



CALIFORNIA CORONAVIRUS WEEKLY RECAP

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

August 12, 2020

Welcome to the 22nd issue of the California Coronavirus Weekly Recap newsletter. Before we get started, we want to make sure you're aware that the last day to apply for a Paycheck Protection Program (PPP) loan from the Small Business Administration was last Saturday, August 8. Congress is currently working on negotiating a new COVID-19 relief bill that could include additional SBA loan programs for which REALTORS® may be eligible, and we will update you as soon as we have more information. In the meantime, for those who have already applied for a PPP loan, you can continue to visit our FAQs on [SBA Loans for Agents](#) and [SBA Loans for Brokers](#) for information on loan forgiveness.

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The Economy & Your Finances: President signs executive actions on coronavirus relief

On Saturday, President Trump took [executive action](#) on coronavirus relief after negotiations stalled in Congress. The president signed four executive orders that [defer payroll taxes](#) through the end of the year for Americans earning less than \$100,000, defer student loan payments and provide some eviction protections.

They will also extend enhanced unemployment benefits at a reduced rate of [\\$400 per week](#), one-fourth of which will come from states' budgets. The nation's [governors](#) have already raised concern about implementation; Newsom said Monday that California will face massive budget cuts if it has to provide an additional \$100 weekly to every person receiving unemployment. The President is likely to need congressional agreement and legislation to deliver on some of these actions, but talks in Congress have stayed [stalled](#). Last week, [C.A.R. sent a letter](#) to the California Congressional Delegation to urge Congress to take action by passing another COVID-19 relief package.

Employers did add another [1.8 million](#) jobs in July, exceeding expectations but still coming in far lower than June's 4.8 million. Still, the national unemployment rate is [10.2 percent](#), slightly higher than during the peak of the Great Recession, and it [could get worse](#) if enhanced federal unemployment isn't replaced. But the situation for out-of-work Californians is looking more grim: About [61 percent](#) of those who filed new unemployment claims during the week ending on July 25 expect to be rehired, compared with 80 percent during the week ending on March 15.

California has lost a greater share of revenue than most states have during this crisis; it began the year with a \$5.6 billion surplus that quickly plunged to a [\\$54 billion deficit](#) due to COVID-19. State lawmakers are divided on how to reverse the situation, with [proposals](#) including a millionaire tax and a rate hike on commercial property owners.

Sources: CNN, CNBC, NBC News, The Washington Post, The New York Times, U.S. News & World Report, The Mercury News, The San Francisco Chronicle, CAL Matters

The Market & Industry: Mortgage applications up, many

homes seeing multiple offers

[Buyer demand](#) remains robust, with mortgage applications [22 percent higher](#) than they were a year ago. [Redfin surveyed homebuyers](#) planning to purchase in the next 12 months and found that three out of four have had their plans impacted by the pandemic — and one out of four want to move or speed up their move as a direct result of the pandemic. With mortgage rates hitting a new low of [2.88 percent](#) the week ending on August 6, August is shaping up to be the [homebuying peak](#) of 2020 (typically, May sees the most homebuying activity).

Multiple offers and [bidding wars](#) are holding strong in California's [luxury markets](#), and as more employees are able to work from home, [rents are being driven down](#) in expensive metro areas.

There does seem to be a [mismatch between buyer demand and available inventory](#), with listings down 6.8 percent last week. That sellers remain cautious — even with homes selling so fast and often facing multiple offers — suggests recovery may be slower than hoped for, and buyers who are eager to purchase may not be able to afford to.

On the industry side of things, [RE/MAX](#) saw a 25 percent year-over-year decline in revenue in Q2, while [Keller Williams](#) saw a 15 percent decline in transactions. But EXp Cloud Holdings, parent company of virtual brokerage [eXp Realty](#), saw its most profitable quarter in company history.

Sources: C.A.R. Research & Economics, REALTOR® Magazine, Redfin, Forbes, Inman News, Zumper

Around the State: Technical glitch leads to case undercount

A [malfunction in California's system](#) for collecting and storing infectious disease data has led to widespread underreporting of cases and mass confusion. The undercount does not reflect [hospitalization data](#), which is collected through a different system. On Monday, the director of the California Department of Public Health [abruptly resigned](#); shortly thereafter,

Governor [Newsom announced](#) the technical glitch had been fixed and the data moving forward should be accurate. As of yesterday at 10:13 p.m., cases in California numbered [586,430](#) and deaths had hit 10,656. California has the highest number of coronavirus cases in the country, ahead of Florida, Texas and New York.

Some [California elementary schools](#) may be allowed to reopen this fall under a [strict waiver system](#). The waivers are intended to prioritize young children who have the most trouble with distance learning. Teachers unions have insisted that reopening any schools at this point would be “[reckless](#).”

[Rural California](#), at first spared the worst of the pandemic, is now being battered by new cases. Kern County reported over 12,000 new cases last week; a month ago, it was reporting only about 1,350 cases a week. [Agriculture workers](#) have been hit particularly hard.

Amidst the pandemic, California is also gearing up for [wildfire season](#), the height of which typically falls between August and December. Power cutoffs are expected to resume in Northern California, and officials are worried that coronavirus concerns might discourage people from heeding [evacuation orders](#).

Sources: The San Francisco Chronicle, The San Diego Union-Tribune, The Los Angeles Times, California Department of Public Health, ABC 7 News, The Guardian

Health Check-Up: More children testing positive

In the last two weeks of July, over [97,000 children](#) tested positive for COVID-19 across the United States. At least 338,000 children have tested positive since the pandemic began, which means at least one-fourth tested positive in just those two weeks. While symptoms are generally milder in children than adults, children can also become “[long haulers](#),” experiencing symptoms for months after contracting the virus. And an increasing number of children who contract COVID-19 are suffering from [severe inflammatory reactions](#) that can be life-threatening.

Experts say data from [Moderna's](#) vaccine clinical trial, which is in Stage 3, strongly indicates a vaccine will not be available before the election on November 3. Results are more likely to arrive in the first quarter of 2021.

Meanwhile, with [U.S. deaths projected to hit 300,000 by December](#), experts announced that if everyone in the United States were to reliably wear a face mask, that number could be reduced by 66,000.

Sources: The New York Times, CNN, The San Francisco Chronicle, The Modesto Bee



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