

# Rise of the ghost homes - More than 33,000 Auckland dwellings officially classified empty

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## City's vacancy rate is greater than Sydney and Melbourne.

More than 33,000 Auckland dwellings are officially classified empty as the city grapples with a crisis of affordable housing and homelessness.

Auckland's 6.6 per cent vacancy rate is higher than either Sydney (5.2 per cent) or Melbourne (4.8 per cent), where there has been an uproar over "ghost houses" deliberately left empty by speculators trading on a soaring market.

Critics such as Labour's Phil Twyford claim the figures show the same is happening here, especially as the 2013 Census figures predate an increase in foreign buyers in 2014-2015.

But sceptics, including Housing Minister Nick Smith and an independent analyst who examined the figures for the *Weekend Herald*, say there is no evidence that large numbers of local or foreign buyers are deliberately leaving their houses empty while prices increase. The figures follow news this week that major banks are restricting loans to foreign buyers.

BNZ yesterday joined ANZ and Westpac, saying it would no longer recognise foreign income for non-New Zealand or Australian citizens and would require a 40 per cent deposit from New Zealand and Australian citizens not currently living in New Zealand but using foreign income to service a loan.

John Polkinghorne, associate director of Parnell-based specialist property consultancy RCG, said a breakdown of Auckland suburbs showed Hobsonville East had the most empty places, "presumably because many of the homes have just been built and not yet occupied".

The CBD had 2200 apartments or dwellings empty on census night, which he attributed to intermittent tenancy by owners and many vacant between short-term tenancies.

Not surprisingly, the analysis showed the largest number of vacant dwellings in the Auckland region were baches, inflating figures for Great Barrier Island, Karekare and Waiheke Island.

Labour's Housing spokesman Phil Twyford said it was not surprising that the super-rich were happy to leave houses empty when Auckland prices were rising so fast.

"It's madness, and says a lot about the housing crisis, that we've got thousands of homes deliberately left vacant by their owners while in South Auckland there are kids sleeping under bushes."

He said Labour would crack down on property speculators, starting with a ban on non-resident foreigners buying existing homes.

Auckland councillor Chris Darby expressed concerns about vacancies in multi-million dollar Stanley Pt houses near where he lives on the North Shore.

If the empty houses were maintained "the only people who are there are the pool cleaners and gardeners," he said.

Some places were left unattended and grass berms remained unmowed, raising social and community issues.



Chris Haturini has lived by a "ghost house" for two years. Photo / Brett Phibbs  
Chris Haturini of Mt Albert said her family had suffered for two years living alongside a "ghost house", which she said was owned by an overseas-based investor.

It had been infested with rats and occupied by squatters and drug users who left used syringes lying about.

Ms Haturini, who is in the property management and now home staging business, said she had heard up to 35,000 residences in the city could be empty.

"People are afraid to talk about this ... But it's just nuts."

Some empty Auckland houses are thought to be owned by overseas-based owners, but some are owned by local investors, holding them short-term to sell for huge profits without the hassle of finding tenants in the interim.

Mr Polkinghorne said he doubted there were widespread problems.

"Unless things have changed significantly since the census three years ago, my view is that it's very unlikely that people are leaving homes empty en masse across Auckland."

Asked how he knew that, based on outdated data, he said: "It's certainly possible that it's become a bit more of an issue in the last three years."

Mr Twyford said the census data was collected before the large number of Chinese-based investors swooped on Auckland properties.

- NZ Herald