

A California startup is offering cocoon-like pods to allow 14 residents to share a single house as an escape from soaring rents and real estate prices

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- A co-living startup offers a new sleeping-pod design to allow up to 14 residents to share a home.
- The first two sites are in Palo Alto and Bakersfield, California, where rents are on the rise.
- Homes are fully furnished, with common workspaces, shared kitchens, and two bathrooms.

As rents and home prices soar to new heights, one California co-living startup is offering a novel sleeping-pod design to fit more residents into a single-family house.

Brownstone Shared Housing has two locations: the first is just minutes away from Stanford University in Palo Alto and houses 14, while the second sleeps 6 in central Bakersfield.

"We started with how can we house as many people as possible in an existing space in a way that preserves dignity and comfort and privacy," CEO James Stallworth, who co-founded the self-financed Brownstone with Christina Lennox, said in an interview with Insider.

Both houses are fully furnished with shared co-working and living spaces, along with two bathrooms and a shared kitchen.

What makes the concept different is the "fully equipped" sleeping pods that the company says are 40% larger than a traditional bunk bed.

The structure, custom-designed by Lennox, is crafted by a custom steel manufacturer before Lennox and Stallworth add the wood and electrical components themselves.

The cocoon-like quarters include power outlets, fold-down desks, lighting, and fans, and are larger than similar capsules found in some Japanese hotels.

Palo Alto's broad acceptance of multiple roommate scenarios — a la HBO's "Silicon Valley" — made the city a good proving ground for the company, but the concept could face a tougher challenge in places where conventions or regulations limit the number of people who can share a single home.

At \$800 per month, which includes utilities, the cost of a pod is less than half the rent of a studio apartment in Palo Alto. Meanwhile, the median sale price topped \$4 million in March for single-family homes, according to Redfin.

Stallworth said the Palo Alto house currently has one vacancy, which he's currently screening applicants to fill. Not all who apply are automatically accepted, and existing residents are often consulted about which candidates they'd prefer to join the house.

Even the newer Bakersfield house is already halfway full, Stallworth said, owing to a years-long housing shortage that has seen vacancy rates below 1%.

Though Stallworth and Lennox expected their Bakersfield residents to be mostly medical students and residents, "it's honestly just regular people who work and just need a place to live."

"It's so hard to find a place for that, and we're filling that need," he added.