

Executive Summary

The number of Ohioans who lost their homes to foreclosure and sheriff sales continued to grow in 2005. Last year, there was one foreclosure filing for every 71 Ohio households.

Filings have quadrupled from a decade ago. Overall, according to data reported to the Ohio Supreme Court by common pleas court judges across the state, there were 63,996 new foreclosure filings in 2005, an increase of 8.45 percent from 2004. The increase, amounting to almost 5,000 more filings than the year before, follows smaller growth of 3 percent in both 2003 and 2004. Since foreclosures climbed rapidly in the 1990s, the number in 2005 represents at least a recent record.

Results from a Policy Matters Ohio survey of Ohio's county sheriff departments indicate that the number of foreclosed properties put up for sheriff sale also has continued to increase. Altogether, 71 counties representing 86.3 percent of the state's population reported 43,123 properties put up for sale. That represents a 4.6 percent increase in those counties from 2004 and a 21.3 percent increase from 2003, according to department responses. Sheriff sales grew in 56 out of the 71 counties between 2003 and 2005. The overall increases are not as great as those reported in the Policy Matters survey that covered 2001 through 2003. However, together with the increased pace of foreclosure filings, the survey reflects that stresses on homeownership in Ohio continue to grow.

The growth in foreclosure filings is widespread around the state. Filings grew last year in 60 of Ohio's 88 counties, and quadrupled in 61 counties between 1995 and 2005. Cuyahoga County ranked first in foreclosure filings per person last year. But while the problem is more concentrated in urban counties, it is common statewide. Counties with the greatest growth in 2005 were scattered across Ohio, and none of the 10 counties that saw the greatest relative foreclosure filing growth were on the list of those that grew the most in 2004.

Among 50 sheriff departments that responded to the Policy Matters survey with numerical rankings on factors contributing to foreclosures, 31 ranked predatory lending first. Another 11 cited job loss/weak economy, while divorce or family break-up ranked third.

Last spring, the Ohio General Assembly passed legislation aimed at curbing predatory lending practices that have contributed to Ohio's foreclosures. The number of foreclosure filings and properties put up for sheriff sale will be among the benchmarks for assessing the law after it takes effect in January.