

Out of Reach in 2016

Renters' Housing Wage

The average rent for an apartment in Los Angeles County is about **\$ 1,728 per month**.¹ In order for housing to be considered affordable, a family should not spend more than 30% of its income on rent. Thus, a working family needs to earn nearly **\$33 per hour** – or **\$ 69,120 per year** – to afford the average rent in Los Angeles.

At **\$10.50²** per hour, one minimum wage worker supporting a family would have to work **127 hours per week** to afford the average 2-bedroom, 1-bathroom rent. With an annual median renter household income of **\$39,081**,³ families in the region are unable to afford current rental pricing and are doubling up or becoming homeless.

Rents and homeownership are out of reach for:³

Reporters	\$46,896/year
Food Service Managers	\$50,759/year
Postal Service Mail Carriers	\$55,094/year
Firefighters	\$57,023/year
Legal Secretaries	\$57,296/year
Security Guards	\$58,153/year
Graphic Designers	\$58,303/year
Clergy	\$58,607/year
Pipelayers	\$59,921/year
Electricians	\$60,519/year
Sheet Metal Workers	\$62,333/year
Insurance Sales Agents	\$63,477/year
Kindergarten Teachers	\$63,556/year
Paralegals and Legal Assistants	\$66,263/year
Fundraisers	\$66,800/year
Funeral Service Managers	\$66,790/year
Photographers	\$67,084/year

¹ Real Facts Rental Trends Los Angeles County

³ American Fact Finder, 2010-2014 American Community Survey 5-Year Estimates

³ California Employment Development Department, 2015 – 1st quarter Occupational and Wage Estimates for Los Angeles – Long Beach – Glendale MSA

⁴ Core Logic, SoCal Home Sale Activity by City – April 2016

⁵ Core Logic, SoCal Home Sale Activity by City – April 2016

⁶ Assumes PMI is 1.0% of loan amount, taxes are 1.25% of sale price, insurance is .25% of loan amount and interest rate is 4.25%. Source: Neighborhood Housing Services.

⁷ California Employment Development Department, 2015 – 1st quarter Occupational and Wage Estimates for Los Angeles – Long Beach – Glendale MSA

Los Angeles County Housing Wage:

Renters in Los Angeles County

\$ 33/hour

\$ 69,120/year

Homebuyers in Los Angeles County

\$ 62/hour

\$ 128,443/year

Homebuyers' Housing Wage

Home prices in several traditionally working-class cities in Los Angeles County have risen dramatically in the past year. Home prices have increased by 13% in La Verne, 20% in Huntington Park, 13% in Gardena, 25% in Lynwood and 14% in Compton.⁴

In April 2016, the median-priced single family home in Los Angeles County sold for the approximately **\$520,000**⁵ The monthly mortgage payment required to buy the median-priced Los Angeles home is **\$3,532 per month**.⁶ A family would need to earn **\$128,443 per year** to support this mortgage, assuming they spend no more than 33% of the family's income on housing.

Homeownership is out of reach for:⁷

Financial Analysts	\$98,679/year
Biochemists	\$103,090/year
Optometrists	\$110,573/year
Economists	\$111,354/year
Commercial Pilots	\$111,723/year
Electrical Engineers	\$112,540/year
Physicists	\$113,382/year
Nurse Practitioners	\$116,911/year
Software Developers	\$122,376/year
Aerospace Engineers	\$124,637/year
Law Professors	\$127,152/year
Human Resource Managers	\$126,766/year

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