

# Real estate speculators descend on Maui wildfire victims

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22 August 2023

Less than two weeks after the Maui wildfire swept through the town of Lahaina and destroyed everything in its path, numerous reports have emerged that predatory real estate speculators are preying on those who lost everything in the disaster.

Posts on social media by Lahaina residents beginning on August 13 warned that real estate investors were contacting homeowners and asking them to sell their property. As in previous natural disasters, capitalist vultures are descending on Maui to exploit the devastation and attempting to purchase property cheaply with the intention of flipping or developing it for significant profit in the future.

The *Wall Street Journal* reported on Thursday that Hawaii's Department of Commerce and Consumer Affairs had warned homeowners "to be wary of unsolicited offers to buy their properties, especially from people who may be trying to buy it below market value." The department also asked those being contacted with offers to report them to the government agency.

Significantly, residents have made no reports to the agency due to a high degree of distrust in the government by working class families on the island.

A report by Reuters on Tuesday said the news agency had seen two email messages sent by "The E Mortgage in Oklahoma City, one linking to a site called Cash Offer USA. The emails claimed to represent local buyers seeking sellers, offering all-cash deals and no closing costs for homes as-is—'no need to make any repairs.'" Reuters said an attempt to contact The E Mortgage via email went unanswered.

The revelations about predatory realtors on the devastated Hawaiian island are taking place as Maui County officials report that 115 deaths have been confirmed so far from the wildfire. The county released

the names of 13 identified victims, while another 22 names will be released once families have been notified.

The ages of the identified deceased Lahaina residents range from 45 to 90 years old. Some officials say another 500 to 1,000 people remain missing with a significant number of these expected to be children, according to people close to the search and recovery effort. Maui Mayor Richard Bissen said on Instagram that the number of missing is 850.

On Monday, county officials reported that all single story, residential properties had been searched and teams were now moving to multi-story residential and commercial buildings. Meanwhile, fire experts are saying that confirming whether those who are unaccounted for are deceased can be very difficult in a blaze like the one that engulfed Lahaina.

The Associated Press interviewed Vyto Babrauskas, president of fire safety research consulting firm Fire Science and Technology Inc., who said that the fire may have left no human remains to identify through DNA tests.

"Those are easy when destruction is modest," Babrauskas said. "If you go to the extreme of things—if turned to ash—you're not going to be able to identify anything."

While the corporate media and the government have adopted a critical attitude to the presence of real estate vultures in Maui, none of them have gone out of their way to investigate and identify the individuals and companies—the Reuters report above notwithstanding—who are engaging in this big business equivalent of looting a disaster area.

Nor will any of these supposed critics of the real estate predators point to the fact that the lack of response by the government to the disaster has created

a desperate situation for residents who have lost everything and are in need of money to put their lives back together.

Within this context, it should be mentioned that the Biden administration has offered a measly and insulting \$700 per household destroyed by the wildfire and the President told residents—many of whom are without internet access—during his visit to the island on Monday to go online to a FEMA website, “If you need help.”

At the same time, the capitalist press and politicians are well aware of the fact that the same type of speculation has been used by billionaire investors across the US in cities and towns that have been devastated by natural disasters, deindustrialization, budget cuts and government policies that have destroyed entire communities.

The *Wall Street Journal*, for example, enthusiastically reported the statements of Hawaii Governor Josh Green who said of the speculators, “We are not going to allow people to take advantage. Don’t make the mistake of testing us on this.”

Meanwhile, Governor Green devoted a good portion of his remarks during President Biden’s trip to Maui on Monday extolling the importance of people returning to Hawaii for vacations and comparing it to forcing people back to work during the pandemic.

Green said, “Like we saw in the pandemic, decisions we made can affect everyone across the islands. So, what we’re saying now is travel should not be to West Maui. But the other parts of Maui are safe and the rest of the state, of course, is also safe.”

The Maui wildfire has accelerated processes within capitalist society that have been underway for decades. Hawaii has the highest cost of living of any state in the US. According to government data, Hawaii has a cost of living index of 184, which is 15 percent higher than Massachusetts and 37 percent higher than California, the two next most expensive states to live in.

A major factor in Hawaii’s high cost of living is the cost of housing. Maui, like other parts of Hawaii, had a shortage of affordable housing and a growing homelessness crisis before the fire. The median home sale price in Lahaina was \$990,000 in June, according to real-estate website Redfin. This is \$300,000 more than the median home price for the state, per Redfin.

Inventory for single-family home sales on the island was down nearly 40 percent in July compared to the

same period in 2019, according to the Realtors Association of Maui. The median price for a single family home in Lahaina was \$1.3 million before the wildfires.

During his semi-coherent speech before the media in Lahaina on Monday, President Biden said very little about what his administration was doing to address the crisis facing those who are now homeless and in need of essential goods and services. However, he referenced the rebuilding of the island with a nod to the investors, claiming, “You know, we will be respectful of these sacred grounds and the traditions that rebuild the way the people of Maui want to build, not the way others want to build.”



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