

Press Releases

July 9, 1999

OTS 99-47 - Oceanmark Bank Sold to TFS Financial; First Failure Since 1996

Office of Thrift Supervision

News Release

FOR RELEASE at 5:15 P.M EDT

For further information

Friday, July 9, 1999

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OTS 99-47

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Oceanmark Bank Sold to TFS Financial; First Failure Since 1996

WASHINGTON, D.C., July 9, 1999 - The Office of Thrift Supervision (OTS) today placed Oceanmark Bank, F.S.B., North Miami, Fla., in receivership and chartered a new federal thrift institution to take its place. OTS said Oceanmark was the first thrift to fail since 1996.

The new institution, Third Federal Savings and Loan Association of Florida, will assume certain assets and liabilities of the old thrift. The new institution will be a subsidiary of TFS Financial, Inc., parent company of Third Federal Savings and Loan Association, a \$5.8 billion federal stock institution located in Cleveland, Ohio.

The receivership did not result in any interruption of the operations of the institution, which remains open for business as usual. Holders of insured accounts are not affected by the action, which was taken by OTS to protect insured depositors and the thrift insurance fund. Deposits remain insured to the \$100,000 legal limit.

OTS initiated the action because Oceanmark Bank was operating in an unsafe and unsound condition and suffered losses that depleted its capital, with no prospect of replenishment without federal assistance. The \$61.9 million-asset thrift lacked core profitability, had a critically high level of classified assets and was insolvent, with negative capital of \$1.8 million and a capital-to-asset ratio of minus 2.88 percent.

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The Office of Thrift Supervision (OTS), a bureau of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS' mission is to ensure the safety and soundness of thrift institutions and to support their role as home mortgage lenders and providers of other community credit and financial services. For copies of news releases or other documents call PubliFax at 202/906-5660, or visit the OTS web page at <http://www.ots.treas.gov>.

