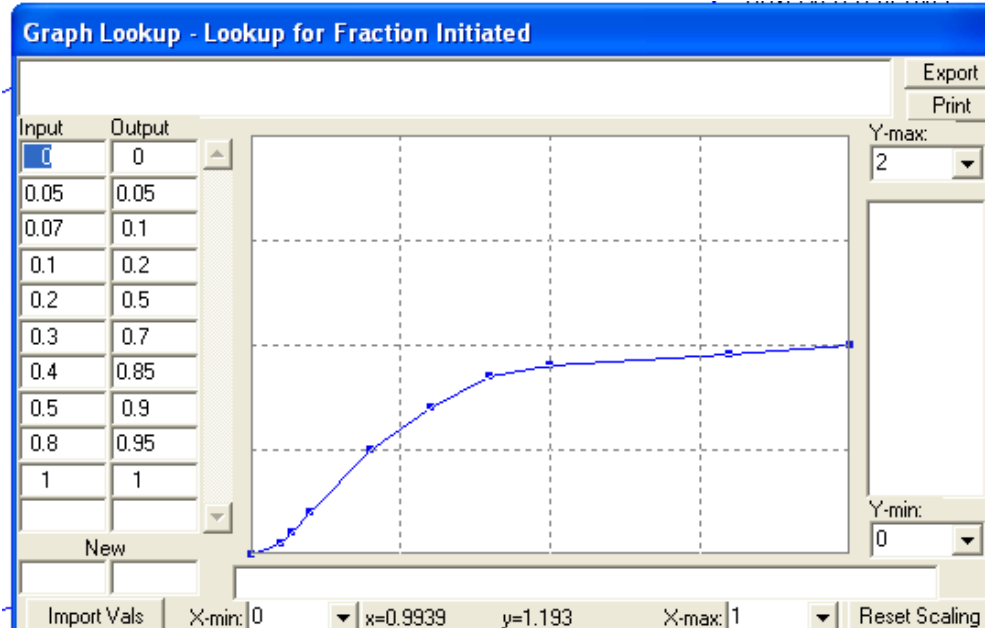


## Extra information for the Model in Figure 19.8.

The model in Figure 19.8 uses “friendly algebra,” so the equations can be written based on the variable names. The parameter values are explained in the book. The nonlinear lookups for the two nonlinear relationships are not explained in the book. These are shown below.

### 1. Fraction of maximum construction initiated depends on the forecasted profitability fraction:



### 2. Indicated Rent depends on the Vacancy Rate in Percent:

