

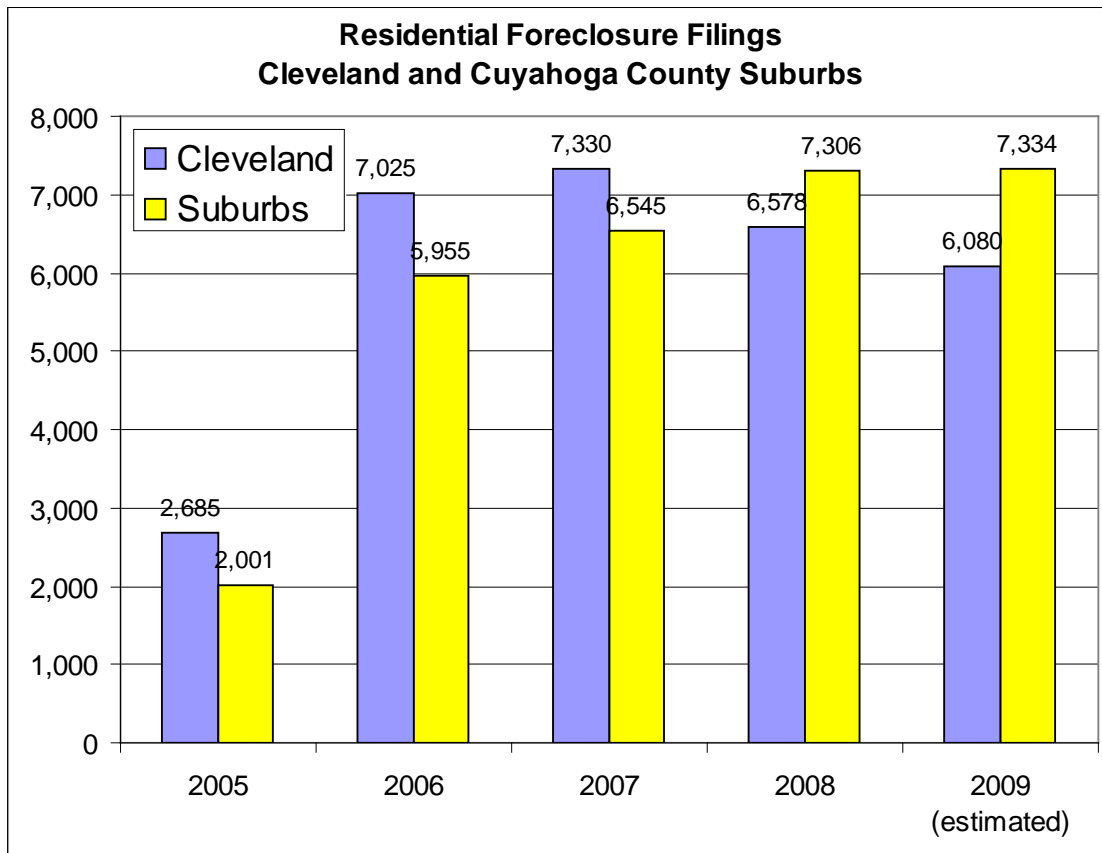


## Foreclosures and the Displaced Family: Where Are they Going? What Census Data Tell Us

**By Mark Salling, Ph.D.  
Williamson Family Fellow and Research Director  
January 15, 2010**

High unemployment rates and population losses for the City of Cleveland and Cuyahoga County have been present since 2000 (and before), and, coupled with the recent financial meltdown in the housing market, it is not surprising to see a significant rise in foreclosures in the city and suburbs. County records show that foreclosure filings rose from almost 2,700 in 2005, to over 7,000 2006, in Cleveland, and from 2,001 to almost 6,000 in the suburbs in that period. These numbers have stayed high but relatively stable, fluctuating around 7,300 per year in Cleveland in 2007 through 2009, and over 6,000 in the suburbs in that period.

**Table 1: Foreclosure Filings in Cleveland and Cuyahoga County Suburbs, 2005 – 2009**



Source: Cuyahoga County Common Pleas Court, compiled by The Center for Community Planning and Development, The Urban Center, Maxine Goodman Levin College of urban Affairs, Cleveland State University

Clearly, families are losing their homes at a rapid rate.

So where are families going when they have to leave the houses they were trying to buy? Speculation includes: (1) they are moving away from the county, region, or state; (2) they are moving in with relatives or friends; and (3) they are moving into rental units.

Unless such families can find adequately priced housing and job opportunities in other counties or regions, they are most likely staying in the county. The job situation may be worse in Cleveland and Cuyahoga County than in many other places, but the unemployment crisis is national in scope.

Doubling-up with other families is likely to be happening. While it will be interesting to evaluate census data that may show that to be happening, there is considerable concern that many of these individuals and families will not be counted this spring when the census takes place. Special efforts are underway to remind people who receive the census questionnaire to include all such persons living in their homes when completing the form.

Nevertheless, not everyone has a friend or family member willing or able to accommodate their housing needs, especially for a long time.

Thus it would make sense that the rental housing market would benefit from an influx of families looking to rent after having been forced to move due to foreclosure.

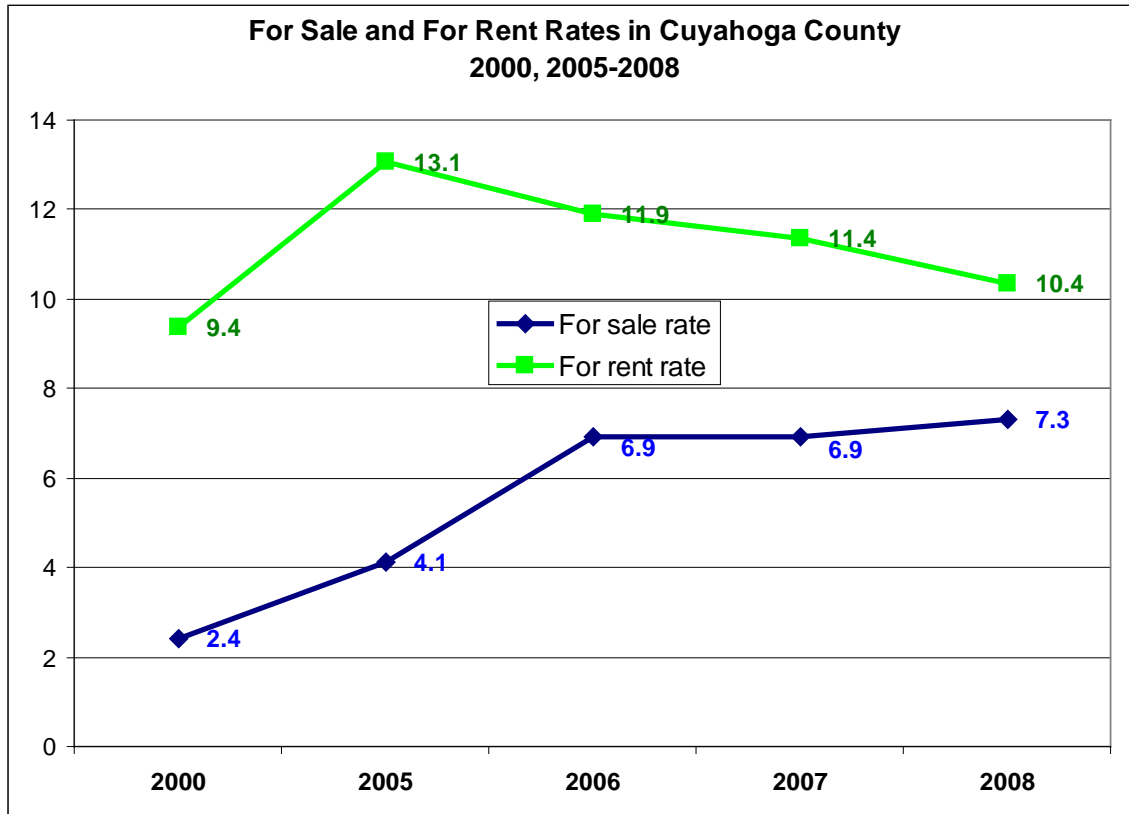
We don't have enough data to fully answer the question about what is happening to foreclosed families yet, though the coming census will help. In the meantime, there are some indications using the 2000 Census and the American Community Survey (ACS) for years 2005 through 2008, which is the last year for which we have data.<sup>1</sup>

Figure 2 uses these data to show a measure of housing vacancy for both rental units (percent of rental units that are unoccupied and for rent) and those that are either owner-occupied or unoccupied and for sale. The "for sale" rates for owner units rose precipitously from 2000 to 2006, and have leveled-off or increased slightly through 2008. Meanwhile, though estimated "for rent" rates in the rental market rose significantly from 2000 to 2005, they apparently declined from 2005 through 2008.

---

<sup>1</sup> The reader is advised that the estimates from ACS are subject to sampling error.

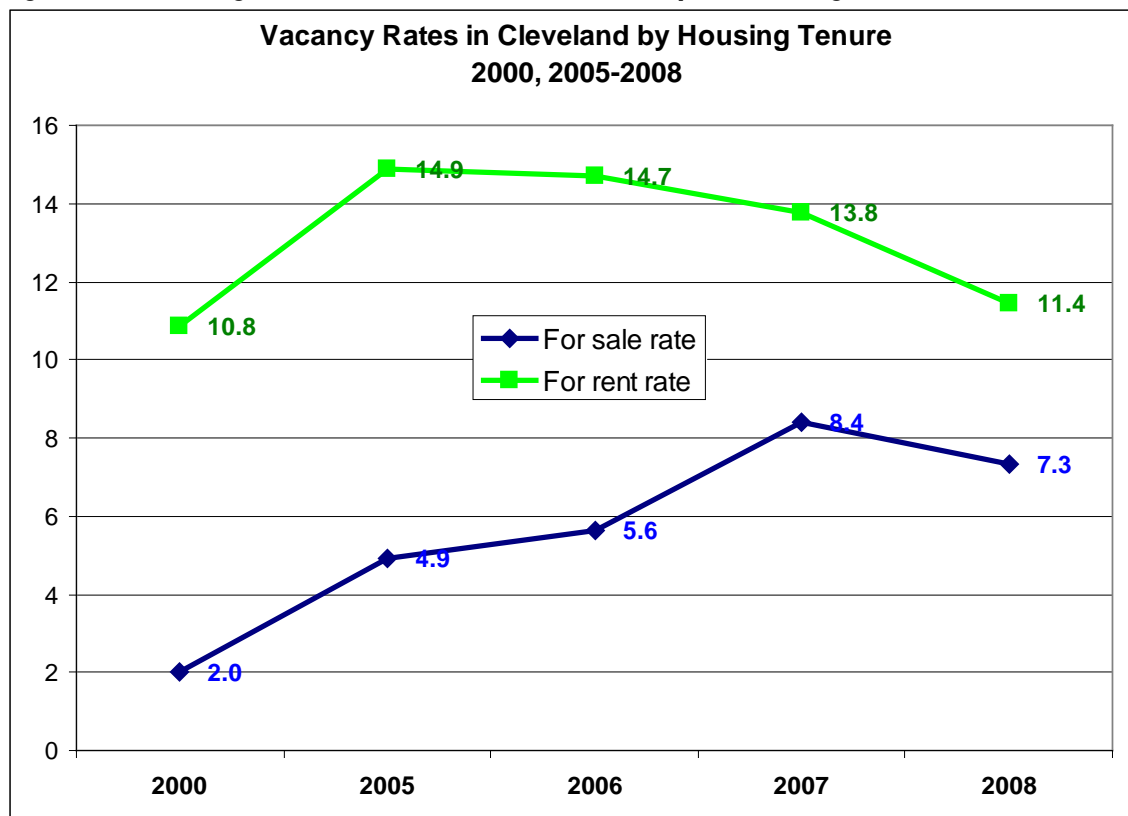
**Figure 2: Percentage "For Rent" or "For Sale" Unoccupied Housing Units in Cuyahoga County**



Source: 2000 Census of Population and Housing and the 2005 through 2008 American Community Survey, U.S. Department of Census.

If we look only at the city, we get a similar picture. Figure 3 shows that data. Cleveland's rental vacancy rates dropped steadily from 2005 through 2008, while its percentage of owner units that were for sale increased – at least until 2008 when it apparently came down somewhat.

**Figure 3: Percentage "For Rent" or "For Sale" Unoccupied Housing Units in Cleveland**



Source: 2000 Census of Population and Housing and the 2005 through 2008 American Community Survey, U.S. Department of Census.

Much more study of these and other data, and especially the 2010 Census, will tell us more about what is happening to families that are displaced due to the housing and foreclosure crisis. But it seems apparent from the data presented here that some families are turning to rental properties and strengthening that market.

These findings suggest a series of other, related questions: What is happening to rents in the city and suburbs? How is this displacement affecting school enrollments? How many single family homes are being rented rather than sold in order to wait-out the depressed housing market? What neighborhoods are being affected most by these changes in housing?

Thankfully, the ACS will continue after the 2010 Census and provide annual updates that will allow for monitoring of these and a myriad other questions that arise from an ever-changing economic, demographic, and housing landscape.

The Center for Community Solutions  
1226 Huron Road, Suite 300, Cleveland, OH 44115; P: 216-781-2944 // F: 216-781-2988  
[www.CommunitySolutions.com](http://www.CommunitySolutions.com)