Coronavirus Economic Impacts

- Initial claims for unemployment totaled 1.9 million for the week ending May 30, falling in 47 states and the District of Columbia.
- Continuing claims increased, illustrating how few employees have been called back to work.
- Georgia’s rate of claims as a percent of pre-pandemic employment now tops 50%.

Top 10 Most Improved States for Initial Unemployment Claims

<table>
<thead>
<tr>
<th>State</th>
<th>Cumulative Claims % of February Employment</th>
<th>Initial Claims Weekly Decline</th>
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</thead>
<tbody>
<tr>
<td>South Dakota</td>
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<td>New York</td>
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<td>Iowa</td>
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<tr>
<td>New Mexico</td>
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<tr>
<td>Michigan*</td>
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<td>Delaware</td>
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<td>Maine</td>
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<tr>
<td>Oregon</td>
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<td>District of Columbia</td>
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<tr>
<td>Wyoming</td>
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</tbody>
</table>

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

• Impacts to the tourism and entertainment industries were evident as Las Vegas and Los Angeles ranked in the top 5 for unemployment.

• Washington, DC and Baltimore, driven by the Federal government and its contractors, suffered fewer losses.

Source: Bureau of Labor Statistics; Metro areas with population of 1M or more as of 2010 Census
**Apartment Industry Impacts**

**Hardest Hit Metro Areas for Rent Collection**
*(% Change May 2020-May 2019)*

- Baltimore
- Las Vegas
- Los Angeles
- New Orleans
- Miami
- Seattle
- Fort Lauderdale
- Tampa
- Milwaukee
- Indianapolis

- Despite having one of the lowest unemployment rates in the country, Baltimore’s rent collections suffered in May, dropping more than 6 percent year-over-year.
- Six markets with the lowest collection rates ranked in the top 20 for unemployment rates.

Sources: RealPage, Inc. Rent Payments May 1-May 27
Apartment Industry Impacts

Early rent collections in June were down from prior months.
Only 4 percent of Class C renters paid rent on June 1st compared to 11 percent during the first quarter.

Source: LeaseLock, Inc.
Apartment Industry Impacts

• According to CoStar data, CBD markets are experiencing challenges as remote workers are opting to relocate to the suburbs. The benefits of being close to the office, restaurants, and entertainment no longer have the same leverage since many businesses remain closed.
• Overall, 39% of properties reported a higher vacancy rate in May, increasing by 8 percentage points since 2019.
• 56% of properties located in a CBD district reported higher vacancies in May, up from 26% last year.
• 39% of suburban properties saw an uptick in vacancy, only slightly higher than the usual rate of 35%.
• Markets such as Chicago, Seattle, Washington DC, Atlanta and Dallas are starting to see the trend of CBD rents falling while suburban rents rise.
• 36% of apartments across the U.S offered concessions in May. More than 50% of CBD properties offered renters concessions compared to only 27% in the suburbs.
• Concessions in the CBD averaged 5% of asking rent and only 2% for suburban apartments.

Source: State of the U.S Multifamily Market: Week of May 31st 2020 by CoStar Group