

I am writing this update on May 1st. Normally I wouldn't include the exact date, but since we are dealing with such rapidly evolving current events, things may change by the time you receive this in 10 to 15 days. Of course, if there are any major updates with Hughes Capital in that time, we will get that news to you over email and in our blog. So far, [since the initial articles we sent at the start of this](#), we have stuck to our regular monthly updates because there were no major changes.

Hughes Capital Team Adapts to Remote Work

The good news is we haven't been materially affected as a business. Hughes Private Capital started working remotely about a month ago. Yes, that added some stress and extra work to switch over and maintain our current standard of work and efficiency, but our team didn't miss a beat. **Plus, we have all learned a few new tricks, a major one being how to make video conferencing work** — and that is the only day-to-day change since we can't currently meet face-to-face around the office's water cooler.

Rental Portfolio is Stable

As for the portfolio of rental properties, we can say the same that we did last month — **any impact we're feeling now is mild and temporary.** However, since this is being written on May 1st, I can't report on May's rents just yet. I can say that we've collected about 90% of April's rents. **We are expecting some softening on collecting rents for the next 30 to 90 days.** This seems inevitable as people struggle with the constricted economy, but it is impossible to say exactly how much until the situation is more stable. One positive sign is that the three main states where our properties

are located — Ohio, Missouri, and Alabama — were among the first to open back up and relieve some of the quarantine requirements. **This means that soon people can get back to work, which will help our families pay their rent.**

If we do experience a reduction of rent collected, we expect it to be a temporary challenge that we can quickly bounce back from. For example, most of our geographical locations still have a moratorium on evictions that will last a little while longer. As those are lifted, we will start working through this as we always have. Until things ramp back up to 100%, that will be a slower process, but we don't foresee any long-term ramifications.

\$4.5 Million in Homes Purchased in April

As for the purchasing of new homes, we have continued our trend of having another strong month in April with \$4.5 million in new homes purchased. **We are anticipating the same volume in May.**

We're Proud of the Hughes Capital Team

I have to brag a little about our team. As an investor, I think you'd be delighted at how well they have performed throughout all the chaos. They have worked through the inconveniences and obstacles put in front of them and continue to make sure all of our tenants are taken care of. **I am very proud of how they have excelled.**

Until next time,



Steve Sixberry



Greg Hughes