



<b>JOBS</b> 46	<b>PROPERTY TAXES</b> \$313,473	<b>SALES TAXES</b> \$448,969	<b>BUSINESS FRANCHISE TAXES</b> \$21,072	<b>TIF BOND DEBT</b> (\$666,396)	<b>SURPLUS</b> \$117,117
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<b>PROJECT SUMMARY</b>	<b>PROGRAMMING</b>	<b>RETURN METRICS</b>	<b>EMPLOYMENT GROWTH</b>
Location: Washington, DC	Tenant: NLSF	Exit (Yr 9): 6.5%	Government Workers: 2%
Lot Size: 0.52 Acres	MessHall: 10,800	NOI (Yr 9): \$13,315,666	Private Wage/Salary Workers: 3%
Zoning: MU-4	HIVE 2.0: 9,800	Value: \$19,025,690	Self-Employed: 9%
Program: Flex Industrial / Co-Working / Retail	Retail (Dining): 2,500	Levered IRR: 23.4%	
Gross Building Area (SF): 34,271	Retail (GAFO): 4,500	Cash-on-Cash: 9.9%	
Net Leasable Area (SF): 27,600		Equity Multiple: x1.14	

<b>SOURCE OF FUNDS</b>	<b>USE OF FUNDS</b>	<b>MARKET SUPPLY</b>	<b>MARKET DEMAND</b>
<ul style="list-style-type: none"> <li>Common Equity: 12% / \$2,773,246</li> <li>Solar Tax Credits: 1% / \$307,393</li> <li>NPF Grant: 1% / \$250,000</li> <li>TIF: 23% / \$5,350,000</li> <li>Senior Loan: 38% / \$8,595,123</li> <li>HMTC: 25% / \$5,605,510</li> </ul>	<ul style="list-style-type: none"> <li>Developer Fee: 13% / \$2,979,326</li> <li>Capitalization Interest: 5% / \$1,213,839</li> <li>Soft Costs: 8% / \$1,860,540</li> <li>Acquisition: 20% / \$4,450,000</li> <li>Hard Costs: 54% / \$12,337,798</li> </ul>	<b>INDUSTRIAL</b> 80,000 SF Existing, 100% Occ. No projects in pipeline Comps \$23-28 psf  <b>EDUCATIONAL</b> 190,000 SF Existing 832,979 SF in Pipeline Base Rent \$47-60 (CoStar & CBRE)  <b>RETAIL</b> 1.4M SF Existing 3.0% vacancy Base Rent \$44 psf (CoStar)	Annual job growth: 17 flex-using ind. SF per worker: 1843 Supportable demand (SF): 31,453 Captured demand (SF): 11,008  "Right-sizing" High employment growth Target self-employed (fastest growing)  Total retail spending \$161.5M Captured sales: \$5.6M (3.5%) Sales PSF: \$630 Captured demand (SF): 8,971



WRED

# Nucleus

Fall 2023

**Tim Rutten**  
 Nucleus will serve as an engine for social, economic, and environmental equity amidst the on-going transformation of the Anacostia and Congress Heights communities. The 34,000 square-foot business incubator builds upon the work of predecessors such as the RISE Demonstration Center and HIVE, which have invested knowledge, social, and financial capital into low-to moderate income entrepreneurs with the mission of increasing equity and economic opportunity in this long-underserved area of the city. Nucleus will leverage public and private investments to generate jobs and provide a healthy and equitable working space for local entrepreneurs.

*Credits*  
 Architect: Michael Fischer  
 Mentor: Mansur Abdul-Malik  
 Instructor: Tanya Bansal  
 Program Director: Maria Day-Marshall

