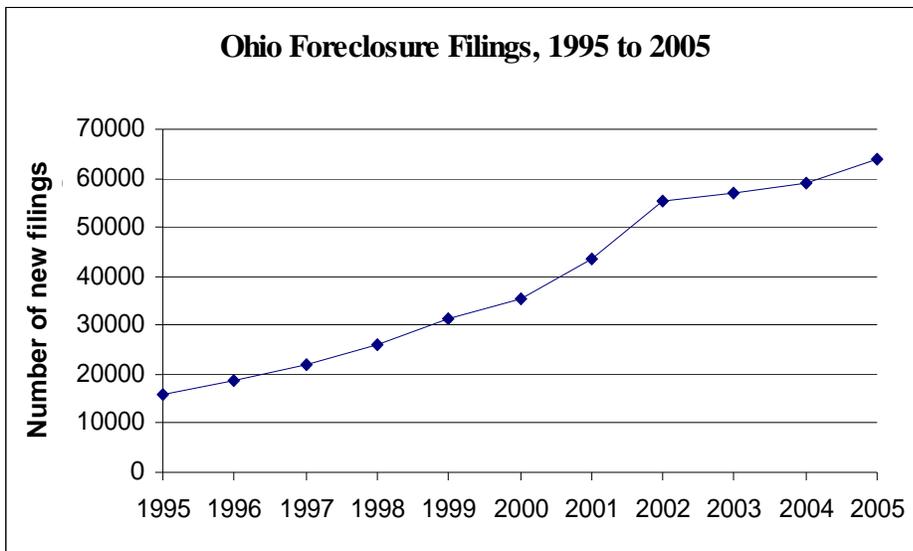


FORECLOSURE GROWTH IN OHIO 2006

The entire state of Ohio is feeling the effects from the growth of home foreclosures. There was one foreclosure filing in 2005 for every 71 households in Ohio. Home foreclosure is one of the most financially devastating events a family can experience. It also often leads to neglected houses in the aftermath, hurting communities and raising costs for local governments.

According to data reported to the Ohio Supreme Court:

- ◇ The number of filings has quadrupled in Ohio from a decade ago.
- ◇ There were 63,996 new filings in 2005, an increase of almost 5,000 or 8.45 percent from 2004. Foreclosure filings grew in 60 of Ohio's 88 counties.



In 2005, sheriff sales grew in 56 out of the 71 counties that responded to a Policy Matters Ohio survey of county sheriff departments. These counties, which represented 86.3 percent of Ohio's population, reported putting a total of 43,123 foreclosed properties up for sale that year. That was a 4.6 percent increase from those counties in 2004 and a 21.3 percent increase from 2003.

The survey asked sheriff departments to rank the leading factors contributing to foreclosures in their counties. Among the 50 that responded with numerical rankings, predatory lending was far and away the leading factor cited. Here's how many departments cited each reason as the top contributor to foreclosures:

- ◇ Predatory lending 31
- ◇ Job loss or weak economy 11
- ◇ Divorce or family break-up 4 (However, it was often cited as the No. 2 or 3 reason)
- ◇ Uninformed consumers 3
- ◇ Illness or medical problems 1

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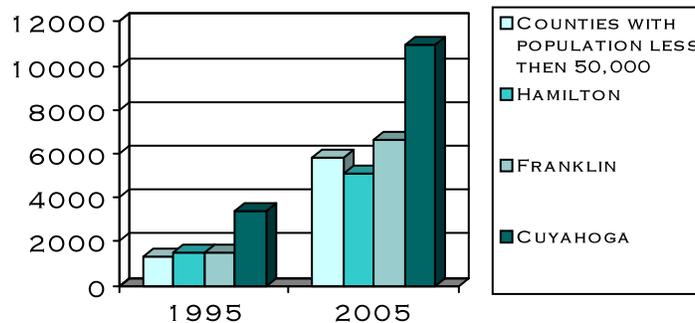
FORECLOSURE GROWTH IN OHIO 2006

In 2005, Cuyahoga County replaced Montgomery County as the county with the greatest number of foreclosure filings per person. Five of the state's six largest counties rank among the top 10 in foreclosure filings, but there are also smaller counties on the list. Eight of the top 10 were on the same list last year, showing that high foreclosure filings are a stubborn problem.

Population/Foreclosure Filing - Top 10 Counties, 2005

	Population	Filings	Population/Filing
Cuyahoga	1,335,317	10,935	122.1
Montgomery	547,435	4,050	135.2
Summit	546,604	3,744	146.0
Brown	44,398	300	148.0
Highland	42,818	286	149.7
Mahoning	254,274	1,692	150.3
Marion	65,932	433	152.3
Clark	142,376	925	153.9
Lucas	448,229	2,903	154.4
Hamilton	806,652	5,066	159.2

Foreclosure filings are more concentrated in urban areas, but they are growing throughout the state. The graphs below show how foreclosure filings have increased in Ohio's three biggest counties and separately, all 40 counties with 50,000 or fewer residents in 2005.



In the spring of 2006, the Ohio General Assembly passed legislation aimed at reining in predatory lending. This law, Senate Bill 185, goes into effect Jan. 1, 2007. We should carefully monitor the new law and how it is enforced.

Policy Matters Ohio is a nonprofit, nonpartisan research institute dedicated to researching an economy that will work better for all in Ohio. Learn more about Policy Matters Ohio at www.policymattersohio.org.