



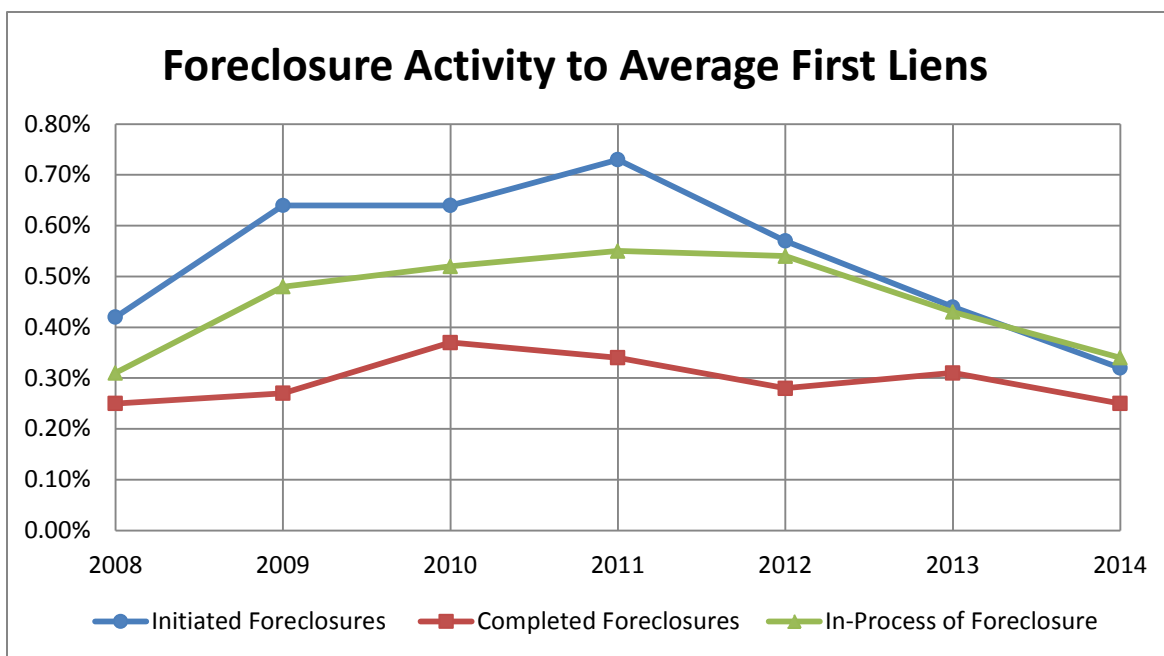
February 24, 2015

Annual Foreclosure Filings Decline 22% for State-Chartered Financial Institutions and Total Delinquencies Fall Below 2%

Gardiner – Bureau of Financial Institutions’ Superintendent Lloyd P. LaFountain III announced today that initiated foreclosure filings at state-chartered financial institutions dropped 22% in 2014 from those filed in 2013, continuing the declining trend for the third consecutive year and representing the lowest number of annual filings since 2008. Further, total delinquencies fell from 2.28% of first-lien mortgages at year-end 2013 to 1.87% at year-end 2014, suggesting an improving economy and the increasing capacity of borrowers to fulfill mortgage obligations.

The Bureau has been surveying the 31 state-chartered banks and credit unions regarding foreclosure activity quarterly since fourth quarter 2006. The data is limited to the 31 financial institutions that have been state-chartered from year-end 2006 through year-end 2014. 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.

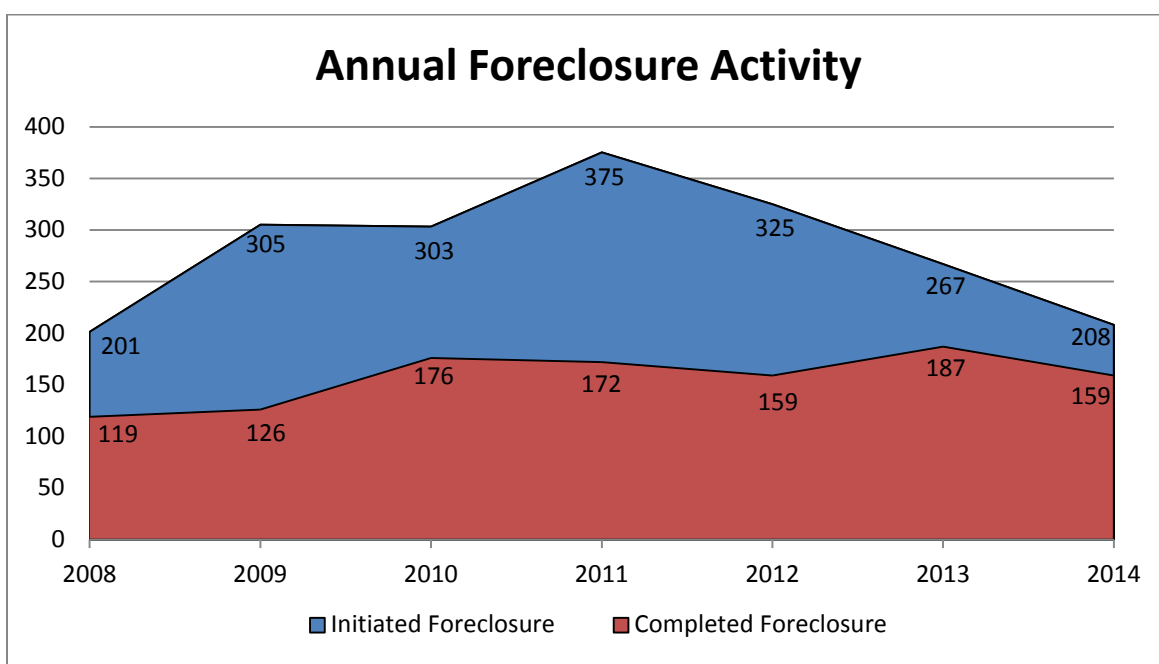
At the close of 2014, Maine’s 31 state-chartered banks and credit unions held 66,000 first-lien mortgages. Of those first-lien mortgages held, 223 were in-process of foreclosure. This level, representing 0.34% of first-lien mortgages, declined for the third consecutive year from the high annual rate of 0.55% reported in 2011.



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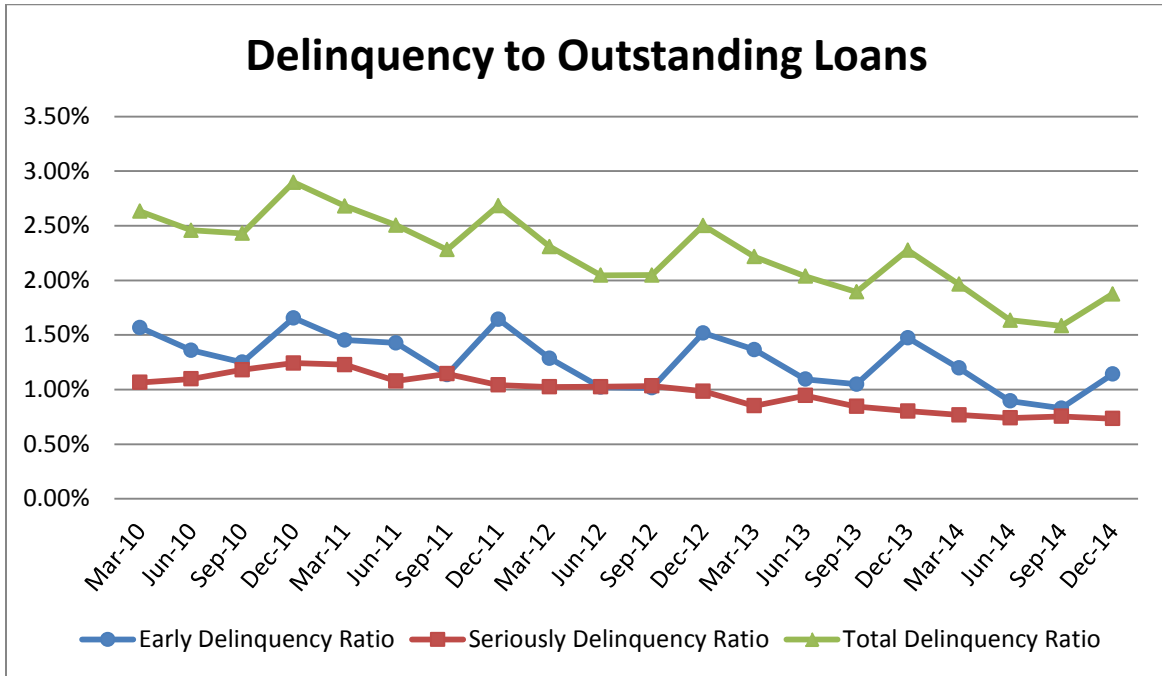
The Foreclosure Activity to Average First Liens chart depicts the decline of both mortgages in-process of foreclosure (green line) and initiated foreclosures (blue line) from 2008 through 2014. As noted, the level of initiated foreclosures reached a high of 0.73% in 2011 before subsequently declining for the next three consecutive years. In 2014, annual initiated foreclosures, at 0.32%, fell below annual mortgages in-process of foreclosure. The chart also depicts the somewhat stable level of completed foreclosures, at 0.25% of first-lien mortgages. This level is lower than the observed average of 0.30% over the past seven years.

Initiated foreclosures totaled 208 in 2014, representing a continued decline from the peak of 375 reported in 2011. Completed foreclosures totaled 159 in 2014, a number nearly identical to the seven-year average of 157. As the Annual Foreclosure Activity chart displays, the total initiated foreclosures in 2014 (208) now closely corresponds to the total initiated foreclosures in 2008 (201), the year the recession began to adversely impact Maine foreclosure rates.



The early delinquency ratio (less than 90 days past due) increased in the fourth quarter as anticipated based on seasonal trends; however, it experienced the largest year-end decline of the past five years. The fourth quarter early delinquency ratio was approximately 1.50% of first-lien mortgages for year-ends 2010 through 2013, and then declined 33 basis points (“BP”) to 1.14% at year-end 2014. Historically, early delinquencies spike in the fourth quarter and improve progressively through the year, reaching the calendar-year low in the third quarter. This is likely a result of borrowers falling behind on their mortgage obligations due to seasonal expenses and then recovering in the following months.

The more serious delinquency ratio (90 days or more past due), representing 0.73% of first-lien mortgages at year-end 2014, does not depict seasonal fluctuations and continues to improve quarterly from a high of 1.24% at year-end 2010.



The total delinquency ratio increased at year-end, as anticipated due to the seasonality in the early delinquency ratio. However, like the early delinquency ratio, the total delinquency ratio improved 41 BP from 2.28% at year-end 2013 to 1.87% at year-end 2014.

Superintendent LaFountain reiterated that “foreclosure activity continues to show improvement toward pre-recessionary levels and does not pose a threat to the stability of Maine’s state-chartered financial institutions.”

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Annually:

1ST REM	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14
Number in Process of Foreclosure at Year-End	148	226	250	306	317	271	223
Foreclosures Completed YTD	119	126	176	172	159	187	159
Foreclosures Initiated YTD	201	305	303	375	325	267	208
Percent of 1 st Lien REM In Process of Foreclosure at Year-End	0.31%	0.48%	0.52%	0.55%	0.54%	0.43%	0.34%
Percent of Foreclosures Completed YTD to Average 1 st Lien REM	0.25%	0.27%	0.37%	0.34%	0.28%	0.31%	0.25%
Percent of Foreclosures Initiated YTD to Average 1 st Lien REM	0.42%	0.64%	0.64%	0.73%	0.57%	0.44%	0.32%

Quarterly:

1ST REM	Dec-13	Mar-14	Jun-14	Sept-14	Dec-14
Number in Process of Foreclosure at Quarter-End	271	251	238	223	223
Foreclosures Completed During the Quarter	37	41	53	31	34
Foreclosures Initiated During the Quarter	72	53	60	34	61
Percent of 1 st Lien REM In Process of Foreclosure at Quarter-End	0.43%	0.40%	0.37%	0.34%	0.34%
Percent of Foreclosures Completed During the Quarter to 1 st Lien REM	0.06%	0.07%	0.08%	0.05%	0.05%
Percent of Foreclosures Initiated During the Quarter to 1 st Lien REM	0.11%	0.08%	0.09%	0.05%	0.09%