

# Weekly Bankruptcy Analysis

## July 18-24, 2022

Written by:

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The 7,433 bankruptcy cases filed last week were slightly below the number of cases filed during the same week last year and down by more than 20 percent from 2020 (early in the pandemic). Compared to the same week in 2019 (pre-pandemic), filings were down by about half.

Chapter 7 filings continue to fall from prior years, while chapter 13 filings are up substantially from the first two years of the pandemic — but well below pre-pandemic levels.

| Bankruptcy Filings July 18 - 24, 2022 |              |  |               |               |
|---------------------------------------|--------------|--|---------------|---------------|
| Type of Case                          | Number Filed | Percent Change From Same Week Last Three Years |               |               |
|                                       | 2022         | 2021   | 2020          | 2019          |
| <b>Total</b>                          | <b>7,433</b> | <b>-1.6%</b>                                   | <b>-22.4%</b> | <b>-49.4%</b> |
| - Chapter 7                           | 4,297        | -19.8%   | -39.5%        | -53.9%        |
| - Chapter 11                          | 50           | -9.1%  | -78.4%        | -63.5%        |
| - Chapter 13                          | 3,085        | 44.4%  | 37.9%         | -40.8%        |
| - Other Cases*                        | 1            | -83.3%   | -90.0%        | -90.9%        |
| * Chapters 9, 12 and 15               |              |  |               |               |

The following charts show recent weekly filing trends by chapter compared to 2021, 2020 and 2019.

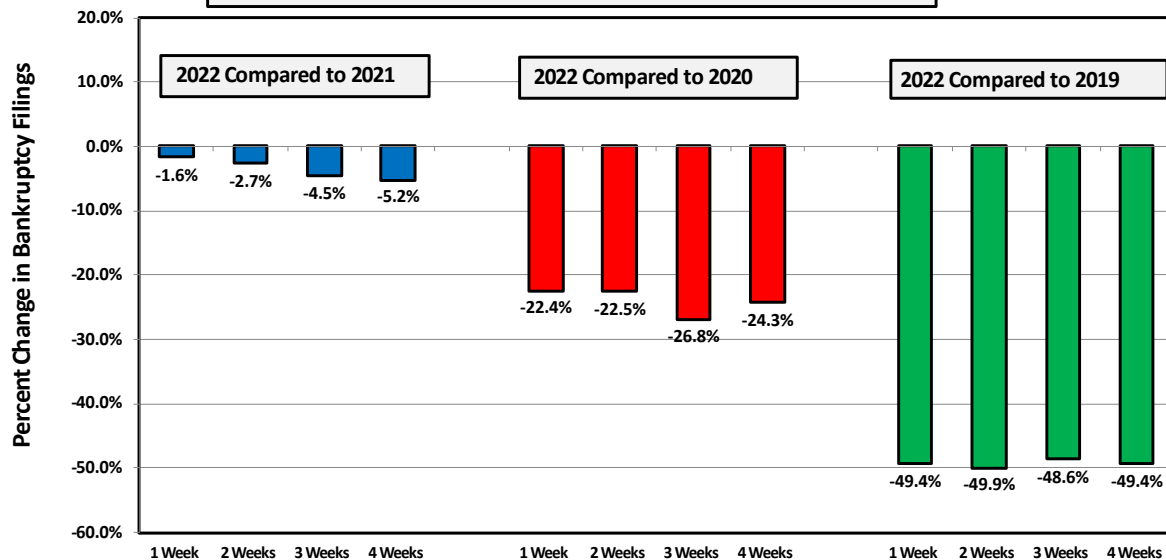
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<sup>1</sup> Ed Flynn is a consultant with ABI. He previously worked for more than 30 years at the Executive Office for U.S. Trustees and the Administrative Office of the U.S. Courts.

Week Ending  
July 24

### Bankruptcy Filing Trends (All Chapters)

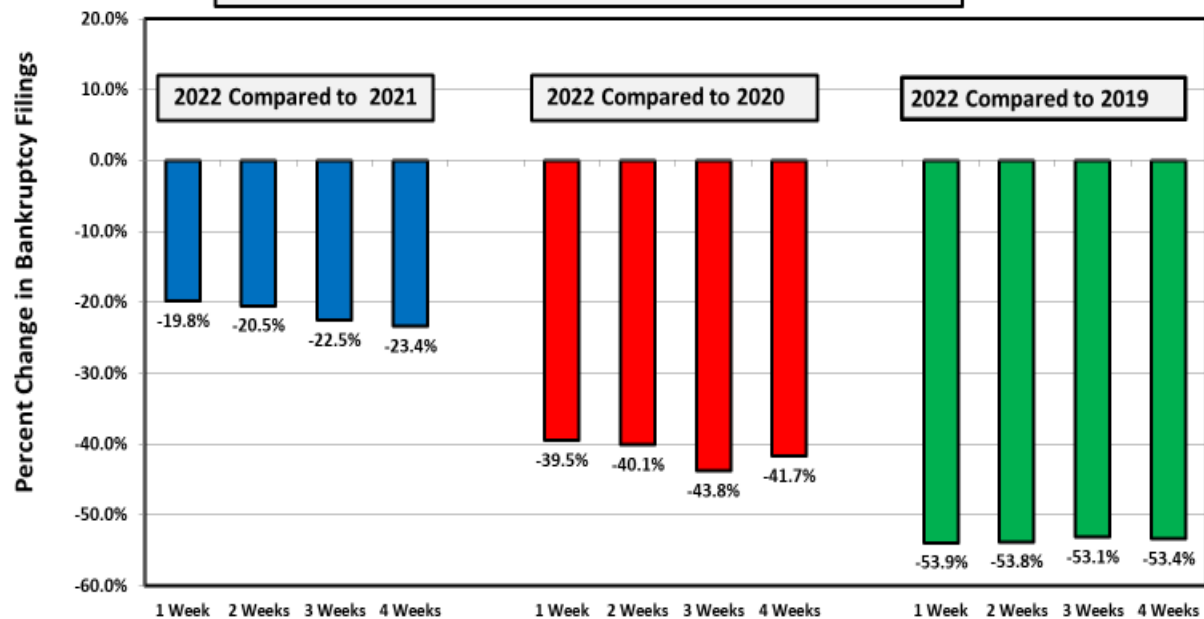
Percent Change From 2021, 2020, and 2019



Week Ending  
July 24

### Chapter 7 Filing Trends

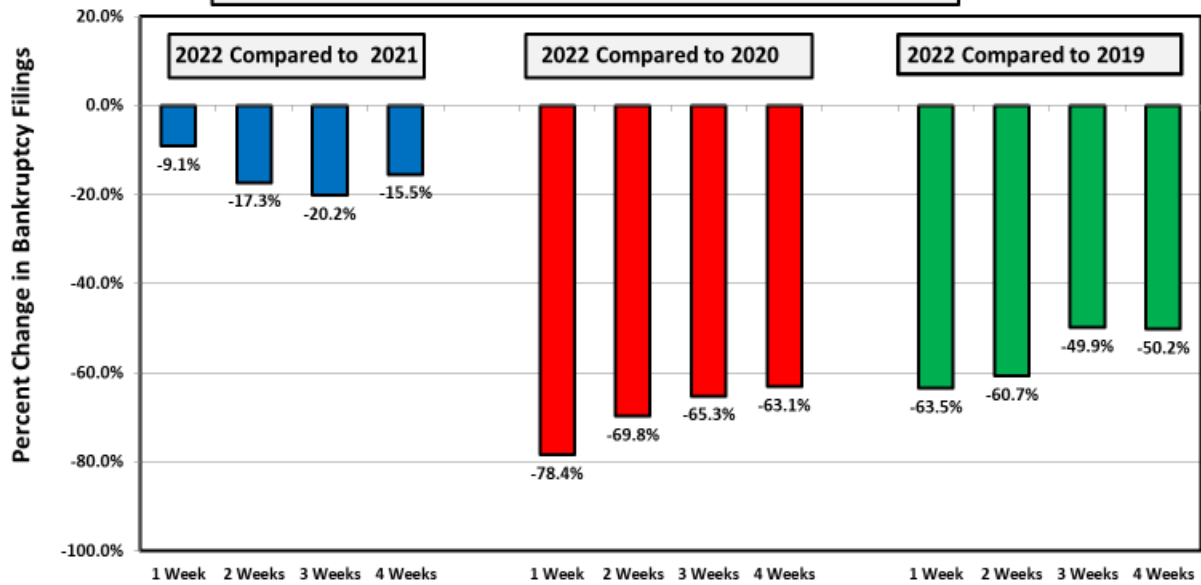
Percent Change From 2021, 2020, and 2019



Week Ending  
July 24

### Chapter 11 Filing Trends

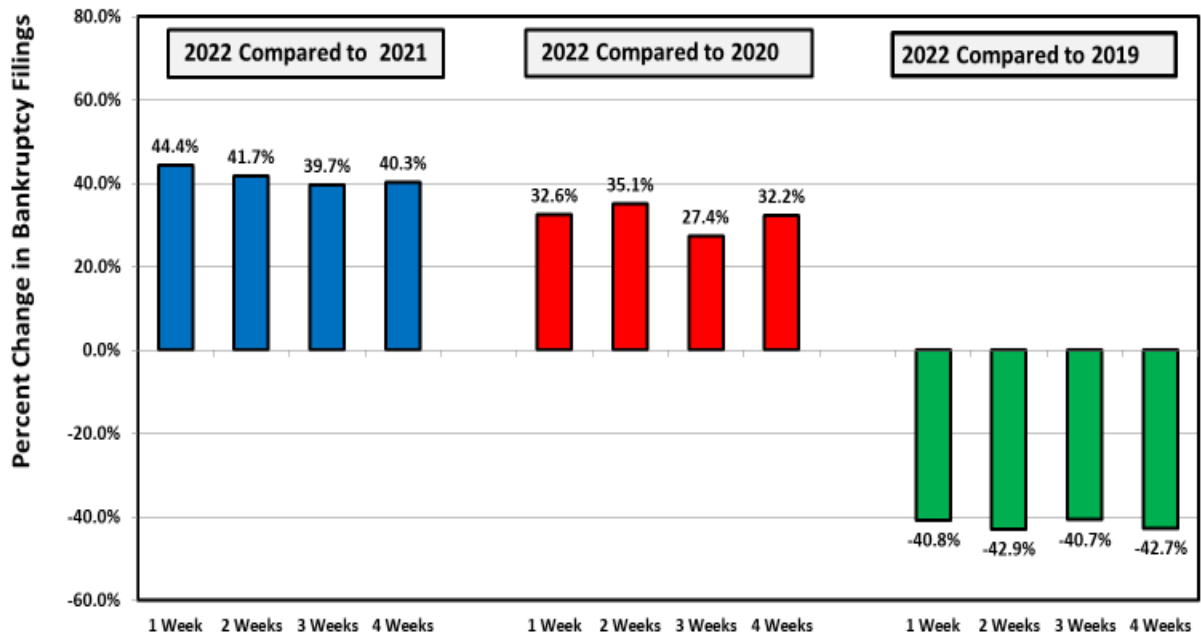
Percent Change From 2021, 2020, and 2019



Week Ending  
July 24

### Chapter 13 Filing Trends

Percent Change From 2021, 2020, and 2019



## Chapter 11 Cases

The 50 chapter 11 cases filed last week were slightly below the total for the same week last year. Well over half of these cases were small business cases in which the debtor opted to proceed under subchapter V. More than 3,600 subchapter V cases have been filed since it became available on Feb. 19, 2020.

There were no particularly large or notable chapter 11 filings last week. This is quite a change from the same week in 2020 (early in the pandemic), when filings included Permian Holdco, Briggs & Stratton, Lakeland Tours, BJ Services, Global Eagle Entertainment, Rhino Resources Partners and Ascena Retail Group.

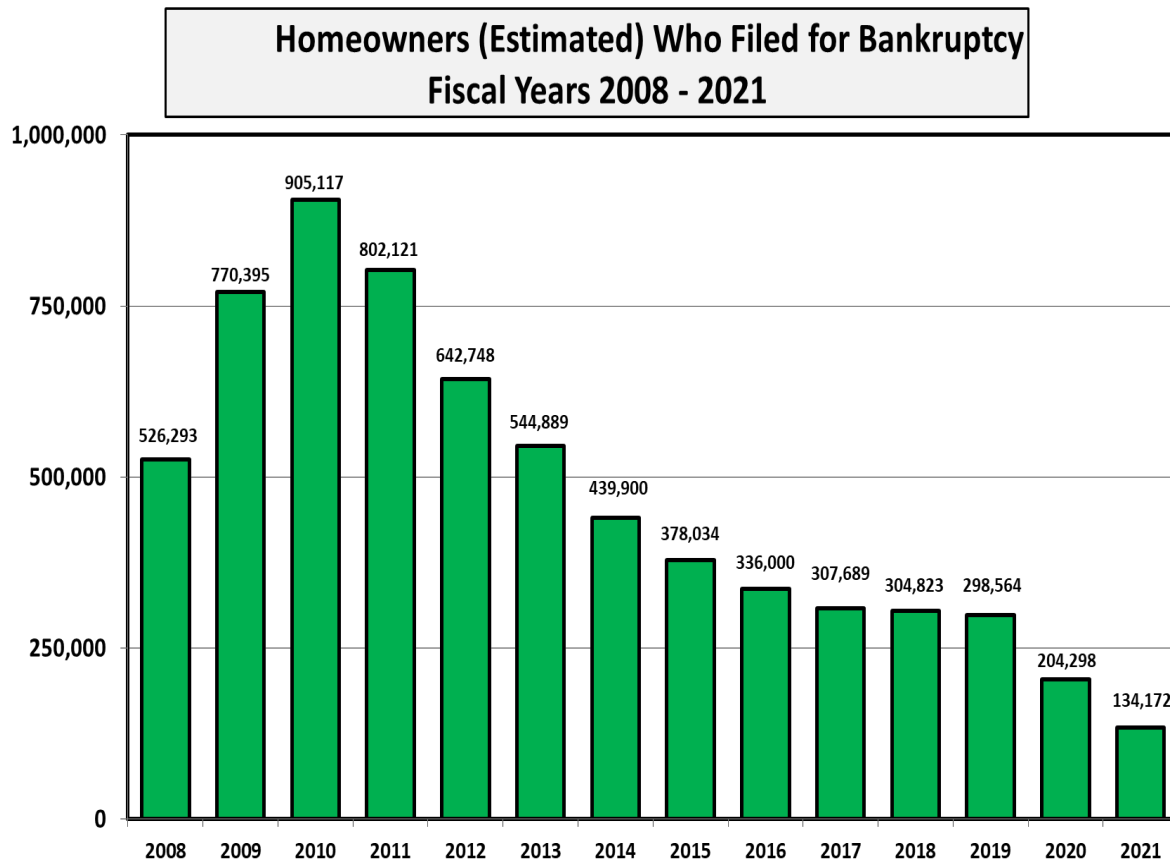
| Types of Chapter 11 Cases Filed    |              |           |            |            |
|------------------------------------|--------------|-----------|------------|------------|
|                                    | July 18 - 24 |           |            |            |
|                                    | 2022         | 2021      | 2020       | 2019       |
| <b>Total Filed</b>                 | <b>50</b>    | <b>55</b> | <b>232</b> | <b>137</b> |
| <b>Solo Cases</b>                  | <b>41</b>    | <b>47</b> | <b>71</b>  | <b>76</b>  |
| <b>Parent Cases</b>                | <b>3</b>     | <b>2</b>  | <b>11</b>  | <b>5</b>   |
| <b>Child Cases</b>                 | <b>6</b>     | <b>6</b>  | <b>150</b> | <b>56</b>  |
| <b><i>Filed By Individuals</i></b> | <b>12</b>    | <b>17</b> | <b>26</b>  | <b>34</b>  |
| <b>Subchapter V Cases</b>          | <b>31</b>    | <b>19</b> | <b>23</b>  | <b>N/A</b> |

## Homeowners and Bankruptcy

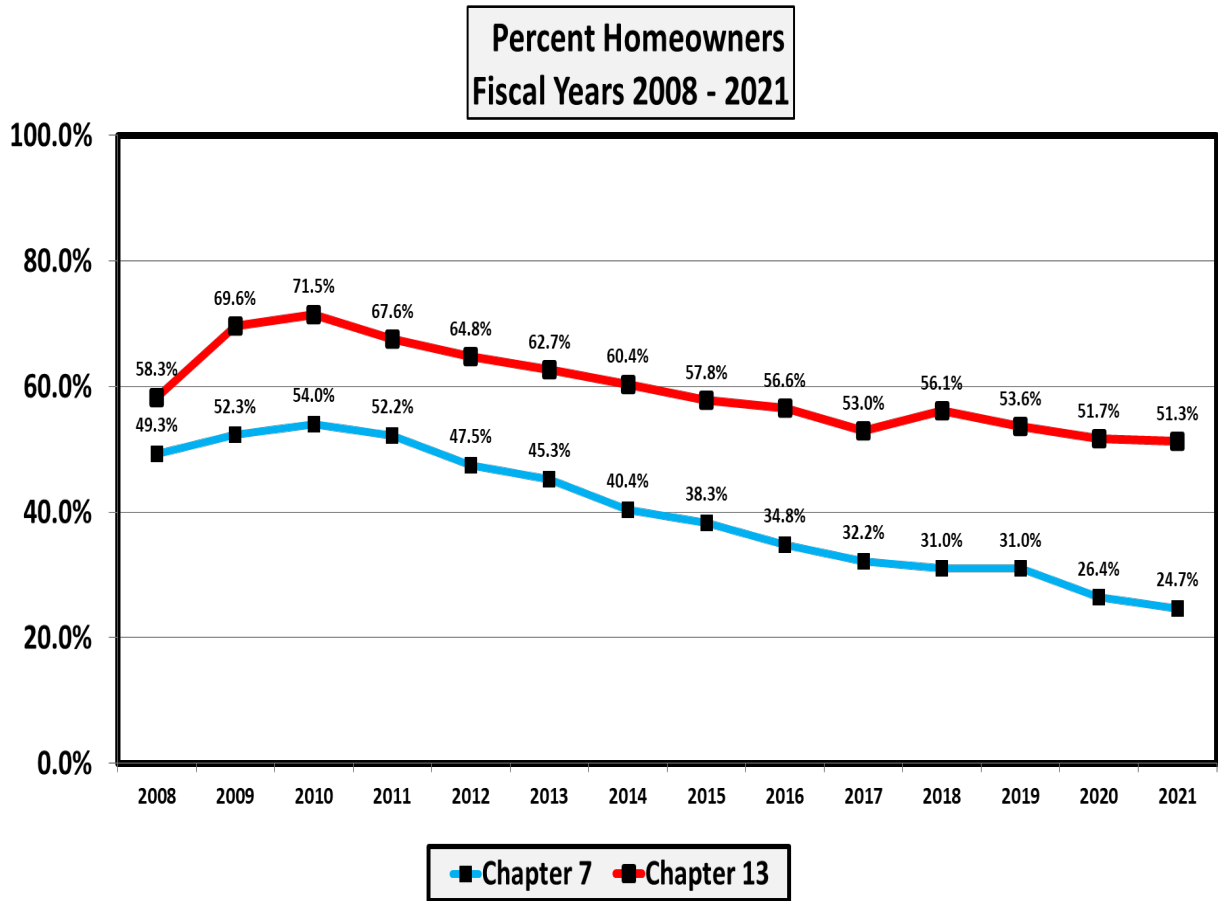
There is no government source that specifically identifies which bankruptcy debtors are homeowners. However, the Federal Judicial Center posts a listing of key information in all bankruptcy cases, which allows us to estimate the number of homeowners (*see* <https://www.fjc.gov/research/idb>). This information is compiled on each Fiscal Year (FY) ended September 30.

For this analysis, I only included consumer chapter 7 and chapter 13 debtors. I assumed that any debtor who listed at least \$25,000 in real property on Schedule A was a homeowner, and all others were renters. (This methodology would misidentify some nonhomeowners who own unimproved land, investment properties or timeshares that put them over the \$25,000 threshold, and would miss some owners of very-low-value homes.)

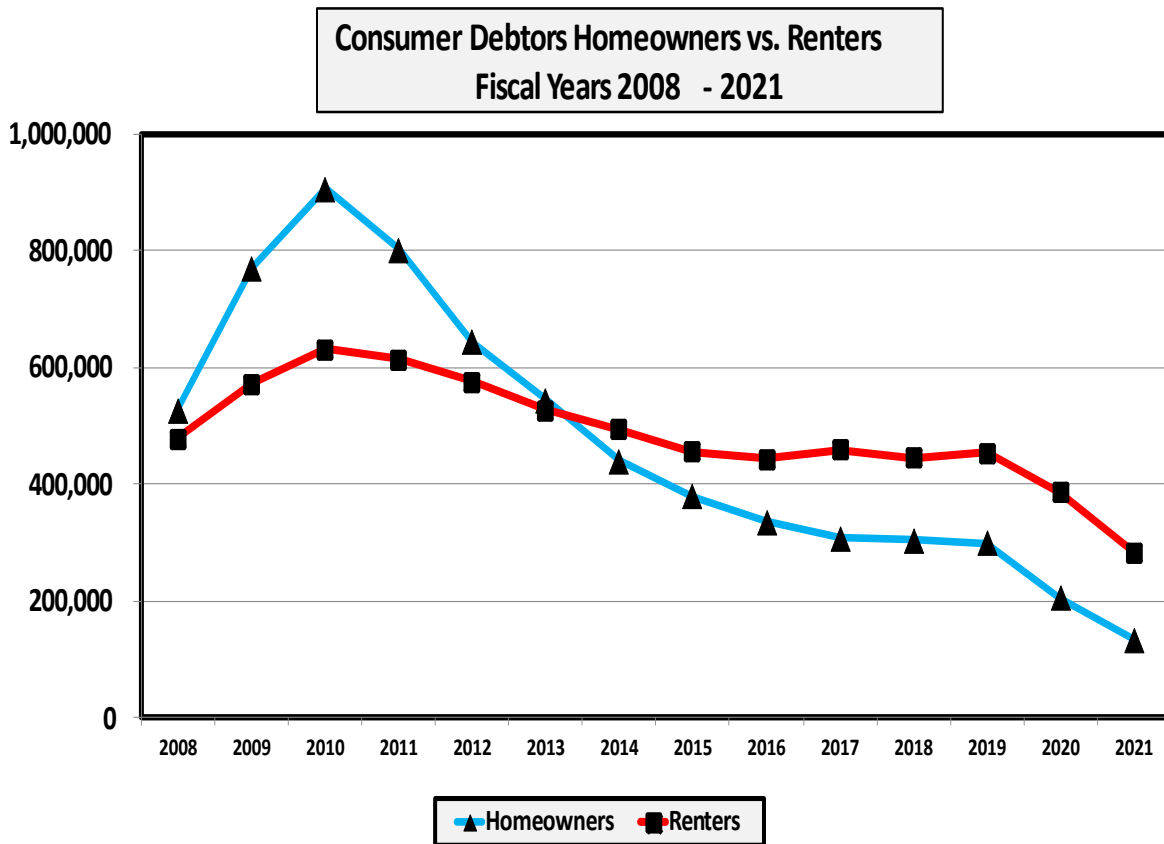
More than 900,000 homeowners filed during FY 2010. This number had declined by 85 percent by FY 2021.



In FY 2010, 71.5 percent of chapter 13 debtors and 54 percent of chapter 7 debtors were homeowners. By FY 2021, these proportions had fallen to only about half of chapter 13 debtors and one quarter of chapter 7 debtors being homeowners.



Prior to FY 2014, more homeowners filed for bankruptcy than renters. By FY 2021, although filings for both homeowners and renters had declined, renters outnumbered owners by two to one.



During the Great Recession, home values fell sharply across the country, forcing many homeowners into bankruptcy. During the pandemic, however, housing values have soared, and the number of bankruptcy filings by homeowners has been extremely low. As a result, a renter is now about four times as likely to file for bankruptcy than a homeowner.

See ABI's Newsroom for news of the latest filings, and other news of interest to bankruptcy professionals, at [www.abi.org](http://www.abi.org).