

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 – 41st Periodic Report
(Covering the period January 1, 2020 – March 31, 2020)

DATE: June 23, 2020

INTRODUCTION

Title 14 M.R.S. § 6111 requires mortgage lenders 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 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 process and the 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.



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DEFAULT NOTICES MAILED TO HOMEOWNERS

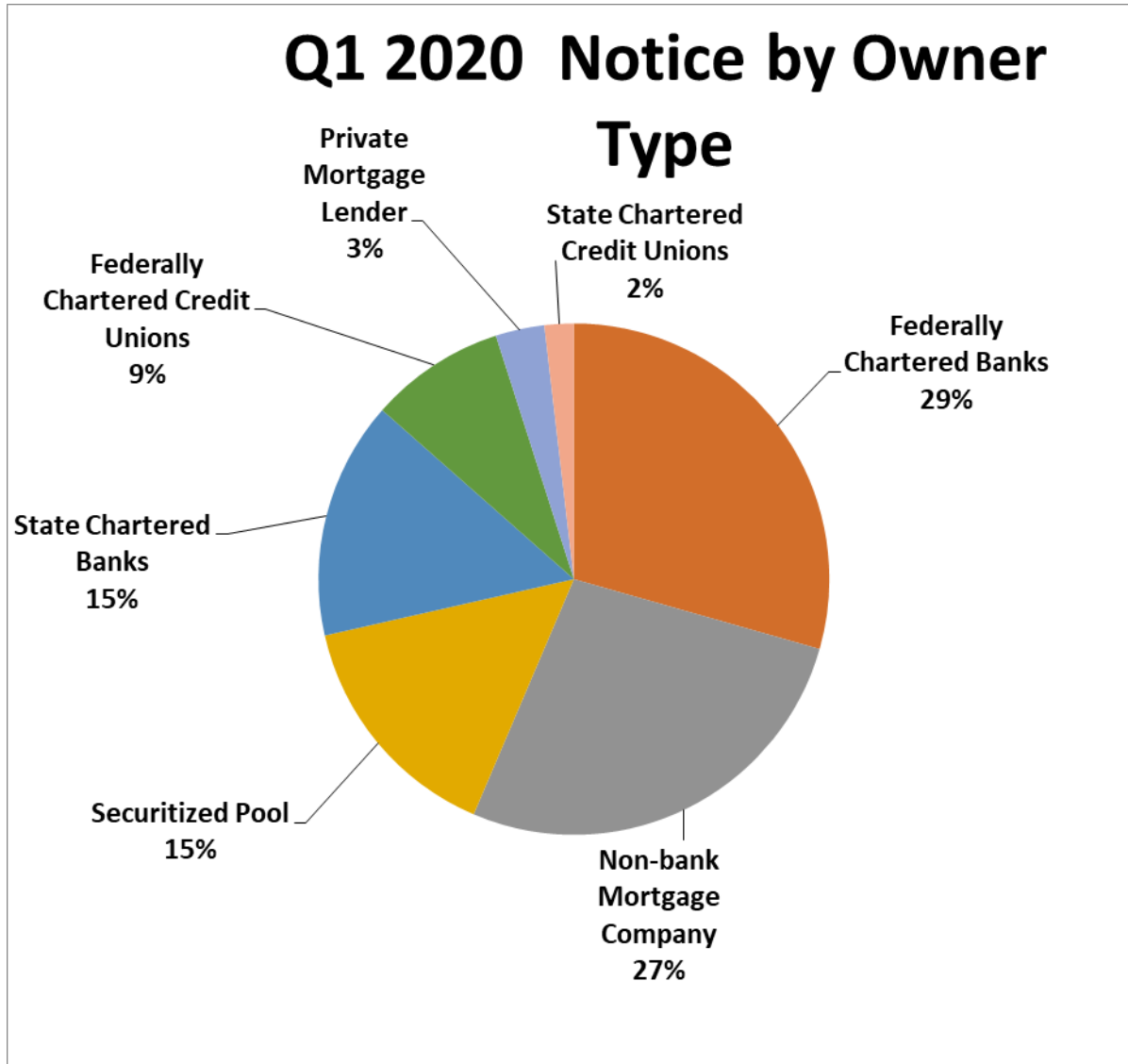
The following chart shows the number and breakdown of default notices filed by different types of creditors in the last quarter.

Type	Jan-20	Feb-20	Mar-20
Federally Chartered Banks	716	535	384
Non-bank Mortgage Company	687	522	293
Securitized Pool	324	382	216
State Chartered Banks	328	233	275
Federally Chartered Credit Unions	188	151	137
Private Mortgage Lender	92	45	35
State Chartered Credit Unions	25	42	14
Total:	2360	1911	1354

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

County	Jan-20	Feb-20	Mar-20
Androscoggin	207	161	117
Aroostook	103	88	77
Cumberland	354	327	213
Franklin	44	59	25
Hancock	100	79	62
Kennebec	193	148	86
Knox	64	60	44
Lincoln	80	68	28
Oxford	143	97	82
Penobscot	287	177	161
Piscataquis	26	25	16
Sagadahoc	90	78	58
Somerset	98	90	47
Waldo	79	59	45
Washington	65	33	38
York	427	362	255
Total	2360	1911	1354

This pie chart illustrates 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	3rd Qtr	4th Qtr	1st Qtr	CY 2020 TOTAL
	Apr- Jun 2019	Jul-Sep 2019	Oct-Dec 2019	Jan- Mar 2020	
STATEWIDE TOTAL	405	454	416	347	1622
Alfred Superior Court	8	9	4	9	30
Biddeford District Court	21	14	13	13	61
Springvale District Court	18	24	27	28	97
York District Court	4	6	10	5	25
Region 1 Subtotal	51	53	54	55	213
Bridgton District Court	11	20	13	13	57
Portland District Court	0	0	0	0	0
Portland Superior Court	42	45	51	29	167
Region 2 Subtotal	53	65	64	42	224
Auburn Superior Court	4	10	2	6	22
Farmington District Court	7	7	14	5	33
Farmington Superior Court	1	3	1	1	6
Lewiston District Court	21	32	27	25	105
Livermore Falls District Court	0	0	0	0	0
Rumford District Court	4	2	9	5	20
South Paris District Court	9	17	16	4	46
South Paris Superior Court	2	5	8	4	19
Region 3 Subtotal	48	76	77	50	251
Augusta District Court	28	19	11	21	79
Augusta Superior Court	17	9	12	7	45
Skowhegan District Court	12	23	17	11	63
Skowhegan Superior Court	5	4	3	3	15
Waterville District Court	9	18	6	10	43
Region 4 Subtotal	71	73	49	52	245
Bangor District Court	22	15	30	22	89
Bangor Superior Court	12	18	10	8	48
Dover Foxcroft District Court	7	8	5	8	28

Dover Foxcroft Superior Court	1	3	1	1	6
Lincoln District Court	4	10	6	10	30
Millinocket District Court	0	0	0	0	0
Newport District Court	13	11	10	9	43
Region 5 Subtotal	59	65	62	58	244
Bath Superior Court	1	4	1	1	7
Belfast District Court	12	14	15	6	47
Belfast Superior Court	8	3	1	4	16
Rockland District Court	10	6	6	4	26
Rockland Superior Court	4	5	4	5	18
West Bath District Court	14	10	13	4	41
Wiscasset District Court	3	12	10	8	33
Wiscasset Superior Court	5	3	1	0	9
Region 6 Subtotal	57	57	51	32	197
Bar Harbor District Court	0	0	0	0	0
Calais District Court	5	4	6	3	18
Ellsworth District Court	10	17	15	9	51
Ellsworth Superior Court	6	4	1	4	15
Machias District Court	6	8	3	4	21
Machias Superior Court	9	4	6	7	26
Region 7 Subtotal	36	37	31	27	131
Caribou District Court	2	2	1	4	9
Caribou Superior Court	23	15	21	15	74
Fort Kent District Court	0	1	0	1	2
Houlton District Court	0	0	2	0	2
Houlton Superior Court	5	9	2	5	21
Madawaska District Court	0	0	0	0	0
Presque Isle District Court	0	1	2	6	9
Region 8 Subtotal	30	28	28	31	117

INFORMATION FROM OTHER SOURCES

Loan Performance Insights Through March, 2020, 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 3.6%, down from 4.0% one year earlier. The serious delinquency rate nationwide (90 days or more in arrears) was 0.3%, the same as in 2019. No state saw an increase in the seriously delinquent rate. Maine's rate of loans 90 days or more in default also dropped to 1.7%, down from 1.9% at the time of our last report in December of 2019 and down from 2.2% a year earlier.

COUNSELOR ACTIVITY

This quarter, the Bureau directly assigned 86 households to counselors for assistance as the result of calls received on the "Foreclosure Hotline" 1-888-664-2569 (1-888-NO-4-CLÖZ). One additional homeowner contacted counselors directly as the result of receiving the foreclosure outreach packet mailed by the Bureau. Counselors also took on cases for 96 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 61 homeowners being able to remain in their homes. One homeowner refinanced the home, 51 homeowners received loan modifications, 4 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), 3 homeowners entered into forbearance or repayment agreements, and 2 homeowners were able to bring their mortgages current.

An additional 7 homeowners were assisted in making an orderly exit from their homes – four families sold their home and satisfied the loan, while 3 transferred the home to the lender under a deed-in-lieu of foreclosure agreement.