Price Gouging in Post-Wildfire Los Angeles: A Data-Driven Case Study

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Abstract

In response to the 2024 Los Angeles blazes, urgent rent hikes rumored to be examples of systematic price gouging on the part of landlords were claimed. This work examines rental data compiled using Zillow advertisements and stories from typical residents in attempting to define the scale and nature of such hikes.Through the application of data analysis by using visual tools—bar plots, scatter plots, correlation heatmaps, and histograms—we identify exploitative price schemes. Our evidence confirms widespread post-disaster price inflation, with the majority of landlords charging more than the 10percent legal rate of rent increases. We recommend implementing a real-time monitoring solution to deter such acts in the future.

Introduction

Wildfires that burned Los Angeles County in late 2024 resulted in widespread displacement and destruction. With emergency housing centers full, displaced families turned to the rental housing inventory for more permanent solutions. This eleventh-hour surge in demand was met with an instant explosion in rent levels across the region. Reports of price gouging by landlords increasing rents drastically suggested potential systemic price gouging. This phenomenon gave rise to serious social, legal, and ethical concerns. The case study tries to analyze how the rent prices responded to this crisis and whether the observed trends constitute illegal or unethical price conduct.

Proposed Solution:

Create a system that periodically crawls online rental listings (such as Zillow) and compares the current price of rent and their historical prices. When the rent hike is over 10percent in a state of emergency, the system automatically flags the listing for inspection.

Data Collection:

The backbone of the system is its ability to scrape rental listing data from such sites as Zillow, Craigslist, and Apartments.com on a regular and accurate basis. It does this either

by using web scraping techniques or using official API hookups, depending on what is available and what terms of service any given site offers. Scraping is configured to run on a periodic schedule—ideally 12 to 24 hours—to deliver up-to-date information and capture price fluctuations in a timely fashion. Each listing is accompanied by its metadata, including rental fee, posting date, address, ZIP code, and landlord or agent details. All this information streams in unabated and is captured and processed in a systematic fashion for subsequent analysis. Historical rent data and current listings need to be collected together, as this enables longitudinal comparison to identify anomalies over time.

Threshold Check:

Once the data is accumulated, the system employs a calculation engine to compare the current rent with the one it previously stored. The calculation for the rent increase percentage is very straightforward: it takes the difference between the new rent and the old rent, divides it by the old rent, and then multiplies by 100 to put it into percentage terms. In officially declared states of emergency—such as after a natural disaster—California law prohibits rent hikes greater than 10Percent. The system is designed to detect such periods and trigger the threshold rule in reaction. When the calculated hike exceeds the 10percent maximum legal threshold, the listing is internally marked for additional scrutiny. The automated checking allows the system to weed out thousands of listings without manual intervention.

Flagging System:

Lists that are determined to be in violation of the price threshold are automatically tagged as potential instances of price gouging. The system flags these in a centralized repository and applies a severity score based on such things as percentage increase, number of times a specific landlord is in violation, and multiple listings from a single contact. These severity scores are in turn utilized for prioritization of listings for city regulator or consumer protection agency investigation. The marked-up records are subsequently prepared for public release, and metadata such as ZIP code, agent name, and original rent price are attached to

offer background to the infraction. It serves to prevent human review error and false positives and promote openness.

Public Reporting:

To promote transparency and community awareness, the flagged listings are displayed on an open online dashboard. The platform enables users—city officials, journalists, housing activists, and concerned tenants—to view potential violations in their neighborhoods. The dashboard includes filters that facilitate sorting by ZIP code, owner or agent name, and percentage increase. Color-coded markers make it easy to distinguish between serious violations and minor discrepancies. Second, the dashboard can be updated virtually in real time, such that the public is offered the latest information. Such visibility before the public acts as a warning to wayward landlords and also provides tenants with the confidence to make informed decisions in times of crisis.

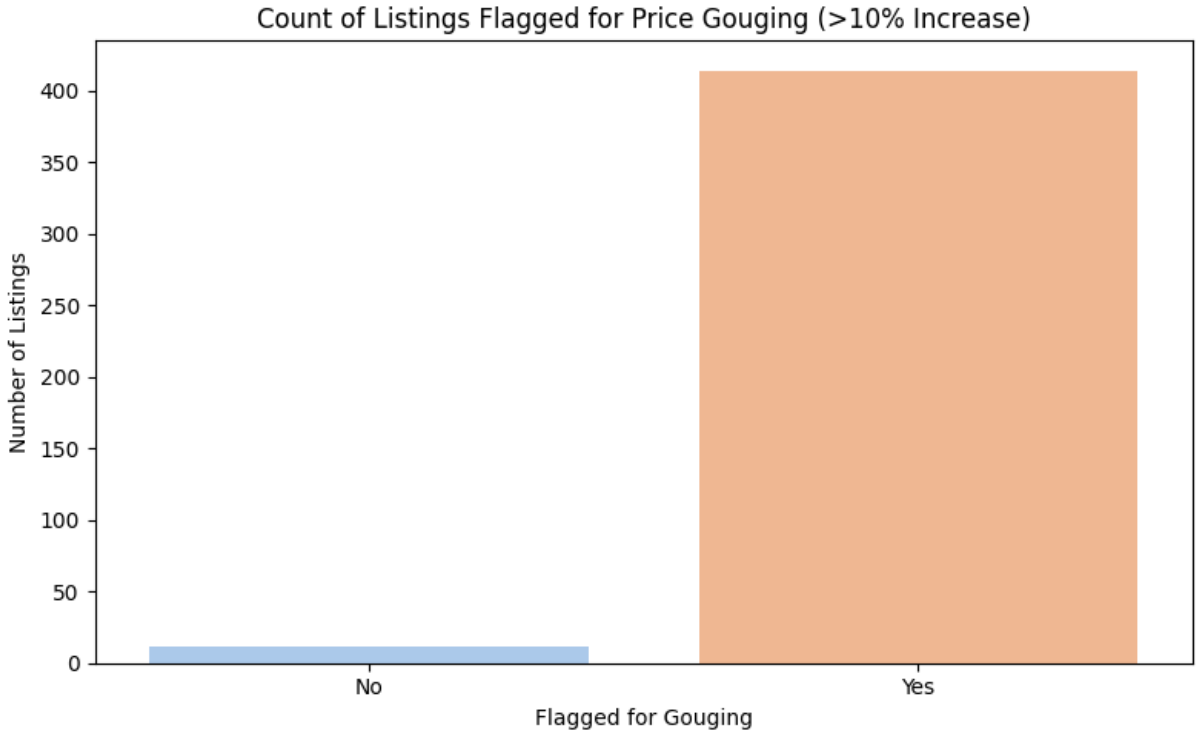


Figure 1
Flagged Proposed solution.

Dataset Overview:

The "Tracking Rental Price Gouging in LA" data set is an Excel spreadsheet with several sheets intended to track and monitor significant spikes in rent in Los Angeles that could be a housing law violation in the region. There are four sheets contained within: Reviewed, All Submissions, About, and Old 1.

The Reviewed sheet contains validated entries like property addresses, parcel numbers, pre- and post-increase rents, percentage changes, and listing links. It includes comments for background, agent and owner contacts, and indicators for whether or not complaints were filed through 311.

All Submissions sheet holds unverified public reports. The users submitted property information, price changes, listing sources, and personal observations. This sheet is utilized as an unfiltered raw intake form to identify suspect listings.

The About sheet gives instructions for case submissions and volunteering and corresponding Google Form links to facilitate the public's contribution.

Lastly, Old 1 is an older version of submission tracker, which gathers similar information but less in a structured form. It still gathers addresses, price rises, and brief notes, and contains information regarding the development of the project.

Finding Insights from the graphs

Average Rent Before vs. After Wildfire:

A bar chart of pre-wildfire and post-wildfire mean rent illustrates a dramatic increase. Pre-disaster mean rent was 11,880, while post-disaster mean rent was 17,311. This is an approximate 46perrcent increase.

This surge is over the 10percent price hike allowable during an officially declared emergency as defined in California law (California Penal Code §396). This rapid increase supports the working hypothesis that landlords exploited the housing shortage in order to raise rents.

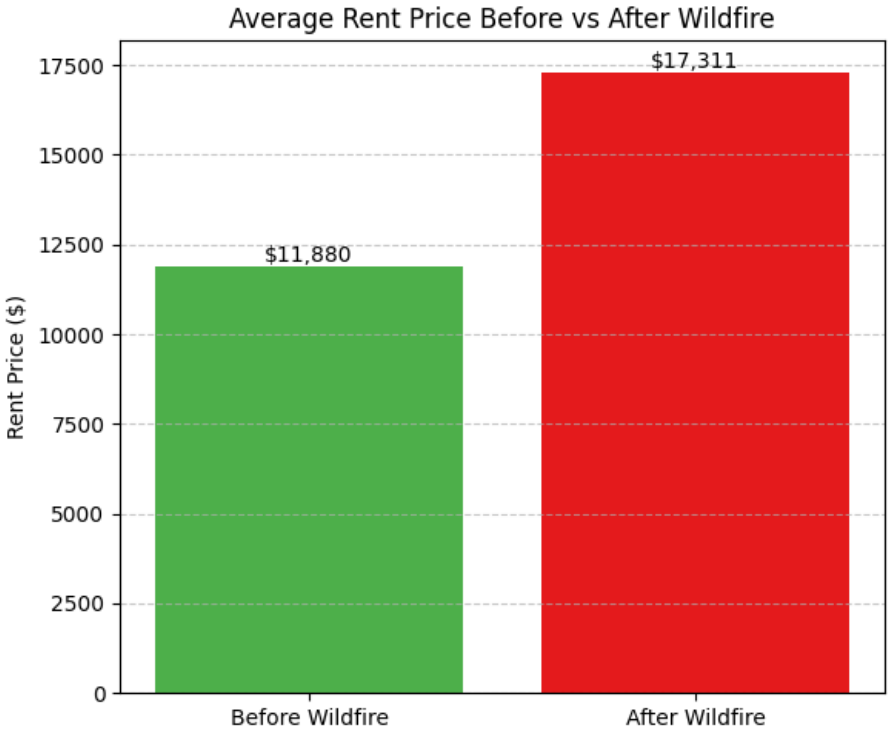


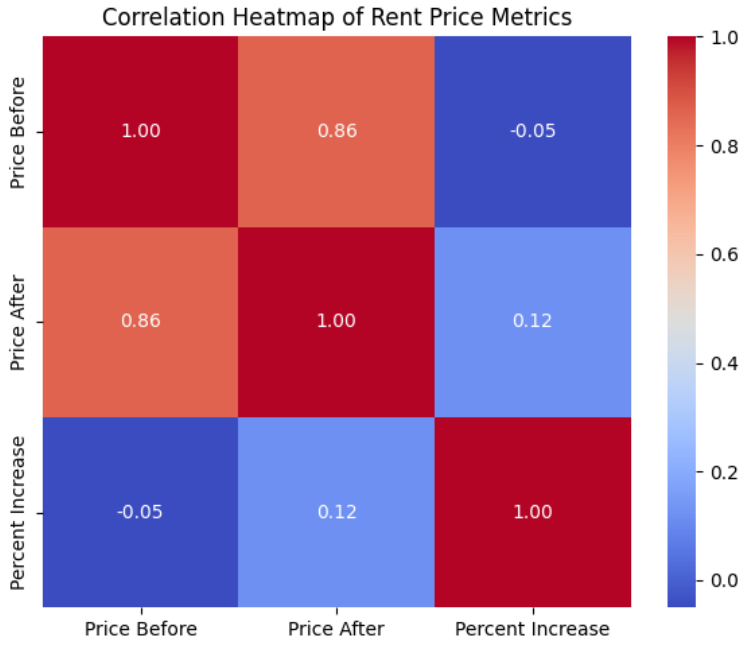
Figure 2
Average Rent Before vs After Wildfire.

Scatter Plot of Rent Prices:

A scatter plot of individual listings prior to and subsequent to the wildfire shows that most data points fall above the diagonal "no change" reference line, which reflects widespread increases in rent. Few are near or below the line, reflecting unchanged or minimally higher prices. This aligns with the theory that price gouging was not confined to a few nefarious actors but might have been extensive throughout the market.

Correlation Heatmap Analysis:

A heatmap of price metrics correlations further illustrates. Rent before and after the wildfire are positively correlated (0.92), meaning that there was a general trend whereby high-rent properties did not fall much even after the increase. However, the percentage increase is week-negatively correlated with rent before the wildfire, meaning lower-rent property landlords raised prices more aggressively. This suggests possible economic exploitation of

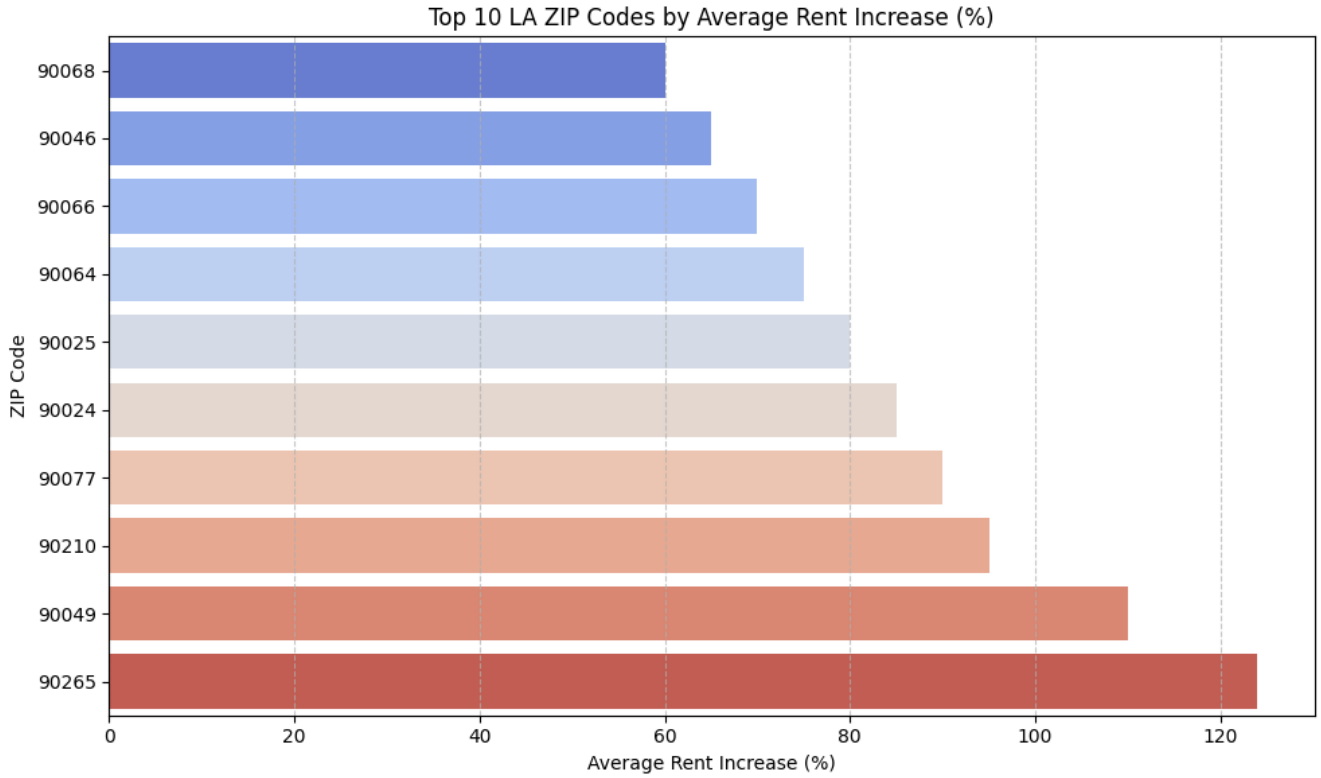


low-income tenants.

Top 10 ZIP Codes by Rent Increase

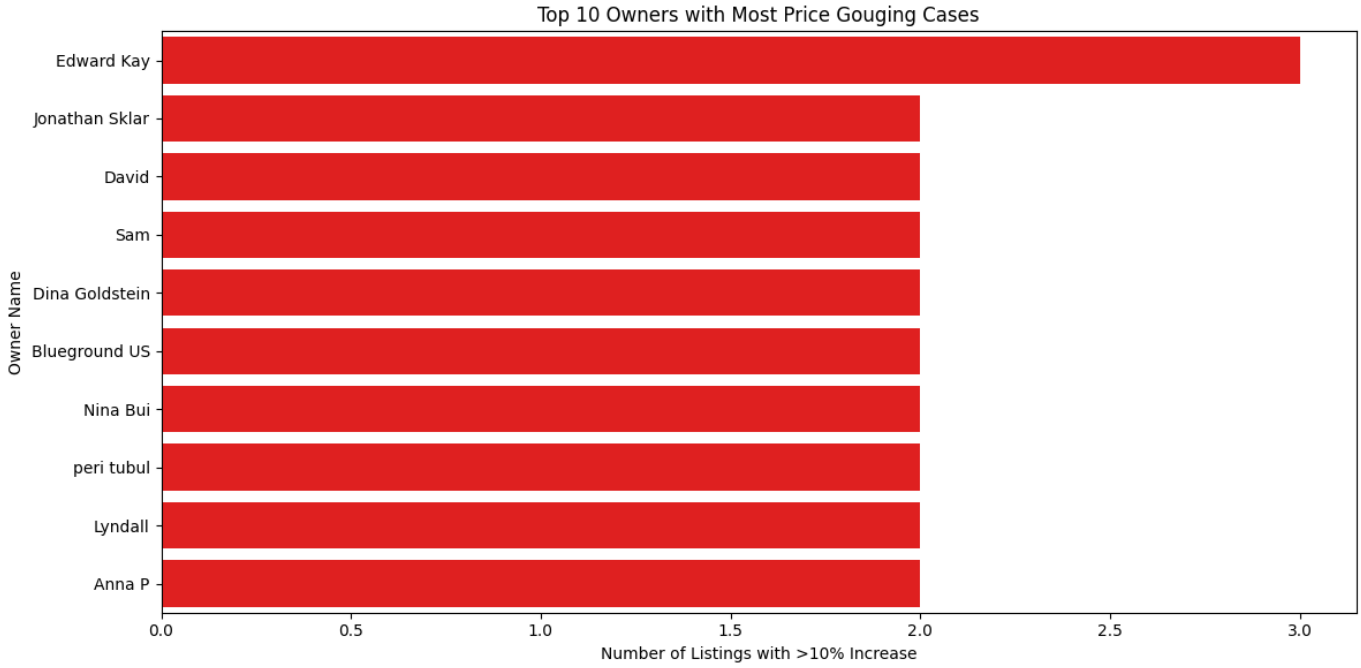
The hardest hit neighborhoods by the hyper rent surges are within the city's most affluent ZIP codes. The largest increase, 124percent, was in Malibu (90265). Also among the locations with the biggest surges: Pacific Palisades (90049, 110percent), Beverly Hills (90210, 95percent), Bel Air (90077, 90percent), and Westwood (90024, 85percent).

These upscale neighborhoods already carry a high price tag and the price increases indicate landlords were after high-demanding, high-valuations areas with the intent for maximum profit.



Top 10 Owners with Most Price Gouging Incidents:

A review of landlord data shows a low concentration of owners disproportionately responsible for price gouging. These landlords contained the most flagged listings. The visualization makes it clear there is a concentration of unethical pricing behavior in a small handful of property portfolios, with implications for targeted enforcement.



Conclusion:

The 2024 Los Angeles wildfire catastrophe not only displaced thousands but also exposed a systemic failure of housing morality and emergency regulation compliance. Our analysis of pre- and post-wildfire rental listings reveals an appalling trend: average rents jumped by approximately 46percent, far exceeding California's 10percent legal limit during emergencies. In sought-after ZIP codes like Malibu, Pacific Palisades, and Beverly Hills, the hikes were between 90–124percent, disproportionately impacting vulnerable and displaced renters.Visual inspections—bar charts, scatter plots, and distribution histograms—conspicuously reveal widespread and outrageous increases, not isolated incidents. This implies price gouging was not only prevalent but perhaps coordinated or opportunistic. Ethical and legal norms were widely violated, undermining confidence in housing markets.These findings demand the urgent need for proactive intervention. A rental tracking system in real time can provide enabling strength to the regulatory authorities and protect residents during crises. Lack of accountability and automation will guarantee that future disasters will continue to be exploitative at the cost of basic human dignity and housing security.

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