

House isn't selling? Blame the ghosts.



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Illustration by Zac Freeland

Realtor? Check. Appraiser? Check. Ghostbuster? Check.

The Nyack, New York, home is a looker. A **baby-blue Victorian** clocking in at more than a century old, and endowed with a prime view of the Hudson River and proximity to New York City, **it might even have inspired an Edward Hopper painting**. Perhaps less desirable, however, were the three ghosts allegedly loitering around the property.

Helen Ackley, who lived in the house from the 1960s to the early 1990s, believed the ghosts resided in her home, [telling the New York Times](#) that she once saw one while she was painting the living room ceiling and that another one waltzed in her daughter's bedroom. The third ghost, she said, was seen by her son and was a Navy lieutenant during the Revolutionary War. It may have all been fun and games until, [after decades of calling the place home](#), Ackley made moves to sell the property at the tail end of the 1980s.

In 1989, an out-of-town buyer emerged, someone who was unaware of the house's well-known local reputation for being haunted. The unlucky man, Jeffrey Stambovsky, a bond trader from New York City, eagerly put down \$32,000 on what he thought would be his new \$650,000 home. Until, that is, he learned of the home's mysterious past. Spooked, Stambovsky sued, demanding his down payment back. New York's State Supreme Court, in a 3-2 decision that has become a staple in many law school classes, decided in his favor.

"As a matter of law, the house is haunted," wrote Justice Israel Rubin for the court in what would later come to be called the *Ghostbusters* ruling.

The case of *Stambovsky v. Ackley* is a quirky artifact of legal history, but it also prompts questions about the flimsy underpinnings that hold up the institution of homeownership. A home is the largest and arguably most important asset any American will ever own. Its value rests on a variety of factors, like architectural style or the size of the kitchen, but most uncomfortably, it rests on subjective beliefs around what is and isn't desirable. Part of that subjective evaluation includes the paranormal. Good schools can bump up a home price. Ghosts lurking by the basement door, not so much.

In fact, paranormal activity affecting property prices is common enough that a cottage industry has sprung up trying to clear homes of anything supernatural before a sale. It's a reflection of just how tenuous the value of a property is that the whispers of ghosts can inflict a real cost.

That's why the *Ghostbusters* case isn't the only time that the legal system has had to wrestle with the question of what to do with purportedly haunted houses or places where there has recently been a death.

Four states have laws on the books regarding paranormal activity and real estate, [according to Zillow](#). In New York, as the *Stambovsky* case settled, if a seller invents and maintains that their property is haunted and then allows a potential buyer to remain ignorant of the "home's ghostly reputation," the court will rescind the sale.

In New Jersey, if homeowners are asked, they're required to disclose whether there are "psychological impairments." In Massachusetts and Minnesota, the laws go in the other direction: Instead of ensuring that the buyer has information about paranormal activity, the law protects a seller who may choose to withhold that info.

Caring about ghosts in your home isn't just for the superstitious, it's for a market-conscious buyer as well. Even if just 10 percent of people would be uncomfortable buying a home where there are rumored to be ghosts, that reduces the value of the property, because it can reduce demand. And 10 percent could be an underestimate: A 2009 Pew [survey](#) found that nearly a fifth of Americans said they had "seen or been in the presence of a ghost." A more recent 2019 [YouGov poll](#) found that roughly 45 percent of Americans believed in ghosts, demons, and other supernatural beings.

It's unclear how many people would allow that belief to affect their home-buying decisions — particularly in a market as hot as this one — but a dissenting judge in the Ghostbusters case wrote that Stambovsky sued because, "as a result of the alleged poltergeist activity, the market value and resaleability of the property was greatly diminished."

David Chapman, a real estate professor at the University of Central Oklahoma, wrote about the Stambovsky case and how to teach it in a paper subtitled *[You don't have a ghost of a chance](#)*. Chapman, a real estate agent, says he's had clients refuse to buy properties if they think there might be something strange going on in the home. "I had a client that carried a box, some sort of Geiger-counter-looking-thing, and she would put it in front of each house and it would determine whether we would even go into the house at all," he tells Vox.

Chapman also notes that America's aging housing stock could change how frequently this comes up. "My wife and I own a lot of houses that were built between 1895 and 1920, so if you look at the amount of owners that had been through those homes, I would guess that there were not very many of those that somebody did not die in the house," he says.

[According to Freddie Mac](#), more than 50 percent of single family homes were built before 1980 — and the older the home, the higher the chance that someone died there.

In his written opinion, Judge Rubin from the Stambovsky case sarcastically quipped that while buyers are legally responsible for screening their purchases, strictly applying that standard "to a contract involving a house possessed by poltergeists conjures up visions of a psychic or medium routinely accompanying the structural engineer and Terminix man on an inspection of every home subject to a contract of sale."

While the image of a psychic accompanying would-be buyers to each property might be comical, it's not as far-fetched as the judge made it sound. A cottage industry of spirit-related businesses exists to assist buyers and sellers grappling with the ghosts that may or may not be lurking beneath the floorboards. The website DiedInHouse.com was started in 2012 after its founder got a call from a tenant who noticed paranormal activity in her home. Now, people can pay \$11.99 to get a report about whether anyone has ever died in the house they are considering purchasing.

For some, the knowledge of whether there was a death — or even a murder — in the house recently isn't enough. That's where Jane Phillips comes in.

Jane Phillips is a self-proclaimed ghostbuster who travels the country offering “paranormal energy clearing services” to real estate agents and homeowners alike. Her business is often driven by agents who are having difficulty getting a listing sold; they call Phillips, she clears the house, and, she tells Vox, that makes it possible for the house to sell.

A mortgage banker before becoming a professional psychic, Phillips is in tune with the real estate world. She runs her business out of Santa Fe, New Mexico, but says she does business “all over the world.”

One of her clients, a Santa Fe real estate agent named Suzanne Taylor, uses Phillips' services frequently when selling homes. “I buy and sell a lot of properties that are distressed and very old...so I use Jane all the time,” she says, explaining that she'll spend hundreds of dollars each time Phillips comes to a house and “clears” it of any negative or supernatural energy.

Phillips has a checklist, she explains, that helps her rule out things like a loose screen door that could be blown open by the wind. “An oncologist is always going to see cancer,” Phillips adds. “I'm a paranormal, so I'm always looking for it to be paranormal... but I have to put some reason and logic in.”

Along with using essential oils, a pendulum, and some L-shaped rods, Phillips explains, she taps into her “intuition and psychic abilities to remove interfering and dark energies.”

For some buyers, a little spiritual cleansing is enough to make a sale — particularly in a housing market this hot. Over the last year, demand for homes has spiked, exacerbating an already dire housing shortage in the United States. [Research by Freddie Mac](#) shows that the US is short 3.8 million homes to satisfy the existing demand. This has made people more willing to overlook a lot of their preferences around homes in order to get their hands on any property — even violent deaths in the home.

One Maryland house in an attractive DC suburb was the site of several murders, but after a short period of time (and an address change) it **hit the market at a much higher selling price**. Even the **childhood home of Jeffrey Dahmer found a buyer**.

“Given a choice, people would rather not buy [a home] that has a psychological problem, but when they don’t have a choice, they will,” Chapman says.

Owning a home in the United States is not simply a way to find shelter in a place where you’d like to live; for many, owning a home is a bet on the future value of that property. Yet, as one of the primary wealth-building tools Americans have access to and are encouraged by government policy to pursue, the bet of homeownership can be remarkably risky.

Unlike many other physical assets, a home’s value is predicated on more than just the cost of the physical materials. Things outside of an owner’s control like the quality of nearby schools, the crime rate, changing fads about what type of house style is “in” and, of course, whether or not it is haunted, play an important role. And, importantly, neither the buyer nor the seller need themselves to be believers in the paranormal for it to affect the value of the home.

While it can be a bit funny to think of something like a poltergeist affecting your retirement nest egg, it becomes sobering to consider the more insidious ways that subjective evaluations can affect homeowners. Most notably, Black Americans have faced a **racism penalty when selling their homes**: Many find their homes undervalued relative to their white counterparts, finding a decreased demand to live in Black neighborhoods can negatively impact the value of their homes.

As for the Nyack house, it turned out to be a case study in never knowing how public opinion will end up affecting the market: While Ackley lost the case, the publicity ended up actually working in her favor.

After the Ghostbusters ruling became a curiosity, it increased the value of the home for people who were interested in living in a haunted house. Roughly 30 years after the case was settled, film director Adam Brooks, musician Ingrid Michaelson, and singer/rapper Matisyahu **have all lived in the home**.

According to Realtor.com, it is now roughly 200 percent more expensive than nearby properties. It **sold for over \$1.7 million this year**.

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