

# Landlords cash in on Hunter rental shortage

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Landlords are taking advantage of the Hunter's housing crisis with a boom in unregistered rooming houses across the region.

As rents continue to rise many people have been priced out of the market, resulting in a jump in the number of rogue operators.

The Hunter Tenant Advice and Advocacy Service and Newcastle City Council confirmed increased reports of illegal boarding houses being set up with people forced to pay upwards of \$150 for a single room.

Some of the properties are little more than slums with no maintenance undertaken and bathrooms and kitchens being shared by more than 10 people.

It is believed that many of the premises would be in breach of government residential, health and building regulations, especially with regard to fire safety.

The Newcastle Herald has been told of garages being converted into two bedrooms returning \$300 a week, cupboards rented as rooms, three-bedroom houses turned into six-bedroom dwellings by removing dining and lounge rooms and families forced to share one room.

Hunter Tenant Advice and Advocacy Service co-ordinator Louise Wilde said there was a growing demand for cheap accommodation in the Hunter and many landlords were cashing in.

Ms Wilde said some landlords were earning twice the market value from their rental properties by renting rooms individually.

She said unemployment, rental increases and long waiting lists for public housing in the region meant there was nowhere else for many people to turn.

"There is no doubt that \$150 for a single room is unreasonable, but these people have nowhere else to go because there just is not enough accommodation," she said.

"There are more and more people being forced into this type of accommodation, and I am not just talking about people on benefits, but increasingly low-income earners with families as well."

Real Estate Institute of NSW statistics show the Hunter's rental vacancy rate fell to 1.6per cent in May.

Mayfield resident, Barry, who declined to be identified for fear of eviction, said the hot water system did not work at his four-bedroom home, converted from a traditional two-bedroom cottage.

Barry shares the house with six other men.

He has been renting a double-room with a friend for the past six months after he fell behind in the rent on his previous place and was evicted.

Barry pays \$100 a week to share the room and the house is in bad repair.

"We have asked time and again for the hot water to be sorted out but nothing ever happens," he said.

"I don't want to make waves, though, because you can't find anything else in Newcastle for \$100."

Ms Wilde agreed that while some landlords were breaking the law, they were "unfortunately providing a much-needed service".

"You really have to weigh up the health and safety concerns of some of these places versus being homeless, it's tough," she said.

"What we need is more accommodation in the Hunter, and more importantly, more affordable accommodation."