

NOTE TO MEDIA: Beginning with this Shadow Inventory Report, the methodology used to estimate CoreLogic shadow inventory data has been enhanced. Specifically, CoreLogic adjusted the roll rate approach by incorporating cure rates to more accurately capture increasing foreclosure timelines. As a result of this methodology revision, previous CoreLogic shadow inventory measurements have been updated and can be found at <http://www.corelogic.com/downloadable-docs/shadow-inventory-methodology.pdf>. Please refer to the extended methodology section of this report for more detail.



CoreLogic®

CoreLogic® Reports Shadow Inventory Continues to Decline in July 2012

Declines in Shadow Inventory Foreshadow
Rise in Prices

FOR IMMEDIATE RELEASE
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IRVINE, Calif., October 9, 2012—CoreLogic (NYSE: CLGX), a leading provider of information, analytics and business services, reported today that the current residential shadow inventory as of July 2012 fell to 2.3 million units, representing a supply of six months. This was a 10.2 percent drop from July 2011, when shadow inventory stood at 2.6 million units, which is approximately the same level the country was experiencing in March 2009. Currently, the flow of new seriously delinquent (90 days or more) loans into the shadow inventory has been roughly offset by the equal volume of distressed (short and real estate owned) sales.

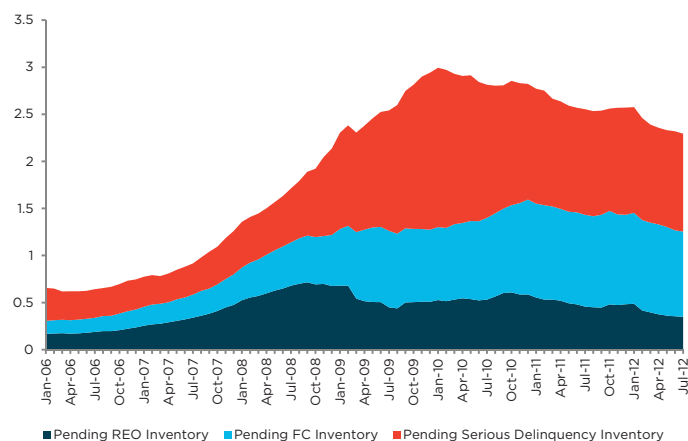
CoreLogic estimates the current stock of properties in the shadow inventory, also known as pending supply, by calculating the number of properties that are seriously delinquent, in foreclosure and held as real estate owned (REO) by mortgage servicers but not currently listed on multiple listing services (MLSs). Roll rates are the transition rates of loans from one state of performance to the next. Beginning with this report, cure rates are factored in as well to capture the rise in foreclosure timelines and further enhance the accuracy of the shadow inventory analysis. Transition rates of “delinquency to foreclosure” and “foreclosure to REO” are used to identify the currently distressed non-listed properties most likely to become REO properties. Properties that are not yet delinquent but may become delinquent in the future are not included in the estimate of the current shadow inventory. Shadow inventory is typically not included in the official metrics of unsold inventory.

“Broadly speaking, the shadow inventory continued to shrink in July,” said Anand Nallathambi, president and CEO of CoreLogic. “The reduction is being driven by a variety of resolution approaches. This is yet another hopeful sign that the housing market is slowly healing.”

“The decline in shadow inventory has recently moderated reflecting the lower outflow of distressed sales over the past year,” said Mark Fleming, chief economist for CoreLogic. “While a lower outflow of distressed sales helps alleviate downward home price pressure, long foreclosure timelines in some parts of the country causes these pools of shadow inventory to remain in limbo for an extended period of time.”

FIGURE 1: SHADOW INVENTORY DETAIL

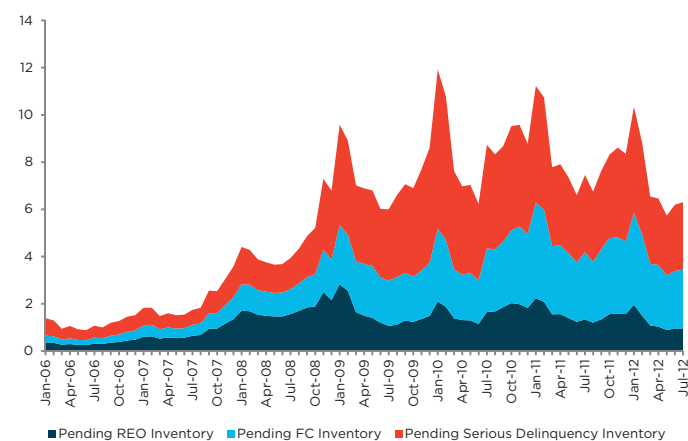
Count in Millions, Not Seasonally Adjusted



Source: CoreLogic July 2012

FIGURE 2: MONTHS' SUPPLY SHADOW INVENTORY DETAIL

Number of Months, Not Seasonally Adjusted



Source: CoreLogic July 2012

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Data Highlights as of July 2012:

- ▶ As of July 2012, shadow inventory fell to 2.3 million units or six-months' supply and represented just over three-fourths of the 2.7 million properties currently seriously delinquent, in foreclosure or in REO.
- ▶ Of the 2.3 million properties currently in the shadow inventory (Figures 1 and 2), 1 million units are seriously delinquent (2.9 months' supply), 900,000 are in some stage of foreclosure (2.5-months' supply) and 345,000 are already in REO (1.0-months' supply).
- ▶ The dollar volume of shadow inventory was \$382 billion as of July 2012, down from \$397 billion a year ago and \$385 billion last month.
- ▶ Serious delinquencies, which are the main driver of the shadow inventory, declined the most from April 2012 to July 2012 in Arizona (3.2 percent), Pennsylvania (2.8 percent), New Jersey (2.3 percent), Delaware (2.2 percent) and Maine (2.2 percent).
- ▶ As of July 2012, Florida, California, Illinois, New York and New Jersey make up 45 percent of all distressed properties in the country.

Overall Mortgage Performance — National

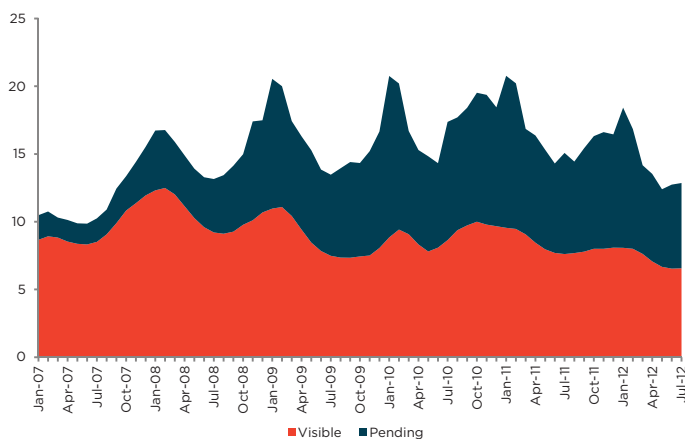
	11-Aug	11-Sep	11-Oct	11-Nov	11-Dec	12-Jan	12-Feb	12-Mar	11-Apr	12-May	12-Jun	12-Jul	2010	2011	2012**
Total Inventory*	5,715	5,599	5,460	5,345	5,043	5,055	5,006	4,856	5,042	4,945	4,832	4,837	6,032	5,043	4,837
Shadow Inventory*	2,534	2,539	2,561	2,570	2,571	2,576	2,460	2,391	2,357	2,332	2,319	2,295	2,822	2,571	2,295
- SDQ*	1,116	1,107	1,089	1,134	1,140	1,122	1,084	1,043	1,027	1,028	1,052	1,040	1,228	1,140	1,040
- FCL*	968	986	992	963	950	966	960	952	955	943	913	907	1,007	963	907
- REO*	449	447	480	473	481	488	417	396	375	361	354	348	586	473	348
Months' Supply Visible	7.7	7.8	8.0	8.0	8.1	8.1	8.0	7.6	7.1	6.7	6.5	6.6	9.7	8.1	6.6
Months' Supply Shadow	6.8	7.6	8.3	8.6	8.4	10.4	8.8	6.5	6.5	5.7	6.2	6.3	8.8	8.4	6.3
- SDQ	3.0	3.3	3.5	3.8	3.7	4.5	3.9	2.9	2.8	2.5	2.8	2.9	3.8	3.7	2.9
- FCL	2.6	3.0	3.2	3.2	3.1	3.9	3.4	2.6	2.6	2.3	2.4	2.5	3.1	3.1	2.5
- REO	1.2	1.3	1.6	1.6	1.6	2.0	1.5	1.1	1.0	0.9	0.9	1.0	1.8	1.6	1.0
MOM Change (Shadow Counts)	-0.8%	0.2%	0.9%	0.4%	0.1%	0.2%	-4.5%	-2.8%	-1.4%	-1.1%	-0.5%	-1.1%	-	-	-
YOY Change (Shadow Counts)	-9.6%	-9.6%	-10.3%	-9.2%	-8.9%	-7.0%	-10.5%	-10.3%	-10.7%	-10.0%	-9.7%	-10.2%	-4.0%	-8.9%	-10.2%
Roll Rates (3 Month Moving Avg)															
Current to 90	0.47%	0.49%	0.50%	0.51%	0.50%	0.47%	0.42%	0.39%	0.38%	0.40%	0.40%	0.41%	0.57%	0.46%	0.41%
90+ to FCL	7.63%	8.15%	7.41%	6.75%	6.46%	6.63%	7.04%	6.92%	7.31%	6.99%	6.81%	6.27%	7.73%	7.00%	6.85%
FCL to Current	0.96%	0.95%	0.86%	0.83%	0.79%	0.82%	0.95%	1.03%	1.06%	1.00%	1.04%	1.05%	1.02%	0.94%	0.99%

*Thousands of Units **Year-to-Date

Note: Current includes loans that are 30 and 60 Days Delinquent

FIGURE 3: MONTHS' SUPPLY

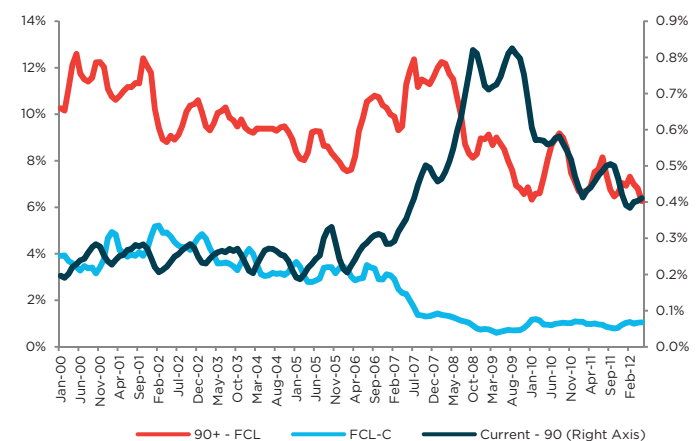
Number of Months, Not Seasonally Adjusted



Source: CoreLogic July 2012

FIGURE 4 - NATIONAL ROLL AND CURE RATES

3 Month Moving Average

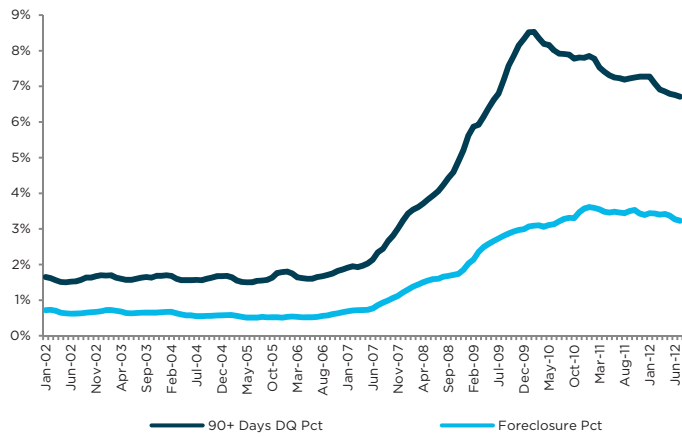


Source: CoreLogic July 2012

Note: Current includes loans that are 30 and 60 Days Delinquent

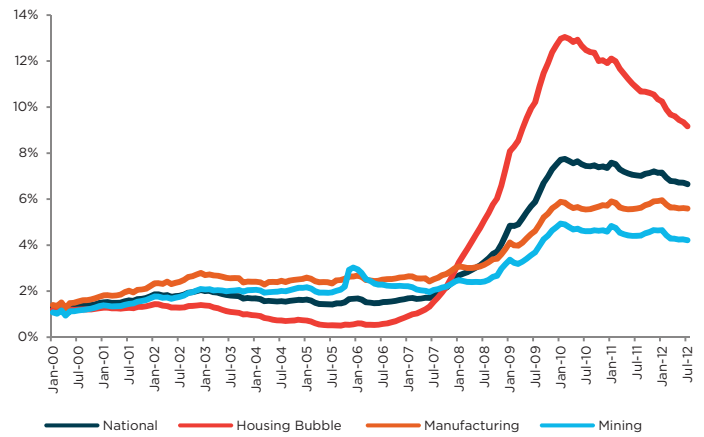
Market Performance

OVERALL MORTGAGE PERFORMANCE



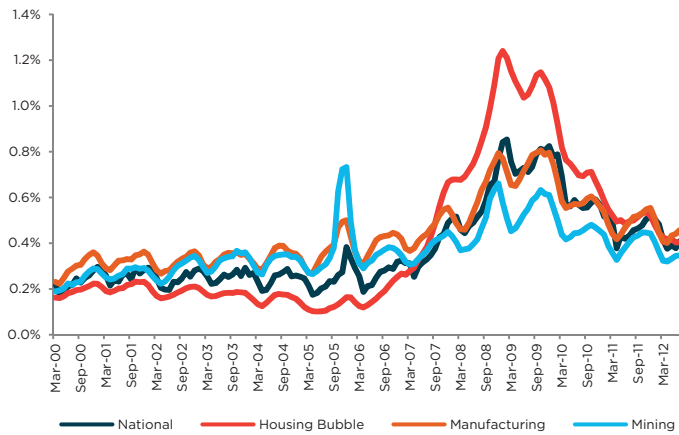
Source: CoreLogic July 2012

90+ DELINQUENCY RATE BY SELECTED STATE REGIONS*



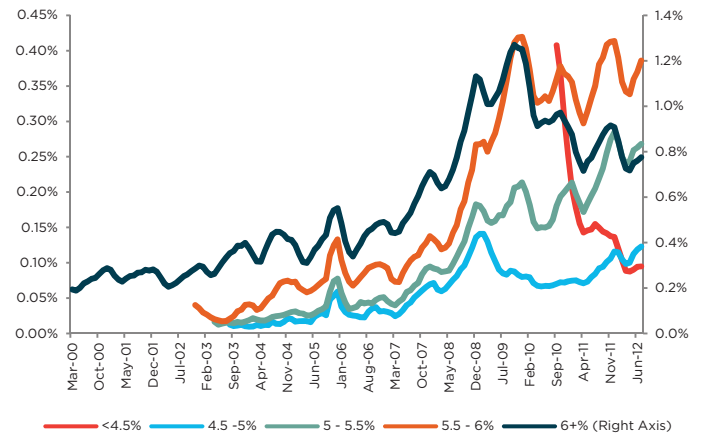
Source: CoreLogic July 2012

CURRENT TO 90 DAY ROLL RATES FOR SELECTED STATE REGIONS** 3 Month Moving Average



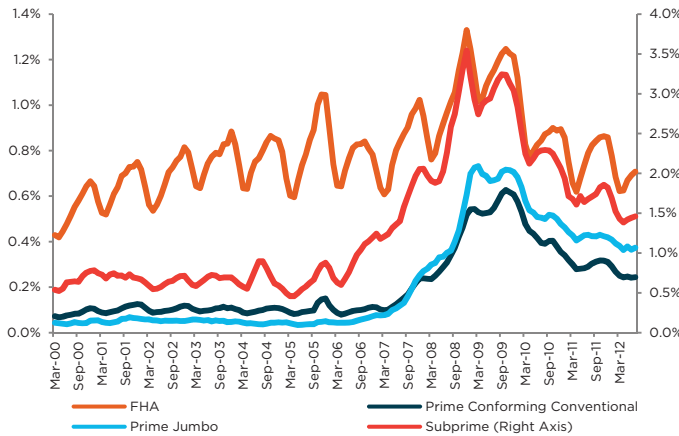
Source: CoreLogic July 2012

CURRENT TO 90 DAY ROLL RATES BY INITIAL INTEREST RATES* 3 Month Moving Average



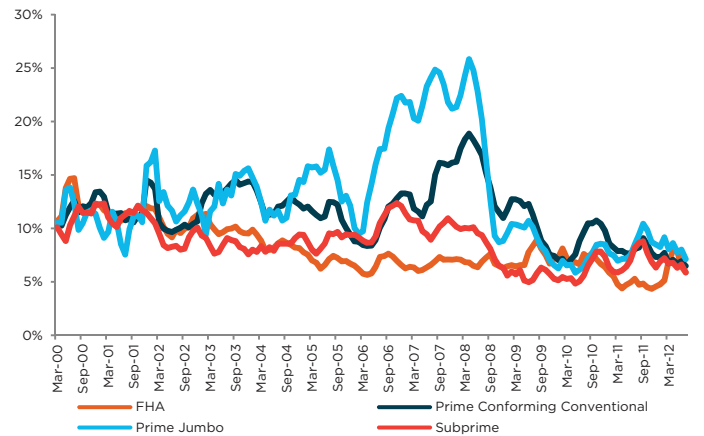
Source: CoreLogic July 2012

ROLL RATES CURRENT TO 90 DAY BY LOAN TYPE* 3 Month Moving Average



Source: CoreLogic July 2012

ROLL RATES FROM 90+ DQ TO FORECLOSURE BY LOAN TYPE 3 Month Moving Average



Source: CoreLogic July 2012

* Note: Current includes loans that are 30 and 60 Days Delinquent
 ** Note: Manufacturing States : AL, AR, IN, IA, KS, MS, OH, SC, WI
 Mining State: AK, CO, LA, MT, NM, ND, OK, TX, WV, WY
 Housing Bubble States: AZ, CA, FL, NV

