**Information on Moving due to COVID-19 and Foreclosures**

* Foreclosure Facts
  + 1 out of every 200 homes will be foreclosed upon
  + Every 3 months, 250,000 new families will enter into foreclosure.
  + Due to government regulations enacted due to COVID-19 foreclosures are banned until December 31st, 2020.
* How does foreclosure affect the emotional state of those affected?
  + Of a poll of 1334 Homeowners they felt:
    - 38% (506): Scared
    - 35% (466): Depressed
    - 9% (120): Angry
    - 8% (106): Embarrassed
* How does a foreclosure affect the lender and/or investor?
  + Most lenders will see losses of between 20 to 60 cents on the dollar.
  + The average loss on a foreclosure is $50,000.
* How much does a foreclosure cost a homeowner?
  + On average a homeowner will lose $7,000 during a foreclosure
  + This amount comes from two sources
    - The homeowner will need to move and thus will spend money on moving costs.
    - The homeowner will forfeit all equity they have in their home.
* How much does a foreclosure cost a community?
  + Neighbors on average lose $1,508 due to the decrease in property values brought on by a foreclosure.
  + Local governments lose on average $19,227 through diminished taxes and fees and the shrinking of their tax base as home prices decrease
* How many people moved due to COVID-19?
  + Millions of Americans have moved in 2020 due to COVID-19
  + A majority of these are young adults moving due to the following reasons
    - College dorms closing due to the pandemic
    - Fear for their safety
    - Being unable to afford their housing due to loss of work due to epidemic
* What will happen when the foreclosure Moratorium ends on December 31st, 2020?
  + Most likely to see a large wave of Americans moving as evictions and foreclosures are allowed to proceed again.
  + Possible to see a housing market crash as land lords struggle to find tenants and are unable to continue making payments on mortgages.
  + Once travel restrictions end most likely to see increase in moving between states and countries.
* How will the global epidemic affect the moving industry?
  + Projections from Goldman Sachs & Bloomberg estimate the industry as a whole will lose between $1.5 and $2.5 billion in revenue. (Between 12.2% and 19.9% of all revenue)
  + Closures of 880 to 1400 companies ( 12.7% to 20.7% of all moving companies)
  + A loss of 11,500 to 18,900 jobs (9.4% to 15.5% of current workforce)
  + Payroll reduction between $300 to $490 million (8.3% to 13.6% of industry payroll)
  + Overall the industry may see a drop of 6 to 9 percent in demand
* What does this last point mean?
  + If the world is expected to see a global recession due to the pandemic this may be a golden opportunity for the moving industry as a whole to look into methods to optimize their operations. Due to the decreased demand and revenue optimizing how they load and transport goods could help them stay afloat and they could scale this into increasing revenue as the industry begins to recover.

**References**

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