

President's Message

By Melinda Boehm
President, MBA of Maine



I am surrounded by files: those pending underwriting, those needing re-works, and those that require condition clearance to close; all the while keeping an eye on my doorway looking for a frantic manager to appear carrying yet another file looking for a rush.

Time is a precious commodity and there never seems to be enough of it. Long work hours make us tired and grumpy. We can't seem to please anyone; and we are certainly not working in a manner suitable to our work ethics.

What message could I possibly impart to inspire you? What do we control in these frantic, crazy times that many of us fear may end as quickly as it started should the fickle rate markets change? As I gaze at my bulletin board filled with drawings and artwork given to me by my son over the years, I see tacked there a quote that I have always found comforting. It was given to me by one of my managers and I think it carries a very important message that should help to re-empower us.



Charles Swindoll wrote:

"The longer I live, the more I realize the impact of attitude on life. Attitude, to me, is more important than facts. It is more important than the past, than education, than money, than circumstances, than failures, than successes, than what other people think or say or do. It is more important than appearances, giftedness or skill. It will make or break a company... a church... a home. The remarkable thing is that we have a choice every day regarding the attitude we embrace for that day. We cannot change our past... we cannot change the fact that people will act in a certain way. We cannot change the inevitable. The only thing we can do is play on the string we have, and that is our attitude... I am convinced that life is 10% what happens to me and 90% how I react to

it. And so it is with you... we are in charge of our Attitudes."

This is my final message as President, as I have decided to retire from the board to concentrate on my son during his senior year in high school. I have enjoyed my time on the board and I think we have accomplished many of our goals. We truly have a great group with excellent representation from mortgage industry professionals and I look forward to remaining an active participant in the membership. See you at the annual meeting next month.

MEETINGS OF NOTE



June 10	MBA ANNUAL MEETING John Jenkins, guest speaker. Free to members.	Portland Country Club
August 3	PORTLAND BOARD OF REALTORS GOLF OUTING	Nonesuch Golf Club
September 30- October 2	NEW ENGLAND MORTGAGE BANKING CONFERENCE	RI Convention Center Providence, RI
October 14	MBA BREAKFAST MEETING "Principles of VA Financing"	Portland Country Club
November 10	MBA BREAKFAST MEETING "The New HUD Regulations"	Portland Country Club

The 22nd Annual New England Mortgage Bankers Conference.....join us!

September 30th – October 2nd, 2009



The New England Mortgage Bankers Conference is recognized as the 2nd largest (only to the Mortgage Bankers Association national meeting) real estate finance convention in the country drawing over 1,500 attendees each September to the Rhode Island Convention Center in Providence, Rhode Island.

The NEMBC routinely embraces the best and brightest that the industry has to offer including the latest industry products and programs, 80 corporate exhibits, a full continuing educational program, a General Session and the Closing Economic Session. This year Director James Lockhart III, Office of Federal Housing Finance Agency (FHFA) will be our Thursday keynote speaker. The NEMBC has become a "can't miss" event within our industry.

Join us September 30th – October 2nd in Providence, RI!

To register for NEMBC 2009, log on to their web site at www.massmba.com

MBA Breakfast Meetings

MBA of Maine breakfast meetings can help supervised lenders meet their 12-credit requirement for the State of Maine. So far this year, two breakfast meetings have offered three lender credits each: MaineHousing Resources March 11; and Maine Consumer Credit Code and Credit Scores February 11. Let Pam Green know at the MBA office if you do not have your certificate from either of these programs.



Coming up this fall are:

October 14—Principles of VA Financing with Monique Beaudoin.

November 10—The New HUD Regulations with Judy Parys.

Monthly breakfast meetings are generally held the second Wednesday of each month from October to June (exceptions: no meeting in December, and alternative date for a holiday). Registration information is emailed about three weeks before the breakfast and is also posted on the web site.

MBA Web Site

www.mortgagemaine.com

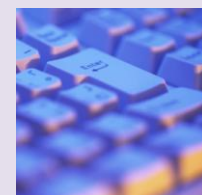
By Ann Johnston, Chicago Title

We hope everyone is continuing to find www.mortgagemaine.com to be useful and informative. At the last breakfast meeting we gave out "HOUSE" magnets to help advertise and encourage people to access the website.

We are currently working on adding advertising to our site. The process involves working with our developer to track the number of visitors to the site, the number of new visitors to the site, duration on the site, and the click thru rate (ratio of impressions to the number of times a user clicks on an ad).

We all know from personal experience that websites can affect the user's experience, so great care needs to be taken as we venture down this road. We are currently devising a strategy to ensure that the ads meet or exceed our users' needs. We are working on the last component, validation tools. These tools need to be in place so we can help advertisers realize the value of placing an ad on our site. Currently, that development work is in process.

Please stay tuned for future announcements...ADS FOR SALE!



How to Avoid Getting “Stung” by Bad Funds at Closing

By William R. Walsh, Underwriting Counsel
Chicago Title Insurance Company

There has been a rash of lenders, often with large sub-prime client bases, that have closed their doors or filed bankruptcy within the last year due to the economic turmoil that has roiled the U.S. Unfortunately, many settlement agents across the country have still chosen to conduct closings for “good” customers relying on past experience with a broker or lender and have closed loans where personal or business checks have been stopped or returned due to insufficient funds, payments have been reversed, or lenders have suddenly declared bankruptcy and have been unable to fund loans that they committed to fund. The unhappy result being that all parties to the transaction including, but not limited to sellers, settlement agents, surveyors, prior mortgage holders and real estate brokers can be “stung” if it turns out that checks were disbursed at closing that were not backed by sufficient funds.

To avoid being possibly caught up in the black hole of a lender’s bankruptcy proceeding or having to scramble to get paid, settlement agents should make sure that they have “good funds” before they disburse. In Maine the Funded Settlement Act which can be found at 33 M.R.S. § 521-527 defines loan funds as able to be disbursed as cash, wired funds, certified checks, checks issued by a government entity, cashier’s check, teller’s check or any transfer by check that is finally collected and unconditionally available to the settlement agent, checks drawn by a state chartered or federally chartered financial institution, or checks issued by an insurance company licensed by the Bureau of Insurance. The Funded Settlement Act requires lenders to disburse funds to settlement agents at or before the loan closing or in the case of a refinance prior to noon of the first business day after the expiration of the rescission period. The Act further provides that lenders or settlement agents who disburse or close without good funds may be subject to a civil action for damages, including attorney’s fees.



Notwithstanding the fact that the Funded Settlement Act allows settlement agents to disburse loan funds based on several forms of funds, to avoid the problem of insufficient funds some prudent sellers and settlement agents are now requiring that all funds be transferred to them by wire transfer. It should be noted that the receipt of wired funds by the settlement agent does not completely eliminate the risk of insufficient funds due to the small possibility that the wire will be reversed. However, generally once a bank accepts a wire an attempt by the sender to cancel the wire is generally ineffective. Each wire received by a bank is processed individually and banks assume that the wire is accurate and correct and reversal requests are

immediately flagged and questioned by the bank. Given the fact that the risk of reversal of funds is pretty much eliminated once wired funds are received, settlement agents can feel comfortable that they are closing with “good funds” once they are notified by their bank that the wire has been received. So to avoid the risk of closing on bad funds and avoiding the possibility of having to fund any

portion of the transaction themselves, some settlement agents will now only close based on wired funds from all parties including funds received from buyers and real estate agents.



**WE WELCOME A
NEW MEMBER SINCE
OUR LAST
NEWSLETTER**

MORTGAGE NETWORK

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Maine Real Estate Information System, Inc. – April 30, 2009 Report

April Median Home Prices Reflect Lower-End Sales

In April 2009, 13.84 percent fewer homes were sold than in April 2008. The Maine Real Estate Information System, Inc. reported 610 single-family, existing homes sold during the month. The median sales price eased 10.21 percent to \$160,000, continuing the trend of greatest sales activity being lower priced properties. Median indicates that half the homes sold for more and half for less than that amount.



Nationwide, sales were down 2.8 percent compared to April 2008. According to the National Association of Realtors (NAR), the national median existing single-family home price dipped 14.9 percent to \$169,800. Regionally, existing home sales in the Northeast declined 10.5 percent; April's regional median sales price of \$237,400 reflects a decrease of 9.6 percent.

“There is a lot of inventory and some great deals available,” says REALTOR Cindy Hiebert, with Mahoosuc Realty, Inc. in Bethel. “Real estate may be a better investment than the stock market and a buyer can use the property.”

REALTOR David Flaherty of Flaherty Realty in Brunswick advises, “Buyers will get a better deal than few years ago, but they should not expect wholesale prices.”

Below are two charts showing statistics for Maine and its 16 counties. The first chart lists statistics for the month of April only, statewide. The second chart compares the number of existing, single-family homes sold (units) and volume (MSP) during the months of February, March and April of 2008 and 2009.

APRIL ONLY CHART

April 1-30, 2008 – April 1-30, 2009

	# Units Sold 2008	# Units Sold 2009	% Change	MSP 2008	MSP 2009	% Change
STATEWIDE	708	610	-13.84%	\$178,200	\$160,000	-10.21%

(Rolling quarter chart continues on next page.)

MREIS FIGURES, continued

ROLLING QUARTER CHART

From February 1, 2008 – April 30, 2008 and

February 1, 2009 – April 30, 2009

County	# Units Sold 2008	# Units Sold 2009	% Change	MSP 2008	MSP 2009	% Change
STATEWIDE	1913	1601	-16.31%	\$185,000	\$156,000	-15.68%
Androscoggin	126	118	-6.35%	\$151,500	\$128,750	-15.02%
Aroostook	47	42	-10.64%	\$88,500	\$102,750	16.10%
Cumberland	496	395	-20.36%	\$235,500	\$214,900	-8.75%
Franklin	38	24	-36.84%	\$169,500	\$67,000	-60.47%
Hancock	69	52	-24.64%	\$205,000	\$145,750	-28.90%
Kennebec	166	143	-13.86%	\$143,000	\$120,000	-16.08%
Knox	67	43	-35.82%	\$200,000	\$202,000	1.00%
Lincoln	55	39	-29.09%	\$190,000	\$175,000	-7.89%
Oxford	85	73	-14.12%	\$159,900	\$132,000	-17.45%
Penobscot	233	197	-15.45%	\$136,500	\$117,000	-14.29%
Piscataquis	22	27	22.73%	\$108,400	\$49,900	-53.97%
Sagadahoc	58	57	-1.72%	\$185,000	\$165,000	-10.81%
Somerset	54	52	-3.70%	\$87,200	\$70,300	-19.38%
Waldo	62	51	-17.74%	\$172,500	\$145,000	-15.94%
Washington	8	8	0.00%	\$144,725	\$41,600	-71.26%
York	327	280	-14.37%	\$222,450	\$179,450	-19.33%

Source: Maine Real Estate Information System, Inc. Note: MREIS, a subsidiary of the Maine Association of REALTORS, is a statewide Multiple Listing Service with over 4,600 licensees inputting active and sold property listing data. Statistics reflect properties reported as sold in the System within the time periods indicated.

MBA ANNUAL MEETING '09



John Jenkins will be the Guest Speaker at the 2009 MBA Annual Meeting



The June 10 MBA Annual Meeting will feature a keynote address by the Honorable John T. Jenkins, Mayor of Auburn, Northeast Bank business development officer, and motivational speaker. Mayor Jenkins has taught wellness and personal development for more than 35 years. He is chair of the Maine Diversity Commission and is a Commissioner of the U.S. Department of Labor's Glass Ceiling Commission. He is a former Maine State Senator and Mayor of Lewiston, and is the first person in Maine history to serve as mayor of two cities.

John Jenkins graduated from Bates College and has studied city design at Harvard University and health sciences at Columbia University. He has been a licensed Maine REALTOR and member of the

Legislative Policy Committee.

THE MEETING IS FREE TO MBA MEMBERS; \$35 FOR NON-MEMBERS.

The membership will elect a slate of board officers for the upcoming year, so we hope every member company will be represented. Please see the registration form attached at the end of this newsletter.

Have we already told you----

The Annual Meeting is free to MBA members



Melinda Boehm to Pass the Gavel

MBA board president Melinda Boehm of MetLife Home Loans will step down as board president at the meeting June 10. She has served in that capacity since 2006. Melinda joined the board in 2002 and she has chaired the Education Committee for much of that time, producing some of the most successful and well attended programs that the MBA has ever offered, including seminars on condo lending and Fannie Mae rules, plus a full day mortgage conference in 2007. During her tenure, a new website was launched, a board committee structure was established, MBA bylaws were revamped, and the MBA golf tournaments raised thousands for charitable purposes. MBA has also established a series of seminars that carry lender credits. A wonderful strong and gentle leader, a great legacy—she will be missed!

MBA Legislative Report

By Tony Armstrong



The most important legislation this year for mortgage bankers has been LD 1439, "An Act to Conform State Mortgage Laws with Federal Law." The legislation was proposed by the Baldacci administration as a way to make predatory lending consumer protection law conform to a new federal

law that was passed in mid-2008. The LD also contains a section which would allow Maine to participate in the emerging new national registration and education of mortgage loan officers. This system, once implemented would replace the current Maine law with a similar requirement that would apply to all loan officers.

One major change in the law is that the federal text that is being adopted uses a more realistic rate index when calculating the limits that need to be exceeded in order for higher level disclosure to be utilized. This should be helpful to mortgage lenders (you heard it right).

The major controversy in the predatory lending proposal is that the federal law makes it easier for lenders (you heard the right) when it comes to stated income loans. CEI, the consumer advocate group, convinced the Joint Committee on Insurance and Banking to stay with the current language in the law. But there has been a last minute effort spearheaded by the Maine Association of Community Banks to keep the federal language or something close to it. Those changes are being considered as I write this.

The major focus of the MBA of Maine has been to make sure that mortgage brokers and supervised lenders are treated on a level playing field with Maine-chartered banks and credit unions. At one point the bank and credit union lobbyists proposed a change that would take them out from under many of the consumer protections included in much of the Maine law. We worked to beat this back. We were successful at the Committee level, and I think it will hold for the final legislation. But it is not over until it is over.

LD 1439 An Act to Preserve Homeownership and Stabilize the Economy by Preventing Unnecessary Foreclosures" has also received considerable attention. This bill is designed to allow mediation between lenders and homeowners in the foreclosure process. It is basically designed to prevent unnecessary foreclosure and give homeowners a better chance of staying in their home. The bill appears headed for passage.

The proposed tax reform bill being considered over the next few days brings a major increase in the real estate transfer tax for properties over \$1 million. The Maine Association Realtors is working aggressively against the bill for that reason. Many mortgage bankers may want to support the real estate industry by supporting their opposition.



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Mortgage Bankers Association of Maine, Inc.

www.mortgagemaine.com

Mortgage Bankers Association of Maine

ANNUAL MEETING & SUMMER SEND-OFF

Guest speaker: John Jenkins, Mayor of Auburn
"Empowerment in our Professional and Personal Lives"



This is our last breakfast meeting until October—please join us!
There is no registration fee for MBA member organizations.

WEDNESDAY, JUNE 10-- PORTLAND COUNTRY CLUB

8:00-8:30 a.m.	Registration & Coffee
8:30-9:00 a.m.	Breakfast Buffet
9:00-10:00 a.m.	Annual Meeting, Board Election, Guest Speaker

This meeting is free to MBA members; \$35.00 to non-members
Please check the MBA web site if you're not sure if your firm is a member—www.mortgagemaine.com

REGISTRATION FEES MUST BE PAID IN ADVANCE OR AT THE DOOR

Reply before June 8 to: Mortgage Bankers Association~ 489 Congress Street ~ Portland, ME 04101

Attention Pam Green~ Telephone (207) 791-8412 ~ Fax (207) 774-5693 ~ E-mail greenp@meceb.com

Attendees: _____

Company: _____ By: _____

Address: _____ Phone: _____

E-mail: _____ Fax: _____

METHOD OF PAYMENT (check one): Check enclosed VISA MasterCard AMEX

If paying by credit card, please complete the information below and fax or mail this form to the MBA office.

Signature: _____ Print signature: _____

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