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New ban on broker fees for renters playing to mixed reviews

Kris Olson // July 18, 2025 // 4 Minute Read



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In a [video posted to X](#), Gov. Maura T. Healey called it “big news.” In a joint press release, two Massachusetts legal services organizations proclaimed it a cause for celebration.

But among the landlord community, there is widespread skepticism as to whether a newly enacted ban on requiring renters to pay brokers’ fees will deliver its ballyhooed benefits.

In her post, Healey claimed to be “getting rid of ... for good” the practice of landlords requiring prospective renters to pay “four months’ rent up front”: first month, last month, security deposit, “and a broker’s fee for a broker you didn’t even hire.”

In brief

- Massachusetts law now prohibits landlords from charging renters broker fees.
- Legal aid groups call it a win for tenant rights and housing affordability.
- Critics argue that lack of enforcement may limit real impact.
- Landlords predict higher rents and burdens on small property owners.

“We always thought that it was clear in the law that only certain things were due from the tenant at the inception of the tenancy, and one of the things that was befuddling to us was that tenants were being required to pay the brokers’ fees, even though the broker was working for the landlord,” says Todd S. Kaplan, a senior attorney in the consumer rights unit at Greater Boston Legal Services.

The change in the law does not prohibit a well-heeled prospective tenant from hiring a broker, he notes.

“But the thing that was always troubling ... is that a landlord couldn’t charge these fees at the inception of the tenancy,” Kaplan says. “[The new law] clarifies, indeed, that when the broker is working for the landlord, the landlord should pay.”



But the law was never ambiguous, says Douglas Quattrochi, executive director of MassLandlords, Inc.

“We’ve had the security deposit law for about 50 years in Massachusetts, and there’s been lots of litigation over the years where landlords have charged renters unlawful fees like pet deposits, required renters’ insurance, required application fees — all have been struck down in the court,” he says.

But renters tend to be “risk averse” and regularly fold winning hands, according to Quattrochi.

“They call me for advice, and I say, ‘You have a case here,’ and they say, ‘You know what? I think I’ll just leave and not make waves’ or ‘I want to get the apartment, so I’ll just pay the fee,’” he says.

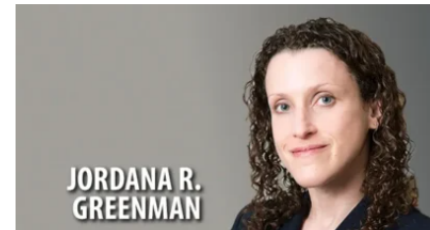
Despite the triumphant proclamations, the change in the law is not likely to alter the landscape much, Quattrochi predicts. If the governor and the Legislature wanted that result, they would have invested in enforcing the new law, he says.

“They didn’t put a dollar towards enforcement, so how serious are they, really, about actually fixing this for anybody?” he asks.

The attention might scare some people into compliance in the near term, Quattrochi acknowledges.

“But give it a couple of years,” he says. “We might see broker fees come back, or we might see people paying other fees, [like] application fees.”

The new law is “another thing that will hit small landlords very hard,” says Jordana Roubicek Greenman, who represents such landlords in her Watertown practice.



People in her clients’ position can use every bit of help they can get, she says, as they can be left with little income after paying a broker. Meanwhile, many larger landlords do not need to rely on brokers, as would-be tenants submit applications online, Greenman notes.

The new law will likely increase rents and “make things worse,” she says. “It just shows that, in this state, tenants do not have a lack of support — landlords do.”

But landlords have hardly needed excuses to raise rents annually, says Mark A. Martinez Jr. of the Massachusetts Law Reform Institute.

“The idea that this change in the law to the brokers’ fees is what is going to lead to the increased cost for tenants is disingenuous at best,” he says.

What was once more of a negotiation, the practice of requiring tenants to pay brokers’ fees had been creeping upward for years, becoming ubiquitous, Martinez says.

“As the housing market has gotten tighter, and as it has gotten much more competitive, tenants don’t have that bargaining power anymore,” he says. “If [as a tenant] I’m not willing to just accept this brokers’ fee, there’s 10 people behind me that are willing to.”

With brokers’ fees tacked on, it became near impossible for people to move, Kaplan says. The required thousands of dollars “was just becoming an insurmountable pile of money,” he says.

In fact, many people have been getting locked into apartments that they can no longer afford, Martinez says.

“They get faced with a rent increase they realistically can’t afford on a month-to-month basis, but they also can’t afford to move into even a new, cheaper apartment because of what that upfront costs are,” he says.

In the end, there was not much opposition to explicitly ending renter-paid brokers’ fees, according to Martinez. That may have had something to do with a new law, the Fairness in Apartment Rental Expenses Act, which took effect in New York City on June 11 and left Massachusetts a clear outlier in indulging the practice.

Landlords and their lobbyists may also have been thinking strategically, keeping their powder dry for a legislative battle with a greater potential effect on their bottom lines, Martinez surmises.

But the law also has an upside for landlords, he suggests.

“Landlords have a lot more negotiating power directly with brokers, because now the landlords are their sole source of income,” Martinez says. “Now, landlords can negotiate and say, ‘OK, if you want this full month’s rent, you’re going to have to do more than just spend five minutes in the apartment.’”

But Quattrochi is much less sanguine. Given the lack of enforcement, he would have preferred more muted messaging from Beacon Hill, like: “We’re not fixing [renter-paid brokers’ fees] yet, but we’re trying to move in that direction.”

He adds that the main issue is “we need a lot more housing in Massachusetts.”

To the extent that there are housing subsidies, they are all on the “demand side,” Quattrochi says. Chief among them is the Residential Assistance for Families in Transition, or RAFT, program, which provides up to \$7,000 per household over 12 months to help residents keep their current housing or to move.

That’s the opposite of what the federal government does to help farmers, buying their food if no one else will, he says.

Quattrochi would prefer to see some of the hundreds of millions devoted to RAFT spent on construction, including the rehabilitation and expansion of public housing projects.

He says policy making around housing “feels very broken at the moment.”

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