



## CALIFORNIA CORONAVIRUS WEEKLY RECAP

*A weekly digest to keep you up to speed on the California coronavirus outbreak.*

May 27, 2020

You may have noticed this newsletter did not show up in your inbox yesterday — that was by design. From this point on, we will be releasing the Coronavirus Weekly Recap on Wednesday mornings.

Before we get started on the news, please take a moment to catch up on everything C.A.R. has been working on this past week:

- We have developed new [Best Practices Guidelines for Real Estate During COVID-19](#) in response to the [COVID-19 Industry Guidance for Real Estate Transactions](#) issued earlier this month by the California Departments of Public Health and Industrial Relations. The Industry Guidance document details physical distancing and cleaning/disinfecting practices REALTORS® must follow when showing properties as California enters stage 2 of reopening. Since the release of this document, C.A.R. has worked closely with these agencies to interpret and revise some of the restrictions in order to make them more manageable, while still focusing on the health and safety of our members, their clients and the community.

The Best Practices Guidelines will be available in zipForm® later this week.

- To further clarify California's Industry Guidance document, we also have released two new FAQs on C.A.R.'s coronavirus microsite: [one on showing properties](#), and [the other on reopening offices](#).
- As of this morning, the following forms and resources are available for you in zipForm®:
  - Coronavirus Property Entry Advisory and Declaration - Visitor
  - Coronavirus Property Entry Advisory and Declaration - Seller
  - Coronavirus Lease/Rental Property Entry Advisory and Declaration
  - Listing Agreement Coronavirus Addendum or Amendment
  - Posted Rules for Entry
  - Best Practices Guidelines for Real Estate During COVID-19
- We have revamped the [REALTOR® Relief](#) section of our coronavirus microsite. Be sure to visit our updated FAQ on [Pandemic Unemployment Assistance](#), [SBA Loans for Agents](#), [SBA Loans for Brokers](#), and [Direct Payments and Other Assistance](#).
- Check out our list of [upcoming webinars](#). Don't worry if you missed a webinar you would have liked to see; we record our webinars and post them afterwards.

## In This Issue:

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## The Economy & Your Finances: Unemployment sees an uptick

The economic fallout from the pandemic has caused the national unemployment rate to balloon to [14.7 percent](#). Jerome H. Powell, the chair of the Federal Reserve, has warned that this downturn is [without modern precedent](#), which makes it difficult for experts to predict what will happen in the months to come.

In April, California's unemployment nearly tripled to [15.5 percent](#) — its 2.3 million jobs lost represent over 11 percent of jobs losses nationwide. The Bay Area lost over [half a million jobs](#). In Los Angeles County, which has been especially hard-hit by tourism shutdowns, the unemployment rate has surged to [19.6 percent](#).

While California's unemployment claims have been trending down for the past several weeks, the state is not out of the weeds just yet: Last week saw another [uptick in California workers filing first-time claims](#) for unemployment. And despite the Employment Development Department (EDD) hiring more staff, [many are still having trouble](#) getting through for help. The EDD is making some progress: It is now recalculating PUA benefit payments based on applicants' stated 2019 income rather than just issuing minimum payments. PUA claimants don't need to do anything. EDD will review the income stated in the application, reach out to the claimant if verification is needed, and will automatically (and retroactively) increase the payment to the correct amount. The maximum PUA payment is \$450 per week (plus \$600 additional federal payment for certain weeks) for those with a 2019 income of at least \$46,696. See C.A.R.'s [PUA FAQ](#) for additional information

For recipients of Paycheck Protection Program (PPP) loans, the U.S. Small Business Administration recently released its [Loan Forgiveness Application Form](#). C.A.R. has put together two step-by-step guides for filling out the application: [one for real estate firms and sole proprietors with employees](#), and the other [for independent contractors and sole proprietors without employees](#).

If you need assistance with your PPP Loan Forgiveness Application — or with one of the other financial relief programs — the COVID Relief Hotline is still available to you. Contact 213-351-8450 for 24/7 text support and live support between 8:30 a.m. and 4:45

p.m., Monday through Friday. You can also email [covidreliefhotline@car.org](mailto:covidreliefhotline@car.org).

Sources: The Washington Post, The New York Times, Los Angeles Business Journal, The Mercury News, ABC 7 News, U.S.

Small Business Administration

## **The Market & Industry: Mortgage applications and showings keep rising, but more declines expected**

Showing activity is now [starting to reach pre-crisis levels](#): While activity remains down 15 percent compared to this time last year, consistent growth has significantly reduced the deficit from roughly 75 percent one month after the shelter-in-place order went into effect. And as California's economy begins to open up, fewer REALTORS® are reporting clients withdrawing their home offers or removing homes from the MLS. Prices have largely stayed stable, but a recent uptick in discounts on closed sales indicates sellers may start making more concessions to keep transactions on track.

With states beginning to reopen and [mortgage applications on the rise](#) nationwide, some suspect the typical spring home buying season will see a [resurgence this summer](#). Demand has been strong enough that Redfin, which [furloughed 41 percent of its agents](#) and 7 percent of staff in early April, will be [bringing around 350 employees back to the office](#) ahead of schedule. Still, for the near future, [C.A.R is predicting more declines](#) into May, June and potentially July.

Across the nation, roughly [3.6 million Americans missed mortgage payments](#) in April; the delinquency rate has nearly doubled from 3.06 percent to 6.45 percent. And a [recent survey from the U.S. Census Bureau](#) found that one in five Americans reported they had slight or no confidence in their ability to pay their rent or mortgage in June. With [8.8 percent](#) of all mortgages now in forbearance, the Federal Housing Finance Agency (FHFA) has taken steps to ensure that [borrowers in forbearance on Fannie Mae- and Freddie Mac-backed mortgages can still take advantage of low interest rates](#) for purchasing a home or refinancing an existing home.

Many have theorized the pandemic will drive buyers out of cities and towards the less crowded suburbs; a [Zillow survey](#) earlier this month found that a majority of people who recently began working from home would consider moving. But [Zillow has not seen that shift](#) reflected in actual search results thus far, even with search traffic on the rise.

Sources: C.A.R. Research & Economics, CNBC, HousingWire, Inman News, Los Angeles Times, Mortgage Professional America, REALTOR® Magazine, Zillow Research

## **Around the State: Restrictions eased on retail, restaurants, places of worship (subject to county approval)**

The United States is quickly approaching the landmark of [over 100,000 deaths](#) from COVID-19. In California, as of yesterday at 9:46 p.m., cases numbered 99,809 and deaths had hit 3,825. California as a whole is now the fourth-largest outbreak in the country, behind New York (363,836), New Jersey (155,764) and Illinois (113,195).

As of this week, more than two-thirds of California counties have received approval from the Office of the Governor to [begin stage 2 of reopening their economies](#) per the [California Resilience Roadmap](#). On Monday, the California Health Department announced that [all retail stores can reopen](#) for in-person shopping under previously issued guidelines. And Governor Newsom announced [places of worship](#) can reopen provided they limit attendance to 25 percent of the building's capacity or 100 people, whichever is lower. Newsom also eased the requirements counties need to meet for restaurants to reopen [dine-in service](#). These new guidelines are all subject to approval by the counties.

While Los Angeles County is not among those entering stage 2 right now, the state's most populous county has achieved a positive step toward curbing the virus' spread: Its COVID-19 [transmission rate is now less than 1](#). The transmission rate refers to the number of people each COVID-19 patient would go on to infect. When the pandemic first reached Los Angeles, the transmission rate in Los Angeles was calculated at over 3; if it stays below 1, the pandemic should decrease over time.

Even in counties that have reopened, [customers have been slow to return](#) to restaurants and shopping malls. Surges in cases continue to pop up, linked to events without proper social distancing like [family gatherings](#) and [church services](#).

Sources: Los Angeles Times, COVID-19 California Website, The Mercury News, CAL Matters, The San Francisco Chronicle

## Health Check-Up: Hydroxychloroquine trial halted, anxiety over COVID-19 keeps patients from seeking treatment for other conditions

Citing safety concerns, the World Health Organization (WHO) [has halted part of a trial that involved patients being treated with hydroxychloroquine](#), a common malaria drug President Trump has advocated for. When used to treat COVID-19 patients, the drug can lead to [potentially deadly heart problems](#).

Even as hospitals start to reopen to elective surgeries, psychologists have found that [anxiety over the coronavirus has caused some patients to turn down treatment](#) for critical conditions. Doctors are encouraging those experiencing symptoms of urgent conditions like strokes and heart attacks to [go to the hospital](#) in spite of any hesitation.

If you want to learn more about the path to finding a vaccine for COVID-19, check [out \*The New York Times\*' breakdown of the different approaches to creating vaccines](#) and how they work. And [National Geographic has a deep dive on the various unusual symptoms](#) of COVID-19 and why they are only emerging now.

Sources: NPR, NBC News, The New York Times, Harvard Health, National Geographic