

CALIFORNIA CORONAVIRUS WEEKLY RECAP

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

August 5, 2020

Welcome to the 21st issue of the California Coronavirus Weekly Recap newsletter. Before we get started, we want to make sure you're aware of a few things:

- Glide, a C.A.R. Business Products partner, is now offering a [free guided workflow](#) to all C.A.R. members to make it easier to create, send and manage PEAD-V forms. This workflow allows you to instantly create compliant PEAD-V forms for multiple properties and visitors in one efficient workflow, request signatures via DocuSign or Digital Ink and deliver individualized forms automatically to each listing agent, and collect and organize PEAD-V forms for all your listings using a unique link you can share via the MLS, your website, email or text.
- To continue receiving PUA/UI benefits, **recipients must certify for benefits every two weeks**. If you forget to certify for benefits, even for only a week, your claim will be closed and you will need to reopen your claim to request benefit payments. Check your UI Online home page Notifications section at least every two weeks so you will see important new information such as messages in your inbox or required certifications.

- The [deadline](#) to apply for a Paycheck Protection Program (PPP) forgivable loan is Saturday, August 8, 2020. For some members, a PPP loan may be a way to replace income lost during the pandemic without having to repay a loan. Borrowers can potentially get 100% of their PPP loan forgiven, which means the loan will become a grant and will not need to be repaid.

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The Economy & Your Finances: U.S. economy reports record-breaking decline

The U.S. economy posted its worst drop on record in Q2, contracting at a [39.2 percent](#) annual rate between April and June. This officially puts the United States in a recession, typically defined as at least two consecutive quarters of declining gross domestic product (GDP). While the labor market has started to rebound since states began reopening, last week marked the 19th straight week that [new jobless claims](#) topped 1 million, and the country is still short 15 million jobs from February.

With over [1.4 million](#) Americans filing for unemployment benefits last week alone, many experts are concerned about what will happen now that the extra \$600 per week in federal unemployment assistance has expired. Congress is working to pass another stimulus package, and while both sides seem to agree on the need for another set of \$1,200 direct payments to taxpayers, White House Chief of Staff Mark Meadows said on Sunday that he's [not optimistic](#) there will be a solution in the short-term. The federal boost to unemployment assistance is the [key sticking point](#) holding up negotiations.

On Monday, California Democratic lawmakers detailed their [\\$100 billion stimulus package](#) proposal, key components of which include borrowing money from the federal

government, expanding tax credits for low-income Californians and offering more assistance to small businesses. Depending on what happens at the federal level, state lawmakers are also considering creating a separate \$600 per week unemployment benefit [for Californians](#).

California jobless claims since mid-March have topped [9 million](#), and nearly [20 percent](#) of those claimants are still waiting on payments. Governor Newsom said the remaining [backlog](#) of claims will take two months to clear.

Sources: CNN, CNBC, USA Today, NPR, The Sacramento Bee, ABC 7 News, The San Francisco Chronicle

The Market & Industry: Housing sector remains strong

The housing market remains one of the [most solid sectors](#) of the U.S. economy, with sales of new homes rising 13.8 percent nationwide in June. [Demand from buyers](#) continues to be robust, encouraged by another drop in [mortgage rates](#), and as inventory tightens, more buyers are making concessions to win [bidding wars](#). According to a Redfin survey, almost half of recent homebuyers made an offer [sight-unseen](#).

Smaller markets are heating up as now-remote workers leave the big cities: [Sacramento's](#) housing forecast is stronger than most other metro areas in California, and [Lake Tahoe](#) real estate is moving at a record pace.

Nationwide, homeowners and renters alike have been falling behind on payments during the pandemic, setting up as many [as 40 million](#) Americans to lose their homes as a result of COVID-19. While the foreclosure moratorium put in place by the FHFA have worked thus far — June had the lowest number of active foreclosures since 2000 — mortgage delinquency rates keep jumping, and the moratorium [expires on August 31](#). And California is bracing itself for [mass evictions](#), too: One in seven tenants statewide [did not pay rent in July](#), and nearly one in six don't expect to pay in August, either.

[Redfin](#) posted improved numbers for Q2, with losses significantly lower than the company

initially anticipated. Meanwhile, [Realty's](#) Q2 revenue dropped 25 percent year-over-year. And [Zillow](#) announced it will be allowing most employees to work from home indefinitely.

Sources: The New York Times, C.A.R. Research & Economics, REALTOR® Magazine, Redfin, Homebuying Institute, CNBC, Curbed, The San Francisco Chronicle, The Real Deal, Zillow

Around the State: State deaths pass 9k, Central Valley new hotspot

Last week, California twice broke its [single-day record](#) for COVID-19 deaths. However, recent efforts to temper the spread do seem to be working, as the number of confirmed cases over the past two weeks is down [21 percent](#); statewide hospitalizations are improving, too. Thirty-seven of California's 58 counties are now on the [state watchlist](#). As of yesterday at 9:52 p.m., cases in California numbered 526,982 and deaths had hit 9,708. California has the highest number of coronavirus cases in the country, ahead of Florida, Texas and New York.

The [Central Valley](#) has emerged as a new COVID-19 hotspot, with hospital beds filling up and the positive testing rate well above the state average. Newsom has pledged \$52 million in federal money to help counties in this region with staffing, testing and contact tracing. But he has withheld funding from two smaller cities in the region, [Atwater and Coalinga](#), for failing to comply with the state's public health rules.

The [debate surrounding what to do about schools](#) continues, with teachers unions and school administrators going back and forth on how many hours per day teachers should be expected to teach live on video. And evidence continues to mount that children are at least more impacted by COVID-19 than initially thought: A [teenager in Fresno](#) became the first minor in California to die of COVID-19 last week, and a recent study revealed children [under the age of 5](#) may host up to 100 times more viral particles than adults.

Sources: Los Angeles Times, The San Francisco Chronicle, CAL Matters, The New York Times, The Fresno Bee

Health Check-Up: Vaccine could be available by 2021

The nation's top infectious disease expert, Dr. Anthony Fauci, has reiterated his cautious optimism that a [vaccine](#) will be available to the American people by early 2021. [Moderna Inc. and Pfizer Inc.](#) both began tests of their vaccines last week, each of which will include 30,000 human participants, and the [Johnson & Johnson](#) vaccine was shown to have protected monkeys from contracting the disease in just one dose.

When it comes to treating those who have already contracted COVID-19, the [World Health Organization](#) (WHO) said Monday there is no “silver bullet” treatment right now, and such a treatment might not even exist. The head of coronavirus testing for the Trump administration has said it is time to move on from [hydroxychloroquine](#), the anti-malarial drug frequently touted by President Trump, as five randomized and controlled studies failed to show any benefit of the drug to COVID-19 patients.

Sources: The Mercury News, NBC News, The New York Times, CNBC, Forbes



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