

**SA 422: HOUSING ECONOMICS AND FINANCE 2008/2009**  
**Prerequisite Class 5: Market Structure**  
**(Week 6, Thursday 13 November 2008, 9 – 10 in Room E304)**

---

1. Define perfect competition.
2. Clarify three reasons why perfect competition is desirable.
3. Clarify three reasons why perfect competition does not exist in reality
4. Define monopoly.
5. Why do monopolists restrict output?
6. Is this undesirable?
7. Is housebuilding competitive?
8. Identify three sources of potential market power.