

Home Insecurity 2013 Foreclosures and housing in Ohio

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Executive summary

Ohio foreclosures remain at crisis levels, with 70,469 new foreclosures filed in 2012, down only slightly from the 71,556 filed in 2011. Levels have been, for the past three years, below the peak of 89,061 in 2009. Despite these recent declines, last year's rates were still two times higher than they had been a decade before in every Ohio county, and in 51 counties more than four times higher than in the mid 1990s. The high foreclosure numbers persist despite national, state, and local efforts to stem the epidemic.

Foreclosures represent a major and ongoing blow against families' main source of savings and against stability. This report analyzes the new foreclosure filings statistics from the Ohio Supreme Court, along with some of the latest developments in prevention efforts. To add context to the foreclosure numbers, the report provides updates on mortgage defaults and negative equity.

Cuyahoga County continues to lead Ohio with 11,427 new foreclosure filings – a slight decrease from 2011. Smaller counties saw the largest one-year increases, with new filings jumping 41 percent in Adams County, 38 percent in Noble County, and 22 percent in Madison County.

The slight decrease in filings is likely due to a number of factors. Among them: so many Ohioans have lost homes to the crisis that there are fewer homeowners to foreclose on; counseling efforts have slowed the process of many foreclosures, and; mortgage servicers have been overwhelmed by the sheer number of foreclosures.

Troubled mortgages continue to plague Ohio communities

More than 8.5 percent of all Ohio mortgages are either actively in foreclosure or past due in their payments by at least 90 days, slightly more than a year ago, according to a separate survey. New foreclosure proceedings were started on 1.05 percent of home loans during the quarter, ranking Ohio eighth in the nation – up five positions from the prior year. CoreLogic reports that Ohio ranks seventh in the share of home mortgages with negative or near-negative equity. Twenty-five percent of Ohio mortgages have negative equity and more than five percent have near-negative equity.

Recommendations

The report recommends a mix of federal and state policy options that include tightening regulation of loan servicers, forbidding foreclosure rescue scams and bank walkaways, providing more housing counseling, and prioritizing mortgage modifications.

Key findings

- 70,469 new foreclosure filings in 2012.
- Of more than 500,000 mortgages, 30 percent are underwater.
- Cuyahoga County leads with 11,427 filings and 9 filings per 1,000 people.
- 8.5 percent of mortgages are in foreclosure or more than 90 days past due.