Foreclosure Crisis and Its Socio-Economic Impacts on Evicted Renters, who have been helped by Legal Aids and Legal Services in New York City

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Abstract:

Thousands of New York City Renters have been foreclosed upon since the beginning of foreclosure crises in 2006. While, some of the foreclosed renters have managed to remain in their apartments after the foreclosure, some of foreclosed renters have been asked by new owners to evict their homes. A significant number of evicted renters have been helped by Legal Aid and Legal Services in NYC. This Thesis is an attempt to learn more about the Socio-Economic Impacts of foreclosure crises on Evicted Renters, who have been helped by Legal Aid and Legal Society in NYC. Has foreclosure eviction disrupted their lives? How has eviction impacted their employment? Does it increase poverty? Attorneys at NYC’s Legal Aid and Services were interviewed to explain their experiences and perceptions about the socio-economic impacts of foreclosure on evicted renters. Moreover, using data from census 2000 and Furman center dataset, demographic, socio-economic, and foreclosure maps are created to find correlations among them. Regression is also run to examine some of the trends that came out of the interviews. Finally recommendations are made to help different levels of governments to craft better policies toward both preventing eviction as well as providing helps for the already evicted tenants.
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Chapter 1: Introduction

As the U.S mortgage crises unfolded in 2006, issues of housing finance and of homeownership policy more generally, became front-page news. This happened, however, not just because many people were losing their homes to foreclosure but because the banking and financial community began to suffer major losses on their investments in mortgage-backed securities and the derivatives associated with them (Immergluck, 2009: ix). At the beginning of the foreclosure crises, the more focuses were on the financial aspect of the crises; the medias were more concerned about the effect of foreclosure crises on parties directly involved in the financing process such as lenders-the banks and financial institutions as well as borrower-mostly homeowners.

After a while, it has been realized that the economic and social costs of foreclosure affects more than the parties directly involved in the financing process. They can also cause the displacement and eviction of tenants, who clearly had no role in the mortgage process, from rental properties (Immergluck, 2009: 149). There are significant numbers of the evicted renters in the U.S including New York City; New York University’s Furman Center for Real Estate and Urban Policy found that in New York City, well over half of all foreclosure filings in 2007 were on two to four family or multi-family buildings.

In other words, the foreclosure crisis that started in 2006 has caused thousands of American homeowners and renters to lose their homes. It is an ongoing and unresolved issue in the U.S.A that resulted from inappropriate lending mechanism by large banks. Not surprisingly, when it comes to foreclosure crises, most of our attentions go to the homeowners, who are asked to leave their homes. However, not all foreclosed homes are occupied by homeowners’ themselves; a significant number of foreclosed homes and apartments are occupied by renters. While, some
foreclosed renters manage to remain in their previous apartments, some foreclosed renters are evicted. Significant numbers of the foreclosed evicted renters in NYC are helped by legal aids and services attorneys.

This thesis is an effort to learn more about the socioeconomic impacts of foreclosed on evicted renters, who have been helped by legal aids and services attorneys in NYC. This Thesis tries to answer the main question through answering these questions. Has foreclosure eviction disrupted their lives? How has eviction impacted their employment? Does it increase poverty? Have they been able to find new affordable housing? How has it impacted their health? Could they still afford health care insurance? How has it impacted their children?. There is also a demographic-related question which is that what race has been most impacted by foreclosure eviction? This might not be directly related to answering the main question, however, it provides some important information regarding which race needs the most help.

The purpose of this thesis is to help planners and policy makers to craft better polices toward avoiding evictions as well as mitigating the negative effects of foreclosure eviction on evicted renters. Through collecting and analyzing data on foreclosed evicted renters, interviewing legal aids and services attorneys, who have helped foreclosed evicted renters in NYC as well as regression, this paper tries to show how foreclosure eviction has impacted the renters socioeconomically and what can be done to avoid it or mitigate this negative impact.

These renters often are completely unaware that their landlords are in default until an eviction notice appears on their door. I propose that eviction is very disruptive of renters’ lives; there would be a high cost associated with disruption and dislocation. For example, some renters might not be able to hold on their jobs because they might have to show up in courts several times and
they might need to search for new affordable apartments. Times for showing up in courts, searching for apartments and dislocation would put a hardship on one’s ability to keep his jobs. It might push some renters into poverty, or even into homelessness. It might also be hard for foreclosed renters to find housing near their jobs or previous housing; so, they might need to spend more time and money on commuting. The renters, who have children, might have extra suffering; the schools and children lives would be disrupted.

Finding a new rental on short notice is often difficult, especially for low-income tenants who face increasing competition for fewer affordable apartments on the market (Been, 2009: 3). Historically, renters have mostly been low-incomes and moderate-incomes. So, finding new affordable rental apartments after eviction would be very difficult for low or moderate incomes in NYC. It might lead them to homelessness or at least effect their mobility to jobs.

In response to the negative impacts of foreclosure on renters, the federal government enacted the Protecting Tenants at Foreclosure Act of 2009 (PTFA), which provides important federal protections for tenants in foreclosed properties, including the right to receive 90 days’ notice before being required to leave the property and, in many cases, the right to remain for the length of the tenant’s existing lease term (NLCHP, 2009: 3). In addition, New York and several states also enacted new laws after 2009 that protect renters from foreclosure. These laws provide renters the right to receive notice about foreclosure action, the right to additional time to vacate the property after foreclosure, and the right to have the successor in interest to the foreclosed mortgagor maintain the property after and/or during foreclosure (NLCHP, 2009: 6, 7). Despite these new rights and protections for foreclosed renters that provided by federal and states governments, most of them are still suffering eviction with little notice. This thesis tries to
inform different levels of government to craft better policies to avoid evictions as well as provide protections for foreclosed evicted renters.

Chapter 2 is a literature review; this chapter tries to show the most relevant literature written to date about foreclosure impact on renters. Chapter 3 is about a methodology of the thesis. Chapter 4 is about some descriptive data and maps showing the scope of the foreclosure eviction in NYC with demographic, poverty, and unemployment maps. Chapter 5 is about the interviews conducted with Legal Aid and Legal Service’s attorneys. Chapter 6 is about the regression run regarding NYC and each borough in order to examine some of the points made by the interviewed attorneys. Chapter 7 is about conclusion and recommendations.
Chapter 2: Literature Review

Since 2006, when the foreclosure crises started, most of the scholars and organizations have been overwhelmed with studying the impact of foreclosure on homeowners. Few attentions have been given to the impact of foreclosure on renters. The scholars studying foreclosure impact on renters focused more on how foreclosure crises has led to the eviction of the renters and what their rights are and how federal and local governments responded to this negative impact by increasing the protection of foreclosed renters from eviction. Moreover, in measuring the magnitude of this problem, different scholars used different methods; each has its own strengths and weaknesses.

However, the point that was missing from most of the studies is that what happened to the foreclosed renters after eviction; did some of them become homeless? How this crisis affected their mobility to jobs? Did they move to other cities? What are the demographics of the renters? what types of building is more vulnerable to eviction? Trying to answer these questions is the main goal of this thesis. In sum, not all foreclosed renters are evicted; however, this thesis is interested in researching the socio-economic impact of foreclosure on evicted renters.

Who are foreclosed renters?

There is a consensus about the definition of foreclosed renters among different scholars. Vicki & Allegra (2009) describe the foreclosed renters as innocent victims of the foreclosure crisis, losing their homes through no fault of their own when their landlord goes into foreclosure. Tenant Together (2009), also describes them as innocent and hidden victims in a foreclosure crisis they did nothing to create.
The Scope of the Problem:

There are several studies showing the scope and magnitude of the foreclosure impacts on the renters. The Joint Center for Housing Studies of Harvard University (2008) found that in 2007, 20 percent of all foreclosure filings across the country were in non-owner occupied properties. According to New York University’s Furman Center for Real Estate and Urban Policy (2008), nearly 60% of the 15,000 foreclosure filings in New York City in 2007 were on 2 to 4 family or multi-family buildings, leaving a significant number of renters threatened by foreclosure. Using a conservative estimate (assuming that an owner lives in one of the units in all two to four family buildings), the Center estimated that 15,000 renter households, or about 38,000 New Yorkers, were impacted by foreclosure.

Tenants Together (2009), nonprofit organization, that estimates the foreclosed renters in California, stated that in determining the number of foreclosed renters, the focus should be on the number of units at foreclosure rather than just the number of properties in foreclosure because many properties in foreclosure contain multiple rental units. Their analysis revealed that approximately one third of the residential units in foreclosure in 2008 were rentals in California.

In estimating the foreclosed renters in Chicago, Swartz and Blake (2010) did not collect any information on foreclosures on condominiums or single-family homes. They just take into account the two and more family houses. However, they mentioned several limitations in the data. First, they did not collect information about condominiums or single-family properties because it is difficult to know how many of these properties are rental properties. Second, they have no way of determining how many units in Apartment Buildings are currently occupied or how many people live in each unit. Without that information it is difficult to estimate the number
of renters in foreclosure. Nonetheless, they estimated the foreclosed rental units to be 20,691 units in Chicago in 2009.

**The Foreclosed Evicted Renters:**

Not all Foreclosed renters face eviction. Some of the Foreclosed Renters face eviction more than other based on the building types. So, distinguishing the renters, who are most vulnerable to eviction, from those, who are less vulnerable to eviction, is a necessary task in order to allow policy makers to focus more on the renters, who need the most helps. Distinguishing between these two types of renters is almost missing from most of the literature written on foreclosure impact on renters, except one Furman Center’s small article. Most tenants living in buildings going through foreclosure face eviction if the property is sold at auction. However, tenants protected by New York State’s rent regulation laws, which apply to many units in larger 6+ buildings, are not at risk. (Furman, 1: 2008). So, the household renters living in 5 and less units buildings are at higher risk of eviction. I will try to show the difference between Rent Control and Rent Stabilized program and the amount of protection each provides to renters. It should be noted that the following data is taken from New York City Rent Guidelines Board.

A number of communities in New York State have rent regulation programs known as rent control and rent stabilization. Rent regulation is intended to protect tenants in privately-owned buildings from illegal rent increases and allow owners to maintain their buildings and realize a reasonable profit. There is a difference between rent control and rent stabilization, as only about 40,000 rent controlled units exist vs. about one million stabilized units, and rent control has a different set of regulations than rent stabilization. The term "rent regulated" encompasses both rent controlled and rent stabilized units. Rent control is the older of the two systems of rent
regulation. It dates back to the housing shortage immediately following World War II and generally applies to buildings constructed before 1947. Rent stabilization generally covers buildings built after 1947 and before 1974, and apartments removed from rent control. It also covers buildings that receive J-51 and 421-a tax benefits (NYC Rent Guidelines Board, 2011).

Rent Control:

The rent control program generally applies to residential buildings constructed before February 1947 in municipalities that have not declared an end to the postwar rental housing emergency. A total of 51 municipalities have rent control, including New York City. For an apartment to be under rent control, the tenant (or their lawful successor such as a family member, spouse, or adult lifetime partner) must have been living in that apartment continuously since before July 1, 1971. When a rent controlled apartment becomes vacant, it either becomes rent stabilized, or, if it is in a building with fewer than six units, it is generally removed from regulation (NYC Rent Guidelines Board, 2011).

Rent control limits the rent an owner may charge for an apartment and restricts the right of any owner to evict tenants. Tenants are also entitled to receive essential services. Owners are not required to offer renewal leases, as tenants are considered "statutory" tenants. Tenants may file relevant complaints on a variety of forms created by Division of Housing and Community Renewal (DHCR). DHCR is required to serve the complaint on the owner, gather evidence and then can issue a written order which is subject to appeal. If a tenant's rights are violated, DHCR can reduce rents and levy civil penalties against the owner. Rents may be reduced if services are not maintained. In cases of overcharge, DHCR may establish the lawful collectible rent (NYC Rent Guidelines Board, 2011).
Rent Stabilization:

New York City has a system of rent regulation known as "rent stabilization." In NYC, rent stabilized apartments are those apartments in buildings of six or more units built between February 1, 1947 and January 1, 1974. Tenants in buildings of six or more units built before February 1, 1947 and who moved in after June 30, 1971 are also covered by rent stabilization.

The system was enacted in 1969 when rents were rising sharply in many post-war buildings. The system has been extended and amended frequently, and now about one million apartments in the City are covered by rent stabilization. Rent stabilized tenants are protected from sharp increases in rent and have the right to renew their leases. The Rent Guidelines Board sets the allowable percentage increase for renewal leases each year (NYC Rent Guidelines Board, 2011).

Rent stabilization provides protections to tenants besides limitations on the amount of rent. Tenants are entitled to receive required services, to have their leases renewed, and may not be evicted except on grounds allowed by law. Leases may be renewed for a term of one or two years, at the tenant's choice. Tenants can file relevant complaints on a variety of forms created by the Division of Housing and Community Renewal (DHCR). DHCR is required to serve the complaint on the owner, gather evidence and then can issue a written order which is subject to appeal (NYC Rent Guidelines Board, 2011).

If a tenant's rights are violated, DHCR can reduce rents and levy civil penalties against the owner. Rents may be reduced if services are not maintained. In cases of overcharge, DHCR may assess penalties of interest or treble damages payable to the tenant. The law prohibits harassment of rent regulated tenants. Owners found guilty of intentional actions to force a tenant to vacate an apartment can be denied deregulation and lawful rent increases and may be subject to both civil
and criminal penalties. Owners found guilty of tenant harassment are subject to fines of up to $5,000 for each violation (NYC Rent Guidelines Board, 2011).

In sum, if renters live in buildings of 6 units or more, they are more likely to be rent stabilized; and if they are rent stabilized, they protected by law from evictions. This means that even if renters’ are foreclosed upon, the new owners cannot evict them if they are rent-stabilized. The renters, who are living in building of 5 units or less, are less likely to be rent-stabilized and more likely to be evicted if they are foreclosed upon because they don't have protections.

**The Hardships Foreclosed Renters have been facing:**

Vicki & Allegra (2009) argue that foreclosed renters often are completely unaware that their landlords are in default until utilities are shut off or an eviction notice appears on their door. Frequently, they lose not just their homes, but also their security deposits. Finding a new rental on short notice is often difficult, especially for low-income tenants who face increasing competition for fewer affordable apartments on the market. In the majority of states, purchasers at foreclosure sales are entirely within their rights to evict all existing tenants, but even when renters have the right to stay in their homes after foreclosure—when the tenant holds a Section 8 voucher, for example, they are frequently intimidated or improperly lured out of their homes with offers of “cash for keys.” In addition, rental fraud has developed where landlords who know foreclosure is imminent, or non-owners posing as landlords, collect renters’ money, then disappear.

Tenants Together (2009), California’s Statewide Organization for Renters’ Rights, listed the foreclosure impact in general on the renters as the following.
Many renters, including families with children, are ending up homeless due to foreclosure evictions. Meanwhile, their former home sits vacant while they are in shelters or on the street. The problems discussed in this Tenant Together report, including loss of security deposits, inadequate notice of eviction, and damage to credit from evictions, exacerbate the situation by making it harder for renters to locate and afford new housing.

Danilo (2008), stated that even as the foreclosure crisis spreads to markets across the nation and the globe, it remains firmly rooted in America’s lower income neighborhoods. Rental units generally serve lower income households and are concentrated in lower income communities. Even at the peak of the U.S. homeownership rate in 2004, African-American and Hispanic households were more likely to rent. Thus, it is not surprising that rental foreclosures too are
concentrated in the same low income and minority communities where subprime and predatory lending were also most prevalent and that are now experiencing the greatest proportion of foreclosures in general.

-Tenants’ Rights in Foreclosure:

At the beginning of the foreclosure crises in 2006, there has been very few or in some states no protection for foreclosed renters as the national attentions were on foreclosed homeowners. However, after three years in 2009 the federal government and some states, after they realized that the foreclosure has been impacting not only homeowners but also renters, enacted some new laws to protect renters from foreclosure.

The tenants’ rights also vary from state to state; tenants would have more rights in states with stronger tenant protection laws. Vicki Been & Allegra took NYC as an example; they argued that in order to understand the tenants’ rights, we need to understand the foreclosure process. In NYC, The borrower (the “mortgagor”) grants a mortgage to the lender (the “mortgagee”), which gives the lender the right to force a sale of the property if the debt is not repaid.

If the borrower defaults on the debt by failing to make scheduled mortgage payments, the lender may not take the property immediately. The lender must bring a foreclosure action, which is a legal proceeding to terminate the borrower’s right to the property. There are two main types of foreclosure: judicial foreclosure and non-judicial foreclosure (Whitman, 2004:1399).

Judicial foreclosure in New York first requires the lender to serve the owner with notice that the lender has begun a legal action to force a sale of the property. Next, there is a judicial hearing to obtain a “judgment of sale,” which, if the foreclosing lender prevails, directs the county sheriff, or other designated individual, to sell the property (McKinney 1979 & Supp. 2008). Non-judicial
foreclosure is generally faster than judicial foreclosure, but, in New York, is permitted only in limited circumstances for residential buildings (Sindey, 1995). For non-judicial foreclosure, the lender must publish a notice of sale in a local newspaper and serve a copy on the mortgagor, describing the property, mortgage, sum due, and time and place of the sale. The sale is then conducted at a public auction.

The foreclosing lender will acquire the property if there are no bids in excess of the amount set by the lender. Both types of foreclosures provide an opportunity for a defaulting mortgagor to pay off the remainder of the debt before the sale and maintain ownership of the property, which is called the “right of redemption.” When the defaulting mortgagor is a landlord, and that landlord fails to exercise the right of redemption and loses the property, tenants are at risk of having their leases terminated. Once leases are terminated, the purchaser has the option to evict the tenants (McKinney 1979).

According to Vicki & Allegra (2009), although the time required to complete foreclosure varies by state, judicial foreclosure generally entails a longer process. While non-judicial foreclosure ranges from three to eight months, judicial foreclosure generally takes over a year (for example, New York City judicial foreclosure typically lasts eighteen months). Vicki & Allegra (2009) viewed Tenants’ statutory rights in this process at three points: (i) as of the signing of the lease (because the timing of the lease determines its priority compared to the mortgage), (ii) during the foreclosure process (when tenants have the right to be joined in a judicial foreclosure proceeding), and (iii) between the beginning of foreclosure and the time the tenant moves out (when tenants may have rights regarding notice of the foreclosure or before eviction).
The order of priority between the lease and the mortgage determines whether or not the lease may be terminated by a foreclosure proceeding. Generally, the priority of property interests is determined by the common-law rule of “first in time, first in right”. Because mortgages and leases are, in this sense, both liens on property, leases signed prior to execution of the mortgage have priority over the mortgage, and remain in force after foreclosure. But this situation would likely occur only if the landlord refinanced the property after leases were already in force. In this situation, the purchaser at the foreclosure sale becomes the new landlord and the tenancies continue. However, much more commonly, the “first in time, first in right” rule results in lease termination because property owners generally execute mortgages concurrently with purchase, well before rental leases are signed. There are a couple of exceptions from the general rule that subordinate leases are terminated by foreclosure. The first exception is for federally subsidized Section 8 housing and, in New York City and some localities of California, for residents of rent stabilized and rent controlled apartments.

They argued that in New York, tenants have a right to be joined as parties to judicial foreclosure proceedings. After a foreclosure sale, the new owner may not evict the tenant unless the tenant was joined as a party to the foreclosure proceeding because it would violate due process to enforce a judgment against someone who was not a party. However, the new owner is not barred from bringing another action against the tenant to complete eviction. In New York, this second action forces tenants to either exercise their right of redemption (an opportunity to pay off the debt and gain ownership of the property), or be precluded from claiming “any title or interest in the subject property,” including a possessory interest. Therefore, except in the unusual case where the tenant is able to redeem the property, failure to be joined to the foreclosure proceeding does not prevent the purchaser from eventually evicting the tenant.
The foreclosing party’s failure to join the tenants in the foreclosure action can offer some relief for tenants, however. First, the delay caused by the second proceeding provides tenants with time to prepare to move. Second, it gives tenants an opportunity to be heard in court and to contest the purchaser’s title to the property.

Finally, for tenants whose leases are terminated by foreclosure proceedings, it is important whether or not notice of foreclosure is required, and how much time the notice of eviction gives the tenant to vacate. Notice provides tenants some opportunity to assess their rights and prepare for the costs and disruption of moving. Before 2009, New York and several states didn’t’ require serving notice of foreclosure on tenants. However, as National Law Center on Homelessness and Poverty reported that after 2009, New York and 15 other states have enacted new laws, which provide rights and protections for tenants such as:

- The right to receive notice (or receive earlier or clearer notice, or notice on more occasions) of a foreclosure action against the landlord’s property.

- The right to additional time to vacate the property after foreclosure.

- The right to have the successor in interest to the foreclosed mortgagor maintain the property after and/or during foreclosure.

**States with Stronger Protection for Foreclosed Renters:**

National Law Center on Homelessness and Poverty (2009) argued that the strongest potential protection for renters appears to be in states that would require “just cause” for eviction of tenants on foreclosed properties. Vicki & Allegra (2009) stated that Washington, D.C., New Jersey, and New Hampshire protect tenants from the consequences of foreclosure by superseding the general mortgage and foreclosure rules with statutes requiring landlords to have a “just cause” before evicting tenants. First, “just cause” or “good cause” provisions provide renters with protections similar to those of Section 8 and rent regulation statutes. Generally, a just cause
provision means that landlords are unable to evict renters except in statutorily defined circumstances (such as nonpayment of rent). Because foreclosure is not listed as a cause to evict tenants, it is not a valid reason for eviction.

National Law Center on Homelessness & Poverty (NLCHP) (2010) reported that in May 2009, in response to advocacy by the Law Center, NLIHC, and others, the federal government enacted the Protecting Tenants at Foreclosure Act of 2009 (the “PTFA” or the “Act”), which provides important federal protections for tenants in foreclosed properties, including the right to receive 90 days’ notice before being required to leave the property and, in many cases, the right to remain for the length of the tenant’s existing lease term. However, (NLCHP) concludes that despite the new protection laws, many tenants across the country are still being ordered to vacate their homes with little notice once the property enters foreclosure.

In sum, there is considerable literature on the foreclosure effect on renters in NYC and throughout the U.S.A. Most of the literature focused on that the renters are innocent victims of foreclosure crises, as they lose their homes with no fault of their own. Different authors tried to estimate the number of foreclosed renters with different methods; they estimated big numbers of foreclosed renters in big cities, such as NYC, Chicago, and LA, where a lot of renters live. They also showed that foreclosed renters faces a lot of hardships from evictions, losing their security deposits, to being forced to live without water, gas, and electricity. These authors also tried to explain tenants’ rights in foreclosure and how it evolved over time. They showed that at the beginning of foreclosure crises, there were very few protections for foreclosed renters, however, as the suffering of foreclosed renters became more known to the public and the national attentions grew, both federal and states governments enacted new laws that provide more protections for foreclosed renters.
Part of the literature is about showing that some states have stronger protections for tenants than others. For example, Washington D.C, New Jersey, and New Hampshire protect tenants from the consequences of foreclosure by not allowing landlords to evict tenants during a foreclosure unless he has a “just Cause”, for example non-payment of rent. They called that other states, including NY, should follow these states in protecting tenants. However, there is a gap in the literature. Except one small report of Furman Center, no authors made clear that in what cases the foreclosure would lead to eviction, and in what cases it would not. Or in what types of buildings renters are more vulnerable to evictions than others. Most of them seem to mix the consequences of foreclosure. One easily might conclude from this literature that all foreclosure would lead to eviction because most of the authors talked about that foreclosures would lead to evictions, or shut off of water, gas, and electricity, whiteout clearly stating in which case each happens.

This thesis tries to fill this gap by elaborating on this differentiation and explaining why some renters are more vulnerable than others to evictions. The foreclosed renters in building of 5 or less units, are more likely to be evicted because they don’t have the protection that renters in 6 or more units have. The renters in 6 or more units are more likely to be rent stabilized, so, they will not be evicted even if their landlord is foreclosed upon. In addition, this thesis takes one step further by trying to find out what have been the socio-economic impacts of foreclosure on evicted renters.
Chapter 3: Research Design

This study is an examination of the foreclosure crises, which started in 2006, and its socioeconomic impact on foreclosed evicted renters in New York City. It analyzes how the foreclosure crises have impacted the income, employment rate, and the lifestyle of renters, who have been living in the foreclosed units. Moreover, this study is an attempt to find what happened to foreclosed renters, who have faced evictions. Did they become homeless? Did they find new affordable housing? In sum, this thesis is set to find the socioeconomic implication of foreclosure on the life of evicted renters.

Explanatory method will be used to illuminate the socio-economic impacts of foreclosure on evicted renters. Since there are so many residents living in foreclosed rental units in New York City, it would be reasonable to take NYC as an example to find out what happened to foreclosed evicted renters. Finding the socioeconomic impacts of foreclosure on renter in NYC would better inform planners and policy makers at different levels of government not only in NYC but also in other cities dealing with the same issue. The research will be split into three chapters.

The Context and Scope of the Problem:

The Chapter Four, which is the following chapter, will be more quantitative. The data about the number of foreclosed units, their types, and their locations within NYC is publicly available in the website of Furman Center for Real Estate and Urban Policy- New York University. In this chapter, the foreclosure-related data from Furman Center will be used to show the number of foreclosure filings by year and building types in each boroughs through charts and bars. Moreover, since there are no data available about the number of foreclosed renters in New York
City, the number of foreclosed renters in New York City will be estimated using the secondary data from Furman center. The method is looking at the number of all foreclosed units, which have been on foreclosure during the recent crises, from 2006 to 2010 in New York City. Since there are no data to confirm how many foreclosed units were occupied by owners versus renters, the Furman assumption will be used, which is that one unit in each two to four, and multi-family housing being occupied by the owner and the rest of the units have been occupied by renters. This would show the most conservative estimation of foreclosed renters in New York City.

However, the focus will be more on the Foreclosed 2-4 Family Buildings as this type of building is the most vulnerable rental building to eviction, which is what this thesis is most concerned about. This would help this thesis to show the scope of foreclosure problem and foreclosure-driven eviction in each borough of NYC. Moreover, the maps will be created from the Furman Center’s website and then downloaded. These maps include the maps of foreclosed 2-4 Family Buildings as a percentage of Total 2-4 Family Buildings from 2006 to 2010 at the community district level. Since most of the foreclosure evictions happen in 2-4 family buildings, foreclosed 2-4 family buildings will be used as a proxy for foreclosure evictions. This is to show how the foreclosure evictions have changed geographically in NYC at the community district level.

Demographic, unemployment, and poverty-related maps will be created also in the Furman website dataset and then downloaded. These maps include the African-American Population as a percentage of Total Population, Hispanic Population as a percentage of Total Population, Unemployment as a percentage of Total Population, Poverty as a percentage of Total Population in 2000 at the community district level. This is to show whether there is geographic relations between Foreclosed evictions and African-American Population, Hispanic Population, Unemployment, and Poverty. In other words, part of this chapter is an attempt to find out
whether the foreclosure-driven eviction concentrated in the neighborhood of minorities, African-American and Hispanic, and whether it concentrated in areas of high unemployment and poverty.

The unemployment and poverty are directly related to the Thesis’s main question, which is finding out the socio-economic impacts of foreclosure on evicted renters. There is a sub question, which is to help answer the main question; the sub question here is that whether ethnic minorities, especially African-American and Hispanic, have been affected by foreclosure-driven evictions more than other communities. This might inform planners and policy makers at different levels of government to craft better policies and make better decisions. In other words, some communities or minorities might be more impacted, thus need more help or need priority in help. Moreover, the data from census 2000 and census 2010 are taken about Median Gross Rent and Gross Rent as a percentage of income. The collected data are used to create two figures. The first figure will show whether the median gross rent has increased from 2000 to 2010. In other words, it tries to show whether NYC became more or less affordable. The second figure will show whether the percentage of renters, whose gross rent are more than 30% of their income, had increased or decreased from 2000 to 2010. This could also shows whether the income increase lagged behind the rent increase. In other words, whether renters, including evicted renters became more or less able to afford housing.

**Interviewing Legal Aids and Legal Services’ Attorneys:**

Chapter Five would be more qualitative; in this part, personal interviews with the NYC legal aid and legal services’ attorneys, who helped and dealt with foreclosed evicted renters in NYC, will be conducted. The subjects will be asked, based on their local knowledge, to explain what happened to foreclosed renters in NYC during and after the evictions. In other words, they will
be asked to share their knowledge about the socio-economic impacts of foreclosure crises on evicted renters in NYC. Personal interviews have been conducted with the legal aids and legal services’ attorneys, who helped and dealt with foreclosed evicted renters; three attorneys in Brooklyn, one attorney in Queens, and one attorney in Bronx.

The interviews are an important qualitative data that will provide local knowledge about the socioeconomic impact of foreclosure on renters. Analyzing the qualitative data and interviews will provide the knowledge about the scope of the problem, and details about socioeconomic impact of foreclosure on renters in New York City. This could lead to better understanding of what should be done to mitigate the negative impact of foreclosure on evicted renters in New York City. It should be noted that the interviews sometime showed the perceptions of the interviewed attorneys rather than exact realities.

**Limitations:**

In order to know the socio-economic impacts of foreclosure on evicted renters, it would be much better to interview the evicted renters directly. I tried to interview some foreclosed evicted renters in New York City, but I faced many challenges.

First of all, I asked some of the attorneys, whom I interviewed, whether they give me the contact information (phone numbers, emails, or address) of their clients (Foreclosed Evicted renters), they refused to do so saying that they have to keep the privacy of their clients. I asked their suggestions about the best way to catch the foreclosed evicted renters; they said that since foreclosed evicted renters have been already evicted, they are no longer live in the foreclosed addresses. They either went to another address (new homes, or relatives homes), which is there is no way to find these addresses, or they went to homeless shelters.
So, the attorneys suggested that the best way to catch the foreclosed evicted renters is to contact the homeless shelters in the NYC. Based on their suggestions, I have called most of the homeless shelters in NYC, they refused to allow me to interview their residents saying that they have to keep the privacy of their residents. I went to NYC rescue mission and Bowery mission, which they serve meals to poor and homeless people. They made announcements saying whoever have been foreclosed evicted renters and willing to be interviewed please raise her/his hands, nobody raised hands. So, since I couldn’t find any foreclosed evicted renters, for the most part I have to focus on the interviews, which I did with the legal aids and legal services’ attorneys.

Another possibility was to go door to door in any NYC’s neighborhood, looking for Foreclosed Evicted Renters; however, this option is very time-consuming, and my time was limited. Finally, some of the points the interviewed attorneys made about socio-economic impact of foreclosure on renters might be perception rather than real experience. Indeed, the wise step for researchers would be to conduct a study that examines the socioeconomic impact on evicted renters by directly interviewing evicted Renters. So, their real experience would be leaned rather than perceptions. However, to undertake such a step was beyond the scope and resources of this research.

The Regression:

In the Chapter Six, the regression will be run. The regression tries to see whether some demographic, socio-economic, and foreclosure-related trends in NYC as discussed by interviewed attorneys could be supported by statistical data and regression. It would have been great to test all the points the interviewed attorneys made; however, due to the limited availability of statistical data in terms of different topics, only some of the trends could be
examined. All New York City boroughs of Manhattan, Bronx, Brooklyn, Queens, and Staten Island have been taken both together as well as separately for this regression analysis. This means that multivariate regressions have been run in Stata for all five boroughs together and each borough separately. In each case, six independent variables (African-American Renters share, Poor Renters share, Poor Renters without public Assistance share, Married-Couple with Children under 18 years share, Single-Parent with children under 18 years share, unemployment population share) were regressed by the dependent variable 2-4 Family Buildings that went into foreclosure as a percentage of total 2-4 Family Buildings in each census tract.

The focus here is on 2-4 Family Buildings rather than all Foreclosed Rental Units (2-4 and 5+ Family Buildings) because the renters, living in buildings of 6 units or more units, are more likely to be rent stabilized; if renters are rent-stabilized, they are protected from eviction even if they are foreclosed upon. So, the renters, who are most vulnerable to eviction, are those that living in 5 or less units buildings. Since the Furman Center break down the building types into 1, 2-4 and 5+ Family Buildings, the best possible available data that represent foreclosed renters under threat of eviction is 2-4 Family Buildings. In sum, since most of the foreclosure evictions happen in 2-4 family buildings, foreclosed 2-4 family buildings will be used as a proxy for foreclosure evictions.
Chapter 4: The Context and Scope of the Problem

Scope of the Problem:

Before knowing the socio-economic impacts of foreclosure on renters in NYC, it is necessary to know the context of the problem; for example, the number of Renters, who are foreclosed upon in NYC and in each borough as well as estimating the number of 2-4 units, which are more vulnerable to evictions. It is also important to know the general demographic characteristics of Foreclosed evicted Renters in NYC; or the demographic characteristics of neighborhoods, which hit hardest by foreclosure in NYC. Which race has been disproportionately impacted is a sub question of this thesis. In sum, this chapter tries to know the scope of the problem and whether the foreclosure evictions disproportionately hit the neighborhoods, where there are high percentages of minorities (especially African-American, and Hispanic), poor, and unemployed. Because if this is the case, the foreclosure evictions have increased the burden on the already disadvantaged people. It should be mentioned that for this section, the data from Furman Center and Census 2000 is heavily used.

Chart 1, shows the breakdown of properties in foreclosure from 2006-2010 in NYC. From 2006-2010, there have been around 70,000 Foreclosure filings in NYC; 62% were on 2–4 family and 5+ buildings, and 38% were on single-family buildings. This means that 62% of foreclosure filings in NYC have impacted renters rather than owners. Out of this 62%, 59% foreclosure filings were on 2–4 family buildings, which are the most vulnerable to evictions, while only 3% were on 5+ family buildings. Most tenants living in buildings going through foreclosure face eviction if the property is sold at auction. However, tenants protected by New York State’s rent
regulation laws, which apply to many units in larger 6+ buildings, are not at risk. (Furman, 1: 2008). So, the household renters living in 5 and less units buildings are at higher risk of eviction.

In the chart 1, the foreclosure filings (Foreclosed Buildings) are counted, however, there is certain number of units in each building. In chart 2, the foreclosed units are counted instead of foreclosed buildings. 2-4 and 5+ family buildings have more than one units in them, while single family housings have only one unit in them; so, the difference between (foreclosure on 2-4 plus 5+ family buildings) and single family buildings grew bigger. The foreclosed units in 2-4 and 5+ family buildings constitute 86% of all foreclosed units, while the foreclosed 2-4 and 5+ family buildings constituted only 62% of all foreclosed buildings. The foreclosed units in single family buildings constitute 14% of all foreclosed units, while the foreclosed single family buildings constituted 38% of all foreclosed buildings. This implies if units in foreclosure are counted rather than buildings in foreclosure, the share of 2-4 and 5+ family buildings will increase and the share of single family buildings will shrink.

More than 180,000 households have been living in Foreclosed Units from 2006 to 2010 in NYC. Out of this number, around 110,000 have been household renters and 70,000 have been
household owners. This estimation is based on the Furman assumption that one unit in each 2-4 family buildings and 5+family buildings have been occupied by the owner and the rest of the units are occupied by the renters. This is a conservative estimate, because in all likelihood, some of those buildings are completely occupied by renters.

In figure 1, from 2006-2010, out of the 110,000 Foreclosed Household Renters, about 43,000 were in Brooklyn, 26,000 were in Manhattan, 22,000 in Queens, 15,500 in Bronx, and 3,500 in Staten Island. This shows if all foreclosed renters are counted Manhattan will have a significant share of foreclosed renters (it is just after Brooklyn). This might be due to the fact that Manhattan has a lot of 5+ family buildings compared to other boroughs. In addition, the 5+ family buildings in Manhattan would have much more units in them compared to 5+ family buildings in other boroughs. This might give a wrong impression, which is that Manhattan has been under the most threat of evictions, just after Brooklyn. However, this is not correct, because the people living in 5+ family units are less likely to be evicted as they are more likely to be rent-stabilized and protected from evictions.

**Figure 1, Household Renters in Foreclosure by Boroughs from 2006-2010**

![Graph showing household renters in foreclosure by boroughs from 2006-2010](image)

In figure 2, where only foreclosed 2-4 family buildings are counted rather than all 2-4 and 5+...
family buildings, the share of Manhattan shrinks to almost zero. As Manhattan has very small number of 2-4 family buildings compared to other boroughs, to begin with. So, it has even smaller share of foreclosed 2-4 family buildings.

![Figure 2, 2-4 Family Buildings in Foreclosure in NYC from 2006-2010](image)

This figure shows the real picture of boroughs that have been under the most threat of foreclosure evictions. This thesis is more concerned about the foreclosed renters, who are vulnerable to evictions. This means the renters, who are living in foreclosed 2-4 family buildings. Since most of the foreclosure evictions happen in 2-4 family buildings, foreclosed 2-4 family buildings will be used as a proxy for foreclosure evictions. In figure 2, from 2006-2010, there have been about 41,000 foreclosure filings on 2-4 Family Buildings in NYC; out of this number, around 18,000 were in Brooklyn, 15,000 were in Queens, 5,250 in Bronx, 2,500 in Staten Island, and 250 in Manhattan. This means that Brooklyn, Queens, and Bronx have been facing the most threats of foreclosure evictions.

In figure 3, the foreclosure filings on 2-4 and 5+ Family Buildings have been increasing from 2006 until 2009; however, it decreased a little bit in 2010. The foreclosure filings on 2-4 family Buildings, which is most vulnerable to eviction, increased by 70% in 2010 compared to 2006.
The foreclosure filings on 5+ family buildings increased by 135% in 2010 compared to 2006. While in percentage term, between 2006-2010, the foreclosure filings on 5+ family buildings increased more than the foreclosure filings on 2-4 family buildings; in real number, the increase of foreclosure filings on 2-4 family buildings is much more significant than the increase of foreclosure filings on 5+ family buildings.

Foreclosure filings on 2-4 family buildings in 2010 increased by 3,600 filings compared to 2006, while foreclosure filings on 5+ family buildings increased by 362 filings compared to 2006.

**Demographics and Socio-economic Maps:**

Since most of the foreclosure evictions happen in 2-4 family buildings, foreclosed 2-4 family buildings will be used as a proxy for foreclosure evictions. The maps below show that, the foreclosure on 2-4 family buildings as a percentage of total buildings, have been increasing steadily over the larger span of areas from 2006-2010. They also show that the foreclosed 2-4 family buildings remain concentrated in Brooklyn, Queens, and Bronx for the most part, which means that most of the foreclosure evictions happened in these three boroughs. Manhattan and Staten Island have very few foreclosed 2-4 family buildings compared to other three boroughs.
Map 1, 2-4 Family Buildings in Foreclosure as a percentage of Total 2-4 Family Buildings, in NYC in 2006

- 0% – 0.4%
- 0.5% – 0.7%
- 0.8% – 1.1%
- 1.2% – 1.5%
- 1.6% – 1.9%
- 2% – 2.3%

Map 2, 2-4 Family Buildings in Foreclosure as a percentage of Total 2-4 Family Buildings, in NYC in 2007

- 0% – 0.4%
- 0.5% – 0.7%
- 0.8% – 1.1%
- 1.2% – 1.5%
- 1.6% – 1.9%
- 2% – 2.3%
In map 1, which shows foreclosed 2-4 family buildings as a percentage of total 2-4 family buildings in 2006, it seems that they are concentrated Northern as well as Eastern part of Brooklyn, especially Bedford Stuyvesant, East New York/Starrett City, Flatlands/Canarsie, Bushwick, East Flatbush, Brownsville, Crown Heights, South Crown Heights/Prospect. They are also concentrated in Southern as well as Eastern Queens, especially, Jamaica/Hollis, Queens Village, Kew Gardens/Woodhaven, Rockaway/Broad Channel, S. Ozone Park/Howard Beach, Ridgewood/Maspeth. They have covered almost all Bronx, however, more concentrated in Williamsbridge/Baychester, Parkchester/Soundview. In Manhattan and Staten Island, the number and percentage of foreclosed 2-4 family buildings are very small. The small number of foreclosed 2-4 family buildings in Staten Island are mostly concentrated in its northern part, especially, St. George/Stapleton; similar to Staten Island, in Manhattan they are mostly concentrated in Northern Manhattan, especially, Washington Heights/Inwood.

According to map 2, in 2007, the intensity of foreclosed 2-4 family buildings has increased in some part of eastern and northern Brooklyn, as well as eastern and southern Queens. In addition, they also intensified in Jackson Heights of Queens. This intensity also covered northern Staten Island. According to map 3, in 2008, the foreclosure on 2-4 family buildings concentrations in Brooklyn, and Queens remain in the same areas; however, it covered more areas of northern Manhattan (Harlem), and Bronx, and to a lesser extent middle part of Staten Island. According to map4, in 2009, the 2-4 family buildings foreclosure spread more westward to the central part of both Brooklyn and Queens, as well as very southern of Brooklyn, Manhattan and to a lesser extend of Staten Island, especially Tottenville/Great Kills.
Map 3, 2-4 Family Buildings in Foreclosure as a percentage of Total 2-4 Family Buildings Buildings, in NYC in 2008

Map 4, 2-4 Family Buildings in Foreclosure as a percentage of Total 2-4 Family Buildings, in NYC in 2009
In 2010, the foreclosure filings on 2-4 family buildings decreased in the western part of Brooklyn and Queens and returned to previous areas of concentration, which is eastern and northern Brooklyn as well as eastern and southern Queens. In Staten Island, too, it returned to its previous areas of concentration, which northern Staten Island. In Bronx, unfortunately, it remained to cover almost all the Bronx heavily. In Manhattan, it remained to concentrate in the northern part of Manhattan; however, it covered the Middle Eastern part of Manhattan as well. This supports the idea of previous figure, which is that the foreclosure filings on 2-4 family buildings picked in 2009 and then declined a little bit in 2010.

**Map 5, 2-4 Family Buildings in Foreclosure as a percentage of Total 2-4 family Buildings, in NYC in 2010**

According to map 6, it seems that the African-American are concentrated in areas, where high number of 2-4 family buildings went into foreclosure. For example, they are concentrated in Jamaica in eastern Queens, East Flatbush and Bushwick in northern Brooklyn, Harlem in
northern Manhattan, and northern Bronx, where a lot of 2-4 family buildings went into foreclosure. In other words, the African-Americans have high presence in areas that have been most vulnerable to foreclosure evictions.

**Map 6, African-American population as a % of Total population in NYC in 2000**

According to map 7, Hispanic are also concentrated in areas where highest percentage of 2-4 family buildings went into foreclosure. They are concentrated in Bushwick in northern Brooklyn, Jackson Heights in northern Queens, as well as southern Bronx, where a lot of 2-4 family buildings went into foreclosure. This means similar to African-Americans, Hispanic population have also been disproportionately affected by foreclosure evictions.
According to map 8, the unemployment concentrated in Bushwick and Northern Brooklyn in general, Northern Manhattan (Harlem), and Southern Bronx, where a lot of 2-4 family buildings went into foreclosure. The foreclosure evictions have hit the neighborhoods with high unemployment. This might imply that evictions have exacerbated the lives of already disadvantaged people. According to map 9, similar to unemployment, poverty are concentrated in Northern Brooklyn, Northern Manhattan (Harlem), and Southern Bronx, where most foreclosure on 2-4 family buildings occurred. In other words, the poor concentrated in areas that are most vulnerable to eviction. This might imply that foreclosure evictions have pushed the poor people deeper into poverty.
Map 8, Unemployment as a % of Total population in NYC in 2000

- 3% – 5%
- 5.1% – 7%
- 7.1% – 9%
- 9.1% – 12%
- 12.1% – 14%
- 14.1% – 17%

Map 9, poverty as a % of Total population in NYC in 2000

- 2% – 9%
- 9.1% – 15%
- 15.1% – 22%
- 22.1% – 28%
- 28.1% – 34%
- 34.1% – 42%
Rental Market in NYC:

The data from census 2000 and census 2010 are taken about Median Gross Rent and Gross Rent as a percentage of income. The collected data are used to create the two figures below. In figure 4, it is clear that the median gross rent has increased from 620$ in 2000 to about 970$ in 2010 in Bronx. This means that the average gross rent has increased by about 56% in 10 years in Bronx.

In Brooklyn, it increased from 670$ in 2000 to about 1080$ in 2010 (61% increase). In Manhattan, it increased from about 800$ in 2000 to about 1300$ in 2010 (62.5% increase). In Queens, it increased from 770$ in 2000 to about 1240$ in 2010 (61% increase). In Staten Island, it increased from 740$ in 2000 to 1140$ about in 2010 (54% increase). These rapid rent rises indicates that the rental housing in NYC is increasingly becoming unaffordable. So, it is very hard for evicted tenants to find a new affordable housing in a city like New York.

Figure 4, Median Gross Rent in NYC from 2000 to 2010 in Dollars.
Figure 5 shows that the median gross rent has not only been rising quickly but also has been rising faster than income. In other words, the increasing of income lagged behind the increasing of rent. In Bronx, the percentage of renters, whose gross rent are more than 30% of their income, increased from 43% in 2000 to about 58% in 2010 (35% increase). In Brooklyn, it increased from 43% in 2000 to about 55% in 2010 (28% increase). In Manhattan, it increased from 37.5% in 2000 to about 46% in 2010 (22.6% increase). In Queens, it increased from about 40% in 2000 to about 56.5% in 2010 (41% increase). In Staten Island, it increased from 37% in 2000 to about 56% in 2010 (51% increase). These data shows that the rent increased much faster than income. So, the evicted tenants with limited income would face big challenges in finding new affordable housing.

![Figure 5, The Percentage of Renters, whose Gross Rent is more than 30% of their income from 2000 to 2010](image-url)
Chapter 5: Interviewing Legal Aids and Legal Services’ Attorneys

Five attorneys from Brooklyn, Bronx, and Queens were interviewed to learn more about the socioeconomic impacts of foreclosure eviction on renters; they are (Legal Services Brooklyn-Richard J.), (Legal Aid Brooklyn: Kevin T.), (Legal Services Brooklyn-John A.), (Legal Aid Queens-Sarah N.), (Legal Aid Bronx-Steve G.). It should be noted that these are not the real names of interviewed attorneys. Most importantly, pseudonyms have been used in order to maintain anonymity. It should also be noted that the responses from interviewees are the perceptions of the interviewed attorneys about the experience of evicted renters.

All interviewed attorneys in Brooklyn, Bronx, and Queens agreed that minorities especially African-Americans have been disproportionately impacted by foreclosure-driven evictions. After African-American, the Latinos have been the most vulnerable race. As, John A, an interviewed attorney in Brooklyn puts it:

“I handle approximately 150 cases per year and I have been doing this since 2008. In my experience the majority of my clients are African-Americans, however, there is a substantial portion, who are Latino. So, the foreclosure evictions mostly affected the poor population, most of whom are Black and Hispanic”.

So, it can be concluded that the foreclosure-driven evictions have mostly affected low-income and minorities, which are usually two sides of the same coin. The fact that people of color, especially African-American and Hispanic in NYC, are hit hardest by foreclosure evictions might be explained partly by that they have been most exposed to predatory lending compared to other races.

In addition, one of the reasons among other that foreclosure hit the low-income neighborhoods hardest might be that people with limited-income would be more willing or able to afford buying
2-4 family buildings with banks’ loans in low-income neighborhoods rather than in high-income neighborhoods; the owners with limited-income have been less able to repay his loans to the banks since their interest rates have been raised by banks and the economic recession happened, so, they became more exposed to foreclosure. The idea that foreclosure-driven eviction mostly impacted African-American and Hispanic renters is confirmed by the GIS maps in chapter 4. The African-American strong correlation with foreclosure-driven eviction in Brooklyn, Queens, and Bronx is also confirmed by the regression in chapter 6.

According to the Legal Aid and Legal Services’ attorneys, Most of the foreclosed evicted households seem to have children. As Sarah N, an interviewed attorney in Queens, stated:

“Most of the evicted renters, we represented, had children in their households”.

Knowing that most of the foreclosed evicted renters were low-income and having one or two children would be enough for someone to speculate how difficult the life would have been not only for the low-income evicted adults but also for their children. This might be due to that the family renters with children would be more willing to live in 2-4 family buildings, which might have more spaces and rooms than 5+ family buildings. This means that families with children are overrepresented in 2-4 family buildings, which are more vulnerable to foreclosure evictions than 5+ family buildings. The strong correlation between Couple Renters with Children and Single Renters with Children with Foreclosure-driven evictions is supported by the regression in the next chapter, especially in Brooklyn, Bronx, and Queens.

There is a consensus among interviewed attorneys that very few foreclosed renters live in single family housing. Most of them live either in 2-4 family buildings or in 5+ family housing, where the owner live in one apartment and the other units are occupied by tenants. Moreover, there was
a consensus among interviewed attorneys that the renters in foreclosed 2-5 family buildings are more likely to suffer from eviction because they don’t have the sort of protection from eviction that renters in foreclosed 6+ family buildings have. Renters, who are living in buildings of 6 units or more are more likely to be rent-stabilized, and thus be protected from foreclosure eviction; however, the renters, who are living in buildings of 5 units or less, are not rent-stabilized, thus not protected from foreclosure evictions. As Kevin T, an interviewed attorney in Brooklyn stated:

“In New York City, if you live in a building of 6 or more units, you are likely to be rent-stabilized, and if you are rent-stabilized, you will survive a foreclosure, you will have the right to remain in position notwithstanding the fact that owner has been foreclosed upon and the property has been sold. So, then, renters are affected more so if they live in a buildings of five units or less. So, what we see mostly and we are more concerned about is 2-5 family buildings. So, the people we are seeing, who are suffering the most from this in terms of renters, are people in small buildings”.

So, this tells us that the neighborhoods with the most foreclosed 2-4 family buildings have the most foreclosed evicted renters in NYC (there is no 2-5 family buildings category, from Furman Center’s dataset, the available data is about 2-4 and 5+ family buildings).

All attorneys agreed that foreclosure evictions have had a very negative impact on the employment of the evicted renters because it is disruptive of their lives and make their lives very unstable. They have to take time of work to relocate or to find new place to live or to appear in court on multiple occasions; having to do these could make it hard to maintain their jobs. They also agreed that the evicted renters, who end up in homeless shelters, are more likely to lose their jobs. As, Sarah N, an interviewed attorney in Queens argued:
“Foreclosure eviction has very negatively impacted the employment situation of renters because they have to contend with the process of moving when they didn’t expect to and appearing in court on multiple occasions. Any time you have a disruption in where you live and risk of homelessness, it is going to impact your ability to show up for work and it is going to put stress on you and it is going to possibly impact you work performance. My experiences suggest when people get evicted, if they go into a shelter, it is much harder to keep their employment. So, some number of people, who lose their homes, then would lose their jobs”.

One of the reasons among other that evicted renters, who end up in homeless shelters, are more likely to lose their jobs, is that the disruption and instability of their live situation will continue beyond evictions. This means that after evictions, their lives in the homeless shelters are also disruptive and unstable, so, they are less able to hold on their jobs or to find another job. On the other hand, the evicted renters, who have found another housing, or have more family support (their extended families gave them refuge in their homes) have been able to restore stability to their lives, so, they are more likely to hold on their jobs or to find another job. The strong correlation between unemployment and foreclosure-driven eviction in Brooklyn, Bronx, and Queens is supported by the regression in chapter 4. Moreover, the GIS maps in chapter 4 shows that, geographically, the foreclosure-driven evictions concentrated in areas, where the unemployment are highest.

The interviewed attorneys argued that losing homes and employment has been the major factor in depressing income of evicted renters and thus increasing the poverty among them. Moreover, some of the interviewed attorneys argued that most of evicted tenants are already below the poverty level, so, the eviction make them nothing but poorer. As Kevin T, an interviewed attorney in Brooklyn puts it:
“Foreclosure eviction has negatively impacted the poverty rate because big percentage of those, who lost their homes and employment, went into poverty. The poverty rate is especially high among those evicted renters, who ended up in the homeless shelters. But by and large, the people, who are living in these houses, who are being foreclosed upon, tend to be poor. So, most of them are already at below the poverty level. In most cases, they are falling further below where they already are”.

The fact that most of the foreclosed evicted renters were already poor even before eviction might be explained by that, as explained before, the foreclosure hit the low-income neighborhoods hardest. So, the foreclosure evictions have pushed the poor renters deeper into poverty. Moreover, the idea that poverty rate is especially high among those evicted renters, who ended up in the homeless shelters, might be due to that, as explained before, the disruption and instability will continue in the homeless shelters; so, they will be less able to hold one their jobs, or find another jobs. Without a source of income, they are more likely to face poverty. The significant correlation between poor renters and poor renters without public assistance on one hand and foreclosure-driven evictions on the other hand is found in Brooklyn, Bronx, and Queens through the regression. Furthermore, the GIS maps in chapter 4 shows that foreclosure-driven eviction is concentrated in areas of high poverty.

When asked how difficult was it for the foreclosed evicted renters to find new affordable housing? Almost all interviewees said that, in general, affordable housings are very scarce in NYC; so, finding another affordable housing is extremely difficult for foreclosed evicted renters, who tend to be having limited-income. As Richard A, an interviewed attorney in Brooklyn puts it “Finding an affordable housing is bad enough for people, who have good income because New York City is very short on affordable housing relative to most places in the country. But for low-income people is particularly difficult. There is a huge shortage of affordable housing in New York City. When people loose affordable housing, a lot of them wind up doubled up with families or friends, sleeping on the couch, living on the floor. Fewer numbers
of them going to the shelters, I couldn’t tell you what the proportion is. But once you lose an apartment that you could afford, it is very difficult to find another one. It is not impossible, but it is very hard; you might wind up in a different borough or a different part of the city because there is some place you can afford to go”.

The fact that affordable housing is very scarce in NYC might be explained by that the overall housing rents in NYC is rising at a very fast pace compared to the rest of the country. This means that overall rental housings are becoming less and less affordable. This increasing rental unaffordability in NYC is explained with tables in chapter 4. Another reason would be that NYC government has not been able to build sufficient number of affordable housing for low-income people in response to the rising rental cost. Sometime evicted renters restructure their lives in order to afford a rent. As Kevin T, an interviewed attorney in Brooklyn puts it:

“Sometime the only way, you can afford a new housing is to restructure and this happens. I can tell you that I am working on a case now, where in order for her to find a place, she had to move her boyfriend in and her sister moved in. So now, she is a pregnant women with a kid and the most of the public assistance was going to pay in her situation was 800$. She can’t find a place for 800$, so, as I said her boyfriend and sister moved in, so now, the public assistance would pay them 1100$ and now she could find a place in that rate. So, people’s lives and family situations have been restructured in order to afford rent”.

Another challenge facing evicted renters in finding new affordable housing is that since their previous landlord abandoned the property, they cannot ask them for a reference, which is very important in proving that you are a good renter, and you have paid your rent regularly, so that the owner will trust you and give you the apartment. As Sarah N, an interviewed attorney in Queens puts it:

“In order to rent an affordable housing, sometime you need a reference from your prior landlord, and since the prior landlord abandoned property, tenants were not able to get a reference from them. So, it is very difficult for them to find other affordable housing”.
Even if they can find another affordable housing, it might not be in the same neighborhood or borough; so, they might need to commute longer to jobs and at the same time they might need to escort their kids in their possible long commute to school. In addition, finding new jobs near their new apartment would be very difficult, especially during the current financial crises and high unemployment rate. It is also possible for evicted renters, who were able to find new affordable housing, to find new schools for their children, and family doctors in their new neighborhoods, however, it is not very desirable to change schools or doctors, which and who you were used to.

When asked how has foreclosure impacted the health of evicted renters? Most of the interviewees argued that foreclosure creates the stress on the health of evicted renters because it is very stressful to be evicted. They also argued that, foreclosed renters no longer live in their own apartment and they are doubled up somewhere, where conditions are overcrowded, or they wind up in a shelter, where the condition is not good; so, their health might deteriorate more as a result. In addition, foreclosed evicted renters might not be able to continue with the same healthcare. As Steve G, an interviewed attorney in Bronx puts it:

“Poverty, eviction, and economic distress in my experience as 12 years of a legal aid attorney, I will tell you that it often will lead to the decline of the persons’ health and it often will exacerbate the chronic health condition that they already have. It created the stress on the health of evicted renters that we represent because it can be a very stressful situation. There is always a stress that goes along with the disruption and displacement. We also represent a lot of people, who are HIV positive; if an HIV positive person loses their housing because of the eviction on their apartment or foreclosure, the impact on the person’s health is terrible, for example, they will be less able to take their medications. The same thing is true for people, who are less sick, but need fairly continuing medical care”.

When asked could evicted renters still afford health care insurance? One interviewee argued that as a result of losing their homes and then jobs, they would be less able to afford healthcare
insurance. Two interviewees said they don’t know. However, the other two interviewees had argued that knowing that most of foreclosed evicted renters are low-income; either they were on public assistance and had publicly provided healthcare insurance, which could survive evictions, or they were holding low-paying jobs, so, they might not have been able to afford healthcare insurance even before eviction. This means that there is no big correlation between foreclosure crises and affordability of healthcare insurance for evicted renters. As Kevin T, an interviewed attorney in Brooklyn puts it:

“If you are on public assistance, you are getting medicates and you have health insurance and you are going to keep it even after eviction. If you are in low-end job, you probably don’t have the health insurance. So, those people, who were being foreclosed upon and lost their jobs, they might not have health insurance to begin with”.

When asked what has been the impact of foreclosure on renters’ children? They all argued that foreclosure has negatively impacted the lives’ of children of evicted renters because their lives and schools are disrupted. As Kevin T, an interviewed attorney in Brooklyn puts it:

“Kids’ lives are disrupted and schools are disrupted because you are not going to the same school that you were going, or you may be going to the same school but you have a lengthy commute. Time to do homework, or time to relax or to sleep is negatively impacted. Some kids are clearly missing school days because they are in court and because their parents don’t have daycare for them, so, they take them to court because other than that they can’t get them to school, and get to court to deal with the eviction proceedings, and pick them up at school and they can’t do all that together. So, kids are missing schools because of going to court and transportation issue, and kids are missing school because they are sicker due to their situation”.

Or, in the words of John A, another interviewed attorney in Brooklyn:

“Children are always negatively impacted by eviction that is out of their parent control; it makes them question the underlying family unit and to the deprived of the security that is necessary for their orderly development”.

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These imply that foreclosure evictions disrupt and destabilize the lives of not only adult renters but also their children. Moreover, knowing that most of the evicted renters have limited-income, they are less able to afford daycare for their children, so that they can save more times to deal with eviction issues in court, to find new affordable housing, and to move. So, they have to take care of these all issues and their children at the same time, which is extremely difficult. As a result, sometime the children have to sacrifice their school days, or studying, or resting times. In other words, foreclosure would disrupt schools, security, and health of children that is necessary for their healthy development.

When asked whether most foreclosed renters know that they can stay in the foreclosed housing until the end of the lease under Protecting Tenants at Foreclosure Act of 2009? Except John A, all other interviewed attorneys argued that most of the evicted renters didn’t know that they have the right to stay in the foreclosed housing until the end of the lease under Protecting Tenants at Foreclosure Act of 2009. Neither most of them know whether there is a foreclosure proceeding being brought. In addition, they agreed that new owners, most of the banks, are never bothered to find out the names of the tenants and tell them what their rights are. As Kevin T, an interviewed attorney in Brooklyn puts it:

“The overwhelming majority haven’t a clue, they don’t know whether there is a foreclosure proceeding being brought. I have a case now where the tenant had no idea that her landlord went on foreclosure. It seems to me that if there is a foreclosure action that is being brought, that there ought to be an obligation to find out the names of the people, who live there. When you look at the foreclosure action, I guarantee you that you are not going to have the tenants’ names there; you are going to see jondo 1, jondo 2, jondo 14. Nobody is ever bothered to find out the names of people, and nobody is ever bothered to tell them what their rights are. It seems to me that one of the thing you ought to do, is if it nothing else; slight something on the door saying that there is a foreclosure action, and you can stay there until the end of your lease or 90 days, whichever is longer. People need to be notified, but they are not”.
So, Kevin T suggests that the law should enacted requiring that new owners, banks, to find out the names of the tenants and tell them what their rights are. Sarah N, an interviewed attorney in Queens similar to Kevin T argue that the banks are never bothered to find out the names of the tenants and she said that they should be required by law to find out the names of the tenants before sending them foreclosure notice. She further argued that even when the banks send the renters foreclosure notice including the renters rights, it is not in plain English. So, this suggests that it should be in plain English, so that renters could understand. As Sarah N, an interviewed attorney in Queens puts it:

“I don’t think most tenants know what the law is. When the banks send the notice, they do include this information in the eviction notice but it is in a very long form and it is not in the plain English. So, it is very hard for the tenants to understand what the rules are. And at the same time, a real estate agent might be coming to the house to tell them they have to get out. Our experience with real estate agents in the field from what we have heard from the tenants is that they are very heavy handed and they threaten immediate eviction if the tenant doesn’t get out. So, a lot of them operate that way. Moreover, the banks should be required to actually do a more thorough investigation of who lives in the property and what the names of the tenants are before they send out the notices. Our experiences, they don’t do that”.

Chapter 6: Regression

The purpose of this regression is to examine some points that the interviewed attorneys at Legal Aid and Legal Society made about the socioeconomic impacts of foreclosure on renters in NYC. In other words, this regression tries to see whether some demographic, socio-economic, and foreclosure-related trends in NYC as discussed by interviewed attorneys could be supported by statistical data and regression. It would have been great to test all the points the interviewed attorneys made; however, due to the limited availability of statistical data in terms of different topics, only some of the trends could be examined.

The trends that data are available to examine are the following:

1- Minorities especially African-Americans have been disproportionately impacted by foreclosure-led evictions.
2- Foreclosure-led evictions mostly affected the poor population. So, it could lead them deeper into poverty.
3- The renters are affected by eviction more so if they are poor without public assistance.
4- Most of the foreclosed evicted households seem to have one to two children. Knowing that most of the foreclosed evicted renters were low-income and having one or two children, the eviction would also negatively impact their children.
5- Foreclosure has a very negative impact on the employment of the evicted renters because it is disruptive of their lives. They have to take time of work to move, to find new place to live or to appear in court on multiple occasions; having to do these could make it hard to maintain their jobs.

Methodology:

All New York City boroughs of Manhattan (New York County), Bronx (Bronx County), Brooklyn (Kings County), Queens (Queens County), and Staten Island (Richmond County) have been taken both together as well as separately for this regression analysis. This means that multivariate regressions have been done in Stata for all four boroughs together and each borough separately. In each case, six independent variables (African-American Renters share, Poor
Renters share, Poor Renters without public Assistance share, Married-Couple with Children under 18 years share, Single-Parent with children under 18 years share, unemployment population share) were regretted by the dependent variable 2-4 Family Buildings that went into foreclosure as a percentage of total 2-4 Family Buildings in each census tract.

The focus here is on 2-4 Family Buildings rather than all Foreclosed Rental Units (2-4 and 5+ Family Buildings) because the renters, living in buildings of 6 units or more units, are more likely to be rent stabilized; if renters are rent-stabilized, they are protected from eviction even if they are foreclosed upon. So, the renters, who are most vulnerable to eviction, are those that live in 5 or less units buildings. Since the Furman Center break down the building types into 1, 2-4 and 5+ Family Buildings, the best possible available data that represent foreclosed renters under threat of eviction is 2-4 Family Buildings. In other words, it would have been great if data were available about 2-5 Family Buildings; however, since, it is not the case, 2-4 Family Buildings would to the great extent represent Foreclosed Renters in risk of eviction. Some of 5+ Family Buildings are 5 Family Buildings; however, since the data is not available to determine how many buildings are only 5 Family Buildings, it is better to only take the 2-4 Family Buildings. In sum, since most of the foreclosure evictions happen in 2-4 family buildings, foreclosed 2-4 family buildings will be used as a proxy for foreclosure evictions.

A Beta command has been given to Stata in each case in order to get the Standardized coefficient of all six independent variables, which enables us to compare their effect directly and see which one has more effect on the Foreclosed Rental Units in NYC because their coefficient cannot be directly compared.
The data is collected at the smallest statistical area available, which is census tract, in order to increase the accuracy of the regression. The data about foreclosure is collected from the Furman Center, NYU, data set, and the data about African-American Renters, Poor Renters, Poor Renters without Public Assistance, Married-Couple with Children under 18 years, Single Parent (Husband with no wife or Wife with no Husband) with Children under 18 years, and Unemployment are collected from Census 2000.

Since this thesis is about the foreclosure crises impact, which started in 2006, the data is collected from 2006 until 2010, which is the most recent year with data available. The dependent variable here is Foreclosed 2-4 Family Buildings as a percentage of Total 2-4 Family Buildings in each census tract. The percentage of 2-4 Family Buildings is more relevant than only the raw number of 2-4 Family Buildings in each census tract because while the number of 2-4 Family Buildings might increase from a census tract to another, it might decrease as a percentage of total 2-4 Family Buildings. So, not only for the dependent variable but also for all the independent variables, the percentages have been taken rather than the raw number. This way, the real impact of each independent variable on the dependent variable could be found.

The percentage or share of 2-4 Family Buildings is found by dividing the number of Foreclosed 2-4 Family Buildings from 2006-2010 by Total 2-4 Family Buildings in 2000 in each census tract. The Total 2-4 Family Buildings might not be very accurate as more 2-4 Family Buildings might have been built since 2000 due to the new constructions or they might have decreased due to destructions or conversion. However, the change (increase or decrease) might not be large enough to significantly affect the data and the regression.
In terms of dependent variables, African-American Renters, Poor Renters, Poor Renters without public Assistance, Married-Couple with Children under 18 years, Single-Parent with children under 18 years, unemployment population; the data are collected from Census 2000 purposely instead of Census 2010. Because the people, who have been foreclosed upon from 2006-2010 might be better represented by Census 2000 as they might have lived there in 2000. While by 2010, most of the foreclosed evicted renters would have already left the area-census tract- they used to live. This means that if somebody was evicted in 2006 or 2007 or 2008 or 2009 or 2010, it is more likely that he/she had already left the area-census tract. So, Census 2010 would not greatly represent the foreclosed evicted renters. In other words, Census 2000 is the best data available to represent foreclosed evicted renters in NYC.

The first independent variable is African-American share, which is the African-American Household Renters as a % of Total Household Renters in each census tract. The second independent variable is Poor Renter share, which is Poor Household Renters as a % of Total Household Renters in each census tract. The third independent variable is Poor Renter with no Public Assistance Share, which is Poor Household Renters with no Public Assistance as a % of Total Household Renters in each census tract. The fourth independent variable is Married-Couple Renters with Children under 18 years share, which is Married Couple with Children under 18 years Renters as a % of Total household Renters in each census tract. The fifth independent variable is Single-Parent Renters with children under 18 years share, which is the Single Parent (Husband with no wife or Wife with no Husband) with Children under 18 years Renters as a % of Total household Renters in each census tract. The sixth independent variable is unemployment share, which is Unemployment Population as a % of Population over 16 Years in each census tract.
For all independent variables except Unemployment, the universe was Renters rather than all population in each census tract because the focus of this study is particularly on Renters. However, there wasn’t data about Unemployed Renters; the only data available was about Unemployed people as a % of Population over 16 Years in each census tract.

**Limitations:**

If I had more time, I would have taken more independent variables per census tract to see the more pure effects of each of six independent variables on the foreclosed rental units share controlling for other independent variables. In other words, some of the variations in Foreclosed 2-4 Family Buildings share may be explained by other factors.

**New York City:**

Table 1 shows the means, standard deviations and range of all the variables in NYC included in the analysis. The average Foreclosed 2-4 Family Buildings is 27.6% of Total Rental Units, the average African-American Household Renters is 31% of Total Household Renters, the average Poor Household Renters is 25.5% of Total Household Renters, the average Poor Household Renters without Public Assistance is 19.3% of Total Household Renters, the average Married-Couple Renters with Children under 18 years is 19.6% of Total Household Renters, the average Single-Parent Renters with children under 18 years is 17% of Total Household Renters, the average unemployed people is 5.6% of Population over 16 years.

The standard deviation of twofourshareynyc is 25.2, which means that about 68% of the census tracts in NYC are having Foreclosed 2-4 Family Buildings Share between 2.4% and 52.8%. It is also clear that 68% of the census tracts are having African-American Renters share between 0 % and 64.8 %, 68% of the census tracts are having Poor Renters share between 12% and 39%, 68%
of the census tracts are having Poor Renters with no Public Assistance between 9.6% and 29%, 68% of the census tracts are having Couple Renters with Children share between 9.2% and 30%, 68% of the census tracts are having Single Renters with Children share between 5.3% and 28.7%, 68% of the census tracts are having Unemployed share between 2.1% and 9.1%.

**Table 1 Descriptive Statistics for all variables in NYC.**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Description of the Variables</th>
<th>Sample Size</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Min</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>twofoursharenyc</td>
<td>Foreclosed 2-4 Family Buildings as a % of total 2-4 Family Buildings in each census tract of NYC</td>
<td>1725</td>
<td>27.6%</td>
<td>25.2</td>
<td>0.8</td>
<td>100</td>
</tr>
<tr>
<td>afamsharenyc</td>
<td>African-American Household Renters as a % of Total Household Renters in each census tract of NYC</td>
<td>1725</td>
<td>31%</td>
<td>33.8</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>poorsharenyc</td>
<td>Poor Household Renters as a % of Total Household Renters in each census tract of NYC</td>
<td>1725</td>
<td>25.5%</td>
<td>13.6</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>poornopubsharenyc</td>
<td>Poor Household Renters with no Public Assistance as a % of Total Household Renters in each census tract of NYC</td>
<td>1725</td>
<td>19.3%</td>
<td>9.7</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>couplekidsharenyc</td>
<td>Married Couple with Children under 18 years Renters as a % of Total household Renters in each census tract of NYC</td>
<td>1725</td>
<td>19.6%</td>
<td>10.4</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Singlekidsharenyc</td>
<td>Single Parent (Husband with no wife or Wife with no Husband) with Children under 18 years Renters as a % of Total household Renters in each census tract of NYC</td>
<td>1725</td>
<td>17%</td>
<td>11.7</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>unemploysharenyc</td>
<td>Unemployment Population as a % of Population over 16 Years in each census tract of NYC</td>
<td>1725</td>
<td>5.6%</td>
<td>3.5</td>
<td>0</td>
<td>43.4</td>
</tr>
</tbody>
</table>

The regression table would show us the more precise effects of each independent variable on the dependent variable net of the effects of other variables. Regression can also show us the precise
increase or decrease in the dependent variable by adding one percent of each independent variable net of the effects of other variables.

In the regression table of 1.2, the variable (afamshare) is statistically significant because its T-value which is coefficient/Standard error is equal to $0.315/0.018 = 16.75$ and it is bigger than 2, so the variable is statistically significant. The same way, couple renters with children and single renters with children share are statistically significant (their T-value=7.23 and 7.5 respectively). However, Poor Renters share, Poor Renters without Public Assistance share, and unemployment share are statistically not significant (their T-value=1.81, -1.25, and 1.29 respectively).

The coefficient of the African-American share in NYC is 0.315, net of the effect of other five independent variables. This means that each additional 1% of African-American Renters produces an expected increase of about 0.315% of Foreclosed 2-4 Family Buildings, net of the effect of other independent variables. So, increasing 10% of African-American renters would result in an increase of about 3.15% in Foreclosed 2-4 Family Buildings. This means that African-Americans have high presence in areas that have higher incidence of foreclosure on 2-4 Family Buildings, which are most vulnerable to eviction. So, it is supporting the claim of Legal Aid and Legal society’s attorneys that there is a strong direct correlation between Foreclosed-driven eviction and African-American populations. In other words, it is confirming the point that foreclosed-driven eviction disproportionately affects the African-American population.
Table 1.2 Regression table, Determinants of the Foreclosed 2-4 Family Building Share in NYC.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Coefficient and Standardized Error.</th>
<th>Standardized. Coefficient.</th>
</tr>
</thead>
<tbody>
<tr>
<td>afamshare(\text{nyc})</td>
<td>0.316 (0.018)</td>
<td>0.424</td>
</tr>
<tr>
<td>poor(\text{share(\text{nyc})}}</td>
<td>0.192 (0.106)</td>
<td>0.103</td>
</tr>
<tr>
<td>poornopub(\text{share(\text{nyc})}}</td>
<td>-0.16 (0.127)</td>
<td>-0.061</td>
</tr>
<tr>
<td>couple(\text{kidshare}(\text{nyc})}</td>
<td>0.36 (0.05)</td>
<td>0.148</td>
</tr>
<tr>
<td>Single(\text{kidshare}(\text{nyc})}</td>
<td>0.5 (0.065)</td>
<td>0.23</td>
</tr>
<tr>
<td>unemploy(\text{share(\text{nyc})}}</td>
<td>0.23 (0.177)</td>
<td>0.032</td>
</tr>
<tr>
<td>Intercept</td>
<td>-0.723 (1.701)</td>
<td></td>
</tr>
<tr>
<td>R-squared</td>
<td>0.366</td>
<td></td>
</tr>
<tr>
<td>Sample Size</td>
<td>1725</td>
<td></td>
</tr>
</tbody>
</table>

Regarding the Poor Renters share, each additional 1% of Poor Renters produces an expected increase of about 0.2% of Foreclosed 2-4 Family Buildings. So, increasing 10% of Poor Renters would result in an increase of about 2% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. This is clearly supporting the points made by interviewed attorneys, which is that there is a correlation between poverty and foreclosure-driven evictions. As some interviewed attorneys suggested that some evicted renters were already poor before eviction, so, the foreclosure would push them deeper into poverty. While there is a direct correlation between foreclosed rental Units and poverty, the Poor without public assistance has an opposite
correlation with foreclosed rental Units, which is good news. This means that increasing 10% of Poor Renters without Public Assistance would result in a decrease of about 1.6% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. In other words, foreclosure happens in areas where there are less poor people without public assistance (most vulnerable population); it is good news in a sense that the most vulnerable population is underrepresented in areas, where most of the foreclosure-driven evictions have taken place.

Increasing 10% of Couple Renters with children would result in an increase of about 3.6% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. This shows that there is a strong correlation between families with children and Foreclosure-driven evictions. This reinforce the point that interviewed attorneys made, which is that Most of the foreclosed evicted households seem to have one to two children. Knowing that most of the foreclosed evicted renters were low-income and having one or two children, the eviction would also negatively impact their children. As Kevin T, an interviewed attorney from Brooklyn, argued that kids’ lives are disrupted and schools are disrupted because you are not going to the same school that you were going, or you may be going to the same school but you have a lengthy commute. Time to do homework, time to relax or to sleep is negatively impacted. Some kids are clearly missing school days because they are in court and because their parents don’t have daycare for them.

If it is difficult for couple to decrease the negative impacts of these disruptions caused by foreclosure-led eviction, it is even more difficult for single-parent to decrease the negative impacts of eviction on their children. First of all, one adult are more likely to make less money than couple do, assuming that both couples are working. Having less money decrease the ability of mother/father alone to quickly find another affordable apartment after eviction. This would decrease the possibility of quickly regaining the stable live, which is necessary for schools,
security, and healthy development of their children. Moreover, if the eviction happens to couple, one of them could take care of the children and the other could take care of the court issues and finding a new affordable housing; however, if the eviction happens to single parent, it is much harder for one adult to take care of the children, court issues, and finding new affordable housing at the same time. It is also more difficult for single-parent, usually with less money compared to the couple, to afford daycare for their children, so that they can take care of court issues and finding new apartment.

Increasing 10% of Single Renters with children would result in an increase of about 5% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. It shows that there is a considerable correlation between single renters with children and foreclosed rental units. In other words, there is higher number of Single renters with children in areas, where foreclosure-driven evictions is high.

Regarding Unemployment, it is statistically not very significant. However, increasing 10% of Unemployed population would result in an increase of about 2.3% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. There is a direct correlation between unemployment and Foreclosed 2-4 Family Buildings. This supports the point made the interviewed attorneys that “Foreclosure has a very negative impact on the employment of the evicted renters because it is disruptive of their lives. They have to take time of work to move or to find new place to live or to appear in court on multiple occasions; having to do these could make it hard to maintain their jobs”.

Overall in NYC, the African-American Renters has the most effect and the Poor Renters without Public Assistance has the least effect on Foreclosed Rental Units share because the Standardized
Coefficient of African-American Renters is 0.424, which is the biggest and the Standardized Coefficient of Poor renters without Public Assistance is -0.061, which is the smallest. This means that the foreclosure is more correlated with African-American and Single Renters with Children than with Poor Renters without Public Assistance and unemployment. The $R^2 = 0.366$. So, these six independent variables explain only 36.6% of the variation in the Foreclosed 2-4 Family Buildings share in NYC. The subsections that follows assess the correlations between different variables in each boroughs of NYC.

**Bronx:**

Table 1.3 shows the means, standard deviations and range of all the variables in Bronx included in the analysis. The average Foreclosed 2-4 Family Buildings share is 26%, the average African-American Renters share is 35.3%, the average Poor Renters share is 32%, the average Poor Renters without Public Assistance share is 21.3%, the average Couple Renters with Children share is 15.5%, the average Single-Parent Renters with children share is 25%, the average unemployed share is 7.2 %. The averages of all variables are higher in Bronx than in NYC, except Foreclosed 2-4 Family Buildings share and couple renters with children.

The standard deviation of twofoursharebronx is 17.7, which means that about 68% of the census tracts in the Bronx are having Foreclosed 2-4 Family Buildings Share between 8.3% and 43.7%. The same way, 68% of the census tracts are having African-American Renters share between 11.3% and 59.3%, 68% of the census tracts are having Poor Renters share between 17.3% and 46.7%, 68% of the census tracts are having Poor Renters with no Public Assistance between 12.1% and 30.5%, 68% of the census tracts are having Couple Renters with Children share between 8.2% and 22.8%, 68% of the census tracts are having Single Renters with Children
share between 14.2% and 35.8%, 68% of the census tracts are having Unemployed share between 3.2% and 11.2%.

Table 1.3 Descriptive Statistics for all variables in the Bronx.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Description of the Variables</th>
<th>Sample Size</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Min</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>twofoursharebronx</td>
<td>Foreclosed 2-4 Family Buildings as a % of total 2-4 Family Buildings in each census tract of Bronx</td>
<td>292</td>
<td>26%</td>
<td>17.7</td>
<td>0.8</td>
<td>100</td>
</tr>
<tr>
<td>Afamsharebronx</td>
<td>African-American Household Renters as a % of Total Household Renters in each census tract of Bronx</td>
<td>292</td>
<td>35.3%</td>
<td>24</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Poorsharebronx</td>
<td>Poor Household Renters as a % of Total Household Renters in each census tract of Bronx</td>
<td>292</td>
<td>32%</td>
<td>14.7</td>
<td>0</td>
<td>71.5</td>
</tr>
<tr>
<td>Poornopubsharebronx</td>
<td>Poor Household Renters with no Public Assistance as a % of Total Household Renters in each census tract of Bronx</td>
<td>292</td>
<td>21.3%</td>
<td>9.2</td>
<td>0</td>
<td>65.4</td>
</tr>
<tr>
<td>Couplekidsharebronx</td>
<td>Married Couple with Children under 18 years Renters as a % of Total household Renters in each census tract of Bronx</td>
<td>292</td>
<td>15.5%</td>
<td>7.3</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Singlekidsharebronx</td>
<td>Single Parent (Husband with no wife or Wife with no Husband) with Children under 18 years Renters as a % of Total household Renters in each census tract of Bronx</td>
<td>292</td>
<td>25%</td>
<td>10.8</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>unemploysharebronx</td>
<td>Unemployment Population as a % of Population over 16 Years in each census tract of Bronx</td>
<td>292</td>
<td>7.2%</td>
<td>4</td>
<td>0</td>
<td>37.4</td>
</tr>
</tbody>
</table>

In the regression table of 1.4, the independent variables of African-American Renters share and Couple Renters with Children are statistically significant because Their T-values are 5.6, and 2.87 respectively. However, other Independent variables of Poor Renters, Poor Renters without
Public Assistance, Single Renters with Children, and unemployment share are statistically not very significant because their T-values are -1.43, 1.86, 1.75, and -1.68 respectively.

Table 1.4 Regression table, Determinants of the Foreclosed 2-4 Family Building Share in the Bronx.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Coefficient and Standardized Error</th>
<th>Standardized Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afamsharebronx</td>
<td>0.262 (0.046)</td>
<td>0.354</td>
</tr>
<tr>
<td>Poorsharebronx</td>
<td>-0.272 (0.191)</td>
<td>-0.226</td>
</tr>
<tr>
<td>Poornopubsharebronx</td>
<td>0.493 (0.265)</td>
<td>0.255</td>
</tr>
<tr>
<td>Couplekidsharebronx</td>
<td>0.384 (0.133)</td>
<td>0.159</td>
</tr>
<tr>
<td>Singlekidsharebronx</td>
<td>0.232 (0.132)</td>
<td>0.142</td>
</tr>
<tr>
<td>Unemploysharebronx</td>
<td>-0.501 (0.299)</td>
<td>-0.114</td>
</tr>
<tr>
<td>Intercept</td>
<td>6.785 (3.958)</td>
<td></td>
</tr>
<tr>
<td>R-squared</td>
<td>0.185</td>
<td></td>
</tr>
<tr>
<td>Sample Size</td>
<td>292</td>
<td></td>
</tr>
</tbody>
</table>

The coefficient of the African-American share in Bronx is 0.262, net of the effect of other five independent variables. This means that increasing of African-American Renters by 10% would produce an expected increase of about 2.62% of Foreclosed 2-4 Family Buildings, net of the effect of other independent variables. It is supporting the claim of Steve G, an attorney in Legal Aid Bronx, “In the Bronx, Foreclosure mostly affected the poor population, most of whom are
Hispanic and Black.”. Unfortunately, there was not data about Hispanic Household Renters as a percentage of Total Household Renters, to confirm that there might have been even stronger correlation between Foreclosed 2-4 Family Buildings and Hispanic Population in the Bronx.

Regarding the Poor Renters share, which is statistically insignificant (T-value=-1.43); it has an opposite correlation with Foreclosed 2-4 Family Buildings. It means that additional 10% of Poor Renters produces an expected decrease of about 2.7% of Foreclosed 2-4 Family Buildings, net of the effect of other variables. Since the correlation is statistically not significant, there might be no clear and strong correlation between Foreclosed 2-4 Family Buildings and Poverty in the Bronx.

Increasing 10% of Poor Renters without Public Assistance would result in an increase of about 5% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. This means that there is high number of Poor Renters without Public Assistance in areas, where most foreclosure-driven evictions occurred.

Increasing 10% of Couple Renters with children would result in an increase of about 3.8% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. This variable effect in Bronx is very similar to its effect in NYC. This shows that there is a very strong correlation between families with children and Foreclosed 2-4 Family Buildings in the Bronx. This reinforces the point that interviewed attorneys in Bronx, Steve G, made “Most of the Foreclosed Evicted Renters have two children. He also stated that Foreclosure is stressful for the children of evicted families. They can’t go to the health care that is most familiar with them. They may not be able to continue with the schools, they have been going to for many years.
Increasing 10% of Single Renters with children would result in an increase of about 2.3% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. Moreover, this variable effect in Bronx is half of its effect in NYC; nonetheless, there is a considerable correlation between single renters with children and Foreclosed 2-4 Family Buildings in Bronx.

Regarding Unemployment, there is an opposite correlation between unemployed share and Foreclosed 2-4 Family Buildings. Increasing 10% of Unemployed population would result in a decrease of about 5% in Foreclosed Rental Units, net of the effect of other variables. It means that unemployment is lower in areas that hit hardest by foreclosure-driven evictions in the Bronx. This might imply that before eviction the employment was high in the Foreclosed areas in the Bronx; however, after eviction the people might have not been able to keep their employment. As a Steve G, interviewed Bronx attorney, suggested foreclosure has a negative impact on the renters because it is disruptive of their lives. They have to find places to relocate. Having to do these could make it hard to maintain their jobs.

Overall in the Bronx, African-American Renters has the most effect and the Unemployment has the least effect on Foreclosed 2-4 Family Buildings because the Standardized Coefficient of African-American Renters is 0.35, which is the largest and the Standardized Coefficient of unemployment is -0.11, which is the smallest. This means that the foreclosure in the Bronx is more correlated with African-American than Poor Renters and Poor Renters without Public Assistance than with Unemployment and Single renters with children. The R-squared = 0.185. So, these six independent variables explain only 18.5% of the variation in the Foreclosed 2-4 Family Buildings in Bronx.
Brooklyn:

Table 1.5 shows the means, standard deviations and range of all the variables in Brooklyn included in the analysis.

Table 2.5 Descriptive Statistics for all variables in the Brooklyn.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Description of the Variables</th>
<th>Sample Size</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Min</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>twofoursharebrooklyn</td>
<td>Foreclosed 2-4 Family Buildings as a % of total 2-4 Family Buildings in each census tract of Brooklyn</td>
<td>690</td>
<td>30.4%</td>
<td>29.1</td>
<td>1</td>
<td>100</td>
</tr>
<tr>
<td>Afamsharebrooklyn</td>
<td>African-American Household Renters as a % of Total Household Renters in each census tract of Brooklyn</td>
<td>690</td>
<td>35%</td>
<td>36.6</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Poorsharebrooklyn</td>
<td>Poor Household Renters as a % of Total Household Renters in each census tract of Brooklyn</td>
<td>690</td>
<td>28.1%</td>
<td>13.1</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Poornopubsharebrooklyn</td>
<td>Poor Household Renters with no Public Assistance as a % of Total Household Renters in each census tract of Brooklyn</td>
<td>690</td>
<td>21.5%</td>
<td>9.7</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Couplekidsharebrooklyn</td>
<td>Married Couple with Children under 18 years Renters as a % of Total household Renters in each census tract of Brooklyn</td>
<td>690</td>
<td>19.4%</td>
<td>10.8</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Singlekidsharebrooklyn</td>
<td>Single Parent (Husband with no wife or Wife with no Husband) with Children under 18 years Renters as a % of Total household Renters in each census tract of Brooklyn</td>
<td>690</td>
<td>16.5%</td>
<td>12</td>
<td>0</td>
<td>77.2</td>
</tr>
<tr>
<td>Unemploysharebrooklyn</td>
<td>Unemployment Population as a % of Population over 16 Years in each census tract of Brooklyn</td>
<td>690</td>
<td>5.7%</td>
<td>3.7</td>
<td>0</td>
<td>43.4</td>
</tr>
</tbody>
</table>

The average Foreclosed 2-4 Family Buildings share is 30.4%, the average African-American Renters share is 35%, the average Poor Renters share is 28.1%, the average Poor Renters without
Public Assistance share is 21.5%, the average Couple Renters with Children share is 19.4%, the average Single-Parent Renters with children share is 16.5%, the average unemployed share is 5.7%. The averages of all variables are higher in Brooklyn than in NYC, except couple renters with children and single renters with children.

The standard deviation of twofoursharebrooklyn is 29.1, which means that about 68% of the census tracts in the Brooklyn are having Foreclosed 2-4 Family Buildings Share between 1.3% and 59.5%. The same way, 68% of the census tracts are having African-American Renters share between 0% and 71.6%, 68% of the census tracts are having Poor Renters share between 15% and 41.2%, 68% of the census tracts are having Poor Renters with no Public Assistance between 11.8% and 31.2%, 68% of the census tracts are having Couple Renters with Children share between 8.6% and 30.2%, 68% of the census tracts are having Single Renters with Children share between 4.5% and 28.5%, 68% of the census tracts are having Unemployed share between 2% and 9.4%.

In the regression table of 1.6, all the independent variables, except Couple renters with Children and Unemployment and, are statistically significant. The T-value of African-American Renters is 10.29, so it is statistically significant. The coefficient of the African-American Renter share in Brooklyn is 0.311, net of the effect of other five independent variables. This means that increasing of African-American Renters by 10% would produce an expected increase of about 3.11% of Foreclosed 2-4 Family Buildings, net of the effect of other independent variables. This variable’s effect is stronger than its effect in Bronx. This shows a strong correlation between African-American Renters and Foreclosure-driven evictions. It is also supporting the claim of Richard J, an interviewed attorney in Brooklyn, “It is very clear in Brooklyn that minorities
especially African-Americans have been disproportionally impacted by eviction resulted from foreclosure”.

Table 1.6 Regression table, Determinants of the Foreclosed 2-4 Family Building Share in Brooklyn.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Coefficient and Standardized Error.</th>
<th>Standardized. Coefficient.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afamsharebrooklyn</td>
<td>0.31 (0.03)</td>
<td>0.392</td>
</tr>
<tr>
<td>Poorsharebrooklyn</td>
<td>1.061 (0.161)</td>
<td>0.479</td>
</tr>
<tr>
<td>Poornopubsharebrooklyn</td>
<td>-1.154 (0.189)</td>
<td>-0.385</td>
</tr>
<tr>
<td>Couplekidsharebrooklyn</td>
<td>0.106 (0.079)</td>
<td>0.039</td>
</tr>
<tr>
<td>Singlekidsharebrooklyn</td>
<td>0.587 (0.107)</td>
<td>0.242</td>
</tr>
<tr>
<td>unemploysharebrooklyn</td>
<td>0.34 (0.286)</td>
<td>0.043</td>
</tr>
<tr>
<td>Intercept</td>
<td>0.882 (2.637)</td>
<td></td>
</tr>
<tr>
<td>R-squared</td>
<td>0.525</td>
<td></td>
</tr>
<tr>
<td>Sample Size</td>
<td>690</td>
<td></td>
</tr>
</tbody>
</table>

Regarding the Poor Renters share, which is statistically significant (T-value=6.56); additional 10% of Poor Renters produces an expected increase of about 10.6% of Foreclosed Rental Units, net of the effect of other variables. It is clear that there is significant correlation between poverty and Foreclosed 2-4 Family Buildings in the Brooklyn. As Kevin T, an interviewed attorney in Brooklyn suggested “to the extent that people, who are losing their jobs, it is going to have an
impact; but by and large, the people, who are living in these houses, who are being foreclosed upon, tend to be poor. So, most of them are already at below the poverty level. In most cases, they are falling further below where they already are”.

There is an opposite correlation between Poor without Public Assistance and Foreclosed 2-4 Family Buildings. Increasing 10% of Poor Renters without Public Assistance would result in a decrease of about 11.5% in Foreclosed Rental Units, net of the effect of other variables. It is a good sign that there is less Poor Renters without Public Assistance in the area of high foreclosure-driven evictions in Brooklyn, nonetheless, they are the most vulnerable population to eviction and need the most help. In other words, there might be few numbers of Poor Renters without Public Assistance face the eviction, yet, they suffer the most.

Increasing 10% of Couple Renters with children would result in an increase of about 1.06% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. This variable effect in Brooklyn is about four times less effective than the its effect in Bronx. Yet, there is a considerable correlation between families with children and foreclosure-driven evictions in the Brooklyn. As Kevin T, an interviewed Brooklyn attorney stated “Most of our clients have at least one child”. He also argued that evicted kids are missing schools because of going to court and transportation issue, and kids are missing school because they are sicker due to their situation.

Increasing 10% of Single Renters with children would result in an increase of about 5.87% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. This shows that there is a considerable correlation between single renters with children and foreclosed-driven evictions. Moreover, this variable effect in Brooklyn is twice more effective than its effect in Bronx. In
other words, the correlation between the Single renters with children and foreclose-driven evictions are stronger in Brooklyn than in Bronx.

Increasing 10% of Unemployed population would result in an increase of about 3.4% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. There is a direct correlation between unemployment and Foreclosed 2-4 Family Buildings in Brooklyn. As Kevin T, an interviewed Brooklyn attorney argued “Some number of people, who lose their homes, then would lose their jobs”.

The coefficient of Intercept tells us that the Foreclosed 2-4 Family Buildings is about 0.88% of all 2-4 Family Buildings when the other six independent variables are zero.

Overall in the Brooklyn, the Poor Renters has the most effect and unemployment has the least effect on Foreclosed 2-4 Family Buildings because the Standardized Coefficient of Poor renters is 0.48, which is the largest and the Standardized Coefficient of Unemployment is 0.043, which is the smallest. This means that the foreclosure-driven eviction in the Brooklyn is more correlated with Poor Renters and African-American Renters than Unemployment and Couple renters with children. The R-squared = 0.525. So, these six independent variables explain only 52.5% of the variation in the Foreclosed 2-4 Family Buildings in Brooklyn.

**Manhattan:**

Table 1.7 shows the means, standard deviations and range of all the variables in Manhattan included in the analysis. The average Foreclosed 2-4 Family Buildings share is 14.1%, the average African-American Renters share is 47.2%, the average Poor Renters share is 31.5%, the average Poor Renters without Public Assistance share is 23.3%, the average Couple Renters with Children share is 9.5%, the average Single-Parent Renters with children share is 16.3%, the
average unemployed share is 7.7%. The averages of all variables are higher in Manhattan than in NYC, except Foreclosed 2-4 Family Buildings as well as couple and single renters with children.

Table 3.7 Descriptive Statistics for all variables in Manhattan.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Description of the Variables</th>
<th>Sample Size</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Min</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>twofoursharemanhattan</td>
<td>Foreclosed 2-4 Family Buildings as a % of total 2-4 Family Buildings in each census tract of Manhattan</td>
<td>52</td>
<td>14.1%</td>
<td>12.5</td>
<td>1.5</td>
<td>66.6</td>
</tr>
<tr>
<td>Afamsharemanhattan</td>
<td>African-American Household Renters as a % of Total Household Renters in each census tract of Manhattan</td>
<td>52</td>
<td>47.2%</td>
<td>33</td>
<td>0</td>
<td>90.3</td>
</tr>
<tr>
<td>Poorsharemanhattan</td>
<td>Poor Household Renters as a % of Total Household Renters in each census tract of Manhattan</td>
<td>52</td>
<td>31.5%</td>
<td>13.3</td>
<td>4.2</td>
<td>62.1</td>
</tr>
<tr>
<td>Poornopubsharemanhattan</td>
<td>Poor Household Renters with no Public Assistance as a % of Total Household Renters in each census tract of Manhattan</td>
<td>52</td>
<td>23.3%</td>
<td>9.5</td>
<td>4.2</td>
<td>46</td>
</tr>
<tr>
<td>Couplekidsharemanhattan</td>
<td>Married Couple with Children under 18 years Renters as a % of Total household Renters in each census tract of Manhattan</td>
<td>52</td>
<td>9.5%</td>
<td>4.6</td>
<td>1.1</td>
<td>19.8</td>
</tr>
<tr>
<td>Singlekidsharemanhattan</td>
<td>Single Parent (Husband with no wife or Wife with no Husband) with Children under 18 years Renters as a % of Total household Renters in each census tract of Manhattan</td>
<td>52</td>
<td>16.3%</td>
<td>8.7</td>
<td>0</td>
<td>33.5</td>
</tr>
<tr>
<td>unemploysharemanhattan</td>
<td>Unemployment Population as a % of Population over 16 Years in each census tract of Manhattan</td>
<td>52</td>
<td>7.7%</td>
<td>3.6</td>
<td>1.7</td>
<td>16.5</td>
</tr>
</tbody>
</table>

The standard deviation of twofoursharemanhattan is 12.5, which means that about 68% of the census tracts in the Manhattan are having Foreclosed 2-4 Family Buildings Share between 1.6% and 26.6%. The same way, 68% of the census tracts are having African-American Renters share between 14.2% and 80.2%, 68% of the census tracts are having Poor Renters share between
18.2% and 44.8%, 68% of the census tracts are having Poor Renters with no Public Assistance between 13.8% and 32.8%, 68% of the census tracts are having Couple Renters with Children share between 4.9% and 14.1%, 68% of the census tracts are having Single Renters with Children share between 7.6% and 25%, 68% of the census tracts are having Unemployed share between 4.1% and 11.3%.

In the regression table of 1.8, none of the independent variables is statistically significant. T-Value of African-American Renters, Poor Renters, Poor Renters without Public Assistance, Couple Renters with Children, Single Renters with Children, and Unemployment are -0.87, -0.71, 1.62, -0.86, 1.22, -0.57 respectively. This might be due to several reasons. First of all, knowing that most Manhattan’s buildings are 5+ Family Buildings, there are very few 2-4 Family Buildings in Manhattan compared to other boroughs to start with. There are even fewer Foreclosed 2-4 Family Buildings. In sum, out of 592 census tracts in Manhattan, only 52 census tracts have Foreclosed 2-4 Family Buildings. It is difficult to make any generalization on Manhattan based on 52 census tracts. This might partly explain the insignificant of the correlations.

Moreover, the Foreclosed 2-4 Family Buildings as a percentage of Total 2-4 Family Buildings is smallest in Manhattan compared to other Boroughs (Average Foreclosed 2-4 Family Buildings as a % of 2-4 Family Buildings = 14.15% in Manhattan, 19% in Staten Island, 26% in Bronx, 27.7% in Queens, 30.4% in Brooklyn). In other words, the foreclosure-driven eviction in Manhattan is not as big as in other boroughs. Besides, the attorneys in Legal Aid and Legal Society of Manhattan refused to be interviewed, saying they haven’t helped enough Foreclosed Evicted Renters, so they didn’t have enough information to be interviewed, or they were busy and didn’t have time to be interviewed. So, it is hard to find general trends in Manhattan.
Table 1.8 Regression table, Determinants of the Foreclosed 2-4 Family Building Share in Manhattan.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Coefficient and Standardized Error.</th>
<th>Standardized Coefficient.</th>
</tr>
</thead>
<tbody>
<tr>
<td>afamsharemanhattan</td>
<td>-0.074 (0.085)</td>
<td>-0.196</td>
</tr>
<tr>
<td>Poorsharemanhattan</td>
<td>-0.44 (0.616)</td>
<td>-0.467</td>
</tr>
<tr>
<td>Poornopubsharemanhattan</td>
<td>1.152 (0.71)</td>
<td>0.877</td>
</tr>
<tr>
<td>couplekidsharemanhattan</td>
<td>-0.458 (0.532)</td>
<td>-0.169</td>
</tr>
<tr>
<td>Singlekidsharemanhattan</td>
<td>0.516 (0.424)</td>
<td>0.358</td>
</tr>
<tr>
<td>Unemploysharemanhattan</td>
<td>-0.363 (0.639)</td>
<td>-0.105</td>
</tr>
<tr>
<td>Intercept</td>
<td>3.383 (5.682)</td>
<td></td>
</tr>
<tr>
<td>R-squared</td>
<td>0.26</td>
<td></td>
</tr>
<tr>
<td>Sample Size</td>
<td>52</td>
<td></td>
</tr>
</tbody>
</table>

The coefficient of the African-American Renter share in Manhattan is -0.07, net of the effect of other five independent variables. This means that increasing of African-American Renters by 10% would produce an expected decrease of about 0.7% of Foreclosed 2-4 Family Buildings, net of the effect of other independent variables.

Regarding the Poor Renters share, additional 10% of Poor Renters produces an expected decrease of about 4.4% of Foreclosed 2-4 Family Buildings, net of the effect of other variables.

There is a direct correlation between Poor without Public Assistance and Foreclosed 2-4 Family
Buildings. Increasing 10% of Poor Renters without Public Assistance would result in an increase of about 11.5% in Foreclosed 2-4 Family Buildings, net of the effect of other variables.

Increasing 10% of Couple Renters with children would result in a decrease of about 4.6% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. There is a direct correlation between Single Renters with Children and Foreclosed Rental Units. Increasing 10% of Single Renters with children would result in an increase of about 5.16% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. Regarding Unemployment, increasing 10% of Unemployed population would result in a decrease of about 3.6% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. The coefficient of Intercept tells us that the Foreclosed 2-4 Family Buildings is about 3.4% of all 2-4 Family Buildings in Manhattan when the other six independent variables are zero.

Overall in the Manhattan, the Poor Renters without Public Assistance has the most effect and unemployment has the least effect on Foreclosed 2-4 Family Buildings because the Standardized Coefficient of Poor renters without Public Assistance is 0.877, which is the largest and the Standardized Coefficient of Unemployment is -0.105, which is the smallest. This means that the foreclosure-driven eviction in the Manhattan is more correlated with Poor Renters without public Assistance and Single Renters with Children than Unemployment and Couple Renters with Children. The R-squared = 0.26. So, these six independent variables explain only 26% of the variation in the Foreclosed 2-4 Family Buildings in Manhattan.

Queens:

Table 1.9 shows the means, standard deviations and range of all the variables in Queens included in the analysis.
Table 1.9 Descriptive Statistics for all variables in Queens.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Description of the Variables</th>
<th>Sample Size</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Min</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>twofoursharequeens</td>
<td>Foreclosed 2-4 Family Buildings as a % of total 2-4 Family Buildings in each census tract of Queens</td>
<td>590</td>
<td>27.7%</td>
<td>24.8</td>
<td>0.8</td>
<td>100</td>
</tr>
<tr>
<td>Afamsharequeens</td>
<td>African-American Household Renters as a % of Total Household Renters in each census tract of Queens</td>
<td>590</td>
<td>25.8%</td>
<td>34.8</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Poorsharequeens</td>
<td>Poor Household Renters as a % of Total Household Renters in each census tract of Queens</td>
<td>590</td>
<td>19.9%</td>
<td>11.2</td>
<td>0</td>
<td>81.25</td>
</tr>
<tr>
<td>Poornopubsharequeens</td>
<td>Poor Household Renters with no Public Assistance as a % of Total Household Renters in each census tract of Queens</td>
<td>590</td>
<td>16.3%</td>
<td>9.3%</td>
<td>0</td>
<td>73.4</td>
</tr>
<tr>
<td>Couplekidsharequeens</td>
<td>Married Couple with Children under 18 years Renters as a % of Total household Renters in each census tract of Queens</td>
<td>590</td>
<td>22.6%</td>
<td>10.0</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Singlekidsharequeens</td>
<td>Single Parent (Husband with no wife or Wife with no Husband) with Children under 18 years Renters as a % of Total household Renters in each census tract of Queens</td>
<td>590</td>
<td>14.2%</td>
<td>10.6</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>unemploysharequeens</td>
<td>Unemployment Population as a % of Population over 16 Years in each census tract of Queens</td>
<td>590</td>
<td>4.7%</td>
<td>2.7</td>
<td>0</td>
<td>24.7</td>
</tr>
</tbody>
</table>

The average Foreclosed 2-4 Family Buildings share is 27.7%, the average African-American Renters share is 25.8%, the average Poor Renters share is 19.9%, the average Poor Renters without Public Assistance share is 16.3%, the average Couple Renters with Children share is 22.6%, the average Single-Parent Renters with children share is 14.2%, the average unemployed share is 4.7%. The averages of all variables are lower in Queens than in NYC, except Foreclosed 2-4 Family Buildings and Couple Renters with Children.
The standard deviation of twofoursharequeens is 24.8, which means that about 68% of the census tracts in the Queens are having Foreclosed 2-4 Family Buildings Share between 2.9% and 52.5%. The same way, 68% of the census tracts are having African-American Renters share between 0% and 60.6%, 68% of the census tracts are having Poor Renters share between 8.7% and 31.1%, 68% of the census tracts are having Poor Renters with no Public Assistance between 7% and 25.6%, 68% of the census tracts are having Couple Renters with Children share between 12.6% and 32.6%, 68% of the census tracts are having Single Renters with Children share between 3.6% and 24.8%, 68% of the census tracts are having Unemployed share between 2% and 7.4%.

In the regression table of 1.10, all the independent variables, except Poor Renters and Poor Renter with no Public Assistance, are statistically significant. The T-value of African-American Renters is 8.58, so it is statistically significant. The coefficient of the African-American Renter share in Queens is 0.262, net of the effect of other five independent variables. This means that increasing of African-American Renters by 10% would produce an expected increase of about 2.62% of Foreclosed 2-4 Family Buildings, net of the effect of other independent variables. This effect is very similar to that in Bronx. This shows a strong correlation between African-American Renters and Foreclosure-driven evictions. It is also supporting the claim of Sarah N, an interviewed attorney in Queens, “African-American and other low-income minorities are disproportionately affected by the foreclosure”.

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Table 1.10 Regression table, Determinants of the Foreclosed 2-4 Family Building Share in Queens.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Coefficient and Standardized Error.</th>
<th>Standardized Coefficient.</th>
</tr>
</thead>
<tbody>
<tr>
<td>afamsharequeens</td>
<td>0.262 (0.03)</td>
<td>0.367</td>
</tr>
<tr>
<td>Poorsharequeens</td>
<td>0.334 (0.211)</td>
<td>0.15</td>
</tr>
<tr>
<td>poornopubsharequeens</td>
<td>-0.098 (0.232)</td>
<td>-0.036</td>
</tr>
<tr>
<td>couplekidsharequeens</td>
<td>0.499 (0.083)</td>
<td>0.2</td>
</tr>
<tr>
<td>Singlekidsharequeens</td>
<td>0.486 (0.112)</td>
<td>0.207</td>
</tr>
<tr>
<td>Unemploysharequeens</td>
<td>1.23 (0.326)</td>
<td>0.137</td>
</tr>
<tr>
<td>Intercept</td>
<td>-8.154 (2.87)</td>
<td></td>
</tr>
<tr>
<td>R-squared</td>
<td>0.402</td>
<td></td>
</tr>
<tr>
<td>Sample Size</td>
<td>590</td>
<td></td>
</tr>
</tbody>
</table>

Regarding the Poor Renters share, additional 10% of Poor Renters produces an expected increase of about 3.35% of Foreclosed 2-4 Family Buildings, net of the effect of other variables. It is clear that there is significant correlation between poverty and Foreclose-driven evictions in the Queens. As Sarah N, an interviewed Attorney in Queens suggested “It has increased the poverty rate among renters because to the extent it leads to homelessness, it can really become disruptive to your ability to hold on the job”.

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There is an opposite correlation between Poor without Public Assistance and Foreclosed 2-4 Family Buildings; however, it is statistically not very significant (it’s T-value=-0.42). Increasing 10% of Poor Renters without Public Assistance would result in a decrease of about 1% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. It is a good sign that there is less Poor Renters without Public Assistance in the area of high foreclosure in Queens, nonetheless, they are the most vulnerable population to eviction and need the most help.

Increasing 10% of Couple Renters with children would result in an increase of about 5% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. This variable effect in Queens is higher than is in Brooklyn and Bronx. So, there is a considerable correlation between family Renters with children and foreclosure-driven evictions in the Queens. As Sarah N, an interviewed Queens attorney stated “Most of the evicted renters, we represented, had children in their households”. So, their children are also likely to suffer from eviction as explained before.

Similar to Couple Renters with Children, increasing 10% of Single Renters with children would result in an increase of about 5% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. This shows that there is a considerable correlation between Single Renters with Children and Foreclosed 2-4 Family Buildings in Queens. This effect is higher than is in Bronx, but lower than is in Brooklyn.

Regarding Unemployment, it is statistically significant (T-value=3.76). Increasing 10% of Unemployed population would result in an increase of about 12.3% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. This means that a correlation between unemployment and Foreclosure-driven evictions is strongest in Queens compared to all other boroughs. This supports the point made by Sarah N, an interviewed attorney in Queens “It has
impacted their employment situation because they have to contend with the process of moving when they didn’t expect to and appearing in court on multiple occasions. Any time you have a disruption in where you live and risk of homelessness, it is going to impact your ability to show up for work and it is going to put stress on you and it is going to possibly impact you work performance”.

Overall in Queens, the African-American Renters has the most effect and Poor Renters without Public Assistance has the least effect on Foreclosed 2-4 Family Buildings because the Standardized Coefficient of African-American Renters is 0.367, which is the largest and the Standardized Coefficient of Poor Renters without Public Assistance is -0.036, which is the smallest. This means that the foreclosure-driven eviction in Queens is more correlated with African-American Renters and Single Renters with children than with Poor Renters without Public Assistance and Unemployment. The R-squared = 0.402. So, these six independent variables explain only 40.2% of the variation in the Foreclosed 2-4 Family Buildings share in Queens.

**Staten Island:**

Table 1.11 shows the means, standard deviations and range of all the variables in Staten Island included in the analysis. The average Foreclosed 2-4 Family Buildings share is 19%, the average African-American Renters share is 11.8%, the average Poor Renters share is 18.7%, the average Poor Renters without Public Assistance share is 14.7%, the average Couple Renters with Children share is 20.2%, the average Single-Parent Renters with children share is 13.7%, the average unemployed share is 3.7%. The averages of all variables are lower in Staten Island than in NYC, except couple renters with children.
Table 4.11 Descriptive Statistics for all variables in Staten Island.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Description of the Variables</th>
<th>Sample Size</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Min</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>twofoursharestaten</td>
<td>Foreclosed 2-4 Family Buildings as a % of total 2-4 Family Buildings in each census tract of Staten Island</td>
<td>101</td>
<td>19%</td>
<td>16</td>
<td>1.5</td>
<td>80.1</td>
</tr>
<tr>
<td>Afamsharestaten</td>
<td>African-American Household Renters as a % of Total Household Renters in each census tract of Staten Island</td>
<td>101</td>
<td>11.8%</td>
<td>17</td>
<td>0</td>
<td>69.4</td>
</tr>
<tr>
<td>Poorsharestaten</td>
<td>Poor Household Renters as a % of Total Household Renters in each census tract of Staten Island</td>
<td>101</td>
<td>18.7%</td>
<td>10.6</td>
<td>0</td>
<td>58.3</td>
</tr>
<tr>
<td>Poornopubsharestaten</td>
<td>Poor Household Renters with no Public Assistance as a % of Total Household Renters in each census tract of Staten Island</td>
<td>101</td>
<td>14.7%</td>
<td>7.5</td>
<td>0</td>
<td>42.5</td>
</tr>
<tr>
<td>Couplekidsharestaten</td>
<td>Married Couple with Children under 18 years Renters as a % of Total household Renters in each census tract of Staten Island</td>
<td>101</td>
<td>20.2%</td>
<td>11.7</td>
<td>2.2</td>
<td>100</td>
</tr>
<tr>
<td>Singlekidsharestaten</td>
<td>Single Parent (Husband with no wife or Wife with no Husband) with Children under 18 years Renters as a % of Total household Renters in each census tract of Staten Island</td>
<td>101</td>
<td>13.7%</td>
<td>10</td>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td>unemploysharestaten</td>
<td>Unemployment Population as a % of Population over 16 Years in each census tract of Staten Island</td>
<td>101</td>
<td>3.7%</td>
<td>2.3</td>
<td>0.7</td>
<td>11.2</td>
</tr>
</tbody>
</table>

The standard deviation of twofoursharestaten is 16, which means that about 68% of the census tracts in the Staten Island are having Foreclosed 2-4 Family Buildings Share between 3% and 35%. The same way, 68% of the census tracts are having African-American Renters share between 0% and 28.8%, 68% of the census tracts are having Poor Renters share between 8.1% and 29.3%, 68% of the census tracts are having Poor Renters with no Public Assistance between 7.2% and 22.2%, 68% of the census tracts are having Couple Renters with Children share
between 8.5% and 32%, 68% of the census tracts are having Single Renters with Children share between 3.7% and 23.7%, 68% of the census tracts are having Unemployed share between 1.4% and 6%.

In the regression table of 1.12, similar to Manhattan, none of the independent variables in Staten Island is statistically significant. T-Value of African-American Renters, Poor Renters, Poor Renters without Public Assistance, Couple Renters with Children, Single Renters with Children, and Unemployment are 1.47, 0.87, -0.72, 0.29, 1.18, 1.48, and 1.11 respectively. This might be due to several reasons. First of all, The Foreclosed 2-4 Family Buildings as a percentage of Total Foreclosed 2-4 Family Buildings in Staten Island is lowest compared to all boroughs, except Manhattan (Average Foreclosed 2-4 Family Buildings share = 14.15% in Manhattan, 19% in Staten Island, 26% in Bronx, 27.7% in Queens, 30.4% in Brooklyn). In other words, the foreclosure-driven eviction in Staten Island and Manhattan is not as big as in other boroughs.

Secondly, the average of African-American Renters is lowest in Staten Island compared to all other boroughs (Average of African-American Renters’ share =11.8% in Staten Island, 25.8% in Queens, 35% in Brooklyn, 35.3% in Bronx, and 47.2% in Manhattan). This means there is weaker correlation between foreclosure-driven eviction and African-American Renters in Staten Island than in all other boroughs. The average of Poor Renters in Staten Island is lowest compared to all other boroughs (Average of Poor renters is18.7% in Staten Island, 19.9% in Queens, 28.1% in Brooklyn, 31.5% in Manhattan, and 32% in Bronx). The low percentage of Foreclosed 2-4 family Buildings and Poor renters in Staten Island would explain the weak correlation between them. The same thing is true for Poor without Public Assistance in Staten Island.
The average of Couple Renters with Children is highest in Staten Island compared to other boroughs, except Queens (it is 9.52% in Manhattan, 15.5% in Bronx, 19.4% in Brooklyn, 20.2% in Staten Island, and 22.6% in Queens). However, due to the low average of Foreclosed 2-4 family Buildings in Staten Island compared to other boroughs, there is not strong correlation between Foreclosure-driven eviction and Couple Renters with Children in Staten Island compared to other boroughs.
The average of Single Renters with Children in Staten Island is lowest in Staten Island compared to all boroughs (It is 13.7% in Staten Island, 14.2% in Queens, 16.3% in Manhattan, 16.5% in Brooklyn, and 25% in Bronx). The low percentage of Single Renters with Children and Foreclosed 2-4 Family Buildings in Staten Island might explain the weak correlation between them. The average of Unemployment is lowest in Staten Island compared to other boroughs (It is 3.7% in Staten Island, 4.7% in Queens, 5.7% in Brooklyn, 7.2% in Bronx, and 7.7% in Manhattan). Similar to other variables, the low average of Unemployment and Foreclosure-driven eviction would explain the weak correlation between them in Staten Island. In sum, the variables are not statistically significant. Moreover, the attorneys in Legal Aid and Legal Society of Staten Island refused to be interviewed, saying they haven’t helped enough Foreclosed Evicted Renters, so they didn’t have enough information to be interviewed, or they were busy and didn’t have time to be interviewed. So, it is hard to find general trends in Staten Island, similar to Manhattan. It should be noted that some these variables are very high in Manhattan because the data and averages only represent 52 census tracts of Manhattan out of 592. In other words, taking small number of census tracts in Manhattan skewed the data.

The coefficient of the African-American Renter share in Staten Island is 0.217, net of the effect of other five independent variables. This means that increasing of African-American Renters by 10% would produce an expected increase of about 2.17% of Foreclosed 2-4 Family Buildings, net of the effect of other independent variables. Regarding the Poor Renters share, additional 10% of Poor Renters produces an expected increase of about 4.47% of Foreclosed 2-4 Family Buildings, net of the effect of other variables. There is an opposite correlation between Poor without Public Assistance and Foreclosed 2-4 Family Buildings. Increasing 10% of Poor Renters
without Public Assistance would result in a decrease of about 4.25% in Foreclosed 2-4 Family Buildings, net of the effect of other variables.

Increasing 10% of Couple Renters with children would result in an increase of about 0.3% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. Increasing 10% of Single Renters with children would result in an increase of about 2.83% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. Regarding Unemployment, increasing 10% of Unemployed population would result in an increase of about 11.2% in Foreclosed 2-4 Family Buildings, net of the effect of other variables. The coefficient of Intercept tells us that the Foreclosed 2-4 Family Buildings is about 5.53% of all 2-4 Family Buildings in Staten Island when the other six independent variables are zero.

Overall in the Staten island, the Poor Renters has the most effect and Couple Renters with Children has the least effect on Foreclosed 2-4 Family Buildings share because the Standardized Coefficient of Poor renters is 0.295, which is the largest and the Standardized Coefficient of Couple Renters with Children is 0.025, which is the smallest. This means that the foreclosure-driven eviction in the Staten Island is more correlated with Poor Renters and African-American Renters than with Couple Renters with Children and Unemployment. The R-squared = 0.375. So, these six independent variables explain only 37.5% of the variation in the Foreclosed 2-4 Family Buildings Share in Staten Island.

**Analysis in the Aggregate:**

Overall in NYC, there are strong correlations between African-American Renters, couple renters with children and single renters with children on one hand, and foreclosure evictions on the other hand because these three independent variables are statistically significant. This means that
foreclosure evictions are concentrated in areas, where there are high percentage of African-American Renters, Couple Renters with Children, and Single Renters with Children. So, the African-American Renters are disproportionately impacted by the foreclosure evictions. In addition, a lot of Couple Renters with Children and Single Renters with Children have faced evictions; so, this means that lives and schools of a lot of children in NYC have been disrupted by evictions as well as extra burden have been on couple and single renters. For Single Renters with Children, the hardship of evictions is much higher than for couple renters with children because they are single handed and are more likely to have less income.

In the Bronx, only African-American and Couple Renters with Children are statistically significant. This implies that there are strong correlations between African-American Renters and Couple Renters with Children on one hand, and foreclosure evictions one the other hand. Similar to NYC, African-American Renters are disproportionately impacted by foreclosure evictions. Foreclosure evictions are concentrated in areas, where there are high percentage of Couple Renters with Children. So, both couple renters as well as their children have been suffering from evictions.

In Brooklyn, there are strong correlations between African-American Renters, Poor Renters, Poor Renter without Public Assistance, Single-Renters with Children, on one hand, and the foreclosure evictions on the other hand. Similar to NYC, in Brooklyn African-American Renters are disproportionately impacted by foreclosure evictions. In addition, a lot of Single-Renters with Children have been suffering from evictions. So, the lives and schools of their children have been disrupted as well as their lives have been under pressure. Moreover, Foreclosure evictions are concentrated in areas, where there are high percentage of poor renters and poor renters without public assistance. So, the evictions would have pushed poor renters deeper into poverty.
To make matter worse, poor renters without public assistance are even more vulnerable to evictions than only poor renters; so, evictions have exacerbated the lives of already disadvantaged renters (Poor renters without Public Assistance).

In Queens, there are strong correlations between African-American Renters, Couple Renters with Children, Single Renters with Children and Unemployment on one hand, and the foreclosure evictions on the other hand. Similar to Bronx, and Brooklyn, in Queens, African-American Renters are disproportionately impacted by foreclosure evictions. A lot of Couple Renters with Children and Single Renters with Children have suffered from foreclosure evictions in Queens. Of course, single renters with children are more vulnerable to pressure coming from evictions, as they have more limited income and have to take care of their children, court issues, finding new affordable housings, and moving alone. So, they will have less time to take care of their children, as a result, the lives and schools of their children will be more disrupted and unstable. Unemployment is also very high in neighborhoods, where a lot of foreclosure evictions happen. So, evictions have put more pressure on the lives of already disadvantaged people (Unemployed people).

In Manhattan and Staten Island, there are no strong correlations between foreclosure evictions and any of the six independent variables (African-American Renters, Poor renters, Poor renters without Public Assistance, Couple Renters with Children, Single Renters with Children, Unemployment). This might be due to several reasons. First of all, in Manhattan most of the buildings are 5+ Family Buildings; so, there are very few 2-4 Family Buildings in Manhattan compared to other boroughs to start with. There are even fewer Foreclosed 2-4 Family Buildings. In sum, out of 592 census tracts in Manhattan, only 52 census tracts have Foreclosed 2-4 Family Buildings. This might partly explain the insignificant of the correlations. Moreover, the
Foreclosed 2-4 Family Buildings as a percentage of Total 2-4 Family Buildings is smallest in Manhattan compared to other Boroughs. In other words, the foreclosure-driven eviction in Manhattan is not as big as in other boroughs.

Regarding Staten Island, the Foreclosed 2-4 Family Buildings as a percentage of Total Foreclosed 2-4 Family Buildings in Staten Island is lowest compared to all boroughs, except Manhattan. In other words, the foreclosure-driven eviction in Staten Island and Manhattan is not as big as in other boroughs. In addition, the average of African-American Renters, Poor renters, and Poor Renters without Public Assistance are lowest in Staten Island compared to all other boroughs. This might explain the weak correlations between these variables and foreclosure evictions in Staten Island.
Chapter 7: Conclusions and Recommendations

The purpose of this paper is to find the socioeconomic impacts of foreclosure on evicted renters, who have been interviewed by legal aid and legal services attorneys in NYC. The following section is about the conclusions that have been drawn from the interviews and analysis of this thesis.

From the interviews, GIS maps, and regression, some conclusions can be made. Renters in foreclosed 2-5 family buildings are more vulnerable to eviction because renters in foreclosed buildings of 6 or more units are more likely to be rent-stabilized and then be protected from evictions. African-American Renters and to a lesser extent Hispanic Renters are disproportionately impacted by foreclosure evictions. Low-income and poor renters are also extremely affected by foreclosure evictions; so, foreclosure evictions have pushed the poor deeper into poverty.

In addition, Foreclosure evictions have had a very negative impact on the employment of the evicted renters because it is disruptive of their lives and make their lives very unstable. So, it is very difficult for them to keep their jobs or find another job. Evicted renters, who end up in homeless shelters, are more likely to lose their jobs because the instability and disruptions of their lives continues beyond evictions. So, the poverty rate is especially high among those evicted renters, who ended up in the homeless shelters. Losing homes and employment in general has been the major factor in depressing income of evicted renters and thus increasing the poverty among them. However, in general, the people, who are living in these houses, who are being foreclosed upon, tend to be poor. So, most of them are already at below the poverty level. In most cases, they are falling further below where they already are.
Affordable housings are very scarce in NYC; so, finding another affordable housing is extremely difficult for foreclosed evicted renters, who tend to be having limited-income. When people loose affordable housing, a lot of them wind up doubled up with families or friends, sleeping on the couch, living on the floor, and fewer numbers of them end up in the shelters. Another challenge facing evicted renters in finding new affordable housing is that since their previous landlord abandoned the property, they cannot ask them for a reference, which is very important in getting another affordable housing. Even if they can find another affordable housing, it might not be in the same neighborhood or borough; so, they might need to commute longer to jobs and at the same time they might need to escort their kids in their possible long commute to school.

Foreclosure evictions create the stress on the health of evicted renters because it is very stressful to be evicted. There is always a stress that goes along with the disruption and displacement. Moreover, foreclosed evicted renters no longer live in their own apartment and they are doubled up somewhere, where conditions are overcrowded, or they wind up in a shelter, where the condition is not good; so, their health might deteriorate more as a result. In addition, as a result of losing their homes and then jobs, they would be less able to afford healthcare insurance.

Most of the evicted renters have children in their households. So, evictions have disrupted and destabilized the lives of not only adult renters but also their children. Foreclosure evictions have negatively impacted the lives’ of children of evicted renters because their lives and schools are disrupted. For example, children of evicted families might be not going to the same school that they were going, or they may be going to the same school but they have a lengthy commute. Besides, time to do homework, or time to relax or to sleep is negatively impacted. Moreover, knowing that most of the evicted renters have limited-income, they are less able to afford daycare for their children, so that they can save more times to deal with eviction issues in court,
to find new affordable housing, and to move. So, they have to take care of these all issues and their children at the same time, which is extremely difficult.

Most of the evicted renters didn’t know that they have the right to stay in the foreclosed housing until the end of the lease under Protecting Tenants at Foreclosure Act of 2009. Neither most of them know whether there is a foreclosure proceeding being brought. This is due to two main reasons. First of all, most of the banks are never bothered to find out the names of the tenants and tell them what their rights are. Secondly, even if the banks send the renters foreclosure notice including the renters rights, it is in a very long form and it is not in the plain English. So, it is very hard for the tenants to understand what the rules are.

The followings are recommendations for different levels of governments.

**New York State Government:**

1. *Expand the Rent stabilization program to include the buildings of 5 units or less.* So, the renters living in buildings of 5 units or less will be protected from eviction similar to those rent stabilized renters, who are living in buildings of 6 or more units.

2. *Require banks to follow specific practices in dealing with foreclosed properties occupied by renters.* Banks should be required to determine the names of the people, who live in foreclosed properties. Then, they should be notifies by slighting a paper on their doors saying that there is a foreclosure action, and you can stay there until the end of your lease or 90 days, whichever is longer. It would be better to notify them by sending them shorter form that is written in plain English; so, it is easier for the tenants to understand what the rules and their rights are.
3- Provide extra protections for families with children. Pass law to limit the evictions of families with children by requiring “Just Cause” for their eviction. So, the new owners cannot evict renters with children without “Just Cause” (such as nonpayment of rent).

4- Require banks to pay relocation funds to foreclosed evicted renters. This relocation funds could give foreclosed evicted renters some reliefs and provide them with some financial support, which might give them some flexibility in finding another affordable housing. It would partially fill their financial gaps temporarily if they are unemployed until they find new jobs. Families with children should be given extra funds, so that they can pay for their children’s daycare temporarily. This way, they would have more time to appear in courts, find new affordable housing, and relocate to new address.

5- Pass law to limit the right of a new owner to evict people. It should be clear that new owner can’t evict people if he is an investor. However, he will be allowed to bring an eviction proceeding if he bought the property to be his own resident.

6- Subsidize Health Insurance for foreclosed evicted renters until they find new affordable housing or new jobs that provide them with health insurance. Evicted renters should be offered with state-subsidized health insurance until their live become more stable.

New York City Government:

1- Provide an adequate supply of affordable, safe and sanitary housing. Building more affordable housing not only provide low-income evicted renters with sufficient housing but also create construction jobs and would stimulate local economy. So, it would be easier for evicted renters to find new affordable housing. In new affordable housing
program, significant portion should be assigned to African-American and Hispanic Renters because they constitute a vast majority of foreclosed evicted renters in NYC.

2- *Provide more decent shelter units for foreclosed evicted renters.* Building more homeless shelters would decrease the over-crowdedness of the homeless shelters. So, it will improve the health of evicted renters and make their lives somewhat more stabilize, so that they can start looking for new jobs as well as affordable housing. Additionally, new shelters should provide temporary living accommodation to African-American and Hispanic evicted renters as they disproportionately impacted by foreclosure.

3- *Encourage new owners to keep the tenants by giving them tax break.* New owners could be given tax break or other incentives in exchange of allowing the current renters to stay.

**Legal Aids and Legal Services:**

1- *Cooperate with planners to better help foreclosed evicted renters.* First of all, at present, there is little contact between planners and legal aid and services’ attorneys in trying to meet the needs of foreclosed evicted renters. Secondly, planners could offer significant insights on how to improve socioeconomic conditions of evicted renters. Thus, Legal Aids and Legal Services’ attorneys should work with planners to better help foreclosed evicted renters.
References:


-Joint Center For Housing Studies Of Harvard University, “America’s Rental Housing: The Key To A Balanced National Policy” 14 (2008) 1-36.


