



ADVISORY SERVICES

Lien Report from CoreLogic®

Banks, regulated institutions and non-regulated institutions need to know the detailed status of their loan portfolio to make critical and timely decisions. This is especially true when holding residential mortgage loans secured by properties. Whether the need is for *Allowance for Loan & Lease Losses (ALLL)*, Basel III guidelines, verification from an independent third-party, or to properly value the disposition or acquisition of residential mortgage portfolios, institutions need to understand not only existing liens within their portfolio, but any other lien associated with the property.

The Lien Report combines client provided data with credit and public record databases to determine outstanding voluntary liens on the subject property originated by the subject borrower. By using a combination of both Credit and Public Data, Lien Report is able to match liens directly to a property and identify whether or not the liens are still active to provide the current lien data, i.e. servicer, status and current balance.

Using the Lien Report, you are able to analyze the lien status of the loans or properties in your portfolio, and deploy CoreLogic data and analytics to evaluate your lien credit exposure. Additionally, the Lien Report can be used to continually evaluate the performance and value of senior liens, junior liens and Mortgage Servicing Rights on a periodic basis using:

- ▶ Proprietary lien analysis to determine lien performance and payment status.
- ▶ Automated Valuation Models to efficiently monitor equity opportunities and Loan-to-Value ratios.
- ▶ Lien modification flags and related credit data to monitor the borrower's performance.

In addition to giving you a template for ongoing compliance, our results improve your accuracy in calculating the financial impact of compliance and/or setting appropriate loss reserves.

Furthermore, the *Advisory Services* team can continue to deliver periodic refreshes and updates to the original report monthly, quarterly or semi-annually.

Examples of Lien Report Uses

Line of Business	Need/Usage	Solution
Default Risk Management and Home Equity Lending	Manage risk associated to a lender/servicer's second lien book.	Understand valid lien position, risk associated to the first lien or the borrower, and an updated analysis of the equity on the property.
Asset Management/Equity Analysis	Risk managers need to segment their portfolios to identify troubled loans sooner.	Enable lender to triage and reduce spend on additional servicing or support functions.
Foreclosure	Direct the loan to the appropriate risk mitigation group and cease activity.	Confirm expected first lien position, and proceed with their standard process, if lien will not be superseded.

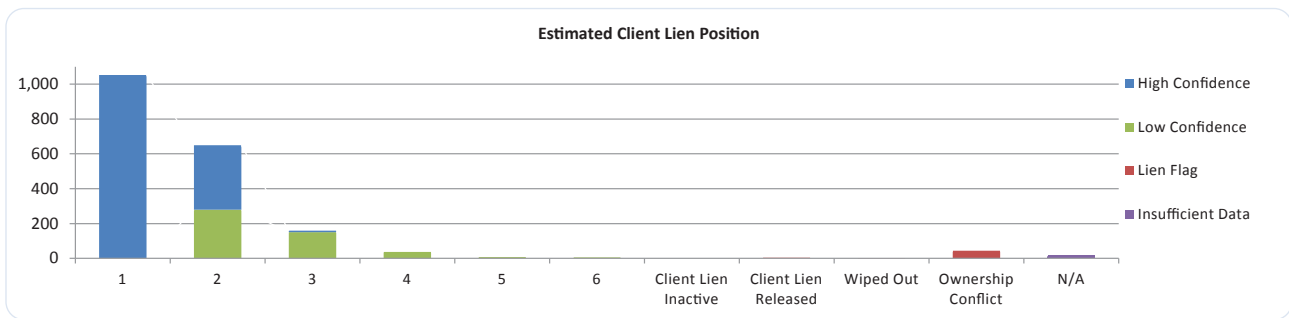
Within one report, you can be provided with a comprehensive look into your portfolio, including:

- ▶ Property valuations
- ▶ Evaluation of borrower's FICO® scores and creditworthiness
- ▶ Cumulative Loan To Value ratios to identify equity opportunities
- ▶ Affirm lien position and determine senior lien performance and payment status
- ▶ Confirmation of property type and owner occupancy
- ▶ Updated balances, status and servicer information of additional liens
- ▶ Periodic refresh and update of portfolio assessment
- ▶ Borrower Ownership check/match to validate the client borrower
- ▶ Foreclosure check and balance to check if the position has been wiped out

Line of Business	Need/Usage	Solution
Portfolio Administration/ Charge-Off Management	Lenders and servicers need to validate decision using lien and Unpaid Principal Balance info when they are at the point to charge-off defaulted loans.	Provides all necessary lien validation and Unpaid Principal Balance data with a high level of confidence and allows a more streamlined triage of charge-off management.
Property Preservation	Need to understand which properties are required to preserve and if remove properties, need a high confidence in doing so.	Segment portfolios and identify loans in which the lender/servicers no longer have the obligation to upkeep.
Escrow Administration	HELOC portfolios required to make Flood insurance assessment based on lien position and Unpaid Principal Balance of first lien.	Identify wiped out first liens and instances where a second lien has moved into first position (thus requiring additional action).
Liquidation Strategy	For short-sale and deed-in-lieu programs, need to target only those properties that will return a high Net Present Value.	Identify borrowers without trailing liens and positive equity analysis, to efficiently manage approvals and process loans faster.
Liquidity Risk/Compliance	Bank clients must have broader understanding of not just their portfolio/junior lien, but also any other lien associated with the underlying property per IAG for ALLL stipulations.	Lien information within the report (validation, Unpaid Principal Balance, first lien data) allows clients to better manage these portfolios and confirm compliance with the necessary guidelines.

Let CoreLogic help you review individual loans or entire portfolios and summarize your risk by geography, origination date, property type and additional criteria that support comprehensive risk analysis of the portfolio, all within one report.

The lien position of the client lien is estimated by examining the recording dates, origination dates, book/pages and balance of all open liens found on the property. Note that unless there is data to show otherwise, it is assumed the client lien is active on the property. The following summaries show the estimated client lien position and how it relates to the ownership findings.



Est. Client Lien Position	Count				Percentage			
	High Confidence	Low Confidence	Lien Flag	Insufficient Data	High Confidence	Low Confidence	Lien Flag	Insufficient Data
1	1,053	0	0	0	53.2%	0.0%	0.0%	0.0%
2	371	279	0	0	18.7%	14.1%	0.0%	0.0%
3	8	151	0	0	0.4%	7.6%	0.0%	0.0%
4	0	38	0	0	0.0%	1.9%	0.0%	0.0%
5	0	8	0	0	0.0%	0.4%	0.0%	0.0%
6	0	6	0	0	0.0%	0.3%	0.0%	0.0%
Client Lien Inactive	0	0	0	0	0.0%	0.0%	0.0%	0.0%
Client Lien Released	0	0	4	0	0.0%	0.0%	0.2%	0.0%
Wiped Out	0	0	1	0	0.0%	0.0%	0.1%	0.0%
Ownership Conflict	0	0	44	0	0.0%	0.0%	2.2%	0.0%
N/A	0	0	0	17	0.0%	0.0%	0.0%	0.9%
Grand Total	1,432	482	49	17	72.3%	24.3%	2.5%	0.9%

In a single report, the Lien Report provides lien, credit, bankruptcy and valuation data for your lien review.

FOR MORE INFORMATION PLEASE CALL 866-774-3282

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