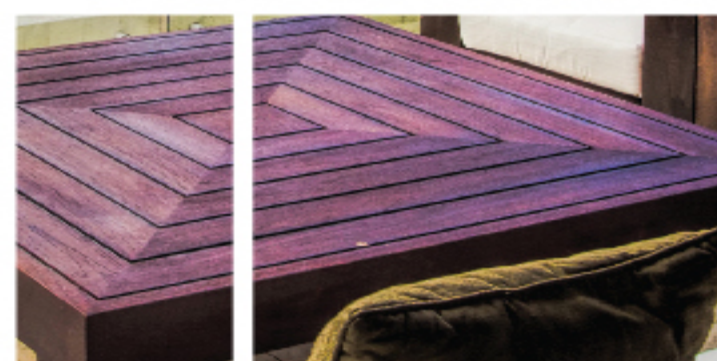
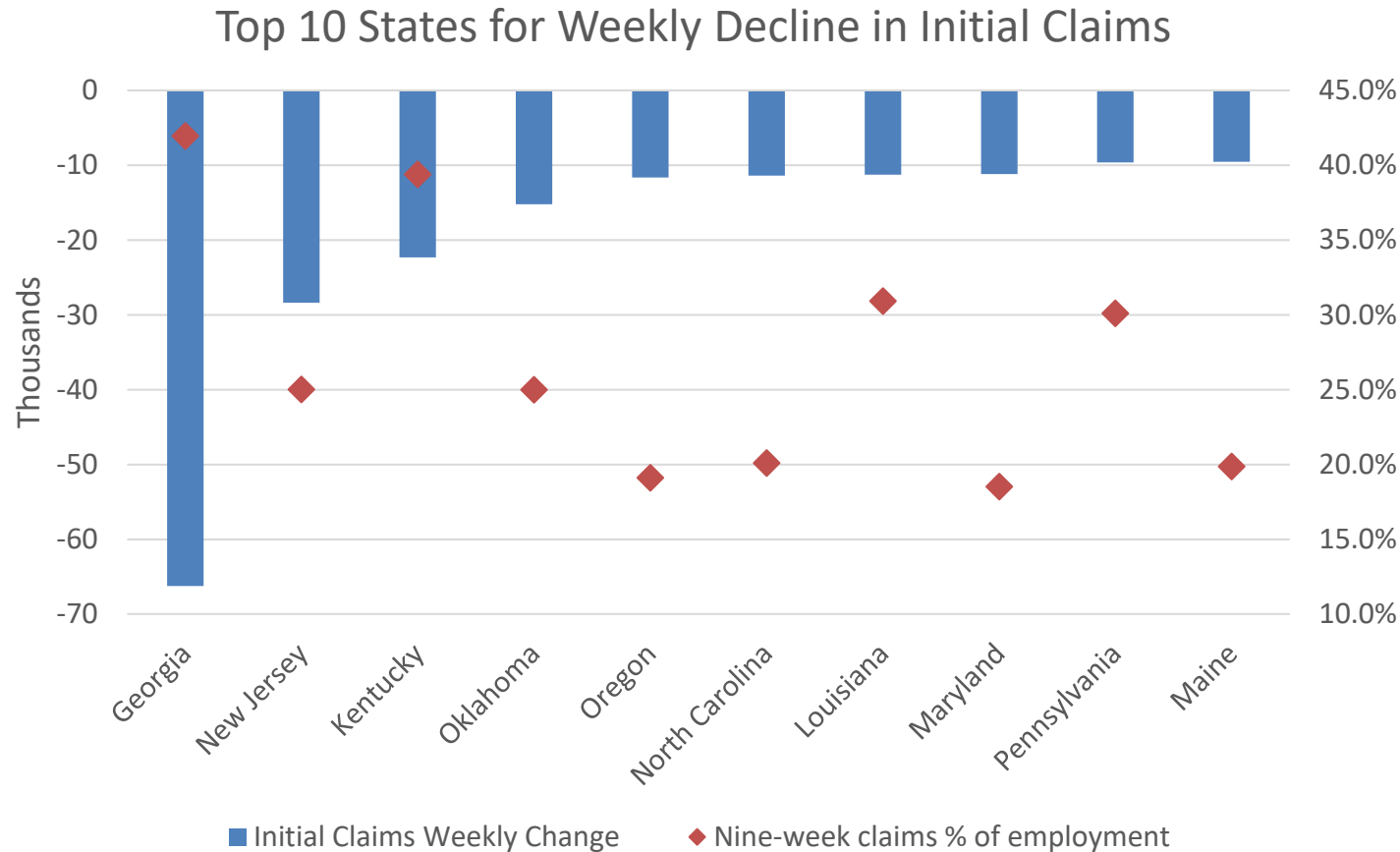


May 21, 2020

# Covid-19 Economic Update



# Coronavirus Economic Impacts

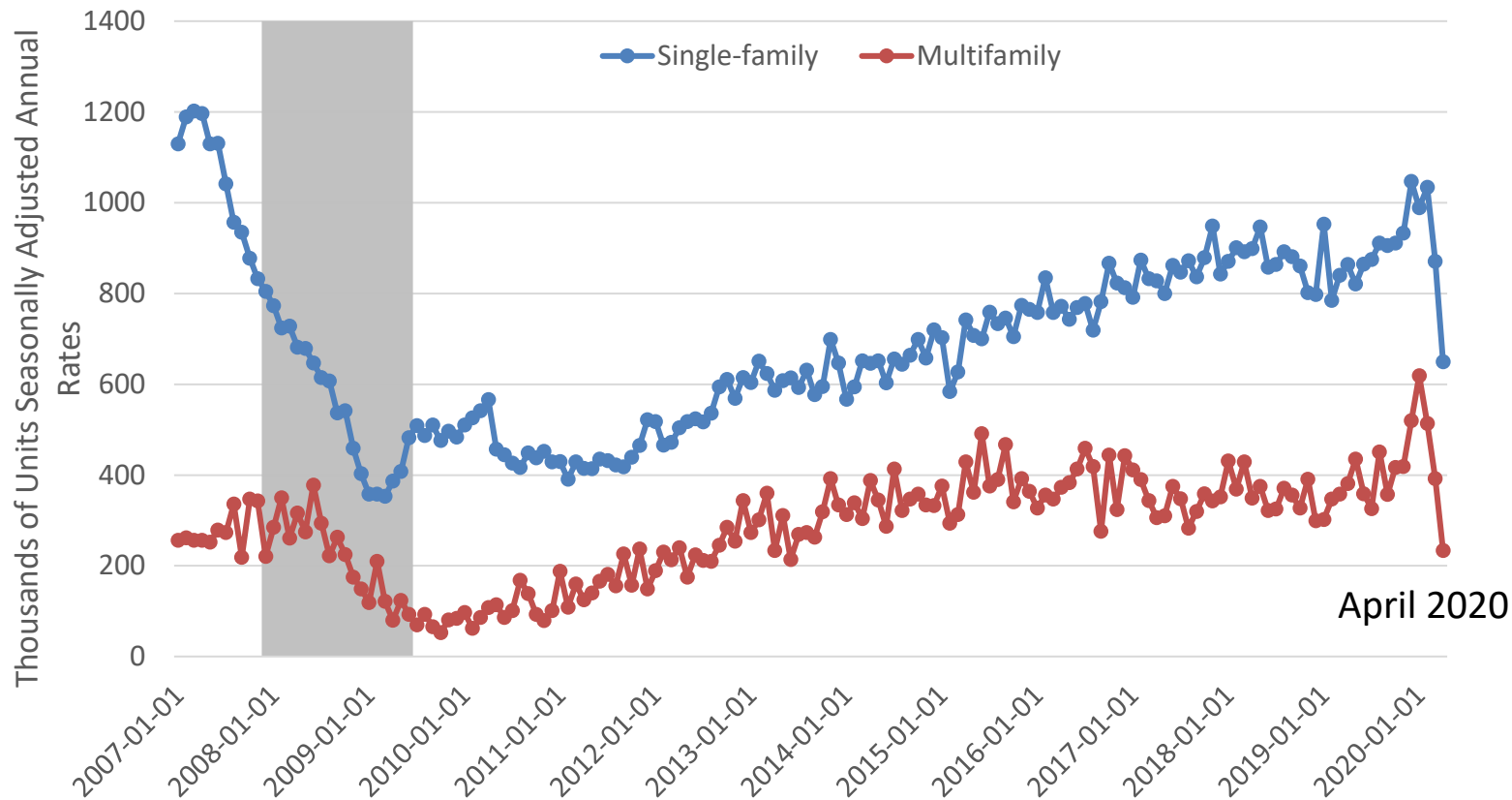


- The 9-week total for initial jobless claims was 38.6 million.
- Weekly claims continued to decline, but at 2.4 million remain three and one-half times greater than previous, pre-pandemic highs.
- More than one in five workers are unemployed in 29 states.

Sources: U.S. Department of Labor, Bureau of Labor Statistics; state employment figures as of February 2020; excludes Puerto Rico and U.S. Virgin Islands.  
 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

## Housing Starts



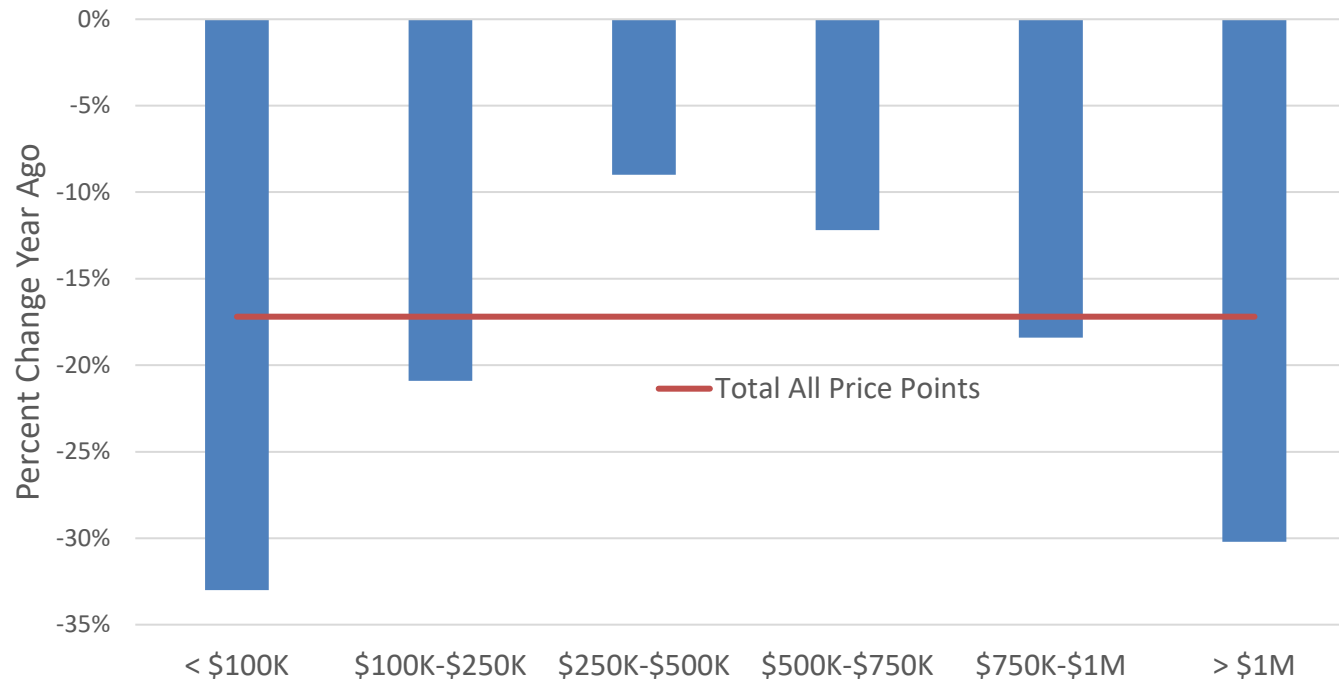
- Single-family and multifamily housing starts continued their freefall in April, down 25 percent and 40 percent, respectively, from last month as projects were put on hold.
- Multifamily starts were at a near-seven-year low at 234,000.

Source: U.S. Census Bureau and U.S. Department of Housing and Urban Development, Privately Owned Housing Starts: 5-Unit Structures or More and 1-Unit Structures retrieved from FRED, Federal Reserve Bank of St. Louis May 21, 2020.



# Coronavirus Economic Impacts

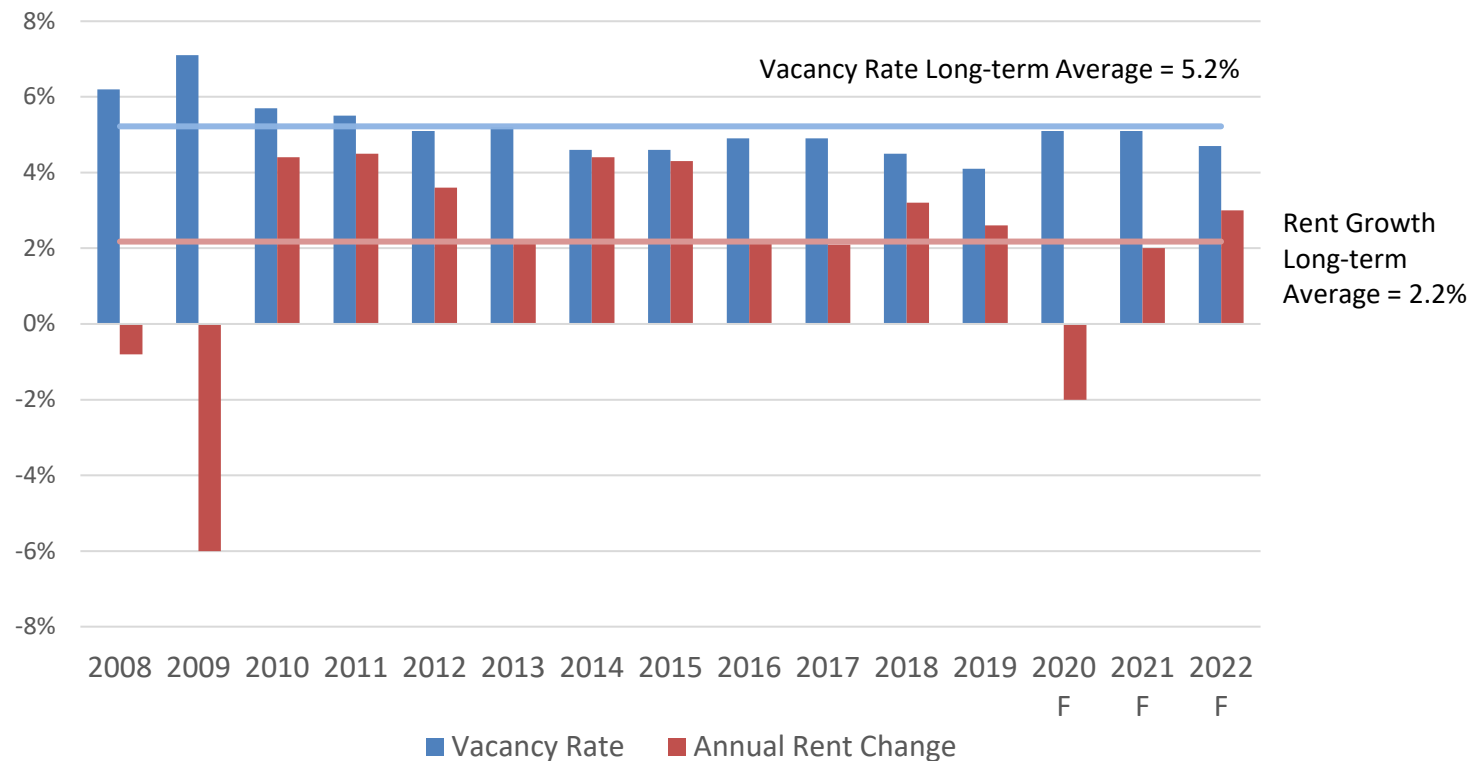
Existing Single-family Home Sales by Price



- With stay-at-home orders in effect across the country, open houses cancelled and buyer confidence waning, sales of existing homes in the U.S. fell 17.2 percent year-over-year.
- 4.3 million homes were purchased in April, the lowest level since July 2010.
- Pricing remained strong, increasing for the 98<sup>th</sup> straight month, by 7.4 percent year-over-year.

# Apartment Industry Impacts

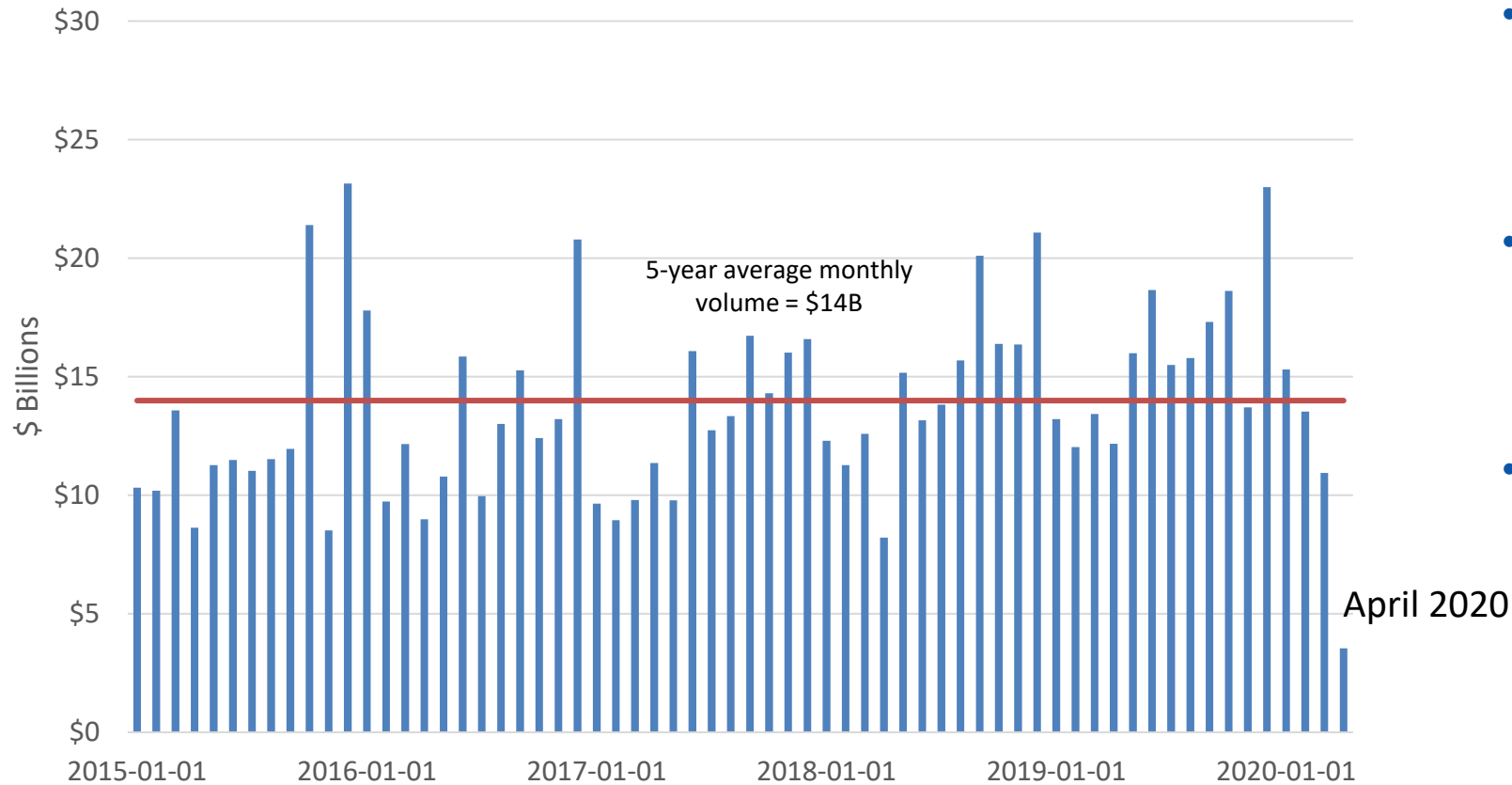
## Apartment Vacancy & Rent Forecast



- The Urban Land Institute's recently released consensus forecast calls for a relatively mild retrenchment in the apartment sector compared with the Great Recession.
- The vacancy rate is forecast to increase 100 basis points in 2020, still below the long-term average, and flatten in 2021.
- Rents are forecast to decline 2.0 percent in 2020 before returning to growth rates near the long-term average in 2021.

# Apartment Industry Impacts

## Apartment Transaction Volume



- Apartment property sales volume plummeted by 71 percent year-over-year in April.
- The \$3.5 billion worth of deals which closed was the lowest monthly figure since February 2012.
- Prices rose 10.8 percent from a year ago, driven by 13.2 percent price growth in non-major metro areas.