

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
DEPARTMENT OF PROFESSIONAL  
AND FINANCIAL REGULATION  
BUREAU OF CONSUMER CREDIT PROTECTION  
35 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0035

Janet T. Mills  
GOVERNOR

William N. Lund  
SUPERINTENDENT

**TO:** Joint Standing Committee on Health Coverage, Insurance and  
Financial Services

**FROM:** William N. Lund, Superintendent  
Bureau of Consumer Credit Protection

**RE:** Foreclosure Assistance and Referral Program – 37th Periodic Report  
(Covering the period January 1, 2019 – March 31, 2019)

**DATE:** May 28, 2019

## INTRODUCTION

Title 14 M.R.S. § 6111 requires mortgage lenders and/or servicers to provide a “notice of right to cure” (also referred to herein as a “default notice”) to any homeowner in default on their mortgage, prior to commencing a foreclosure action in court. The section further requires the lender and/or servicer to notify the Bureau of Consumer Credit Protection of each homeowner’s name and address, so the Bureau can mail an informational letter to the homeowner, advising the homeowner of the availability of state resources to assist the homeowner with the pre-foreclosure and foreclosure process.



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Title 14 M.R.S. §6111(3-B) requires the Bureau to draft a quarterly report to the Joint Standing Committee on Health Coverage, Insurance and Financial Services (HCIFS) listing the number of default notices sent to Maine residents by their lenders or servicers. In addition, each report provides information on what types of creditors are initiating foreclosures in Maine, including those actions filed by national banks, non-bank mortgage companies and investment trusts, as well as statistics on the foreclosure activity of state-chartered banks, using data provided by Maine’s Bureau of Financial Institutions.

### **DEFAULT NOTICES MAILED TO HOMEOWNERS**

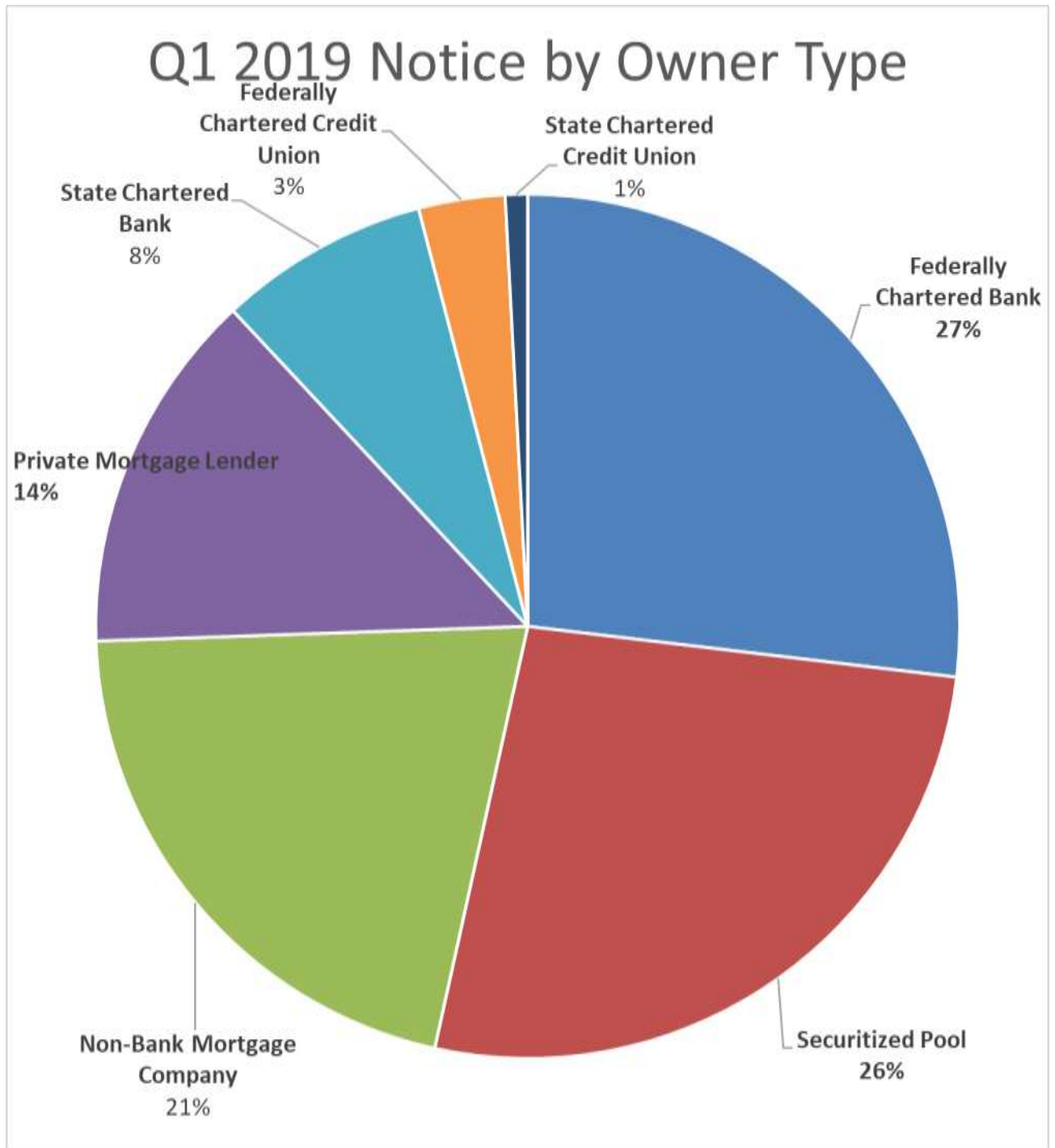
The following chart shows the number and breakdown of default notices filed by different types of creditors in the last quarter.

Type	Jan-19	Feb-19	Mar-19
State Chartered Bank	150	89	110
State Chartered Credit Union	24	10	3
Federally Chartered Bank	556	285	348
Federally Chartered Credit Union	58	40	45
Securitized Pool	514	227	435
Private Mortgage Lender	238	115	248
Non-Bank Mortgage Company	479	231	219
<b>TOTAL</b>	<b>2019</b>	<b>997</b>	<b>1408</b>

The next chart shows the number of default notices filed by county for the quarter.

<b>County</b>	<b>Jan-19</b>	<b>Feb-19</b>	<b>Mar-19</b>
<b>Androscoggin</b>	151	78	114
<b>Aroostook</b>	71	23	44
<b>Cumberland</b>	326	192	245
<b>Franklin</b>	37	9	25
<b>Hancock</b>	68	48	69
<b>Kennebec</b>	158	90	103
<b>Knox</b>	55	21	40
<b>Lincoln</b>	65	28	45
<b>Oxford</b>	131	49	62
<b>Penobscot</b>	226	142	168
<b>Piscataquis</b>	30	16	24
<b>Sagadahoc</b>	89	42	55
<b>Somerset</b>	70	42	43
<b>Waldo</b>	66	26	52
<b>Washington</b>	63	19	47
<b>York</b>	413	172	272
<b>Total</b>	<b>2019</b>	<b>997</b>	<b>1408</b>

The pie chart which follows illustrates graphically the breakdown of notices filed by each type of lender.



## FORECLOSURE CASES FILED IN COURT

The following chart shows the total number of foreclosure cases filed in court in the last year by quarter, as well as a breakdown of the number filed in each court in the state.

Region/Court	2nd Qtr Apr- Jun 2018	3rd Qtr Jul-Sep 2018	4th Qtr Oct-Dec 2018	1st Qtr Jan- Mar 2019	CY 18/19  TOTAL
<b>STATEWIDE TOTAL</b>	<b>570</b>	<b>531</b>	<b>379</b>	<b>389</b>	<b>1869</b>
Alfred Superior Court	15	11	7	14	47
Biddeford District Court	25	18	10	4	57
Springvale District Court	40	40	25	15	120
York District Court	7	14	8	27	56
<b>Region 1 Subtotal</b>	<b>87</b>	<b>83</b>	<b>50</b>	<b>60</b>	<b>280</b>
Bridgton District Court	20	22	16	37	95
Portland District Court	0	0	0	10	10
Portland Superior Court	58	54	0	0	112
<b>Region 2 Subtotal</b>	<b>78</b>	<b>76</b>	<b>16</b>	<b>47</b>	<b>217</b>
Auburn Superior Court	4	9	7	8	28
Farmington District Court	6	9	6	10	31
Farmington Superior Court	2	0	3	1	6
Lewiston District Court	53	41	28	21	143
Livermore Falls District Court	0	0	0	0	0
Rumford District Court	10	4	7	4	25
South Paris District Court	14	10	7	6	37
South Paris Superior Court	4	6	6	5	21
<b>Region 3 Subtotal</b>	<b>93</b>	<b>79</b>	<b>64</b>	<b>55</b>	<b>291</b>
Augusta District Court	30	17	23	16	86
Augusta Superior Court	5	16	13	8	42
Skowhegan District Court	17	19	14	14	64
Skowhegan Superior Court	3	4	4	6	17
Waterville District Court	14	19	14	9	56
<b>Region 4 Subtotal</b>	<b>69</b>	<b>75</b>	<b>68</b>	<b>53</b>	<b>265</b>

Bangor District Court	32	47	23	20	<b>122</b>
Bangor Superior Court	14	13	18	11	<b>56</b>
Dover Foxcroft District Court	1	8	9	10	<b>28</b>
Dover Foxcroft Superior Court	2	2	3	1	<b>8</b>
Lincoln District Court	22	3	12	9	<b>46</b>
Millinocket District Court	0	0	0	0	<b>0</b>
Newport District Court	20	17	15	11	<b>63</b>
<b>Region 5 Subtotal</b>	<b>91</b>	<b>90</b>	<b>80</b>	<b>62</b>	<b>323</b>
Bath Superior Court	4	3	2	2	<b>11</b>
Belfast District Court	18	12	8	5	<b>43</b>
Belfast Superior Court	3	3	1	3	<b>10</b>
Rockland District Court	11	10	11	9	<b>41</b>
Rockland Superior Court	8	4	2	5	<b>19</b>
West Bath District Court	20	9	7	7	<b>43</b>
Wiscasset District Court	17	12	5	12	<b>46</b>
Wiscasset Superior Court	2	6	2	6	<b>16</b>
<b>Region 6 Subtotal</b>	<b>83</b>	<b>59</b>	<b>38</b>	<b>49</b>	<b>229</b>
Bar Harbor District Court	0	0	0	0	<b>0</b>
Calais District Court	6	1	6	4	<b>17</b>
Ellsworth District Court	15	24	14	17	<b>70</b>
Ellsworth Superior Court	7	2	5	3	<b>17</b>
Machias District Court	8	6	2	5	<b>21</b>
Machias Superior Court	3	12	15	4	<b>34</b>
<b>Region 7 Subtotal</b>	<b>39</b>	<b>45</b>	<b>42</b>	<b>33</b>	<b>159</b>
Caribou District Court	0	1	2	0	<b>3</b>
Caribou Superior Court	19	11	13	19	<b>62</b>
Fort Kent District Court	2	0	3	0	<b>5</b>
Houlton District Court	2	2	1	3	<b>8</b>
Houlton Superior Court	3	7	1	6	<b>17</b>
Madawaska District Court	0	0	0	0	<b>0</b>
Presque Isle District Court	4	3	1	2	<b>10</b>
<b>Region 8 Subtotal</b>	<b>30</b>	<b>24</b>	<b>21</b>	<b>30</b>	<b>105</b>

## **INFORMATION FROM OTHER SOURCES**

*Loan Performance Insights Through February 2019*, a publication by Corelogic, a global property information and analytics company, reported that the rate of residential mortgage loans 30 days or more in default nationally was 4%, down from 4.8% one year earlier. The report indicates that delinquency rates are at their lowest level in almost 2 decades, and no state has had an increase in its foreclosure inventory so far in 2019.

Maine's rate of loans 90 days or more in default also dropped again, from 2.3% at the time of our last report, to 2.2%.

## **COUNSELOR ACTIVITY**

For the three months covered by this report, the Bureau assigned 95 households to counselors for assistance because of calls received on the "Foreclosure Hotline" 1-888-664-2569 (1-888-NO-4-CLÖZ). Three additional homeowners contacted counselors directly as the result of receiving the foreclosure outreach packet mailed by the Bureau. Counselors also took on cases for 103 other homeowners based on referrals from other sources such as person-to-person referrals, U. S. Senate or Congressional Offices, State Senators and Representatives, and other government agencies.

The efforts of counselors under contract to the Bureau resulted in 59 homeowners being able to remain in their homes. Two homeowners refinanced the home, 38 homeowners received loan modifications, five families received an FHA partial claim payment (a program in which the FHA as guarantor of the loans pays off the arrearage on the loan and takes what is called a "soft-second" mortgage for the amount paid which is not due until the property is sold or the mortgage is paid off), and fourteen homeowners were able to bring their mortgages current.

An additional seven homeowners were assisted in making an orderly and less-damaging exit from their homes. Four families sold their homes and satisfied the mortgages, and three transferred the home to the lenders under deed-in-lieu agreements.