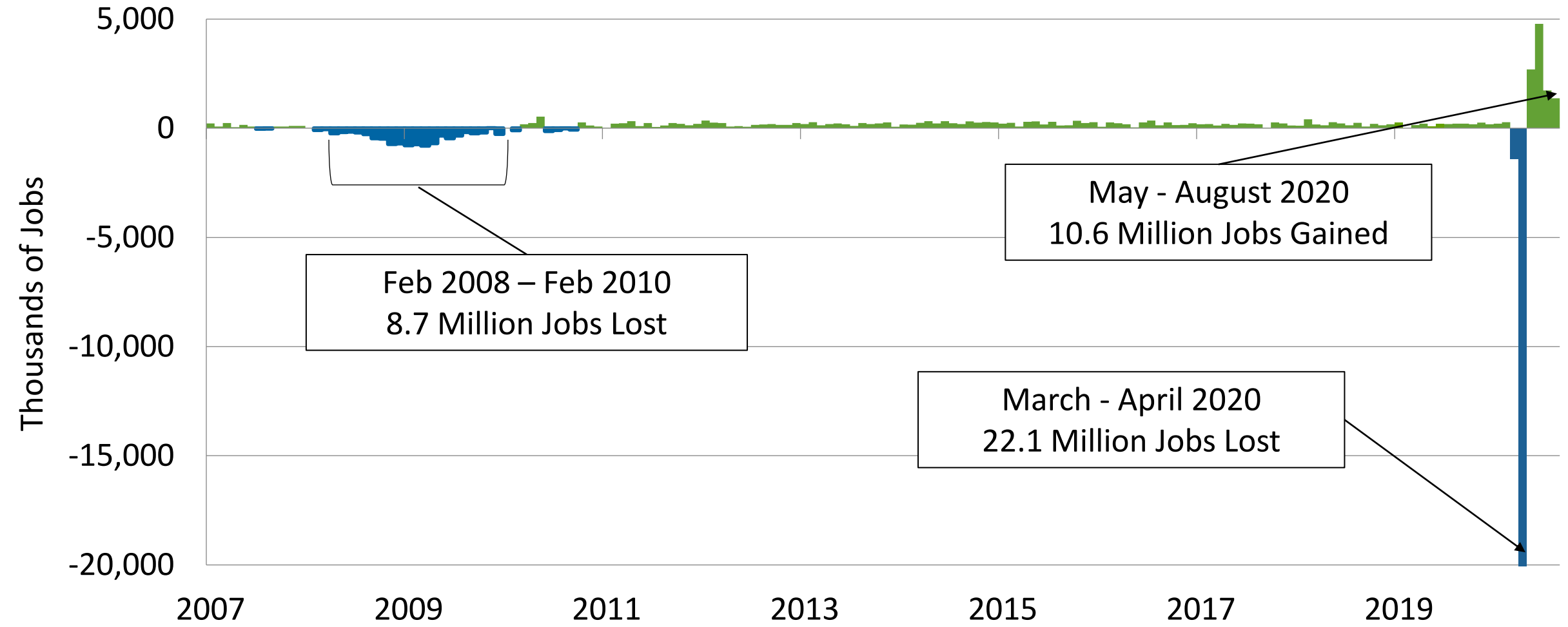


Economic Overview to Utah Apartment Association Adjusting to Uncertainty

September 15, 2020

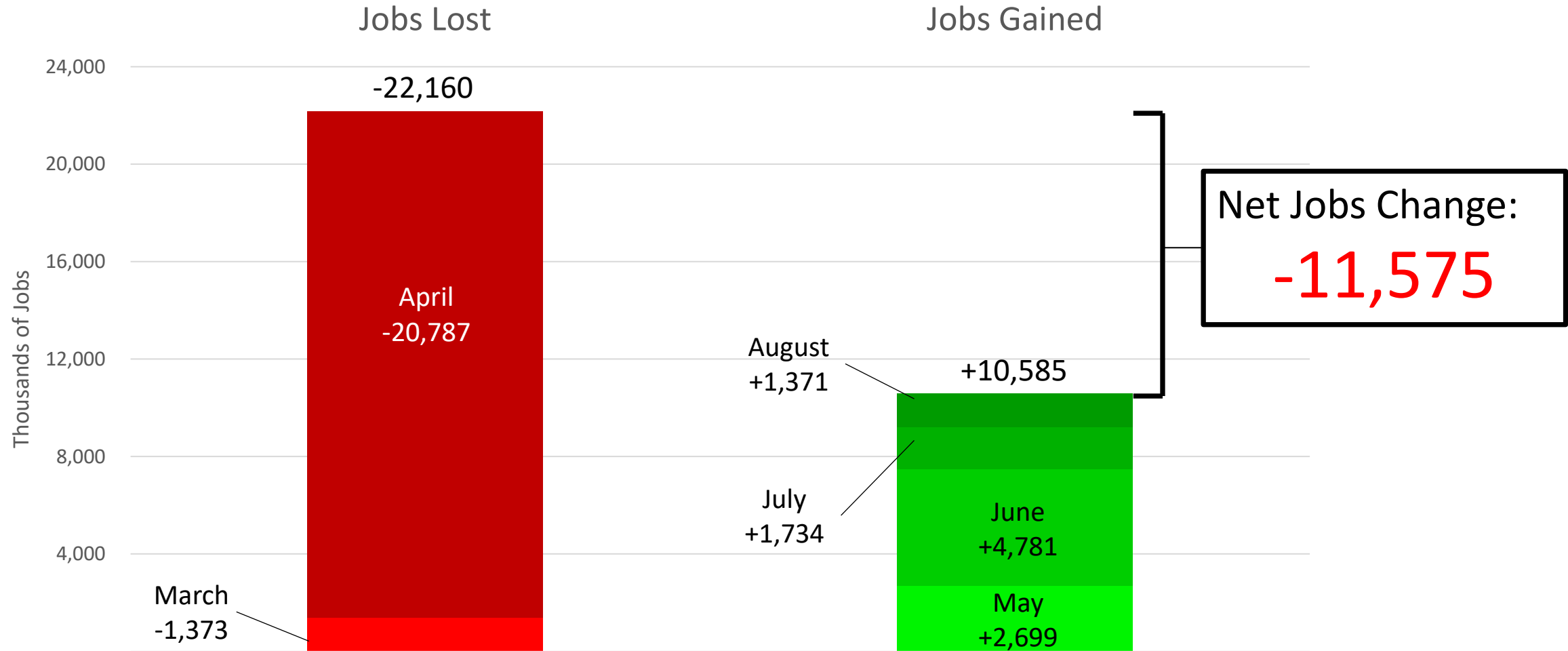


Large Swings in Job Trends



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Jobs Lost Still Outnumber Jobs Gained by 11.6 Million

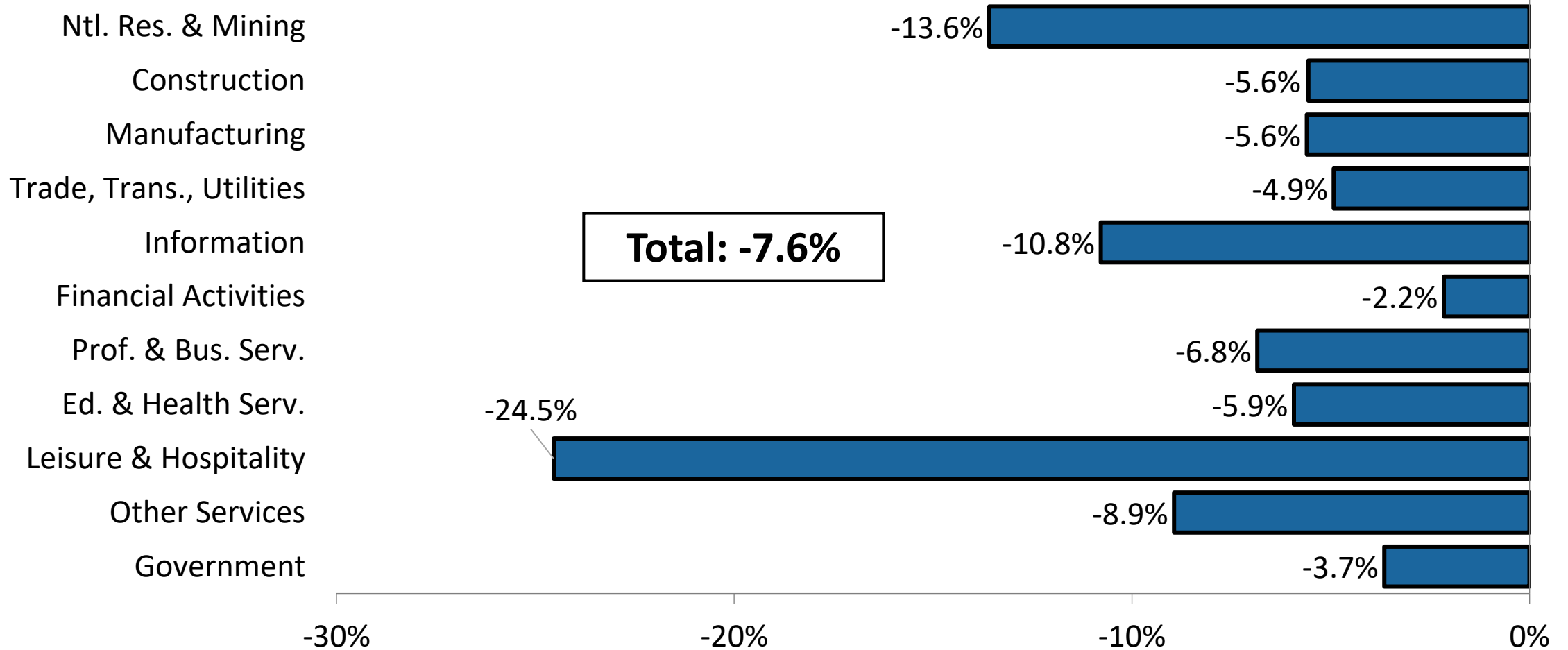


Source: Bureau of Labor Statistics

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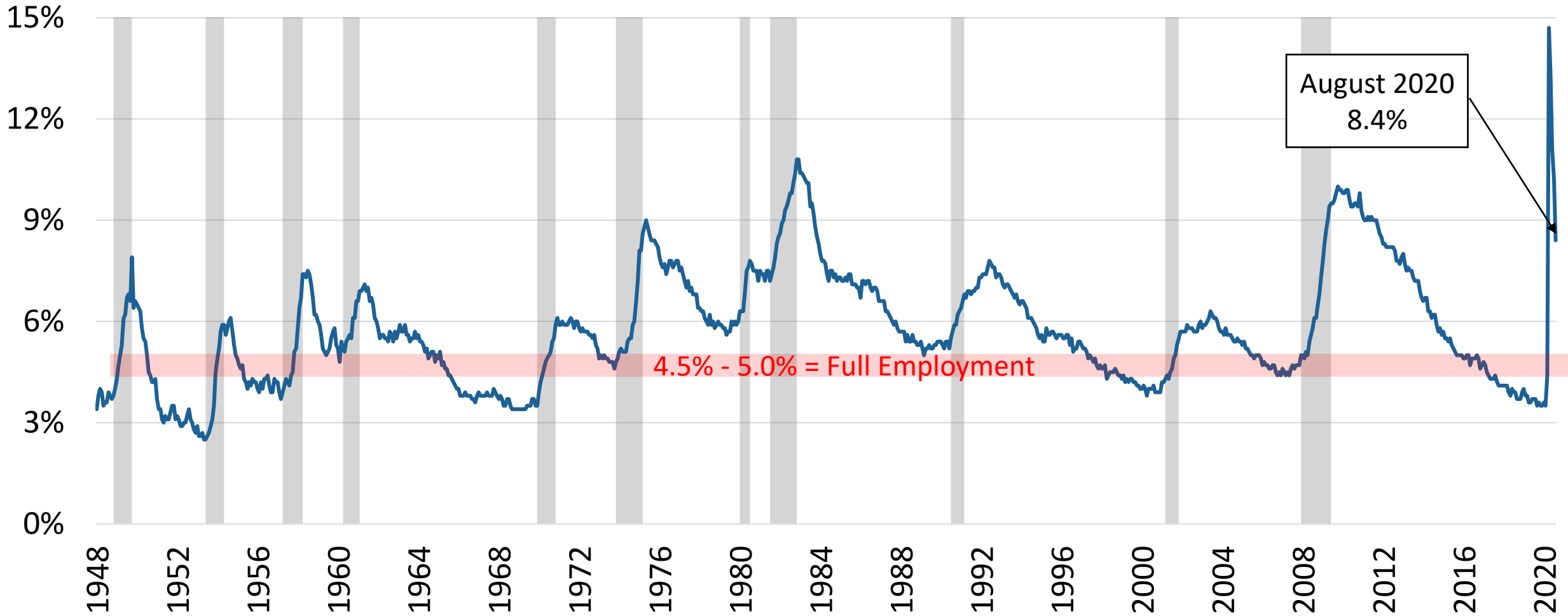
All Major Industries Have Been Hit...

Percent Change in National Employment by Industry: February 2020 to August 2020



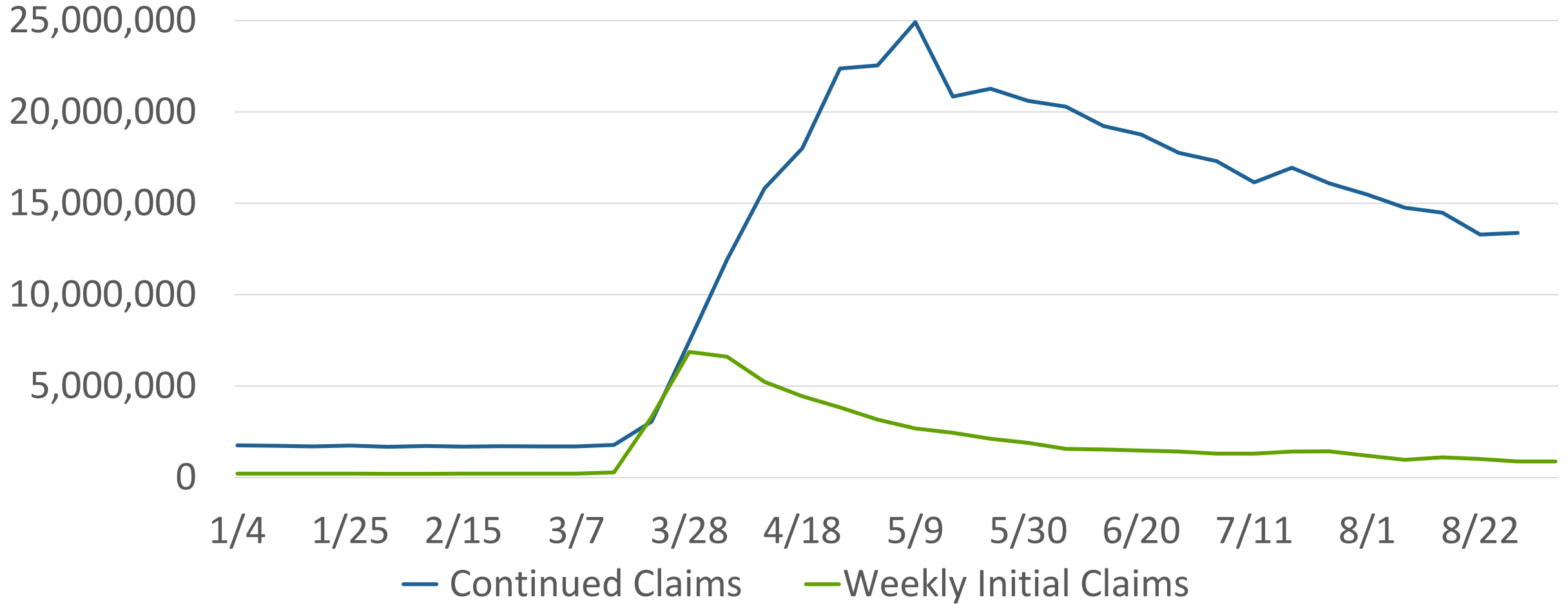
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US Unemployment Dropping but Remains High



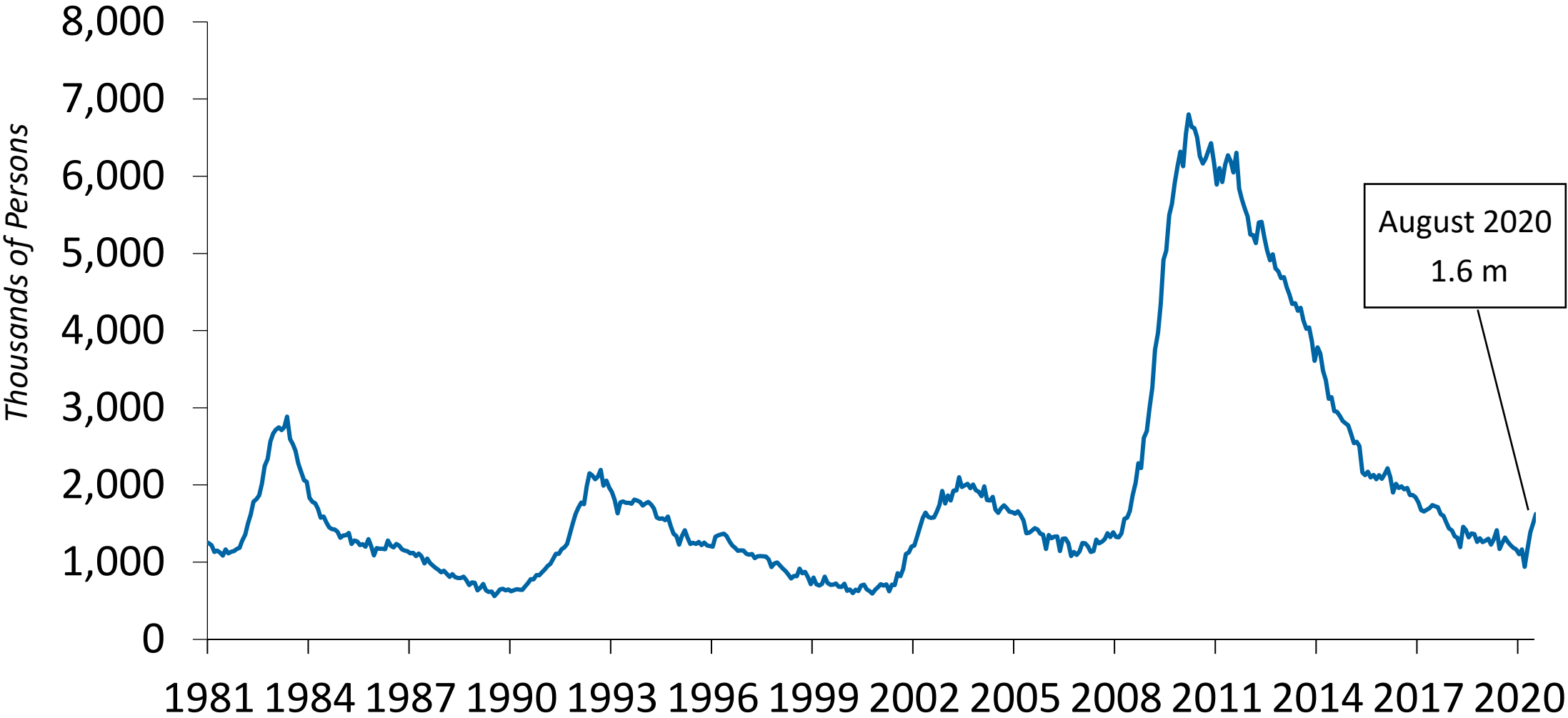
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US Unemployment Claims Remain Historically High



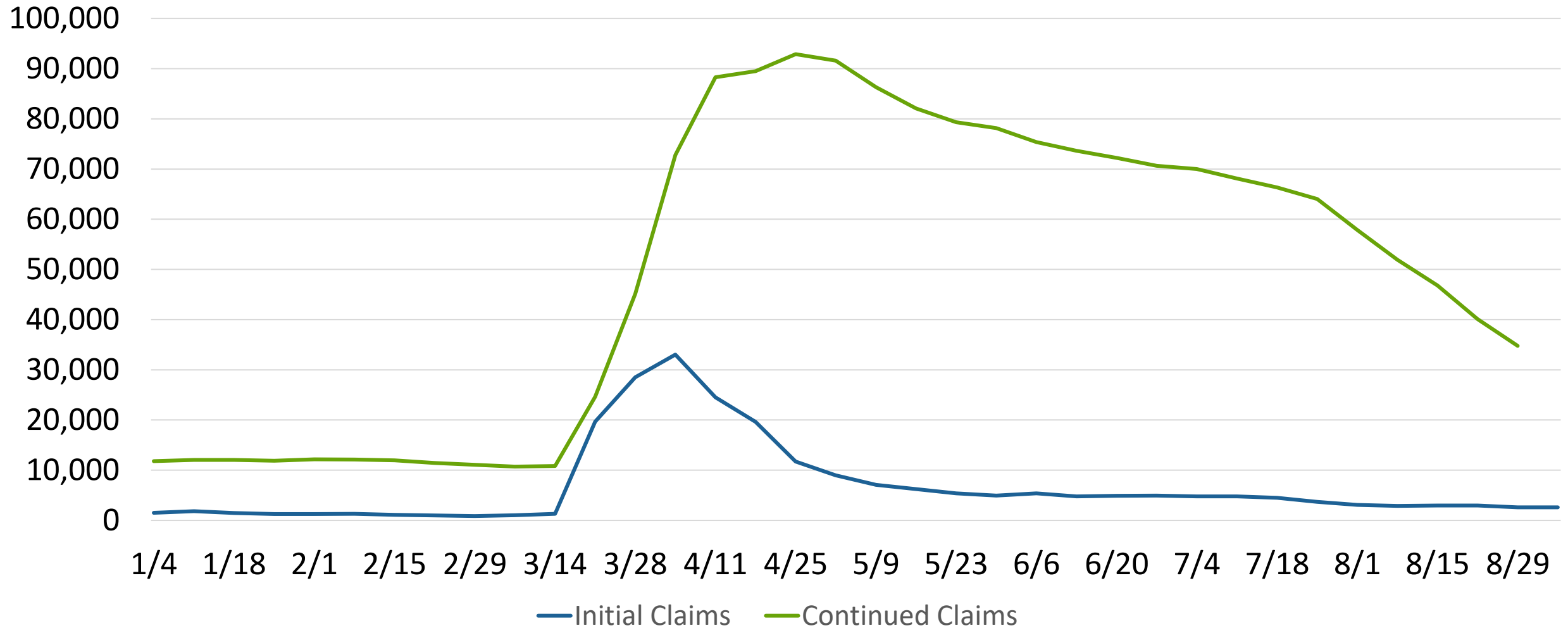
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Long-Term Unemployment



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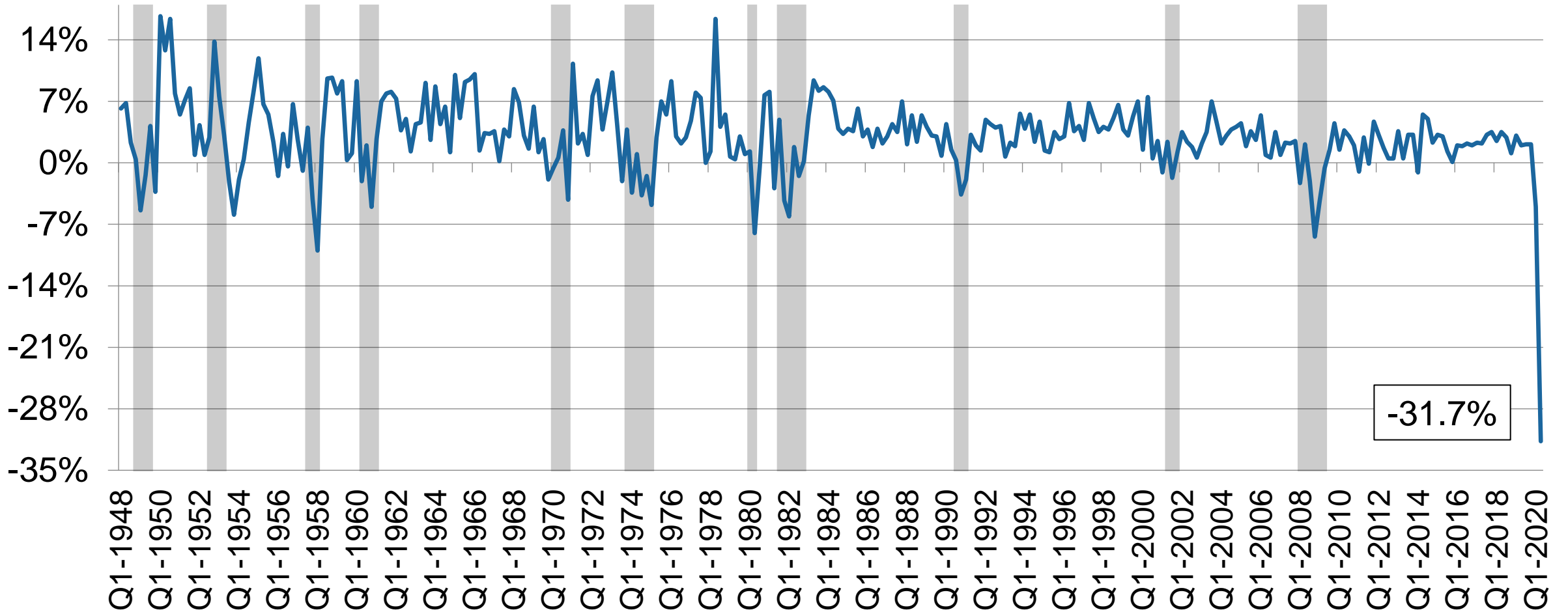
Utah Continuing Unemployment Claims Dropping



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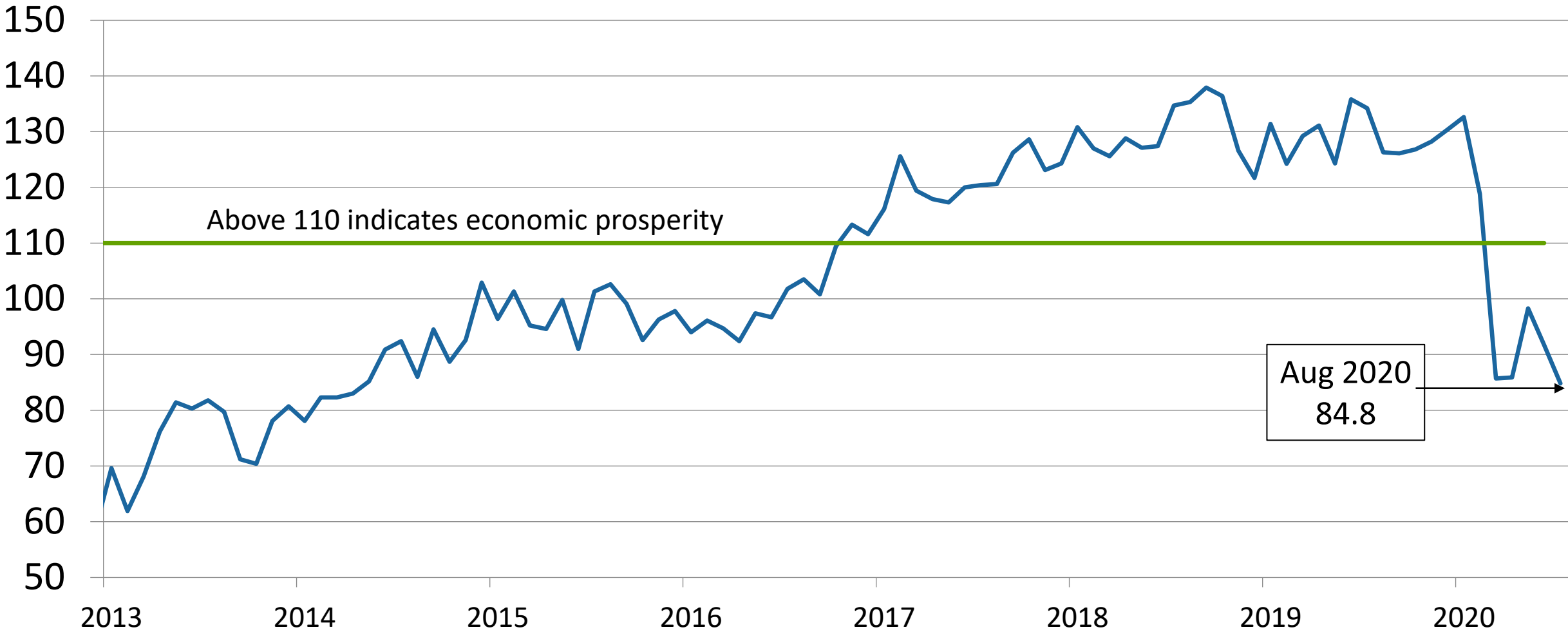
The Largest GDP Decline on Record

Gross Domestic Product



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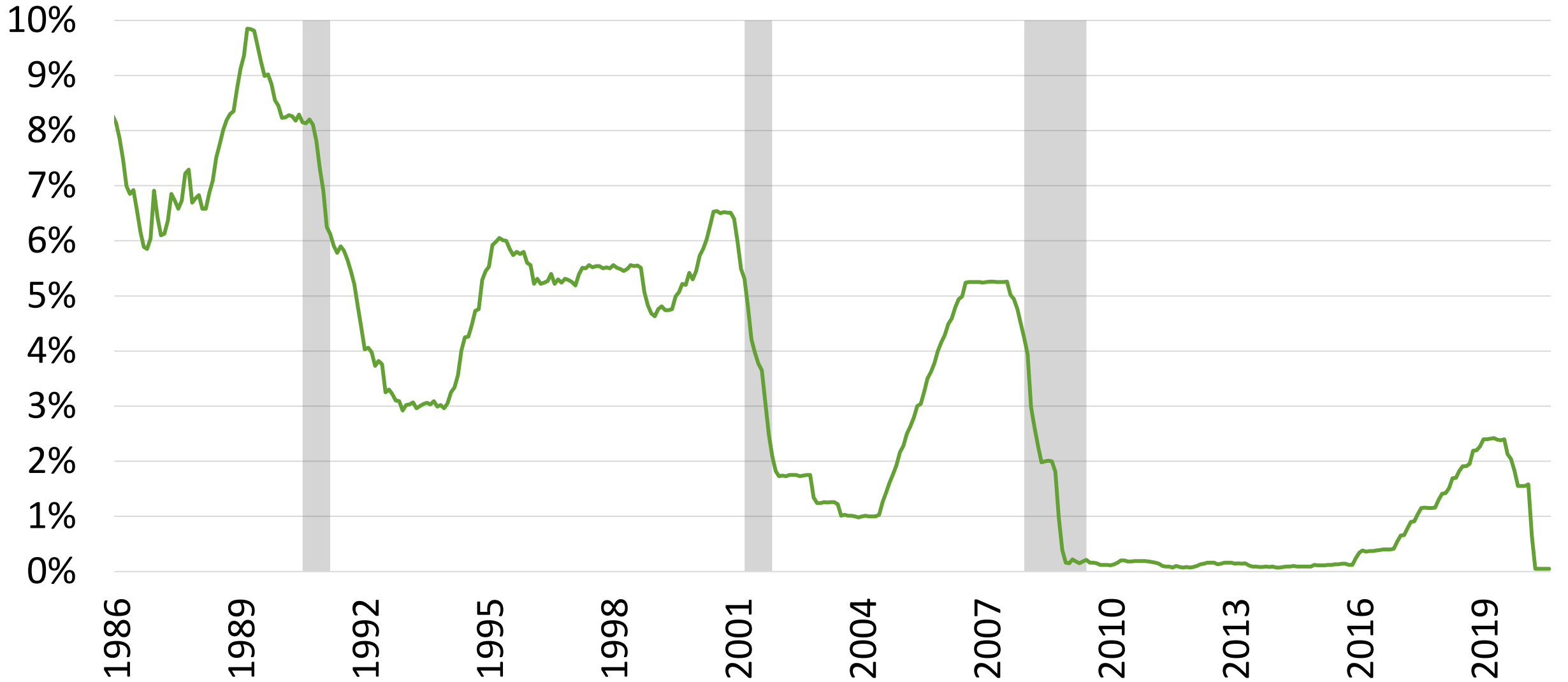
Consumer Confidence Drops After Initial Recovery



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Source: The Conference Board

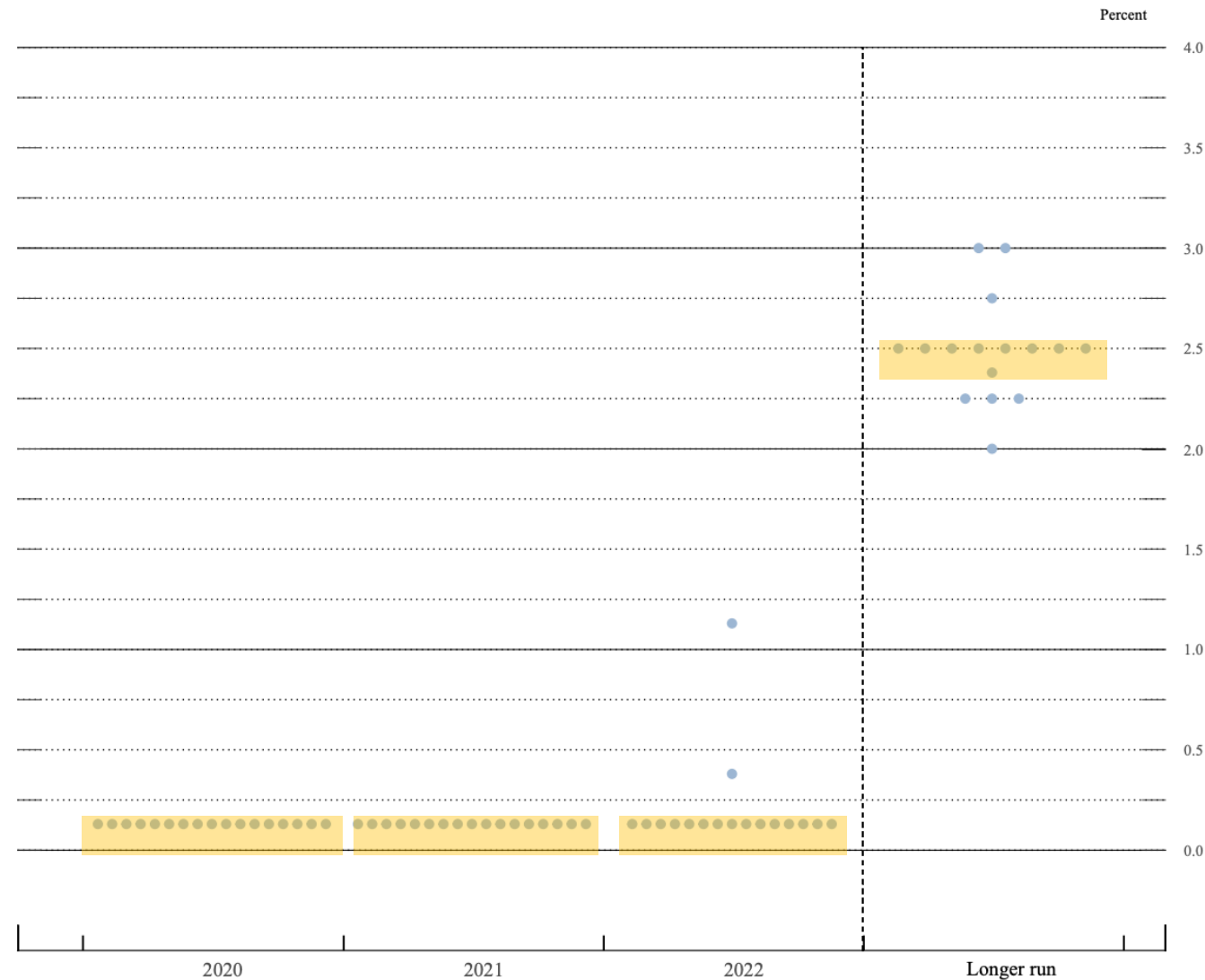
Fed Reserve to Keep Rates at Zero for an Extended Time



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Federal Funds Rate Expected to Stay Near Zero For Years

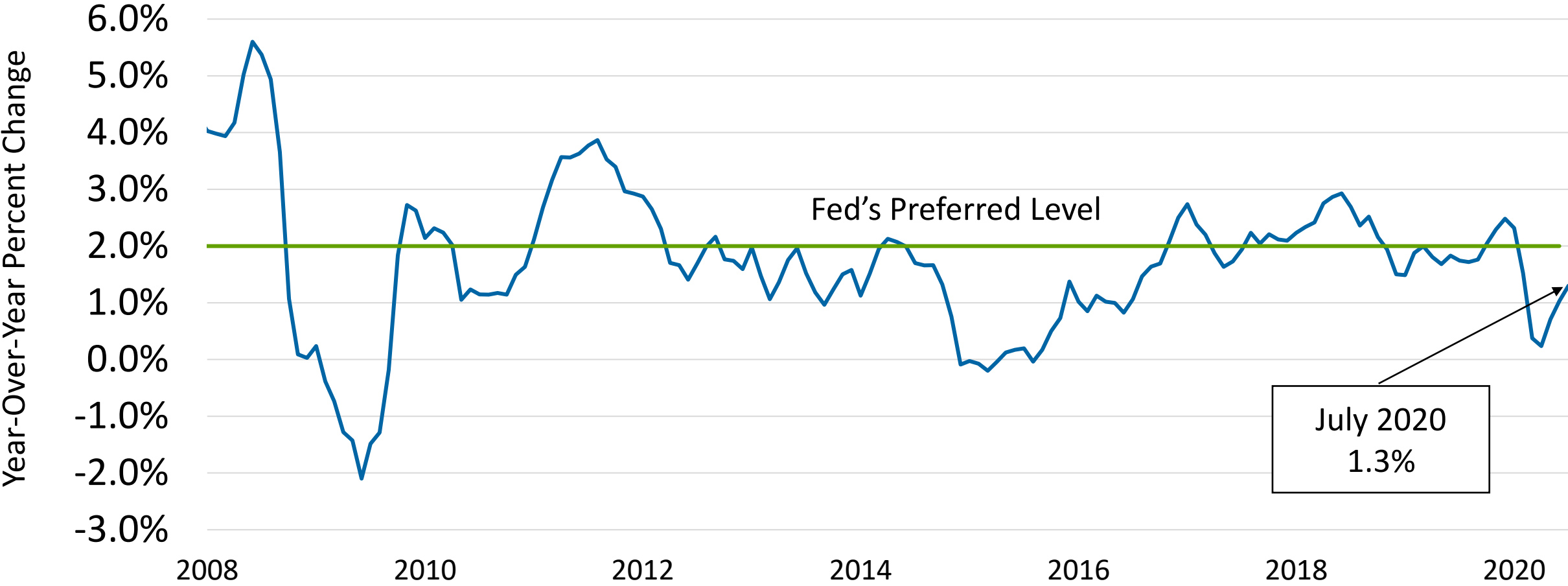
(June 2020)



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Inflation Below Target

Consumer Price Index



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Regional Economic Conditions

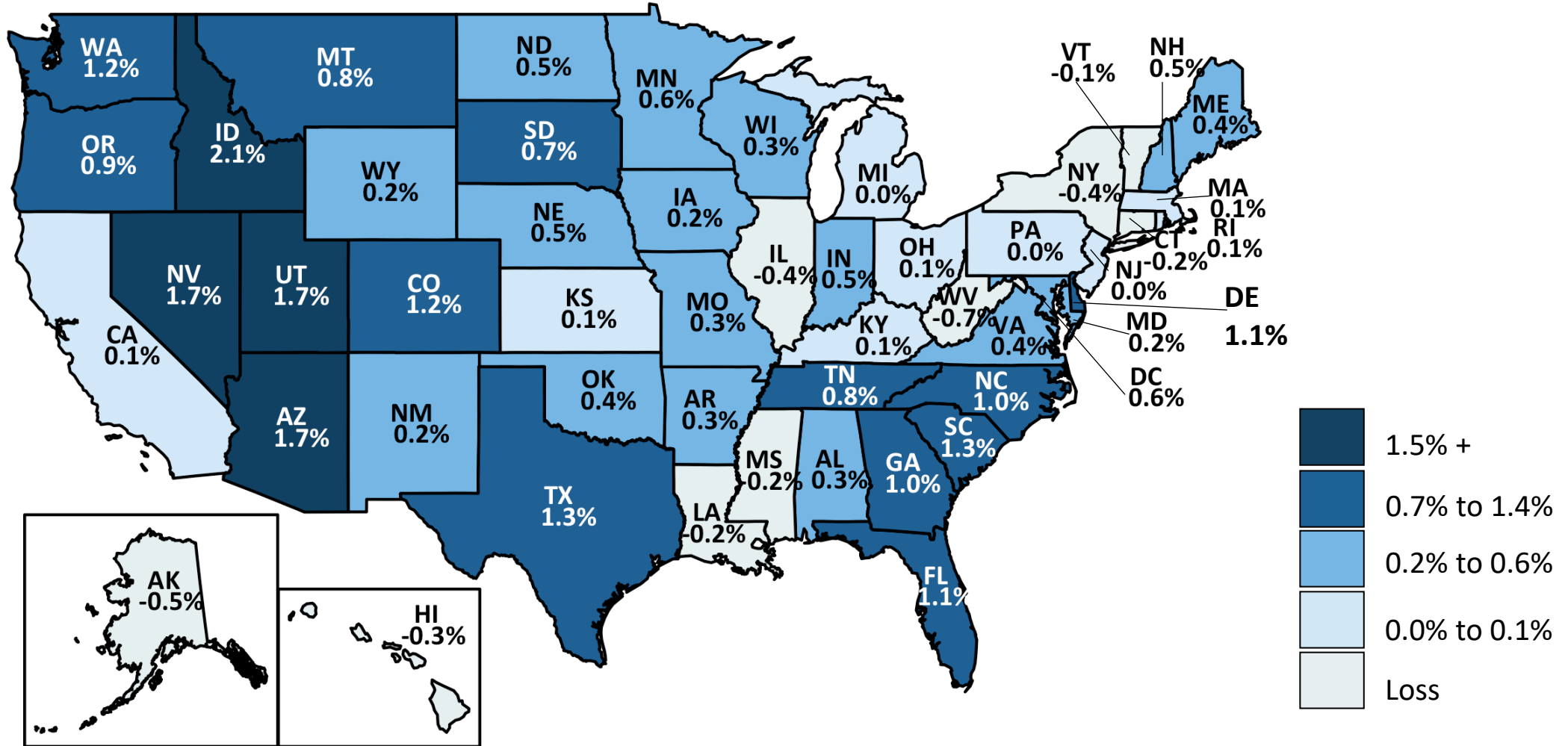
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Utah Population **2nd Fastest** Growing in U.S.

Percent Change: 2018 to 2019

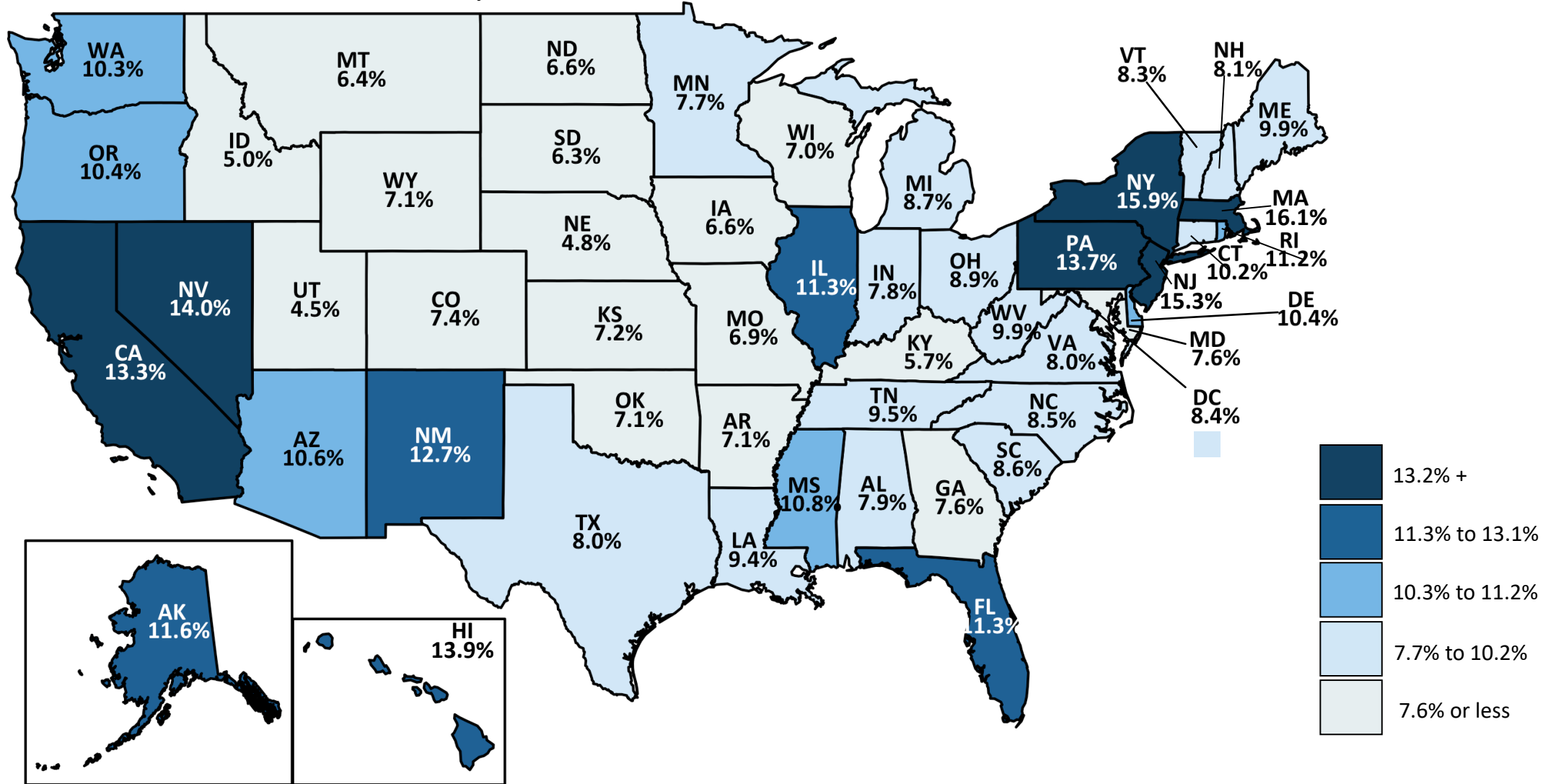
U.S. Rate = 0.5%



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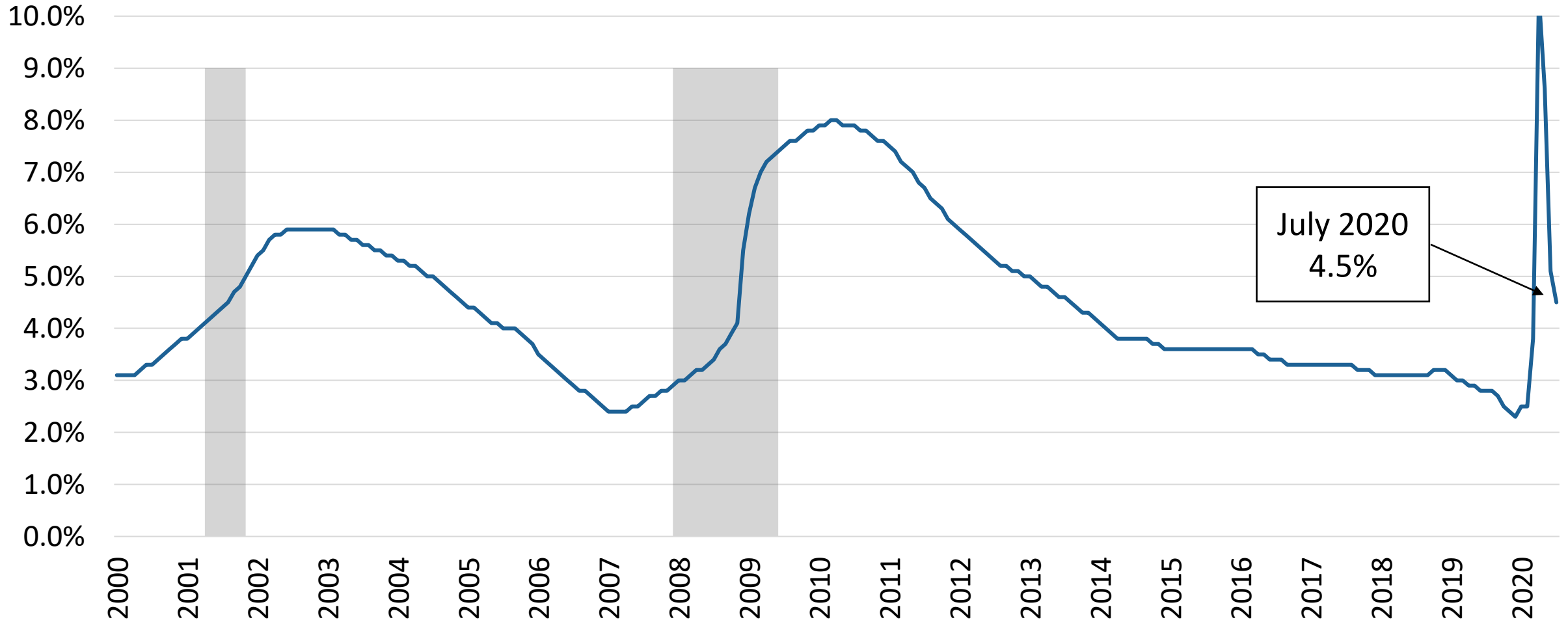
Utah Unemployment **Lowest** in the Nation

July 2020 U.S. Rate = 11.2%



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Utah's Unemployment Rate Dropping

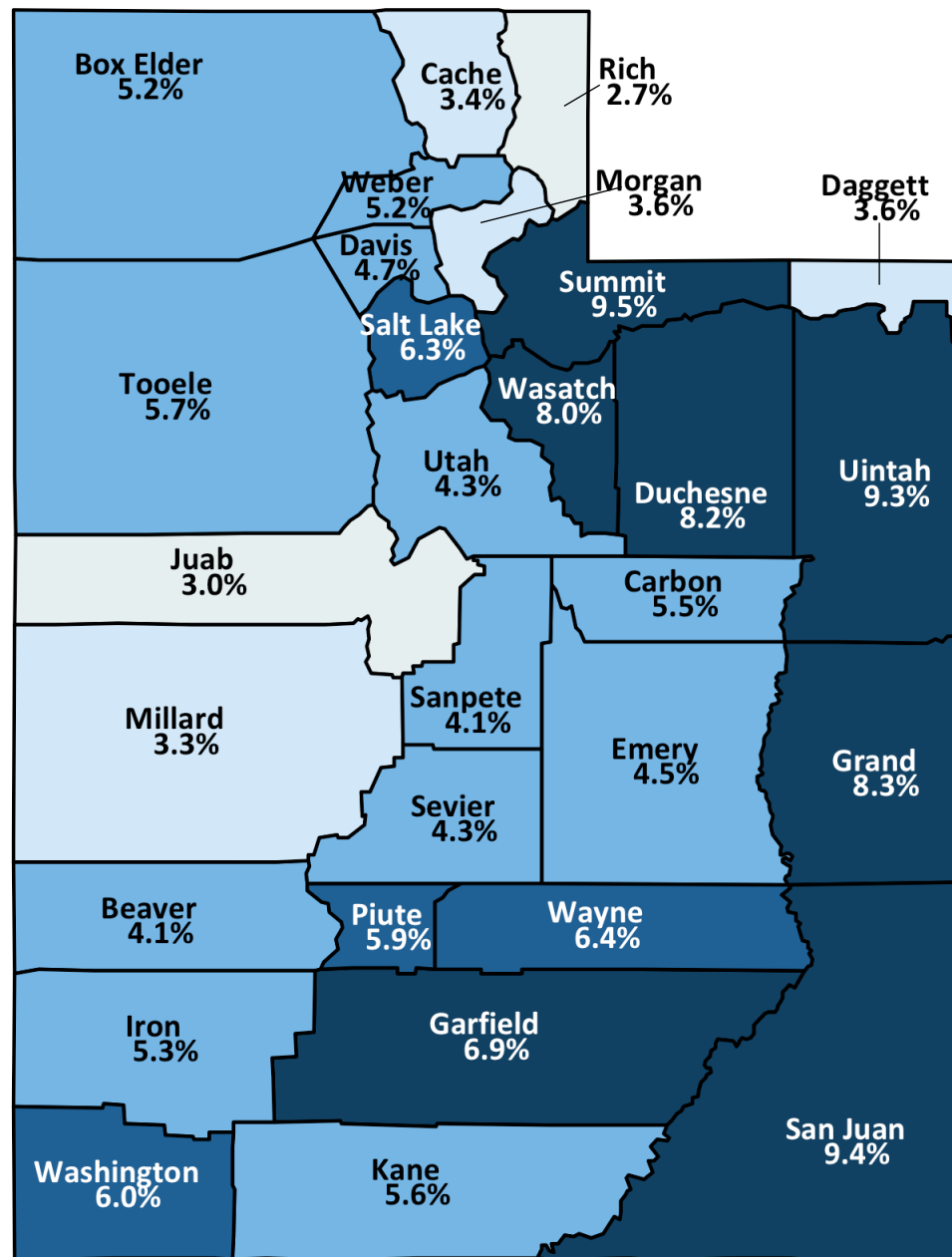
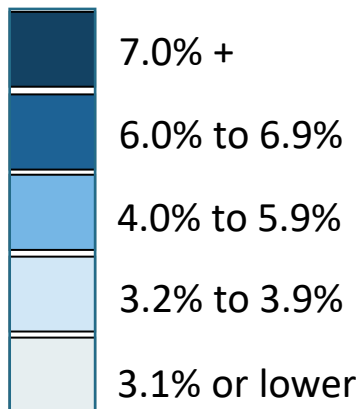


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Utah Unemployment Rates By County

July 2020

State Rate = 4.5%

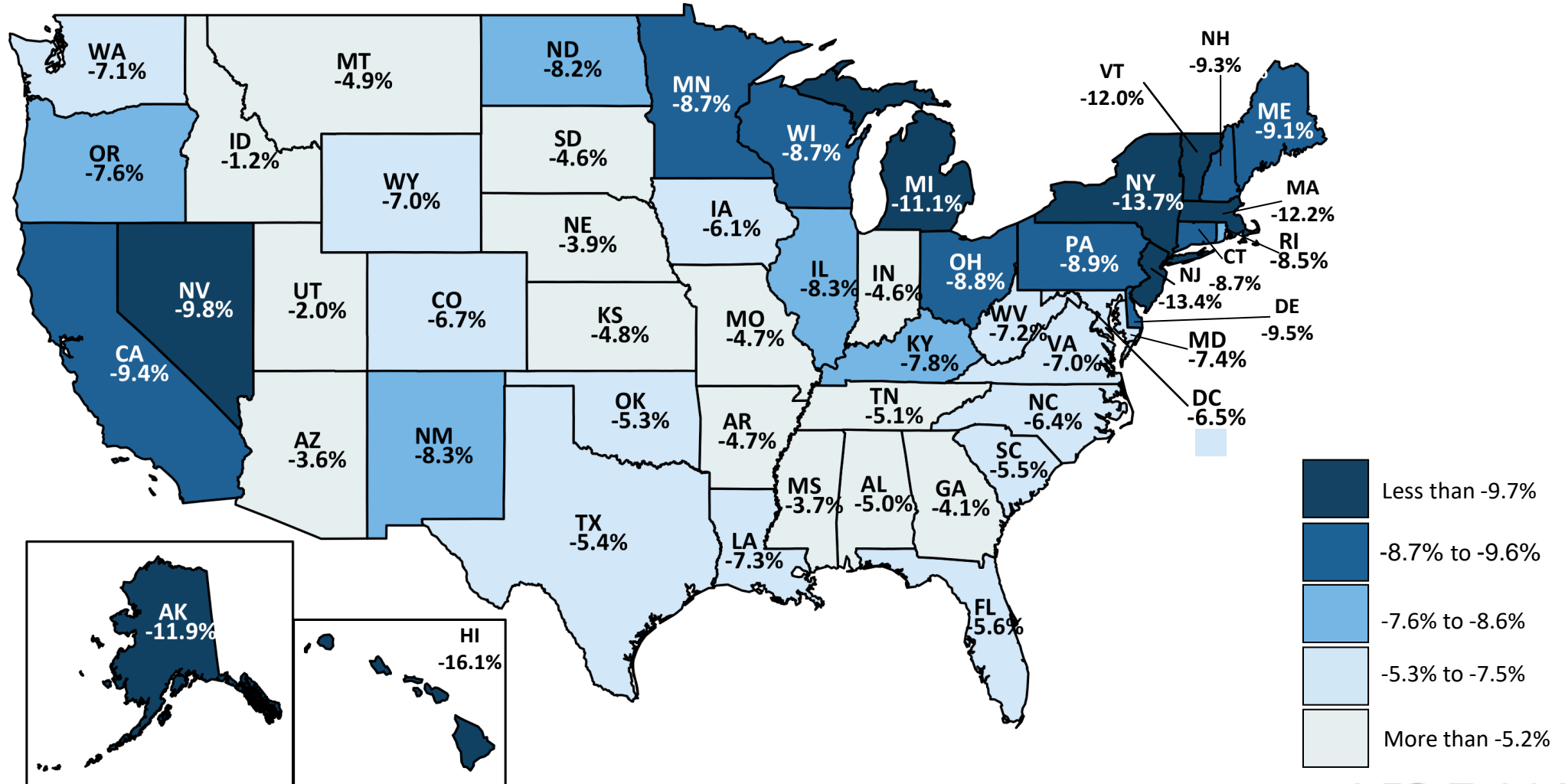


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Utah Job Loss 2nd Lowest in the Nation

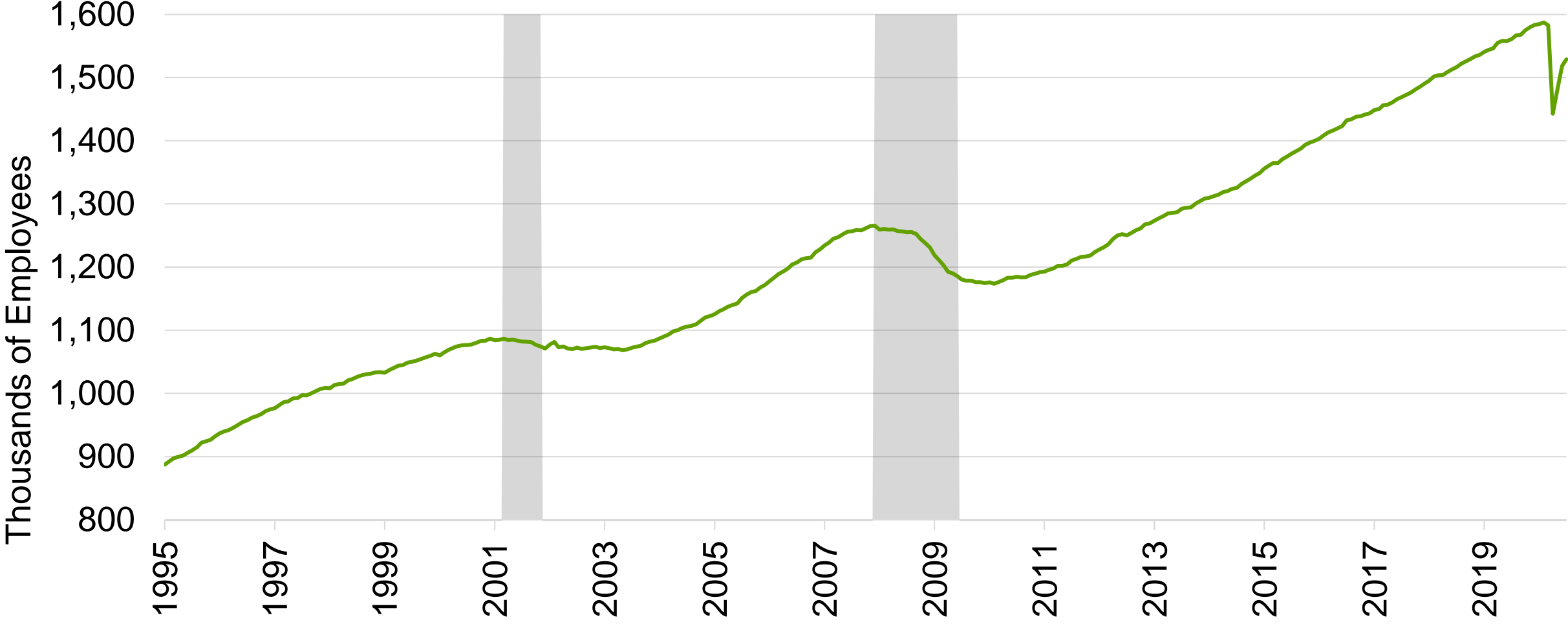
Percent Change in Employment for States: July 2019 to July 2020

U.S. Rate = -7.5% UT Rate = -2.0%



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Utah Employment Continues to Recover

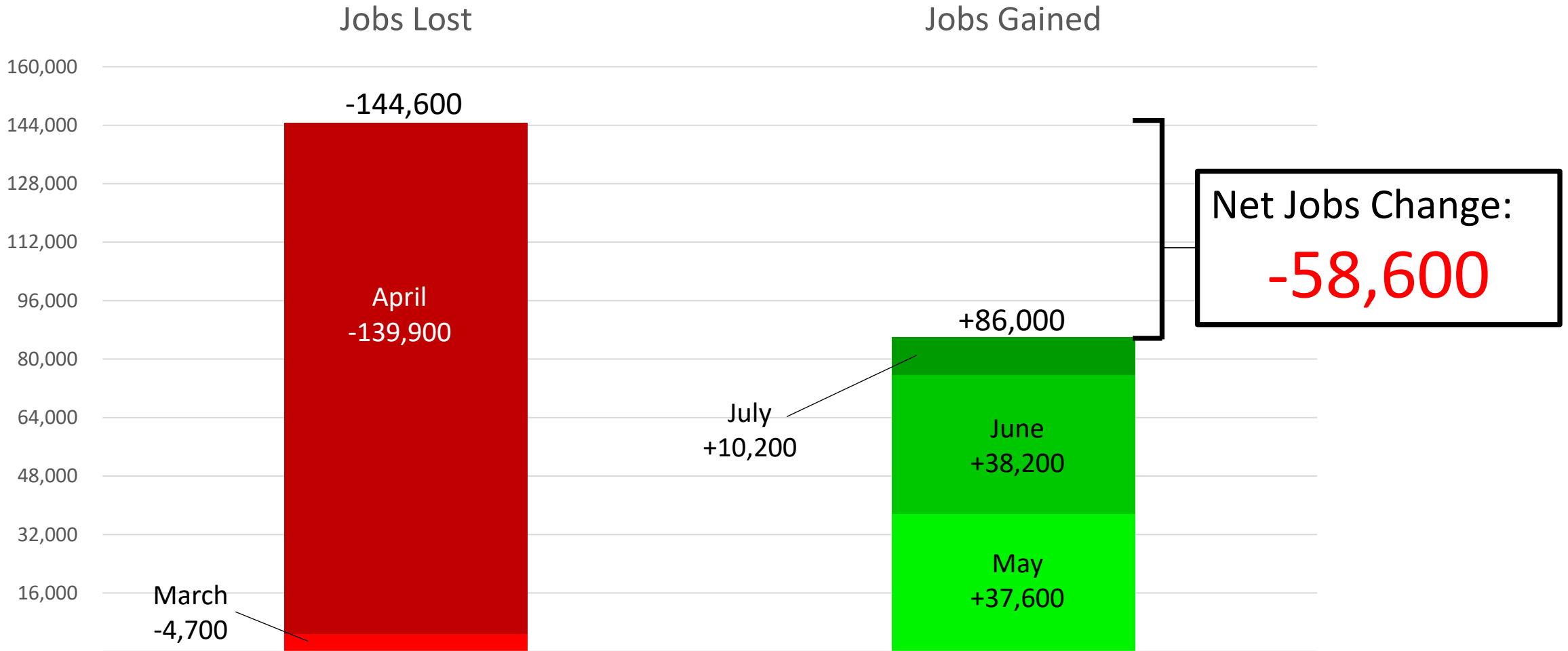


— Total Nonfarm Employment

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Source: U.S. Bureau of Labor Statistics
Note: Numbers rounded to nearest thousand

Utah Jobs Lost Still Outnumber Jobs Gained by 59k

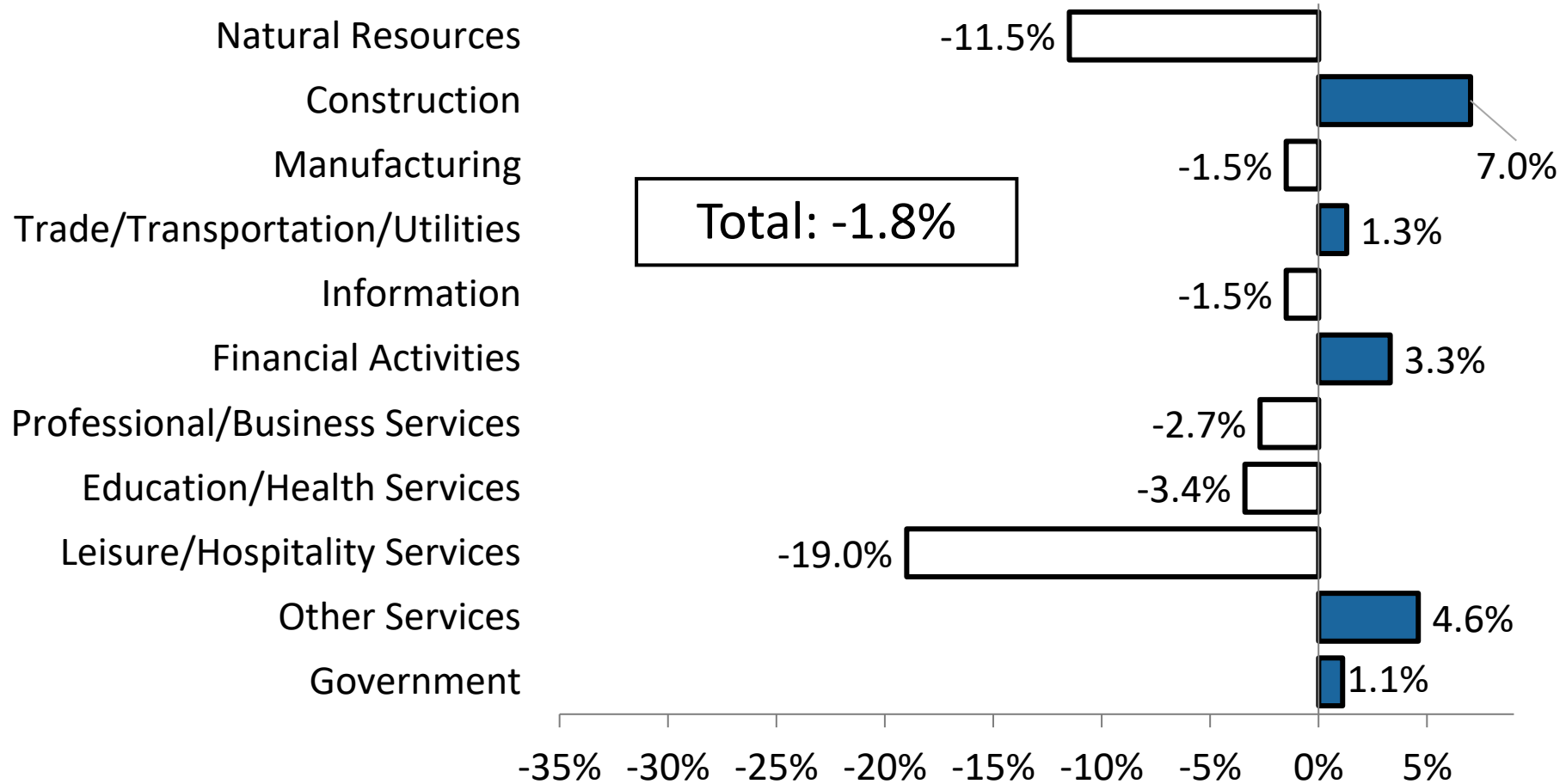


Source: Bureau of Labor Statistics

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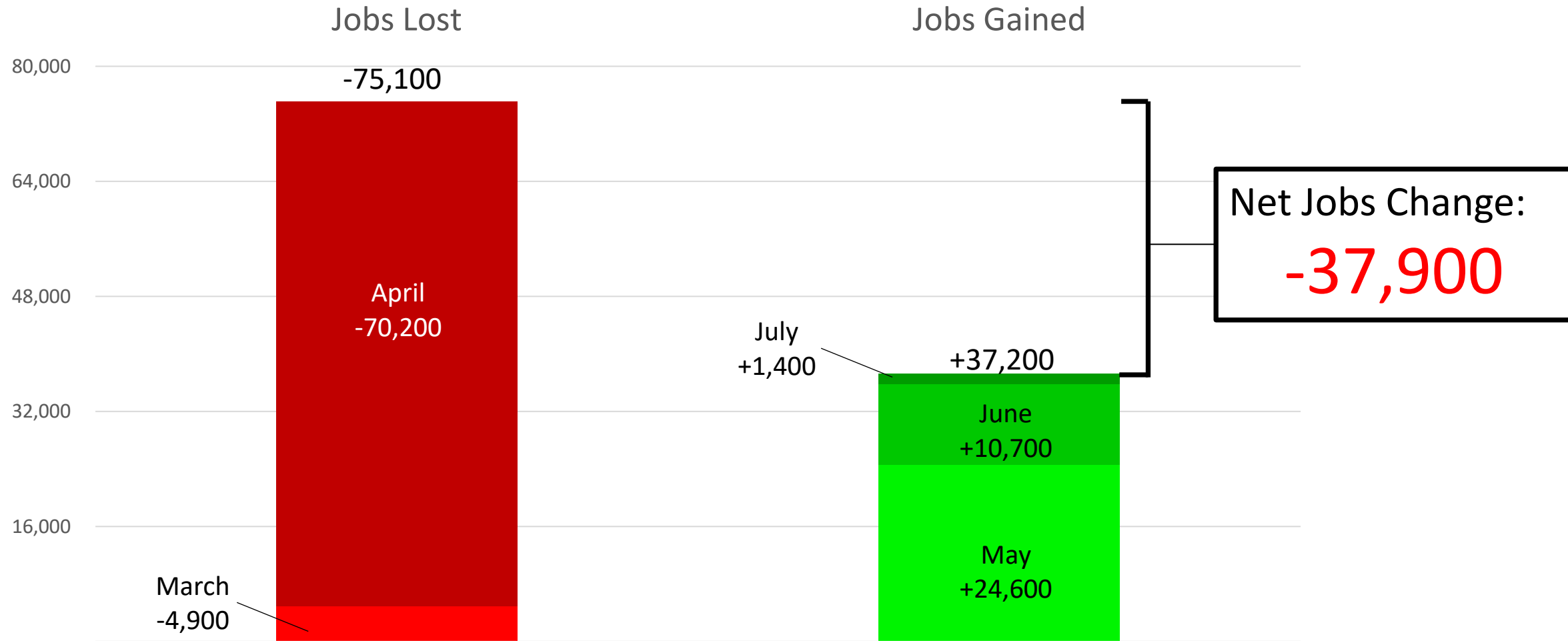
Most Utah Industries Below 2019 Levels

Percent Change in Utah Employment by Industry: July 2019 to July 2020



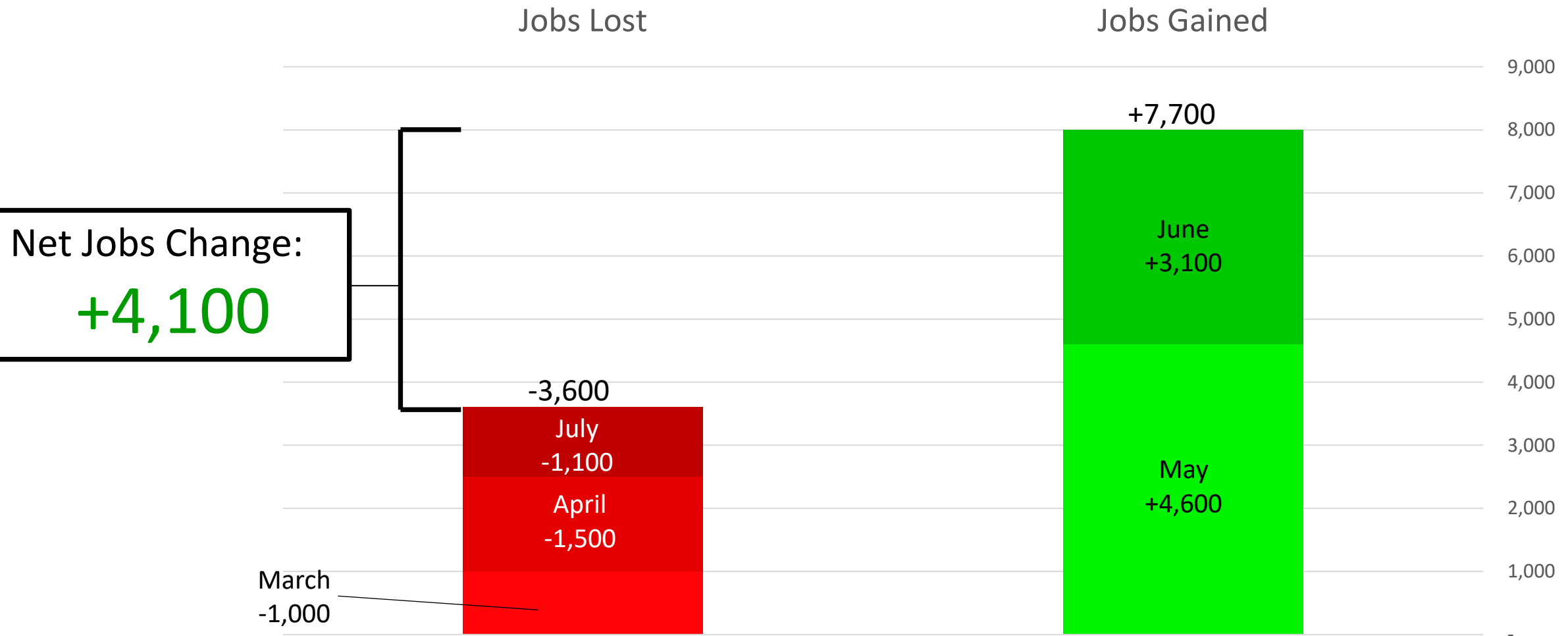
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Utah Leisure and Hospitality Still Down 38k Jobs



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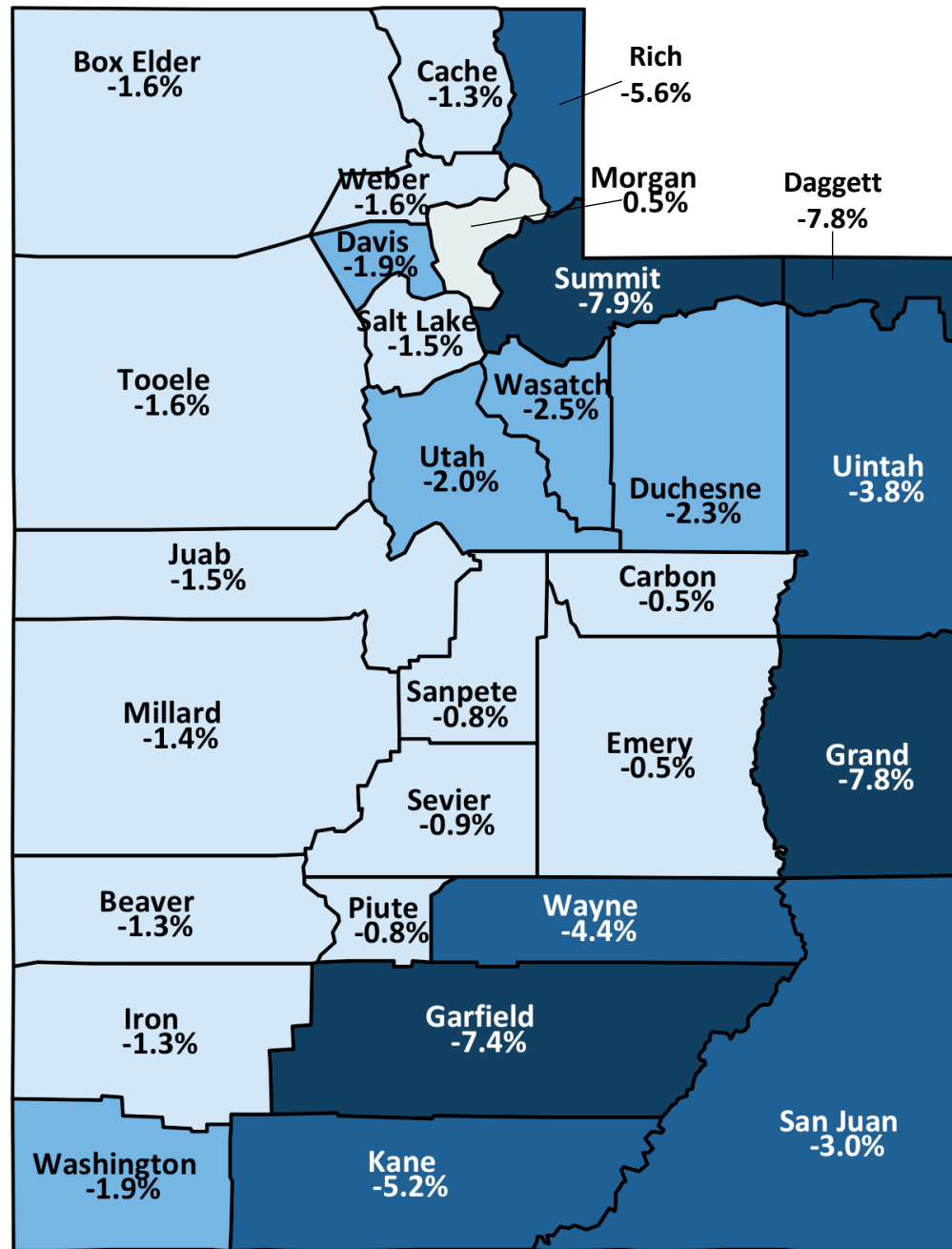
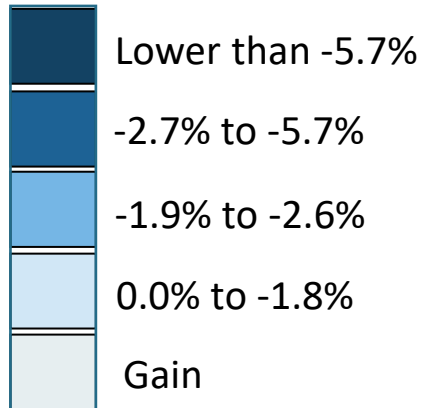
Utah Construction Industry Has Gained Jobs During Crisis



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Utah Employment Change Rates By County July 2019 to July 2020

State Rate = -1.8%



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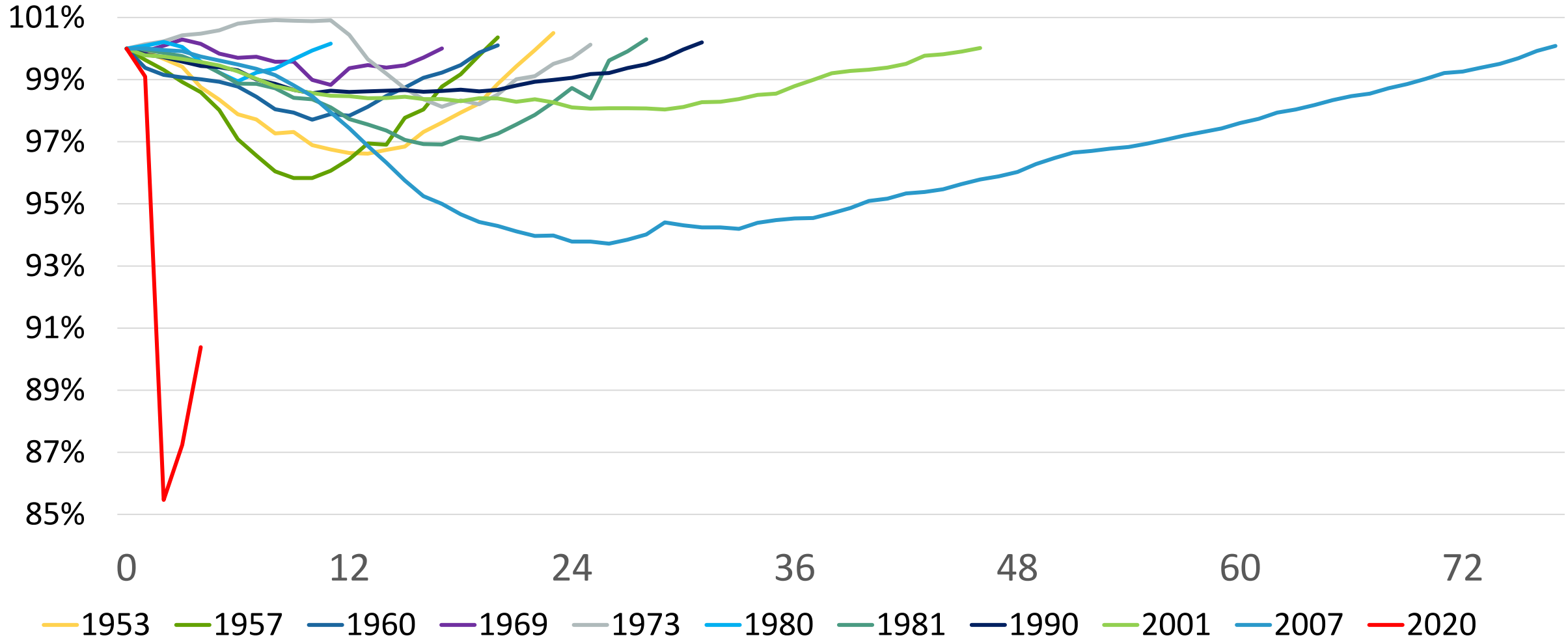
What's Next?

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When Will the Economy Recover?

Number of Months to Reach the Previous Employment Peak After Recessions



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What's Next?

- The contraction was dramatic and swift, and the recovery will be difficult and long
- Economic growth will be constrained through 2020 and 2021, especially in sectors particularly impacted by the pandemic
- Continued federal and state support is essential
- Improving the economy will be driven by the ability to treat the virus, to improve consumer confidence and mend broken supply chains
- Regional and U.S. economies are fundamentally sound and will recover, but will look different than the pre-virus world

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WE HAVEN'T FORGOTTEN
WHO KEEPS US IN BUSINESS®

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