

CORELOGIC, INC.
Form 10-Q
October 24, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2014

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-13585

CoreLogic, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

95-1068610
(I.R.S. Employer Identification No.)

40 Pacifica, Irvine, California
(Address of principal executive offices)

92618-7471
(Zip Code)

(949) 214-1000
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

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Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant: is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date.

On October 20, 2014 there were 89,739,536 shares of common stock outstanding.

CoreLogic, Inc.
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PART I: FINANCIAL INFORMATION

Item 1. Financial Statements.

CoreLogic, Inc.

Condensed Consolidated Balance Sheets
(unaudited)

(in thousands, except par value)

	September 30, 2014	December 31, 2013
Assets		
Current assets:		
Cash and cash equivalents	\$ 127,618	\$ 134,419
Marketable securities	21,828	22,220
Accounts receivable (less allowance for doubtful accounts of \$11,459 and \$13,045 as of September 30, 2014 and December 31, 2013, respectively)	223,697	215,020
Prepaid expenses and other current assets	51,976	50,829
Income tax receivable	—	13,516
Deferred income tax assets, current	100,688	86,487
Assets of discontinued operations	5,167	38,926
Total current assets	530,974	561,417
Property and equipment, net	365,750	197,542
Goodwill, net	1,779,391	1,468,290
Other intangible assets, net	283,643	175,808
Capitalized data and database costs, net	336,666	330,188
Investment in affiliates, net	103,432	95,343
Restricted cash	13,493	12,050
Other assets	161,565	162,493
Total assets	\$3,574,914	\$3,003,131
Liabilities and Equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 148,215	\$ 156,937
Accrued salaries and benefits	75,004	104,781
Income taxes payable	44,313	—
Deferred revenue, current	245,520	223,603
Current portion of long-term debt	21,927	28,154
Liabilities of discontinued operations	23,480	20,616
Total current liabilities	558,459	534,091
Long-term debt, net of current	1,389,807	811,776
Deferred revenue, net of current	379,390	377,855
Deferred income tax liabilities, long term	68,538	76,969
Other liabilities	131,025	147,865
Total liabilities	2,527,219	1,948,556
Redeemable noncontrolling interests	11,075	10,202
Equity:		
CoreLogic stockholders' equity:		
Preferred stock, \$0.00001 par value; 500 shares authorized, no shares issued or outstanding	—	—
Common stock, \$0.00001 par value; 180,000 shares authorized; 89,732 and 91,254 shares issued and outstanding as of September 30, 2014 and December 31, 2013, respectively	1	1

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Additional paid-in capital	612,154	672,165
Retained earnings	484,359	425,796
Accumulated other comprehensive loss	(59,894) (53,589)
Total equity	1,036,620	1,044,373
Total liabilities and equity	\$3,574,914	\$3,003,131

The accompanying notes are an integral part of these condensed consolidated financial statements.

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CoreLogic, Inc.
Condensed Consolidated Statements of Operations
(unaudited)

(in thousands, except per share amounts)	For the Three Months Ended		For the Nine Months Ended	
	September 30,		September 30,	
	2014	2013	2014	2013
Operating revenues	\$367,454	\$356,581	\$1,059,528	\$1,075,879
Cost of services (excluding depreciation and amortization shown below)	185,168	177,898	564,916	539,796
Selling, general and administrative expenses	68,099	87,886	255,488	276,257
Depreciation and amortization	35,765	29,436	100,636	96,697
Impairment loss	667	—	4,888	1,721
Total operating expenses	289,699	295,220		