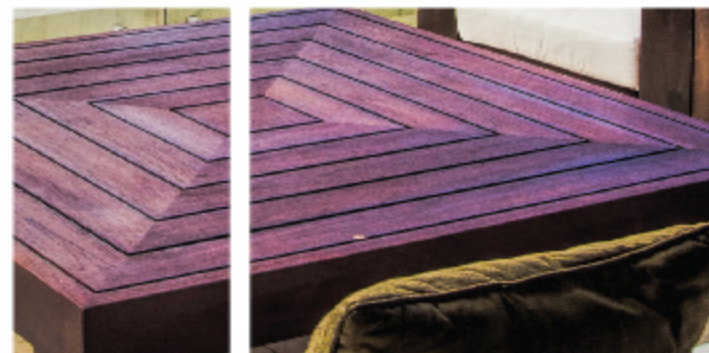


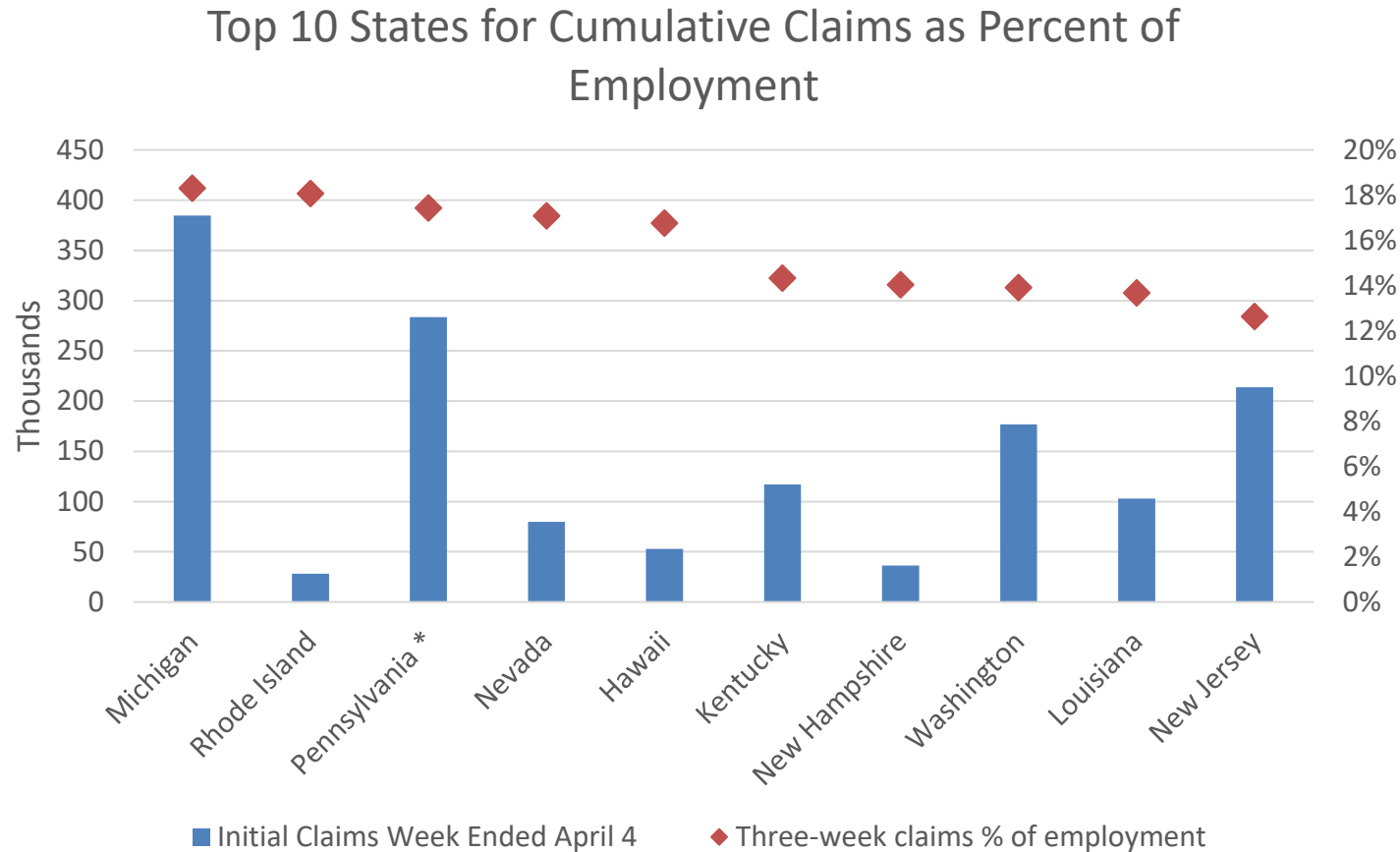


April 9, 2020

# Covid-19 Economic Update



# Coronavirus Economic Impacts

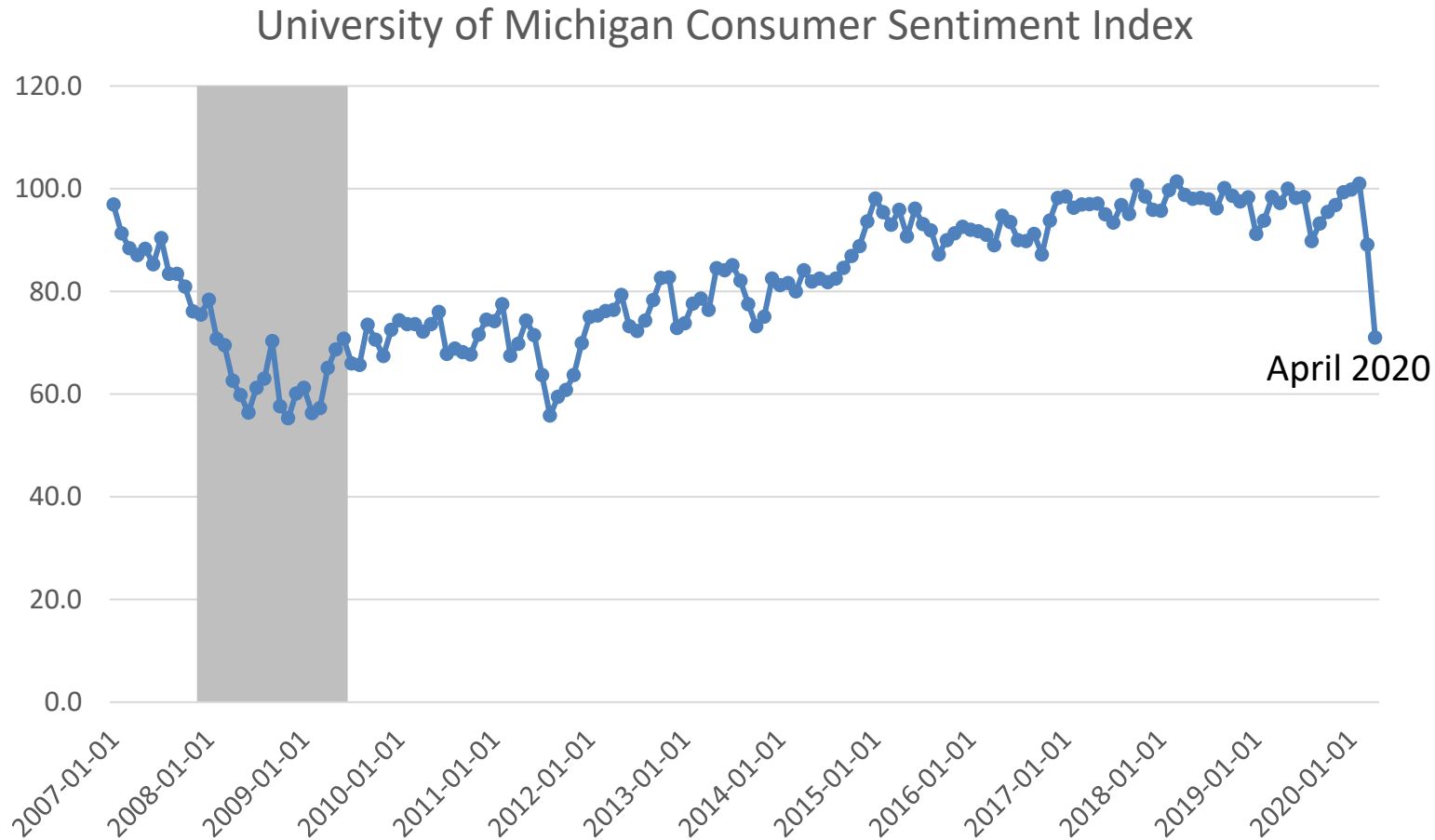


- Initial jobless claims totaled 6.6 million, a slight decrease from the prior week but once again surpassing expectations.
- The 3-week claims total is upwards of 20% of the employment base in Michigan, Rhode Island and Pennsylvania.
- Moody's Analytics estimates 45-70 million workers at risk, meaning cumulative jobless claims for the past three weeks are only one-third of the way there - at the low end.

Sources: U.S. Department of Labor, Bureau of Labor Statistics; Moody's Analytics; state employment figures as of February 2020

Note: \* Denotes State Estimate; Advance claims are not directly comparable to claims reported in prior weeks. Advance claims are reported by the state liable for paying the unemployment compensation, whereas previous weeks reported claims reflect claimants by state of residence.

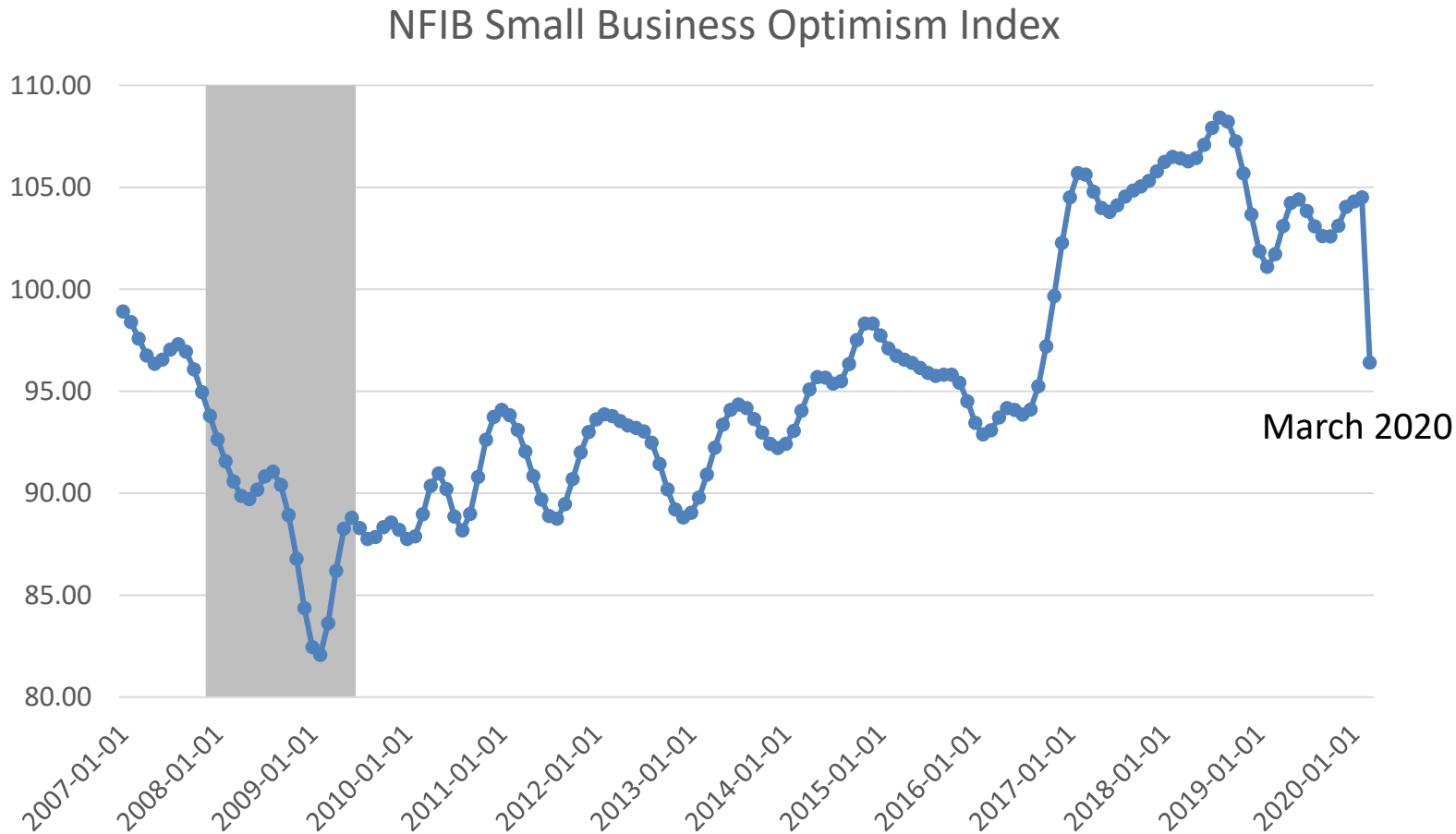
# Coronavirus Economic Impacts



- Preliminary April figures for Consumer Sentiment showed a decline to 71, its lowest level since late 2011.
- The 18.1-point drop in one month was the highest ever recorded.
- The Expectations Index dropped by 9.7 points, far from a record level and prompting the survey's Chief Economist to warn against potentially false expectations for a quick and sustained expansion.



# Coronavirus Economic Impacts



- The Small Business Optimism Index dropped 8.1 points in March, its largest monthly decline in history.
- March's reading ended a 39-month-long period of sustained business optimism.
- The largest drop among the components occurred in the Sales Expectation Index, falling 31 points to negative 12 and reflecting business owners' dour predictions for sales over the next six months.

Source: National Federation of Independent Businesses; Moody's Analytics

# Apartment Industry Impacts – Student Housing

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- U.S student housing pre-leasing through February 2020 was nearly 50%, perfectly in line with February 2019 pace. Early March estimate for pre-leasing was close to 60%, a 50-basis point increase year-over-year.
- Communities nearest to campus continued outperforming more distant communities.
- Rent growth for off-campus housing in 2020 expected to land between 1.5% and 2.0%.
- Early prediction for new supply was 48,000 beds for Fall 2020 off-campus, and 35,000 beds for on-campus deliveries.
- Due to construction moratoriums, supply delays will be higher this year than ever before.
- Selected schools with more than 70% pre-leased through February: Virginia Tech, University of Cincinnati, University of Pittsburgh, University of Colorado-Boulder, Clemson, Syracuse, University of Wisconsin-Madison, Indiana University, Appalachian State, University of North Carolina
- Selected schools with less than 30% pre-leased through February: University of Memphis, Berkeley, University of Massachusetts-Lowell, UNLV, Florida International, Oregon State, University of Mississippi, Middle Tennessee State, University of Houston, University of Alabama-Birmingham, LSU