

Who are Boston's residential owners?

Half of them are landlords! And 93% of these landlords are small landlords!

To get a picture of Boston's residential sector, we analyzed the 2022 Boston assessors database for residential owners only, excluding commercial and other properties. While Boston is our focus, many of the results we found likely apply substantially to other cities and towns in Massachusetts.

To our surprise, we found that **half** (49%) of all Boston residential owners are landlords, thanks largely to condo owners, who have mushroomed into Boston's largest residential **owner** group – and the largest **landlord** group, as well. (Compare the totals under Columns 5 and 7 in the table further below.)

Moreover, of all these Boston landlords, **93%** are **small landlords** who own rented condos, rented single-families, or two- and three-family houses rented with one to three tenants. With so many small landlords in Boston and likely in other cities and towns, a major challenge is how they all acquire, or do **not** acquire, all the fussy, confusing, obscure details of Massachusetts rental housing laws and regulations, full of costly anti-landlord penalties, triple-damage claims, and the unbelievable “free rent trick.”

Our method Given that the assessors database is data accumulated over years, we can be sure that every residential property is included for taxation, but our numbers need to be treated as “estimated.” We round to the closest whole number. We **de-duplicated** the data by owner name, so we are talking about the **number of unique individuals or families or companies** who are owners or landlords, not number of properties.

We summarize the data here. Our full results are presented in the table further below.

Who are Boston's residential owners and landlords?

All Boston residential OWNERS consist of the following:

Half (51%) are **condo** owners, by far the largest owner group.

A quarter (25%) are **single-family** owners.

A quarter (25%) are **multifamily** owners, of which **22%** own two- or three-family properties, only **3%** own four-unit or larger properties.

All Boston residential LANDLORDS (half of all residential owners) consist of the following:

44% own rented **condos**

8% own rented **single-families**

44% own **two- or three-family properties**

4% own **four-unit or larger properties**

Boston condo owners have mushroomed as owners and landlords

Condominiums are a recent ownership type. They began in the U.S. in 1960, and today condo owners in the U.S. number 30 million. Boston has 60,000 of them, and today they are, by far, the largest residential owner group, (as we said above) **half** (51%) all Boston residential owners. Roughly **42%** of all condos are rented, so condo owners are a substantial **landlord** group, at **44%** of all Boston landlords.

Condos became an attractive homeownership option, substantially lower in cost compared to single-families. Many people buy a condo, save up to buy a single-family, and often keep their condo as a rental investment.

But condo owners are especially vulnerable to any form of rent control. Tenants have always viewed condos as former apartments “stolen” from tenants. This view underlaid a remarkable ordinance that the Cambridge City Council passed shortly before rent control ended in 1994. It required all condos, on their next sale, to be **tenant-occupied only** and **permanently rent-controlled**. It was a huge loss of property value to condo owners, but it restored condos to tenants and swelled the tenant voter base.

Rent control is above all a vote-getting power, to elect pro-rent-control city councilors to keep rent control and expand it, to put more and more properties under rent control and push rents lower and lower – to bring tenants out in numbers for every election. This impact of rent control, real or potential, is why the 2003 citywide referendum to bring rent control back to Cambridge **failed in a landslide 61%-to-39% vote**. Since then, the number of condo owners everywhere has grown substantially.

Single-family owners are next largest owner group in Boston, some new landlords

The next largest owner group is single-family owners at a **quarter** (25%) of all Boston residential owners. Renting single-family homes, however, has become a new fast-growing subindustry in the rental housing market across America. In Boston now, **18%** of all single-family owners are now landlords renting their former homes, and these renting single-family owners comprise **8%** of all landlords. Like condo owners, however, when they move out and keep their **non-owner-occupied** property as a rental investment, the risk is that rent control will be applied to them, too.

Two- and three-family owners are a large owner group, a substantial landlord group

Two- and three-family owners comprise **22%** of all Boston residential owners but are a substantial **44%** of all Boston landlords. Today, a **third** (34%) of all Boston two-family properties are not owner-occupied. A bit more than **half** (53%) of all three-family properties are also not owner-occupied. In rent control days, owner-occupied two- and three-family properties were exempt from rent control – BUT when they moved out, their non-owner-occupied properties became rent-controlled and deeply devalued. Keeping their property as a rental investment became impossible.

Four-unit and larger owners are a tiny group with many tenants

Owners of four units up to over 100 units comprise just 3% to 4% of all owners and of all landlords, a small number of them, but with many tenants. They are always the target of rent control.

Boston residential property owners, by property type Calculated by Skip Schlomming (8-10-2022) Source: Boston assessors database 2022, de-duplicated by owner name, rounded percentages

1	2	3	4	5	6	7	8
Property Code	Property Type	Owner-occupy	NON-owner occupy	Total unique owners	Percent of unique owners	Total landlords	Percent of total landlords
101 # landlords	Single-family	25,355 0	4,503* 4,503	29,895	25%	4,503	8%
102 # landlords	Condos	34,604 0	25,386** 25,386	59,990	51%	25,386	44%
104 # landlords	Two-family	10,046 10,046	5,163 5,163	15,207	13%	15,207	26%
105 # landlords	Three-family	5,024 5,024	5,586 5,586	10,610	9%	10,610	18%
111 # landlords	Four-to-six units	370 370	1,383 1,383	1,753	2%	1,753	3%
112 # landlords	7 to 30 units	36 36	772 772	808	1%	808	1%
113 # landlords	31-plus units	0 0	36 36	36	0%	36	0%
TOTALS		75,435	42,829	118,299***	101%	58,303***	100%

*18% of all single-family owners rent their former home.

Roughly **42% of all condos are rented (Number of non-owner-occupied condos divided by total condo owners).

***The total number of landlords is **49%** of all residential owners.