OFG BANCORP
Form 10-Q
November 07, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2014

or

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

For the transition period from ______________ to ______________

Commission File Number 001-12647

OFG Bancorp

Incorporated in the Commonwealth of Puerto Rico, IRS Employer Identification No. 66-0538893

Principal Executive Offices:

254 Muñoz Rivera Avenue

San Juan, Puerto Rico 00918

Telephone Number: (787) 771-6800

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 (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x 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 definitions of “large accelerated filer,” “accelerated filer,” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ý Accelerated Filer o Non-Accelerated Filer ¨ Smaller Reporting Company ¨
(Do not check if a 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 x

Number of shares outstanding of the registrant’s common stock, as of the latest practicable date:

44,678,475 common shares ($1.00 par value per share) outstanding as of October 31, 2014

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FORWARD-LOOKING STATEMENTS

The information included in this quarterly report on Form 10-Q contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may relate to the financial condition, results of operations, plans, objectives, future performance and business of OFG Bancorp (“we,” “our,” “us” or the “Company”), including, but not limited to, statements with respect to the adequacy of the allowance for loan losses, delinquency trends, market risk and the impact of interest rate changes, capital markets conditions, capital adequacy and liquidity, and the effect of legal proceedings and new accounting standards on the Company’s financial condition and results of operations. All statements contained herein that are not clearly historical in nature are forward-looking, and the words “anticipate,” “believe,” “continues,” “expect,” “estimate,” “intend,” “project” and similar expre and future or conditional verbs such as “will,” “would,” “should,” “could,” “might,” “can,” “may,” or similar expressions are generally intended to identify forward-looking statements.

These statements are not guarantees of future performance and involve certain risks, uncertainties, estimates and assumptions by management that are difficult to predict. Various factors, some of which by their nature are beyond the Company’s control, could cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. Factors that might cause such a difference include, but are not limited to:

- the rate of growth in the economy and employment levels, as well as general business and economic conditions;
- changes in interest rates, as well as the magnitude of such changes;
- the fiscal and monetary policies of the federal government and its agencies;
- a credit default or potential restructuring by the Commonwealth of Puerto Rico or any of its agencies, municipalities or instrumentalities;
- changes in federal bank regulatory and supervisory policies, including required levels of capital;
- the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) on the Company’s businesses, business practices and cost of operations;
- the relative strength or weakness of the consumer and commercial credit sectors and of the real estate market in Puerto Rico;
- the performance of the securities markets;
- competition in the financial services industry;
- additional Federal Deposit Insurance Corporation (“FDIC”) assessments; and
- possible legislative, tax or regulatory changes.

Other possible events or factors that could cause results or performance to differ materially from those expressed in these forward-looking statements include the following: negative economic conditions that adversely affect the general economy, housing prices, the job market, consumer confidence and spending habits which may affect, among other things, the level of non-performing assets, charge-offs and provision expense; changes in interest rates and market liquidity which may reduce interest margins, impact funding sources and affect the ability to originate and distribute financial products in the primary and secondary markets; adverse movements and volatility in debt and equity capital markets; changes in market rates and prices which may adversely impact the value of financial assets and liabilities; liabilities resulting from litigation and regulatory investigations; changes in accounting standards, rules and interpretations; increased competition; the Company's ability to grow its core businesses; decisions to downsize, sell or close units or otherwise change the Company's business mix; and management's ability to identify and manage these and other risks.

All forward-looking statements included in this quarterly report on Form 10-Q are based upon information available to the Company as of the date of this report, and other than as required by law, including the requirements of applicable securities laws, the Company assumes no obligation to update or revise any such forward-looking statements to reflect occurrences or unanticipated events or circumstances after the date of such statements.

ITEM 1. *FINANCIAL STATEMENTS*

OFG BANCORP

UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013

		September 30, 2014		December 31, 2013
		(In thousands)		
ASSETS				
Cash and cash equivalents:				
Cash and due from banks	$	663,462	$	614,302
Money market investments		7,777		6,967
Total cash and cash equivalents		**671,239**		**621,269**
Restricted cash		32,907		82,199
Securities purchased under agreements to resell		-		60,000
Investments:				
Trading securities, at fair value, with amortized cost of $2,419 (December 31, 2013 - $2,448)		1,687		1,869
Investment securities available-for-sale, at fair value, with amortized cost of $1,249,769 (December 31, 2013 - $1,575,043)		1,273,879		1,588,425
Investment securities held-to-maturity, at amortized cost, with fair value of $144,217		144,305		-
Federal Home Loan Bank (FHLB) stock, at cost		21,189		24,450
Other investments		65		65
Total investments		**1,441,125**		**1,614,809**
Loans:				
Mortgage loans held-for-sale, at lower of cost or fair value		16,757		46,529
Non-covered loans, net of allowance for loan and lease losses of $64,859 (December 31, 2013 - $54,298)		4,528,452		4,615,929
Covered loans, net of allowance for loan and lease losses of $62,227 (December 31, 2013 - $52,729)		311,693		356,961
Total loans, net		**4,856,902**		**5,019,419**
Other assets:				
FDIC indemnification asset		120,619		189,240
Foreclosed real estate covered under shared-loss agreements with the FDIC		49,814		33,209
Foreclosed real estate not covered under shared-loss agreements with the FDIC		50,750		56,815
Accrued interest receivable		19,665		18,734

Deferred tax asset, net		121,217		137,564
Premises and equipment, net		82,099		82,903
Customers' liability on acceptances		21,077		23,042
Servicing assets		13,986		13,801
Derivative assets		8,445		20,502
Goodwill		86,069		86,069
Other assets		97,425		98,440
Total assets	$	**7,673,339**	$	**8,158,015**
LIABILITIES AND STOCKHOLDERS' EQUITY				
Deposits:				
Demand deposits	$	2,132,073		2,138,005
Savings accounts		1,263,115		1,194,567
Time deposits		1,673,987		2,050,693
Total deposits		**5,069,175**		**5,383,265**
Borrowings:				
Securities sold under agreements to repurchase		1,012,228		1,267,618
Advances from FHLB		334,787		336,143
Subordinated capital notes		101,190		100,010
Other borrowings		3,872		3,663
Total borrowings		**1,452,077**		**1,707,434**
Other liabilities:				
Securities purchased but not yet received		30,057		-
Derivative liabilities		11,414		14,937
Acceptances executed and outstanding		21,077		23,042
Accrued expenses and other liabilities		159,541		144,424
Total liabilities		**6,743,341**		**7,273,102**
Commitments and contingencies (See Note 18)				
Stockholders' equity:				
Preferred stock; 10,000,000 shares authorized;				
1,340,000 shares of Series A, 1,380,000 shares of Series B, and 960,000 shares of Series D				
issued and outstanding, (December 31, 2013 - 1,340,000; 1,380,000; and 960,000) $25 liquidation value		92,000		92,000
84,000 shares of Series C issued and outstanding (December 31, 2013 - 84,000); $1,000 liquidation value		84,000		84,000
Common stock, $1 par value; 100,000,000 shares authorized; 52,761,295 shares issued:				
45,059,988 shares outstanding (December 31, 2013 - 52,707,023; 45,676,922)		52,761		52,707
Additional paid-in capital		539,522		538,071
Legal surplus		68,437		61,957
Retained earnings		170,519		133,629
		(90,652)		(80,642)

Treasury stock, at cost, 7,701,307 shares (December 31, 2013 - 7,030,101 shares)					
Accumulated other comprehensive income, net of tax of $1,867 (December 31, 2013 -$831)		13,411			3,191
Total stockholders' equity		**929,998**			**884,913**
Total liabilities and stockholders' equity	$	**7,673,339**		$	**8,158,015**
See notes to unaudited consolidated financial statements.					

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OFG BANCORP

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE QUARTERS AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

	Quarter Ended September 30,				Nine-Month Period Ended September 30,			
	2014		2013		2014		2013	
	(In thousands, except per share data)							
Interest income:								
Non-covered loans	$	87,662	$	87,655	$	260,969	$	259,567
Covered loans		20,886		21,657		69,153		65,884
Total interest income from loans		**108,548**		**109,312**		**330,122**		**325,451**
Mortgage-backed securities		10,842		9,662		35,243		29,559
Investment securities and other		911		2,127		3,910		6,564
Total interest income		**120,301**		**121,101**		**369,275**		**361,574**
Interest expense:								
Deposits		7,661		11,334		25,804		30,757
Securities sold under agreements to repurchase		7,453		7,211		22,238		21,569
Advances from FHLB and other borrowings		2,314		2,321		6,896		6,275
Subordinated capital notes		1,002		1,144		2,990		3,973
Total interest expense		**18,430**		**22,010**		**57,928**		**62,574**
Net interest income		**101,871**		**99,091**		**311,347**		**299,000**
Provision for non-covered loan and lease losses		16,142		9,900		39,424		55,343
Provision for covered loan and lease losses, net		1,115		3,074		4,339		4,957
Total provision for loan and lease losses		**17,257**		**12,974**		**43,763**		**60,300**
Net interest income after provision for loan and lease losses		**84,614**		**86,117**		**267,584**		**238,700**
Non-interest income:								
Banking service revenue		9,753		12,146		30,305		36,491
Wealth management revenue		7,113		7,394		21,316		23,084
Mortgage banking activities		2,097		2,334		5,346		9,299
Total banking and financial service revenues		**18,963**		**21,874**		**56,967**		**68,874**
FDIC shared-loss expense, net:								
		(16,059)		(15,198)		(51,180)		(46,623)

FDIC indemnification asset expense				
Change in true-up payment obligation	(875)	(767)	(2,596)	(2,178)
	(16,934)	(15,965)	(53,776)	(48,801)
Net gain (loss) on:				
Sale of securities	-	-	4,366	-
Derivatives	7	(811)	(463)	(1,746)
Early extinguishment of debt	-	-	-	1,061
Other non-interest income	455	(1,775)	1,133	575
Total non-interest income, net	**2,491**	**3,323**	**8,227**	**19,963**
Non-interest expense:				
Compensation and employee benefits	18,592	22,590	61,086	69,927
Professional and service fees	3,807	4,409	11,525	16,262
Occupancy and equipment	8,770	8,270	25,684	25,552
Insurance	2,099	1,828	6,506	7,229
Electronic banking charges	4,637	3,694	14,085	11,458
Information technology expenses	1,289	2,729	4,589	7,708
Advertising, business promotion, and strategic initiatives	1,825	1,471	5,274	4,550
Merger and restructuring charges	-	2,252	-	13,060
Foreclosure, repossession and other real estate expenses	7,842	5,703	20,783	12,603
Loan servicing and clearing expenses	1,870	2,133	5,598	5,493
Taxes, other than payroll and income taxes	3,494	4,024	11,005	11,778
Communication	820	782	2,590	2,481
Printing, postage, stationary and supplies	620	824	1,820	2,841
Director and investor relations	250	230	794	843
Other	3,660	2,295	9,488	6,749
Total non-interest expense	**59,575**	**63,234**	**180,827**	**198,534**
Income before income taxes	**27,530**	**26,206**	**94,984**	**60,129**
Income tax expense (benefit)	7,998	6,585	30,396	(18,223)
Net income	**19,532**	**19,621**	**64,588**	**78,352**
Less: dividends on preferred stock	(3,465)	(3,465)	(10,396)	(10,396)
Income available to common shareholders	**$ 16,067**	**$ 16,156**	**$ 54,192**	**$ 67,956**
Earnings per common share:				

Basic	$	**0.36**	$	0.35	$	**1.20**	$	1.49
Diluted	$	**0.34**	$	0.34	$	**1.14**	$	1.39
Average common shares outstanding and equivalents		**52,362**		53,322		**52,440**		53,053
Cash dividends per share of common stock	$	**0.08**	$	0.06	$	**0.24**	$	0.18

See notes to unaudited consolidated financial statements.

OFG BANCORP

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE QUARTERS AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

	Quarter Ended September 30,		Nine-Month Period Ended September 30,	
_	2014	2013	2014	2013
	(In thousands)			
Net income	**$ 19,532**	**$ 19,621**	**$ 64,588**	**$ 78,352**
Other comprehensive income (loss) before tax:				
Unrealized gain (loss) on securities available-for-sale	(9,410)	(5,779)	15,094	(52,346)
Realized gain on investment securities included in net income	-	-	(4,366)	-
Unrealized gain on cash flow hedges	1,798	233	2,189	4,711
Other comprehensive income (loss) before taxes	**(7,612)**	**(5,546)**	**12,917**	**(47,635)**
Income tax effect	(732)	611	(2,697)	2,587
Other comprehensive income (loss) after taxes	**(8,344)**	**(4,935)**	**10,220**	**(45,048)**
Comprehensive income	**$ 11,188**	**$ 14,686**	**$ 74,808**	**$ 33,304**

See notes to unaudited consolidated financial statements.

OFG BANCORP

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

	Nine-Month Period Ended September 30,				
	2014			**2013**	
	(In thousands)				
Preferred stock:					
Balance at beginning of period	$	176,000		$	176,000
Balance at end of period		**176,000**			**176,000**
Common stock:					
Balance at beginning of period		52,707			52,671
Exercised stock options		54			20
Balance at end of period		**52,761**			**52,691**
Additional paid-in capital:					
Balance at beginning of period		538,071			537,453
Stock-based compensation expense		1,248			1,360
Exercised stock options		589			187
Lapsed restricted stock units		(386)			(728)
Common stock issuance costs		-			(16)
Preferred stock issuance costs		-			(25)
Balance at end of period		**539,522**			**538,231**
Legal surplus:					
Balance at beginning of period		61,957			52,143
Transfer from retained earnings		6,480			7,724
Balance at end of period		**68,437**			**59,867**
Retained earnings:					
Balance at beginning of period		133,629			70,734
Net income		64,588			78,352
Cash dividends declared on common stock		(10,822)			(8,219)
Cash dividends declared on preferred stock		(10,396)			(10,396)
Transfer to legal surplus		(6,480)			(7,724)
Balance at end of period		**170,519**			**122,747**
Treasury stock:					
Balance at beginning of period		(80,642)			(81,275)
Stock repurchased		(10,394)			-
Lapsed restricted stock units		384			556
Stock used to match defined contribution plan		-			77
Balance at end of period		**(90,652)**			**(80,642)**
Accumulated other comprehensive income,					

net of tax:					
Balance at beginning of period		3,191			55,880
Other comprehensive income (loss), net of tax		10,220			(45,048)
Balance at end of period		**13,411**			**10,832**
Total stockholders' equity	**$**	**929,998**		**$**	**879,726**
See notes to unaudited consolidated financial statements.					

OFG BANCORP

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

	Nine-Month Period Ended September 30,			
	2014		**2013**	
	(In thousands)			
Cash flows from operating activities:				
Net income	$	**64,588**	$	**78,352**
Adjustments to reconcile net income to net cash provided by operating activities:				
Amortization of deferred loan origination fees, net of costs		2,065		733
Amortization of fair value premiums, net of discounts, on acquired loans		9,914		8,239
Amortization of investment securities premiums, net of accretion of discounts		1,048		17,116
Amortization of core deposit and customer relationship intangibles		1,627		1,932
Amortization of fair value premiums on acquired deposits		4,349		12,032
FDIC shared-loss expense, net		53,776		48,801
Depreciation and amortization of premises and equipment		7,415		7,703
Deferred income tax expense (benefit), net		20,418		(18,816)
Provision for covered and non-covered loan and lease losses, net		43,763		60,300
Stock-based compensation		1,248		1,360
(Gain) loss on:				
Sale of securities		(4,366)		-
Sale of mortgage loans held-for-sale		(3,891)		(2,009)
Derivatives		584		224
Early extinguishment of debt		-		(1,061)
Foreclosed real estate		9,185		5,321
Sale of other repossessed assets		4,506		1,813
Sale of premises and equipment		(11)		-
Originations of loans held-for-sale		(130,547)		(239,804)
Proceeds from sale of loans held-for-sale		72,211		125,245
Net (increase) decrease in:				
Trading securities		182		(1,629)
Accrued interest receivable		(931)		(4,802)

Servicing assets		(185)			(2,856)
Other assets		8,538			15,984
Net increase (decrease) in:					
Accrued interest on deposits and borrowings		(1,811)			(1,658)
Accrued expenses and other liabilities		(3,099)			13,937
Net cash provided by operating activities		**160,576**			**126,457**
Cash flows from investing activities:					
Purchases of:					
Investment securities available-for-sale		(219,027)			(32,874)
Investment securities held-to-maturity		(115,396)			-
FHLB stock		(84,375)			(32,562)
Maturities and redemptions of:					
Investment securities available-for-sale		429,939			477,610
Investment securities held-to-maturity		1,045			-
FHLB stock		87,636			46,503
Proceeds from sales of:					
Investment securities available-for-sale		189,249			120,526
Foreclosed real estate and other repossessed assets		33,915			44,754
Loans held-for-investment		9,378			-
Premises and equipment		25			896
Origination and purchase of loans, excluding loans held-for-sale		(545,776)			(911,443)
Principal repayment of loans, including covered loans		561,479			806,676
Reimbursements from the FDIC on shared-loss agreements		31,537			32,732
Additions to premises and equipment		(6,626)			(6,747)
Net change in securities purchased under agreements to resell		60,000			(5,000)
Net change in restricted cash		49,292			(2,517)
Net cash provided by investing activities		**482,295**			**538,554**

OFG BANCORP

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013 – (Continued)

	Nine-Month Period Ended September 30,			
	2014		2013	
	(In thousands)			
Cash flows from financing activities:				
Net increase (decrease) in:				
Deposits		(306,917)		(96,552)
Short term borrowings		-		(92,210)
Securities sold under agreements to repurchase		(255,000)		(427,931)
FHLB advances, federal funds purchased, and other borrowings		(1,142)		(199,731)
Subordinated capital notes		1,180		(45,491)
Exercise of stock options and restricted units lapsed, net		641		207
Purchase of treasury stock		(10,394)		-
Termination of derivative instruments		-		1,483
Dividends paid on preferred stock		(10,396)		(10,226)
Dividends paid on common stock		(10,873)		(8,219)
Net cash used in financing activities		**(592,901)**		**(878,670)**
Net change in cash and cash equivalents		**49,970**		**(213,659)**
Cash and cash equivalents at beginning of period		621,269		855,235
Cash and cash equivalents at end of period	**$**	**671,239**	**$**	**641,576**
Supplemental Cash Flow Disclosure and Schedule of Non-cash Activities:				
Interest paid	$	63,082	$	64,272
Income taxes paid	$	1,839	$	378
Mortgage loans securitized into mortgage-backed securities	$	71,466	$	117,687
Securities purchased but not yet received	$	30,057	$	-
Transfer from loans to foreclosed real estate and other repossessed assets	$	67,296	$	65,716
Reclassification of loans held-for-investment portfolio to held-for-sale portfolio	$	5,268	$	42,289
Reclassification of loans held-for-sale portfolio to held-for-investment portfolio	$	25,801	$	-

See notes to unaudited consolidated financial statements.

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OFG BANCORP

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION, CONSOLIDATION AND BASIS OF PRESENTATION

Nature of Operations

OFG Bancorp (the “Company”) is a publicly-owned financial holding company incorporated under the laws of the Commonwealth of Puerto Rico. The Company operates through various subsidiaries including, a commercial bank, Oriental Bank (or the “Bank”), a securities broker-dealer, Oriental Financial Services Corp. (“Oriental Financial Services”), an insurance agency, Oriental Insurance, Inc. (“Oriental Insurance”) and a retirement plan administrator, Caribbean Pension Consultants, Inc. (“CPC”). Through these subsidiaries and their respective divisions, the Company provides a wide range of banking and financial services such as commercial, consumer and mortgage lending, auto loans, financial planning, insurance sales, money management and investment banking and brokerage services, as well as corporate and individual trust services. On April 25, 2013, the Company changed its corporate name from Oriental Financial Group Inc. to OFG Bancorp.

On April 30, 2010, the Bank acquired certain assets and assumed certain deposits and other liabilities of Eurobank, a Puerto Rico commercial bank, in an FDIC-assisted acquisition. On December 18, 2012, the Company acquired a group of Puerto Rico based entities that included Banco Bilbao Vizcaya Argentaria Puerto Rico (“BBVAPR”), a Puerto Rico commercial bank, as well as a securities broker-dealer and an insurance agency, which is referred to herein as the “BBVAPR Acquisition.” The businesses acquired in these acquisitions have been integrated with the Company’s existing business.

Recent Accounting Developments

In August 2014, the Financial Accounting Standard Board (“FASB”) issued a new going concern standard, which requires management to assess at each interim and annual reporting period whether substantial doubt exists about the company’s ability to continue as a going concern. Substantial doubt exists if it is probable (the same threshold that is used for contingencies) that the company will be unable to meet its obligations as they become due within one year after the date the financial statements are issued or available to be issued (assessment date). Management needs to consider known (and reasonably knowable) events and conditions at the assessment date. For all entities, this standard is effective for annual periods and interim periods within those annual periods beginning after December 15, 2016, with earlier adoption permitted. The adoption of this standard will have no material impact on our financial position or results of operations.

In August 2014, FASB issued new guidance requiring creditors to classify certain foreclosed, government-guaranteed, mortgage loans as receivables. The receivable is measured at the amount expected to be recovered under the guarantee, which is not treated as a separate unit of account. For public business entities, this guidance is effective for annual periods and interim periods within those annual periods beginning after December 15, 2014, with earlier adoption permitted if the entity already has adopted Accounting Standards Update ("ASU") 2014-04. An entity should adopt the amendments in this update using either a prospective transition method or a modified retrospective transition method. We are currently evaluating the impact that the adoption of this guidance will have on our financial position and results of operations.

Other than the accounting pronouncements disclosed above, there was no other new accounting pronouncement issued during the third quarter of 2014 that could have a material impact on the Company's financial position, operating results or financials statement disclosures.

OFG BANCORP

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

NOTE 2 – RESTRICTED CASH

The following table includes the composition of the Company's restricted cash:

	September 30, 2014		December 31, 2013	
	(In thousands)			
Cash pledged as collateral to other financial institutions to secure:				
Securities sold under agreements to repurchase	$	24,500	$	67,029
Derivatives		2,980		2,980
Obligations under agreement of loans sold with recourse		5,427		12,190
	$	**32,907**	**$**	**82,199**

The Company delivers cash as collateral to meet margin calls for some long term securities sold under agreements to repurchase. At September 30, 2014 and December 31, 2013, the Company had cash pledged as collateral for securities sold under agreements to repurchase amounting to $24.5 million and $67.0 million, respectively.

As part of its derivative activities, the Company has entered into collateral agreements with certain financial counterparties. At both September 30, 2014 and December 31, 2013, the Company had delivered $3.0 million of cash as collateral for such derivatives activities.

As part of the BBVAPR Acquisition, the Company assumed various contracts with the Federal National Mortgage Association ("FNMA") which required collateral to guarantee the repurchase, if necessary, of certain mortgage loans sold with recourse. At September 30, 2014 and December 31, 2013, the Company had $5.4 million and $12.2 million, respectively, of cash pledged as collateral for such recourse obligations.

NOTE 3 – INVESTMENT SECURITIES

Money Market Investments

The Company considers as cash equivalents all money market instruments that are not pledged and that have maturities of three months or less at the date of acquisition. At September 30, 2014 and December 31, 2013, money market instruments included as part of cash and cash equivalents amounted to $7.8 million and $7.0 million, respectively.

Securities Purchased Under Agreements to Resell

Securities purchased under agreements to resell consist of short-term investments and are carried at the amounts at which the assets will be subsequently resold as specified in the respective agreements. At December 31, 2013, securities purchased under agreements to resell amounted to $60.0 million. At September 30, 2014, there were no securities purchased under agreements to resell.

The amounts advanced under those agreements are reflected as assets in the consolidated statements of financial condition. It is the Company's policy to take possession of securities purchased under agreements to resell. Agreements with third parties specify the Company's right to request additional collateral based on its monitoring of the fair value of the underlying securities on a daily basis. The fair value of the collateral securities held by the Company on these transactions as of December 31, 2013 was approximately $64.6 million.

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Investment Securities

The amortized cost, gross unrealized gains and losses, fair value, and weighted average yield of the securities owned by the Company at September 30, 2014 and December 31, 2013 were as follows:

	September 30, 2014					
	Amortized Cost	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Fair Value**	**Weighted Average Yield**
	(In thousands)				
Available-for-sale					
Mortgage-backed securities					
FNMA and FHLMC certificates	$ 1,023,303	$ 36,414	$ 3,082	$ 1,056,635	3.13%
GNMA certificates	5,241	348	21	5,568	4.92%
CMOs issued by US government-sponsored agencies	189,142	206	4,390	184,958	1.80%
Total mortgage-backed securities	**1,217,686**	**36,968**	**7,493**	**1,247,161**	2.93%
Investment securities					
Obligations of US government-sponsored agencies	7,795	-	34	7,761	1.32%
Obligations of Puerto Rico government and political subdivisions	20,915	-	5,469	15,446	5.41%
Other debt securities	3,373	138	-	3,511	2.91%
Total investment securities	**32,083**	**138**	**5,503**	**26,718**	4.15%
Total securities available for sale	**$ 1,249,769**	**$ 37,106**	**$ 12,996**	**$ 1,273,879**	2.96%
Held-to-maturity					
Mortgage-backed securities					
FNMA and FHLMC certificates	144,305	82	170	144,217	1.95%
Total	**$ 1,394,074**	**$ 37,188**	**$ 13,166**	**$ 1,418,096**	2.86%

	December 31, 2013				
		Gross	Gross		Weighted
	Amortized	Unrealized	Unrealized	Fair	Average
	Cost	Gains	Losses	Value	Yield
	(In thousands)				
Available-for-sale					
Mortgage-backed securities					
FNMA and FHLMC certificates	$ 1,190,910	$ 33,089	$ 6,669	$ 1,217,330	2.93%
GNMA certificates	7,406	433	24	7,815	4.92%
CMOs issued by US government-sponsored agencies	220,801	407	6,814	214,394	1.78%
Total mortgage-backed securities	**1,419,117**	**33,929**	**13,507**	**1,439,539**	**2.76%**
Investment securities					
Obligations of US government-sponsored agencies	10,691	-	42	10,649	1.21%
Obligations of Puerto Rico government and political subdivisions	121,035	-	6,845	114,190	4.38%
Other debt securities	24,200	167	320	24,047	3.46%
Total investment securities	**155,926**	**167**	**7,207**	**148,886**	**2.99%**
Total securities available-for-sale	**$ 1,575,043**	**$ 34,096**	**$ 20,714**	**$ 1,588,425**	**2.89%**

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The amortized cost and fair value of the Company's investment securities at September 30, 2014, by contractual maturity, are shown in the next table. Securities not due on a single contractual maturity date, such as collateralized mortgage obligations, are classified in the period of final contractual maturity. Expected maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations with or without call or prepayment penalties.

	September 30, 2014			
	Available-for-sale		Held-to-maturity	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(In thousands)		(In thousands)	
Mortgage-backed securities				
Due after 5 to 10 years				
FNMA and FHLMC certificates	$ 22,896	$ 23,243	$ -	$ -
Total due after 5 to 10 years	**22,896**	**23,243**	**-**	**-**
Due after 10 years				
FNMA and FHLMC certificates	1,000,407	1,033,392	144,305	144,217
GNMA certificates	5,241	5,568	-	-
CMOs issued by US government-sponsored agencies	189,142	184,958	-	-
Total due after 10 years	**1,194,790**	**1,223,918**	**144,305**	**144,217**
Total mortgage-backed securities	**1,217,686**	**1,247,161**	**144,305**	**144,217**
Investment securities				
Due from 1 to 5 years				
Obligations of Puerto Rico government and political subdivisions	10,450	8,628	-	-
Total due from 1 to 5 years	**10,450**	**8,628**	**-**	**-**
Due after 5 to 10 years				
Obligations of US government and sponsored agencies	7,795	7,761	-	-
Total due after 5 to 10 years	**7,795**	**7,761**	**-**	**-**
Due after 10 years				
Obligations of Puerto Rico government and political subdivisions	10,465	6,818	-	-

Other debt securities		3,373		3,511		-		-
Total due after 10 years		**13,838**		**10,329**		**-**		**-**
Total investment securities		**32,083**		**26,718**		**-**		**-**
Total securities available-for-sale	**$**	**1,249,769**	**$**	**1,273,879**	**$**	**144,305**	**$**	**144,217**

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

At December 31, 2013, obligations of the Puerto Rico government and its political subdivisions included a $98.7 million principal amount, LIBOR floating rate bond with a maturity date of July 1, 2024, that was subject to mandatory tender for purchase by the end of the third year anniversary of the closing date, which was June 1, 2014. The bond was also subject to optional demand tender for purchase upon the occurrence and continuance of certain events, including (among others) the withdrawal, suspension or reduction below investment grade of the credit rating on any general obligation of the Commonwealth by any of the three major rating agencies. This bond was repaid by the issuer on March 17, 2014.

The Company, as part of its asset/liability management, may purchase U.S. Treasury securities and U.S. government-sponsored agency discount notes close to their maturities as alternatives to cash deposits at correspondent banks or as a short term vehicle to reinvest the proceeds of sale transactions until investment securities with attractive yields can be purchased. During the nine-month period ended September 30, 2014, the Company sold $74.1 million of available-for-sale Government National Mortgage Association ("GNMA") certificates that were sold as part of its recurring mortgage loan origination and securitization activities. These sales did not realize any gains or losses during such period.

In addition, during the nine-month period ended September 30, 2014, the Company sold $110.8 million of available-for-sale FNMA and FHLMC certificates because the Company believed that gains could be realized and that there were good opportunities to invest the proceeds in other investment securities with attractive yields and terms that would allow the Company to continue protecting its net interest margin. The Company recorded a net gain on sale of these securities of $4.4 million. The table below presents the gross realized gains by category for such period. There was no realized gain or loss for the nine-month period ended September 30, 2013.

	Nine-Month Period Ended September 30, 2014							
			Book Value		Gross		Gross	
Description	Sale Price		at Sale		Gains		Losses	
	(In thousands)							
Sale of securities available-for-sale								
Mortgage-backed securities								
FNMA and FHLMC certificates	$	115,158	$	110,792	$	4,366	$	-
GNMA certificates		74,091		74,091		-		-
Total	**$**	**189,249**	**$**	**184,883**	**$**	**4,366**	**$**	**-**

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The following tables show the Company's gross unrealized losses and fair value of investment securities available-for-sale and held-to-maturity, aggregated by investment category and the length of time that individual securities have been in a continuous unrealized loss position at September 30, 2014 and December 31, 2013:

	September 30, 2014					
	12 months or more					
	Amortized Cost		Unrealized Loss		Fair Value	
	(In thousands)					
Securities available-for-sale						
CMOs issued by US government-sponsored agencies	$	149,957	$	4,242	$	145,716
FNMA and FHLMC certificates		183,479		3,049		180,430
Obligations of Puerto Rico government and political subdivisions		20,915		5,469		15,446
GNMA certificates		197		22		176
	$	**354,548**	$	**12,782**	$	**341,768**
	Less than 12 months					
	Amortized Cost		Unrealized Loss		Fair Value	
	(In thousands)					
Securities available-for-sale						
CMOs issued by US government-sponsored agencies	$	15,746	$	148	$	15,598
FNMA and FHLMC certificates		26,220		33		26,187
Obligations of US government and sponsored agencies		7,796		34		7,761
Securities held-to-maturity						
FNMA and FHLMC Certificates		95,598		170		95,428
	$	**145,359**	**$**	**385**	**$**	**144,974**
	Total					
	Amortized Cost		Unrealized Loss		Fair Value	
	(In thousands)					
Securities available-for-sale						
CMOs issued by US government-sponsored agencies	$	165,703	$	4,390	$	161,314
FNMA and FHLMC certificates		209,699		3,082		206,617
Obligations of Puerto Rico government and political subdivisions		20,915		5,469		15,446
Obligations of US government and sponsored agencies		7,796		34		7,761

GNMA certificates		197			22			176
		404,309			**12,996**			**391,314**
Securities held-to-maturity								
FNMA and FHLMC Certificates		95,598			170			95,428
	$	**499,907**		**$**	**13,166**		**$**	**486,742**

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

	December 31, 2013		
	12 months or more		
	Amortized Cost	Unrealized Loss	Fair Value
	(In thousands)		
Securities available-for-sale			
Obligations of Puerto Rico government and political subdivisions	$ 20,845	$ 5,470	$ 15,375
CMOs issued by US government-sponsored agencies	2,559	237	2,322
GNMA certificates	81	11	70
	$ 23,485	**$ 5,718**	**$ 17,767**
	Less than 12 months		
	Amortized Cost	Unrealized Loss	Fair Value
	(In thousands)		
Securities available-for-sale			
Obligations of Puerto Rico government and political subdivisions	$ 100,190	$ 1,375	$ 98,815
CMOs issued by US government-sponsored agencies	182,661	6,577	176,084
GNMA certificates	122	13	109
FNMA and FHLMC certificates	220,913	6,669	214,244
Obligations of US government and sponsored agencies	10,691	42	10,649
Other debt securities	20,000	320	19,680
	$ 534,577	**$ 14,996**	**$ 519,581**
	Total		
	Amortized Cost	Unrealized Loss	Fair Value
	(In thousands)		
Securities available-for-sale			
Obligations of Puerto Rico government and political subdivisions	$ 121,035	$ 6,845	$ 114,190
CMOs issued by US government-sponsored agencies	185,220	6,814	178,406

GNMA certificates		203		24		179
FNMA and FHLMC certificates		220,913		6,669		214,244
Obligations of US government and sponsored agencies		10,691		42		10,649
Other debt securities		20,000		320		19,680
	$	**558,062**	$	**20,714**	$	**537,348**

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The Company performs valuations of the investment securities on a monthly basis. Moreover, the Company conducts quarterly reviews to identify and evaluate each investment in an unrealized loss position for other-than-temporary impairment. Any portion of a decline in value associated with credit loss is recognized in income with the remaining noncredit-related component recognized in other comprehensive income. A credit loss is determined by assessing whether the amortized cost basis of the security will be recovered by comparing the present value of cash flows expected to be collected from the security, discounted at the rate equal to the yield used to accrete current and prospective beneficial interest for the security. The shortfall of the present value of the cash flows expected to be collected in relation to the amortized cost basis is considered to be the "credit loss." Other-than-temporary impairment analysis is based on estimates that depend on market conditions and are subject to further change over time. In addition, while the Company believes that the methodology used to value these exposures is reasonable, the methodology is subject to continuing refinement, including those made as a result of market developments. Consequently, it is reasonably possible that changes in estimates or conditions could result in the need to recognize additional other-than-temporary impairment charges in the future.

Most of the investment ($479.0 million or 96%) with an unrealized loss position at September 30, 2014 consist of securities issued or guaranteed by the U.S. Treasury or U.S. government-sponsored agencies, all of which are highly liquid securities that have a large and efficient secondary market. Their aggregate losses and their variability from period to period are the result of changes in market conditions, and not due to the repayment capacity or creditworthiness of the issuers or guarantors of such securities.

The remaining investments ($20.9 million or 4%) with an unrealized loss position at September 30, 2014 consist of obligations issued or guaranteed by the government of Puerto Rico and its political subdivisions or instrumentalities. The recent decline in the market value of these securities is mainly attributed to an increase in volatility as a result of changes in market conditions that reflect the significant economic and fiscal challenges that Puerto Rico is facing, including a protracted economic recession, sizable government debt-service obligations and structural budget deficits, high unemployment and a shrinking population. Moreover, uncertainty in regards to the impact of the recently enacted Public Corporation Debt Enforcement and Recovery Act (the "Recovery Act") and the related subsequent negative rating decisions taken by the credit rating agencies has affected the market value of these securities.

As of September 30, 2014, the Company applied a discounted cash flow analysis to the Puerto Rico government bonds to calculate the cash flows expected to be collected and determine if any portion of the decline in market value of these investments was considered an other-than-temporary impairment. The analysis derives an estimate of value based on the present value of risk-adjusted future cash flows of the underlying investments, and included the following components:

- The contractual future cash flows of the bonds are projected based on the key terms as set forth in the official statements for each investment. Such key terms include among others the interest rate, amortization schedule, if any, and maturity date.

- The risk-adjusted cash flows are calculated based on monthly default probability and recovery rate assumptions based on the credit rating of each investment. Constant monthly default rates are assumed throughout the life of the bonds which are based on the respective security's credit rating as of the date of the analysis.

- The adjusted future cash flows are then discounted at the original effective yield of each investment based on the purchase price and expected risk-adjusted future cash flows as of the purchase date of each investment.

The discounted cash flow analysis for the investments showed at maturity in the range of 2.509% to 15.340%, thus reflecting that it is more likely than not that the bonds will not default at all during their remaining terms (range between 84.660% and 97.491%). Based on this analysis, the Company determined that it is more likely than not that it will recover all interest and principal invested in the Puerto Rico government bonds and is therefore not required to recognize a credit loss as of September 30, 2014.

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

NOTE 4 - LOANS

The Company's loan portfolio is composed of covered loans and non-covered loans. Covered loans are subject to loss sharing agreements with the FDIC and non-covered loans are not subject to FDIC loss sharing agreements. The risks of covered loans are different from the risks of non-covered loans because of the loss protection provided by the FDIC to covered loans. Loans acquired in the BBVAPR Acquisition are included as non-covered loans in the unaudited consolidated statements of financial condition. Non-covered loans are further subdivided between originated and other loans, acquired loans accounted for under ASC 310-20 (loans with revolving feature and/or acquired at a premium), and acquired loans accounted for under ASC 310-30 (loans acquired with deteriorated credit quality, including those by analogy).

The composition of the Company's loan portfolio at September 30, 2014 and December 31, 2013 was as follows:

	September 30, 2014			December 31, 2013	
	(In thousands)				
Non-covered loans:					
Originated and other loans and leases held for investment:					
Mortgage	$	791,106		$	766,265
Commercial		1,217,235			1,127,657
Consumer		175,882			127,744
Auto and leasing		542,892			379,874
		2,727,115			**2,401,540**
Acquired loans:					
Accounted for under ASC 310-20 (Loans with revolving feature and/or					
acquired at a premium)					
Commercial		26,984			77,681
Consumer		47,284			56,174
Auto		210,808			301,584
		285,076			**435,439**
Accounted for under ASC 310-30 (Loans acquired with deteriorated					
credit quality, including those by analogy)					
Mortgage		670,188			717,904
Commercial		485,444			545,117
Construction		108,694			126,427

Consumer		36,470		63,620
Auto		276,749		379,145
		1,577,545		**1,832,213**
		4,589,736		**4,669,192**
Deferred loan cost , net		3,575		1,035
Loans receivable		**4,593,311**		**4,670,227**
Allowance for loan and lease losses on non-covered loans		(64,859)		(54,298)
Loans receivable, net		**4,528,452**		**4,615,929**
Mortgage loans held-for-sale		16,757		46,529
Total non-covered loans, net		**4,545,209**		**4,662,458**
Covered loans:				
Loans secured by 1-4 family residential properties		121,658		121,748
Construction and development secured by 1-4 family residential properties		18,947		17,304
Commercial and other construction		228,410		264,249
Consumer		4,905		6,119
Leasing		-		270
Total covered loans		**373,920**		**409,690**
Allowance for loan and lease losses on covered loans		(62,227)		(52,729)
Total covered loans, net		**311,693**		**356,961**
Total loans, net	$	**4,856,902**	$	**5,019,419**

During the nine-month period ended September 30, 2014, the Company reclassified $25.8 million in mortgage loans held-for-sale to held-for-investment.

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Non-covered Loans

Originated and Other Loans and Leases Held for Investment

The Company's originated and other loans held for investment are encompassed within four portfolio segments: mortgage, commercial, consumer, and auto and leasing.

The following tables present the aging of the recorded investment in gross originated and other loans held for investment as of September 30, 2014 and December 31, 2013 by class of loans. Mortgage loans past due included delinquent loans in the GNMA buy-back option program. Servicers of loans underlying GNMA mortgage-backed securities must report as their own assets the defaulted loans that they have the option (but not the obligation) to repurchase, even when they elect not to exercise that option.

	September 30, 2014						
	30-59 Days Past Due	60-89 Days Past Due	90+ Days Past Due	Total Past Due	Current	Total Loans	Loans 90+ Days Past Due and Still Accruing
	(In thousands)						
Mortgage							
Traditional (by origination year):							
Up to the year 2002	$ 5,996	$ 3,283	$ 3,424	$ 12,703	$ 55,635	$ 68,338	$ 141
Years 2003 and 2004	6,679	1,730	3,471	11,880	50,464	62,344	-
Year 2005	7,368	3,295	8,258	18,921	69,510	88,431	89
Year 2006	10,274	5,678	6,041	21,993	91,218	113,211	114
Years 2007, 2008 and 2009	3,285	3,095	7,647	14,027	83,036	97,063	59

Years 2010, 2011, 2012, 2013 and 2014	4,938	1,368	5,706	12,012	181,550	193,562	509
	38,540	18,449	34,547	91,536	531,413	622,949	912
Non-traditional	1,084	783	3,022	4,889	32,886	37,775	-
Loss mitigation program	10,022	7,358	14,625	32,005	57,578	89,583	5,773
	49,646	26,590	52,194	128,430	621,877	750,307	6,685
Home equity secured personal loans	-	-	126	126	607	733	-
GNMA's buy-back option program	-	-	40,066	40,066	-	40,066	-
	49,646	**26,590**	**92,386**	**168,622**	**622,484**	**791,106**	**6,685**
Commercial							
Commercial secured by real estate:							
Corporate	-	-	-	-	113,976	113,976	-
Institutional	-	-	-	-	37,177	37,177	-
Middle market	-	1,071	638	1,709	142,830	144,539	-
Retail	1,164	129	7,258	8,551	153,091	161,642	-
Floor plan	-	-	-	-	1,666	1,666	-
Real estate	-	-	-	-	11,878	11,878	-
	1,164	1,200	7,896	10,260	460,618	470,878	-
Other commercial and industrial:							
Corporate	-	-	-	-	60,402	60,402	-
Institutional	-	-	-	-	482,277	482,277	-
Middle market	-	-	628	628	82,577	83,205	-
Retail	267	144	809	1,220	79,592	80,812	-
Floor plan	-	-	-	-	39,661	39,661	-
	267	144	1,437	1,848	744,509	746,357	-
	1,431	**1,344**	**9,333**	**12,108**	**1,205,127**	**1,217,235**	**-**

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

	September 30, 2014						
	30-59 Days Past Due	60-89 Days Past Due	90+ Days Past Due	Total Past Due	Current	Total Loans	Loans 90+ Days Past Due and Still Accruing
	(In thousands)						
Consumer							
Credit cards	238	189	408	835	17,022	17,857	-
Overdrafts	20	2	1	23	317	340	-
Personal lines of credit	67	132	29	228	1,823	2,051	-
Personal loans	1,666	627	604	2,897	135,711	138,608	-
Cash collateral personal loans	214	132	36	382	16,644	17,026	-
	2,205	**1,082**	**1,078**	**4,365**	**171,517**	**175,882**	**-**
Auto and leasing	43,537	15,956	8,279	**67,772**	475,120	**542,892**	-
Total	**$ 96,819**	**$ 44,972**	**$ 111,076**	**$ 252,867**	**$ 2,474,248**	**$ 2,727,115**	**$ 6,685**

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

	December 31, 2013						
	30-59 Days Past Due	60-89 Days Past Due	90+ Days Past Due	Total Past Due	Current	Total Loans	Loans 90+ Days Past Due and Still Accruing
	(In thousands)						
Mortgage							
Traditional (by origination year):							
Up to the year 2002	$ 6,697	$ 1,635	$ 3,408	$ 11,740	$ 64,772	$ 76,512	$ 79
Years 2003 and 2004	4,722	2,163	1,845	8,730	56,387	65,117	-
Year 2005	8,527	2,119	4,808	15,454	74,087	89,541	-
Year 2006	12,055	4,312	4,418	20,785	99,537	120,322	-
Years 2007, 2008 and 2009	3,464	1,104	4,663	9,231	91,919	101,150	152
Years 2010, 2011, 2012 and 2013	3,923	1,609	4,453	9,985	139,561	149,546	459
	39,388	12,942	23,595	75,925	526,263	602,188	690
Non-traditional	3,217	1,162	2,311	6,690	35,412	42,102	-
Loss mitigation program	9,759	5,560	13,191	28,510	57,808	86,318	2,185
	52,364	19,664	39,097	111,125	619,483	730,608	2,875
Home equity secured personal loans	-	-	138	138	598	736	-
GNMA's buy-back option program	-	-	34,921	34,921	-	34,921	-

	52,364	**19,664**	**74,156**	**146,184**	**620,081**	**766,265**	**2,875**
Commercial							
Commercial secured by real estate:							
Corporate	-	-	-	-	54,796	54,796	-
Institutional	-	-	-	-	4,050	4,050	-
Middle market	1,356	-	10,294	11,650	149,933	161,583	-
Retail	4,253	1,015	3,190	8,458	158,184	166,642	-
Floor plan	-	-	-	-	1,835	1,835	-
Real estate	-	-	-	-	11,655	11,655	-
	5,609	1,015	13,484	20,108	380,453	400,561	-
Other commercial and industrial:							
Corporate	236	-	-	236	32,362	32,598	-
Institutional	-	-	-	-	536,445	536,445	-
Middle market	-	299	1,134	1,433	57,464	58,897	-
Retail	1,830	552	539	2,921	58,589	61,510	-