



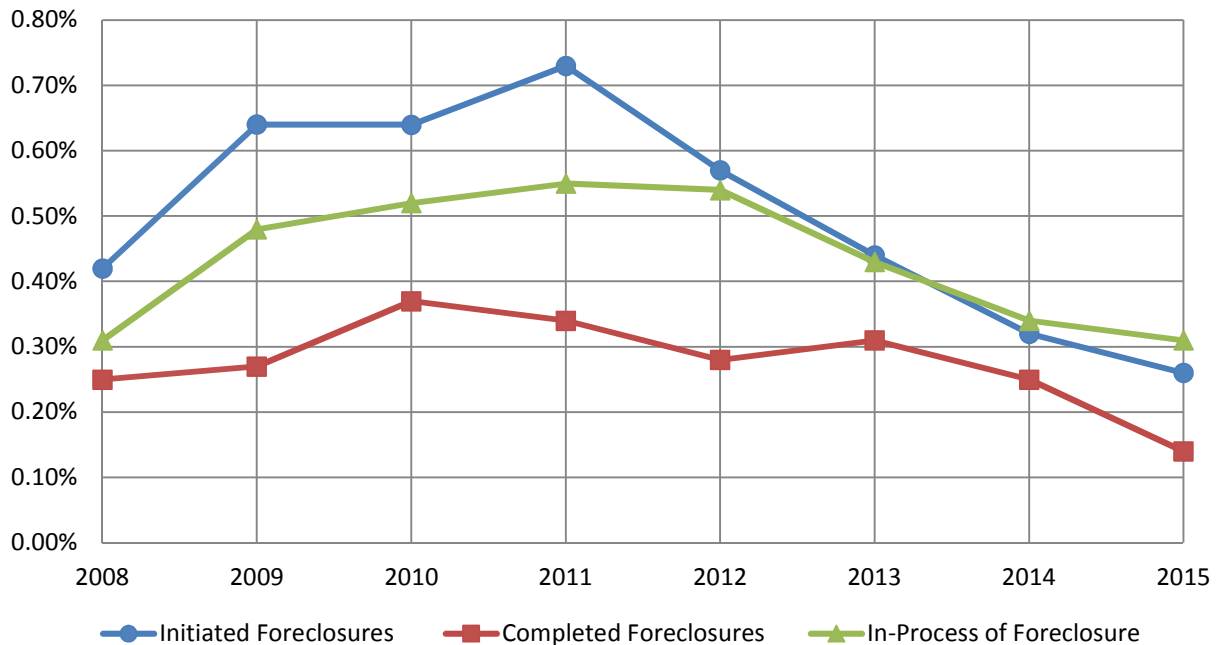
February 25, 2016

Foreclosure Filings Drop for the Fourth Year At State-Chartered Financial Institutions

Gardiner – Bureau of Financial Institutions’ Superintendent Lloyd P. LaFountain III announced today that initiated foreclosure filings at state-chartered financial institutions continue to drop and have held below the 2008 level for two consecutive years. That level is significant because 2008 is when Maine’s financial institutions began to report a noticeable increase in foreclosure filings. Initiated foreclosures increased over the next three years, peaking at 0.73% of first-lien mortgages in 2011, before subsequently declining for the next four years.

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 2015. 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.

Foreclosure Activity to Average First Liens



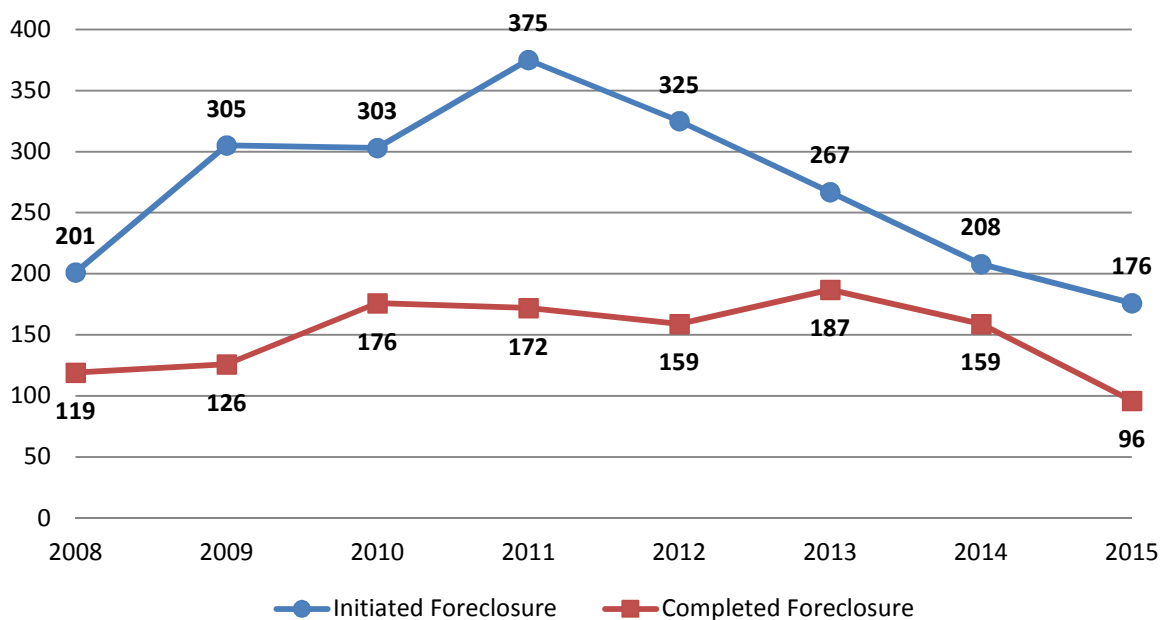
At the close of 2015, Maine’s 31 state-chartered banks and credit unions held 69,000 first-lien mortgages. Of the 69,000 mortgages, 217 were in-process of foreclosure. This level, representing 0.31% of first-lien mortgages, declined for the fourth consecutive year from the high

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annual rate of 0.55% reported at year-end 2011 and currently represents the lowest level of loans in-process of foreclosure since year-end 2008.

The Foreclosure Activity to Average First Liens chart (on page 1) depicts the decline of both mortgages in-process of foreclosure (green line with triangles) and initiated foreclosures (blue line with circles) from 2011 through 2015. Additionally, the level of initiated foreclosures dropped below the level of loans in-process of foreclosure in 2014, and continued to drop further in 2015. As initiated foreclosure filings decline the level of loans in-process of foreclosure, although lagging, also decline. The same chart also depicts the declining level of completed foreclosures (red line with squares) since 2013, which fell to 0.14% of first-lien mortgages at year-end 2015. This trend also correlates to the significant decline of initiated foreclosures, which began in 2012.

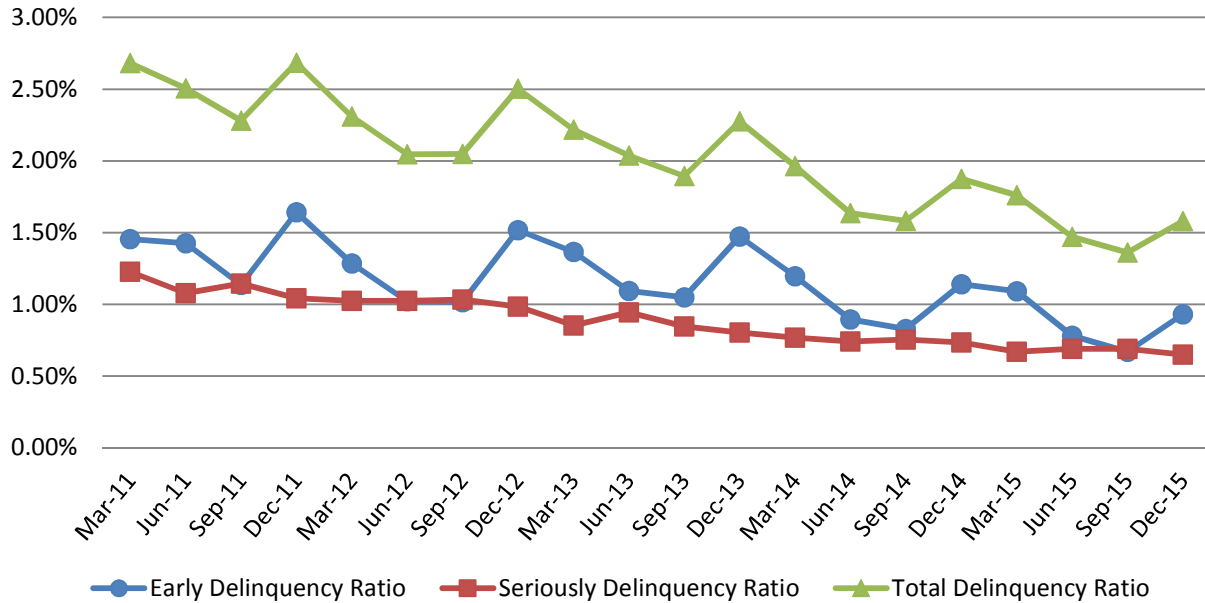
Annual Foreclosure Activity



Initiated foreclosures totaled 176 in 2015, representing a continued decline from the peak of 375 reported in 2011. Completed foreclosures totaled 96 in 2015, a decline from the peak of 187 in 2013 and the lowest level since 2007. The Annual Foreclosure Activity chart reports the number of initiated foreclosures and completed foreclosures for each of the last eight calendar years. It does not reflect the growth in the number of outstanding first-lien mortgages held by Maine’s state-chartered financial institutions, which increased by 20,000 loans, or 45%, during this eight-year period.

As anticipated, the early delinquency ratio (less than 90 days past due) increased in the fourth quarter 2015 based on historical seasonal trends observed in the delinquency reporting, which the Bureau added to the Survey in 2009. The fourth quarter early delinquency ratio was approximately 1.50% of first-lien mortgages for year-ends 2010 (not depicted) through 2013, then declined 33 basis points (“BP”) to 1.14% at year-end 2014, before falling under 1% at year-end 2015. Historically, early delinquencies spike in the fourth quarter and improve progressively throughout the next year, reaching calendar-year lows in the third quarter. This trend is likely a result of borrowers falling behind on their mortgage obligations due to seasonal expenses and then recovering in the following months.

Delinquency to Outstanding Loans



The more serious delinquency ratio (90 days or more past due), representing 0.65% of first-lien mortgages at year-end 2015, historically has not exhibited seasonal fluctuations and continues to improve quarterly from a high of 1.24% at year-end 2010 (not included on the chart above).

The total delinquency ratio increased at year-end, as anticipated, due to the seasonality of the early delinquency ratio. However, the ratio declined 29 BP from 1.87% at year-end 2014 to 1.58% at year-end 2015.

Superintendent LaFountain indicated that “foreclosure activity at Maine’s state-chartered institutions has steadily declined over the past four years and has reached pre-recessionary levels for Maine’s state-chartered institutions.”

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Annually:

1ST Position REM	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15
Number in Process of Foreclosure at Year-End	148	226	250	306	317	271	223	217
Foreclosures Completed YTD	119	126	176	172	159	187	159	96
Foreclosures Initiated YTD	201	305	303	375	325	267	208	176
In Process of Foreclosure at Year-End	0.31%	0.48%	0.52%	0.55%	0.54%	0.43%	0.34%	0.31%
Completed Foreclosures YTD to Average REM	0.25%	0.27%	0.37%	0.34%	0.28%	0.31%	0.25%	0.14%
Initiated Foreclosures YTD to Average REM	0.42%	0.64%	0.64%	0.73%	0.57%	0.44%	0.32%	0.26%

Quarterly:

1ST Position REM	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15
Number in Process of Foreclosure at Quarter-End	223	227	230	229	217
Foreclosures Completed During the Quarter	34	17	19	25	35
Foreclosures Initiated During the Quarter	61	47	44	43	41
In Process of Foreclosure at Quarter-End	0.34%	0.34%	0.34%	0.33%	0.31%
Foreclosures Completed During the Quarter to 1 st Lien REM	0.05%	0.03%	0.03%	0.04%	0.05%
Foreclosures Initiated During the Quarter to 1 st Lien REM	0.09%	0.07%	0.07%	0.06%	0.06%