

# Changes in the structure of the private rental market

1996 to 2023

## Report 3 of 6 - "Responding to structural change in the rental market: Housing and "granny flat" provisions in New Zealand"

Kay Saville Smith and Nina Saville Smith

Project LR20082

CRESA, funded by the Building Research Levy





1222 Moonshine Road  
RD1, Porirua 5381  
Private Bag 50 908  
Porirua 5240  
New Zealand  
[branz.nz](http://branz.nz)

A project led by Livingston and Associates. This report was prepared by CRESA.

BRANZ is the owner of all copyright in this report, however, this report does not necessarily represent the views of BRANZ and BRANZ is not responsible for the report or any of its content.

BRANZ does not accept any responsibility or liability to any third party for any loss arising directly or indirectly from, or connected with, the third party's use of this report or any part of it or your reliance on information contained in it. That loss includes any direct, indirect, incidental, or consequential loss suffered including any loss of profit, income or any intangible losses or any claims, costs, expenses (including legal expenses and related costs) or damage, whether in contract, tort (including negligence), equity, statutory liability (to the extent allowed to be excluded) or otherwise.

You may reproduce all or part of this report provided you:

- Do so in a way that is not misleading;
- Do not amend any part of it you reproduce; and
- You will recall the report or any part of it used immediately and remove the report or any part of it from anywhere you have published it if requested by BRANZ.



Funded from the  
**Building Research Levy**



© BRANZ 2026  
ISSN: 2423-0839

Every effort has been made to ensure the soundness and accuracy of the opinions and information expressed in this report. While we consider statements in the report are correct, no liability is accepted for any incorrect statement or information.

### **Update**

Since this report was written, the legislation allowing the construction of granny flats without building or resource consents was implemented in January 2026. The main change from the proposal was that the granny flat could be built up to 70 square metres in size, rather than the original size limit of 60 square metres.

Further information can be found on the following websites:

[Granny flat consent exemption takes effect | Beehive.govt.nz](#)

[Granny flats exemption: Guidance and resources | Building Performance](#)

# Contents

## Glossary

1	Introduction .....	1
2	ADU Potential to Increase Housing Supply and Utilise Land.....	3
3	A New Step for New Zealand – the logic of the Granny Flat Proposal.....	6
4	The International Experience of ADUs and Impacts on Rentals .....	9
4.1	Does reducing regulatory barriers incentivise more owners to build? .....	10
4.2	Building standards and quality impacts of minimised consenting processes.....	13
4.3	Diversification and Better Options for Households .....	13
4.4	Increased housing supply .....	15
4.5	Improved housing affordability .....	16
4.6	ADUs for Rent? .....	18
5	Key Findings and Reflections .....	19
	Reference List and Selected NZ Research .....	23

## Tables

Table 1.1: Outputs by Component Activity.....	2
---	---

## Definitions and Glossary

**Accessory Dwelling Unit (ADU)** – Accessory dwelling units are small, self-contained living units, including bathroom and kitchen facilities, subordinate to a primary residential dwelling. ADUs can be created by converting the interior of a dwelling such as a basement or attic, internal subdivision or partitioning, extending the existing home to accommodate a separate unit, for instance over an attached garage, or building a separate, smaller dwelling, such as a “granny flat” on the same lot (Jarvis, 2010). The terminology for ADUs varies throughout the literature, but includes:

- ancillary dwelling/ancillary dwelling unit
- minor dwelling
- supplementary dwelling/supplementary unit
- garden suite
- garage suite
- elder cottage
- cottage dwelling
- family flat.

**Carriage Houses** – A detached residence in the backyard of a dwelling with entry off a rear lane (Havre, 2016).

**Granny flat** – A separate, self-contained dwelling built on a site with an existing dwelling and specifically directed to providing older people and their families to co-locate in a way that allows mutual support but maintains independence.

**Laneway Homes** – Small, detached homes, built behind a primary residence and facing a laneway (McLaughlin, 2016).

**Minor Residential Units (MRUs)** – “A self-contained residential unit that is ancillary to the principal residential unit and is held in common ownership with the principal residential unit on the same site” (Ministry of Business, Innovation and Employment (MBIE), 2024a).

**Secondary dwelling** – An independent dwelling built as a residential unit on land on which there is already a dwelling.

**Secondary Suites** – Units created from unutilised space within a primary residence. They include basement and loft/attic conversions.

For the purposes of this paper the more broadly inclusive term accessory dwelling unit/ADU will be used unless otherwise specified, as it can be read as encompassing all minor dwelling types outlined above.

# 1 Introduction

Despite a significant shift of the housing stock in New Zealand from owner occupation to rental (Saville-Smith, 2021), households seeking rental housing have faced considerable increases in rents since the late 1980s (Stats NZ, 2025). For many households, this has been accompanied by affordability stress and increasing unmet housing need exemplified in recourse to public housing delivered by Kāinga Ora (the Government’s housing provider), council housing where it still exists, and community housing providers (CHPs) and other non-profits. All those non-profit and non-private providers struggle to provide the quantum of rental housing demanded from them by low income households. This is exemplified in severe housing deprivation (homelessness) statistics, waiting lists on the social housing register, and unmet housing inquiries reported by many CHPs (Waite, 2024; Kick Back, 2024; Barber, 2025; Ministry of Housing and Urban Development, 2025).

In addition to issues of rental affordability, low-income households reliant on rental housing are jostling with growing numbers of other households seeking or using the private rental stock. Consequently, the competition between households, especially in some local markets, is significantly higher than it was in the late 20th century. Equally importantly, the characteristics of households seeking rental housing have changed. The rental market is no longer a residual market relied on primarily by very low income households or households, such as student households, in transition. Households in rent and seeking rental housing have stretched to include households with incomes that would previously have allowed them to enter owner occupation. That trend is evident in analysis of the intermediate housing market. That is, the segment of working households typically ineligible for social housing rentals and yet unable to enter owner occupation at lower quartile house prices. New Zealand research suggests that many regions have an increasing number of households in the intermediate rental market, as well as an increase in the proportion of households in that market segment (Mitchell, 2022; Mitchell, Saville-Smith & James, 2022).

The issue of affordability stress and unmet rental housing need has also been associated with issues around availability. Constrained housing availability arises out of problems of stock fit and, in the rental market, matters of landlord taste, with some households being more attractive to landlords than others. Landlord preferences and tastes tend to impact more where there are high levels of unmet demand among households. Landlord preferences and tastes also have more impact where those households perceived as less attractive have limited ability to pay rental premiums to compensate for their position (Saville-Smith & Fraser, 2004; Witten *et al.*, 2017; Witten *et al.*, 2022).

Issues of unmet need and affordability have shaped BRANZ’s priorities for its investment of the Building Levy. One key investment priority for 2024/25, has been “improving housing affordability for all New Zealanders” with the sub-topics:

- Research to understand the barriers to home affordability and to investigate potential intervention options;
- Research to develop low-cost pathways to supply warm, dry, and healthy homes.

This programme, the *Affordable private rental supply and demand in New Zealand: Short term trends and longer term structural change - 1996 to 2023* research programme have been funded through that investment priority. The core question of that research is focused on the extent to which the private rental market (via property investors and the building industry) add supply to the residential rental stock that is affordable to low- and moderate- income renting households. That core question is addressed through five components (Table 1.1) with the first four components intended to generate a research-based view on how the housing system can develop pathways through rental to a better housing future.

**Table 1.1: Outputs by Component Activity**

Component	Output Transformation Category
1. Changing structure of the private rental market changed between 1991 and 2023.	Narratives and Nudges Data and Knowledge Platforms
2. National and regional price distribution of rents and household affordability 1996 and 2023.	Narratives and Nudges Data and Knowledge Platforms
3. Evidence review of the societal and economic impacts of housing stress and under-supply of affordable housing.	Narratives and Nudges Data and Knowledge Platforms
4. Efficacy of policies and programmes designed to stimulate new-build rental supply including transferability of overseas models to New Zealand.	Decision-making and Operational Tools Data and Knowledge Platforms
5. Housing system pathways to a better housing future.	Decision-making and Operational Tools

This review is positioned within Component 4. It explores how accessory dwelling unit policies and programmes might act to stimulate new build rental supply. It is prompted by two considerations. The first consideration is that New Zealand research indicates that ADUs have the potential to diversify housing stock, and increase the number of dwellings available, particularly in inner and outer suburban areas (Saville-Smith *et al.*, 2017). The second consideration relates to Government’s new focus on supporting through regulatory change what it refers to as ‘granny flats’ or minor residential units (MRUs). While that policy is not confined to building ADUs for rental purposes, overseas experience suggests that ADU policy change may have a disproportionately stimulating impact on builds to rent. In doing so there are both risks and opportunities This review, then, consider the nature of the new ‘granny flat’ initiatives in New Zealand and explores their likely impacts on private rental supply by reference to research on experiences overseas since 2015 in jurisdictions comparable to New Zealand such as Australia, Canada and the United States.

Subsequent to this introduction, the review is structured as follows:

- Section 2 outlines the findings of the 2017 ADU report by Saville-Smith *et al.*, and the potential of ADUs to increase housing supply and utilise land.
- Section 3 outlines the Government’s proposed granny flat amendments and the stated rationale in the context of the housing crisis in New Zealand.
- Section 4 elaborates on the international experience of ADUs and their impacts on rentals, with particular regard to supply and affordability.
- Section 5 reflects on key findings from the international review and considers challenges and opportunities for New Zealand moving forward.

## 2 ADU Potential to Increase Housing Supply and Utilise Land

In 2017 Saville-Smith *et al.*, reported in *ADU Potential: Have we the potential to use our existing housing stock of homes to create a bigger stock of affordable fit for purpose homes?* that partitioning of existing dwellings and expanding units on existing sites provided a considerable opportunity to increase affordable housing supply. That report reviewed international literature published between 2005-2015 regarding approaches to and experiences of ADUs and explored regulatory settings and provisions for ADUs across New Zealand through a review of council plans and related documents. It estimated around 12 percent of existing dwellings (approximately 180,000 homes) could be partitioned to produce two dwellings with a minimum of two bedrooms each. In addition, there were significant numbers of sites that could accommodate ADUs. The report identified barriers and enablers to ADU development. It explored assumptions around the benefits and outcomes of ADU development and the evidence supporting or challenging these assumptions.

Some 51 of 67 New Zealand councils were found to have provisions for developing an ADU on an existing residential site. Considerable variation was noted in the controls imposed on ADUs both across and within councils. These related to zoning, character, maximum floor and minimum lot sizes, height restrictions, boundaries, set-backs, parking requirements, consents, notifications, amenity, occupation and conditions of use, among other issues. Some councils explicitly prohibited ADUs in areas prone to flooding or other natural hazards. Others permitted multiple types of ADUs (family units, worker's accommodation, minor units) dependent on zone and intended use or occupant.

The logic around the diversity of rules and regulations for ADUs was often unclear, but a common thread supporting council views around ADUs was the idea that an ADU would provide housing (short- or long- term) for a family member. Sixteen councils permitted ADUs for the purpose of housing a family member and eight for the purpose of housing an employee. Seven councils prohibited the development of ADUs for purposes other than housing a dependent relative and four of those councils required that family flats be removed or integrated into the main dwelling once the family member ceased living there. In Manawatu family flats were a permitted activity in Residential and Rural Zones for the purpose of accommodating family members or “non-paying guests.”<sup>1</sup> More recent provisions for ADUs had been associated with SmartGrowth and Ageing Well initiatives, as well as recognition of the need for more diverse housing types to accommodate changing household composition.

International evidence suggested that, while perceptions of ADUs were becoming more favourable, opposition to this housing type remained a barrier to development. Negative perceptions around the type of tenants ADUs might attract and concerns about neighbourhood character, amenity and impact on property values often drove resistance, and could influence local body decision making around provisions. More established and affluent communities

---

<sup>1</sup> Manawatu family flats are a permitted activity in Residential and Rural Zones. Maximum floor area of 70 square metres and can be used to accommodate family members or “non-paying guests.”

were identified as less likely to accept ADUs for the purposes of rentals, despite being most well placed to accommodate them. Low-income communities also exhibited resistance to ADUs, due to the limited provision of services and amenities in these areas. Opposition was observed to be strongest in areas with existing economic or ethnic tension.

The report notes that “conversion of structures not designed for living has become increasingly common in some New Zealand cities as access to affordable housing has declined” (Saville-Smith *et al.*, 2017 pi). This is consistent with the experience internationally, where unconsented and non-complying ADUs continue to proliferate, even in areas with permissive legislation. These are often poorly managed by local authorities due to fears of vulnerable tenants losing their housing and a lack of alternative options.

Unconsented/illegal structures are often associated with poor quality living conditions, environmental risks and unaffordable rents. Despite shortcomings, in some instances these units have been used by government departments to house low-income and vulnerable tenants due to an insufficient supply of public and social housing. Increasingly, ADUs were not seen to be meeting the affordability needs of low and even middle income tenants, although they did provide, in some cases, for intergenerational living and family support.

The authors concluded that ADU production does have the potential to add to housing supply in New Zealand, however, logics of supply and demand were not sufficient to ensure the affordability of completed units without regulation of rents and/or incentives for homeowners to offer and maintain affordable rents. They found that cost was likely to be a major barrier to building for many homeowners, and without pathways to finance or provision of financial supports uptake may be muted. The authors cautioned that there were issues inherent in outsourcing the supply of housing to homeowners/property owners that could exacerbate existing inequalities in the housing market particularly for already disadvantaged households, and that ongoing inspections and monitoring of these units was necessary to ensure dwelling standards and condition are met and maintained.

The main findings of the 2017 report were:

- Benefits of ADUs to older homeowners and residents appear to have been overstated and under-realised, whether due to poor targeting of programmes or other factors.
- Where older owners did build ADUs they were more likely to be living alone, in poor health, unemployed, uninsured and at risk of institutionalisation.
- Framing ADUs as a form of housing for older and (to a lesser degree) other relatives counters negative perceptions and increases support.
- The main reason homeowners build an ADU is additional income from rent.
- There is growing support amongst homeowners for ADUs.
- Public education, participation processes and awareness raising initiatives have been key to raising support.
- Internationally, there has been a strong market response to the perceived need/increased interest in ADUs, with a number of commercial providers offering specialised ADU products.
- ADUs were reported to have little or negligible impact on neighbourhood character.
- Home and property owners will build ADUs regardless of policy and regulatory settings.
- Illegal ADUs are largely tolerated by jurisdictions due to a lack of other housing alternatives.

In addition, the 2017 report highlighted that international research referenced a variety of range of barriers to ADUs including:

- Zoning requirements.
- Building Code regulations.
- Permitting and consent processes.
- Public hearings and approval from neighbours.
- Parking requirements.
- Minimum lot size requirements.
- Setback requirements.
- Minimum floor size ratios.
- Limits around the shape and bulk of dwellings.
- Requirements around aesthetics, neighbourhood conformity and character.
- Construction costs.
- Limited financing options.
- Specialist knowledge required to build an ADU.
- Contradicting codes.
- Neighbourhood opposition.
- Stigma and negative perceptions of ADU residents.
- Perceived impacts on infrastructure and amenities.
- Difficulty accessing finance.
- A limited numbers of homeowners are willing to share a property with or manage tenants.
- Lack of homeowner awareness and education.

In contrast, the international research identified a number of enablers:

- Allowing ADUs as of right.
- Relax or eliminate parking requirements.
- Reduce minimum lot size requirements.
- Reduce floor size requirements.
- Remove requirements for ADUs to comply with main dwelling design or neighbourhood character.
- Exemptions from zoning and development regulations for homeowner who agree to provide units at affordable rents.
- Pre-approved design guides and how-to manuals.
- Establish a dedicated department to assist homeowners, oversee programmes, and inspect and monitor units.
- Loan schemes.
- Grants and financial assistance for homeowners.
- Tax exemptions for affordable ADUs.
- Rental caps.
- Explicit provision for ADUs in tenancy law.
- Public outreach programmes.

### 3 A New Step for New Zealand – the logic of the Granny Flat Proposal

New Zealand, like many other countries, has been experiencing a housing crisis characterised by high costs and low availability. While homeownership increased slightly between 2018 and 2023 (from 64.5 percent to 66 percent) the situation has not improved for renter households. They have experienced a 32.4 percent increase in median rents since 2018 (Stats NZ, 2024) and declining tenure protection, including the re-introduction of no-cause evictions. Trends in housing affordability and availability, disinvestment in public and social housing and overreliance on private rentals are creating a situation in which more New Zealanders are reliant on marginal and insecure housing or excluded from housing altogether.

In light of these housing pressures the current Government has proposed relaxing restrictions on the construction of minor residential units (MRUs) or “granny flats” in rural and residential zones across New Zealand.<sup>2</sup> The stated aims of these changes are to meet the changing needs of the population and provide more options for smaller households, intergenerational households, younger people and older people wanting to age in place or requiring additional support. The government has indicated that it views facilitating the production of MRUs as a means of increasing both housing supply and affordability.

The preferred option outlined by the Government involves creating an exemption within the building code for single story standalone dwellings up to 60 square metres to reduce the time and cost to households of obtaining building and resource consents and thus incentivise uptake. Property owners would be required to engage relevant licensed building professionals, meet certain standards relating to weathertightness, structure and plumbing (unless using MBIE/government approved certification schemes), and to notify councils of works (MBIE, 2024a).

The discussion paper released by MBIE outlined five options to facilitate the development of ‘granny flats’ in New Zealand. These include:

1. Adding an exemption to Schedule 1 of the Building Act for simple standalone dwellings (maximum 60m<sup>2</sup>).
2. Establishing a schedule in the Building Act to exempt simple standalone dwellings (maximum 60m<sup>2</sup>) from building and resource consents. The proposed schedule would provide criteria for managing the risks associated with these dwellings.
3. Introducing an opt-in, self-certification scheme for accredited professionals and companies that would include small standalone dwellings.
4. Promoting BuiltReady and MultiProof building schemes to fast track consent for small standalone dwellings (maximum 60m<sup>2</sup>).
5. Developing a new MBIE/Government approval for a standalone dwelling (maximum 60m<sup>2</sup>).

Option 2 has been identified as the preferred option. This exemption would apply in rural and residential zones throughout the country and address the lack of regulatory consistency between councils. The proposal relies heavily on the “existing regulation of qualified

---

<sup>2</sup> See MBIE (2024a) *Making it easier to build granny flats: Discussion document*. <https://www.mbie.govt.nz/dmsdocument/28513-making-it-easier-to-build-granny-flats-discussion-document>

professionals” (MBIE 2024a p 8) and places the final onus for assessing the quality and compliance of completed works on the owner. Property owners would not be required to obtain an engineer’s report but would be required to notify council of the work, either through a Property Information Memorandum or a Permitted Activity Notice.

The proposed exemption would apply to new build, single storey detached dwellings with a maximum floor area of 60 square metres. Attached dwellings, including conversions and additions, are excluded from the proposal due to fire safety concerns. The conditions outlined for the proposed exemption include (but are not limited to):

- Work must be carried out by the relevant licensed building practitioners (unless using BuiltReady or MultiProof certification).
- The dwelling must be designed and built in accordance with the New Zealand Building Code.
- The dwelling must conform to height to boundary or setback requirements (yet to be decided) to manage risk from structural collapse and fire.
- The dwelling must contain interconnected smoke alarms and only use gas or electric for heating.
- May only be built in permitted wind zones.
- Design and build must conform to certain Acceptable Solutions relating to building materials and products, weathertightness and external moisture requirements (unless using BuiltReady or MultiProof certification).
- Plumbing and drain laying must be executed by appropriately licensed professionals and comply with the relevant Acceptable Solutions (unless using BuiltReady or MultiProof certification).
- Plumbing and drainage must connect to existing network utility operator services for reticulated mains water, sewer and stormwater.
- Should installation or alteration of onsite wastewater treatment, stormwater disposal or water supply be required, building consent must be obtained for these systems.
- Property owners must notify council of intended works, provide the council with indicative plans and request relevant land information.
- Property owners must notify council of completed works.

It is expected that councils would maintain discretion over the permitted use of minor residential units and over decisions relating to matters of “national importance” including:

- “The natural character of the coastal environment, wetlands, and lakes and rivers and their margins” (MBIE 2024a p 14).
- “Outstanding natural features and landscapes” (MBIE 2024a p 14).
- “Significant indigenous vegetation and significant habitats of indigenous fauna” (MBIE 2024a p 14).
- “The relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga” (MBIE 2024a p 14).
- “Historic Heritage sites” (MBIE 2024a p 14).
- “Significant risks from natural hazards” (MBIE 2024a p 14).

Those measures are expected to be controlled through the Resource Management Act (RMA) including in its future reformed framework. Government has suggested that its preferred option is the establishment of a National Environmental Standard (NES) that would set permitted activity standards to apply consistently across New Zealand with some variation between

zones. That would involve, one Minor residential unit (up to 60m<sup>2</sup>) to be permitted in common ownership with a main residential dwelling on the same property in rural and residential zones. The proposed option “may” also apply to rural or residentially zoned Māori land and to “papakāinga and kaumātua housing where they are ancillary to a primary dwelling and are held in common ownership” (MBIE, 2024a p 17). However, at this stage the proposals include no provisions to specifically support the development of housing for Māori.

The NES would address requirements for internal floor area; building coverage; setbacks; building height and height in relation to boundary; and permeable surfaces, but does not consider issues around minimum outdoor space, or required distances between the MRU and the primary dwelling (or other buildings). Units that do not comply with the standard may be eligible for development with a resource consent.

The rationale for these changes is underpinned by the assumption that reduced regulatory barriers will reduce costs through minimising complication, uncertainty and delays associated with consenting processes. The consents process is seen as an obstacle to the production of residential units. They estimate that removing requirements for building and resource consent for minor dwellings could reduce time delays and save property owners between \$3,500-6,500 per unit,<sup>3</sup> making it more cost-effective for owners to build. In addition, it has been argued that a combination of occupational regulation of qualified professionals and Building Code acceptable solutions will be sufficient to ensure dwelling quality and safety without additional need for inspections and oversight, while at the same time diversifying and making more affordable stock.

Government has stated that a major aim of the proposed provisions is to increase housing choice and affordability for smaller households struggling to access appropriately sized or affordable housing in the mainstream housing market. The groups identified as being likely to benefit from granny flats include seniors, young people, single parents, single and couple-only households, intergenerational households, Māori, Pacific peoples and people with disabilities (MBIE, 2024a). Notably the proposed provisions include no requirements or incentives for accessibility, which may mean completed units are poorly suited for a segment of the demographics they are intended to accommodate.

The public submissions on the ‘granny flat’ proposals have not yet been publicly released. However, MBIE has released their summary of submissions. Many of those submissions are critical of the proposals around consenting. In particular, a number of council and industry professionals who submitted on the government proposals raised concerns that the removal of council oversight increased the risk of non-compliant and poor quality dwellings being created (MBIE, 2024b). They also raised concerns around the cost of remediating such dwellings, which could fall on future homeowners and ratepayers. Builders and industry professionals noted that lack of oversight increased risks and liabilities for both homeowners and contractors. Some builders commented that “cowboy builders” could abuse the exemption and lack of monitoring to carry out work that was not up to code.

Notably, a significant proportion of New Zealand homeowners, hapū, iwi and Māori, who submitted on the government proposals identified “enabling intergenerational living” as a key

---

<sup>3</sup> The Ministry of Business, Innovation and Employment (MBIE) estimate that building consents for a small dwelling cost between \$2,000-5,000 and resource consents cost approximately \$1,500 (MBIE, 2024a p 5).

benefit, “both in terms of supporting elderly family members and grown-up children” (MBIE, 2024b p 16). However, hapū, iwi and Māori noted that benefits of the ‘granny flat’ proposals were likely to be limited due to the restriction of one MRU per site and requirement that the properties be held in single ownership (MBIE, 2024b). They argued that provisions should allow for multiple MRUs without the need for a primary residence, to support papakāinga development and culturally appropriate housing alternatives. Submitters in these groups also recommended that the policy be extended to include Māori purpose zones (MBIE, 2024b).

Homeowners were largely supportive of the proposals, which they viewed as having social benefits, in terms of family support, and economic benefits, in terms of additional incomes through rent. Many agreed the consenting process was unnecessary and presented a barrier to building, and some indicated that the proposals should be more generous in relation to floor size and built form.

There was evidence of a divide between homeowners, as to what, if any, conditions for use should be placed on MRUs. Some homeowner submitters stated that MRUs should only be permitted as intergenerational/multi-family housing, while others felt that MRUs “should only be for rental accommodation to support the supply of rental housing generally” (MBIE, 2024b p 30). A few submitters (less than 5 percent) raised concerns about the potential for MRUs to be used for short term-rentals such as Airbnb, and indicated that the use of MRUs for such purposes should be “explicitly” prohibited (MBIE, 2024b p 29).

Submitters responses were mixed regarding the potential of the proposed amendments to meet the Government’s stated outcomes, notably in terms of affordability. Homeowners felt that there would be “significant” savings, in terms of time and cost, however it was noted that building costs remained a barrier (MBIE, 2024b p 23). Industry professionals argued that without system-wide policy changes and initiatives the granny flat amendments would provide limited benefits and only to a “select group of New Zealanders” (MBIE, 2024b, p 8). Submitters remarked that the provisions should include consideration for other outcomes, such as health, building durability and environmental concerns. Some councils challenged the claim that there is a growing or unmet demand for smaller housing types in their region. Others noted the potential for granny flats to “exacerbate housing supply issues by taking up land in an inefficient manner” (MBIE, 2024b p 8). Disability advocacy groups raised concerns around the minimum floor size and exclusion of wet area showers and the implications for accessibility. They, and a small number of other submitters, suggested incorporating Lifemark, or other universal design standards into the framework, to ensure units would be accessible for all residents (MBIE, 2024b).

## 4 The International Experience of ADUs and Impacts on Rentals

Overall, the public response in New Zealand to ADUs and the ‘granny flat’ proposals has been mixed, although there is clearly a taste for this housing typology. In that context it is worthwhile, considering what the international research on ADUs emerging since Saville-Smith *et al.* (2017), tell us in relation to:

- Whether their promotion as a mechanism for stimulating affordable housing in general has been achieved;
- Whether ADU promotion has stimulated rental supply; and

- What the affordability, dwelling performance and tenure security impacts of ADU builds and supply have been.

This section structures that review according to the dimensions that have informed the rationale for the ‘granny flats’ legislation in New Zealand. Before that substantive discussion, it is important to understand the nature of the international body of research, the jurisdictions of focus, and the approach to collecting and reviewing that research.

Literature relating to accessory dwelling units published within New Zealand and internationally over the ten years to 2025 was identified through a search of online databases and research portals. The majority of available literature identified came from Canada and the United States, although a small body of research focused on the formalisation and commodification of informal housing types, including ADUs, was identified from Australia. Where appropriate, government websites were accessed to confirm whether interventions highlighted by the research were still on offer, and to clarify eligibility and scope, as the ADU landscape is rapidly evolving.

Existing data is somewhat fragmented and tends to draw heavily on survey data, diverse planning data and to build upon early, seminal research from the 1990s and early 2000s. A drawback of the research is that much of it relies on reported permitting and approval numbers, as opposed to completed ADU data to inform analysis. This can lead to a skewed perception and contradictory reports around the success of programmes. Lack of consistency around what is considered an ADU and tendency to clump the typology with other forms of “middle housing” can also contribute to a distorted picture.

While there is a large body of international literature on ADUs, there is a dearth of New Zealand literature on the subject. Interest in ‘granny flats’ is evident in New Zealand research through the early 1990s, primarily for the purpose of housing older people and “responding to changing demographic distributions” (Chalmers and Hails, 1991 p 17), and again in the early to mid-2000’s as a tool to facilitate ageing in place. More recent literature has been sparse and over the last decade has primarily focused on the potential of ADUs for enhancing sustainability and meeting environmental goals (see for example Moradibistouni *et al.*, 2019; Moradibistouni, 2020; Middha *et al.*, 2022).

The remainder of this section considers the international research relating to each of the key dimensions of ADU promotion noted in previously in Section 3.

#### 4.1 Does reducing regulatory barriers incentivise more owners to build?

Enabling ADUs to be built “by rights” in appropriate zones has been identified by researchers and planners as one of the most effective methods for facilitating the development of these units. It reduces confusion and “procedural hurdles...for homeowners” (Crane, 2020 p 9) as well as limiting opportunities for opposition and gatekeeping by neighbours or local governments averse to densification (Ross, 2016).

Internationally, by-rights permitting has been a key component of driving growth in ADUs and has been linked to sometimes significant increases in stock, although production varies greatly between jurisdictions. After California changed the permitting process from conditional use to a by rights process in 2017, the number of permits issued in Los Angeles rose by 2000 percent (Crane 2020, p 9). Twenty-eight percent of Californian homeowners who built an ADU between

2018 to 2019 directly credited the reforms with enabling development (Chapple *et al.*, 2021 p 9).

Sydney has also reported a massive growth in the number of units created since the implementation of The Affordable Rental Housing State Environmental Planning Act (AHRSEPP) in 2009, which explicitly aimed to stimulate the development of infill housing and “encourage new supply of lower cost rental accommodation” (Gurran *et al.*, 2021 p 8). The Act permits one ADU per site on residentially zoned land and allows for private certification to reduce regulatory cost barriers (Gurran *et al.*, 2022). In Sydney, over 10,000 ADUs were approved between the legislation coming into force and 2015, accounting for around five percent of the city’s new housing supply in that period (Gurran *et al.*, 2021). A further 7,000 units were approved in the year 2015/2016 (Gurran *et al.*, 2022).

A number of studies have demonstrated that costs associated with construction consents and permits function as a deterrent to taking-up build opportunities. Homeowners frequently remark that the consent process is cumbersome, contradictory, time consuming and costly (Crane, 2020; Chapple *et al.*, 2021; MBIE, 2024b; MBIE, 2024c). Forty-seven percent of Californian ADU owners reported issues with the approvals process and 50 percent found obtaining the relevant permits “complex and time consuming” (Chapple *et al.*, 2021 p 10). Similarly, 36 percent of ADU owners surveyed in Portland, Seattle and Vancouver cited difficulties with the permitting process that led to increased costs and delays (Chapple *et al.*, 2017).

Industry bodies and professionals have challenged the perception that the consent process adds unduly to the time and costs of building (MBIE, 2024b; MBIE, 2024c). In California 83 percent of ADU owners surveyed completed their build within 18 months or less, and 45 percent of units were completed within six months or less (Chapple *et al.*, 2017). Feedback from architects suggests that the complexity of the design and construction process themselves adds to timeframes for ADUs as these units require “expert knowledge of construction, the building code and the City” (Proussaloglou, 2024 p 96). In New Zealand council data submitted to the Ministry for Business, Innovation and Employment indicates that 92 percent of all building consent applications “were processed within the statutory timeframe,” with a median processing time of 13.4 working days (MBIE, 2024c p 11). Studies have consistently identified the cost of construction and access to finance as among the most substantial barriers to building an ADU and, in many cases, exclusionary to low and middle income owners (Kalyandurg, 2024; Jennings, 2023; Chapple *et al.*, 2021; Crane, 2020). Shortages in skilled tradespeople and increased costs in materials have also been identified as “critical challenges” to ADU production, which can result in projects being cancelled or abandoned due to delays and budgetary considerations (Global Growth Insights, 2025).

Almost a quarter of Californian ADU owners ranked construction cost as the most significant barrier to building an ADU (Chapple *et al.*, 2021). A recent study of ADU developers in California found that it was common for both architects and contractors to lose ADU clients during the discussion and planning process, due to unrealistic expectations around cost and personal financial constraints (Proussaloglou, 2024). Clients routinely underestimated the cost of design and construction, which could range from USD\$200,000 for design-build contractors and specialist ADU firms, to USD\$450,000 for architectural services, typically presenting with a budget of USD\$150,000-200,000. Contractors noted that only two to three percent of ADU enquiries resulted in a contract, while architects remarked that they rarely broke even on ADU builds due to the complexity of design and site requirements (Proussaloglou, 2024).

Limited savings, equity or access to finance can prevent homeowners from taking up options for ADU development. Traditional lending options are poorly suited to ADUs as banks are often unwilling to fund a product with which they have limited familiarity without a proven return of investment (Kalyandurg, 2024; Saville-Smith *et al.*, 2017). Thirty-four percent of Californian ADU owners cited obtaining a loan as the biggest challenge they faced when building their unit and 5 percent struggled to access finance (Chapple *et al.*, 2017). Ten percent of ADU owners noted that access to better financing options would have helped smooth the development process (Chapple *et al.*, 2017). In light of these difficulties, over half of homeowners reported using personal savings to finance construction, with a further 43 percent accessing bank loans and 10 percent accessing money through friends or family members (Chapple *et al.*, 2017). For many homeowners, ADUs may simply not be a viable option financially.

A major criticism of ADU policy has been that it tends to favour wealthier homeowners over low-moderate income owner occupiers (and renters) and thus has the potential to reproduce and exacerbate existing inequities in the housing market (Cipkar, 2023; Kalyandurg, 2024; Gurran *et al.*, 2021; Gurran *et al.*, 2022). Unsurprisingly then, research consistently finds that homeowners who are wealthy and white are most likely to develop ADUs and less likely to use ADUs for residential purposes (Proussaloglou, 2024; Crane 2020; Chapple *et al.*, 2017). Thirty-three percent of Californian ADU owners reported an annual household income over USD\$200,000 and 70 percent had an annual income of USD\$100,000 or above, compared to 40 percent of the general (Californian) population (Chapple *et al.*, 2021 p 6).

Some jurisdictions offer financial support packages to lower income homeowners for the purpose of building an ADU. It is estimated that around 58 percent of local governments in the US now offer tax credits, waivers or financing programmes to promote ADU production (Global Growth Insights, 2025). California for example, established a grant programme that contributes up to USD\$40,000 towards the cost of construction for low-moderate income households (Jennings, 2023). Boston has developed a deferred home loan programme, which provides loans of up to \$50,000 at zero percent interest to owners with less than USD\$75,000 in assets (excluding retirement funds, college funds and the primary residence). Owners making less than 120 percent of the area median income are not required to match the loan, which does not become due until the owner sells, refinances or transfers ownership of the property.<sup>4</sup> In 2023 the Federal Housing Administration introduced a policy that allows up to 50 percent of the projected rental income from a new ADU to be used to qualify for a mortgage under the FHA's Standard 203(k) Rehabilitation Mortgage Insurance Programme (Kalyandurg, 2024). In Canada, The Canada Mortgage and Housing Corporation (CMHC) offers funding of up to CAD\$60,000 for First Nations owner occupants to develop secondary or garden suites.<sup>5</sup> CMHC also offers refinancing options for homeowners to develop an ADU, provided it is compliant with all bylaws and regulations, and is not to be used as a short-term rental.<sup>6</sup> These options, in addition to regulatory supports have been associated with increased development and increased market confidence on the part of investors (Global Growth Insights, 2025).

---

<sup>4</sup> <https://www.boston.gov/sites/default/files/file/2022/01/ADU%20Fact%20Sheet%2C%20English.pdf>

<sup>5</sup> <https://www.cmhc-schl.gc.ca/professionals/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/residential-rehabilitation-assistance-program>

<sup>6</sup> <https://www.cmhc-schl.gc.ca/professionals/project-funding-and-mortgage-financing/mortgage-loan-insurance/mortgage-loan-insurance-homeownership-programs/refinance>

## 4.2 Building standards and quality impacts of minimised consenting processes

International experience and research suggest that optimism around building standards should be treated with caution. For instance, where “deregulation of planning and regulatory controls for secondary dwellings, and privatisation of building control functions” has been associated with “a rise in poor quality housing” (Gurran *et al.*, 2022 p 24).

As part of its affordable housing reforms the New South Wales Government introduced private certification for ADUs to reduce regulatory barriers to householders. This provision allows “all stages of planning, construction and final certification” to be carried out by a private certifier without the need for local body oversight, inspection or approval (Gurran *et al.*, 2021 p 8). Since the reforms came into effect local government planners and inspectors have noted an increase in substandard accommodation, “being created and marketed by landlords” (Gurran *et al.*, 2022 p 25). Among the issues they reported were lack of insulation; poor ventilation; inadequate light; faulty electrical and construction work; inadequate stormwater and sewerage provision; exposure to extreme weather conditions and temperatures; and inappropriate siting that exposed residents to risks from flooding and fire (Gurran *et al.*, 2021). A review of rentals listed on realestate.com.au (July to Sept 2018) found that over half of the ADUs advertised showed indications of non-compliance with planning and/or building codes (Gurran *et al.*, 2022).

Landlords were observed to be engaging in underhand practices around ADU production. Notably, some would use private certification for a legitimate secondary unit as a “cover” for the illegal construction and/or conversion of accessory structures (such as garages and sheds) into additional residential units (Gurran *et al.*, 2021). Building work on these units was often carried out illegally, and a practice appears to have developed “whereby tradesmen will perform work without supplying a proper invoice, thereby evading professional liability and responsibility to conform with applicable construction codes” (Gurran *et al.*, 2021 pp 9-10).

Lack of enforcement in Canada has also been associated with the proliferation of poor-quality basement suites. In Vancouver, inspectors have noted lower than permitted ceiling heights, the development of multiple units on a property and faulty electrical and plumbing work, among other violations (Mendez and Quastel, 2015). Poor conditions have been largely tolerated due to “a severe shortage of affordable housing,” following state withdrawal from the funding and provision of housing (Mendez and Quastel 2015, p 19). In Calgary, ADUs have long been seen as the “underbelly to a serious affordable housing problem,” and are characterised by informal tenancies, renter precarity and substandard conditions (van der Poorten and Miller 2017, p 565). In 2009 three tenants were killed in a fire in a Calgary basement suite, related to multiple health and safety code violations (van der Poorten and Miller 2017).

## 4.3 Diversification and Better Options for Households

Studies have consistently demonstrated that provision of housing for a family member remains a major motivating factor in homeowner decisions to build ADUs.

Chapple *et al.*, (2017 p 19) found that 28 percent of ADU owners in Seattle, Portland and Vancouver built their unit with the explicit intention of “creating a living space for a household member or helper,” and 46 percent of existing ADU tenants had a pre-existing relationship to the

owner. Owners who house family or friends are much less likely to charge their tenants rents or tend to offer rents at significantly discounted rates.

Crane, in her 2020 study of the construction and use of ADUs in Los Angeles found around half of ADU owners who were renting their unit were renting to a family member, and around 85 percent of these owners did not charge any rent. A later survey of Californian ADU owners found 16 percent of ADUs were rented to relatives of the owner at no cost and two percent were rented to friends at no cost (Chapple *et al.*, 2021). Similarly, surveys of ADU owners in Portland, Seattle and Vancouver (Chapple *et al.*, 2017) found that 17 percent of ADU owners were housing a family member or friend for free and 12 percent provided reduced rent for family members and friends living in ADUs.

While seniors often express a high level of interest in this housing typology, uptake from this group has been limited (Ramsey-Musolf, 2018; Saville-Smith *et al.*, 2017). There is little evidence of seniors using ADUs, either as a means of generating income, or as a place of habitation to a greater extent than other housing types (Brown and Palmeri, 2014). A Seattle survey found around 27 percent of ADUs were built by residents aged 65+, while surveys in Portland and the San Francisco Bay area found less than a fifth of ADU owners were seniors (Ramsey-Musolf, 2018). Crane (2020) found in her survey of Californian ADU owners that only one respondent (of 321) was using their ADU to house a caregiver, while a further six percent intended to use their dwelling to house a caregiver in the future.

It is notable that researchers have tended to focus on the characteristics and experiences of the property owners who build ADUs rather than the residents who live in them. Information on the latter tends to be fragmented, and varies between jurisdictions according to local conditions, policy settings and, in some cases, acceptability to existing residents. Unsurprisingly, young people appear to make up the bulk of ADU residents, with approximately 44 percent of tenants in Portland aged between 25-34 years old, and 22 percent aged 55 years or over (Brown and Palmeri 2014). In California, where the state has specifically mandated ADUs for seniors, college students and low-income households, seniors comprised around 12 percent of ADU tenants with the majority of ADU residents being aged between 20-39 (Ramsey-Musolf, 2018). Children are estimated to make up about 11 percent of ADU residents in some areas (Chapple *et al.*, 2017). International evidence suggests that the majority of completed ADUs are one bedroom or studio units (Chapple *et al.*, 2017; Crane, 2020), which raises questions around the suitability of these dwellings for housing single parent families, as well as for larger families.

What is clear across jurisdictions is that ADUs are increasingly being used to house extremely disadvantaged tenants who face discrimination and/or unaffordable rents in the private market and are unable to access public or social housing. In Ontario, Jennings (2023) found that secondary suites were predominantly rented to students, new migrants, low-income and vulnerable tenants unable to access social housing due to high demand and long waitlists. She found ADUs were most pronounced in areas characterised by a shortage of other forms of rental and social housing. This trend is also evident in Calgary where secondary suites tend to be concentrated in low-income areas with high numbers of immigrant households, who might otherwise struggle to find housing (van der Poorten and Miller, 2017). Notably, two-thirds of Calgary's housing stock has been identified as belonging to absentee landlords (van der Poorten and Miller, 2017), challenging the notion that ADUs are primarily being built by homeowners "seeking to meet their own housing need" (Gurran *et al.*, 2022 p 25) or enhance opportunities for intergenerational living (van der Poorten and Miller, 2017).

## 4.4 Increased housing supply

There is little doubt that the international experience with removing or reducing regulatory barriers to the development of ADUs has contributed to marked increases in ADU production in some jurisdictions.

In the United States, a recent report found ADU construction had increased by 51% across major metropolitan areas, with municipal approvals for ADUs increasing by 33% in Canada (Global Growth Insights, 2025). Notably, both Canada and the United States have developed a range of financial supports, subsidies and lending tools that have facilitated the uptake of ADUs for households that might otherwise be unable to meet the upfront costs of construction. However, the number of units produced continues to vary substantially between jurisdictions and to date their contribution to the overall housing stock remains unclear.

It is important to note that increases in permits and approvals do not represent the number of units constructed. In Los Angeles an estimated 16,700 ADUs are approved annually, however only 5,200 new ADUs were constructed in Los Angeles in 2021 (Jennings, 2023). Welch (2025), estimates around 60% of ADUs approved in California are completed due to cost and infrastructure constraints. In New Zealand, an average of 300-400 consents have been issued annually in Auckland since the Unitary Plan went into force in 2016, however it is unclear how many of these units have been completed (Welch, 2025). Even in Sydney, which has experienced exponential growth in ADU approvals, completed units only account for 1.5% of the city's overall housing supply (Maltman, 2023).

Other jurisdictions have shown little or modest increases in production. Guelph, for example, records an average of 75-100 units that are permitted and constructed annually (Jenning, 2023). In Long Island, which has had a contentious relationship with ADUs since the 1990s, an estimated 2 percent of single family properties have a legal ADU, accounting for an estimated 14,500-16,000 units (Niedt *et al.*, 2016). In Portland, which has been used as a model for ADU ordinances by many jurisdictions, ADU construction was estimated to have contributed to a growth of around 1,400 “middle housing units”<sup>7</sup> between 2021 and 2024 (Portland Bureau of Planning and Sustainability, 2025).

Even where units are constructed, they are not always utilised for residential purposes. Many homeowners are unwilling “to sacrifice their privacy and control over their backyards, if not financially necessary” (Crane, 2020 piii). Survey data indicates that while most ADU owners in Portland, Oregon and the East Bays (California) use their units for long-term residential purposes, less than half of ADU owners in Beverley Hills do so (Crane, 2020). Thirty-six percent of Californian homeowners surveyed indicated that they had no intention of using their ADU to house a stranger (Crane, 2020). High income owners are more likely to use an ADU for the purpose of adding office space, a guest room or for short-term rental (Crane, 2020). Chapple *et al.*, (2017) reported similar results from their survey of ADU owners in Portland, Vancouver and Seattle, where 51 percent of ADU owners used or intended to use their unit for residential purposes and a further 12 percent for short-term rental.

---

<sup>7</sup> Middle housing, in this context refers to ADUs in “in various configurations, Attached Houses, Duplexes, Triplexes, Fourplexes, Affordable Sixplexes and Cottage Clusters” (Portland Bureau of Planning and Sustainability, 2025 p 7).

Loosening or removing planning regulations does not ensure either uptake or compliance, as is evidenced by Ontario. The province enacted The Strong Communities through Affordable Housing Act in 2012, in response to a decline in social housing and increase in housing need. The Act “required municipalities to permit second units either in a house or detached structure in a single detached, semi-detached or row houses” (Jennings, 2023 p 7). This was followed by increasingly permissive legislation that eventually required municipalities to permit two units as of right on a property and up to three units as of right “on urban serviced parcels” (Jennings, 2023 p8). These changes have been fiercely resisted both by homeowners, who wish to maintain control over who lives in their neighbourhoods and by municipalities. By 2019 only 23 percent of municipalities had enacted policies that conformed to the Government’s stipulations (Jennings, 2023).

## 4.5 Improved housing affordability

ADUs are thought to contribute to housing affordability in three ways. First, they allow owners to subsidise their own housing costs through the provision of an additional income stream from rent. Secondly, because ADUs tend to be smaller on average than single family housing, they are expected to be rented at more affordable rates than mainstream rental options. Finally, because ADUs can be built on existing land and utilise existing infrastructure, they are viewed as having the potential to significantly increase supply thereby easing demand and affordability pressures. However, the absence of regulatory controls around conditions of use, occupancy and rent caps in many jurisdictions appears to have undermined opportunities for affordable housing provision and opened the market up to speculation and profiteering.

Early research into ADU affordability showed some support for ADUs as a source of affordable housing, with some American studies suggesting units were typically available at 20-35 percent less than mainstream rental housing (Cipkar, 2023; Maaoui, 2018). However, later research suggests that lower rents were partially attributable to two factors, the illegality of the dwelling, or an existing relationship between the tenant and ADU owner (Crane, 2020; Maaoui, 2018). Researchers have argued that, once variables are controlled for, ADUs do not demonstrate significant cost differences when compared to mainstream rental housing (Crane, 2020 p 80). In cities facing high rental costs and low availability ADUs may be let at rents comparable or higher than market rents.

Crane noted that when non-rent receiving households were removed from rent price analysis, the average rent for an ADU in Los Angeles was higher than that for comparable market rentals across the City, with ADU residents paying an average of \$1,667 for a studio to \$3,917 for three or more bedroom unit compared to an average of \$1,130 for a studio unit to \$1,560 for unit with three or more bedrooms for Los Angeles as a whole (Crane, 2020 p105). Around 10 percent of survey respondents who used their ADU for rental purposes indicated they only rented their unit on a short-term basis, despite an ordinance banning this practice. These owners on average, charged \$120 a night (Crane, 2020, p 99).

Chapple *et al.*, (2021) found that less than a third (31 percent) of ADUs in Los Angeles County were affordable to a two-person household earning the area median income, though affordability varied “significantly” between counties. In Marin, for example, 67 percent of ADUs were available to households on less than 80 percent of the area median income, compared to 50 percent in Santa Clara, 38 percent in San Mateo and 12 percent in Los Angeles (Chapple *et al.*, 2021 p 16).

Some jurisdictions have developed initiatives to support homeowners to build ADUs that will be rented at affordable rates. For example, Los Angeles has partnered with housing developers to help homeowners finance ADUs that will be rented to Section 8 voucher holders (Kalyandurg, 2024 p 17). The Government of Washington DC runs a pilot programme to fund construction or conversion of an unspecified number of ADUs up to a maximum of USD \$120,000. Owners with incomes above 120 percent of the Median Family Income (MFI) will be required to rent their unit to households making below 60 percent of the MFI to qualify.<sup>8</sup> Pasadena is exploring options to reduce permit fees by approximately \$19,000 per unit for homeowners who agree to rental income restrictions for a period of seven years, after which point they would be eligible to be let as market rentals (Ramsey-Musolf, 2018 p 28). The City of Portland will waive systems development charges for homeowners who sign a covenant agreeing not to use the ADU as short-term rental for a period of 10 years.<sup>9</sup>

Proponents of ADUs as affordable housing have argued that ADU provision can indirectly lower costs by increasing the number of units on the housing market and thus reducing demand and competition, however researchers have yet to find sufficient evidence of the market responding in this way. Others have suggested that the impacts on affordability have been contrary to policy intent.

For instance, in California, Ramsey-Musolf (2018) argues that ADU policy has resulted in an overall loss of dedicated affordable housing. According to Ramsey-Musolf, for every ADU built an affordable unit, “that would have been situated in a regulated multifamily or voucher housing unit was lost” (Ramsey-Musolf, 2018 p 2). He describes how ADUs have come to be seen as a vital component of affordable rental provision in California, to such an extent that cities are allowed to count potential units towards a portion of their affordable housing quotas, without necessarily demonstrating conditions for affordability.

Few cities in California imposed restrictions on ADUs to ensure they would be tenanted by low-income tenants and/or at affordable rates, and none appeared to monitor or enforce these measures effectively. In an analysis of planning data from 57 Californian cities, planners identified 759 ADUs that were designated as low-income housing, but none could be verified as being occupied by or available to low-income households (Ramsey-Musolf, 2018 p3). Essentially, these cities were outsourcing the cost and responsibility of housing production to homeowners.

Sydney has also found that an increased supply of ADUs did not ease housing affordability pressures and may instead have contributed to an overall decline in “the supply of rental units affordable to low-income earners”, despite housing production almost doubling between 2015 to 2016 (Gurran *et al.*, 2022 p 19). Rather than bolstering the stock of low-cost rentals, new build ADUs appeared to be aimed at the “higher end sector of the rental market, including short term rentals on Airbnb style platforms” (Gurran *et al.*, 2022 p 27). They were also associated with a loss of older, affordable stock, which were converted into ADUs to increase the number of units available for rent and maximise profit to landlords (Gurran *et al.*, 2021). According to analysis of Sydney rental listings, ADUs accounted for less than half (39 percent) of lower cost rentals advertised (Gurran *et al.*, 2022 p 23). Median rent for a compliant secondary dwelling ranged

---

<sup>8</sup> <https://dhcd.dc.gov/raap>

<sup>9</sup> <https://www.portland.gov/ppd/residential-permitting/home-projects/accessory-dwelling-units>

from AUD \$200-\$260 per week, compared to AUD \$250-270 for a standard rental (Gurran *et al.*, 2022 p 23).

A key finding of recent research has been that, even in jurisdictions with permissive ADU legislation, illegal units continue to proliferate. In Calgary, 73 percent of unauthorised ADUs can be found in zones that permit secondary suites and these units proliferate in low income, high immigrant areas (van der Poorten and Miller, 2017 p 670). In Sydney, Gurran *et al.*, (2021) found illegal conversions, extensions and construction was common, despite legislative changes. While the median rent for these units was lower than the median rent in the mainstream rental market, they remained unaffordable to very low-income renters (Gurran *et al.*, 2021).

The expansion of the ADU market appears to have created perverse incentives and opportunities for gaming by some investors and landlords, who appear to be moving into the market in order to increase the rental yields from their properties. As more jurisdictions are formalising ADUs and removing barriers to development, more opportunities for investment, commodification and exploitation of this housing typology are becoming apparent. Internationally there is evidence that ADUs are increasingly being viewed as a “financial tool,” by both homeowners and investors (Global Growth Insights, 2025). Fifty-two percent of property owners report that rental income is a primary motivation for developing an ADU, 38 percent of owner/investors report increased property valuation as a key motivator and 49 percent of individual investors view ADUs as assets for generating income (Global Growth Insights, 2025).

## 4.6 ADUs for Rent?

The ways in which ADUs contribute to the expansion of the housing stock are complex and often inconsistent. Units are predominantly built by wealthier homeowners, who may be unwilling to share their property with unrelated tenants or manage formal rental agreements, for fear they may be unable to remove them should the “need arise” (Crane, 2020; Proussaloglou, 2024). These units may cycle in and out of the housing market according to owner need and preference. A small number will never enter the housing market. Historically, the majority of ADUs have been used for the purposes of housing family, and this still appears to be the case in many jurisdictions. While these ADUs provide social and financial benefits for these households, they do not expand the existing stock materially.

Even where ADUs are viewed as desirable and regulations have been relaxed, ADU uptake has been not been demonstrated to be sufficient to relieve pressures on the wider housing system. Indeed, in some cases ADUs have been associated with a loss of existing affordable units, as well as gentrification and displacement of existing residents (Mendez & Quastel, 2015; Gurran *et al.*, 2021). Nor are they likely to mitigate issues for those whose needs are poorly met by the mainstream housing market, such as those requiring accessible features to live comfortably in their homes, as well as larger, low-income or disadvantaged households.

More recent literature has demonstrated issues arising for rentals associated with ADUs, including decreasing affordability, lack of formal rental agreements and limited tenant protections, and poor quality dwellings rented at close to market rates (Mendez & Quastel, 2015; Crane, 2020; Gurran *et al.*, 2021; Gurran *et al.*, 2022; Cipkar, 2023; Kalyandurg, 2024). While these problems are not new, they appear to be more marked in some jurisdictions and tend to occur where non-owner occupant landlords and investors have moved into the market, and particularly in already disadvantaged areas with an inadequate supply of affordable and social housing (van der Poorten & Miller 2017; Gurran *et al.*, 2021; Jennings, 2023). These findings suggest that careful policy and regulatory settings are needed to realise the potential of ADUs for rents and mitigate risks.

## 5 Key Findings and Reflections

Key findings from the international research around ADUs are:

- Consents/approvals are useful indicators of interest but provide minimal insight into the number of units produced.
- Most ADU proposals do not reach the construction stage.
- Homeowners routinely underestimate the costs of building an ADU.
- Many homeowners will be unable to meet the costs of building an ADU without targeted assistance.
- ADUs are often more complicated to build than mainstream housing due to size and site constraints.
- Shortages in skilled tradesmen and materials are major challenges to ADU construction.
- ADU policies tend to favour wealthier homeowners, rather than those who may most benefit from building an ADU.
- A small, but significant proportion of ADUs will not be used for the purposes of housing.
- Some ADU owners prefer to use their units as short term rentals for flexibility as well as higher rent returns.
- ADUs are usually marketed as providing affordable accommodation for groups the general public are likely to feel more sympathetically towards; single, couple or single parent households; young people; and older people.
- ADUs have predominantly been used to accommodate friends and family for no or low cost.
- There is a clear taste for ADUs among tenants, however it is unclear if this is related to benefits inherent in this housing type or a lack of other options.
- The experiences of ADU tenants are not well understood.
- Non-related ADU tenants tend to be young; students; migrants; from ethnic minority groups; experience discrimination or disadvantage in the wider housing market.
- Affordability of ADUs may be overstated, with most compliant ADUs being let at market or close to market rates, unless let by family members or friends.
- Landlords and investors are seeing opportunities to profit from deregulation and moving into the market.
- Reduced monitoring and inspections has been associated with cost cutting and sub-standard housing conditions.
- ADU tenancies are not uncommonly associated with informal rental agreements and lack of tenure security.

- Conditions and compliance are poorly managed and enforced due to limited alternative housing options and risk of homelessness.
- Non-compliant ADUs are more likely to be built in disadvantaged areas with insufficient affordable stock.
- High income neighbourhoods demonstrate higher resistance to ADU development, particularly for the purposes of rental.
- Accessibility is often overlooked in the design and construction of units, limiting their usefulness as long term housing for some demographics.

ADUs can provide desirable and appropriate housing for some households, but unless well managed ADUs have the potential to reproduce and exacerbate existing inequities in the market.

The current granny flat proposal brings New Zealand more into line with other, comparable countries, such as Australia, Canada and the United States, which have opted to prioritise privatised housing provision over public or social housing provision.

In New Zealand questions have been raised about the necessity of proposed granny flat amendments as the majority of councils already enable MRUs in their district plans. Councils that submitted on the government proposal noted that “existing district plans are more appropriate than some or all of the proposed standards” (MBIE, 2024b p3) as they respond to locally specific conditions and demographics. For example, Thames-Coromandel and Hauraki District Councils have identified MRUs as one mechanism for providing cheaper options, freeing up housing stock and increasing supply for the high number of older and disabled residents in these districts.<sup>10</sup> Thames-Coromandel allows units up to 50 square metres as a permitted activity in multiple zones and Hauraki allows units up to 50 square metres as a restricted discretionary activity in three low density residential zones. Both councils provide a density bonus (up to a maximum of 60 square metres) to homeowners who build to minimum Lifemark accessibility standards or other acceptable universal design criteria. Thames-Coromandel report strong community support for the scheme, which has contributed to a ten percent increase in the number of new dwellings built to a Universal Design standard in the region (Lifemark, n.d.).

In addition, requirements outlined for ADUs by some councils are more permissive than those being outlined by the Government (MBIE 2024b). For instance, under the Unitary Plan Auckland Council permits two minor dwellings per site in mixed housing suburban and mixed housing residential zones, and three or more units are permitted as a discretionary activity (Saville-Smith *et al.*, 2017). Waikato allows a gross floor area of 70 square metres for units built for the purpose of housing a dependent relative of the occupants in the main dwelling, and up to 120 square metres for an independent unit to house agricultural workers (Saville-Smith *et al.*, 2017). Rotorua District council permits independent units up to 72 square metres in some residential zones (Saville-Smith *et al.*, 2017).

It is difficult to assess the extent of the impact of removing consents on homeowners’ decisions as such waivers rarely occur independently of other reforms. Homeowners certainly resent the

---

<sup>10</sup> Interview with Hauraki District Council staff and planners carried out for the FAAB Small Homes: Functional, Accessible, Affordable, Buildable Small Homes Research Programme in 2023.

added cost and perceived complexity of consent processes, however consents only contribute to a small proportion of overall costs and do not represent the most significant barrier or cost burden to homeowners (MBIE, 2024c). Industry professionals have cautioned that resource and building consent waivers are insufficient mechanisms for achieving cost reductions large enough to significantly incentivise uptake within the general public (MBIE, 2024b).

Welch (2025) estimated that the costs of building a “basic” granny flat in New Zealand could range from \$200,000 to \$300,000, while Sapere Research Limited estimated the average cost of constructing a 60 square metre MRU to be \$241,354 (MBIE, 2024c, p 12). A household financing a \$250,000 loan would be required to make repayments of around \$480 a week and could expect an income of \$500-600 per week depending on prevailing market conditions (Welch, 2025), making construction a risky prospect for some homeowners. Without financial support or assistance to access finance, low and middle income homeowners who stand to benefit most from having an ADU may be poorly placed to do so.

In addition, the New Zealand construction industry is facing a range of challenges to capacity. The New Zealand Infrastructure Commission Te Waihanga (2022 p 152) recently reported that “the share of construction firms reporting labour shortages is now at its highest-ever level,” with unprecedented numbers of workers leaving the country for opportunities overseas and others reaching retirement age (MBIE, 2023; The New Zealand Infrastructure Commission, 2022). Forty-six percent of business owners or managers reported issues recruiting skilled tradespeople (MBIE, 2023). These issues are further compounded by the rising cost of materials and generally poor economic conditions experienced by a considerable number of New Zealanders.

While ADUs may provide an appropriate and even desirable option for some households, promotion of this housing typology has the potential to create perverse incentives and opportunities for the exploitation of renters and result in outcomes that are “neither affordable or secure,”(Gurran *et al.*, 2021 p16) particularly for very vulnerable tenants with already limited options and choice. Moreover, ADU production may be less effective than directly funding the production of affordable housing (Jennings, 2023; Ramsey-Musolf, 2018) and is unlikely to mitigate housing affordability pressures unless accompanied by policies that require, and enforce requirements for rental affordability and tenure security (Saville-Smith *et al.*, 2017; Ramsey-Musolf, 2018; Maaoui 2018).

These findings raise serious questions on the use and management of ADUs for rental purposes. The international experience shows that ADUs can be a means to expand the rental stock. What is less certain is, firstly, whether that rental stock is available for low-income households in unmet housing need and, secondly, is a means of delivering rental housing that is affordable to low-income households. Furthermore, ADUs should be developed in addition to, rather than a replacement of, continued government investment in public and community housing to ensure these units represent a genuine option for tenants, and do not simply become a last resort for households faced with severe housing affordability stress or homelessness.

Nevertheless, ADUs do have potential. both in relation to better utilisation of land and in stock expansion. The innovative strength and potential of ADUs lies in the matter of scale. ADUs, whether delivered as rental housing or other tenure arrangements, provide scale through micro-targeted developments. This contrasts with other pathways to scale which have required:

- Either mass sub-division of greenfield sites with all the financial, infrastructure and environmental costs associated with them; or
- Intensification through vertical, middle- and high- rise building typologies which frequently confront neighbourhood resistance as well as complex building and maintenance requirements; or
- Extensive consolidation and redevelopment of existing residential land titles.

## Reference List and Some Contextual NZ Research

- Barber, P. (2025). *Tackling Rental Affordability in Communities*. The Salvation Army Social Policy & Parliamentary Unit. <https://www.salvationarmy.org.nz/wp-content/uploads/2025/01/Rental-Affordability-Report-2025.pdf>
- Bentley, A., (2021) Sticky Rents and The Affordability of Rentals for Housing in New Zealand Ngā Rēti Hāpiapia me te Whaiutu o ngā Whare Noho Rēti i Aotearoa, *New Zealand Population Review*, 47, 145–170
- Bentley, A., E. Cassino, and Nam Ngo, (2023) Housing Technical Working Group *What Drives Rents in New Zealand? National and Regional Analysis*, Housing Expert Technical Group, Treasury, Ministry of Housing and Urban Development, and the Reserve Bank of New Zealand, Wellington.
- Brown, M.J. and Palmeri, J. (2014). Accessory Dwelling Units in Portland, Oregon: Evaluation and Interpretation of a Survey of ADU Owners, *TREC Friday Seminars Series*, Book 41 <https://accessorydwellings.files.wordpress.com/2014/06/adusurveyinterpret.pdf>
- BRANZ, (2018) Building to rent #1: Issues for owners of rental properties, *Research Now*, BRANZ, Judgeford
- BRANZ, (2018) Build to Rent#2, *Research Now*, BRANZ, Judgeford
- BRANZ, (2023) Reimagining rental housing for a changing population, *BRANZ Annual Review*, BRANZ, Judgeford
- Chalmers, L. and Hails, G. B. (1991). Granny Flats as Housing for the Elderly: International Perspectives. *Journal of Housing for the Elderly* 7(2): 17-28.
- Chapple, K., Wegmann, J., Mashhood, F. and Coleman, R. (2017). *Jumpstarting the market for accessory dwelling units: Lessons learned from Portland, Seattle, and Vancouver*. University of California Berkeley, Turner Center for Housing and Innovation. <https://escholarship.org/content/qt4b9836bh/qt4b9836bh.pdf>
- Chapple, K., Ganetsos, D. and Lopez, E. (2021). *Implementing the Backyard Revolution: Perspectives of California’s ADU Owners*. Center for Community Innovation. <https://www.aducalifornia.org/wp-content/uploads/2021/04/Implementing-the-Backyard-Revolution.pdf>
- Cipkar, S. (2023). ADUs and the Just City: How additional dwelling units can shape urban environments toward equitable outcomes in Canadian cities. *Frontiers in Sustainable Cities*, 4: 1053439.
- Crane, R. E. (2020). *Is Granny in that flat?: How regulations shape the construction and use of accessory dwelling units in Los Angeles*. [Doctoral dissertation. University of California, Los Angeles]. ProQuest. <https://escholarship.org/uc/item/2wh204vz>
- Curtis, M., and N. Brundson, 2018 *Building to rent*, Project SR390, BRANZ, Judgeford.
- Global Growth Insights (2025). *Accessory Dwelling Unit (ADU) Market Size, Share, Growth and Industry Analysis*. <https://www.globalgrowthinsights.com/market-reports/accessory-dwelling-unit-adu-market-102182>

- Gurran, N., Maalsen, S., and Shrestha, P. (2022). Is 'informal' housing an affordability solution for expensive cities? Evidence from Sydney, Australia. *International Journal of Housing Policy*, 22(1), 10–33. <https://doi.org/10.1080/19491247.2020.1805147>
- Gurran, N., Pill, M. and Maalsen, S. (2021). Hidden homes? Uncovering Sydney's informal housing market. *Urban Studies*, 58 (8). pp. 1712-1731. <https://doi.org/10.1177/0042098020915822>
- Havre, J. (2016) *Carriage Houses Drive Housing Options and Value in Kelowna*, Kelowna Homes CA October 31 2016 <http://www.kelownahomes.ca/blog/carriage-houses-drive-housing-options-and-value-in-kelowna.html>
- Hulse, T.M. (2015). *Use of Accessory Dwelling Units as a Housing Strategy: A Case Study of Lawrence, Kansas*. (Masters Theses. University of Lincoln Nebraska) [http://digitalcommons.unl.edu/arch\\_crp\\_theses/35](http://digitalcommons.unl.edu/arch_crp_theses/35)
- Jennings, S. (2023). *Accessory Dwelling Units: A Tool for Ontario's Housing Crisis That Is Responsive and Gentle, but Hesitantly Adopted*. [Master's thesis. Toronto Metropolitan University]. rShare Toronto Metropolitan University. [https://rshare.library.torontomu.ca/articles/thesis/Accessory\\_Dwelling\\_Units\\_A\\_Tool\\_for\\_Ontario\\_s\\_Housing\\_Crisis\\_That\\_Is\\_Responsive\\_and\\_Gentle\\_but\\_Hesitantly\\_Adopted/26866453?file=48866668](https://rshare.library.torontomu.ca/articles/thesis/Accessory_Dwelling_Units_A_Tool_for_Ontario_s_Housing_Crisis_That_Is_Responsive_and_Gentle_but_Hesitantly_Adopted/26866453?file=48866668)
- Jarvis, H. (2010) Housing to manage debt and family care in the USA, in S.J. Smith and B.A. Searle (eds) *The Blackwell Companion to the Economics of Housing: The Housing Wealth of Nations*, Wiley-Blackwell, Oxford.
- Kalyandurg, C. (2024). *Accessory Dwelling Units*, Report 24. Office of Legislative Oversight. [https://www.montgomerycountymd.gov/OLO/Resources/Files/2024\\_Reports/OLOReport2024-4.pdf](https://www.montgomerycountymd.gov/OLO/Resources/Files/2024_Reports/OLOReport2024-4.pdf)
- Kick Back. (2024) *Denied – The Growing Cost of Denying Young People Access to Shelter: A reflection on the Coalition Government's recent changes to Emergency Housing*, <https://www.documentcloud.org/documents/25468842-denied-the-growing-cost-of-denying-young-people-access-to-shelter-1/>
- Lifemark (n.d.) *Case Study: Thames Coromandel District Council*. [https://www.dunedin.govt.nz/data/assets/pdf\\_file/0008/818765/casestudy\\_thamescoromandel.pdf](https://www.dunedin.govt.nz/data/assets/pdf_file/0008/818765/casestudy_thamescoromandel.pdf)
- Maaoui, M. (2018). A granny flat of one's own? The households that build accessory-dwelling units in Seattle's King County. *Berkeley Planning Journal*, 30(1). <https://doi.org/10.5070/BP330137884>
- Maltman, M. (2023). Making Room: Lessons for Victoria's Granny Flat Reforms .e61 *Micro Note* (15). <https://e61.in/making-room-lessons-for-victorias-granny-flat-reforms/>
- McLaughlin, A. (2016). Can Laneway Homes be a Housing Solution? Hamilton Takes Stock, *CBC News*, Canada
- Mendez, P. and Quastel, N. (2015). Subterranean Commodification: Informal Housing and the Legalization of Basement Suites in Vancouver from 1928 to 2009. *International Journal of Urban and Regional Research*, 39: 1155–1171, DOI: 10.1111/1468-2427.12337

- Middha, B., Robertson, S., Willand, N., & Horne, R. (2022). Man caves, granny flats and alternative living spaces: Low carbon home retrofit and implications for policymaking. *Energy research & social science*, 87, 102470.
- Ministry of Business, Innovation and Employment (MBIE). (2023). *Building and Construction Sector Trends: Annual Report*. <https://www.mbie.govt.nz/building-and-energy/building/building-system-insights-programme/sector-trends-reporting/building-and-construction-sector-trends-annual-report>
- Ministry of Business, Innovation and Employment (MBIE). (2004a). *Making it easier to build granny flats: Discussion document*. <https://www.mbie.govt.nz/dmsdocument/28513-making-it-easier-to-build-granny-flats-discussion-document>
- Ministry of Business, Innovation and Employment (MBIE). (2024b). *Making it easier to build granny flats: Summary of Submissions*. <https://www.mbie.govt.nz/assets/making-it-easier-to-build-granny-flats-summary-of-submissions.pdf>
- Ministry of Business, Innovation and Employment (MBIE). (2024c). *Regulatory Impact Statement: Proposed changes to the Building Act (2004) to allow simple standalone dwellings up to 60 square metres to be built without a resource consent* <https://www.regulation.govt.nz/assets/RIS-Documents/Regulatory-Impact-Statement-Granny-flats-proposed-building-consent-exemption.pdf>
- Ministry of Housing and Urban Development, Te Tūāpapa Kura Kāinga. (2025). *Homelessness Insights: June 2025*. <https://www.hud.govt.nz/documents/homelessness-insights-report-june-2025>
- Mitchell, I. (2015). “Can work, cannot afford to buy – The intermediate housing market in New Zealand.” Report ER6 funded by the Building Research Levy – BRANZ.
- Mitchell, I. (2019). “What’s happened in the intermediate housing market since 2015?” Report ER37 funded by the Building Research Levy – BRANZ.
- Mitchell, I. (2020) “ER52 2018 Census – Tenure outcomes and the impact of administrative data.” Funded by the Building Research Levy – BRANZ.
- Mitchell, I. (2022). *Alternative housing tenures – the opportunity for New Zealand Research Update 1: What’s happened in the intermediate housing market*. BRANZ. <https://communityhousing.org.nz/wp-content/uploads/2023/02/Research-Update-1-Intermediate-housing-market.pdf>
- Mitchell, I., Saville-Smith, K. & James, B. (2022). *Ōtautahi and Affordable Housing: Need, Demand & Pathways to Making a Difference*. Final report prepared for the Wayne Francis Charitable Trust and the Rātā Foundation.
- Mitchell, I., Glaudel, C., Berghan, J., & du Plessis, D. (2023). *Enablers and barriers impacting on the development of affordable alternative housing tenures in New Zealand* (External Research Report ER 81). BRANZ. <https://www.branz.co.nz/pubs/research-reports/er81/>
- Moore, E. (2017). Home Remedies, Accessory Apartments on Long Island: Lessons Learned. Long Island Index. <http://www.longislandindex.org/home-remedies-accessory-apartments/>

- Moradibistouni, M. (2020). *Assessment of Zero Energy Prefabricated Accessory Dwelling Units in Support of New Zealand Housing Needs*. [Doctoral dissertation, Te Herenga Waka-Victoria University of Wellington]. Open Access Te Herenga Waka-Victoria University of Wellington. <https://doi.org/10.26686/wgtn.17143778>
- Moradibistouni, M., Vale, B., & Isaacs, N. (2019). Prefabricated secondary units for overcoming the shortage of houses: a case study of New Zealand. In *International Conference on Smart Infrastructure and Construction 2019 (ICSIC) Driving data-informed decision-making* (pp. 291-298). ICE Publishing.
- Niedt, C., Anacker, K. B., and Levy, L. (2016). *Accessory Dwellings on Long Island: An Overview*. National Center for Suburban Studies at Hofstra University. <https://licf.org/wp-content/uploads/2019/12/ADU-Report-posted.pdf>
- Nunns, P., (2019), *The Causes and Economic Consequences of Rising Regional House Prices in New Zealand*, Working Paper No.005, Centre for Applied Research in Economics, University of Auckland
- Portland Bureau of Planning and Sustainability. (2025). *Middle Housing in the Single-dwelling Zones: Progress Report 2018-2024*. <https://www.portland.gov/bps/planning/rip2/news/2025/2/4/portland-sees-significant-production-middle-housing-resulting>
- Prousaloglou, E. (2024). Architecture and the Accessory Dwelling Unit Revolution: Perspectives from Builders. *Critical Planning*, 27(1). <https://doi.org/10.5070/CP827063133>
- Ramsey-Musolf, D. (2018). Accessory Dwelling Units as Low-Income Housing: California's Faustian Bargain. *Urban Science*, 2(3), 89. <https://doi.org/10.3390/urbansci2030089>
- Rehm, M., and Cheung, W., (2023), "Housing Affordability Price Points in NZ: 'Rice and Beans' vs 'Smashed Avocado'", Report for Building Better Homes, Towns and Cities National Science Challenge, Affordable Housing for Generations.
- Ross, J. (2016). Accessory Dwelling Units: A SmartGrowth Tool for Providing Affordable Housing, *Housing News Network*, Volume 32, Issue 2
- Saville-Smith K. & Fraser, F. (2004). *National landlords survey: preliminary analysis of the data*. Centre for Research, Evaluation and Social Assessment.
- Saville-Smith, K., Saville-Smith, N., and Fraser, R. (2017). *ADU potential: Have we the potential to use our existing housing stock of homes to create a bigger stock of affordable, fit for purpose homes?* A report as part of the National Science Challenge - Building Better Homes, Towns, and Cities.
- Saville-Smith, K., (2019) *Building for Shared Rental Homes by Non-profit Community Housing Providers*, Report for the Building Solutions Research Programme, BBHTC NSC
- Saville-Smith, K. and Mitchell, I. (2020) "Essential workers' bubbles: Crowding, housing affordability and tenure." Research Bulletin for BBHTC Homes and Spaces for Generations: Affordable Housing for Generations.

- Saville-Smith, K. and Mitchell I., (2020) “*Accommodation supplement – High expenditure, Low Efficacy*”. A report for the National Science Challenge - Affordable housing for generations: Building better homes towns and cities.
- Saville-Smith, K., (2021). *Housing Stock Ownership Concentration 1986-2018: A Brief Comment on Trends, Transformation and Implications*. Research Bulletin for BBHTC Homes and Spaces for Generations: Affordable Housing for Generations.
- Saville-Smith, K.(ed) (2021). *Revitalising the production of lower value homes: Researching dynamics and outcomes* A report from the National Science Challenge – Building Better Homes Towns and Cities.
- Saville-Smith, K., (2024). *Planning Practice: A case study of barriers to a tiny subdivision*”, Report for FAAB Small Homes, Building Better Homes, Towns and Cities National Science Challenge. Wellington: FAAB Small Homes, BBHTC.
- Stats NZ, Tataurangi Aotearoa. (2020) *Housing in Aotearoa 2020*, Statistics NZ, Wellington.
- Stats NZ, Tataurangi Aotearoa. (2024). *2023 Census population, dwelling and housing highlights (Information release)*. <https://www.stats.govt.nz/information-releases/2023-census-population-dwelling-and-housing-highlights/#housing>
- Stats NZ, Tataurangi Aotearoa. (2025). *Housing in Aotearoa New Zealand: 2025*. Retrieved from [www.stats.govt.nz](http://www.stats.govt.nz).
- The New Zealand Infrastructure Commission, Te Waihangā. (2022). *Rautaki Hanganga o Aotearoa: New Zealand Infrastructure Strategy*. <https://media.umbraco.io/te-waihanganga-30-year-strategy/mmahiykn/rautaki-hanganga-o-aotearoa-new-zealand-infrastructure-strategy.pdf>
- van der Poorten, K. and Miller, B. (2017). Secondary suites, second-class citizens: The history and geography of Calgary's most controversial housing policy. *The Canadian Geographer / Le Géographe canadien*, 61: 564-578. <https://doi.org/10.1111/cag.12425>
- Waite, G. (2024). *Regional Trends in Affordable Rental Supply 2018-2023*. Child Poverty Action Group (CPAG). <https://www.cpag.org.nz/publications/rental-research-affordability>
- Welch, T. (2025, June 6). Making it easier to build a granny flat makes sense – but it’s no solution to the housing crisis. *RNZ*. <https://www.rnz.co.nz/news/political/563304/making-it-easier-to-build-a-granny-flat-makes-sense-but-it-s-no-solution-to-a-housing-crisis>
- White, V., Ferguson, A., Goodyear, R. and Saville-Smith, K. (2021) The Condition of Owned and Rented Housing in Aotearoa New Zealand, *New Zealand Population Review*, 47, 108–144
- Witten K. Wall M. Carroll, P. Telfar-Barnard, L., Asiasiga L., Graydon-Guy, T., Huckle, T., and Scott, K. (2017). *The New Zealand Rental Sector*. Project LR0487 A report funded by BRANZ by the Building Research Levy.
- Witten, K., Carroll, P., Opit, S., Parker, K., Grayson-Guy, T. & Huckle, T. (2022). *The New Zealand Rental Sector*. ER 78. A report funded by BRANZ by the Building Research Levy.