

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)



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 – 39th Periodic Report (Covering
period July 1, 2019 – September 30, 2019)

DATE: January 3, 2020

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, 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.

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 statistics 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.



PRINTED ON RECYCLED PAPER

PHONE: (207)624-8527 (Voice)

OFFICES LOCATED AT:
76 NORTHERN AVENUE, GARDINER, MAINE

FAX: (207)582-7699

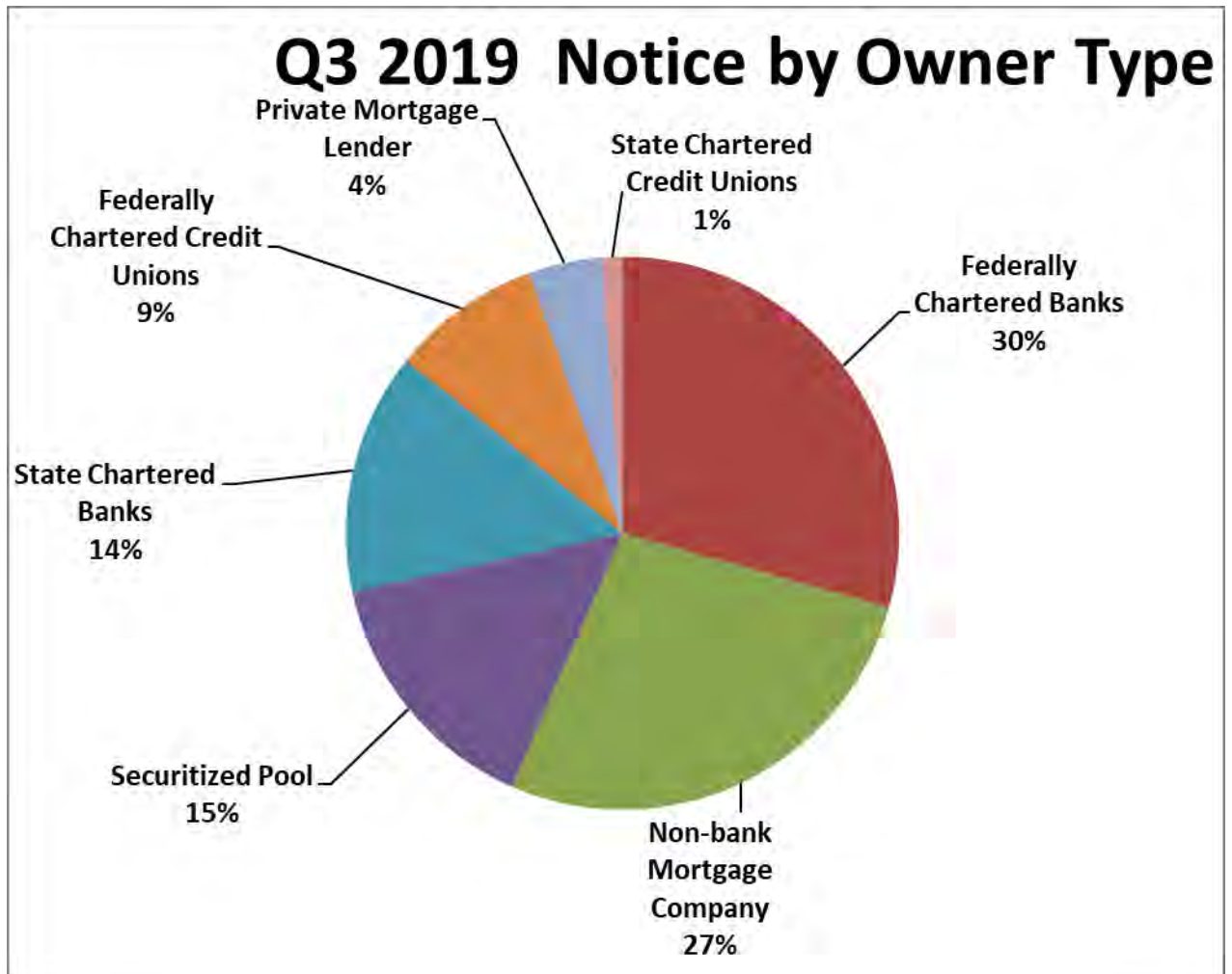
TTY USERS CALL MAINE RELAY 711
INTERNET: www.Credit.Maine.Gov

Type	Jul-19	Aug-19	Sep-19
Federally Chartered Banks	474	678	532
Non-Bank Mortgage Company	353	401	809
Securitized Pool	267	220	375
State Chartered Banks	286	276	250
Federally Chartered Credit Unions	182	177	146
Private Mortgage Lender	73	83	89
State Chartered Credit Unions	19	25	26
Total:	1654	1860	2227

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

County	Jul-19	Aug-19	Sep-19
Androscoggin	160	119	188
Aroostook	58	81	98
Cumberland	286	314	359
Franklin	35	36	71
Hancock	90	59	67
Kennebec	129	159	173
Knox	49	59	63
Lincoln	73	68	59
Oxford	99	109	132
Penobscot	152	223	245
Piscataquis	23	50	57
Sagadahoc	80	70	85
Somerset	47	70	95
Waldo	54	46	56
Washington	32	78	75
York	287	319	404
	1654	1860	2227

The pie chart below 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	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	CY 2019
	Oct-Dec 2018	Jan-Mar 2019	Apr-Jun 2019	Jul-Sep 2019	TOTAL
STATEWIDE TOTAL	379	389	405	454	1627
Alfred Superior Court	7	14	8	9	38
Biddeford District Court	10	15	21	14	60
Springvale District Court	25	27	18	24	94
York District Court	8	4	4	6	22
Region 1 Subtotal	50	60	51	53	214
Bridgton District Court	16	10	11	20	57
Portland District Court	0	0	0	0	0
Portland Superior Court	0	37	42	45	124
Region 2 Subtotal	16	47	53	65	181
Auburn Superior Court	7	8	4	10	29
Farmington District Court	6	10	7	7	30
Farmington Superior Court	3	1	1	3	8
Lewiston District Court	28	21	21	32	102
Livermore Falls District Court	0	0	0	0	0
Rumford District Court	7	4	4	2	17
South Paris District Court	7	6	9	17	39
South Paris Superior Court	6	5	2	5	18
Region 3 Subtotal	64	55	48	76	243
Augusta District Court	23	16	28	19	86
Augusta Superior Court	13	8	17	9	47
Skowhegan District Court	14	14	12	23	63
Skowhegan Superior Court	4	6	5	4	19
Waterville District Court	14	9	9	18	50
Region 4 Subtotal	68	53	71	73	265
Bangor District Court	23	20	22	15	80
Bangor Superior Court	18	11	12	18	59
Dover Foxcroft District Court	9	10	7	8	34

Dover Foxcroft Superior Court	3	1	1	3	8
Lincoln District Court	12	9	4	10	35
Millinocket District Court	0	0	0	0	0
Newport District Court	15	11	13	11	50
Region 5 Subtotal	80	62	59	65	266
Bath Superior Court	2	2	1	4	9
Belfast District Court	8	5	12	14	39
Belfast Superior Court	1	3	8	3	15
Rockland District Court	11	9	10	6	36
Rockland Superior Court	2	5	4	5	16
West Bath District Court	7	7	14	10	38
Wiscasset District Court	5	12	3	12	32
Wiscasset Superior Court	2	6	5	3	16
Region 6 Subtotal	38	49	57	57	201
Bar Harbor District Court	0	0	0	0	0
Calais District Court	6	4	5	4	19
Ellsworth District Court	14	17	10	17	58
Ellsworth Superior Court	5	3	6	4	18
Machias District Court	2	5	6	8	21
Machias Superior Court	15	4	9	4	32
Region 7 Subtotal	42	33	36	37	148
Caribou District Court	2	0	2	2	6
Caribou Superior Court	13	19	23	15	70
Fort Kent District Court	3	0	0	1	4
Houlton District Court	1	3	0	0	4
Houlton Superior Court	1	6	5	9	21
Madawaska District Court	0	0	0	0	0
Presque Isle District Court	1	2	0	1	4
Region 8 Subtotal	21	30	30	28	109

INFORMATION FROM OTHER SOURCES

Loan Performance Insights Through September, 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 3.8%, down from 4.4% 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. The serious delinquency rate nationwide (90 days or more in arrears) is at its lowest level in 14 years.

Maine's rate of loans 90 days or more in default also dropped again, from 2.2%, at the time of our last report, to 2.0%.

COUNSELOR ACTIVITY

The Bureau directly assigned 96 households to counselors for assistance because of calls received on the "Foreclosure Hotline" 1-888-664-2569 (1-888-NO-4-CLÖZ). Two additional homeowners contacted counselors directly as the result of receiving the foreclosure outreach packet mailed by the Bureau. Counselors also took on cases for 87 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 47 homeowners being able to remain in their homes. Two homeowners refinanced the home, 28 homeowners received loan modifications, 2 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 15 homeowners were able to bring their mortgages current.

An additional 14 homeowners were assisted in making an orderly and less-damaging exit from their homes. Five families sold their home and satisfied the mortgage, 7 transferred the home to the lender under a deed-in-lieu agreement and 2 sold the home as a "short-sale" in which the lender allows the home to be sold for less than is owed on the mortgage, often forgiving any arrearage.