



June 7, 2013

***Foreclosure Survey Reports Improvement:
Declining Foreclosure Initiations Year-over-year and Past Due Loans
Declining in 1st Quarter 2013***

Gardiner – Bureau of Financial Institutions' Superintendent Lloyd P. LaFountain III announced today that foreclosures initiated during the 1st quarter 2013 declined by 25% year-over-year from 85 in the 1st quarter 2012 to 64 in the 1st quarter 2013. However, foreclosures initiated in the 1st quarter 2013 increased slightly from the low 4th quarter 2012 level of 52, which represents the lowest reported level since 3rd quarter 2010.

The Bureau has been surveying the 31 state-chartered banks and credit unions regarding foreclosure activity on a quarterly basis since October 2006. The data is limited to the 31 financial institutions that have been state-chartered from the end of 2006 through March 2013. It does not include data from entities not regulated by the Bureau, such as federally-chartered banks, federally-chartered credit unions and mortgage companies licensed to do business in Maine. The most recent data covers January through March 2013.

At the close of the 1st Quarter 2013, of the 60,000 first-lien mortgages held by Maine's 31 state-chartered banks and credit unions, 314 loans were in-process of foreclosure. This level remains generally unchanged compared to most quarter-end data throughout 2012, except 3rd quarter 2012 when a high of 347 loans was reported as in-process of foreclosure.

Completed foreclosures declined marginally both year-over-year and quarter-to-quarter, from 47 at 1st quarter 2012 and 46 at 4th quarter 2012, to 42 at 1st quarter 2013. Loans dropping-out of the foreclosure process, including negotiated resolutions and short sales, fell 36% from 36 in the 4th quarter 2012 to 23 in the 1st quarter 2013, the lowest level of the last six quarters.

A decline in past due loans may indicate fewer foreclosure initiations in coming quarters. The number of 1st lien mortgage delinquencies, both early and serious delinquencies, declined in 1st quarter 2013. Early delinquencies (less than 90 days past due) dropped from 888 loans in the 4th quarter 2012 to 824 loans in the 1st quarter 2013 or 15 basis points from 1.52% to 1.37%. However, the early delinquency ratio is higher than the 1st quarter 2012 level of 1.29%. More serious delinquencies (90 days or more past due) dropped from 576 loans in the 4th quarter 2012 to 514 loans in the 1st quarter 2013 or 13 basis points from 0.98% to 0.85%. Unlike the early delinquency ratio, the serious delinquency ratio is lower than the 1st quarter 2012 level of 1.02%.

Superintendent LaFountain reiterated that "foreclosure activity, while remaining above pre-recession levels, does not pose a threat to the stability of Maine's state-chartered financial institutions."

Maine Bureau of Financial Institutions
Foreclosure Release – June 7, 2013

1ST REM	12/06	12/07	12/08	12/09	12/10	12/11	12/12
Number in Process of Foreclosure at Year-End	62	120	148	226	250	306	317
Foreclosures Completed YTD	N/A	52	119	126	176	172	159
Foreclosures Initiated YTD	N/A	N/A	201	305	303	375	325
Percent of 1 st Lien REM In Process of Foreclosure at Year-End	.15%	.26%	.31%	.48%	.52%	.55%	.54%
Percent of Foreclosures Completed YTD to Average 1 st Lien REM	N/A	.12%	.25%	.27%	.37%	.34%	.28%
Percent of Foreclosures Initiated YTD to Average 1 st Lien REM	N/A	N/A	.42%	.64%	.64%	.73%	.57%

Quarterly:

1ST REM	03/12	06/12	09/12	12/12	03/13
Number in Process of Foreclosure at Quarter-End	310	315	347	317	314
Foreclosures Completed During the Quarter	47	26	40	46	42
Foreclosures Initiated During the Quarter	85	84	104	52	64
Percent of 1 st Lien REM In Process of Foreclosure at Quarter-End	.55%	.55%	.60%	.54%	.52%
Percent of Foreclosures Completed During the Quarter to 1 st Lien REM	.08%	.05%	.07%	.08%	.07%
Percent of Foreclosures Initiated During the Quarter to 1 st Lien REM	.15%	.15%	.18%	.09%	.11%