

## **Build. More. Housing.**

Regarding the Jan. 8 Business article “[Landlords are accused of colluding to raise rents. See where.](#)”:

Blaming the use of pricing software for high housing costs as a scapegoat for housing affordability challenges might be tempting. But it distracts from the root cause: a systemic shortage of housing across the country, which is the result of decades of government inaction. This national affordable housing shortage is well documented. The basic rules of supply and demand apply here: Prices increase as demand increases because of the shortage.

There is also proof that, as more supply is added, price increases slow, stop and even slip into decline. For example, and as The Post’s article noted, rent in Austin went from [growing 3.4 percent year over year](#) in 2018 to [falling 3.5 percent in 2024](#) as housing construction surged. Ironically, according to the article, Austin — where rent growth is on a downward trajectory — is the market with the highest concentration of pricing-software use. As the Urban Institute succinctly noted in [a new research report](#), “Home prices and rents are primarily determined by the supply and demand for housing units and by changes to that supply and demand.”

We agree that there is an acute housing affordability crisis in the United States. Millions of American renters are unable to afford rent, and even more renters are cost-burdened. But prices do often go down in areas where there are significant numbers of new rental housing communities, even where pricing software is used. Aggregated rent data at a variety of geographic levels helps housing providers respond to the market in a timely fashion and reduce rental housing prices in real time when supply and market conditions dictate. This, in turn, helps renters access available housing more quickly. In fact, the federal government has long used rent-data aggregation to set rents for the Section 8 program that distributes more than \$32 billion annually.

It is also critical to understand that the use of pricing software collects data but does not set rents — market conditions do. When housing supply goes up, housing costs go down. If we want to solve the housing crisis, there is one effective answer: Demand that policymakers enact laws and regulations that will help us build the housing America needs.

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This Letter to the Editor appeared in The Washington Post on January 17, 2025.

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