



STATEMENT OF THE GREATER BOSTON REAL ESTATE BOARD REGARDING VARIOUS BILLS BEFORE THE JOINT COMMITTEE ON HOUSING

November 19, 2025

On behalf of the more than 10,000 members of the Greater Boston Real Estate Board (GBREB), we write to provide testimony on the various bills cited herein.

Rent Control

(Oppose S.22, S. 960, H.1477, H.1507, H.1544, H.2328, H.3990)

Massachusetts must reduce barriers to housing creation and build more homes across all price points to address the housing crisis. In contrast, rent control represses housing creation and disincentivizes unit development and upkeep in our state.

Rent control has been shown to lead to the decay of rental housing stock and reduce the total number of available rental units, which results in higher overall rents. Additionally, rent regulation limits the incentive to invest in new multifamily housing, slows housing production, and intensifies the challenge of housing access and affordability. In today's housing market, Massachusetts cannot afford to pass measures that will negatively impact the production of new housing and the maintenance of existing supply, especially after the Legislature adopted the MBTA Communities Act and other zoning reform measures to address our housing supply crisis.

Rent control limits property owners' ability to keep pace with operational costs while also signaling a higher risk of future policy restrictions, which often leads real estate investors to transfer their funding to non-rent controlled jurisdictions and property owners to sell instead of investing in maintenance and upkeep. Recent analysis from the National Apartment Association (NAA) shows that 71% of housing providers have or expect to reduce investment and development in rent-controlled markets by scaling back plans, shifting to other markets, and canceling plans altogether.¹ A 2022 report found that nearly 88% of investors avoid rent controlled markets.² Recently, the St. Paul, Minnesota City Council rolled back its rent control ordinance after the city saw an 80% drop in new housing units permitted after adopting rent control.³

Finally, rent control impacts entire communities - not just rent controlled units - and creates risks for local budgets. MIT researchers concluded that the end of rent control increased property values in Cambridge by \$1.8 billion over ten years, with 60% of that increase attributed to *non*-controlled homes, highlighting how rent

¹ See *Examining the Unintended Consequences of Rent Control Policies in Cities Across America*, available at: <https://naahq.org/advocacy/policy/issues/rent-control> (2023).

² See *Cost of Regulations Report*, National Multifamily Housing Council (NMHC) & National Association of Home Builders, available at: <https://www.nmhc.org/research-insight/research-report/nmhc-nahb-cost-of-regulations-report/> (2022). ³ See Josie Albertson-Grove, *Rent control is further weakened in St. Paul*, Minneapolis Star-Tribune, May 8, 2025, available at: <https://www.startribune.com/rent-control-weakened-st-paul-vote/601347324> (describing the City Council's vote to permanently

exempt new construction and rentals built after 2004 from a rent control ordinance).

control artificially held down the value of even exempt units.⁴ Reduced municipal tax assessments that would result from rent control have dire consequences for municipal services at a time when these budgets are under increased stress.

Tenant Right of First Refusal

(Oppose S.982, S.998, H.1544, H.3910)

A tenant right of first refusal (ROFR) would cause serious delays and impediments to the normal conveyancing process in the Commonwealth. This works against efforts to address the housing crisis by eliminating the ability to finance, develop and operate rental housing, which reduces available rental housing supply.

It is likely that the passage of ROFR will result in less new rental construction and will take away the freedom of state and local agencies to make choices that support housing production (like investment of Community Preservation Act funding on affordable housing projects). By imposing significant “due diligence” and waiting periods during the ROFR process, ROFR will reduce asset values and assessments, and in turn municipal revenue. Under our state aid distribution, this will result in all towns, even towns that do not enact ROFR, suffering in the form of reduced levies and/or state aid. Tenant ROFR would have a profoundly harmful effect on the process of buying and selling real estate in the Commonwealth of Massachusetts, creating substantial barriers to the sale of housing and multi-family housing.

Algorithmic Rental Pricing Software

(Oppose S.994, S.1016, H.1564)

Pricing software collects data and reflects market conditions to make rent recommendations. It does not set rents and is not the cause of the Commonwealth’s housing affordability problem. In fact, the U.S. Department of Housing & Urban Development has used rental housing pricing algorithms for decades in administration of the Section 8 program that supports low-income families.⁵ The above-numbered bills lack a clear factual basis for imposing fragmented restrictions on data management, security and technology risks stifling innovation and increasing compliance costs.

State and local efforts would overregulate an already highly regulated housing market and could deter innovation in rental housing management, thereby further worsening housing affordability. The Bipartisan U.S. House of Representatives Task Force on Artificial Intelligence, created by Speaker Mike Johnson (R-LA) and Minority Leader Hakeem Jeffries (D-NY), issued a final report in 2024 that cautions against a fragmented regulatory regime such as this.⁶

Consumer Reporting for Tenant Screening Purposes

⁴ See Autor, David H.; Palmer, Christopher J; Pathak, Parag A., *Housing Market Spillovers: Evidence from the End of Rent Control in Cambridge, Massachusetts*, University of Chicago Journal of Political Economy, available at: <https://economics.mit.edu/sites/default/files/publications/housing%20market%202014.pdf> (2014)

⁵ See National Apartment Association, NMHC, and Real Estate Technology & Transformation Center Letter to Department of Justice Highlighting Burdensome Regulations, available at: <https://naahq.org/naa-nmhc-and-rettc-letter-doj-highlighting-burdensome-regulations> (May 27, 2025).

⁶ See *id.*

(S.995, H.1483)

Our landlord members report that consumer reporting, which can include balances owed to previous landlords and recipients, is critical information, including when screening tenants who receive a housing subsidy. We are concerned about attempts to limit landlords' ability to access this information and would welcome an opportunity to discuss this issue further.

Massachusetts needs to continue to explore policies that will help develop new homes to meet our 222,000-housing unit shortage. For the foregoing reasons, we ask that you give unfavorable reports to the above numbered bills. Please do not hesitate to Jackie McCarthy, GBREB Director of Government & Industry Affairs, at jmccarthy@gbreb.com with any questions about this testimony. Thank you for the opportunity to engage on these topics.