



First American
CORELOGIC

Contact information Below

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November Home Price Index Shows Further Decline, Slowed Recovery

According to Newly Released First American CoreLogic Data

Home Prices Continue to Depreciate

National home prices, including distressed sales, declined by 5.7 percent in November 2009 compared to November 2008, according to First American CoreLogic and its LoanPerformance Home Price Index (HPI). This was an improvement over October's year-over-year price decline of 7.6 percent.* On a month-over-month basis, however, national home prices declined by 0.2 percent in November 2009 compared to October 2009.

Excluding distressed sales, year-over-year prices declined in November by 5.1 percent (in October non-distressed sales fell by 5.7 percent year-over-year). This underscores the negative impact that distressed sales have on the HPI, as distressed sales continue to decline at a larger annual rate than non-distressed sales.

Forecast is for Further Declines

The forecast for most markets became more pessimistic in November 2009. First American CoreLogic is projecting further declines followed by a recovery in the spring; however, the recovery is now projected to be smaller in magnitude and to occur later than previous forecasts indicated. Nationally, the HPI is expected to be down 0.23 percent, excluding distressed sales (up 2.94 percent including distressed sales) by November 2010. For the top 45 largest CBSAs, HPIs are projected to rise an average of only one percent through November 2010, with the bottom in most markets being reached in April or May of 2010. This is a consequence of continued recent downturns in most HPIs, as well as expectations of persistently high unemployment, foreclosures and higher interest rates in 2010.

National HPI Highlights as of November 2009

- Including distressed transactions, the HPI has fallen 30.0 percent nationally through November from its peak in April 2006. Excluding distressed properties, the national HPI has fallen 21.8 percent from the same peak.



- When distressed sales were included Nevada (-22.5 percent) remained the top-ranked state for annual price depreciation followed by Arizona (-14.9 percent), Florida (-13.7 percent), Michigan (-12.6 percent) and Idaho (-11.0 percent). All of these states also showed month-over-month decreases in their HPI.
- Excluding distressed sales, the worst five states for year-over-year price declines changes slightly. Nevada (-19.7 percent) still holds the top spot, followed by Arizona (-14.1 percent), Florida (-12.3 percent), Michigan (-10.6 percent) and West Virginia (-9.6 percent).
- Regardless of whether distressed transactions are included or excluded, the markets that are expected to experience the largest year-over-year declines are in the traditional industrial centers of the Midwest and Great Lakes that have been hit hardest by the current recession. Leading the list are four Michigan markets: Detroit (-13.1 percent), Sault Ste. Marie (-11.0 percent), Saginaw (-9.7 percent) and Kalamazoo (-7.8 percent).
- The hard-hit markets of the Sun Belt are also predicted to hit their true bottom in the next 12 months, as evidenced by a substantially smaller rate in their projected price declines relative to the pace of decline in 2009. Select markets include: Las Vegas (-6.5 percent), Phoenix (-3.3 percent), Reno (-3.3 percent) and Orlando (-2.5 percent).

“On average, we are expecting home prices to turn around next spring,” said Mark Fleming, chief economist for First American CoreLogic. “While the share of REO sales are down, allowing price declines to moderate, there is concern moving forward with the levels of shadow inventory, negative equity, and the ability of modification programs to mitigate this risk,” he said.



LoanPerformance November HPI for the Country's Largest Core Based Statistical Areas (CBSAs):

CBSA	November 2009 12-Month HPI Change by State		12-month Forecast (November 2009 - November 2010)	
	Single Family Combined	Single Family Combined Excluding Distressed	Single Family Combined	Single Family Combined Excluding Distressed
Houston-Sugar Land-Baytown, TX	4.09%	-0.69%	2.53%	2.52%
Dallas-Plano-Irving, TX	3.55%	-0.25%	1.24%	1.85%
Boston-Quincy, MA	1.22%	-2.21%	4.34%	0.81%
Washington-Arlington-Alexandria, DC-VA-MD-WV	-0.21%	-2.31%	3.35%	2.48%
Philadelphia, PA	-2.98%	-2.79%	0.38%	0.66%
Atlanta-Sandy Springs-Marietta, GA	-5.17%	-5.33%	-2.18%	-2.57%
Los Angeles-Long Beach-Glendale, CA	-8.71%	-6.50%	2.03%	0.99%
New York-White Plains-Wayne, NY-NJ	-9.71%	-6.91%	0.95%	1.80%
Chicago-Naperville-Joliet, IL	-11.01%	-9.43%	4.25%	0.46%
Miami-Miami Beach-Kendall, FL	-13.69%	-12.34%	0.20%	3.32%

Source: First American CoreLogic, LoanPerformance HPI, Single-Family Combined (Detached and Attached) as of November, 2009.

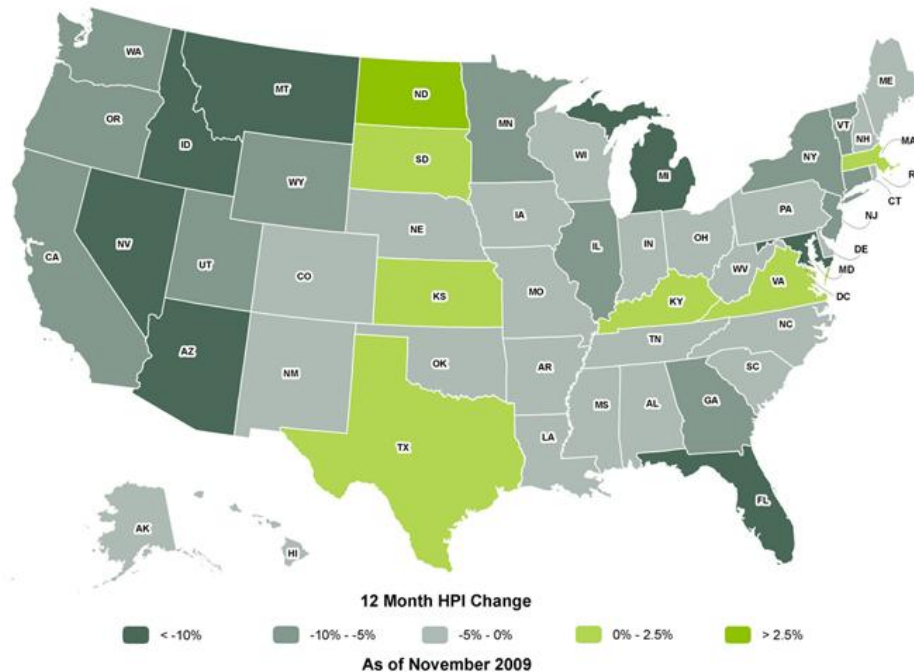
LoanPerformance November HPI State and National Ranking:

State	November 2009 12-Month HPI Change by State		12-month Forecast (November 2009 - November 2010)	
	Single Family Combined	Single Family Combined Excluding Distressed	Single Family Combined	Single Family Combined Excluding Distressed
National	-5.66%	-5.15%	2.94%	-0.23%
Nevada	-22.45%	-19.69%	-0.24%	-5.90%
Arizona	-14.91%	-14.13%	2.13%	-3.20%
Florida	-13.69%	-12.34%	-0.23%	3.42%
Michigan	-12.56%	-10.56%	-10.56%	-10.95%
Idaho	-10.98%	-7.10%	-1.48%	1.07%
Maryland	-10.55%	-7.46%	2.15%	3.47%
Montana	-10.43%	-6.31%	-0.67%	-1.05%
Washington	-9.94%	-8.81%	-2.05%	-2.58%
Utah	-9.81%	-7.66%	1.31%	2.84%
Illinois	-9.58%	-8.00%	4.50%	0.46%
Oregon	-9.33%	-7.44%	5.16%	0.66%
Wyoming	-8.39%	-7.84%	3.30%	-2.66%
New Jersey	-7.81%	-6.75%	4.65%	2.50%
California	-6.95%	-6.27%	1.55%	0.08%
New York	-6.64%	-3.69%	-0.73%	1.59%
Vermont	-6.61%	-5.62%	-0.37%	-1.47%
Connecticut	-6.02%	-5.83%	0.57%	-0.42%
Minnesota	-5.53%	-5.70%	-0.82%	-1.16%
Georgia	-5.07%	-5.29%	-1.00%	-1.40%
West Virginia	-4.96%	-9.59%	-0.83%	-2.47%
District of Columbia	-4.67%	-5.67%	0.39%	2.82%
South Carolina	-4.20%	-4.10%	1.46%	1.55%

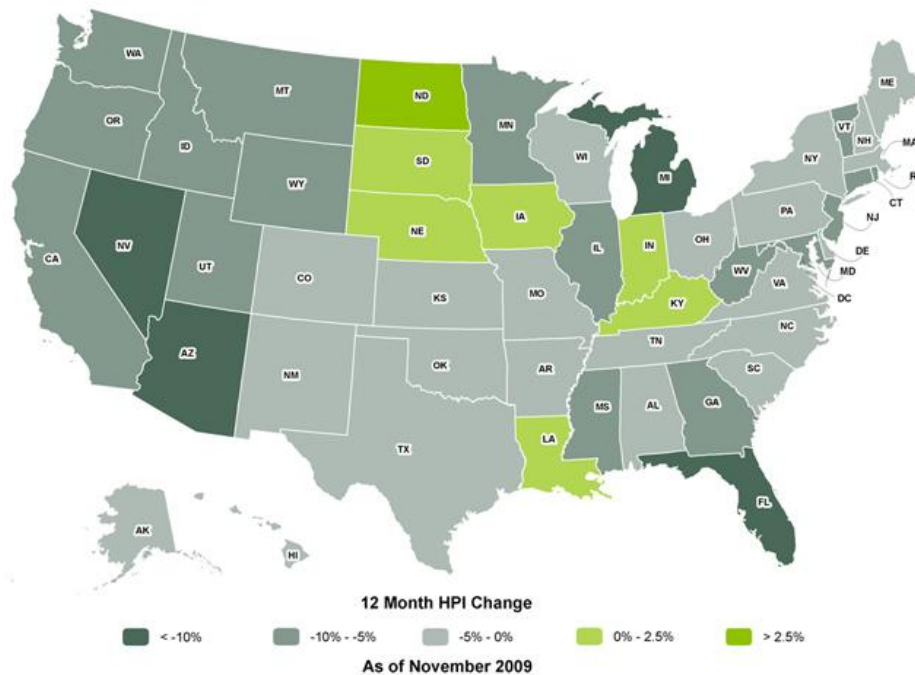


New Mexico	-4.18%	-3.25%	-0.15%	0.04%
Hawaii	-4.15%	-1.27%	0.92%	1.25%
Alabama	-3.95%	-2.27%	0.35%	1.34%
Wisconsin	-3.94%	-3.43%	2.05%	0.84%
Delaware	-3.69%	-2.37%	0.65%	2.22%
North Carolina	-3.49%	-3.71%	-0.23%	0.03%
Pennsylvania	-3.29%	-2.67%	0.26%	0.98%
Tennessee	-2.62%	-2.08%	0.93%	1.27%
Mississippi	-2.36%	-5.78%	-0.26%	-1.13%
Arkansas	-2.33%	-1.58%	0.20%	1.86%
Maine	-1.97%	-2.08%	5.86%	1.64%
Rhode Island	-1.73%	-5.28%	4.35%	-2.22%
Missouri	-1.50%	-1.41%	0.80%	0.43%
Louisiana	-1.38%	0.70%	1.25%	2.26%
Alaska	-0.80%	-1.55%	1.05%	3.51%
Oklahoma	-0.69%	-1.13%	0.64%	1.25%
Nebraska	-0.53%	0.05%	0.65%	1.72%
Colorado	-0.52%	-2.79%	2.24%	0.87%
Indiana	-0.44%	0.47%	-0.09%	0.91%
New Hampshire	-0.35%	-3.36%	4.09%	0.86%
Ohio	-0.28%	-1.67%	0.98%	-0.22%
Iowa	-0.16%	0.15%	1.76%	1.33%
Kentucky	0.22%	0.13%	0.99%	1.88%
Kansas	0.69%	-1.05%	1.23%	1.54%
Massachusetts	0.89%	-2.38%	3.96%	0.75%
South Dakota	1.83%	0.33%	3.16%	1.66%
Virginia	2.01%	-1.79%	4.37%	2.25%
Texas	2.24%	-0.40%	1.81%	2.29%
North Dakota	6.52%	4.91%	2.81%	4.54%

Source: First American CoreLogic, LoanPerformance HPI, Single-Family Combined (Detached and Attached) as of November 2009.



Source: First American CoreLogic, LoanPerformance HPI, 12 month change by state, single family combined series.



*October's decline was revised downward from 7.8 percent to 7.6 percent to reflect updated public record data. Revisions with public record data are standard, and to ensure accuracy, First American CoreLogic incorporates the newly released public data to provide updated results.

Editor's note: First American CoreLogic revised its methodology for the HPI report beginning with August data. This includes an expanded transactions database upon which the index is built, a new weighting methodology, a 12-month forecast, and metrics that exclude distressed sales (short sales and REOs) which have become an increasingly large share of sales activity. Due to the newly revised methodology, comparisons to HPI data prior to August 2009 should be avoided.

Methodology:

The First American CoreLogic LoanPerformance HPI incorporates more than 30 years worth of repeat sales transactions, representing more than 55 million observations sourced from First American CoreLogic's industry-leading property information and its LoanPerformance securities and servicing databases. The LoanPerformance HPI provides a multi-tier market evaluation based on price, time between sales, property type, loan type (conforming vs. nonconforming), and distressed sales. The LoanPerformance HPI is a repeat-sales index that tracks increases and decreases in sales prices for the same homes over time, which provides a more accurate "constant-quality" view of pricing trends than basing analysis on all home sales. The LoanPerformance HPI provides the most comprehensive set of monthly home price indices and median sales prices available covering 6,070 ZIP codes (58 percent of total U.S. population), 519 Core Based Statistical Areas (CBSA, 85 percent of total U.S. population) and 898 counties (81 percent of total U.S. population) located in all 50 states and the District of Columbia.



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Full-month November 2009 state-level and top CBSA-level data can be found at
www.loanperformance.com/products/hpi.aspx.

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