The median forecast for GDP from NABE (National Association for Business Economics) panelists for 2021 fell to 3.6% in the October Outlook Survey from 4.8% in June.

38% of panelists expect GDP to return to pre-pandemic levels during the second half of 2021, 32% in the first half of 2022, and 30% sometime after that.

Source: National Association for Business Economics Outlook Survey, October 5, 2020; Ranges represent the five highest forecasts, the five lowest forecasts and the median of the entire sample.
Unemployment Rate Forecast 2020-2021
High-Low-Median

- The median forecast for the unemployment rate among NABE panelists is 6.2% at the end of 2021.
- Just over half the panelists put the odds of a double-dip recession at 20% or less. Only 1 in 8 place those odds at 50% or more.

Source: National Association for Business Economics Outlook Survey, October 5, 2020; Ranges represent the five highest forecasts, the five lowest forecasts and the median of the entire sample.
Economic Impacts

- The employment report in September was disappointing, with just 661,000 new jobs added.
- The unemployment rate dropped to 7.9% but was largely a result of a troubling drop-off in the labor force, meaning many workers stopped looking for work.
- After dipping to a historical low in April, the employment to population ratio remains depressed at under 57%.

Source: U.S. Bureau of Labor Statistics
Personal Income declined by 2.7% in August, driven by lapsed unemployment insurance benefits.

Income per capita remained above pre-pandemic levels, but has dropped 9.1% since the April peak.
• Consumers continued to whittle away at their savings, with the personal savings rate falling to 14.1% from a record-high of 33.6% in April.

• While still elevated from normal levels, the savings rate can be expected to erode further if additional stimulus measures are not forthcoming.
Economic Impacts

• The Back to Normal Index tracks twelve high frequency data series plus monthly employment figures, using February 2020 as the baseline for “normal.”

• The Index increased by an average of only 1.5 points from August to September, suggesting the recovery is slowing down.

• Dining out and air traffic were the most positive contributions to the Index last week.

Sources: CNN Business, Moody’s Analytics
Commercial Real Estate Industry Impacts

- According to NAIOP’s most recent Coronavirus Impact Survey, more than 70 percent of respondents continued to report delays in permitting and entitlements for current development projects across all commercial property types.
- A record-high (since the monthly survey started in April) 42 percent of total respondents reported shortages in supplies.
- In the markets in which they are active, multifamily respondents have reported increasing levels of acquisitions of existing and under construction projects as well as new development/redevelopment.
- After declining in August, the percentage of multifamily respondents reporting more than 10 percent of residents asking for rent relief increased in September to 18.2 percent.

Source: NAIOP Coronavirus Impact Survey, September 2020
Rental Housing Impacts

• According to a survey published by NDP Analytics, on behalf of the National Leased Housing Association, nearly 75% of housing providers have experienced an increase in operating expenses due to COVID-19.

• 77.2% of housing providers implemented flexible payment plans for residents with financial hardships.

• Rental income has declined for nearly nine in every ten housing providers, mainly due to non-payment and partial payments, although 30% of respondents reported occupancy losses as well.

• Rental income impacts were felt the most in the Midwest and among the smallest housing providers, owning 1,000 units or less.

• 44% of housing providers have canceled or postponed future housing investments.

Source: Impacts of COVID-19 on Low- and Moderate-Income Housing Providers by Nam D. Pham, Mary Donovan, and Cassandra Brzezinski
Apartment Industry Impacts - Student

- 88% of U.S student housing beds were leased as the Fall 2020 semester began. Although declining from recent years, leasing activity stood solid.
- Clusters of strong leasing performers were located in the Southeast and Midwest, while the key cluster schools with weak activity was in the West.
- California schools were generally among the nation’s weakest in rent growth and leasing due to remote learning.
- Student housing effective rents are up slightly by 1.4% as of Fall 2020.
- Effective asking rent:
  - Less than 0.5 mile from campus: $749
  - Between 0.5 and 1 mile from campus: $611
  - Greater than 1 mile from campus: $575
- Annual off-campus new supply delivering in Fall 2020 will total 51,000 beds, in line with the previous five years.

Source: Fall Student Housing Market Update by RealPage, September 29, 2020
## Apartment Industry Impacts - Student

### New Supply Leaders (Beds)

<table>
<thead>
<tr>
<th>University</th>
<th>Beds</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Florida</td>
<td>3,317</td>
</tr>
<tr>
<td>Arizona State University</td>
<td>1,849</td>
</tr>
<tr>
<td>Texas State University</td>
<td>1,727</td>
</tr>
<tr>
<td>Oregon State University</td>
<td>1,579</td>
</tr>
<tr>
<td>Utah Valley University</td>
<td>1,544</td>
</tr>
</tbody>
</table>

### Annual Rent Change Leaders

<table>
<thead>
<tr>
<th>University</th>
<th>Annual Rent Change Laggards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Texas Christian University</td>
<td>University of Florida</td>
</tr>
<tr>
<td>Mississippi State University</td>
<td>Southern Illinois University</td>
</tr>
<tr>
<td>University of Oklahoma</td>
<td>University of Kansas</td>
</tr>
<tr>
<td>North Carolina A&amp;T State University</td>
<td>California State University, Fullerton</td>
</tr>
<tr>
<td>Purdue University</td>
<td>University of Louisville</td>
</tr>
</tbody>
</table>

Source: Fall Student Housing Market Update by RealPage, September 29, 2020