Independent Limited Assurance Report to the Model Review Committee of CoreLogic

Conclusion

Based on the evidence we obtained from the procedures performed, we are not aware of any matter that would lead us to believe that the CoreLogic Australian Sales Hedonic Imputation Index Value, comprising the calculation of the periodic growth rate between the previous end of month being 31 May 2017, and the previous day being 13 June 2017, is not prepared in accordance with Section 1.3 of the technical model document, "CoreLogic Australia Residential Property Hedonic Index Series version 20.0", provided on 12 May 2017 and the description of its Amazon Web Services (AWS) Elastic Cloud Compute (EC2) system on page 3.

Information subject to assurance

The CoreLogic Australian Sales Hedonic Imputation Index Value, comprising the calculation of the periodic growth rate between the previous end of month being 31 May 2017, and the previous day being 13 June 2017.

All other indices are out of scope. Further, we have not been engaged to provide a limited assurance conclusion on the following:

- Model methodology, associated assumptions or the accuracy of the forecast for residential property prices;

- Determination of (independent or dependent) variables, data transformations and business rules, construction of indices, parameter refinement or regression selection;

- Review of governance standards, structure, security and controls, maintenance responsibilities, change management, approvals and sign-offs including oversight and monitoring which the model will be subject to; and

- Effectiveness of functional or user acceptance testing, including implementation test cases, execution and defects management.

Criteria used as the basis of reporting

The CoreLogic Australian Sales Hedonic Imputation Index Value, comprising the calculation of the periodic growth rate between the previous end of month being 31 May 2017, and the previous day being 13 June 2017 as presented in Section 1.3 of the technical model document, "CoreLogic Australia Residential Property Hedonic Index Series version 20.0", provided on 12 May 2017 and the description of its Amazon Web Services (AWS) Elastic Cloud Compute (EC2) system on page 3 ("the criteria").

Basis for conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 (Standard). In accordance with the Standard we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the information subject to assurance, whether due to fraud or error;

- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and

- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of procedures performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- enquiries with relevant CoreLogic Australia personnel to understand the internal controls, governance structure and reporting process of the information subject to assurance;

- reviews of relevant documentation including technical model document, R scripts;

- analytical procedures over the information subject to assurance;

- site visits to CoreLogic Australia;

- walkthroughs of the information subject to assurance to source documentation;

- evaluating the appropriateness of the criteria with respect to the information subject to assurance; and

- review of the methodology document in its entirety to ensure it is consistent with our overall knowledge of the assurance engagement.

How the Standard defines limited assurance and material misstatement

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the intended users taken on the basis of the information subject to assurance.

Use of this Assurance Report

This report has been prepared for the Model Review Committee of CoreLogic for the purpose of providing an assurance conclusion on the implementation of the Australian Sales Hedonic Imputation Index Value and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Model Review Committee of CoreLogic, or for any other purpose than that for which it was prepared.

Management's responsibility

Management are responsible for:

- determining that the criteria are appropriate to meet their needs;

- preparing and presenting the information subject to assurance in accordance with the criteria;

- establishing internal controls that enable the preparation and presentation of the information subject to assurance that is free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to perform a limited assurance engagement in relation to the implementation of the Australian Sales Hedonic Imputation Index Value, comprising the calculation of the periodic growth rate between the previous end of month being 31 May 2017, and the previous day being 13 June 2017, and to issue an assurance report that includes our conclusion.

Our independence and quality control

We have complied with our independence and other relevant ethical requirements of the Code of Ethics for Professional Accountants issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

KPMG

KPMG

Melbourne
28 July 2017