



Research

Foreclosures & the Housing Market Recovery: Focus on Ohio

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COLUMBUS – The American Action Forum released today a study examining the current state of the housing market in Ohio and an analysis of the policies that have delayed recovery there. The paper, “[Foreclosures & the Housing Market Recovery: Focus on Ohio](#)” was released in conjunction with today’s event, The US Housing Recovery: Lessons From Ohio, featuring top housing and economic experts from around the country and across the political spectrum.

The paper examines the history of the market in Ohio: a unique scenario of pre-recession foreclosures and acute post-recession declines in home values. There is no question that Ohio’s housing market has been hit incredibly hard by the recession, but it has also been slow to recover since:

“While prices improved in a number of metro areas from April to May this year, only Columbus and Springfield have shown improvement in prices since the beginning of the year. This follows the national trend in which prices in most markets fell early in the year and have only recently flat-lined or started improving. Increasing prices, while a hopeful sign of a stabilizing market, are not the only barometer or even the best one to measure whether the market has improved.”

Findings also indicate that state and federal policy, combined with state foreclosure laws can have a strong effect on the pace and depth of recovery:

“Policies targeted at aiding the housing market recovery must both encourage growth in jobs and wages and not impede distressed properties from clearing the market. The natural recovery of lost equity requires the increase of house prices from their depressed level. As states take a closer look at their foreclosure processes and consider laws to protect borrowers from abuse, they must be wary of extensions in foreclosure timelines, which keep housing markets from healing. Foreclosure is a painful and costly process, but it is also, at times, unavoidable.”

[Read the complete paper here.](#)