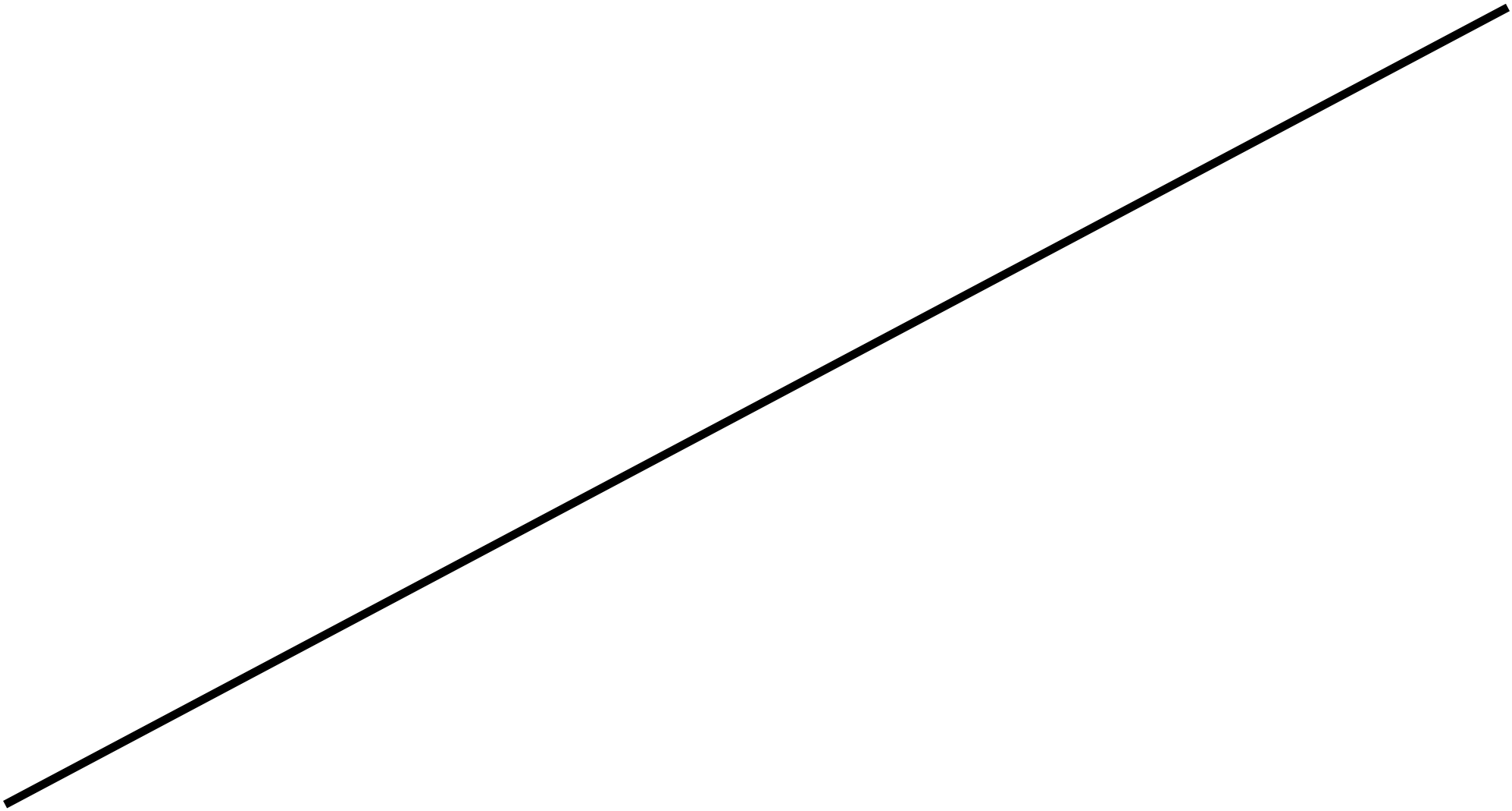


Consumers (renters) may gain CS or lose CS as a result of the price ceiling depending on which area is larger...



D

S





600

3,900

Price Ceiling: 2,200

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

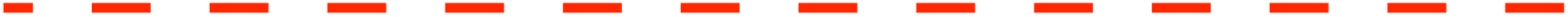
[REDACTED]



CS at
Equilibrium

$$Q^s = 3000$$

CS after
ceiling is
imposed





$$Q^d = 9000$$



CS: Area **below** demand and above the price
(rent) the consumer (renter) pays



Only 300 units are now
available for rent

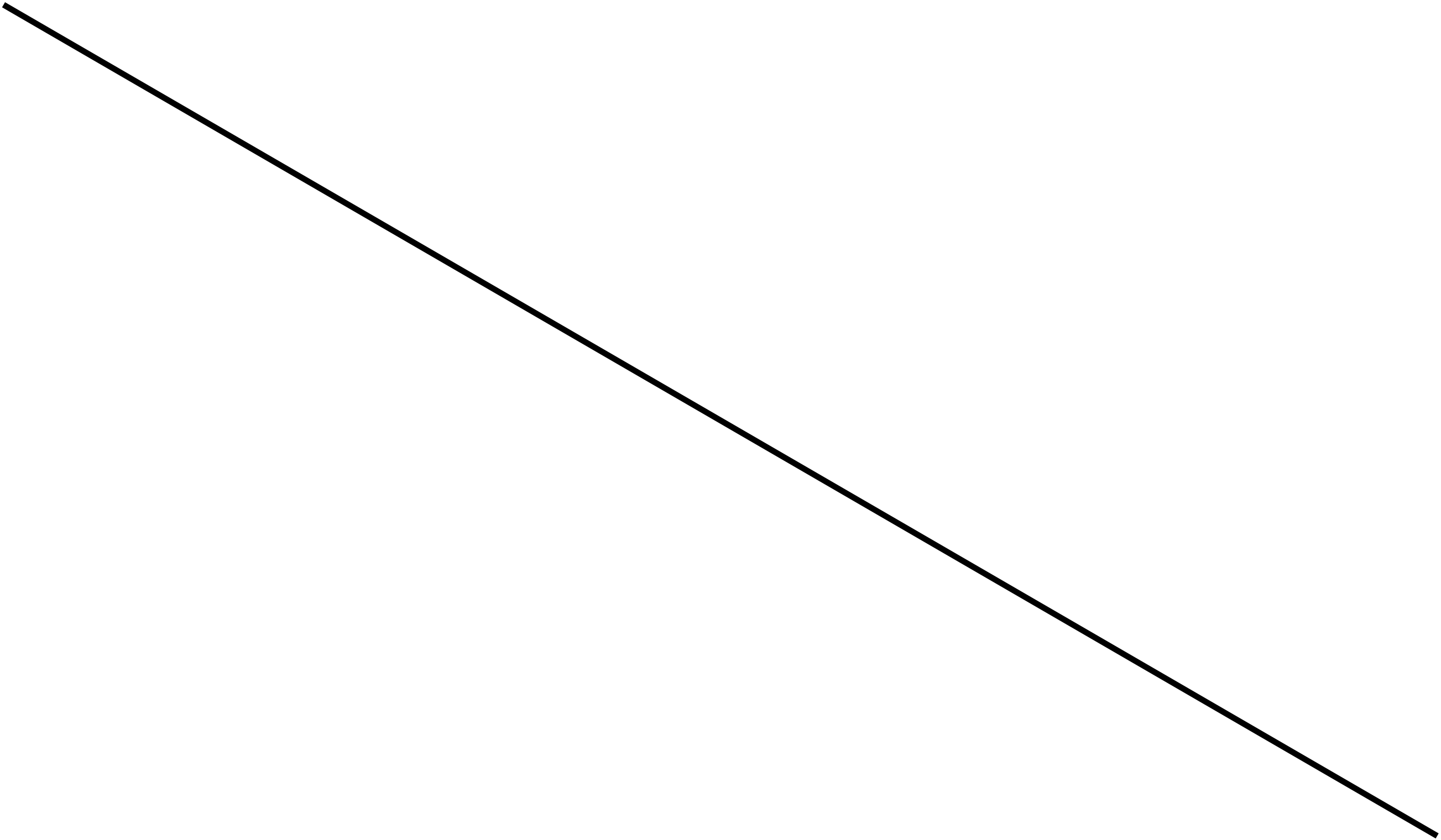
Consumers can only
get Consumer Surplus
on 300 units



$$Q^s=300$$



CS lost



CS

gained



Consumers (renters) may gain CS or lose CS as a result of the price ceiling depending on which area is larger...

