

INDEPENDENT BANK CORP

Form 10-Q

May 08, 2014

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2014

Commission File Number: 1-9047

Independent Bank Corp.

(Exact name of registrant as specified in its charter)

Massachusetts

04-2870273

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

Office Address: 2036 Washington Street, Hanover Massachusetts 02339

Mailing Address: 288 Union Street, Rockland, Massachusetts 02370

(Address of principal executive offices, including zip code)

(781) 878-6100

(Registrant's telephone number, including area code)

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 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 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.

Large Accelerated Filer

Accelerated Filer

Non-accelerated Filer

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

As of May 1, 2014, there were 23,898,755 shares of the issuer's common stock outstanding, par value \$0.01 per share.

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PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements

INDEPENDENT BANK CORP.

CONSOLIDATED BALANCE SHEETS

(Unaudited—Dollars in thousands)

	March 31, 2014	December 31, 2013
Assets		
Cash and due from banks	\$142,349	\$168,106
Interest-earning deposits with banks	74,934	48,219
Securities		
Securities available for sale	348,258	356,862
Securities held to maturity (fair value \$374,530 and \$346,455)	375,556	350,652
Total securities	723,814	707,514
Loans held for sale (at fair value)	6,788	8,882
Loans		
Commercial and industrial	822,509	784,202
Commercial real estate	2,282,939	2,249,260
Commercial construction	239,536	223,859
Small business	78,147	77,240
Residential real estate	538,626	541,443
Home equity - 1st position	499,095	497,075
Home equity - subordinate positions	328,190	325,066
Other consumer	18,227	20,162
Total loans	4,807,269	4,718,307
Less: allowance for loan losses	(53,629)	(53,239)
Net loans	4,753,640	4,665,068
Federal Home Loan Bank stock	39,926	39,926
Bank premises and equipment, net	64,433	64,950
Goodwill	170,421	170,421
Identifiable intangible assets	11,630	12,221
Cash surrender value of life insurance policies	97,839	100,406
Other real estate owned and other foreclosed assets	7,997	7,633
Other assets	132,149	105,888
Total assets	\$6,225,920	\$6,099,234
Liabilities and Stockholders' Equity		
Deposits		
Demand deposits	\$1,399,717	\$1,369,432
Savings and interest checking accounts	2,032,204	1,940,153
Money market	957,052	933,205
Time certificates of deposit of \$100,000 and over	292,956	297,984
Other time certificates of deposits	432,330	445,644
Total deposits	5,114,259	4,986,418
Borrowings		
Federal Home Loan Bank borrowings	140,228	140,294
Customer repurchase agreements and other short-term borrowings	128,485	154,288
Wholesale repurchase agreements	50,000	50,000

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Junior subordinated debentures	73,852	73,906
Subordinated debentures	30,000	30,000
Total borrowings	422,565	448,488
Other liabilities	86,540	72,788
Total liabilities	5,623,364	5,507,694
Commitments and contingencies		
Stockholders' equity		
Preferred stock, \$.01 par value. authorized: 1,000,000 shares, outstanding: none	—	—
Common stock, \$.01 par value. authorized: 75,000,000 shares, issued and outstanding: 23,878,056 shares at March 31, 2014 and 23,805,984 shares at December 31, 2013 (includes 284,453 and 268,290 shares of unvested participating restricted stock awards, respectively)	236	235
Shares held in rabbi trust at cost: 172,048 shares at March 31, 2014 and 178,765 shares at December 31, 2013	(3,456) (3,404
Deferred compensation obligation	3,456	3,404
Additional paid in capital	306,156	