



CALIFORNIA CORONAVIRUS WEEKLY RECAP

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

May 5, 2021

Welcome to the 60th issue of the California Coronavirus Weekly Recap newsletter. Before we get started with this week's news, we want to keep you informed on a few significant issues.

C.A.R. is actively working with representatives of the California Dept. of Health to conform real estate guidelines with recent CDC guidance as well as those that apply to other businesses. As California opens up, vaccination rates increase and COVID dangers lessen, a new set of guidelines is necessary.

We are hopeful that, as part of this process, individually signed PEADS soon will no longer be necessary. It is always our goal to make sure the industry operates safely and remains consistent with current health directives, such as wearing masks and hand washing, without requiring individualized statements and unnecessary cleaning.

Stay tuned for more updates on this issue.

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The Economy & Your Finances: Newsom signs \$6.2 billion tax cut for small business PPP recipients

On April 29, Governor Newsom signed legislation that will provide a [\\$6.2 billion tax cut](#) for small businesses that received a Paycheck Protection Program (PPP) loan. Eligible small businesses may write off expenses on their state taxes if they were paid for with PPP loans that were later forgiven, mirroring how the money is treated for federal tax purposes. Additionally, the same tax breaks are being made available for businesses that received Emergency Injury Disaster Loan (EIDL) advance grants. To be eligible, businesses must have experienced a revenue drop of 25 percent or more during at least one quarter in 2020 compared to the same quarter in 2019. Consult with your tax advisor if this might affect you.

As of Tuesday night, The Paycheck Protection Program (PPP) has [run out of funds](#), and its portal has stopped accepting applications for loans from most lenders. Some of the money is still available through minority depository institutions (MDIs) and community development financial institutions (CDFIs). Banks whose applicants have not yet been approved may refer borrowers to MDIs and CDFIs. If you are still looking to apply for a PPP loan, please refer to the C.A.R. SBA Loan FAQs for [Agents](#) and [Brokers](#) for resources to help you find a CDFI or MDI.

The number of Americans applying for [unemployment benefits](#) dropped again last week; in California, claims rose slightly to 72,875. In comparison, prior to the pandemic, California unemployment claims numbered 43,887 the week of March 14, 2020. While the California economy has greatly improved since the worst of the shutdowns, the job sector remains [weaker than normal](#) — and many jobs have disappeared altogether.

At the same time, California [consumer confidence](#) is approaching an all-time high in response to widespread vaccinations, businesses reopening and a decrease in cases.

Sources: The North Bay Business Journal, The Mercury News, The Orange County Register, The

The Market & Industry: FHFA announces new refinances option

California [REALTOR® optimism](#) remains high as the pandemic eases across the state. The 30-year, fixed-rate mortgage rate continues to [hover under 3 percent](#) — which according to Sam Khater, Freddie Mac’s chief economist, makes refinancing look more attractive to buyers who purchased before 2020. On the subject of refinancing, the Federal Housing Finance Agency (FHFA) announced that it will implement a [new refinance option](#) for low-income borrowers with loans through Fannie Mae and Freddie Mac. Eligible borrowers will benefit from a reduced interest rate and lower monthly payment and should be able to save between \$100 and \$250 a month. The [program](#) is expected to get off the ground by the summer.

Meanwhile, [high lumber prices](#) have caused the average price of a newly constructed home to increase by nearly \$36,000. And many of the 26.6 million Americans between age 18 and 29 currently living with parents [may not be moving out](#) even as vaccinations become more widespread.

Sources: Inman News, Federal Housing Finance Authority, The Wall Street Journal, HousingWire, REALTOR® Magazine

Around the State: Hospitalizations at lowest levels since March 2020

As of 9:11 a.m., [cases](#) in California number 3,725,357 and 47.9 percent of Californians are at least partially vaccinated. California [hospitalizations](#) have dropped to their lowest levels since the start of the pandemic — as of last week, coronavirus patients were down from a January peak of nearly 23,000 to 2,029. And [cases keep falling](#) despite surges in Oregon and Washington. The statewide average for ICU bed availability is 32.8 percent, and the state is averaging a 1.3 percent [positivity rate](#) for tests.

Experts attribute California's recovery to its general [embrace of vaccinations](#). An estimated 11 percent of Californians are vaccine-hesitant, a lower rate than all but four U.S. states. Even so, interest in the vaccine may be [starting to wane](#), which is concerning as the state is still far from the threshold believed necessary to achieve [herd immunity](#) (and new research suggests herd immunity may not be in the cards for the United States this year). For those still seeking vaccinations, hundreds of [Rite Aid](#) locations across the state have begun administering vaccines in stores.

Meanwhile, [Disneyland](#) reopened on Friday after an unprecedented 13-month closure, and [water parks](#) have been given the go-ahead to reopen as well.

Sources: The Mercury News, Los Angeles Times, Blueprint for a Safer Economy, USA Today, AP News, The Hill

Health Check-Up: Experts caution not to skip your second dose of the vaccine

Public health officials say if you receive a two-dose vaccination (Pfizer or Moderna), it's important that you [do not skip your second dose](#). The second dose of both vaccines creates virus-neutralizing antibodies at 10 times the rate of the first dose and induces cellular immunity, which should keep the individual protected for longer. Also, if later on down the line workplaces, college campuses and airlines require proof of vaccination, you could encounter trouble if you don't have a record of both doses.

Experts now believe it is [unlikely the United States will achieve herd immunity](#) in the foreseeable future, given widely circulating variants and vaccine hesitancy on the part of many residents. This means the coronavirus is unlikely to go away completely, and sustained future efforts will have to go toward suppressing hospitalizations and deaths.

The Federal Drug Administration (FDA) is set to authorize the Pfizer-BioNTech vaccine for [12-15 year olds](#) by early next week. Pfizer reported several weeks ago that none of the adolescents in the clinical trial who received the vaccine developed symptomatic infections, a sign of significant

protection.

On Friday, the Transportation Security Administration (TSA) announced that [face masks will continue to be required](#) on all planes, trains and buses through September. The rule was originally set to expire on May 11.

Beginning yesterday, the U.S. [restricted travel from India](#) as the country grapples with a [severe coronavirus surge](#). India is currently averaging 3,050 deaths from COVID-19 per day, although the official figure is likely to be understated.

Sources: Los Angeles Times, CNBC, The New York Times, CBS News, Wall Street Journal



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