TFS Financial CORP
Form 10-Q
May 09, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2013

or

¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For transition period from to

Commission File Number 001-33390

TFS FINANCIAL CORPORATION
(Exact Name of Registrant as Specified in its Charter)

United States of America (State or Other Jurisdiction of Incorporation or Organization)	52-2054948 (I.R.S. Employer Identification No.)
7007 Broadway Avenue Cleveland, Ohio	44105
(Address of Principal Executive Offices)	(Zip Code)

(216) 441-6000
Registrant's telephone number, including area code:
Not Applicable
(Former name or former address, if changed since last report)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ý No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	ý	Accelerated filer	¨

Non-accelerated filer ¨ (do not check if a smaller reporting company) Smaller Reporting Company ¨

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No ý.

Indicate the number of shares outstanding of each of the Registrant's classes of common stock as of the latest practicable date.

As of May 1, 2013 there were 309,115,625 shares of the Registrant's common stock, par value $0.01 per share, outstanding, of which 227,119,132 shares, or 73.5% of the Registrant's common stock, were held by Third Federal Savings and Loan Association of Cleveland, MHC, the Registrant's mutual holding company.

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Item 1. Financial Statements
TFS FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CONDITION (unaudited)
(In thousands, except share data)

	March 31, 2013	September 30, 2012
ASSETS		
Cash and due from banks	$31,982	$38,914
Other interest-earning cash equivalents	252,164	269,348
Cash and cash equivalents	284,146	308,262
Investment securities:		
Available for sale (amortized cost $454,297 and $417,416, respectively)	456,888	421,430
Mortgage loans held for sale, at lower of cost or market ($3,017 measured at fair value, September 30, 2012)	96,882	124,528
Loans held for investment, net:		
Mortgage loans	9,965,436	10,339,402
Other loans	4,276	4,612
Deferred loan fees, net	(17,241)	(18,561)
Allowance for loan losses	(101,217)	(100,464)
Loans, net	9,851,254	10,224,989
Mortgage loan servicing assets, net	16,390	19,613
Federal Home Loan Bank stock, at cost	35,620	35,620
Real estate owned	19,868	19,647
Premises, equipment, and software, net	59,596	61,150
Accrued interest receivable	32,037	34,887
Bank owned life insurance contracts	180,460	177,279
Other assets	88,620	90,720
TOTAL ASSETS	$11,121,761	$11,518,125
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits	$8,757,282	$8,981,419
Borrowed funds	315,919	488,191
Borrowers' advances for insurance and taxes	60,753	67,864
Principal, interest, and related escrow owed on loans serviced	114,889	127,539
Accrued expenses and other liabilities	37,534	46,262
Total liabilities	9,286,377	9,711,275
Commitments and contingent liabilities		
Preferred stock, $0.01 par value, 100,000,000 shares authorized, none issued and outstanding	—	—
Common stock, $0.01 par value, 700,000,000 shares authorized; 332,318,750 shares issued; 309,115,625 and 309,009,393 outstanding at March 31, 2013 and September 30, 2012, respectively	3,323	3,323
Paid-in capital	1,693,821	1,691,884
Treasury stock, at cost; 23,203,125 and 23,309,357 shares at March 31, 2013 and September 30, 2012, respectively	(279,629)	(280,937)
Unallocated ESOP shares	(72,584)	(74,751)
Retained earnings—substantially restricted	497,113	473,247
Accumulated other comprehensive loss	(6,660)	(5,916)

Total shareholders’ equity	1,835,384	1,806,850
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY	$11,121,761	$11,518,125

See accompanying notes to unaudited consolidated financial statements.

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TFS FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (unaudited)
(In thousands, except share and per share data)

	For the Three Months Ended March 31,		For the Six Months Ended March 31,	
	2013	2012	2013	2012
INTEREST AND DIVIDEND INCOME:				
Loans, including fees	$95,241	$102,696	$193,930	$205,903
Investment securities available for sale	1,079	33	2,192	70
Investment securities held to maturity	—	1,538	—	3,272
Other interest and dividend earning assets	515	551	1,101	1,108
Total interest and dividend income	96,835	104,818	197,223	210,353
INTEREST EXPENSE:				
Deposits	28,030	38,390	59,165	79,096
Borrowed funds	875	643	1,712	1,217
Total interest expense	28,905	39,033	60,877	80,313
NET INTEREST INCOME	67,930	65,785	136,346	130,040
PROVISION FOR LOAN LOSSES	10,000	27,000	28,000	42,000
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	57,930	38,785	108,346	88,040
NON-INTEREST INCOME:				
Fees and service charges, net of amortization	2,146	3,284	4,449	6,097
Net gain on the sale of loans	1,257	—	4,279	—
Increase in and death benefits from bank owned life insurance contracts	1,577	1,610	3,182	3,222
Other	1,126	1,517	2,443	2,801
Total non-interest income	6,106	6,411	14,353	12,120
NON-INTEREST EXPENSE:				
Salaries and employee benefits	21,824	21,049	42,427	41,434
Marketing services	3,127	2,377	6,252	4,754
Office property, equipment and software	5,293	5,073	10,314	10,071
Federal insurance premium and assessments	3,243	3,512	6,957	7,389
State franchise tax	1,749	1,716	3,412	2,705
Real estate owned expense, net	1,516	1,672	2,681	4,007
Appraisal and other loan review expenses	1,102	1,163	1,785	2,153
Other operating expenses	7,375	6,758	13,935	13,286
Total non-interest expense	45,229	43,320	87,763	85,799
INCOME BEFORE INCOME TAXES	18,807	1,876	34,936	14,361
INCOME TAX EXPENSE	6,017	854	10,993	4,880
NET INCOME	$12,790	$1,022	$23,943	$9,481
Earnings per share—basic and diluted	$0.04	$—	$0.08	$0.03
Weighted average shares outstanding				
Basic	301,753,966	301,153,080	301,664,171	301,098,610
Diluted	302,651,575	301,706,570	302,451,344	301,547,664

See accompanying notes to unaudited interim consolidated financial statements.

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TFS FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (unaudited)
(In thousands)

	For the Three Months Ended March 31,		For the Six Months Ended March 31,	
	2013	2012	2013	2012
Net income	$ 12,790	$ 1,022	$ 23,943	$ 9,481
Other comprehensive (loss) income, net of tax				
Change in net unrealized gains on securities available for sale	(214)	(9)	(924)	(20)
Change in pension obligation	90	37	180	10,657
Total other comprehensive (loss) income	(124)	28	(744)	10,637
Total comprehensive income	$ 12,666	$ 1,050	$ 23,199	$ 20,118

See accompanying notes to unaudited interim consolidated financial statements.

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TFS FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (unaudited)
Six Months Ended March 31, 2013 and 2012
(In thousands)

	Common stock	Paid-in capital	Treasury stock	Unallocated common stock held by ESOP	Retained earnings	Accumulated other comprehensive income (loss)	Total shareholders' equity
Balance at September 30, 2011	$ 3,323	$ 1,686,216	$ (282,090)	$ (79,084)	$ 461,836	$ (16,277)	$ 1,773,924
Net income	—	—	—	—	9,481	—	9,481
Other comprehensive income, net of tax	—	—	—	—	—	10,637	10,637
ESOP shares allocated or committed to be released	—	(183)	—	2,167	—	—	1,984
Compensation costs for stock-based plans	—	3,777	—	—	—	—	3,777
Balance at March 31, 2012	$ 3,323	$ 1,689,810	$ (282,090)	$ (76,917)	$ 471,317	$ (5,640)	$ 1,799,803
Balance at September 30, 2012	$ 3,323	$ 1,691,884	$ (280,937)	$ (74,751)	$ 473,247	$ (5,916)	$ 1,806,850
Net income	—	—	—	—	23,943	—	23,943
Other comprehensive loss, net of tax	—	—	—	—	—	(744)	(744)
ESOP shares allocated or committed to be released	—	(91)	—	2,167	—	—	2,076
Compensation costs for stock-based plans	—	3,259	—	—	—	—	3,259
Treasury stock allocated to restricted stock plan	—	(1,231)	1,308	—	(77)	—	—
Balance at March 31, 2013	$ 3,323	$ 1,693,821	$ (279,629)	$ (72,584)	$ 497,113	$ (6,660)	$ 1,835,384

See accompanying notes to unaudited interim consolidated financial statements.

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TFS FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)
(In thousands)

	For the Six Months Ended March 31, 2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$23,943	$9,481
Adjustments to reconcile net income to net cash provided by operating activities:		
ESOP and stock-based compensation expense	5,335	5,761
Depreciation and amortization	12,197	9,299
Deferred income tax expense	—	300
Provision for loan losses	28,000	42,000
Net gain on the sale of loans	(4,279)	—
Other net losses	1,987	1,771
Principal repayments on and proceeds from sales of loans held for sale	36,744	—
Loans originated for sale	(31,589)	—
Increase in bank owned life insurance contracts	(3,191)	(3,208)
Net decrease (increase) in interest receivable and other assets	5,267	(8,986)
Net (decrease) increase in accrued expenses and other liabilities	(8,207)	1,335
Other	162	416
Net cash provided by operating activities	66,369	58,169
CASH FLOWS FROM INVESTING ACTIVITIES:		
Loans originated	(1,019,128)	(1,477,916)
Principal repayments on loans	1,186,955	1,057,939
Proceeds from principal repayments and maturities of:		
Securities available for sale	111,624	1,355
Securities held to maturity	—	104,275
Proceeds from sale of:		
Loans	189,534	—
Real estate owned	13,568	10,377
Purchases of:		
Securities available for sale	(152,210)	(12)
Securities held to maturity	—	(88,298)
Premises and equipment	(4,646)	(1,300)
Other	(12)	(21)
Net cash provided by (used in) investing activities	325,685	(393,601)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net (decrease) increase in deposits	(224,137)	107,266
Net decrease in borrowers’ advances for insurance and taxes	(7,111)	(2,514)
Net decrease in principal and interest owed on loans serviced	(12,650)	(989)
Net (decrease) increase in short term borrowed funds	(305,892)	279,238
Proceeds from long term borrowed funds	140,000	—
Repayment of long term borrowed funds	(6,380)	—
Net cash (used in) provided by financing activities	(416,170)	383,001
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(24,116)	47,569
CASH AND CASH EQUIVALENTS—Beginning of period	308,262	294,846
CASH AND CASH EQUIVALENTS—End of period	$284,146	$342,415

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest on deposits	$59,482	$79,546
Cash paid for interest on borrowed funds	1,604	1,207
Cash paid for income taxes	13,200	11,800
SUPPLEMENTAL SCHEDULES OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Transfer of loans to real estate owned	12,460	9,656
Transfer of loans from held for sale to held for investment	144,841	—
Transfer of loans from held for investment to held for sale	323,027	245,920

See accompanying notes to unaudited interim consolidated financial statements.

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TFS FINANCIAL CORPORATION AND SUBSIDIARIES
NOTES TO UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands unless otherwise indicated)

1. BASIS OF PRESENTATION

TFS Financial Corporation (the "Holding Company"), a federally chartered stock holding company, conducts its principal activities through its wholly owned subsidiaries. The principal line of business of the Holding Company and its subsidiaries (collectively, "TFS Financial" or the "Company") is retail consumer banking, including mortgage lending, deposit gathering, and other insignificant financial services. On March 31, 2013, approximately 73% of the Holding Company's outstanding shares were owned by a federally chartered mutual holding company, Third Federal Savings and Loan Association of Cleveland, MHC ("Third Federal Savings, MHC"). The thrift subsidiary of TFS Financial is Third Federal Savings and Loan Association of Cleveland (the "Association").

The accounting and reporting policies followed by the Company conform in all material respects to accounting principles generally accepted in the United States of America ("U.S. GAAP") and to general practices in the financial services industry. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates. The allowance for loan losses, the valuation of mortgage loan servicing rights, the valuation of deferred tax assets, and the determination of pension obligations and stock-based compensation are particularly subject to change.

The unaudited interim consolidated financial statements were prepared without an audit and reflect all adjustments of a normal recurring nature which, in the opinion of management, are necessary to present fairly the consolidated financial condition of TFS Financial at March 31, 2013, and its results of operations and cash flows for the periods presented. In accordance with Regulation S-X for interim financial information, these statements do not include certain information and footnote disclosures required for complete audited financial statements. The Holding Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2012 contains consolidated financial statements and related notes, which should be read in conjunction with the accompanying interim consolidated financial statements. The results of operations for the interim periods disclosed herein are not necessarily indicative of the results that may be expected for the fiscal year ending September 30, 2013 or for any other period.

2. EARNINGS PER SHARE

Basic earnings per share is the amount of earnings available to each share of common stock outstanding during the reporting period. Diluted earnings per share is the amount of earnings available to each share of common stock outstanding during the reporting period adjusted to include the effect of potentially dilutive common shares. For purposes of computing earnings per share amounts, outstanding shares include shares held by the public, shares held by the ESOP that have been allocated to participants or committed to be released for allocation to participants, the 227,119,132 shares held by Third Federal Savings, MHC, and, for purposes of computing dilutive earnings per share, stock options and restricted stock units with a dilutive impact. At March 31, 2013 and 2012, respectively, the ESOP held 7,258,440 and 7,691,780 shares that were neither allocated to participants nor committed to be released to participants.

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The following is a summary of the Company's earnings per share calculations.

	For the Three Months Ended March 31,					
	2013			2012		
	Income	Shares	Per share amount	Income	Shares	Per share amount
	(Dollars in thousands, except per share data)					
Net income	$12,790			$1,022		
Less: income allocated to restricted stock units	68			6		
Basic earnings per share:						
Income available to common shareholders	$12,722	301,753,966	$0.04	$1,016	301,153,080	$—
Diluted earnings per share:						
Effect of dilutive potential common shares		897,609			553,490	
Income available to common shareholders	$12,722	302,651,575	$0.04	$1,016	301,706,570	$—

	For the Six Months Ended March 31,					
	2013			2012		
	Income	Shares	Per share amount	Income	Shares	Per share amount
	(Dollars in thousands, except per share data)					
Net income	$23,943			$9,481		
Less: income allocated to restricted stock units	126			47		
Basic earnings per share:						
Income available to common shareholders	$23,817	301,664,171	$0.08	$9,434	301,098,610	$0.03
Diluted earnings per share:						
Effect of dilutive potential common shares		787,173			449,054	
Income available to common shareholders	$23,817	302,451,344	$0.08	$9,434	301,547,664	$0.03

The following is a summary of outstanding stock options and restricted stock units that are excluded from the computation of diluted earnings per share because their inclusion would be anti-dilutive.

	For the Three Months Ended March 31,		For the Six Months Ended March 31,	
	2013	2012	2013	2012
Options to purchase shares	5,395,509	6,283,425	6,509,209	6,283,425
Restricted stock units	30,000	40,000	30,000	40,000

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3. INVESTMENT SECURITIES

Investments available for sale are summarized as follows:

	March 31, 2013			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. government and agency obligations	$2,000	$48	$—	$2,048
Freddie Mac certificates	910	61	—	971
Ginnie Mae certificates	14,182	573	—	14,755
Real estate mortgage investment conduits (REMICs)	423,540	1,825	(754)	424,611
Fannie Mae certificates	6,599	838	—	7,437
Money market accounts	7,066	—	—	7,066
Total	$454,297	$3,345	$(754)	$456,888

	September 30, 2012			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. government and agency obligations	$2,000	$56	$—	$2,056
Freddie Mac certificates	922	67	—	989
Ginnie Mae certificates	16,123	663	—	16,786
REMICs	383,545	2,772	(308)	386,009
Fannie Mae certificates	7,125	764	—	7,889
Money market accounts	7,701	—	—	7,701
Total	$417,416	$4,322	$(308)	$421,430

Gross unrealized losses on securities and the estimated fair value of the related securities, aggregated by investment category and length of time the individual securities have been in a continuous loss position, at March 31, 2013 and September 30, 2012, were as follows:

	March 31, 2013					
	Less Than 12 Months		12 Months or More		Total	
	Estimated Fair Value	Unrealized Loss	Estimated Fair Value	Unrealized Loss	Estimated Fair Value	Unrealized Loss
Available for sale—						
REMICs	$148,548	$626	$18,744	$128	$167,292	$754
Total	$148,548	$626	$18,744	$128	$167,292	$754

	September 30, 2012					
	Less Than 12 Months		12 Months or More		Total	
	Estimated Fair Value	Unrealized Loss	Estimated Fair Value	Unrealized Loss	Estimated Fair Value	Unrealized Loss
Available for sale—						
REMICs	$80,219	$291	$6,550	$17	$86,769	$308
Total	$80,219	$291	$6,550	$17	$86,769	$308

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4. LOANS AND ALLOWANCE FOR LOAN LOSSES

Loans held for investment consist of the following:

	March 31, 2013	September 30, 2012
Real estate loans:		
Residential non-Home Today	$7,743,482	$7,943,165
Residential Home Today	193,154	208,325
Home equity loans and lines of credit	2,001,820	2,155,496
Construction	54,728	69,152
Real estate loans	9,993,184	10,376,138
Consumer and other loans	4,276	4,612
Less:		
Deferred loan fees—net	(17,241)	(18,561)
Loans-in-process (“LIP”)	(27,748)	(36,736)
Allowance for loan losses	(101,217)	(100,464)
Loans held for investment, net	$9,851,254	$10,224,989

At March 31, 2013 and September 30, 2012, respectively, $96,882 and $124,528 of long-term loans were classified as mortgage loans held for sale.

A large concentration of the Company’s lending is in Ohio and Florida. As of March 31, 2013 and September 30, 2012, the percentages of residential real estate loans held in Ohio were both 77%, and the percentages held in Florida were both 17%, respectively. As of both March 31, 2013 and September 30, 2012, home equity loans and lines of credit were concentrated in the states of Ohio (39%), Florida (29%) and California (12%), respectively. The economic conditions and market for real estate in those states, including to a greater extent Florida, have impacted the ability of borrowers in those areas to repay their loans.

Home Today is an affordable housing program targeted to benefit low- and moderate-income home buyers. Through this program the Association provided the majority of loans to borrowers who would not otherwise qualify for the Association’s loan products, generally because of low credit scores. Although the credit profiles of borrowers in the Home Today program might be described as sub-prime, Home Today loans generally contain the same features as loans offered to our non-Home Today borrowers. Borrowers in the Home Today program must complete financial management education and counseling and must be referred to the Association by a sponsoring organization with which the Association has partnered as part of the program. Borrowers must also meet a minimum credit score threshold. Because the Association applied less stringent underwriting and credit standards to the majority of Home Today loans, loans originated under the program have greater credit risk than its traditional residential real estate mortgage loans. While effective March 27, 2009, the Home Today underwriting guidelines were changed to be substantially the same as the Association’s traditional first mortgage product, the majority of loans in this program were originated prior to that date. As of March 31, 2013 and September 30, 2012, the principal balance of Home Today loans originated prior to March 27, 2009 was $189,534 and $204,733, respectively. The Association does not offer, and has not offered, loan products frequently considered to be designed to target sub-prime borrowers containing features such as higher fees or higher rates, negative amortization, a loan-to-value ratio greater than 100%, or pay option adjustable-rate mortgages.

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The recorded investment of loan receivables in non-accrual status is summarized in the following table. Balances are net of deferred fees.

	March 31, 2013	September 30, 2012
Real estate loans:		
Residential non-Home Today	$98,268	$105,780
Residential Home Today	37,125	41,087
Home equity loans and lines of credit	30,386	35,316
Construction	220	377
Total real estate loans	165,999	182,560
Consumer and other loans	—	—
Total non-accrual loans	$165,999	$182,560

Loans are placed in non-accrual status when they are contractually 90 days or more past due. Loans modified in troubled debt restructurings that were in non-accrual status prior to the restructurings remain in non-accrual status for a minimum of six months after restructuring. Additionally, home equity loans and lines of credit where the customer has a severely delinquent first mortgage and loans in Chapter 7 bankruptcy status where all borrowers have been discharged of their obligation are placed in non-accrual status. At March 31, 2013 and September 30, 2012, respectively, the recorded investment in non-accrual loans includes $46,956 and $47,742, in troubled debt restructurings which are current according to the terms of their agreement of which $30,922 and $30,631 are performing loans in Chapter 7 bankruptcy status where all borrowers have been discharged of their obligations. Additionally, at March 31, 2013 and September 30, 2012, the recorded investment in non-accrual status loans includes $4,877 and $8,807, respectively, of performing second lien loans subordinate to first mortgages delinquent greater than 90 days.

Interest on loans in accrual status, including certain loans individually reviewed for impairment, is recognized in interest income as it accrues, on a daily basis. Accrued interest on loans in non-accrual status is reversed by a charge to interest income and income is subsequently recognized only to the extent cash payments are received. Cash payments on loans in non-accrual status are applied to the oldest scheduled, unpaid payment first. Cash payments on loans with a partial charge-off are applied fully to principal, then to recovery of the charged off amount prior to interest income being recognized. A non-accrual loan is generally returned to accrual status when contractual payments are less than 90 days past due. However, a loan may remain in non-accrual status when collectability is uncertain, such as a troubled debt restructuring that has not met minimum payment requirements, a loan with a partial charge-off, an equity loan or line of credit with a delinquent first mortgage greater than 90 days, or a loan in Chapter 7 bankruptcy status where all borrowers have been discharged of their obligation. The number of days past due is determined by the number of scheduled payments that remain unpaid, assuming a period of 30 days between each scheduled payment.

An age analysis of the recorded investment in loan receivables that are past due at March 31, 2013 and September 30, 2012 is summarized in the following tables. When a loan is more than one month past due on its scheduled payments, the loan is considered 30 days or more past due. Balances are net of deferred fees and any applicable loans-in-process.

	30-59 Days Past Due	60-89 Days Past Due	90 Days or More Past Due	Total Past Due	Current	Total
March 31, 2013						
Real estate loans:						
Residential non-Home Today	$11,653	$5,352	$68,539	$85,544	$7,636,382	$7,721,926
Residential Home Today	8,049	2,409	23,251	33,709		