Transforming Homeowners into Landlords: A Survey of Homeowners with Accessory Dwelling Units in Los Angeles

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To address the state's housing shortage, California legislators adopted laws in 2016 to ease regulations on and encourage the construction of accessory dwelling units (ADUs)—small, secondary housing units on lots zoned for single-family homes. In the two years following the change in state law, the City of Los Angeles permitted over 6,000 ADUs, almost ten times what was permitted in the decade prior. In fact, ADUs represented half of all housing units permitted in the City of LA in 2018. However, because we do not know how homeowners use ADUs, and anecdotal evidence suggests they may often be used as an office, guest room or short-term rental, we do not know how the increase in ADUs will contribute to low-cost, long-term rental housing.

This paper examines what effect the legislative change has on rental housing in Los Angeles by examining how homeowners in the city use or plan to use their ADUs. I survey homeowners who received a permit for an ADU between 2013 and 2018 to determine how many use their property as a long-term housing unit or rental unit rather than as a short-term rental or for another purpose entirely. I analyze these results in relation to individual demographic factors from the survey as well as to neighborhood characteristics from the American Community Survey (ACS). This paper provides researchers a better understanding of the role that ADUs play in the rental market and what drivers motivate homeowners to turn their homes into shared spaces.

Keywords: Accessory Dwelling Units, rental housing, short-term rentals, long-term housing

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I. Introduction

Demand for housing in cities like Los Angeles has vastly outpaced production. According to a May 2019 California Housing Partnership report, the County needs another half million affordable housing units to meet current demand (California Housing Partnership, 2019). For renters to afford the median monthly asking rent of $2,471, they need to earn almost $50 per hour—three times higher than the median hourly wage.

Accessory dwelling units (ADUs), or second units on single-family zoned properties, offer a potential solution to this challenge. In low-density residential neighborhoods, ADUs could potentially double a parcel’s housing capacity and significantly increase the total number of housing units in the area. In Los Angeles, around a half million parcels zoned for single-family housing account for approximately 70% of the city’s residential land (Manville et al., 2020), suggesting ADUs have the potential to significantly increase the number of housing units across the city. And ADUs could do all this without seriously modifying a neighborhood’s built environment in the way that multi-residential apartments buildings would, thus limiting the potential homeowner opposition that multiunit developments projects receive (Monkkonen & Manville, 2019).

California legislators passed new laws, effective 2017, to relax regulations around accessory dwelling unit (ADU) construction and enable homeowners to more easily permit new units on their property. The goal, in part, was to increase the availability of affordable rental housing across the state, and particularly in cities suffering from a serious housing shortfall.

ADUs can increase in low-cost housing in two ways: directly and indirectly. Homeowners can offer ADUs as low-cost rental units directly. Proponents of ADUs argue that ADUs are low-cost housing (Brinig & Garnett, 2013; Davis, 2018). Given that ADUs tend to be built in neighborhoods with high rates of single-family housing, ADUs are more affordable than the single-family homes in the neighborhood. However, some research suggests that ADUs do not significantly differ in price from other rental units in a neighborhood after controlling for the homeowner's relationship to the tenant and the size of ADUs relative to other rental housing (Brinig & Garnett, 2013; Ramsey-Musolf, 2018; Wegmann & Chapple, 2012).

Indirectly, ADUs lower costs by increasing the number of housing units on the market. By increasing housing supply, housing prices should stabilize and become more affordable. However, ADUs differ from other rental units in two important ways. First, not all homeowners wish to use their ADU as a rental unit, so construction does not imply entry into the housing market. In turning their ADU (or main house) into a rental property, homeowners transform into landlords with new obligations to their tenants. And while ADUs have their own entrance, kitchen, and bathroom, homeowners still sacrifice some measure of privacy on their private property. Further, non-monetary factors can motivate homeowners to build an ADU on their property, like a desire for a semi-independent, flexible living space for family, friends, or caregivers.

Second, if monetary reasons motivate a homeowner to build an ADU, then short-term rental housing can offer a more flexible—and potentially a more lucrative—means of capitalizing on the property investment. Los Angeles recently implemented restrictions on using newly constructed ADUs as short-term rental properties; however, the effectiveness of these measures is yet to be determined.

This research investigates the promise of ADUs as low-cost housing through a survey of homeowners who pulled a permit to build an ADU in the City of Los Angeles between 2013 and 2019. Of the 6,500 homeowners with a permit, close to 5% completed the survey. Participants responded to a range of questions about ADU use, construction and financing, as well as several socioeconomic questions. I combine responses to questions about usage with responses to socioeconomic questions to understand what characteristics are associated with use as a long-term residential unit rather than a short-term rental or a non-residential property. Further, I examine the rents homeowners charge to understand how ADUs compare to other rental properties in the same neighborhood after accounting for size and relationship to the tenant.

The recent increase in ADU permits following the 2017 regulatory changes will not result in a large wave of new low-cost, long-term housing sufficient to meet the demand for housing in Los Angeles. Results of the survey suggest that the recent surge in ADU permits will marginally add to the supply of low-cost, long-term housing in Los Angeles. ADUs are a unique form of housing, as they are not always used as a separate housing unit. While homeowners are incentivized to build an ADU for a variety of reasons, they are primarily driven to share their private space by economic need or a familial relationship. Not all homeowners are willing to share their private space with a stranger, and high-income homeowners are more likely to use the ADU as an office or guest room rather than as a residence of any kind. This suggests that in Los Angeles, where a third of all single-family parcels are in block groups with a median income of more than $100,000, the surge in ADU permits will not necessarily translate into a similar number of new housing units.

II. Background

ADUs are not a new type of housing in California or Los Angeles; nor is the 2017 legislation to ease regulations around the permitting process the first attempt by California's legislators to make constructing ADUs easier. Most recently, Assembly Bill 1866 in 2003 attempted to promote the construction of ADUs by recommending that local agencies pass ordinances with regulations that were "not so arbitrary, excessive, or burdensome so as to unreasonably restrict the ability of homeowners to create second units in zones in which they are authorized by local ordinance." While many permits for second units following the 2003 bill did mention the legislation, the bill was not successful in getting local agencies to make serious changes to their practices regarding ADU regulations (Antoninetti, 2008).

The changes made in 2017 were far more thorough, as they made any local regulations that conflicted with the new rules null and void. There are some restrictions on homeowners still in place, particularly around the size of the ADU and lot, parking regulations, and restrictions on where ADUs can be built. But broadly, the legislation was effective in moving the permitting process from a conditional-use process to a by-right process, significantly reducing the number of city-specific or neighborhood-specific restrictions a homeowner needs to negotiate in order to receive a permit to build an ADU. As long as the homeowner meets the basic regulations and standards set by the new laws, they can take out a permit to build an ADU without any additional negotiation. In Los Angeles most notably, there was a 1000 percent increase in the number of ADUs permitted between 2016 and 2017, as seen in Figure 1.

<<Figure 1>>

III. Literature Review: Resident Landlords and ADUs

The growing body of literature on ADUs focuses primarily on four aspects: the informal construction of ADUs (Gellen, 1985; Kinsella, 2017; Mukhija, 2014); local resistance to ADUs, particularly through legislation (Anacker & Niedt, 2019; Liebig et al., 2006; Pfeiffer, 2015); the importance of ADUs given a shift in household demographics and for an aging population (Antoninetti, 2008; Infranca, 2014, 2016; Liebig et al., 2006); and the importance of ADUs as a form of infill development to densify low-density, single-family neighborhoods (Infranca, 2014;

Wegmann & Nemirow, 2011) while providing low-cost rental housing (Brown & Palmeri, 2014; Chapple et al., 2011; Ramsey-Musolf, 2018; Rudel, 1984).

Of interest here is the issue of ADUs as a source of low-cost housing. In addition to examining the ADU literature on the drivers of ADU construction and the rental costs relative to the general rental market, I examine theories on the hurdles people face in sharing private space. Despite policymakers' claims that easing regulations on ADUs will increase the availability of affordable housing, the literature is murky on how useful ADUs will be in filling in the affordable housing gap.

The Drivers of ADU Construction

Researchers generally attribute the construction of ADUs to either 1) the need for additional housing capacity in the face of demographic change (Gellen, 1985; Hare, 1989) or 2) a desire for additional income by single-family homeowners (Ruud & Nordvik, 1999; Rudel, 1984). The two drivers suggest homeowners have different uses for their ADUs:

1) Demographic change:

Single-family housing is modeled on the concept of the traditional family: a nuclear family with two parents and children (Gellen, 1985; Oliveri, 2016). However, the traditional family is a dated concept. Since 1960, the average household size has declined from 3.3 people to 2.5 people, and more adults are living alone (US Census Bureau, 2016). Further, homeowners are an aging population, with more householders over 65 than under 30 and approximately 14 million adults over 65 living alone. The demographic change suggests a need for housing types like ADUs, as they are better suited to these smaller households (Infranca, 2014, 2016). ADUs are smaller than the typical single-family home, but they provide individuals with a semi-independent living space. This is ideally suited for homeowners who wish to live near family, friends, or caregivers but do not want to sacrifice privacy in their kitchen, bathroom, or living space.

Homeowners driven by demographic change are more likely to use their ADU for non-monetary purposes. In surveys of homeowners with ADUs in the San Francisco Bay area (Wegmann & Chapple, 2012), Portland (Brown & Palmeri, 2014; Gebhardt, Gilden, Kidron, Liberty, et al., 2018), and Beverly Hills (City of Beverly Hills, 2014), at least a quarter of secondary units house family members, friends, or caregivers. These tenants lived in the property rent free or at a reduced rent (below market-value for the property).

2) Income:

Since the 1970s, economic growth in the United States has slowed and for households in lower- and middle-income brackets, income growth slowed significantly (Stone et al., 2020). Simultaneously, housing prices have risen, and in the Los Angeles-Long Beach-Anaheim metro region, over 40 percent of all households are cost-burdened, spending over 30% of their income on housing costs. For homeowners struggling financially, an ADU provides an opportunity to supplement their income with rental income. Income is a strong incentive. Ruud & Nordvik (1999) find that people are more likely to rent out space in their house for financial reasons than simply because they have extra space. Rudel (1984) finds that accessory apartments are more common in homes with a lower than average income and a smaller than average household. And according to housing theory high rental prices should incentivize homeowners to rent out that space.

For homeowners driven by economic need, ADUs function as either a long-term rental (of over a one-month stay) or a short-term rental (of less than a one-month stay). The Southern California Association of Governments estimates Los Angeles currently needs over 320,000 housing units, and it will another 130,000 units in the next fifteen years. But for homeowners, using their space as a short-term rental presents an appealing and flexible alternative to long-term rentals. Short-term rentals, as propagated through platforms like Airbnb and VRBO, have surged in popularity in the past ten years. However, units used as short-term rentals do not meet the demand for long-term housing; these units function instead as hotel rooms (Lee, 2016). A recent survey in Portland found that 32 percent of ADUs were being used as a short-term (less than 1-month occupancy) rental (Gebhardt et al, 2018). Because short-term renting offers a flexibility of use and could potentially bring in more income, this could be an attractive option for homeowners in Los Angeles. However, the Los Angeles City Council passed the Home Sharing Ordinance (CF 14-1635-S2), effective as of 2019, to limit homeowners from using ADUs built after 2017 primarily as short-term rentals.

These drivers are not contradictory. For instance, advocates of ADUs for aging in place suggest that both changing demographics and a need for income drive elderly adults living on a fixed income to construct an ADU (Cobb & Dvorak, 2000); elderly homeowners can live in the new unit sized for an individual or couple rather than a family, and rent out their primary residence.

Not all uses stem specifically from demographic change or economic need. Some homeowners use their ADU as a flexible space, like a home office and guest bedroom. Pfeiffer (2015) finds that in high-income communities trying to preserve their single-family home identity, homeowners are less likely to use their ADU as long-term housing and more frequently refer to the unit as a guesthouse. Wegmann and Chapple (2012) found in the survey of homeowners in the East Bay that a majority of the secondary units were used as long term housing. Though the demographic differences between homeowners with secondary units and those without were slight, their survey did suggest that households with secondary units are more likely to be smaller, have lower incomes, and have fewer white adults.

Sharing Private Space

The drivers of ADU construction suggest a willingness amongst homeowners to share their private home or backyard with family members, friends, or strangers. However, this assumption should be questioned—particularly as it regards strangers. Though these units have a separate entrance, kitchen, bathroom, and living space, they still share some space with the primary unit, including the yard or garden. Research suggests that privacy concerns inhibit construction of ADUs (Liebig et al., 2006).

The rise of homeownership is tied to a rise of privatism, or a withdrawal from public sphere of work into the private sphere of the family (Ronald, 2008). The division between the public sphere and the private sphere[1] was an essential part of establishing a cultural identity for the middle-class in the nineteenth century (Davidoff & Hall, 1987; Ronald, 2008). By the 1950s, suburban and urban single-family detached homes were accessible to a larger share of the population. Designed for an idealized model of the nuclear family, single family homes provided more homeowners access to a new level of privacy, including private parks (a.k.a. backyards) and swimming pools for themselves and their children. Homeownership is more than an investment or status symbol; a person's political and social identity are rooted in a person's position as a homeowner (McCormack, 2014). Sacrificing the privacy, control, and security that homeownership affords potentially challenge that identity.

[1] Scholarship on the public and private spheres is indelibly linked to discussions of gender relations and gender equity, as the private sphere symbolized the domestic sphere to which women and women's work were relegated; the public sphere symbolized men's work and space. Feminist scholars have rightfully critiqued this distinction over the past fifty years (see Kerber, 1988).

The theories of separate spheres and hostile worlds focus on the how the division between public and private activities translate into economic relationships. These theories suggest that mixing economic and intimate spheres is taboo (Bandelj et al., 2015), and that people will purposely avoid any economic activity that combines the two unless absolutely necessary. Thus, renting out an ADU located in an intimate space—like in the backyard of or attached to a home—would be taboo. But recent scholarship shows that the relationship between economics and intimacy is complex, and people combine economic and private relationships frequently (Zelizer, 2007). An alternative theory suggests that intimate relationships are fully explainable through economic, and that mixing intimate relationship and economics is nothing but another form of market activity (Bandelj et al., 2015; Zelizer, 2007). In the 'nothing but' perspective, homeownership is nothing but a market relationship, so homeowners should feel no reluctance to use their home as a rental. Zelizer (2007) argues that both theories are overly simplistic. She proposes the "connected lives" framework, which assumes that intimate relationships mix with economic relationships in myriad and complex ways, and research conducted through this framework examines when and where intimacy and economics co-exist. More research is needed to understand the complexities of economic and intimate relationships.

ADUs as Low-Cost Housing

Data on the affordability of ADUs on the rental market is still limited, despite frequent assertions in both the literature on ADUs and current legislation that ADUs are a form of low-cost housing (Rudel, 1984; Chapple et al, 2011). The claim that ADUs are a form of low-cost housing is pervasive. Senate Bill 1069 explicitly lists ADUs as a form of low-cost housing, declaring that "accessory dwelling units offer lower cost housing to meet the needs of existing and future residents within existing neighborhoods, while respecting architectural character" (S.B. 1069).

The literature suggests ADUs are a low-cost alternative to the average rental unit for four reasons:

1) Tenant-landlord relationship

ADUs housing family and friends of the landlord are rented at prices lower than similar rental units in the area. Surveys from Beverly Hills (City of Beverly Hills, 2014) and Portland (Gebhardt, Gilden, Kidron, Libery, et al., 2018) suggest friends and family frequently live in ADUs at a low or no cost. In Portland, over a third of homeowners said they used the ADU to house family or friends in the past. In Beverly Hills, nearly half of the occupied units housed someone related to the primary homeowner. Ruud and Nordvik (1999) found that landlords are more likely to charge family and friends 14 percent less on average than non-related tenants.

2) Resident landlords

Resident landlords, or landlords who live at the same property as their tenants, are less likely to be driven purely by financial motivations (Harris & Kinsella, 2017; Patterson & Harris, 2017) (Harris and Kinsella). Resident landlords are more likely to allow tenants to provide non-monetary services, like baby-sitting or household maintenance, and reduce the rental price than absentee landlords (Brinig & Garnett, 2013; Harris & Kinsella, 2017; Patterson & Harris, 2017; Wegmann & Chapple, 2012). However, the relationship between resident landlords and low rents is complicated by the fact that resident landlords are also more likely to house family and friends (at a reduced price) than absentee landlords.

3) Average ADU Size

ADUs are smaller on average than other rental units. Not only does the small size reduce the cost of construction (Talen, 2013), it leads to lower rental rates than large rental units. Wegmann and Chapple's (2012) study found secondary units in the East Bay to be cheaper than the average rental unit in the area, except when factoring in the price per square foot. Because the units are on average 20 percent smaller than other types of housing, they offer a more affordable housing package than other rental housing.

4) Permit status:

Many studies focus predominantly on unpermitted accessory units rather than permitted units. As noted by Brown & Palmeri (2014) and Ramsey-Musolf (2018), whether or not a unit has a permit could make a difference in how much rent is charged. A survey of homeowners with permitted ADUs in Portland suggests these units have higher rents than comparable multi-family units (Brown & Palmeri, 2014), unlike the survey of mostly unpermitted secondary units in the East Bay, where rents are generally lower. Baer (1986) suggests that the "shadow market" or informal housing market produced more low-cost housing units for renters and owner-occupants in the 1980s than the formal market had. Goodbrand & Hiller's (2018) interviews of renters living in secondary suites in Calgary suggest that the unpermitted nature of these units frequently afford them a flexibility in rent or utilities that they would be less likely to have in other rental housing. The role a permit plays in a unit's rental price remains unclear, however.

The question of affordability remains unclear. Because ADUs are frequently rented at low rates to family and friends and are smaller on average than other rental units, they tend to have lower rents than other units in the neighborhood. And in neighborhoods dominated by single-family homes, duplexes, and small multi-family apartment buildings, ADUs offer an affordable alternative. However, they are not "Affordable Housing"—and not even always low-cost housing. Rudel (1984) finds accessory units in Babylon, NY were typically more expensive than publicly subsidized housing, and inhabitants generally earned more than those in public housing. Ramsey-Musolf (2018) notes that while potential ADUs often get counted as low-income housing in California, in reality, they rarely function that way.

III. Data and Methodology

This study examines how homeowners use ADUs. Specifically, I examine how homeowners with permitted ADUs in the City use or intend to use the additional space, and I compare rental prices to those of nearby rental units. Though there are as many as 50,000 unpermitted units in Los Angeles, as well as a number of units permitted prior to 2013, my study focuses on those homeowners who received permits to construct ADUs between 2013 and 2018. This time period neatly bookends the legislative changes. To gather information about ADU usage, I surveyed over 6,783 homeowners who received a permit to build an ADU during this time period, obtaining 321 valid responses. I compare information from the survey to geographical and statistical information for Los Angeles grouped by the city's Community Plan Area.

Survey Participant Identification

In addition to the recent changes to state-wide legislation, there has been an increased interest in ADUs in Los Angeles, particularly in the past decade. Beginning in 2013, the City of Los Angeles began collecting data on ADU permits. The Los Angeles Department of Building and Safety (LADBS) publishes all building permits through the City's Open Data Portal. These data include basic information about the property and permit, like the permit type, status, and address, and the Assessor Identification Number (AIN) associated with the parcel.

The initial dataset for the 2013 to 2018 time period included over 10,000 entries of potential ADUs. After deduplicating this dataset and removing all entries where permits had not been issued for various reasons or had been revoked, there were just under 7,000 entries. Because ADUs are frequently permitted under a new address instead of the address of the primary residence on the property, I used the AIN to identify the address for the primary residence according to the Assessor and removed the few that did not match or geocode.

Survey Participant Recruitment

I employed a mixed mode approach to survey homeowners with permits for ADUs. This included two pilot surveys using two forms of data collection and a larger study including all housing units. In total, I collected 321 valid survey responses.

Pilot 1: Following the methodology employed by Gebhardt et al. (2018) in a recent survey of homeowners with ADU permits in Portland and Wegmann & Chapple (2012) in a survey of homeowners in the East Bay, I mailed a postcard to the primary address associated with each permit taken out for an ADU. The postcard had a shortened URL and a QR code to direct the homeowner to an online survey, hosted by Qualtrics. To test the strength of the postcard notification method, I piloted this method with a random sample of 500 participants across Los Angeles. I conducted this pilot in March of 2019, and I received 10 attempted responses to the pilot in the following three months, or a 2% response rate.

This is a low response rate, but the quality of the responses was high. Though most of the questions were optional (with a few key exceptions), the participants completed them. There were a few exceptions, like when the participant said that they neither lived in nor had an ADU on the property; this triggered the end of the survey without capturing additional information about why an ADU was permitted for that address.

Pilot 2: Unsatisfied with the low response rate, I began a second approach to data collection. With a small team of undergraduate students from UCLA, I conducted a door-to-door survey between May and July of 2019. After geocoding the ADU data by neighborhood using the Los Angeles Times neighborhood boundaries, I randomly selected ten neighborhoods in Los Angeles for this part of the survey. After identifying the number of permits per neighborhood, I used Excel to randomly assign a number to each neighborhood and pulled the first ten. The neighborhoods were spread across the city, had a range of median income levels, and differing numbers of ADU permits. Together, the ten neighborhoods included 617 houses where the homeowner was issued a permit to build an ADU.

Over six weeks, the survey team knocked on 420 of these houses. We went out two to three weekday evenings per week and Saturday at mid-day. Residents who were home and willing were taken through a variation of the original survey with questions slightly reformulated to suit in-person interviews. We collected phone numbers for those who preferred a telephone interview, and we left flyers at houses where no one answered the door or where a resident was unable to take the survey at that moment or by phone. The team left flyers at 286 houses and conducted interviews with 50 individuals, by phone or in person. Another 18 houses were under construction, 17 were either for sale or lease or otherwise vacant, and 12 were inaccessible to the survey team. A further 29 individuals chose not to participate in the survey and eight units did not fit the profile of a main house with an ADU. This method elicited a much higher response rate than the first pilot had, with 12% of potential participants responding.

While the response rate was much higher than through the postcard method, there was a serious limitation: the quality of the response was not as good. Often, the person who answered the door was not the most knowledgeable about the ADU, the permitting and construction process, or the goals for the unit. There were several occasions where the adult children in the household, aged 18 to 25, responded to the survey, but were unable to provide answers to several important questions.

Population Survey: To encourage a higher response rate, I sent a postcard with instructions to take the survey to 6,488 addresses where permits were taken out with the added incentive of a $5 gift card for a complete response to the survey online. Incentives can bias responses if it leads socioeconomically disadvantaged individuals to participate (Teisl, Roe, & Vayda, 2006). I am less concerned about this problem given the universe is homeowners building ADUs. Nonetheless, I take socioeconomic conditions into account in the analysis to contend with this potential problem. The first round of the postcards elicited 181 responses within the first month, or a 3% response rate. The low response rate is a limitation of this method; but overall, the responses were of fairly high quality, and there were 166 fully completed and 15 partially completed surveys. The second round of postcards elicited 91 responses within a month, 86 of which were fully completed. A total of 264 responses were fully completed and three were mostly completed.

Rental Statistics

Data on current rental prices is variable. I consider three estimates of average listed rental data by neighborhood. Zillow Research provides a neighborhood level estimate of rents based on both current rents pulled from their website and culled from other sources, and then weighted by the housing type in the area. Because this data includes single-family homes in the universe, rents from this estimate are significantly higher than other rental estimates. Though Zillow Research breaks this data down further by number of bedrooms, it does this for just a small portion of the neighborhoods in Los Angeles. Rentcafe publishes rental data by neighborhood in

Los Angeles from the asset management company Yardi Matrix; but Yardi Matrix bases their averages on listed rental prices for units in multifamily buildings. This data is correlated with Zillow data, but one significant difference is that average rent from Zillow Research is on average 24% higher than average rent from Rentcafe by neighborhood. Zumper is the third rental listing site that publishes data at the neighborhood level in Los Angeles. Zumper publishes monthly reports and limits data to units that are available through the website or third-party sites that month.

Neighborhood Data

I use 2018 census block group, tract, and city-wide data from the American Community Survey; I use both the ACS 5-Year Estimates (2014-2018) and the ACS 1-Year Estimates (2018) for comparison with neighborhood and city-wide characteristics.

III. Results

The goal of this research is to determine the extent to which ADUs in Los Angeles will function as low-cost, long-term housing. I address this question by examining the responses to questions about how survey participants use their ADU and how much those using it as a long-term residence charge. Of the 321 responses to the over 6,500 addresses with permitted ADUs, the majority (306 responses) were homeowners living in the main house on the property. An additional 13 responses came from homeowners living in the ADU on the property and 11 responses came from renters of either the ADU or main house. In this paper, I focus on homeowners, the largest response group and the primary target of the survey.

Survey participants skew higher income than the city population. Participants' average annual household income of $146,760 is significantly higher than the median income in the region. As seen in Table 1, the median household income for the City of Los Angeles is $62,474, though for owner-occupied households, the median income is higher at $101,149 (ACS 1-Year Estimates, 2018). For block groups with ADUs in Los Angeles (weighted by the number of ADUs), the mean median household income is $64,653.

Participants also come from slightly higher income neighborhoods than non-participant homeowners with permits. The median household income of block groups with survey takers is $77,615, and the median household income for survey takers is significantly higher and twice the area median income. However, constructing an ADU is expensive: on average, participants spent over $100,000 on their ADU, and that figure includes homeowners who reduced costs by using free labor (their own or someone else's). In order to be able to afford an ADU, a homeowner must have some financial security, suggesting that even in low income neighborhoods, homeowners with ADUs might be higher income than the median.

<<Table 1>>

Participants are much whiter than the population of Los Angeles (27.3%) or even block groups with survey takers (38.3%). Of the homeowners who chose to identify their ethnicity, 64% identify as white or Caucasian, 19% identify as Hispanic, Latino, or of Spanish origin, 14% identify as Asian or Asian American, and 2% identify as Black or African American. Most homeowner participants live with their spouse or domestic partner (68%), but a substantial group are single (21%). Eleven percent are widowed, divorced, or separated. And more participants identify as female (54%) than as male (45%). As just a small sample of a much larger population, it is unclear how closely participants attributes resemble attributes for the larger population of homeowners with permits.

ADU Uses

ADUs present homeowners with several different usage options: they commonly function as a long-term rental unit, a long-term residence for family, friends, or caretakers, a short-term rental unit, a guest room, a business space, and a recreation room. Understanding how the survey participants in Los Angeles use their ADU offers insight into the effect of the recent surge in ADU permitting on housing availability in Los Angeles.

Survey participants responded to questions about how they use the ADU currently, in the past, and what their future plans are for the property. Most homeowners (76%) report they are currently using the ADU as a residence of some kind (see Figure 2). In addition to the 16 homeowners residing in the ADU, another 68 have either a family member (67 participants) or caregiver (1 participant) living in the ADU. There are 122 participants using their ADU as a rental property, of whom 90 currently have a long-term tenant and 13 have a short-term tenant (18 were did not have a tenant at the time of the survey). A much smaller group is using the property as a guest room (38 participants), a business space (17 participants), or in some other way (7 participants). A further 31 participants were still in the process of building their ADU when they completed the survey.

Several participants wrote in their response rather than selecting an option. Three people wrote that they primarily use the ADU as a guest room, but also sometimes have short-term renters stay. These were coded as “Guest Room”, but it suggests that homeowners enjoy the flexibility ADUs offer, switching between several uses. Three participants wrote that they are as yet undecided about what to do with the property.

<<Figure 2>>

I compare how people use the ADU and various self-reported and block group level socioeconomic factors. Those in the highest income bracket are the group most likely to use their ADU for a non-residential purpose: one-third of these participants use their ADU as a guest room or business space (and 80% of homeowners who use their unit for a non-residential purpose have a household income of over $150,000) ($\chi 2(8, N=229) = 24.23$, $p < .005$, Fisher's exact = $p < .005$). Only one very low-income household (with a household income between $30,000 and $45,000) uses their ADU for non-residential purposes (as a guest room). On average, homeowners who use their ADUs for non-residential purposes live in block groups with a higher median household income ($87,192) than homeowners who use their ADUs for a residential purpose ($73,583). Non-residential ADUs are also in block groups with a higher average monthly rent ($1,848) than residential ADUs ($1,651).

Future Uses: Long-Term Residence

In response to question about future uses of the ADU, homeowners selected from a set of seven multiple choice options and they could write in another use under 'other'. Because there were no time limits set on the 'future' in question, 76 participants selected multiple options and a few selected most or all of the available options. As one participant wrote in (after selecting all responses), "Owning property allows me to use my house how ever [sic] I want - that's why I own and don't rent."

Many homeowners plan to use the space as a long-term residence of some kind. A majority of participants, 246 of 301, said that they would use the ADU as their primary residence, a residence for a family member or friend, a residence for a caregiver, and/or a residence for a long-term renter (and 179 do not plan to use it any other way). Figure 3 shows that the most popular response overall was 'long-term rental,' which 56% of the participants selected. Over a third of the participants plan to use the space as a residence for friends or family, and 11% of participants will use it as their primary residence (which was the most popular response for participants already living in the ADU). Relatively few people (6%) plan to use the space for a caregiver.

Several participants wrote in that they are motivated by the housing crisis to use the ADU as a long-term residence. One participant wrote, “There is a housing shortage and we built this unit to contribute to the housing stock not as a short term rental.” Another participant wrote that they feel guilty about using it as a short-term rental rather than as a long-term housing.

Other participants stressed the role of the Home-Sharing Ordinance (limiting use of recently constructed ADUs as short-term rentals) in determining their decision to use the ADU for long-term rentals rather than short-term rentals.

<<Figure 2>>

Future Uses: Short-Term Rental

Using the ADU as a short-term rental is not nearly as popular as using it as a long-term rental; only a fifth of the participants plan to use it that way (whereas over half plan to use it as a long-term rental). And as was made clear from the question about current uses, most homeowners who plan to use the space as a short-term rental also plan to use the space in other ways. A benefit of short-term renting is the flexibility that it offers homeowners who might want to use the space for multiple reasons, like as a guestroom, home office, and rental space. Of the 65 participants who plan to use the ADU for short-term rentals, and only seven never plan to use the space as anything other than a short-term rental. Twenty-five participants also plan to use the ADU as a long-term rental.

Flexibility was the primary motivating factor participants cited for using their ADU as a short-term rental, but other factors also entice homeowners to use the ADU this way. For instance, some participants prefer using the ADU as a short-term rental because they fear committing to a long-term tenant. Three participants alluded to the idea that long-term tenants have rights that make eviction difficult, and two participants suggested tenants might squat in the unit permanently.

A third factor driving homeowners to use ADUs as a short-term rather than long-term rental was that the short-term rental brings in more income. On average, participants charge $120 per night for their ADU. If they have short-term renters for just half a year, the unit could bring in over $20,000 (before fees and taxes)—and still provide the renter with the flexibility of using the unit in other ways during the rest of the year. A full year's rent at the median monthly rental price for non-relatives ($22,272) earns the homeowner only $2,000 more than a half year of short-term renting. One caveat to this calculation is that a short-term renting requires more time and money to maintain than long-term rental units. Units are cleaned regularly between guests and any amenities the host provides must be stocked frequently. The biggest drawback participants with short-term rentals cited is the frequent cleaning required.

Future Uses: Rental vs. Non-Rental

The number of participants willing to rent out the unit (sharing with a stranger) is only slightly higher than the number of participants who are not interested in sharing space with a stranger. Slightly over a third of the participants (112 of 301) plan to use the ADU as either a long-term or short-term rental. A third of participants (101 of 301) have no plans to rent out the unit at all. Instead, they will use the ADU as either a long-term residence for themselves, family, friends, or caregivers, or as a non-residential space (such as a business or guesthouse). Of those participants who will not rent out the unit, half (53 of 101) plan to use the ADU only as a non-rental long-term residence.

Other than the rental income that the homeowner charged the tenant (as I discuss in more detail below), no significant differences appear to exist between the two groups, either in terms of related socioeconomic characteristics or in terms of their experience renting out the unit. While one homeowner wrote in that a lack of privacy is a concern, privacy was actually a more serious concern for the small group of renters who participated in the survey. Of the 15 renter-participants, three mentioned a lack of privacy as a major drawback of their living situation.

Future Uses: Non-Residential Use

A small group of participants constructed the ADU for reasons other than earning additional income or to house a family member or friend. Around 16% of the participants have no plans to use the ADU as long-term housing, but are keeping it as an occasional guest space, business space, or family space. In fact, using the space as a guest room was the third most popular response to the question about future use, as 28% of participants included this option. Most participants explain they do not use the space as a residence because they use it either as a business space or as a guest room. However, a third of the participants who have no plans to use the space as long-term housing noted that they do not want to share their space with strangers. This potentially represents a smaller proportion of participants than truly feel this way, as social desirability bias may prevent participants from noting an unwillingness to share their space with strangers. Again, the vast majority of participants planning to use the ADU solely for non-residential purposes were very well off, with two-thirds earning over $150,000. Only 40% of those planning to use their ADU solely as a long-term residence had an annual household income over $150,000. One participant wrote in simply that they "don't need [the] income."

This group of participants has no plans to generate income through long-term or short-term renting; however, two participants mentioned the possibility of improving their home equity by increasing the house's value. An ADU is a long-term investment in their property with more immediate benefits of providing the homeowner with a flexible use space on their property.

ADU Rental Income

To determine whether ADUs are a source of low-cost housing in Los Angeles, the survey covers several topics related to rental price, the landlord-tenant relationship, and the size of the ADU. Homeowners who have or plan to have a long-term tenant (including a long-term renter, a family member or friend, or a caregiver) living in the ADU answered a short set of questions about rental income for the property. Eighteen homeowners had vacant ADUs at the time of taking the survey and were therefore not receiving rent from those units. Of those with a tenant, 93 were receiving rent and 74 were not. For those participants receiving rent, the median rent is $1,767 per month. The median gross rent for all units in the City of Los Angeles, at $1,474 per month (ACS 1-Year Survey, 2018), is lower than the survey figure, but estimates of average listed rental prices suggests the median for ADUs is commensurate with or even lower than the average newly listed rental properties in the region. These figures range from around $1,900 per month according to Zumper to around $2,800 per month according to Zillow. However, I consider three additional factors that affect the rental price the landlord asks: the landlord-tenant relationship, the size of the property, and the location of the property.

Rental Income: Relationship to Tenant

Research suggests that the tenant-landlord relationship factors into how much landlords charge their tenants (City of Beverly Hills, 2014; Gebhardt, Gilden, Kidron, Libery, et al., 2018; Ruud & Nordvik, 1999). In the survey, homeowners categorize the relationship to their tenant prior to the tenant moving in as either family, friend, acquaintance, or stranger. Table 2 breaks down the landlord-tenant relationship by rental income. Only homeowners with family members in their ADU (or vacant units) are not collecting rent from their tenant. Eight homeowners with family members in the ADU collect rent from their tenant, but the vast majority do not. Relatively few homeowners list the tenant as a friend or acquaintance (18 participants), but those who do also receive rent from the tenant. Most homeowners (62 participants) have a previously unknown tenant in their ADU, and all of those individuals pay rent.

<<Table 2>>

Homeowners with long-term renters evaluated the rental price of the unit relative to the market value for the rental property. Participants described the rent as “above market value”, “at market value”, or “below market value”. Of the 81 participants, 53 charge market value rent for their property. Another 24 said that they charge below market value rent, and 10 charge above market value rent. Table 3 shows how homeowners responded to the question segmented by the landlord-tenant relationship. Homeowners who do not charge rent did not respond to this question, reducing the number of family members in the sample. Homeowners with family members and friends/acquaintances in their ADU are far more likely to set the rent for the property at what they consider below market value. But homeowners who rent to non-related tenants are more likely to rent the ADU at market rate ($\chi2(4, N=87) = 10.54$, $p < .005$, Fisher’s exact = $p < .005$).

<<Table 3>>

In addition to assessing the market value of the rent, participants recorded the rent that they charge for the unit. The majority of family and friends who do pay rent for the unit pay less than $1,500 per month in rent, and the median for the two groups is $1,365 per month. This is

$100 less than the median rent in Los Angeles. The majority of non-related tenants pay over $1,500 per month in rent and the median rent is $1,856 per month. A close landlord-tenant relationship clearly affects the rental price of the unit. Homeowners with a non-related tenant are far more likely to charge a rental price similar to the city's average listed price than homeowners with family or friends living in their ADU.

Family members and friends might be more likely to perform other services, like babysitting, yardwork, cooking, or cleaning, in lieu of rent. During the door-to-door pilot survey, two survey participants discussed their household arrangement in greater detail than the survey questions necessitated. Both participants were elderly individuals living with their adult children who frequently acted as caretakers for their grandchildren. Unfortunately, the survey did not capture the extent to which this holds true across households.

Rental Income: Size of the ADU

A second factor to consider when comparing ADU rental prices to those of other rental units is the size of the unit. ADUs are small on average, as the maximum size for a by-right permit is 1,200 square feet. Most of the ADUs in the survey are studio or one-bedroom units; combined, these two sizes account for 82% of ADUs in the survey. In comparison, studio and one-bedroom units account for just 51% of rental units in the City of Los Angeles (ACS 1-Year Survey, 2018). A much smaller share of ADUs have two bedrooms, and a very small group have three or more bedrooms. Since most ADUs are small, the relatively high rent for an ADU is important.

Table 4 breaks down the number of units and average rental prices by the number of bedrooms in the ADU and the tenant-landlord relationship. It also shows average rental prices in the City of Los Angeles (ACS 1-Year Survey, 2018). Average rental prices rise with the number of bedrooms in the unit, ranging from the smallest ADUs (studio units) at $1,588 per month to the largest ADUs (3 or more bedrooms) at $3,125 per month. Focusing specifically on ADUs housing tenants with no relation to the landlord, the average prices rise further. Tenants in this group pay on average between $1,667 for a studio to $3,917 for an ADU with 3 or more bedrooms. In comparison, average rental prices in Los Angeles as a whole range from $1,130 for a studio unit to 1,560 for unit with 3 or more bedrooms. Rental rates for ADUs are higher on average than rental housing across the city.

<<Table 4>>

One caveat to this comparison is that gross rent includes a wide range of units that are different from the recently built, recently inhabited ADUs. Tenants with a long residence in a unit generally have lower rental rates than new tenants moving in, and newly constructed units have a significantly higher gross median rent than older units. In 2018, the gross median rent for a unit constructed since 2014 was $2,548 (ACS 1-Year Survey, 2018). Average listed rents (or the rents that new residents are asked to pay) are also much higher than mean gross rents.

Rental Income: Neighborhood

Rental prices vary by neighborhood, and the average rent in a neighborhood factors into what landlords charge their tenants. I break the survey rental prices for non-related tenants down by Los Angeles Community Plan Area (CPA)[2] and compare this data to mean gross rent and mean listed rent for a one-bedroom unit (the most common ADU size for non-related tenants) in the same area. Table 5 shows mean rents from the survey are between $300 and $1,200 higher than mean gross rents for a one-bedroom unit in the same CPA. But the gap between mean rents

[2] Community Plan Areas are an official municipal designation for an area that combines several neighborhoods into a single region for the purpose of creating and implementing targeted policy and land-use goals. Of the 35 Community Plan Areas, only 24 had survey participants with long-term renters and only 12 had at least two participants with non-related tenants.

from the survey and mean listed rents is wider, ranging from a difference of -$300 to $1,200. On the whole, rents for ADUs are higher than the nearby rental prices for a one-bedroom unit.

<<Table 5>>

IV. Discussion

This research examines the assumption that ADUs are low-cost, long-term housing and explores the degree to which ADUs contribute to the supply of housing in Los Angeles. ADUs are unlike other types of rental housing as landlords live on the property with the tenant, and a potential landlord must sacrifice some amount of private space to the tenant. Not all homeowners who build ADUs do so in order to house long-term tenants. Rather, an ADU can function as an extension of the homeowner's primary residence, performing as an office, a guest room, or a flexible space to suit the homeowner's need at any given time. For homeowners who do use the ADU as long-term housing, the assumption that ADUs are low-cost compared to other forms of housing must be carefully considered as well. These homeowners are typically driven either by the need for an independent living space for family (including themselves), friends, or caregivers (Gellen, 1985; Hare, 1989), or for a desire to generate income (Ruud & Nordvik, 1999; Rudel, 1984). Through a survey of homeowners in Los Angeles who pulled a permit to build an ADU, I examine the role of ADUs as low-cost, long-term housing.

Do homeowners use their ADU as a rental property? A home is more than just a commodity or investment asset. It functions as status symbol and forms part of a homeowner's identity. It can be a safe haven: a private space where a homeowner can retreat from the public sphere. In transforming part of that space into a rental property, a homeowner will lose some of the privacy and security that a single-family home affords. Previous surveys of homeowners with ADUs

While a majority of participants (67%) currently use their ADU as housing of some kind, a fifth of participants do not. And 16% of participants have no plans to use the ADU as a long-term residence. Instead, these homeowners use their ADU as a home office, a guest room, or as an extension of their primary residence. For those in the top household income bracket, non-residential use is extremely popular. A third of those with incomes of over $150,000 use the ADU as a non-residential extension of their house.

Many participants use their ADU as a residential unit, but not all are willing to house strangers in that space. Just over a third of the participants plan to use the ADU as a rental unit only—though another third of participants include using it as a rental as one of many options they will consider. Another third of the participants plan to use the ADU to house family members, friends, or caregivers, and have no plans to rent the property out. Altogether, 36% of participants have no plans to use the ADU as a rental unit for strangers. For participants who do not use their ADU as a residence, the most common reason for not renting it out (after using it as a business or guesthouse) was that they do not want to share the space with strangers. This suggests that if the family member, friend, or caregiver moves out of the unit, it will not automatically join the rental market.

Do homeowners prefer to use their ADU as short-term rather than long-term housing? For homeowners interested in capitalizing on their investment in a new ADU, short-term renting can be both more flexible and profitable than long-term renting. The vast majority of homeowners who use the ADU as a rental property are using it as a long-term rather than as a short-term rental. However, over a fifth of participants plan to use the ADU as a short-term rental at some point in the future. The recent Home-Share Ordinance restricting use of ADUs as short-term housing has diminished some of the enthusiasm for short-term rentals, but homeowners still like the flexibility short-term renting allows.

Do ADUs add directly to the supply of low-cost housing? Past research suggests that ADUs are a low-cost rental package compared to other nearby rental housing (Wegmann & Chapple, 2012). ADUs are a unique form of rental housing, as they are in low-density neighborhoods with high owner-occupancy rates and relatively few other rental options. For individuals or couples interested in the amenities of a single-family neighborhood, ADUs are a low-cost alternative to a single-family home. However, ADUs are not always low-cost compared to other types of rental housing in a neighborhood.

ADUs contribute to long-term housing for two groups that require separate consideration: strangers versus family and friends. As found in other surveys of homeowners with ADUs (Brown & Palmeri, 2014; Chapple et al., 2011; City of Beverly Hills, 2014; Gebhardt, Gilden, Kidron, Liberty, et al., 2018), my survey of homeowners in Los Angeles found that family members and friends pay less than non-related tenants, and the median rental price for family members and friends is less than the median rental price in Los Angeles. In fact, most family members do not pay rent at all. This survey did not ask about non-monetary payments for the ADU. But tenants with resident landlords frequently provide services for the homeowner (like babysitting, yardwork, housework, or healthcare) in lieu of full payment for the unit (Brinig & Garnett, 2013), and family members and friends are more likely to provide these services than non-related tenants. Anecdotal reports from participants during the door-to-door pilot survey support these findings as well.

The median rent for ADUs with non-related tenants is higher than the median rental price for the whole of Los Angeles, and this is truer after factoring in the size of the unit. Rent for non-related tenants is comparable to or even lower than the listed price for the average rental unit found through rental listing websites like Zillow and Zumper—and it is lower than the median rental price for recently constructed units. But ADUs are smaller on average than rental units in the city, and ADUs are less affordable than other rental units after taking the number of bedrooms into account. Prices for ADUs rented to non-related tenants are similar in price to or more expensive than one-bedroom rental units in the same neighborhood.

After factoring in the tenant-homeowner relationship and the size of the unit, ADUs do not appear to be a low-cost alternative to other types of rental units nearby.

IV. Conclusion

This paper examines how homeowners use ADUs through a survey of homeowners who pulled a permit between 2013 and 2018. Following a 2017 regulatory change to ease restrictions on ADU permitting, the number of ADU permits pulled in Los Angeles rose dramatically. However, the increase in permits may not result in an increased supply of new low-cost, long-term housing. Results of the survey suggest that the recent surge in ADU permits will marginally add to the supply of low-cost, long-term housing in Los Angeles. Approximately four out of every five of participants intend to use their ADUs as a long-term residence. However, a third of participants have no plans to share the space with stranger, using the space for family or friends, or as an extension of the primary residence. Many participants express a reluctance to share their private space with a stranger. Homeowners not driven by economic need or familial relationships show less interest in sharing their space: high-income homeowners in particular avoid using their space as a residence of any kind, choosing instead to use the space as an office or guest room.

Homeowners are motivated to use of the ADU as a residence primarily by the desire to use the property as a rental unit or by the need to accommodate family or friends. As expected, the relationship with the tenant affects how much the homeowner charges in rent. For tenants related to the homeowner, ADUs offer the additional benefit of being free or well below market value. However, ADUs are not always a low-cost housing option. The results of the survey show that for non-related tenants, rental rates are similar to or even higher than similarly sized rental units nearby.

ADUs are a unique rental experience, providing tenants the opportunity to live in low-density, high owner-occupied areas that are frequently inaccessible to renters. However, ADUs have limited capacity to successfully meet the housing needs of urban areas like Los Angeles. Despite the recent surge in ADU permits, not all homeowners will be able or interested in building an ADU on their property. Based on this survey, we know that many homeowners who build an ADU in the coming years may choose not to use that property as a long-term residence—particularly those homeowners who can afford not to share their private space. Significantly increasing the supply of housing in cities like Los Angeles will require more units that a single ADU on a parcel will provide. To meet current and future housing demand, policymakers and planners will need to consider policies that raise density levels more significantly across the city in the future.

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Figures and Tables

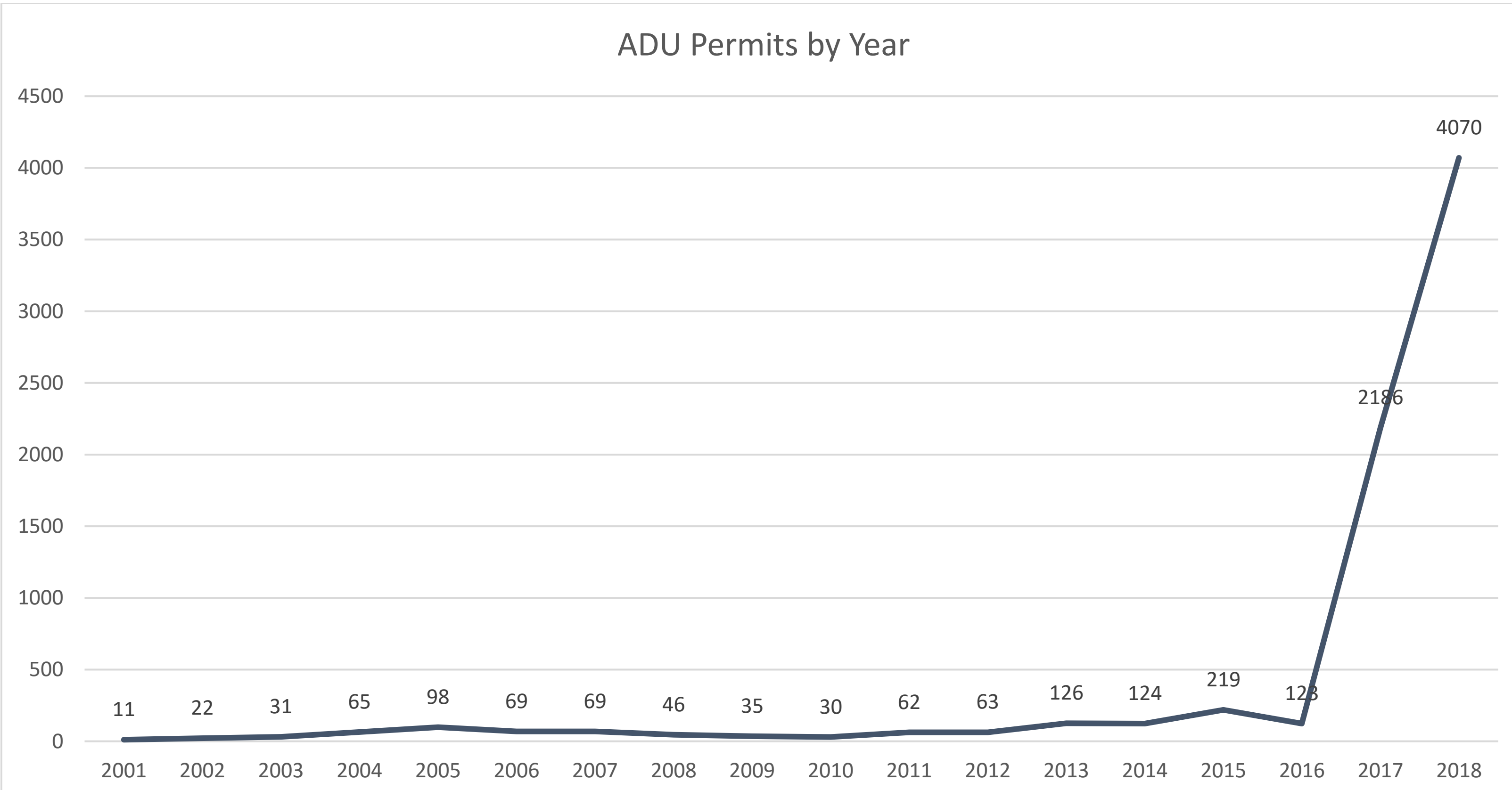

Figure 1. Total Permits for ADUs in the City of Los Angeles by Year, 2001-2018

Table 1. Statistics for LA City, ADU Permit, and Survey Takers

	Los Angeles 2,506 block groups	ADUs 1,717 block groups	Survey Takers 267 block groups
Median Household Income ($), 2018 (ACS)	62,474	64,653	77,615
Median Rent ($), 2018 (ACS)	1,474	1,395	1,600
Pct. White, Non-Hispanic (%), 2018 (ACS)	27.3	24.4	38.3
Pct. Single-Family Housing (%), 2018 (ACS)	37.8	52.7	54.0

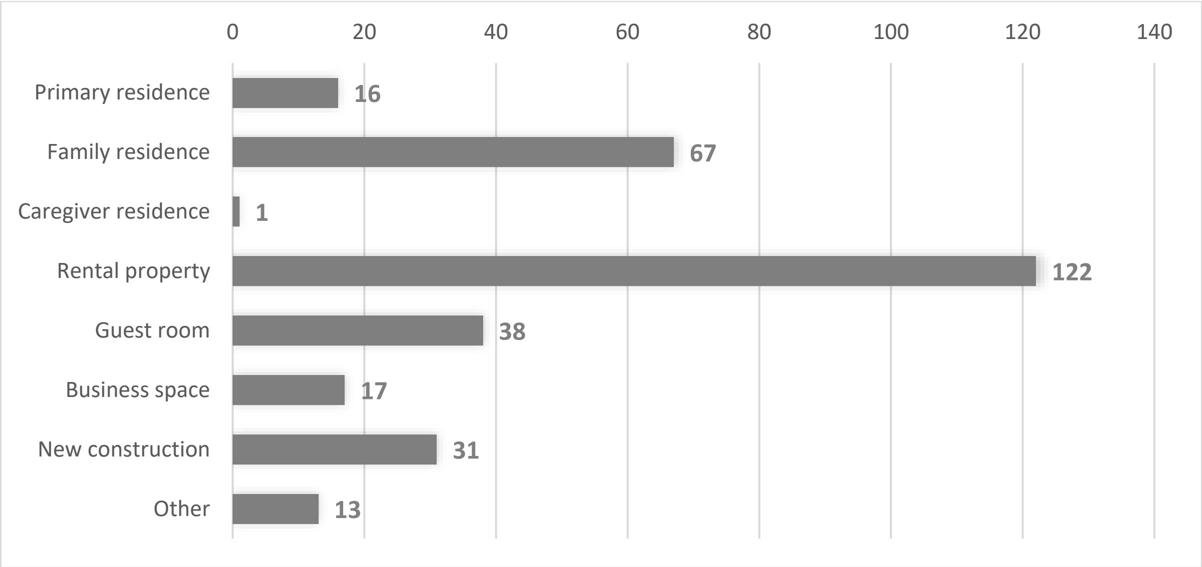

Figure 2. How Homeowners Currently Use their ADU

Question: "How are you using your ADU (second unit, garage unit, granny flat) most right now?" N=305

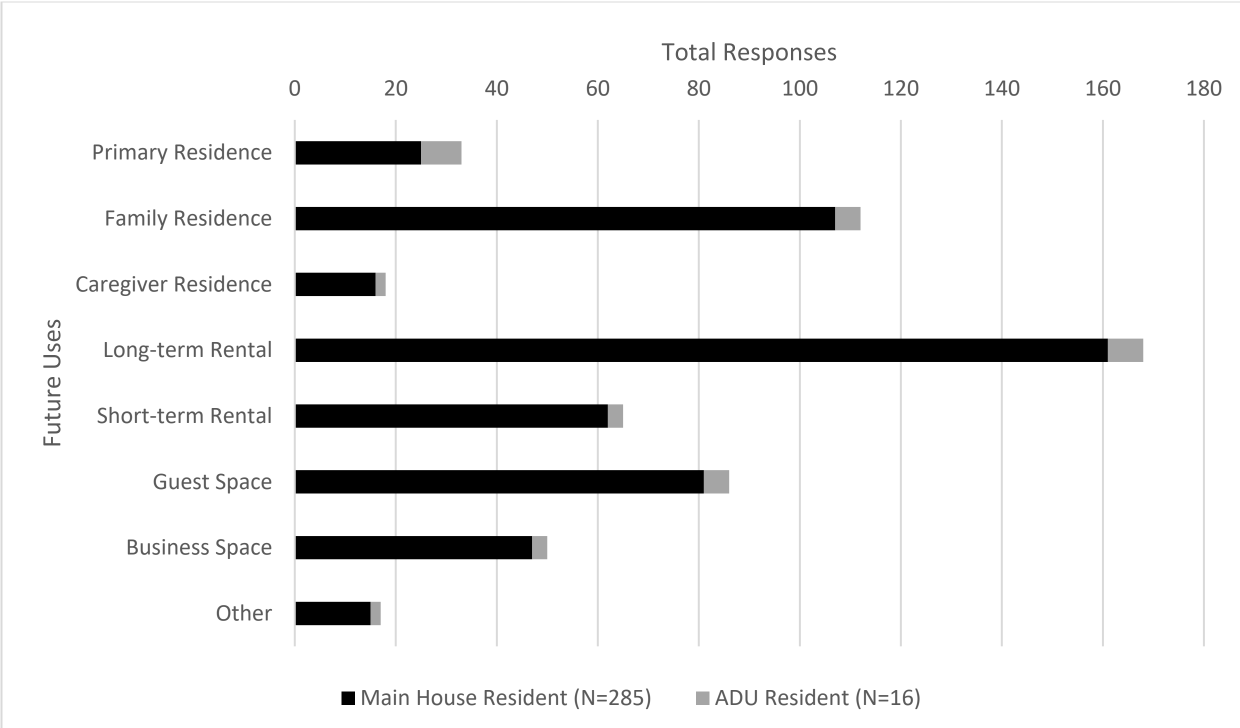

Figure 3. How Homeowners Expect to Use their ADU in the Future
Question: "How are you planning to use your ADU in the future?" N=301

Table 2. Landlord-Tenant Relationship and Rent

	Family	Friend/ Acquaintance	No Relation	Vacant
Rental Income	8	18	62	0
No Rental Income	29	0	0	19

Question 1: "Are you currently receiving rent from your ADU?"
Question 2: "Which of the following options best describes your relationship to the current occupant when they first moved into the ADU?" N=136

Table 3. Self-Assessed Market Value of Unit and Rent by Landlord-Tenant Relationship

Self-Assessed Rental Value	Family	Friend/ Acquaintance	No Relation
Above market value	1	1	8
At market value	1	8	44
Below market value	6	9	9

Question 1: "How much rent do you currently receive from your ADU?"
Question 2: "Which of the following options best describes your relationship to the current occupant when they first moved into the ADU? N: 87

Table 4. Units and Rental Price by ADU Size and Tenant-Landlord Relationship

		Studio	1-Bedroom	2-Bedroom	3 or More
All tenants	Pct. of ADUs (%)	45	36	14	4
	Avg. Rent ($)	1,588	1,921	2,696	3,125
Non-related tenants	Pct. of ADUs (%)	38	40	17	5
	Avg. Rent ($)	1,667	2,020	2,975	3,917
Los Angeles, 2018 (ACS)	Pct. of Units (%)	16	35	35	15
	Avg. Rent ($)	1,130	1,291	1,492	1,560

Table 5. Average Rent by Los Angeles Community Plan Area

Community Plan Area	Non-related Tenants (N)	Non-related Tenants' Rent ($)	ACS 1-BR Rent, 2018 ($)	Zillow 1-BR Rent, 2019 ($)
Arleta – Pacoima	2	1,500	1,135	*Unavailable*
Canoga Park – Winnetka – Woodland Hills – West Hills	6	1,667	950	1,580
Granada Hills – Knollwood	3	1,583	1,250	*Unavailable*
North Hollywood – *Valley Village*	4	1,750	1,014	1,795
Northeast Los Angeles (*Highland Park*)	6	2,583	1,077	1,795
Palms – Mar Vista – Del Rey	11	2,205	1,300	2,330
Reseda – West Van Nuys	2	1,500	891	1,625
Sherman Oaks – Studio City – Toluca Lake – Cahuenga Pass	4	2,438	1,542	1,860
Van Nuys – North Sherman Oaks	4	2,000	1,181	1,596
West Adams – Baldwin Hills – Leimert (*Crenshaw*)	5	1,750	1,061	1,595
West Los Angeles (*Sawtelle*)	2	3,500	1,250	2,295
Westchester – *Playa del Rey*	4	2,125	1,578	2,540

Zillow rental data for italicized neighborhood.
Data Source: ACS 5-Year Survey 2014-2018; Zillow, July 2019