

April 29, 2025

Editor-in-Chief

Real Estate Economics

Dear Editor,

We are pleased to submit our manuscript, **“Crowded and Expensive: Density Shift as a Measure of Demand in Large U.S. Apartment Markets,”** for consideration at *Real Estate Economics*.

This paper introduces a novel, empirically grounded measure of rental housing demand—the Rental Density Index (RDI)—which captures consumer space-sharing behavior as a function of rent levels. Unlike occupancy and absorption, which are structurally bounded and supply-constrained, RDI reflects demand pressures even in fully occupied markets. By deriving supply and demand curves using RDI and inventory growth, we segment markets into four price-supply regimes and show that these classifications meaningfully forecast next-year rent growth across the 100 largest U.S. metro areas.

The methodology contributes to the ongoing discussion about demand-side measurement in housing economics and addresses a gap in the literature between elasticity-based approaches and structural occupancy models. In particular, the RDI framework offers a scalable, transparent tool for both forecasting and market segmentation without relying on unobservable consumer preferences or equilibrium assumptions.

The work should be of interest to both researchers and practitioners concerned with housing market dynamics, supply-demand imbalances, and rent forecasting.

Potential reviewers with relevant expertise include:

- **Edward Glaeser** (Harvard University)
- **Stuart Rosenthal** (Syracuse University)
- **Jenny Schuetz** (Brookings Institution)

We believe their work in housing economics and market segmentation would position them well to evaluate the contribution of this paper.

This manuscript is original, has not been published elsewhere, and is not under consideration at any other journal.

Thank you for your time and consideration. We look forward to the possibility of contributing to *Real Estate Economics* and welcome the opportunity for review.