Nevada, Florida, Arizona and Illinois account for 33.1 percent of negative equity in the United States.

Top five states where mortgaged residential properties have negative equity

Top five states where mortgaged residential properties have equity

Near and Negative Equity Share



Only 12 states have a higher negative equity share than the U.S. average.

Source: CoreLogic Q3 2014

Equity All U.S.

Average Loan
to Value: **58.9%**

Equity Share: **89.8%**

Loan to Value Share
>0 to <80%: **70.8%**

Loan to Value Share
80% to <100%: **19.0%**

Negative Equity Share: **10.3%**

Near-Negative Equity
Share (95% to <100%
Loan to Value): **2.6%**

Near-Negative Equity
Share (100% to 105%
Loan to Value): **2.0%**

Total Mortgaged
Property Count (ths.): **49,720**

States with
Negative Equity
Share Higher Than
the National Average: **12**

Homes with
Negative Equity: **5.1 million**

State Detail

Q3 2014 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	63.4%	97.1%	73.2%	24.0%	2.9%	1.7%	0.9%	95
Alabama	65.2%	92.3%	65.9%	26.4%	7.7%	3.2%	2.0%	384
Arkansas	70.6%	91.4%	60.1%	31.3%	8.6%	4.1%	2.4%	281
Arizona	69.9%	81.0%	58.7%	22.4%	19.0%	3.7%	3.0%	1,323
California	52.3%	90.7%	78.2%	12.6%	9.3%	2.0%	1.7%	6,733
Colorado	61.4%	95.0%	73.3%	21.7%	5.0%	2.2%	1.4%	1,175
Connecticut	56.5%	90.1%	73.0%	17.1%	9.9%	2.8%	2.1%	837
District of Columbia	54.4%	94.1%	76.8%	17.2%	5.9%	2.0%	1.4%	101
Delaware	63.1%	90.2%	67.2%	22.9%	9.8%	3.5%	2.4%	203
Florida	68.5%	76.2%	57.8%	18.3%	23.8%	3.3%	3.0%	3,994
Georgia	67.5%	87.2%	63.5%	23.8%	12.8%	3.7%	2.8%	1,665
Hawaii	45.3%	96.4%	87.4%	9.0%	3.7%	1.1%	0.8%	249
Iowa	66.5%	93.3%	68.1%	25.1%	6.7%	2.3%	1.5%	419
Idaho	64.0%	91.7%	72.0%	19.7%	8.4%	2.9%	2.1%	258
Illinois	65.3%	85.9%	65.7%	20.3%	14.1%	3.2%	2.5%	2,218
Indiana	63.3%	95.3%	76.3%	19.0%	4.7%	1.8%	1.2%	778
Kansas	65.6%	94.3%	72.5%	21.8%	5.7%	2.3%	1.4%	329
Kentucky	64.9%	93.9%	68.3%	25.6%	6.1%	2.2%	1.3%	344
Massachusetts	52.4%	91.8%	78.8%	13.0%	8.2%	1.9%	1.5%	1,520
Maryland	63.8%	86.3%	63.2%	23.1%	13.7%	3.7%	3.0%	1,373
Michigan	64.0%	87.4%	70.5%	16.9%	12.6%	2.8%	2.3%	1,394
Minnesota	61.2%	92.8%	72.3%	20.6%	7.2%	2.5%	1.8%	691

*Only those properties with mortgages are included.

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	65.3%	92.1%	69.6%	22.5%	7.9%	2.9%	2.0%	822
Montana	55.2%	97.1%	83.9%	13.2%	2.9%	1.1%	0.7%	131
North Carolina	64.8%	92.6%	66.3%	26.3%	7.4%	3.3%	2.0%	1,699
North Dakota	56.2%	96.1%	84.3%	11.8%	3.9%	1.0%	0.7%	73
Nebraska	70.3%	93.5%	64.2%	29.4%	6.5%	2.4%	1.4%	246
New Hampshire	65.0%	88.9%	65.7%	23.2%	11.1%	3.4%	2.6%	240
New Jersey	58.4%	88.4%	70.6%	17.9%	11.6%	3.1%	2.5%	1,867
New Mexico	64.6%	91.1%	67.4%	23.7%	8.9%	3.4%	2.4%	253
Nevada	74.6%	74.6%	56.7%	17.9%	25.4%	3.1%	2.9%	538
New York	46.8%	95.0%	82.4%	12.6%	5.0%	1.6%	1.1%	1,998
Ohio	68.7%	86.3%	62.9%	23.4%	13.7%	3.8%	2.9%	2,150
Oklahoma	69.3%	94.4%	64.1%	30.3%	5.7%	2.2%	1.2%	470
Oregon	59.2%	94.0%	76.0%	18.0%	6.0%	2.2%	1.6%	715
Pennsylvania	58.0%	94.1%	75.6%	18.5%	5.9%	2.1%	1.3%	2,008
Rhode Island	59.5%	85.2%	68.3%	17.0%	14.8%	2.8%	2.3%	234
South Carolina	64.2%	91.5%	65.2%	26.3%	8.5%	3.3%	2.2%	700
Tennessee	65.0%	92.4%	66.7%	25.6%	7.7%	2.8%	1.9%	1,021
Texas	58.0%	97.4%	84.4%	12.9%	2.7%	1.0%	0.6%	3,559
Utah	61.8%	94.3%	72.9%	21.4%	5.8%	2.9%	1.8%	494
Virginia	62.4%	90.3%	65.4%	24.9%	9.8%	3.5%	2.4%	1,388
Washington	58.5%	93.9%	74.0%	19.9%	6.1%	2.5%	1.7%	1,456
Wisconsin	66.9%	89.7%	65.0%	24.6%	10.3%	3.3%	2.3%	731

*Only those properties with mortgages are included.

Equity All U.S.

Average Loan to Value: **58.9%**

Equity Share: **89.8%**

Loan to Value Share >0 to <80%: **70.8%**

Loan to Value Share 80% to <100%: **19.0%**

Negative Equity Share: **10.3%**

Near-Negative Equity Share (95% to <100% Loan to Value): **2.6%**

Near-Negative Equity Share (100% to 105% Loan to Value): **2.0%**

Total Mortgaged Property Count (ths.): **49,720**

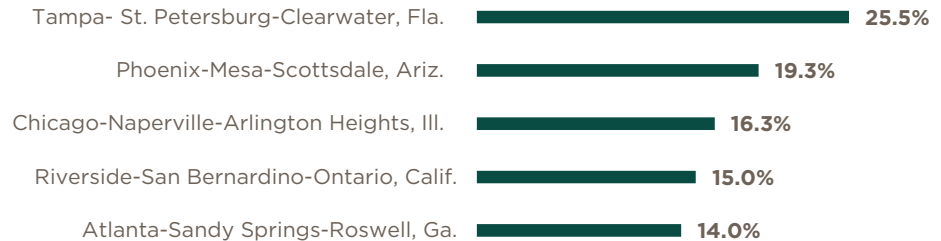
States with Negative Equity Share Higher Than the National Average: **12**

Homes with Negative Equity: **5.1 million**

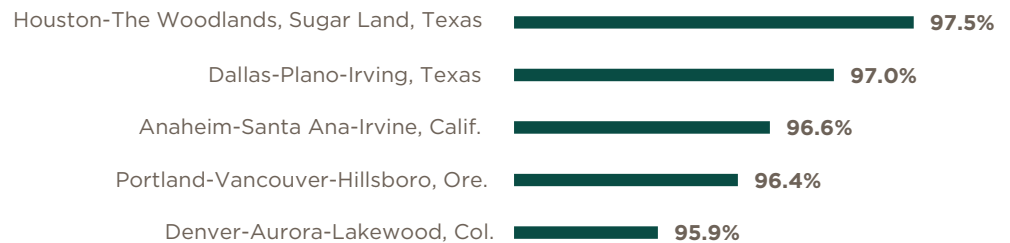
Metropolitan Area Highlights

Largest 25 Metros

Five metros with highest percentage of residences in negative equity



Five metros with highest percentage of residences with equity



Metropolitan Area Highlights

Q3 2014 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	49.1%	93.1%	79.9%	13.3%	6.9%	2.1%	1.6%	1,641
Los Angeles-Long Beach-Glendale, CA	49.4%	93.5%	82.7%	10.8%	6.5%	1.8%	1.4%	1,513
Chicago-Naperville-Arlington Heights, IL	64.6%	83.7%	65.3%	18.4%	16.3%	3.2%	2.7%	1,368
Atlanta-Sandy Springs-Roswell, GA	67.7%	86.1%	63.1%	22.9%	14.0%	3.7%	2.8%	1,189
Washington-Arlington-Alexandria, DC-VA-MD-WV	62.8%	87.5%	64.6%	22.9%	12.5%	3.3%	2.5%	1,053
Houston-The Woodlands-Sugar Land, TX	55.7%	97.5%	87.3%	10.2%	2.5%	0.9%	0.6%	973
Phoenix-Mesa-Scottsdale, AZ	70.5%	80.7%	58.7%	22.0%	19.3%	3.5%	3.0%	921
Riverside-San Bernardino-Ontario, CA	65.9%	85.0%	69.2%	15.9%	15.0%	2.7%	2.4%	824
Dallas-Plano-Irving, TX	58.9%	97.0%	84.6%	12.4%	3.0%	1.1%	0.7%	771
Baltimore-Columbia-Towson, MD	62.6%	88.8%	65.4%	23.4%	11.2%	3.7%	2.8%	644
Seattle-Bellevue-Everett, WA	54.8%	95.6%	80.5%	15.1%	4.4%	1.9%	1.3%	641
Denver-Aurora-Lakewood, CO	61.5%	95.9%	76.7%	19.1%	4.1%	1.8%	1.1%	640
Tampa-St. Petersburg-Clearwater, FL	72.6%	74.5%	54.2%	20.3%	25.5%	3.6%	3.2%	603
Minneapolis-St. Paul-Bloomington, MN-WI	61.5%	92.8%	71.7%	21.1%	7.3%	2.6%	1.9%	586
San Diego-Carlsbad, CA	54.7%	91.3%	76.9%	14.4%	8.7%	2.2%	1.8%	585
St. Louis, MO-IL	64.6%	91.6%	67.0%	24.6%	8.4%	3.3%	2.2%	563
Nassau County-Suffolk County, NY	47.3%	93.2%	81.1%	12.1%	6.8%	1.8%	1.4%	559
Anaheim-Santa Ana-Irvine, CA	49.9%	96.6%	86.8%	9.7%	3.5%	1.4%	1.0%	546
Oakland-Hayward-Berkeley, CA	52.4%	90.6%	80.2%	10.4%	9.4%	1.7%	1.4%	537
Cambridge-Newton-Framingham, MA	50.8%	93.0%	81.9%	11.1%	7.0%	1.6%	1.2%	512
Warren-Troy-Farmington Hills, MI	63.0%	87.8%	71.7%	16.1%	12.2%	2.9%	2.4%	507
Sacramento--Roseville--Arden-Arcade, CA	61.4%	88.9%	73.3%	15.5%	11.2%	2.5%	2.0%	480
Newark, NJ-PA	56.9%	88.8%	72.9%	16.0%	11.2%	2.7%	2.2%	477
Charlotte-Concord-Gastonia, NC-SC	65.9%	93.2%	65.7%	27.6%	6.8%	3.0%	1.8%	476
Portland-Vancouver-Hillsboro, OR-WA	57.6%	96.4%	80.2%	16.3%	3.6%	1.8%	1.1%	475

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

** This table represents the largest 25 Metropolitan Areas by mortgage count, sorted by highest equity share.

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 3.5 billion records spanning more than 40 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.

CORELOGIC, the CoreLogic logo are trademarks of CoreLogic, Inc. and/or its subsidiaries.

CONTACT

For more information, please call 415-536-3500 or email tdahl@corelogic.com.

For an expanded perspective on housing economies and property markets, visit the **CoreLogic Insights Blog** and follow us on:

CoreLogic



CoreLogic Econ



corelogic.com

© 2015 CoreLogic, Inc. All rights reserved.

CORELOGIC and the CoreLogic logo are trademarks of CoreLogic, Inc. and/or its subsidiaries.

All other trademarks are the property of their respective holders.

17-EQTYQ32014-0115-00