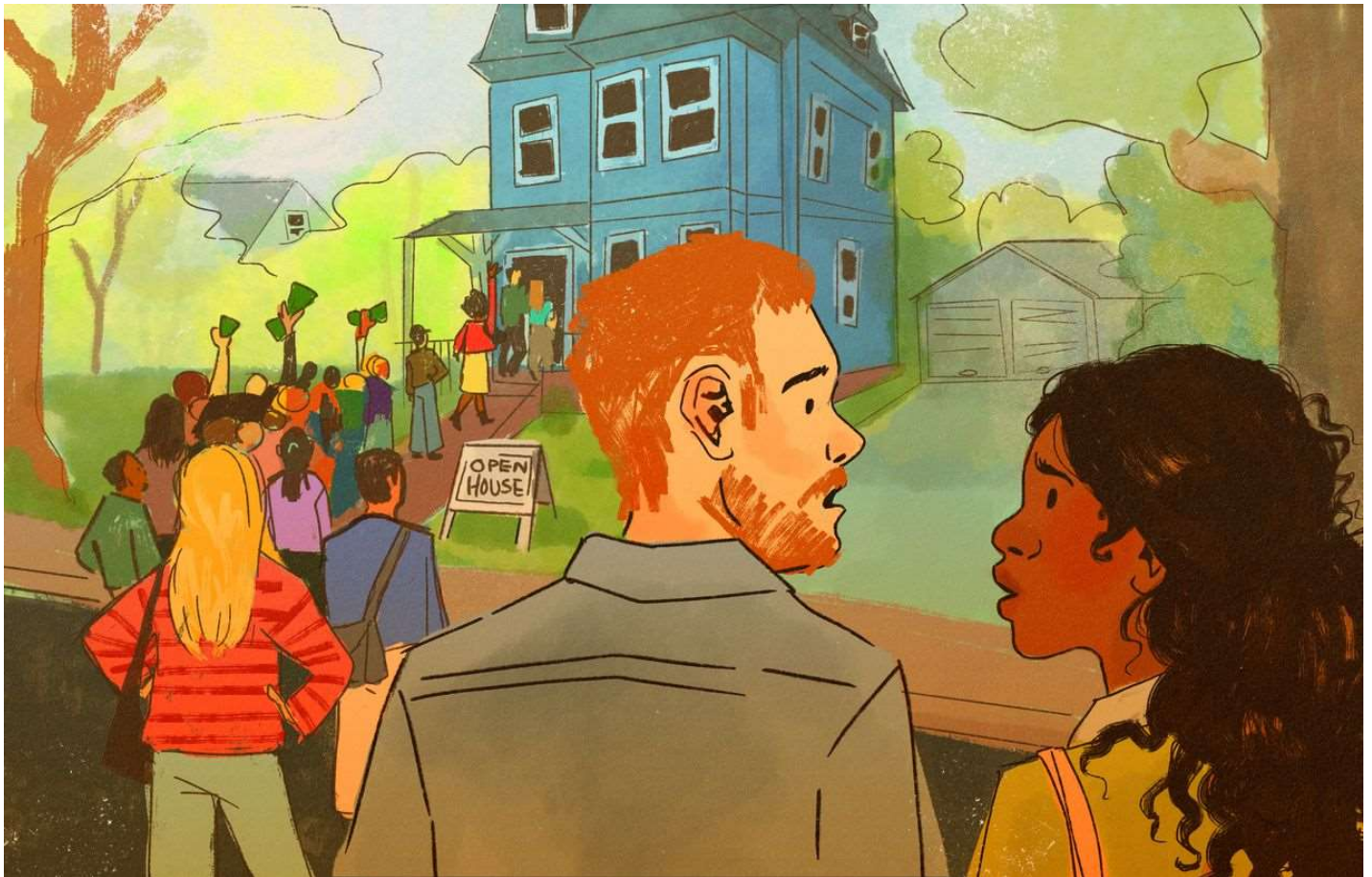


In Boston's brutal rental market, the final insult has arrived: bidding wars

Amid record-low inventory, desperate renters are offering to pay even more than the landlord is asking. Sometimes by hundreds of dollars. Per month.

By [Beth Teitell](#) Globe Staff, Updated June 11, 2023, 4:50 p.m.



MAURA INTEMANN/GLOBE STAFF

Bridgette Kelly sat in her 2011 Subaru and started to panic. In less than two months she and her husband would have nowhere to live. Their landlord had hiked their rent, again,

and enough was enough. Now she had arrived early to an open house for another rental in Malden, but there was already a line, and it was growing.

She texted her husband. “Two more people just showed up.”

In truth, the two-bedroom apartment was not perfect. The Orange Line was a 20-minute walk, and the \$2,200 rent would be such a stretch that come winter, the couple would need to keep their heat low. But it had a small office space, and with both of them regularly working from home, that was a plus.

They submitted their application that night, and morning brought word. What Kelly feared was true. There was competition. “If you wish to offer additional, favorable terms to entice the property manager/owner to accept your application, please email me,” the broker wrote. In other words, \$2,200 — yes, the listing price — would likely not be enough to land the unit.

Bidding wars — once mainly the plague of home and condo sales — are increasingly hitting rentals. And in our [famously brutal market](#), it feels like the final insult.

As Kelly put it, channeling every Bostonian who's ever been confronted with the reality of what your money gets around here: "You gotta be kidding me."

The median rent for a one-bedroom in Boston is \$2,030, according to [Apartment List](#). That means people who may already be strapped for cash have to come up with more than \$8,000 just to move in — first and last month's rent, a security deposit, and the infamous broker's fee — which is also typically a full-month's rent.

Vitriol over the no-win situation pours out online, where social media users rage against: scam listings; landlords who make unlawful demands; punishing credit-score standards; and, perhaps most of all, the brokers, who are loathed on a visceral level by many who feel they do nothing but open the front door of the rental and collect their hefty fee. Which in the rental world, is typically paid by the renter — not the property owner, as it is in real estate sales.

"In a lot of cases it's the brokers inventing fake bidding wars to increase their broker fee," read a rare expletive-free response on Reddit to a reporter's query.

In New York City, bidding wars have become so commonplace, and so intense (with people reportedly offering as much as a few thousand dollars over asking each month), that it's spawned a new category of advice column. "[How to survive a rental bidding war,](#)" read an April 2022 headline in The New York Times.

The housing shortage has also turned renting into a [competitive sport](#) in Southern California, Chicago, and Atlanta. And in Greater Boston, too, the vise is being tightened.

Demetrios Salpoglou, founder and CEO of the real estate portal [BostonPads](#), ran through the factors:

For starters, the real time apartment availability rate (3.26 percent) is at an historic low, he said. The ranks of would-be renters — i.e. competitors — have become swollen by

people who've been shut out of buying a place because of high interest rates and a lack of supply. And there weren't enough rental places to begin with.

The median time on the market for an apartment has dropped to a near-record low of 26 days Salpoglou said, down from 39 days a year ago. "But if it is a great apartment it will rent the same day." Sometimes sight unseen, on the basis of a video only.

Aspiring renters have become so desperate — to pay too much for the privilege of living in an often mediocre unit — that they have started regularly offering more per month than the landlord has asked. In some cases, by several hundred dollars or even more.

"I recently had a client who missed out on a deal after bidding \$350 over the listing price because there was an even higher offer," said Derek Jesiolowski, a rental and sales agent with Gibson | Sotheby's International Realty on Tremont Street. The two-bed, two-bath in the South End listed for \$3,900, and the highest offer was \$4,650, he said — \$750 over.

"Every rental I've listed lately has had a bidding war," said Rhonda Livingston, a Compass real estate agent in Boston and Hingham, and a landlady.

Rookie renters are often surprised, she said. "But after a few times of having their offers declined — and learning that it was because someone outbid them — they get educated very quickly."

On a recent Saturday in Cambridge, an agent was giving a client that very education. The client, a recent college grad, had just toured a spacious 3-bedroom with access to a shared yard and a washer and dryer in the basement. It was listed at \$4,200.

Only one application had been submitted, and the open house attracted only two possible renters. But the agent — perhaps with her client's best interest in mind, perhaps mindful that she wouldn't earn a rental fee if someone else's client got the listing, perhaps a mix of both — urged aggression.

“We need to consider going over asking,” she said. “The normal is \$100, \$200, \$300.”

“When you say ‘over asking,’ do you mean one lump sum up front?” the client’s dad asked naively.

As if.

In Newton, S. Amber Smit, a real estate agent with William Raveis, said the practice has become so common that the last three properties she listed went for “way above asking” without any conversation about price.

She mentioned a 1,200-square-foot apartment with three bedrooms, two in the basement. It was listed at \$4,800. More than 20 people came to the open houses, and the winning applicants offered \$5,200.

“Their company was paying the rent,” she said.

An analysis done for the Globe by [Spot Easy](#), a Boston-area-focused rental platform, found that over a 15-day period in May, 5.4 percent of the apartments rented on its site went for over asking, some by as much as \$400 or \$500.

Along the Green Line extension in Medford and Somerville, the percent of units that went [over-asking](#) in the past three months was even higher — over 13 percent in Somerville’s 02145 ZIP code, Boston.com reported on May 4.

Back in Malden, Kelly, 39, thought about her situation. “I worked my butt off to pay student loans,” she said. “We tried to buy a house [when interest rates were lower] but we couldn’t do that. We’d already talked ourselves into spending \$2,200, and now the agent says, ‘please come with your best offer?’”

But as gamblers and renters learn, the house always wins. They upped their bid by \$100.

“You’ve got to live somewhere,” Kelly said.

Alas, it would not be in Malden.

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