

REAL ESTATE FOR RECOVERY

Better Homes. More Recovery. Lower Cost.

The Property Owner's Guide to Leasing to Recovery Housing

How it works, what to watch for,
and how to vet an operator

FREE GUIDE FOR PROPERTY OWNERS

Suad Kantarevic · Founder · 25+ years in real estate
56 recovery beds operated in Greater Boston

realestateforrecovery.com · (781) 367-8210 · suad@realestateforrecovery.com

Your property can do good and pay

There aren't enough safe, affordable homes for people rebuilding their lives after addiction. People leaving detox, treatment or incarceration often need a structured, substance-free place to live, and **stable housing is the foundation everything else is built on.**

Many recovery housing operators don't want to buy property. They want to **lease good homes from owners like you.** This guide explains how that works, what to look out for, and how to decide whether it fits you.

How it usually works: the master lease

Most owner-operator arrangements use a **master lease**: you lease the entire property to one operator (a company or nonprofit). The operator places residents, runs the house, and pays you rent every month under one lease.

You (the owner)	The operator
Owns the property and signs one lease	Signs the lease and pays you rent
Handles what the lease assigns you (often major systems, roof, structure)	Runs the house day to day: residents, rules, staffing, supplies
Carries property insurance	Carries liability insurance naming you as additional insured (negotiate this)
Collects one monthly payment	Collects resident fees and handles occupancy

What owners like, and what to watch out for

Potential upsides	Real risks to manage
• One tenant, one lease, one payment • Often longer lease terms • Operator handles day-to-day management • Your property helps people rebuild their lives	• The operator's ability to pay depends on keeping beds filled and residents paying • More occupants can mean more wear and tear • Insurance and local code questions need answers up front • Operator quality varies widely, so vet carefully

Honest note from an operator: We run 56 recovery beds ourselves. The biggest pressure on any operator is the gap between empty beds, residents waiting on rental assistance, and fixed costs like rent. A good operator has a plan for that. Ask to see it.

What operators look for in a property

- **Bedrooms:** usually 4 or more; larger single-family and multi-family homes work well
- **Common space:** a kitchen and living room big enough for house meetings and shared meals
- **Bathrooms:** enough for the number of residents
- **Location:** near public transit, jobs, grocery stores and recovery meetings
- **Safety:** working smoke and CO detectors, safe exits from every bedroom, good lighting
- **Condition:** move-in ready or close to it; operators budget for furnishing, not rebuilding
- **Parking:** helpful but not always required

How to vet an operator: 10 questions

- ☐ Is the home (or will it be) **certified**? In Massachusetts, MASH (Massachusetts Alliance for Sober Housing) certifies sober homes, and state agencies can refer residents only to certified homes.
- ☐ How many years have you operated, and how many homes and beds do you run today?
- ☐ Can I speak with **other property owners** who lease to you?
- ☐ Can you show your **finances**: current occupancy, collections, and reserves?
- ☐ Where do your residents come from? (detox, treatment programs, courts, recovery coaches)
- ☐ What happens when a resident can't pay, or is waiting on rental assistance?
- ☐ Can I see your written **house rules, resident agreement and relapse/overdose policy**?
- ☐ What **insurance** do you carry, and will you name me as additional insured?
- ☐ Will you provide a **security deposit and a personal or corporate guaranty**?
- ☐ Who is the on-site or house manager, and how do neighbors reach you with concerns?

Lease terms to review with your attorney

- Term, renewal options and rent increases
- Security deposit, guaranty, and what counts as default (with a cure period)
- Use clause allowing recovery housing, and a duty to follow local codes
- Who maintains and repairs what, and response times
- Insurance requirements and additional-insured status
- Your right to inspect with notice
- What happens at the end of the lease (condition, furniture removal)

Massachusetts rules to know

- **No state license:** sober homes are not licensed by the state. MASH certification is voluntary, but state agencies and their vendors can refer only to certified homes.

- **Fair housing:** people in recovery are generally protected under federal fair housing and disability laws. Don't write ads or policies that exclude or steer protected groups.
- **Zoning:** in *Bak Realty, LLC v. City of Fitchburg* (2025), the Massachusetts Supreme Judicial Court held that a sober home may not be excluded from a residential neighborhood when residents function as the equivalent of a family.
- **Local caps and reasonable accommodation:** many towns limit the number of unrelated people in one home. Operators can request a written reasonable accommodation under federal law.
- **Lodging house license:** MGL c.140 §22 may apply when four or more unrelated people rent rooms. Ask your city or town how it treats sober homes.
- **Sprinklers:** MGL c.148 §26H can require sprinklers at six or more residents in municipalities that have accepted it. Confirm with the local fire department in writing.

Next steps

- ☐ **Submit your property (free):** tell us the address, bedrooms and condition at realestateforrecovery.com.
- ☐ **Book a 15-minute call:** we'll talk through whether leasing, selling or another option fits your goals.
- ☐ **Thinking of selling instead?** Agape Realty Partners can help you list with a 1% listing fee.

Real Estate For Recovery connects property owners, operators, real estate professionals and partners to create more quality recovery housing.

Call or text: (781) 367-8210 · **Email:** suad@realestateforrecovery.com · **Web:** realestateforrecovery.com

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