

# In pandemic's aftermath, small landlords are still feeling the pressure

Struggling tenants and surging inflation are squeezing mom-and-pop landlords in Greater Boston, and there's growing concern they'll sell their buildings.

By [Andrew Brinker](#) Globe Correspondent, Updated December 25, 2022, 6:45 p.m.



Erika Patino, outside of the Hyde Park home that her parents owned for decades. SUZANNE KREITER/GLOBE STAFF

For the two decades Erika Patino's parents owned their modest two-family in Hyde Park, the house was a rock for them, their ticket to economic stability. The

Patinos, now both in their 60s, lived on the first floor, and the money they made renting out the rest of the home supplemented what Erika's father earned as a cook and her mother as a housekeeper before they retired in 2020.

But the pandemic, and the economic uncertainty that has followed it, changed everything. As federal and state rental assistance programs dried up last year, the Patinos stopped receiving payments from their tenants, who were themselves struggling to make ends meet. Soon, they fell behind on their mortgage.

Left with no other options, they sold the house in September. And another small landlord is no more.

“My parents didn't really have a choice,” said Erika, who is 37. “They couldn't pay the mortgage without the rent money after they retired, and they had no one to turn to for financial help. It's sad — we had memories in that place.”

It has been a grueling few years for small landlords like the Patinos, who have [endured blow after blow since COVID began](#). Many had tenants who lost jobs and haven't been able to pay the rent since pandemic-era rental aid and unemployment programs ended last year. Now inflation is taking a heavy toll, driving the cost of maintenance and utilities ever higher.

In this state's [backwards housing market](#), the home that was supposed to be a lifeline has become a financial burden.

“There are landlords in this state — particularly our mom-and-pop folks — that are finding themselves in a situation where their property is no longer paying for itself, or they are actually losing money,” said Doug Quattrochi, executive director of the trade association MassLandlords. “To me, that points to a system that isn't working for anyone.”

And the struggles of small landlords may have broader implications for the region's increasingly-stratified housing market.

They own nearly half of the rental properties in Massachusetts, often older and smaller buildings that naturally command lower rents than big new apartment complexes built by large-scale developers. In many cases, these landlords live in or near their buildings and see their tenants as their neighbors, too.

[A study published last year](#) in the journal Social Forces that examined eviction filings in Greater Boston found that large landlords, defined as entities or individuals owning 15 or more units, file for eviction two to three times as often as small landlords, or those who own fewer than four units.



Erika Patino outside of the Hyde Park multifamily home her parents owned for decades, which they sold in September.  
SUZANNE KREITER/GLOBE STAFF

“Mom-and-pop landlords are the true integral blood in the whole real estate economy, because they represent stability and affordability to their tenants,” said

Melvin Vieira Jr., president of the Greater Boston Association of Realtors. “Your downstairs neighbor is a whole lot less likely to treat you poorly than a faceless owner who you have never personally met.”

At the same time, smaller landlords typically operate on much thinner margins than those who own more properties, with shallower reserves. And so it takes much less, just one tenant failing to pay rent for a few months, to tip their financial scales in the wrong direction.

To a certain extent, pandemic relief, including the Paycheck Protection Program and the huge expansion of state rental relief efforts, [helped to offset losses from the eviction moratorium](#) and the wave of pandemic layoffs. But when those programs ended, they left renters scrambling.

And as Quattrochi, who owns and lives in a triple-decker in Worcester, put it: “When tenants struggle, their landlords struggle.”

The job market is stronger now. But this year, inflation has become a mounting problem for renters and tenants alike.

Take Beatriz Yañez Placencia, who with her husband owns a three-decker in East Boston. Her tenants — both families she is close with — lost their jobs during the pandemic, and the rising cost of everyday goods means they are paying less and less of the agreed-upon rent.

That in turn is hammering Placencia; she and her husband, who are both temporarily out of work due to medical issues, had to take a loan from a friend to keep up with the mortgage payments.

“We are really struggling,” she said in Spanish through a translator. “I don’t know what we will do.”

One thing she won't do, Placencia said, is file for eviction, not on people she considers friends.

Monique Aziza, a staff attorney at the [Volunteer Lawyers Project](#) who represents low-income landlords in eviction proceedings, said she almost never encounters property owners who are evicting tenants over less than an extreme offense.



An eviction notice was placed in the doorway of an apartment in Springfield near the end of 2020. BRYAN ANSELM/NYT

“Eviction is expensive, it’s complicated, and it’s painful for everyone involved, especially when you know the person on the other side of the proceeding,” Aziza said. “It’s not something that the people we represent take lightly.”

Housing advocates are increasingly worried about the struggles of these small landlords, concerned that mounting pressure may eventually lead them to sell to new owners who will likely charge more. They point to Sun Belt cities such as

Tampa and Phoenix, which saw [a wave of corporate investment in residential properties](#) when their housing markets caught fire earlier this year.

In Massachusetts, that doesn't appear to be the case, but data on corporate residential property ownership are scant, and the state does not publicly track them.

Thomas Shihadeh, Boston regional manager of commercial real estate firm Marcus & Millichap, said there has been an uptick in small landlords selling their properties this year, though buyers run the gamut.

Advocates say they are seeing the trend on a smaller scale. In East Boston for example, Steve Meacham, organizing director of tenant advocacy group City Life/Vida Urbana, said the mom-and-pop owners he talks with say they're routinely peppered with flyers and notices from companies seeking to buy their buildings.

"[Small landlords] are up against it because of loss of income during the pandemic and rising prices, but also because of what they stand to gain when they sell," Meacham said. "It's a symptom of a dysfunctional market that [selling] has become so much more appealing."

His group is part of a growing movement to acquire occupied properties from private sellers and [rent the units as deed-restricted affordable housing](#), an effort they hope will prevent some properties from falling into the hands of large companies. Under Mayor Martin J. Walsh and now Mayor Michelle Wu, city housing officials have pumped millions into a city program to help finance these deals.

The choice for small landlords, between staying or selling, is complex. Placencia said she wouldn't consider selling her home because it's a more stable living

situation than renting, which she fears would eventually squeeze her out of Boston.

But for the Patinos, their property became too difficult to hold on to. They had planned to sell at some point in the future anyways. When the sale went through in September — for \$760,000, according to Suffolk County property records — they used the profits to move back to Colombia, where they emigrated from in the 1980s and where the cost of living is far less. The home went to an individual buyer, their daughter said, and county real estate records indicate the new owners live there.

“I always tell my dad, ‘You lived the American Dream. You started from scratch, bought a house, educated your kids, and now you’re going back to your country,’” Erika said. “I wish it had happened under different circumstances — maybe we could have kept the house somehow — but at least they are out of that situation.”

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