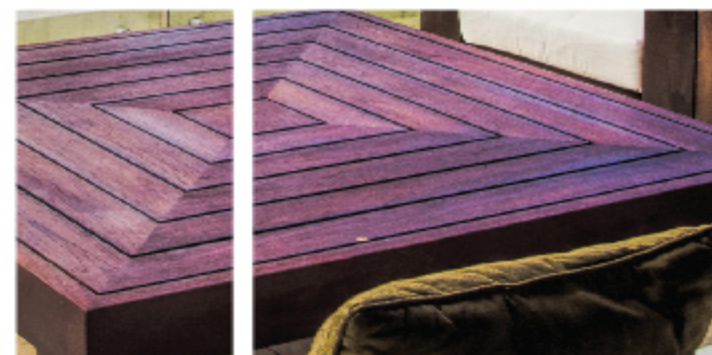


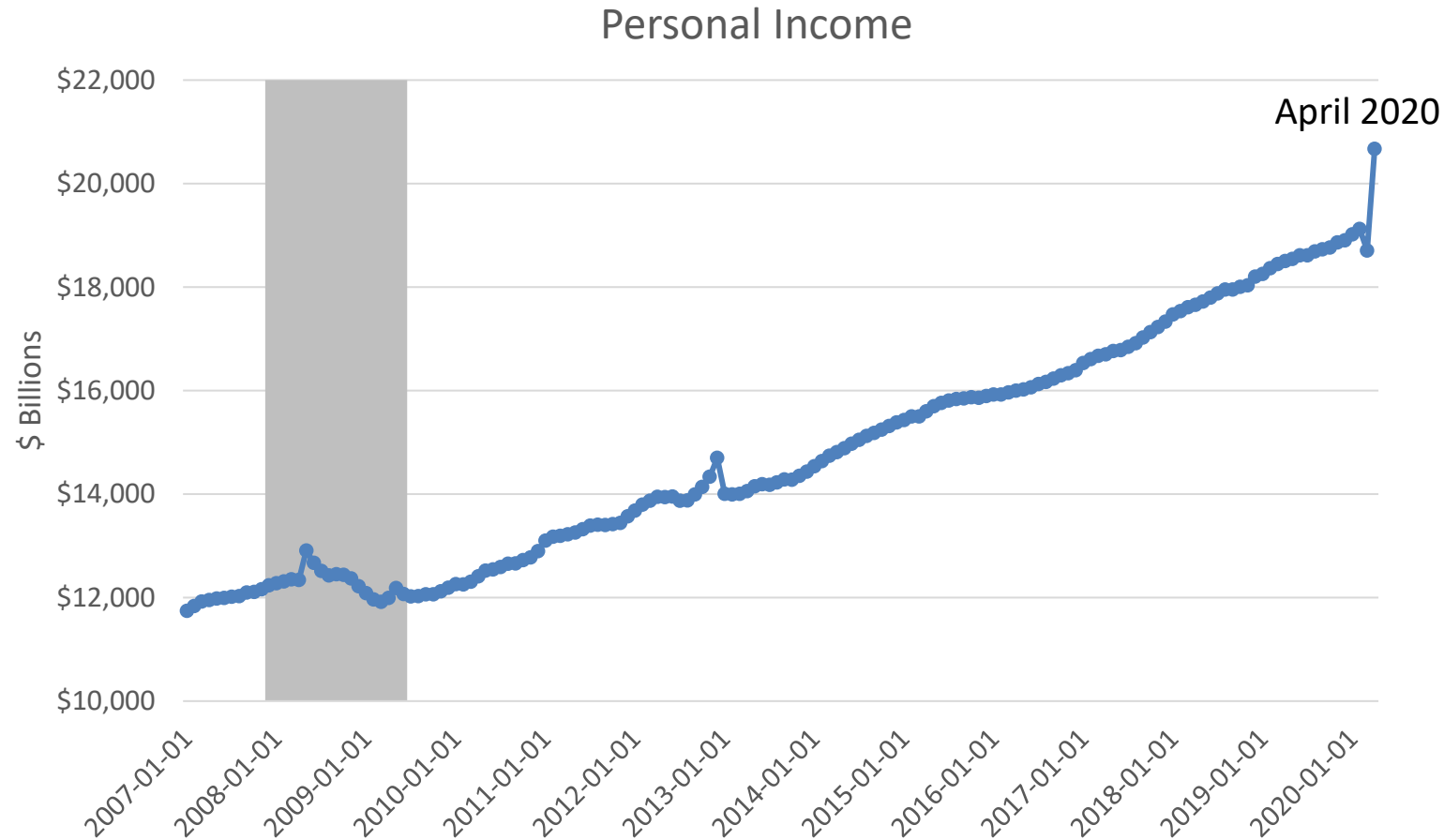


June 1, 2020

Covid-19 Economic Update



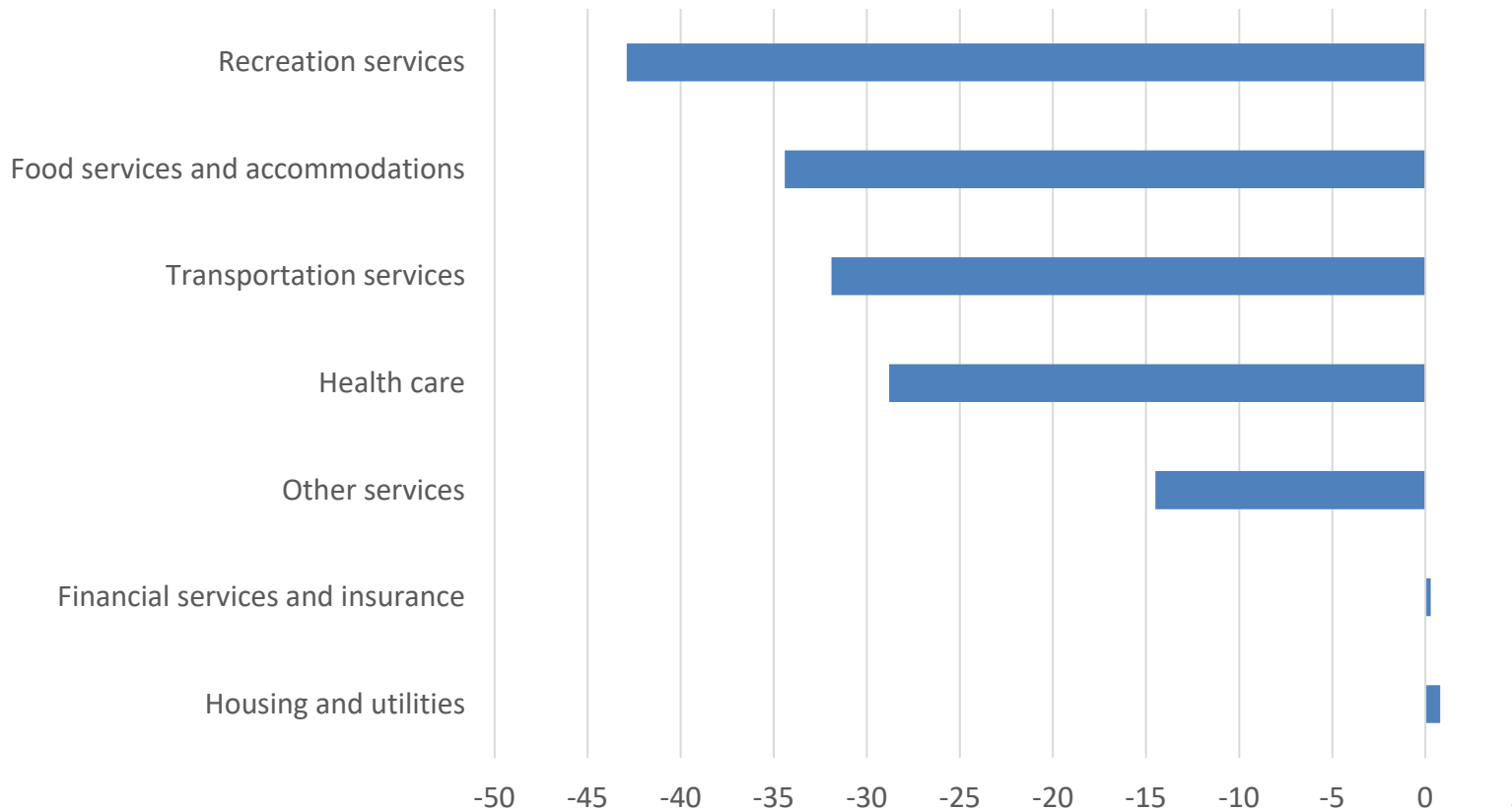
Coronavirus Economic Impacts



- Fiscal stimulus checks provided a 10.5% boost to personal income in April.
- Amidst uncertain futures, consumers are not spending what they bring in. The personal savings rate, which averaged 7-8% over the past several years, soared to 33%, the highest level since the data series began in 1959.

Coronavirus Economic Impacts

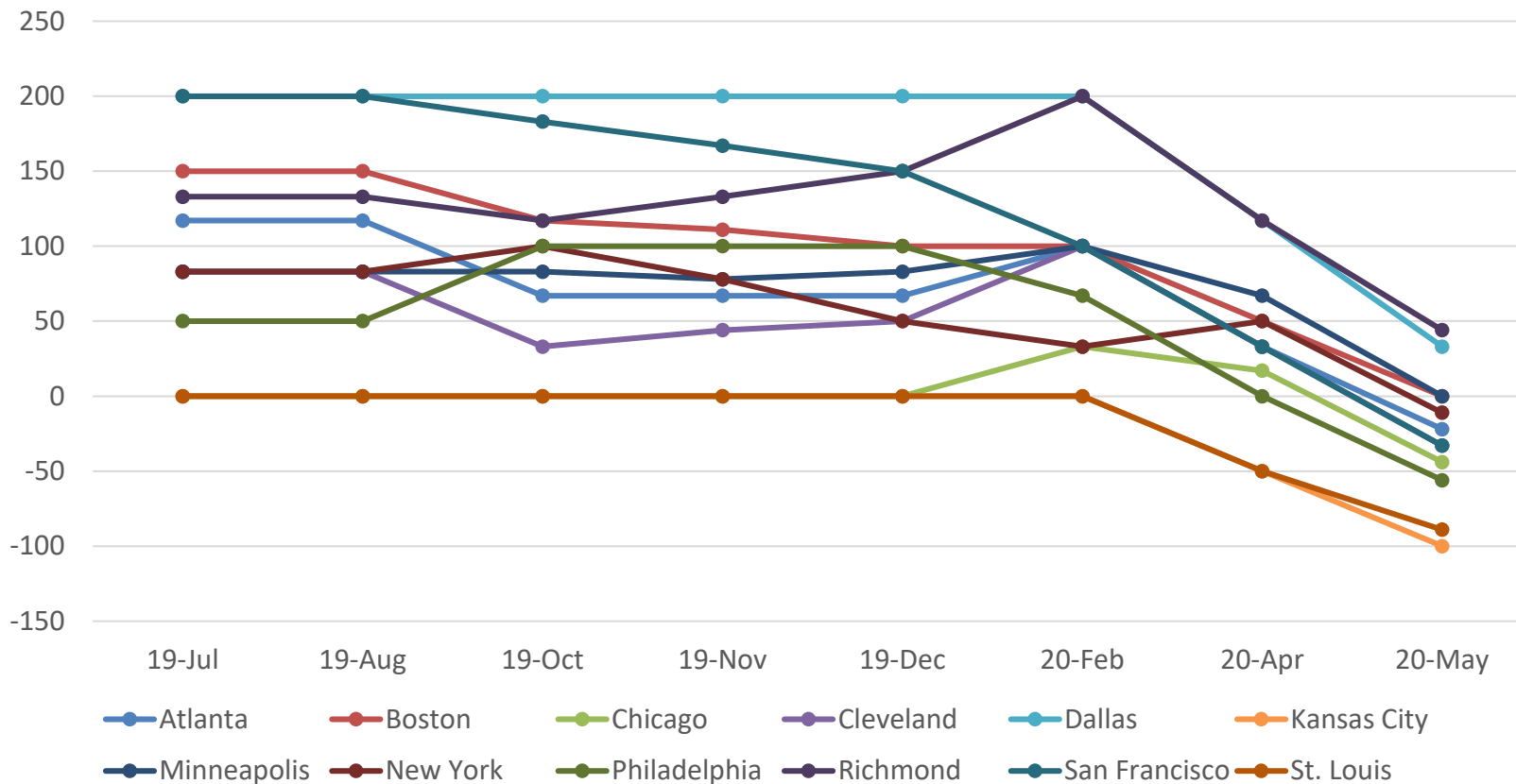
Personal Spending, Services, Monthly Percent Change



- Personal spending fell by 13.2% after a 6.7% drop in March.
- Spending on goods decreased by 15.8% with clothing and gasoline experiencing the largest declines.
- Spending on services fell by 12.0% driven by recreation, restaurants and accommodations.

Coronavirus Economic Impacts

Moody's Analytics Beige Book Index

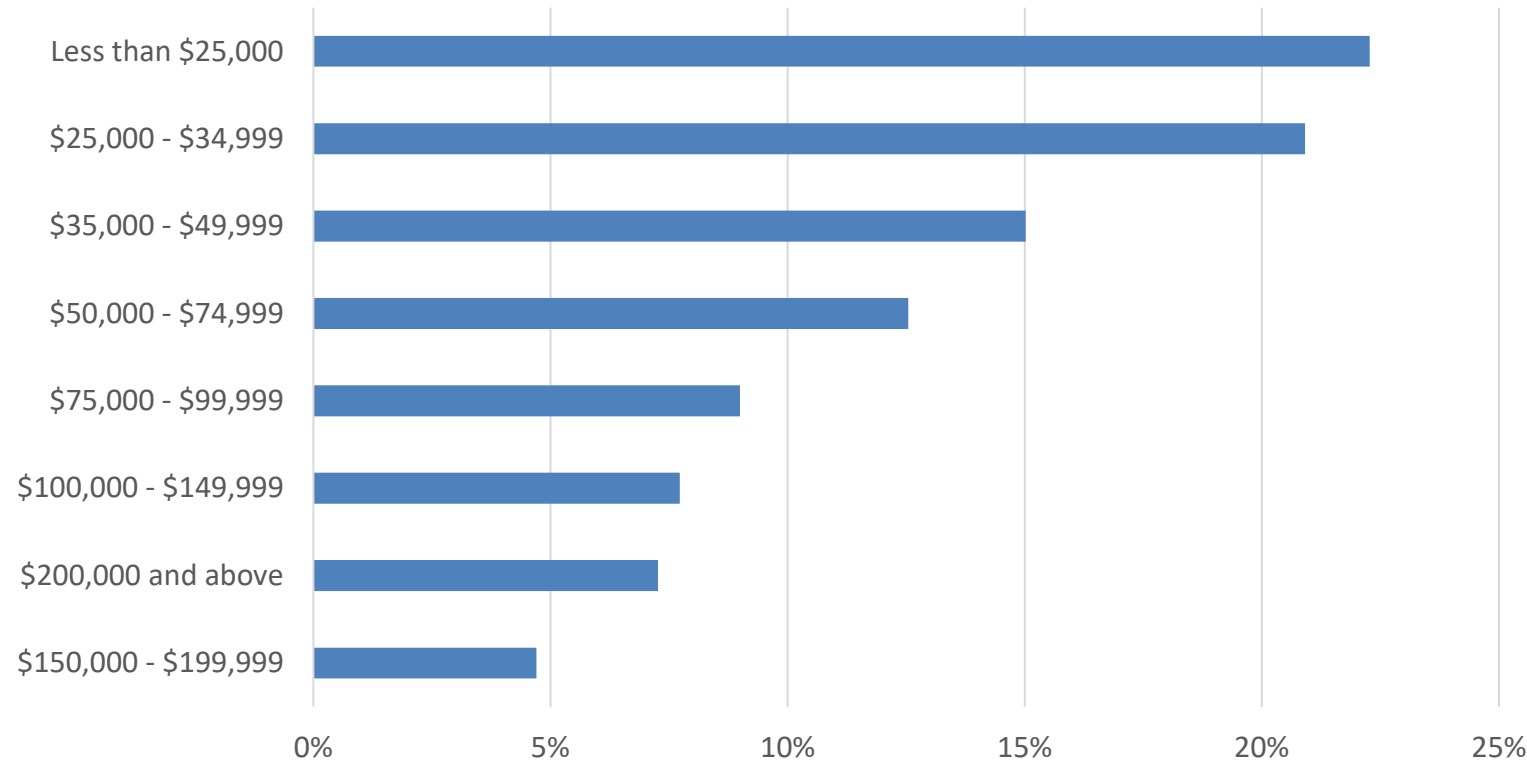


- Moody's Analytics quantifies the Federal Reserve Bank Beige Book, an anecdotal report on current economic conditions published eight times per year.
- Monthly losses were largest for the area covered by the Federal Reserve Bank of Dallas and mildest for the St. Louis Fed.

Source: Moody's Analytics

Coronavirus Rental Housing Impacts

Percent of Residents Not Paying Rent on Time by Household Income



- More than one in five renters making less than \$35,000 per year reported they did not pay their rent on time last month.
- Nearly half of residents in this same category report having slight or no confidence in being able to pay next month's rent.

Apartment Industry Impacts – Student

- 62% of respondents that invest in student housing are still pursuing and seeking out deals in the current climate.
- 11.3% of companies let go or furloughed employees at the corporate level and 8.4% of companies instituted pay cuts.
- 90% reported that they have received formal requests from residents to break their leases.
- 58% of owners and operators reported that students remained in their off-campus properties, despite universities and colleges canceling in-person classes.
- 15.3% of respondents are still allowing the use of shared amenities.
- 50% are servicing all maintenance calls currently.
- 70% of respondents noted that they would be making permanent changes at their properties moving forward from the pandemic.
- 81% of owners and operators have seen a slowdown in pre-leasing for the fall semester.