Coronavirus Economic Impacts

• Continued claims for unemployment leveled off in the 21-million range through the week ending May 30, indicating an insured unemployment rate of 14.4%.
• Initial claims for the week ending June 6 fell to 1.5 million, their lowest level since the Covid-19 crisis began.

Source: U.S. Employment and Training Administration, Department of Labor, retrieved from FRED, Federal Reserve Bank of St. Louis June 11, 2020
The Consumer Price Index fell 0.1 percent in May, with the largest declines in fuel oil, car insurance and airfare.

Once again, food experienced the greatest increase, 0.7% over the month, driven by higher prices for meat, fish, poultry and eggs.
The Small Business Optimism Index increased 3.5 points in May to 94.4.
The sales expectations component improved but remains depressed at -24.4.
Small business owners’ optimism that the economy will improve within the next six months increased by 5 points following a 24-point increase in April.

Source: National Federation of Independent Businesses; Moody’s Analytics
Apartment Industry Impacts

Percent of Renters who Paid Full Rent During Grace Period

- Rent collections in Class A and B properties were on par with prior months through the grace period.
- Collections in Class C properties have steadily decreased since the Covid-19 crisis began.
- Just 26% of renters in Class C properties paid in full through the grace period, a 20-percentage point decline from earlier this year.

Source: LeaseLock, Inc.
Coronavirus Rental Housing Impacts

May rents in institutional-grade properties continued a downward growth trend, increasing by 0.8% on a year-over-year basis, the lowest annual growth rate since February 2011.

Average rental rates stood at $1,460, down $5 from April and $13 from March.

Gateway markets are seeing the sharpest declines in rent growth since the same time last year.

Source: Matrix Multifamily National Report -May 2020 by Yardi