



# Fixing the Broken Housing Market in Los Angeles County



The housing market in Los Angeles County—like other California communities—is broken. Wages are not keeping pace with housing costs, and the variety of affordable home choices is small.

As a result, key contributors to our local economy cannot even afford to rent homes. In 2006, a Los Angeles County resident needed an income of \$50,760 to afford a two-bedroom apartment—significantly more than social workers, preschool teachers, and mail carriers earned on average.

Homeownership is even further out of reach. Median household income in the county is \$56,200. However, a first-time buyer must earn \$141,340 to afford the median-priced home (\$494,690).

**Income needed to buy the county median-priced home = \$141,340**  
**Los Angeles County household median income = \$56,200**

The gap between wages and the cost of homes in Los Angeles County highlights the need for wider variety in the housing market. Today's housing market is the equivalent of a supermarket that sells filet mignon and caviar, but no hamburger or macaroni and cheese. Californians need the market to provide a full range of housing choices for people at all income levels.

One proven solution? State investment that spurs the private market to build that range of affordable homes.



## LOS ANGELES COUNTY RESIDENTS WHO BENEFIT FROM STATE INVESTMENT IN AFFORDABLE HOMES

### VERY-LOW-INCOME EARNERS\*

Tax preparers	\$33,301
Preschool teachers	\$25,775
Bank tellers	\$23,905
Receptionists	\$23,659
Personal care aides	\$18,821

\*50% of median income

### LOW-INCOME EARNERS\*\*

Elementary school teachers	\$51,425
Social workers	\$49,423
Mail carriers	\$49,138
Emergency dispatchers	\$45,770
Family therapists	\$44,054

\*\*80% of median income

