



**March 14, 2013**

## ***Foreclosures Initiated and Loans in Process of Foreclosure Decline Significantly During 4<sup>th</sup> Quarter 2012***

Gardiner – Bureau of Financial Institutions' Superintendent Lloyd P. LaFountain III announced today that foreclosures initiated during the 4<sup>th</sup> quarter 2012 declined by 50% from 104 in the 3<sup>rd</sup> to 52 in the 4<sup>th</sup> quarter. Foreclosures Initiated for the calendar year also declined from 375 in 2011 to 325 in 2012, with the resulting percentage of foreclosure initiations to outstanding mortgages dropping from .73% to .57%, a decline of 16 basis points. This is the lowest percentage of 4<sup>th</sup> quarter foreclosure initiations since calendar year 2008.

Completed foreclosures increased modestly during the 4<sup>th</sup> quarter, from 40 to 46, although the rate of foreclosures remained virtually unchanged at .08% of outstanding 1<sup>st</sup> lien residential mortgages.

At the close of the 4<sup>th</sup> quarter, of the 58,500 first mortgages held by the 31 state-chartered banks and credit unions, there were 317 loans in the process of foreclosure. This is a decrease from 347 in the prior quarter and is the largest single quarter drop of loans in process of foreclosure since the Bureau began tracking foreclosures in 2006.

The number of delinquent 1<sup>st</sup> lien residential mortgages that were less than 90 days past due increased by over 300 mortgages, from 585 to 888, or 50 basis points from 1.02% to 1.52%. While increased delinquency for loans less than 90 days past due at year-end has been noted since December, 2009, this ratio, at 1.52%, is 12 basis points below the average delinquency rate of the last 3 year-ends. Those loans that are more seriously delinquent, 90 days or more past due, decreased slightly from 595 to 576, with the corresponding delinquency ratio decreasing from 1.03% to .98%. This ratio is 14 basis points below that of the average delinquency rate of the last 3 year-ends.

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 December 2012. 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 October through December 2012.

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

Maine Bureau of Financial Institutions  
Foreclosure Release – March 14, 2013

<b>1<sup>ST</sup> REM</b>	<b>12/06</b>	<b>12/07</b>	<b>12/08</b>	<b>12/09</b>	<b>12/10</b>	<b>12/11</b>	<b>12/12</b>
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 <sup>st</sup> Lien REM In Process of Foreclosure at Year-End	.15%	.26%	.31%	.48%	.52%	.55%	.54%
Percent of Foreclosures Completed YTD to Average 1 <sup>st</sup> Lien REM	N/A	.12%	.25%	.27%	.37%	.34%	.28%
Percent of Foreclosures Initiated YTD to Average 1 <sup>st</sup> Lien REM	N/A	N/A	.42%	.64%	.64%	.73%	.57%

**QUARTERLY:**

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