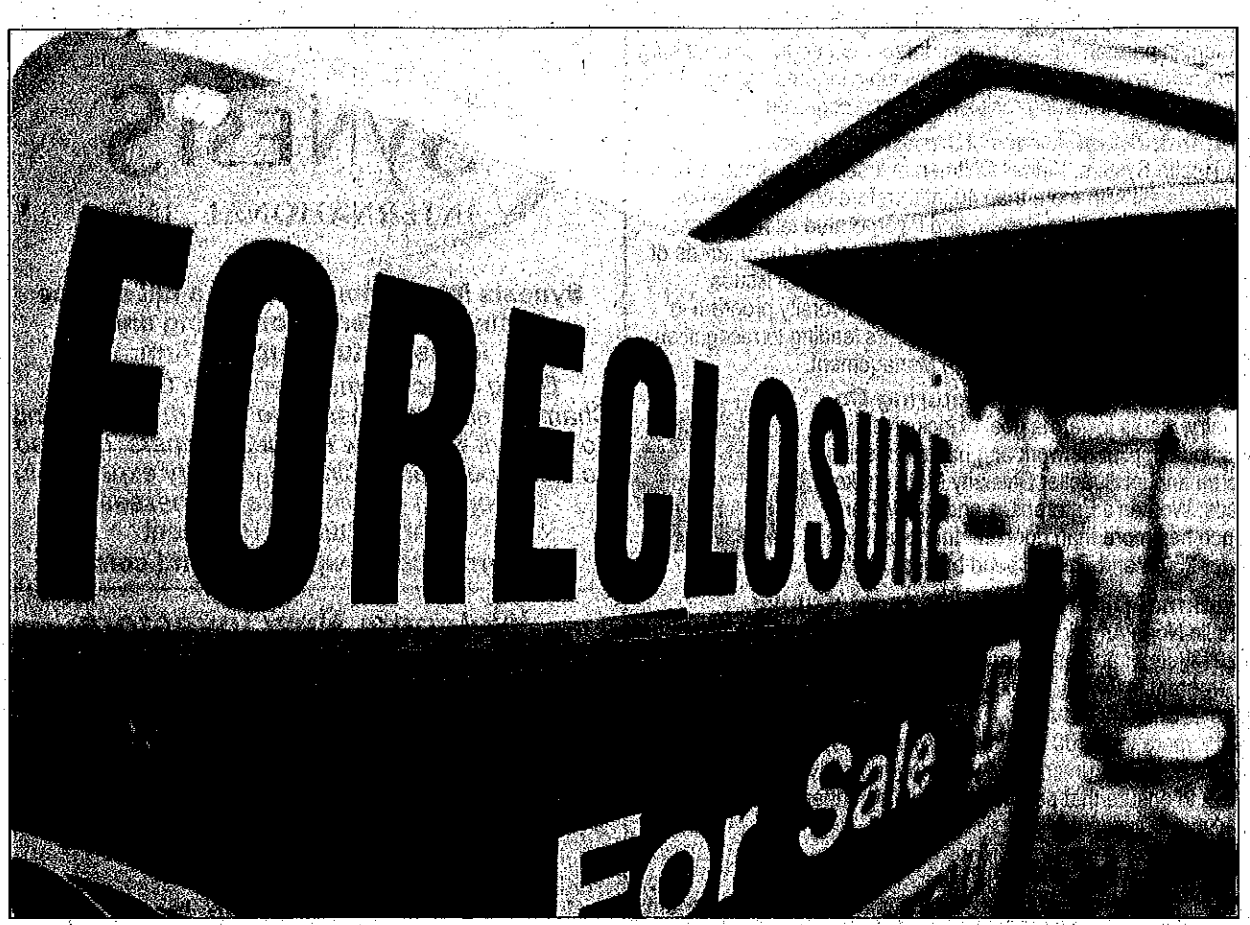


A new analysis shows 7.1 percent, or 9,837 residential mortgages in the Greenville-Anderson-Mauldin metro area, were underwater in the first quarter of this year, down from 7.3 percent in the fourth quarter of last year. AP FILE

FEWER UPSTATE HOMES UNDERWATER FOR Q1

Number drops from 7.3 to 7.1%

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More Upstate homes returned to positive equity in the first quarter this year.

That's according to a new quarterly analysis from CoreLogic which shows 7.1 percent, or 9,837 residential mortgages in the Greenville-Anderson-Mauldin metro area, were in negative equity, or underwater, meaning borrowers owe more on those mortgages than their homes are worth.

In the fourth quarter last year, 7.3 percent, or 9,598 properties in the Greenville metro area, were underwater.

A decline in value, a rise in the mortgage debt, or a combination of the two can put a mortgage underwater, said CoreLogic, a California-based global property information, analytics and data-enabled services provider.

Properties that are near-negative equity are considered at risk if home prices fall, CoreLogic said.

Because home prices are continuing to rise across most of the country, "significantly fewer borrowers are underwater today compared to last year," said Anand Nallathambi, president and CEO of CoreLogic.

Approximately 6.3 million homes, or 12.7 percent of all U.S. residential properties with a mortgage, were still in negative equity as of the first quarter, compared with 6.6 million homes, or 13.4 percent for fourth quarter 2013.

The negative equity share was 20.2 percent, or 9.8 million homes year-over-year in the first quarter last year.

Across South Carolina, 66,556, or 9.8 percent, of the residential mortgages were in negative equity in the first quarter.

CoreLogic is projecting an additional 5 percent rise in home prices over the next 12 months which will "lift another 1.2 million properties out of the negative equity trap," Nallathambi said.

Despite the improvement in prices and reduction in negative equity, Sam Khater, deputy chief economist for CoreLogic, said many borrowers still lack sufficient equity to move and purchase a home.

Only one in five borrowers have less than 10 percent equity in their property, Khater said.