

I found the paper interesting and I have no major concerns with the methodology besides the usual problems one cannot fully address (missing explanatory variables, endogeneity, etc.). Due to these, in particular the absence of control for unobserved heterogeneity using time series data, I am personally not entirely confident that the fitted prices can be interpreted as an equilibrium price from which to judge over/undervaluation, or towards which prices will converge. However, future literature will be able to test the author's predictions, which constitute a great benchmark for future work in the area.

Major comments:

- If I'm not mistaken Fig. 1 suggests that there is substantial heteroskedasticity. I assume all standard errors have HAC correction.
- I would like to see a plot of the total price vs total size to be convinced that price per m^2 is a good indicator. Moreover the scaling might differ across cities, and this can drive some of the results.

Minor comments

- Fig.1 seems to suggest a normal distribution of prices, or at least some unimodal symmetric distribution. I would be curious to see its shape and some tests of Normality. I was expecting some skewness, perhaps a lognormal, so I find it interesting. (I am not arguing the authors must do it, and it is appreciated that the authors are sharing their data).
- Is there any evidence of price difference between months (seasonal effects)?
- If a flat is not sold in January, are you recollecting it in February?
- section 2 p.2: How do you justify using 7.5%/3% to correct for the fee in the French and Dutch system?
- "The small model and keeps": delete "and" ?