Residential Foreclosures and Gender

Public Opinion Research Laboratory
University of North Florida

A Report for Jacksonville Area Legal Aid

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The purpose of this report is to assess the differences in the presence or absence of males and females on mortgages and promissory notes in Duval County, Florida. Results presented below indicate that men and women appear on mortgages at nearly identical rates. However, when both genders appear on the mortgage men are more likely to appear on a promissory note than women.

The data collected in this report from the University of North Florida Public Opinion Research Laboratory (PORL) reflects foreclosure cases filed in Duval County from January 1, 2008 through August 28, 2014. The PORL was contracted by Jacksonville Area Legal Aid to collect and analyze foreclosure data in Duval County in the summer of 2014. The PORL began collecting and analyzing data in July of 2014; the report was presented to Jacksonville Area Legal Aid on October 23, 2014.

From 2008 to August 28, 2014 there were 45,837 foreclosure cases filed in Duval County (see Table 1). Within these foreclosures, there are four potential categories they could have been filed under in each division: Commercial foreclosure, Homestead Residential, Non-Homestead Residential, and Other Real Property Action. For the purpose of this report data was only collected on cases that were listed as homestead residential, non-homestead residential or if it was listed as a foreclosure. These specific cases pertain to residential foreclosures and will be listed, as such, throughout the rest of the report. Furthermore, a vast majority of these foreclosures filed between 2008 and 2014 were residential foreclosure cases as seen in Table 5. All cases, other than residential foreclosures will be referred to as "other."

Table 1: Foreclosure Cases Filed on Duval County Clerk of Courts (ePortal)

Division	2008	2009	2010	2011	2012	2013	2014
A	**403**	1118	1116	733	1128	792	396
B	366	1159	1179	599	1125	**827**	415
C	386	1097	1177	770	1121	796	389
D	432	1160	1210	734	1141	774	396
E	393	1147	1181	750	1112	621	323
F	363	**1069**	1228	734	**1122**	798	393
G	389	1145	1156	**752**	1118	788	**387**
H	392	1200	**1209**	766	1132	823	407
Total	3124	9095	9456	5838	8999	6219	3106

*Numbers **bolded** represent division/year sampled
*2008-2009, divisions are designated by CV (e.g. CV-A, CV-B, etc.)
*2010-2014, divisions are designated by FC (e.g. FC-A, FC-B, etc.)

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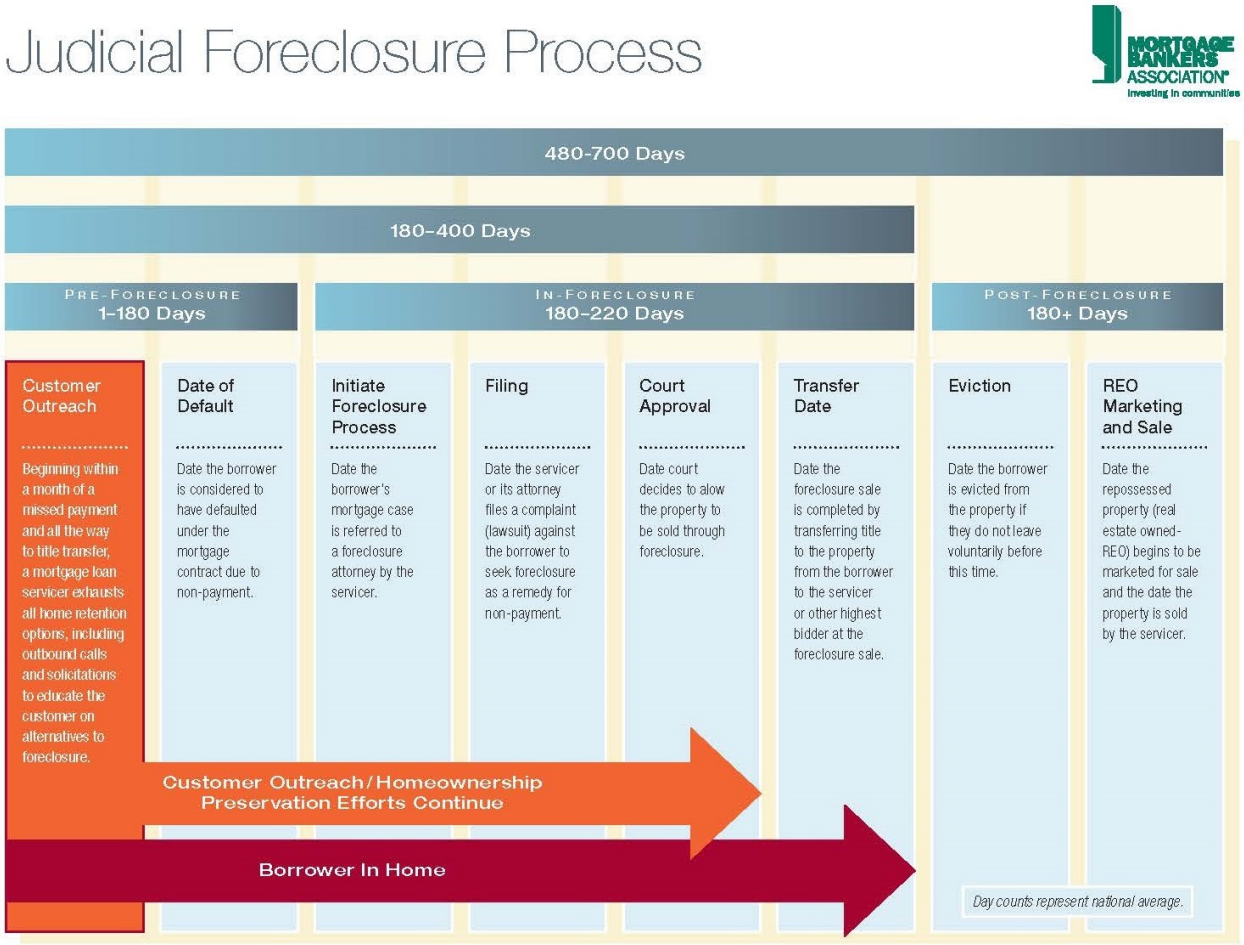
The judicial foreclosure process, as seen in Figure 1, begins on the date the borrower is considered to have defaulted on the mortgage based on the level of delinquency as dictated by the lender. After the mortgage defaults, foreclosure papers are filed with the court, where a complaint against the borrower is submitted. Hearings are held until the court issues a judgment and a foreclosure sale is scheduled. Throughout this process, the lender provides customer outreach techniques with the goal of educating the borrower on alternatives to foreclosure.

Figure 1: Judicial Foreclosure Process



Note: Obtained from the Mortgage Bankers Association 2014

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Data Collection

The information collected in this report is comprised of information from the Clerk of the Circuit and County Courts for Duval County. The Circuit Civil department, who is responsible for maintaining these records of foreclosure properties, has filed the majority of these case types electronically on the Clerk Online Resource ePortal (CORE). This web based judicial viewer application allows users to work on cases from any location and is a reliable source for judges and courtroom staff. With a total of 45,837 general foreclosure cases filed, the PORL, through the help of students from UNF and Florida Coastal School of Law (FCSL), was able to successfully code and collect a sample size of 5,388 residential foreclosures and 221 other cases.

In 2008 and 2009, foreclosure cases were grouped into general civil cases, CV-A through CV-H. As seen in Table-1, because of the high amount of foreclosures in 2010, the Duval County Clerk of Courts decided to separate foreclosures into its own division, FC, which created divisions FC-A through FC-H. The 7 divisions sampled in this report were randomly selected, one division was chosen for each year (see Table-1 for specific divisions). In each of the 8 divisions, all of the cases given to a Duval County circuit or senior judge were randomly assigned, which affirms that the selection of these cases and divisions are truly random.

As explained earlier in Figure 1, a lender, in this case the bank, will file a complaint against the borrower for defaulting on their payments. Attached to this complaint is the mortgage, which lists the lender, the borrower, the property address and legal description of property. The promissory note, which is also attached to the complaint, contains information regarding the specific value the borrower intends to pay back to the lender. Other documents and amendments are also included in these documents filed, but are not applicable for the purposes of this research.

From the complaint, mortgage and promissory note, the PORL's data collectors were trained to collect each one of the variables listed in Figure 2. All residential foreclosure cases recorded in this project had a lender that was a financial institution; any other form of lender was placed in the "other" category. Both "number of men on the mortgage" and "number of women on the mortgage" variables were used to identify how many borrowers were on the mortgage and their gender. In cases where gender was unclear, data collectors were trained to refer to the legal writing found on the mortgage (e.g. a single man, or a single woman.). The second indication used to determine gender identity were signs of both parties on the mortgage being married (e.g. husband to, or spouse of). Thirdly, if there was still uncertainty, students were to contact PORL supervisors, who would then input the names in question into genderchecker.com. Within the site's database, names are classified into male, female or unisex. In the event that these names

were classified as unisex or if the name was still undecided these cases were removed from the final sample of residential foreclosures.

Table 2: Description of Variables

Variable	Description
Case number	Case number of the complaint filed by the lender
Other	Cases other than residential foreclosures were identified as "other real property actions," "commercial foreclosures," etc.
Plaintiff Bank	Name of the plaintiff financial institution in the complaint
Number of men on the mortgage	The amount of men that are listed as the borrower on the mortgage
Number of women on the mortgage	The amount of women that are listed as the borrower on the mortgage
Number of men signatures on the mortgage	The number of men listed as the borrower on the mortgage that signed the mortgage
Number of women signatures on the mortgage	The number of women listed as the borrower on the mortgage that signed the mortgage
Note	Whether the note was included or not in the complaint
Number of men signatures on the note	Whether the man, who was listed on the note, signed the note
Number of women signatures on the note	Whether the woman, who was listed on the note, signed the note

Table 3 lists the descriptive statistics, number of observations, mean, standard deviation, minimum value and maximum values for the variable discussed in this report. The number of observations varies across the variables due to availability of certain information, e.g. missing promissory notes or the inability to determine gender on a mortgage or promissory note.

Table 3: Descriptive Statistics of Variables in Dataset

	Observations	Mean	Standard Deviation	Minimum	Maximum
Residential Foreclosure	5609	.960599	.1945643	0	1
Note	5377	.9157523	.2777848	0	1
Men on Mortgage	5299	.7827892	.4508685	0	3
Women on Mortgage	5299	.7829779	.452422	0	3
Men Signatures on Mortgage	5294	.7825841	.4497736	0	3
Women Signatures on Mortgage	5294	.7850397	.451162	0	3
Men Signatures on Note	4894	.7051492	.473178	0	2
Women Signatures on Note	4894	.6172865	.5034477	0	2

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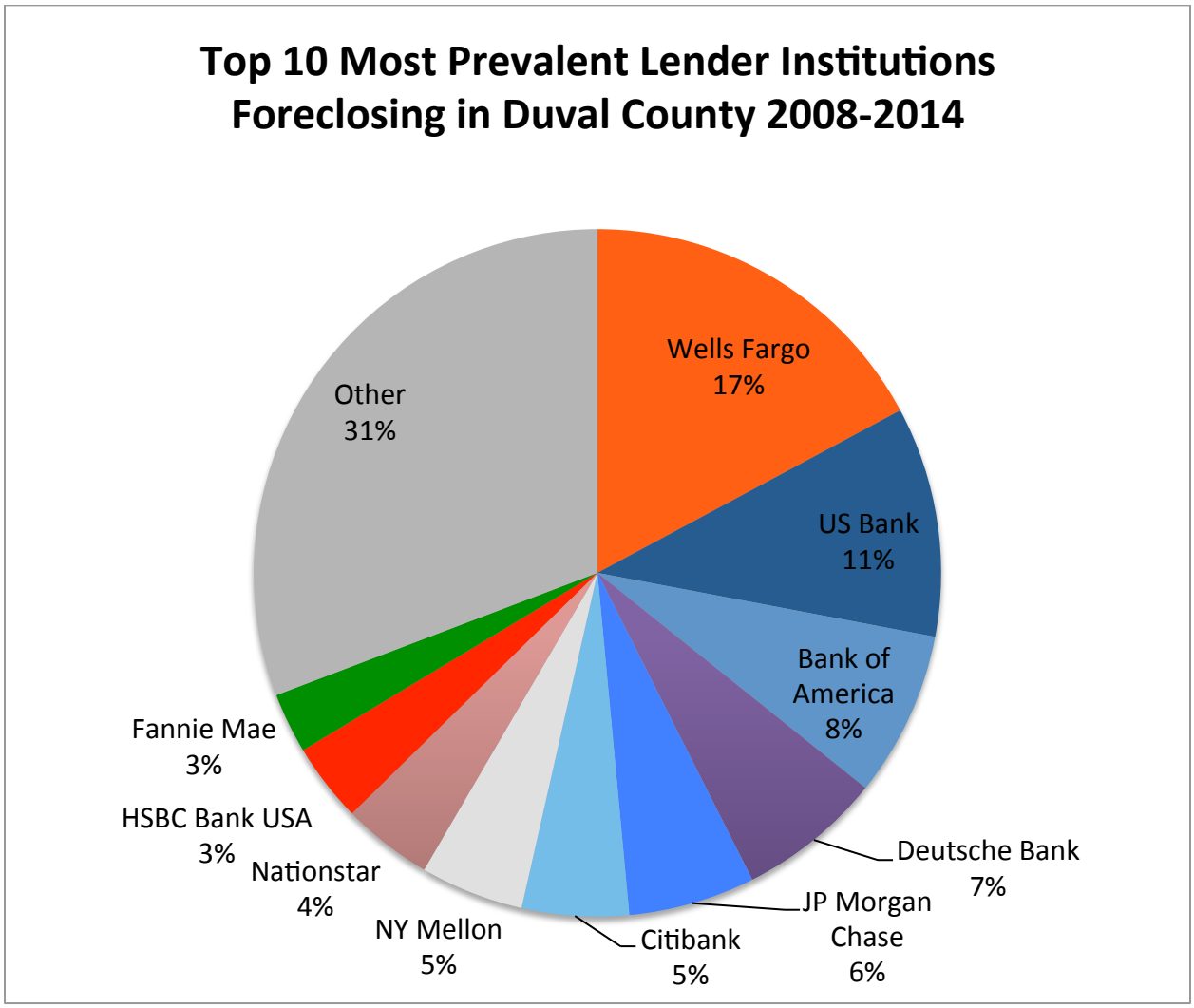
The tremendous volume of foreclosure in recent years has overwhelmed not only civil court systems but financial institutions as well. These servicers have seen a host of issues related to how they handle foreclosures. From the management of these foreclosures to the mishandling of documents, these larger servicers have exponentially increased their fertility within the market and have made their mark within Florida, which leads the country in foreclosures. Within our sample, the most prevalent lender institutions foreclosing in Duval are listed in Figure 2. Wells Fargo, US Bank, Bank of America, Deutsche, JP Morgan Chase and Citibank account for more than half of the foreclosures in this sample.

Figure 2: Top 10 Most Prevalent Lender Institutions Foreclosing in Duval County



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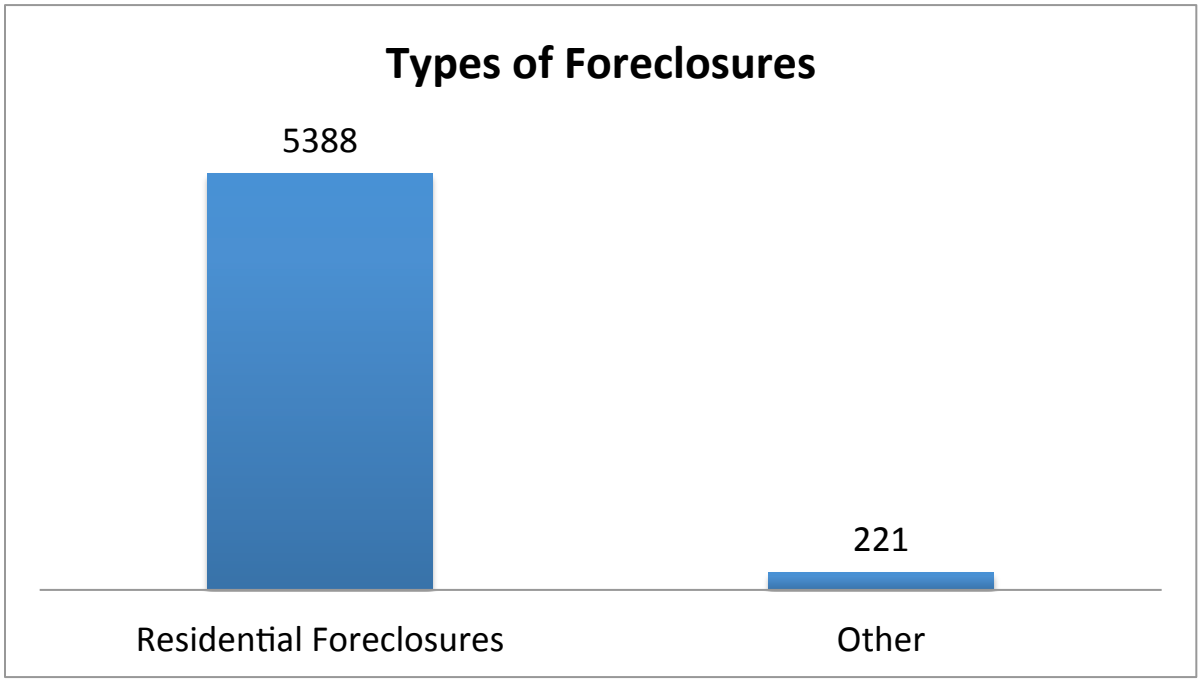
Duval County currently sorts their foreclosures into twelve separate categories based on the value of the property foreclosure ($0 – $50,000, $50,001 – $249,999 and $250,000 or more) and the type of property (Homestead Residential, Non-Homestead Residential, Commercial and Other Real Property Actions). This report analyzes data from the Homestead Residential and Non-Homestead Residential Foreclosure categories, of which there are 5,388 cases in our sample from January 1, 2008 through August 28, 2014 (see Figure 3). Commercial Foreclosures and Other Real Property Actions are removed from this analysis (a total of 221 cases).

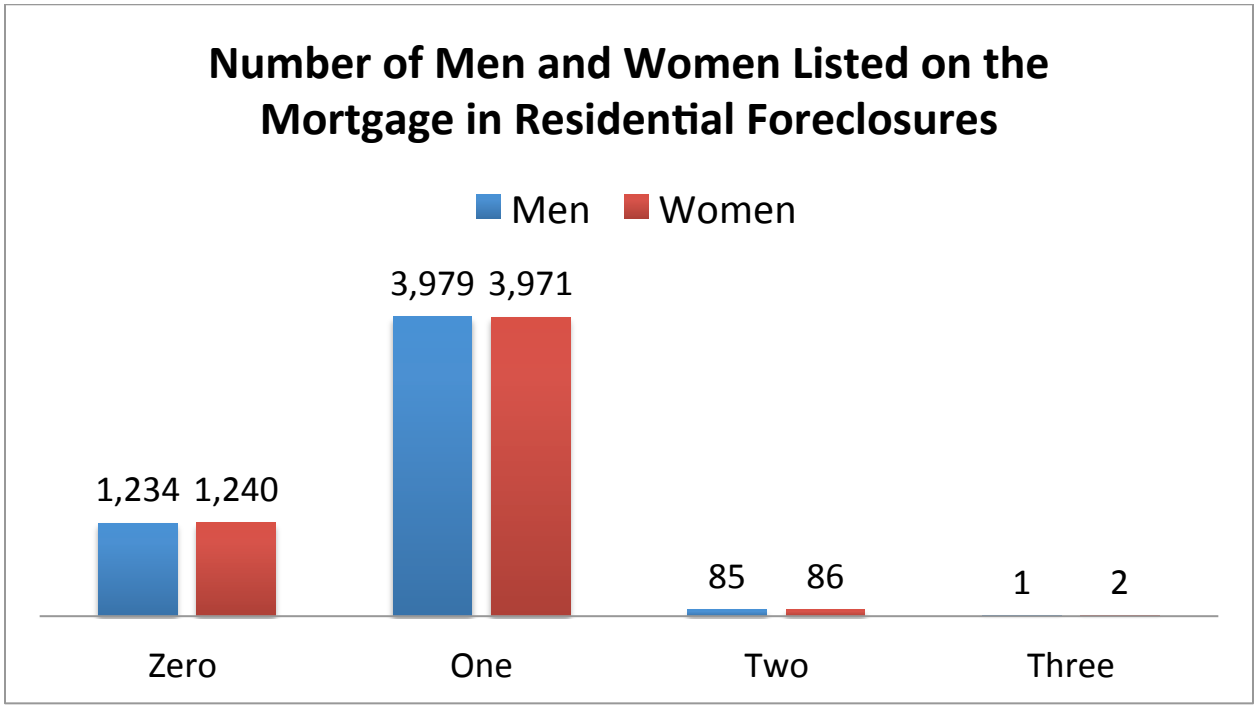
Figure 3: Types of Foreclosures



Notes: Residential Foreclosures include both Homestead Residential and Non-Homestead Residential Foreclosures. Other includes both Commercial Foreclosures and Other Real Property Actions.

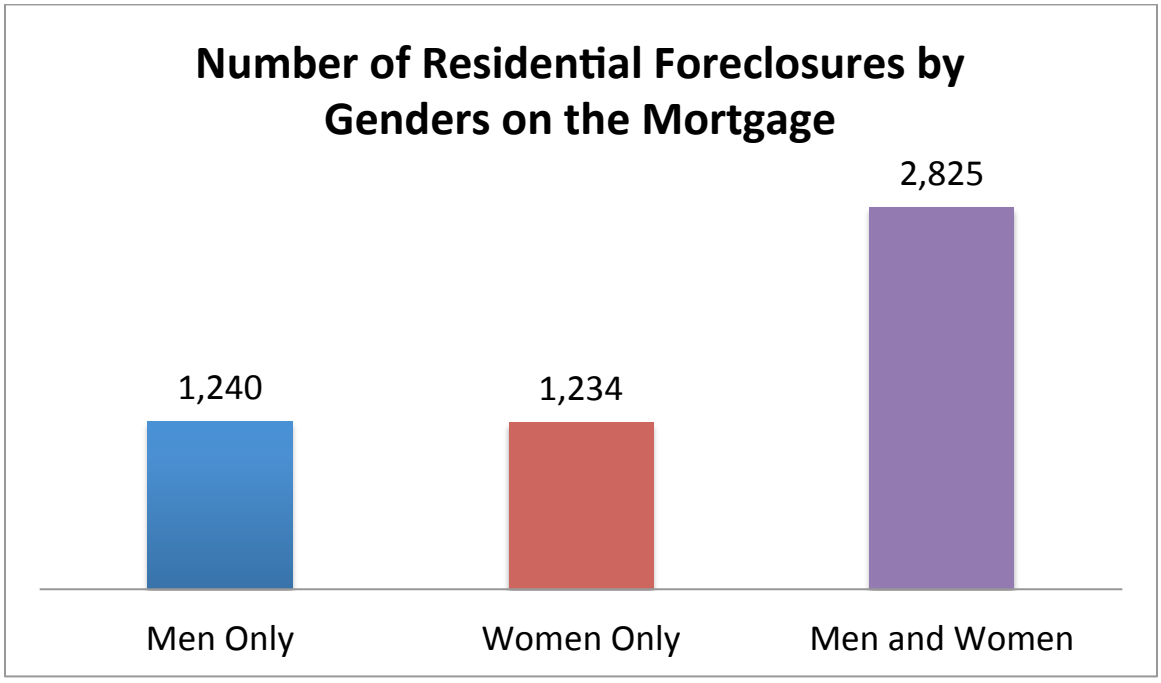
Of these Residential Foreclosures, we coded the number of each gender that appeared on the mortgage (see Figure 4). In our sample, 1,234 mortgages had no men on the mortgage, while 1,240 mortgages had no women on the mortgage. There were 3,979 mortgages with exactly one male and 3,971 mortgages with exactly one female. There were 85 mortgages with two men and 86 mortgages with two women on the mortgage, while there was a single case that had three men on the mortgage and two cases that had three women on the mortgage. It is important to note that each mortgage is counted twice in the total number of mortgages in Figure 4. Each mortgage has a count of men AND a count of women, the total number of mortgages is only 5,299. Interestingly, of these nearly 5,300 mortgages, the gender breakdown is nearly identical. There are only six more mortgages that have a female borrower, but not a male borrower. Similarly, there are only an eight more instances in which there is one male on the mortgage compared to one female on the mortgage. The lack of a difference between the number of males and females on mortgages is quite striking. These totals are nearly identical.

Figure 4: Number of Men and Women Listed on the Mortgage in Residential Foreclosures



This mortgage breakdown by gender resulted in 1,240 mortgages that only had males (at least one, potentially more) on the mortgage and 1,234 cases in which there were only females (at least one, potentially more) on the mortgage (1,234). The remaining 2,825 cases had at least one male and one female on the mortgage, see Figure 5. Again, note the similarity in gender differential, it is nearly identical.

Figure 5: Number of Residential Foreclosures by Genders on the Mortgage



The gender differential on the mortgage, or lack thereof, suggests that both men and women are equally represented on mortgages. However, as discussed previously, mortgages are only one piece of the homeownership puzzle. When borrowing money from a bank to purchase a home, the borrower must sign a promissory note. It is this "note" that legally binds the borrower to the debt. Of the residential foreclosures in our sample, 4,922 cases were coded as having a promissory note present in the documents on file with the Duval County Clerk of Courts (see Figure 6). Promissory notes were missing in a number of cases (454), often due to the lending institution being unable to locate the note. For cases in which the note is unavailable, we removed these cases from further analysis.

Figure 6: Presence of Promissory Note for Residential Foreclosures

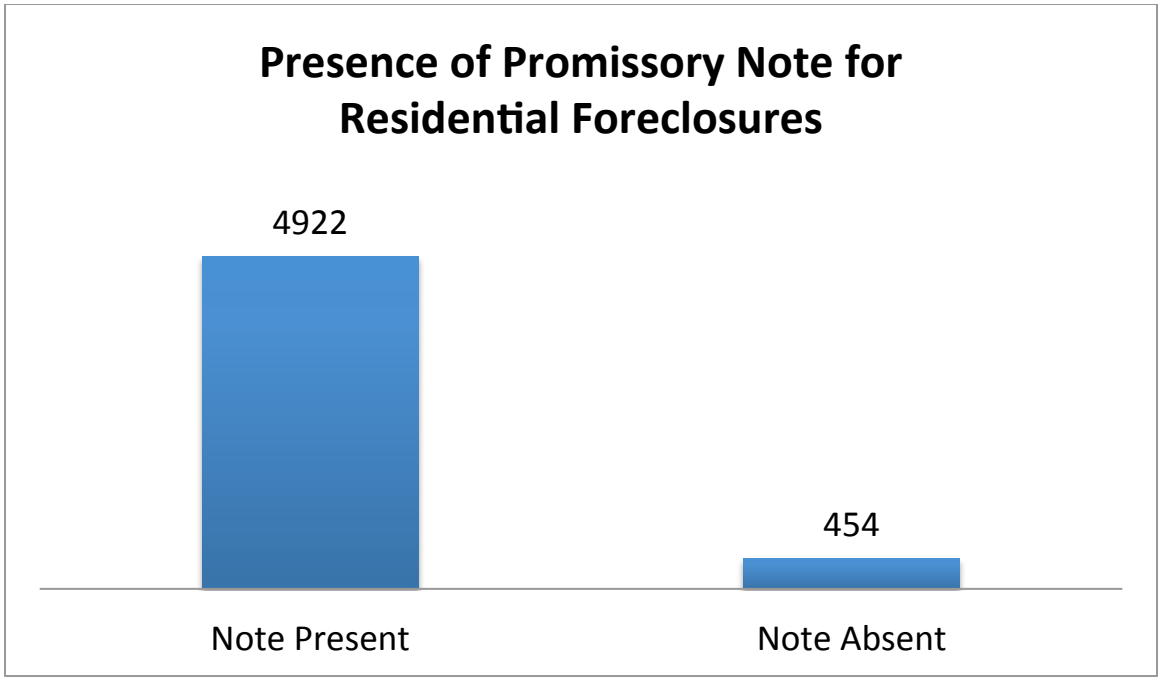


Figure 7 (comparable to Figure 4 for mortgages) shows the gender breakdown for signatures on the promissory note. In this sample there are 1,485 cases that did not have a male signature and 1,915 cases that did not have a female signature. One male signature appeared on 3,375 promissory notes and one female signature appeared on 2,942 notes. Two male signatures were on 39 notes and 42 notes had two female signatures. In contrast to Figure 4, when the presence of men and women on the mortgage was nearly identical, Figure 7 suggests a discrepancy between the number of men and women's signatures that appear on the promissory note. It appears as more men are on promissory notes, relative to women. Figure 8 and Figure 9 explore this relationship in greater detail.

Figure 7: Number of Signatures on the Promissory Note of Residential Foreclosures by Gender

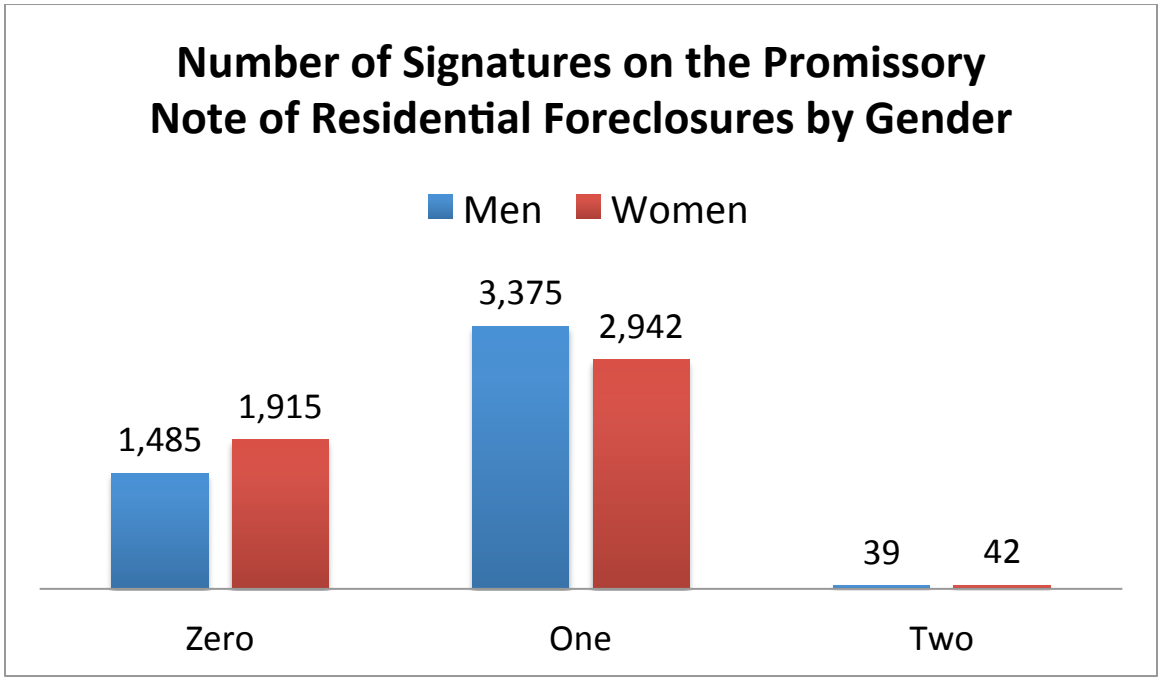


Figure 8 (comparable to Figure 5 for mortgages) shows the presence of men only (1,909), women only (1,475) and both genders (1,505) on the promissory note. Contrary to the gender equity across mortgages, promissory notes are skewed toward men being more likely to appear on the note, relative to women.

Figure 8: Total Number of Promissory Notes for Residential Foreclosures by Gender

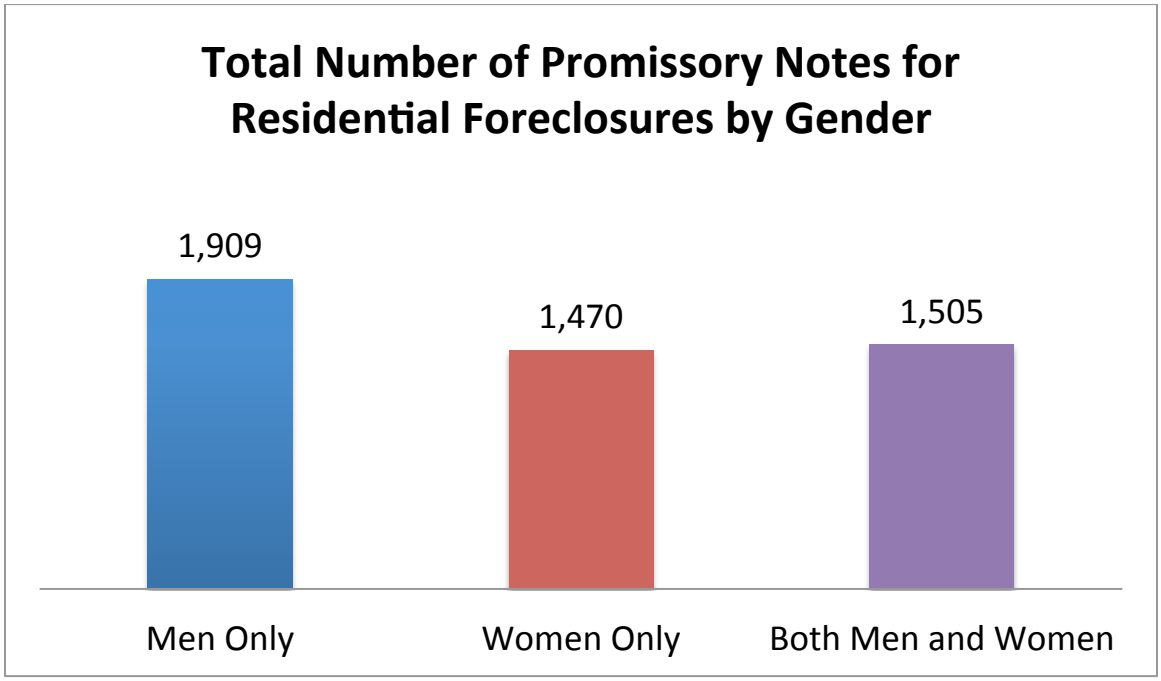
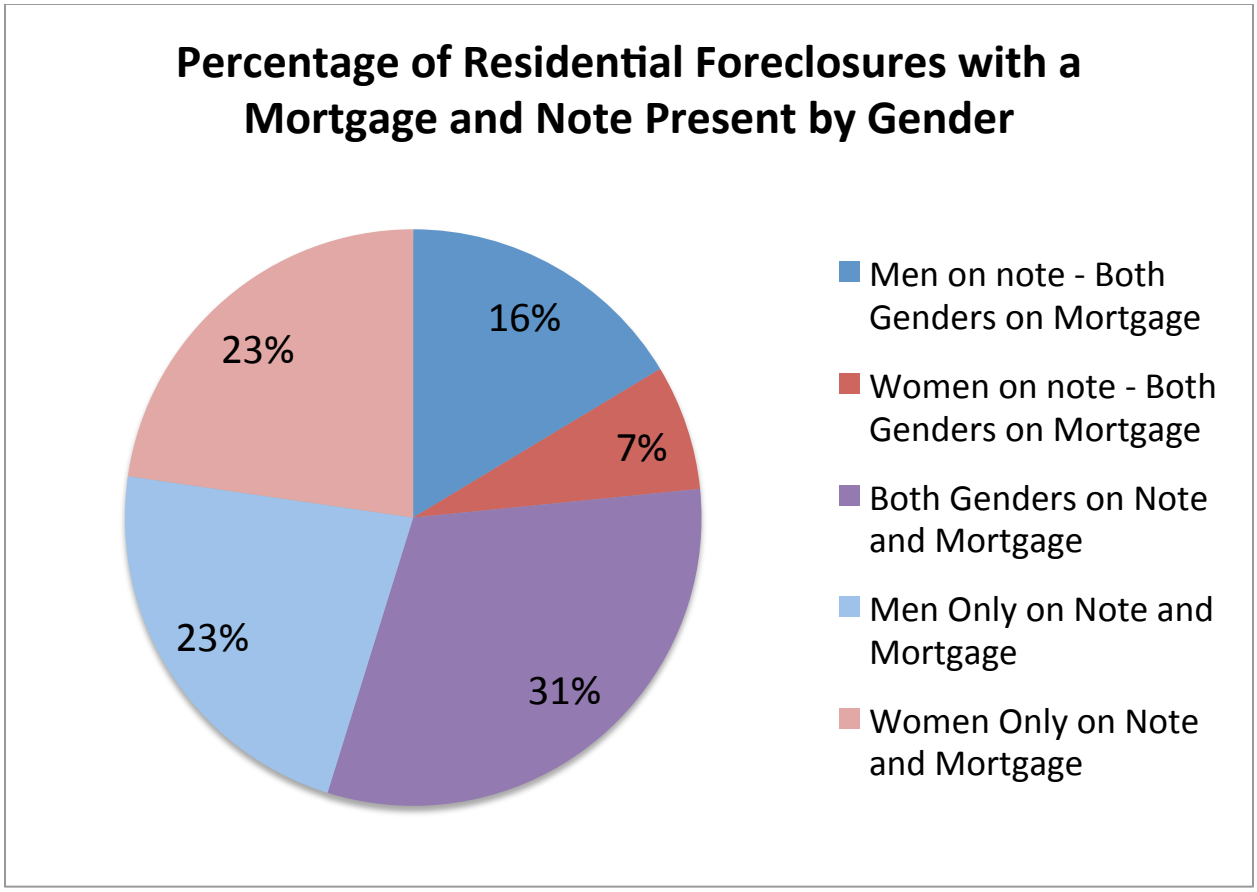


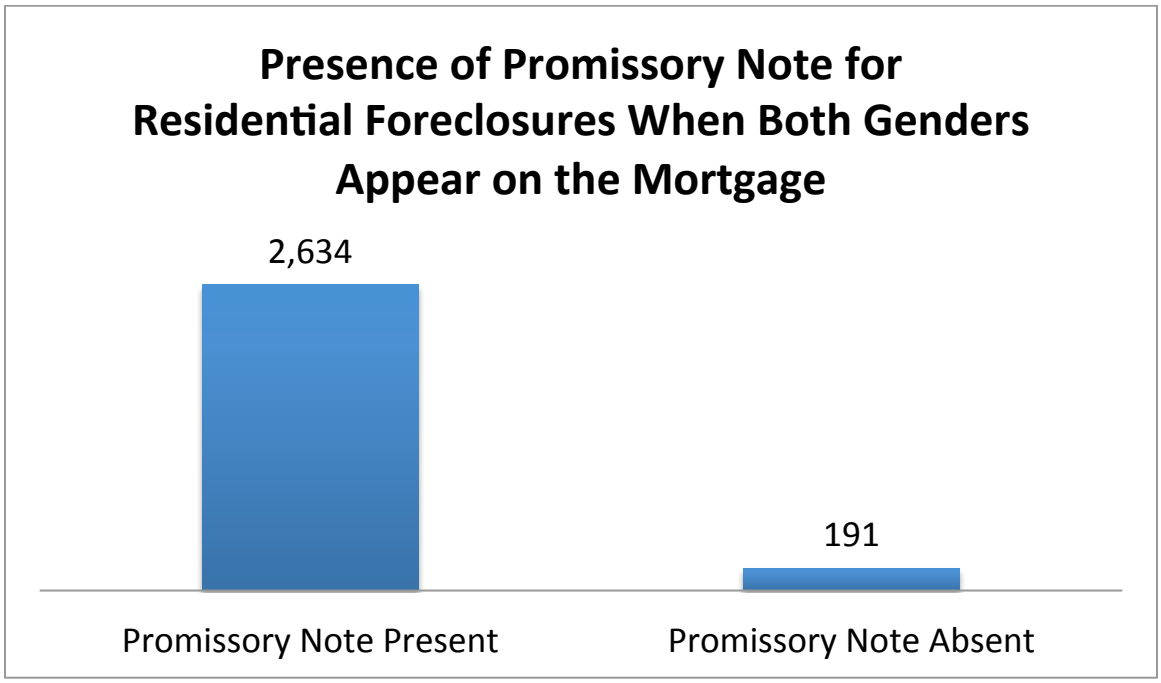
Figure 9 shows the breakdown of the percentages of occurrences for each circumstance of gender presence on the note and mortgage. If there is only a single gender on the mortgage and also a single gender on the note (each men and women), this accounts for approximately 46% of the cases when there is both a promissory note and mortgage present for each case (23% of the cases have only males on the mortgage and promissory note and 23% of the cases have only females on the mortgage and promissory note). If both a male and female appear on the mortgage, and both genders also appear on the promissory note that accounts for 31% of the cases in our sample. Both of these circumstances (a single gender on the mortgage and promissory note, as well as, both genders on the mortgage and promissory note) make up the majority cases in the sample (77%). However, 23% of the cases in the sample are circumstances where both genders are on the mortgage but only men (16%) appear on the promissory note or only women (7%) appear on the promissory note.

Figure 9: Percentage of Residential Foreclosures with a Mortgage and Note Present by Gender



The presence of men and women on mortgages is nearly identical in this sample (see Figure 4 and Figure 5) and men and women are equivalent in their appearances on the promissory note if only a single gender appears on the mortgage. However, men are disproportionately appearing on the promissory note in this sample (see Figure 7 and Figure 8). In order to further examine the difference between the presence of men and women on the promissory note, we isolated the cases in which both genders appeared on the mortgage. Figure 10 shows the number of cases with a promissory note (2,634) if both genders are appearing on the mortgage.

Figure 10: Presence of Promissory Note for Residential Foreclosures When Both Genders Appear on the Mortgage



When both genders appear on the mortgage (approximately 54% of the cases in our sample, see Figure 9) men appear more frequently as the sole signature on the promissory note. Figure 11 shows the gender breakdown of the signatures on the promissory notes when both genders appear on the mortgage. In this circumstance, both genders appear on the promissory note 1,503 times (or 57.3% of the time). Men alone appear on the note 784 times (or 29.9% of the time) and women alone appear on the note a mere 337 times (or 12.8% of the time) – a substantial difference.

Figure 11: Total Number of Promissory Notes When Both Genders Appear on the Mortgage for Residential Foreclosures

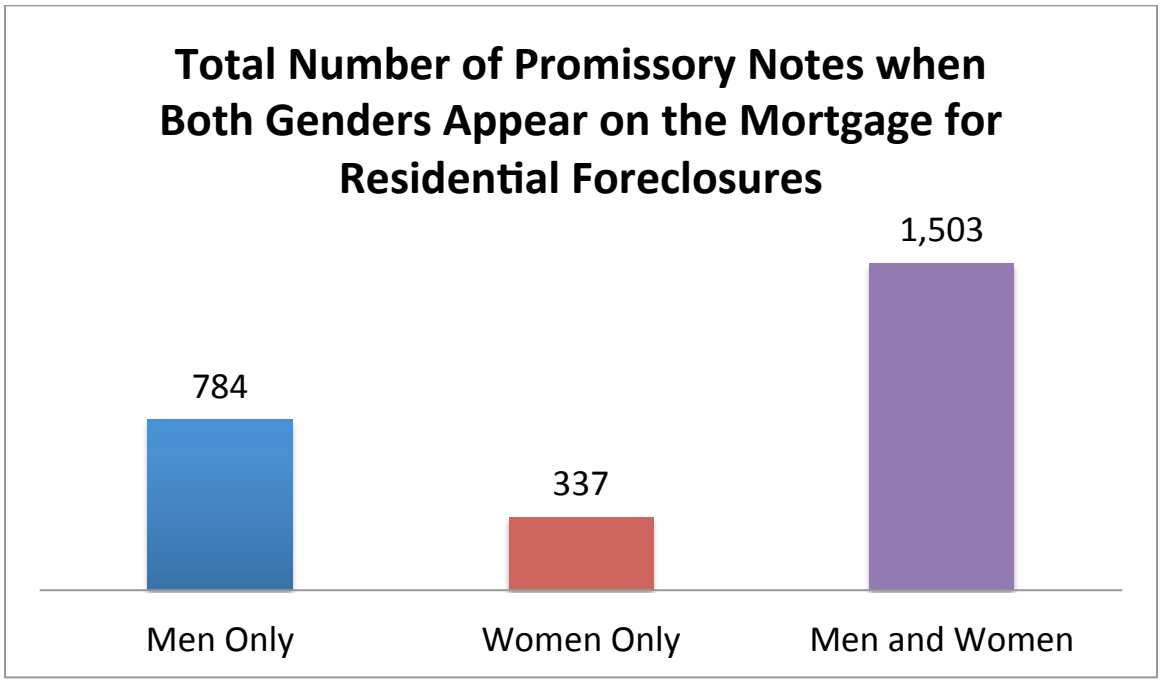


Figure 12 isolates the gender differential on promissory notes when both genders appear on the mortgage, but only one gender appears on the promissory note. Men (69.9%) are more than twice as likely to appear on the promissory note than women (30.1%). Again, these are sizable differences at first glance. But are these differences statistically significant?

Figure 12: Gender Discrepancy when a Single Gender Appears on the Note and Both Genders Appear on the Mortgage

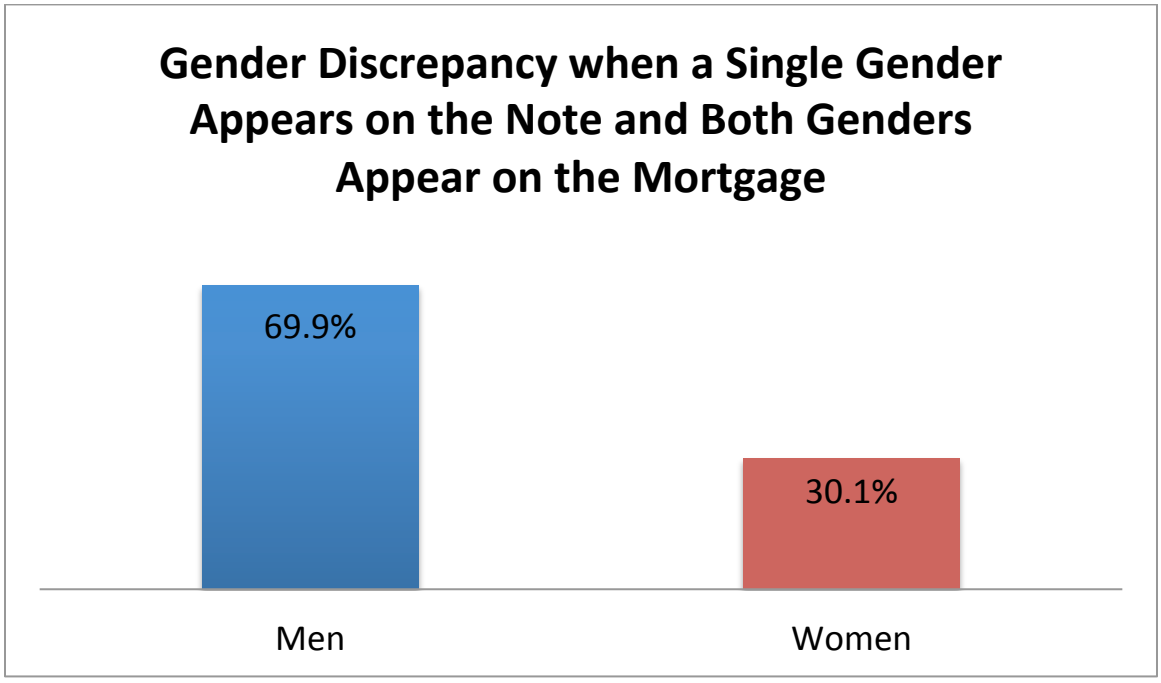


Table 4 shows the results of a two-sample proportion test for the differences between men and women appearing on the promissory note when both genders appear on the mortgage. The 95% confidence interval for the size of the difference between the proportion of men only on the promissory note and women only on the promissory note ranges from -.437 to -.361. This means that we can say with 95% confidence that women are between 36.1 and 43.7 percentage points less likely than men to appear by themselves on the promissory note when both genders appear on the mortgage.

The hypothesis that these two variables (female only on the note and male only on the note) are similar (i.e. there is no difference between them) has a z-score of -18.88 and P-value < .00001. This means that if there were truly no difference between the two proportions and we were drawing a random sample from the population of data (all foreclosure cases in Duval County, from January 1, 2008 through August 28, 2014, with only a single gender on the promissory note and both men and women on the mortgage) we would draw a random sample with this small a proportion of women less than 0.001% percent of the time.

Table 4: Two-Sample Proportion Test for Equivalence of Gender Discrepancy when a Single Gender Appears on the Note and Both Genders Appear on the Mortgage

Variable	Observations	Proportions	Standard Error	95% Confidence Interval
Female Only	1121	.301	.014	.274 - .327
Male Only	1121	.699	.014	.673 - .726
Difference		-.398	.019	-.437 - -.361

Notes: z = -18.88 P-value < 0.00001

Another method of determining statistical significance for this data is to look solely at one man's likelihood of appearing on the promissory note. If men and women were equally likely to appear on the promissory note when both genders were on the mortgage, it should be expected that the proportion of men only on the note would be 50% or .5. Table 5 shows the results of a one-sample proportion test for the proportion of men on the promissory when both genders appear on the mortgage, compared to a hypothetical proportion of .5. The 95% confidence interval for 'male only' to appear on the promissory note when both genders were on the mortgage is between 67.3% and 72.6% of the time. The hypothesis that males appear on the promissory note 50% of the time, or have a proportion of .5 has a z-score of 13.35 and has a P-value < .00001. This means that if males actually appeared on the promissory note at a .5 proportion and we were drawing a random sample from the population of data (all foreclosure cases in Duval County, from January 1, 2008 through August 28, 2014, with only a single gender on the promissory note and both men and women on the mortgage) we would draw a random sample with this large a proportion of men only on the note less than 0.001% percent of the time.

Table 5: One-Sample Proportion Test for Equivalence of Gender Discrepancy when a Single Gender Appears on the Note and Both Genders Appear on the Mortgage

Variable	Observations	Proportion	Standard Error	95% Confidence Interval
Male Only	1121	.699	.014	.673 - .726
Ho = .5				

Notes: z = 13.35 P-value < 0.00001

It is clear based on the data presented that men are more likely to appear on the promissory note than women are if both genders appear on the mortgage. While there may very well be any number of socio-cultural or practical explanations for this, the data show that there is a large and statistically significant difference in the likelihood of men appearing on a promissory note relative to women when they are both on the mortgage. To give a sense of scale, if we can estimate with 95% confidence that men appear on the note between 67.3% and 72.6% of the time when both genders appear on the mortgage, we can estimate that between January 1, 2008 and August 28, 2014 in Duval County, between 6,165 and 6,650 foreclosure cases resulted in a male and female both being listed on the mortgage, but only the male appearing on the promissory notes. This problem gets further compounded for women because of the gender disparity in life expectancy.

Women have a higher life expectancy than men. In the US, women live on average 5 years longer than men (CDC 2010; World Bank 2012; US Census Bureau 2010; World Health Organization 2012). In Florida, the life expectancy is 76.6 years for males and 82.3 years for females (Keiser Family Foundation 2010). According to 2010 data from the Institute for Health Metrics and Evaluation, the life expectancy in Duval County is 73.8 years for males and 78.7 years for females (Wang, et al. 2013).

There are some biochemical influences that may increase life expectancy, Rochelle, Yeung, Bond, and Li (2014) note that estrogen has protective qualities while testosterone is associated with risk taking behavior. According to Clark and Peck (2012), female longevity stems primarily from social causes, including lifestyle, economic inequality, education, status and modernization. Men engage in hazardous behavior more frequently, have elevated incidences of heart disease and are more at risk for violent trauma than women. Poverty increases mortality rates for both genders, though research indicates that men suffer more from the effects of being poor. Poor males smoke and drink more than their more affluent counterparts, marry less and have a greater risk for suicide (Clark and Peck 2012). Women tend to have stronger support systems and to pursue mental health counseling when needed, in contrast to men (Rochelle et al, 2014).

The gender gap in life expectancy is acknowledged and incorporated into retirement planning and public health program design (Shavelle and Strauss, 2013). Women overall have less financial security in their later years due to lower pay, interrupted career paths for child care and longer life spans (Trewin and Curatola, 2010). Since women live longer than men, often they enter their 'golden years' with fewer resources, having to get by for more years on less savings.

Stevens, Mathers and Beard (2013) note that worldwide, women comprise the majority percentage of adults over the age of 50, with 53% in 2011 and 59% of adults over 70, with the expectation for those numbers to grow by 2050.

The almost 5 year gap between men and women's life expectancy further compounds the problem women face when they are not on the promissory note. Not only are women less likely to appear on the promissory note, they are more likely to outlive the male with whom they share a mortgage.

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