

FORECLOSURES IN CUYAHOGA COUNTY COMMUNITIES

A REPORT FROM
POLICY MATTERS OHIO

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Foreclosures have become a major problem in Cuyahoga County, across Ohio and the nation. Policy Matters Ohio previously reported that the county has led the state in foreclosure filings per person.¹ In this report, we document the number of filings in the county by municipality in the first half of 2007. We analyzed data from the Center on Urban Poverty and Community Development's NEO CANDO data base, which analyzes foreclosure filing data from the Cuyahoga County Court of Common Pleas.² An increasing number of foreclosure filings are being made in the U.S. District Court for the Northern District of Ohio. We have also included those filings for Cuyahoga County in this report.³ While this study does not contain a comprehensive list of all foreclosure filings in the county, it covers the vast bulk of filings and those for which geographic information is readily available.

Foreclosure filings are growing in most Cuyahoga County municipalities. The number of filings increased in 38 out of 59 communities in the first half of 2007 compared to the first half of 2006. In another seven municipalities, the number stayed the same, while in 14, it fell. Four communities, each with fewer than 1,000 residents in 2006, had no filings. Table 1 shows the 10 municipalities in the county with the largest absolute number of foreclosure filings in the first half the year and their rank in growth among the 59 from the same period in 2006. Foreclosure filings are concentrated in the City of Cleveland, which accounted for more than half the filings though it has only 34 percent of the county's population, according to 2006 estimates by the U.S. Census Bureau. The damage this is causing was recently described again in a Congressional hearing.⁴

¹ *Foreclosure Growth in Ohio 2007*, March 2007, available at <http://www.policymattersohio.org/ForeclosureGrowthOhio2007.htm> Foreclosure filings are the first step in the foreclosure process, and do not always lead to actual foreclosures, in which borrowers lose title to their property. For more discussion, see the state report.

² Northeast Ohio Community and Neighborhood Data for Organizing (NEO CANDO) is a data system of the center, a research institute housed at Case Western Reserve University's Mandel School of Applied Social Sciences. See <http://neocando.case.edu>. The court's foreclosure filing data are available at http://cpdocket.cp.cuyahogacounty.us/p_ForeclosureSearch.aspx. Some foreclosure filings in the court data base are not identified by zip code, and thus were not included in the NEO CANDO data base when Policy Matters accessed it in July, 2007. During the first half of 2007, Policy Matters Ohio found 7,039 filings listed by the common pleas court, compared to the total of 6,353 listed by NEO CANDO at that time. However, most of these 686 filings also do not include parcel numbers, making it difficult to place them in a particular municipality. This report does not include these filings, so it somewhat understates the extent of the foreclosure problem. It also excludes duplicate filings and those filed with the Board of Revision.

³ Altogether, there were 344 such new federal court filings involving properties in Cuyahoga County in the first half of 2007, up from 301 in the same period the year before. That excludes filings made in error or removed from the county court, cases that were reopened, and those from other counties. Thus, this report covers 6,697 total filings during the first half of the year.

⁴ Eaton, Sabrina, "Congress Hears about Predatory Loans in Cleveland," *The Plain Dealer*, July 26, 2007, p. A2. See United States Congress, Joint Economic Committee, "A local look at the national foreclosure crisis, Cleveland families, neighborhoods, economy under siege from subprime mortgage fallout," <http://jec.senate.gov/hearings.htm#072507>

Foreclosures in Cuyahoga County Communities

Table 1

Municipalities with the Greatest Number of Foreclosure Filings, First Half 2007		
	Number of filings	Rank in Filings Per Person*
Cleveland	3532	3
Euclid	290	9
Maple Heights	288	1
East Cleveland	280	2
Cleveland Heights	275	11
Parma	230	21
Garfield Heights	218	4
Lakewood	149	22
South Euclid	122	12
Shaker Heights	108	16

Source: Cuyahoga County Common Pleas Court data analyzed by NEO CANDO system; U.S. District Court, Northern District of Ohio. *Rank among all 59 Cuyahoga County communities. See Appendix 2 for complete listing

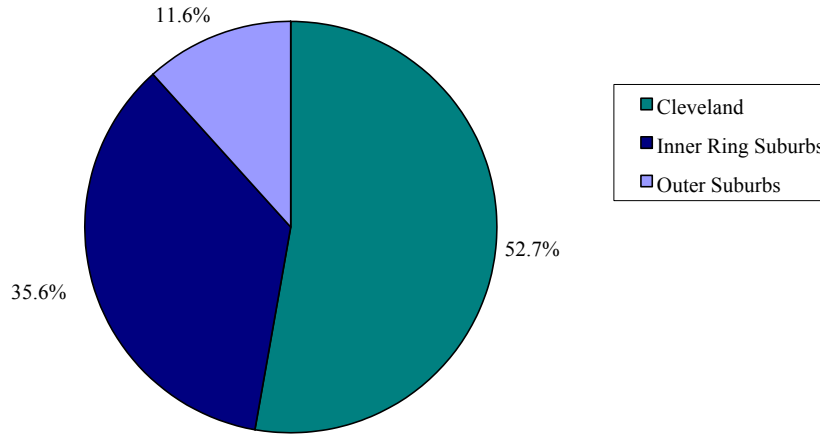
However, after adjusting for population size, two inner-ring suburbs had higher foreclosure filing rates than Cleveland. Maple Heights had more foreclosure filings per person in the first half of 2007 than any other municipality in Cuyahoga County, followed by East Cleveland, despite a drop in filings in East Cleveland from the same period a year earlier. Cleveland ranked third. Other eastern suburbs, especially southeastern suburbs, had the highest proportion of filings in relation to the size of their populations (see Appendix 2).⁵ Altogether, 21 inner-ring suburbs accounted for more than 35 percent of the 6,697 total filings tracked by NEO CANDO or listed in federal court in the first half of this year.⁶ Figure 1 shows a breakdown of filings between Cleveland, inner-ring suburbs and outer suburbs.

⁵ Policy Matters Ohio used Census Bureau American Community Survey population estimates for 2006 to compute these ratios, which are shown in Appendix 2. The number of foreclosure filings in relation to a municipality's population is not a precise measure of the relative number of filings, but it provides a measure for comparing communities of varying size. Communities with greater amounts of multi-unit housing or larger household sizes may appear to have higher rates than they actually do compared to others. However, comparing municipalities based on Census data on housing units from 2000 produces similar results to the population estimates. For instance, by either measure, Maple Heights and East Cleveland rank first and second in foreclosure filing rate, respectively.

⁶ These suburbs include all members of the First Suburbs Consortium, along with four others that border the City of Cleveland. They are: Bedford, Bedford Heights, Bratenahl, Brook Park, Brooklyn, Brooklyn Heights, Cleveland Heights, Cuyahoga Heights, East Cleveland, Euclid, Fairview Park, Garfield Heights, Lakewood, Linndale, Maple Heights, Newburgh Heights, Parma, Shaker Heights, South Euclid, University Heights and Warrensville Heights.

Figure 1

Foreclosure Filings, First Half 2007



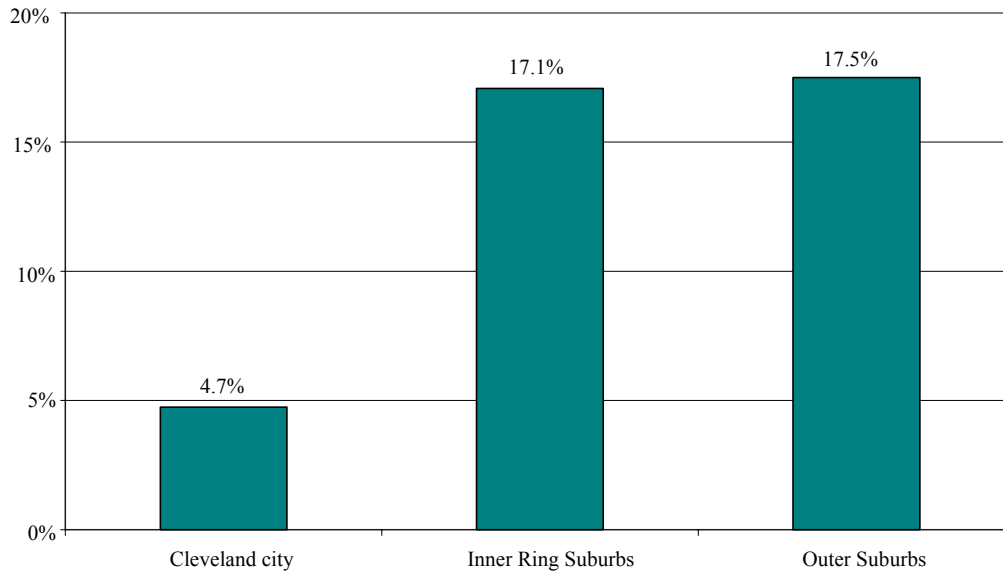
Apart from the City of Cleveland, nearly all of the communities with the highest foreclosure-filing rates per person are inner-ring suburbs. Overall, Cleveland’s rate of 7.9 filings per thousand persons is 1½ times higher than the rate in the 21 inner-ring suburbs taken together as a group, and more than four times as high as in the outer suburbs.

Filings are growing by nearly the same rate in the inner-ring and outer suburbs. In both cases, the growth is faster than in Cleveland. Though absolute numbers are small, some of the fastest growth over the past year has occurred in outer suburbs such as Bay Village, Beachwood, Rocky River and Westlake.⁷ However, totals in these communities remain small compared to those in Cleveland and many inner-ring suburbs, and some outer suburbs have seen declines. Figure 2 shows the percentage growth from a year earlier in the city, the inner-ring and outer suburbs:

⁷ Some small municipalities such as Brooklyn Heights and Hunting Valley showed proportionally large increases in filings, but the absolute numbers are so small that their top growth rankings do not mean much. In these cases, one or two foreclosure filings could drastically change the relative picture. Figures for small communities must be treated with some caution. However, all communities in the county have been included in this report. *Crain’s Cleveland Business* noted the trend of growing foreclosures in the outer suburbs in “Foreclosures Sprawl into the Suburbs,” by Stan Bullard, July 23, 2007. See <http://www.craainscleveland.com/article/20070723/FREE/307230038>

Figure 2

**Percentage Change in Foreclosure Filings,
First Half 2007 vs. First Half 2006**



Housing industry experts agree that the foreclosure picture is likely to worsen further before there is any improvement. While some steps are being taken to cope with the rising tide of foreclosures, mortgage servicers will need to modify the terms of many more loans and help borrowers avoid foreclosure in order to avert even greater devastation of Cuyahoga County's communities.

The appendix, which follows, includes data on all 59 Cuyahoga County communities.

Appendix 1

Growth in Foreclosure Filings Across Cuyahoga County First Half 2006 to First Half 2007				
City	First Half 2006 Filings	First Half 2007 Filings	Change, First Half 2006 to First Half 2007	Rank in Growth, First Half 2006 to First Half 2007
Bay Village	14	34	142.9%	3
Beachwood	10	19	90.0%	5
Bedford	62	90	45.2%	14
Bedford Heights	43	56	30.2%	20
Bentleyville	0	0	0.0%	N/A
Berea	43	60	39.5%	15
Bratenahl	5	9	80.0%	7
Brecksville	20	11	-45.0%	52
Broadview Heights	16	22	37.5%	17
Brook Park	45	67	48.9%	13
Brooklyn	24	25	4.2%	38
Brooklyn Heights	0	4	N/A	1
Chagrin Falls Twp.	0	0	0.0%	N/A
Chagrin Falls Village	7	7	0.0%	39
Cleveland	3,372	3,532	4.7%	37
Cleveland Heights	236	275	16.5%	30
Cuyahoga Heights	0	0	0.0%	N/A
East Cleveland	310	280	-9.7%	44
Euclid	240	290	20.8%	28
Fairview Park	30	25	-16.7%	48
Garfield Heights	181	218	20.4%	29
Gates Mills	5	1	-80.0%	55
Glenwillow	2	1	-50.0%	53
Highland Heights	10	10	0.0%	39
Highland Hills	2	3	50.0%	10
Hunting Valley	0	2	N/A	1
Independence	12	6	-50.0%	53
Lakewood	121	149	23.1%	25
Linndale	2	0	-100.0%	56
Lyndhurst	32	34	6.3%	35
Maple Heights	236	288	22.0%	26

Foreclosures in Cuyahoga County Communities - Appendices

Mayfield	7	6	-14.3%	46
Mayfield Heights	32	27	-15.6%	47
Middleburg Heights	25	20	-20.0%	49
Moreland Hills	3	7	133.3%	4
Newburgh Heights	12	15	25.0%	24
North Olmsted	58	64	10.3%	32
North Randall	3	5	66.7%	9
North Royalton	37	45	21.6%	27
Oakwood	29	19	-34.5%	51
Olmsted Falls	29	39	34.5%	19
Olmsted Twp	21	21	0.0%	39
Orange	6	9	50.0%	10
Parma	168	230	36.9%	18
Parma Heights	40	43	7.5%	34
Pepper Pike	10	9	-10.0%	45
Richmond Heights	27	35	29.6%	21
Rocky River	20	37	85.0%	6
Seven Hills	13	18	38.5%	16
Shaker Heights	85	108	27.1%	23
Solon	34	44	29.4%	22
South Euclid	105	122	16.2%	31
Strongsville	59	64	8.5%	33
University Heights	40	37	-7.5%	43
Valley View	3	3	0.0%	39
Walton Hills	3	2	-33.3%	50
Warrensville Heights	93	98	5.4%	36
Westlake	29	49	69.0%	8
Woodmere	2	3	50.0%	10
Cuyahoga County	6,073	6,697	10.3%	

Source: Center on Urban Poverty and Community Development, MSASS, Case Western Reserve University, NEO CANDO system (<http://neocando.case.edu>) analysis of data from Cuyahoga County Common Pleas Court; U.S. District Court, Northern District of Ohio. As noted on p. 1 of the report, data exclude 686 filings for which the geographic location was not readily available at the time of this report.

Appendix 2

Foreclosure Filings/1,000 Population, First Half 2007				
City	2006 Population	First Half 2007 Filings	First Half '07 Filings/1,000 Population	First Half 2007 Rate Rank
Bay Village	14,976	34	2.3	29
Beachwood	11,350	19	1.7	40
Bedford	13,320	90	6.8	8
Bedford Heights	10,663	56	5.3	13
Bentleyville	914	0	N/A	56
Berea	18,139	60	3.3	20
Bratenahl	1,293	9	7.0	6
Brecksville	13,106	11	0.8	54
Broadview Heights	17,563	22	1.3	50
Brook Park	19,699	67	3.4	18
Brooklyn	10,692	25	2.3	28
Brooklyn Heights	1,484	4	2.7	26
Chagrin Falls Twp.	139	0	N/A	56
Chagrin Falls Village	3,739	7	1.9	38
Cleveland	444,313	3,532	7.9	3
Cleveland Heights	47,097	275	5.8	11
Cuyahoga Heights	548	0	N/A	56
East Cleveland	25,213	280	11.1	2
Euclid	48,717	290	6.0	9
Fairview Park	16,212	25	1.5	43
Garfield Heights	28,518	218	7.6	4
Gates Mills	2,330	1	0.4	55
Glenwillow	591	1	1.7	39
Highland Heights	8,620	10	1.2	51
Highland Hills	1,413	3	2.1	31
Hunting Valley	704	2	2.8	24
Independence	6,789	6	0.9	52
Lakewood	52,194	149	2.9	22
Linndale	91	0	N/A	56
Lyndhurst	14,195	34	2.4	27
Maple Heights	24,293	288	11.9	1
Mayfield	3,191	6	1.9	37
Mayfield Heights	18,110	27	1.5	46
Middleburg Heights	15,237	20	1.3	49
Moreland Hills	3,142	7	2.2	30

Foreclosures in Cuyahoga County Communities - Appendices

Newburgh Heights	2,197	15	6.8	7
North Olmsted	32,126	64	2.0	34
North Randall	850	5	5.9	10
North Royalton	29,465	45	1.5	44
Oakwood	3,630	19	5.2	14
Olmsted Twp	10,365	21	2.0	33
Olmsted Falls	8,333	39	4.7	15
Orange	3,319	9	2.7	25
Parma	80,009	230	2.9	21
Parma Heights	20,293	43	2.1	32
Pepper Pike	5,738	9	1.6	42
Richmond Heights	10,372	35	3.4	19
Rocky River	19,377	37	1.9	36
Seven Hills	11,915	18	1.5	45
Shaker Heights	27,245	108	4.0	16
Solon	22,257	44	2.0	35
South Euclid	21,791	122	5.6	12
Strongsville	43,347	64	1.5	47
University Heights	13,015	37	2.8	23
Valley View	2,064	3	1.5	48
Walton Hills	2,321	2	0.9	53
Warrensville Heights	13,967	98	7.0	5
Westlake	31,025	49	1.6	41
Woodmere	769	3	3.9	17
Cuyahoga County	1,314,246	6,697	5.1	

Sources: Center on Urban Poverty and Community Development, MSASS, Case Western Reserve University, NEO CANDO system (<http://neocando.case.edu>) analysis of data from Cuyahoga County Common Pleas Court; U.S. District Court, Northern District of Ohio; U.S. Census Bureau, 2006 American Community Survey. As noted on p. 1 of the report, data exclude 686 filings for which the geographic location was not readily available at the time of this report.

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