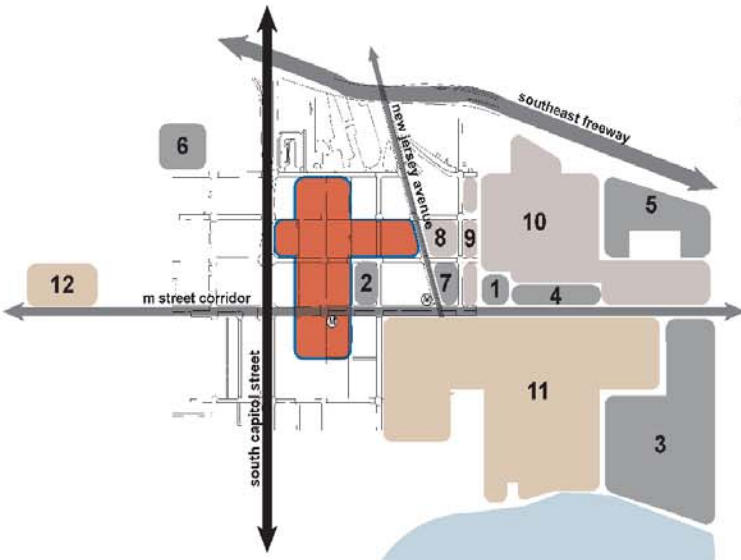
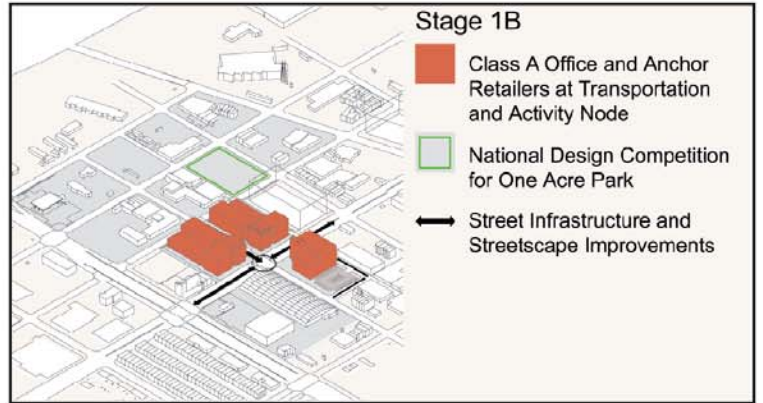
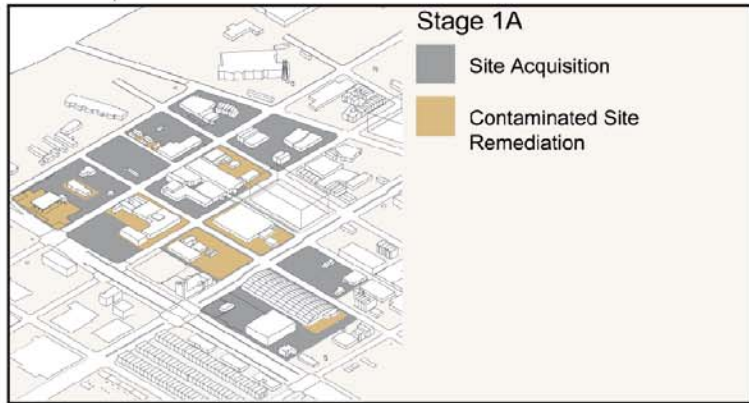
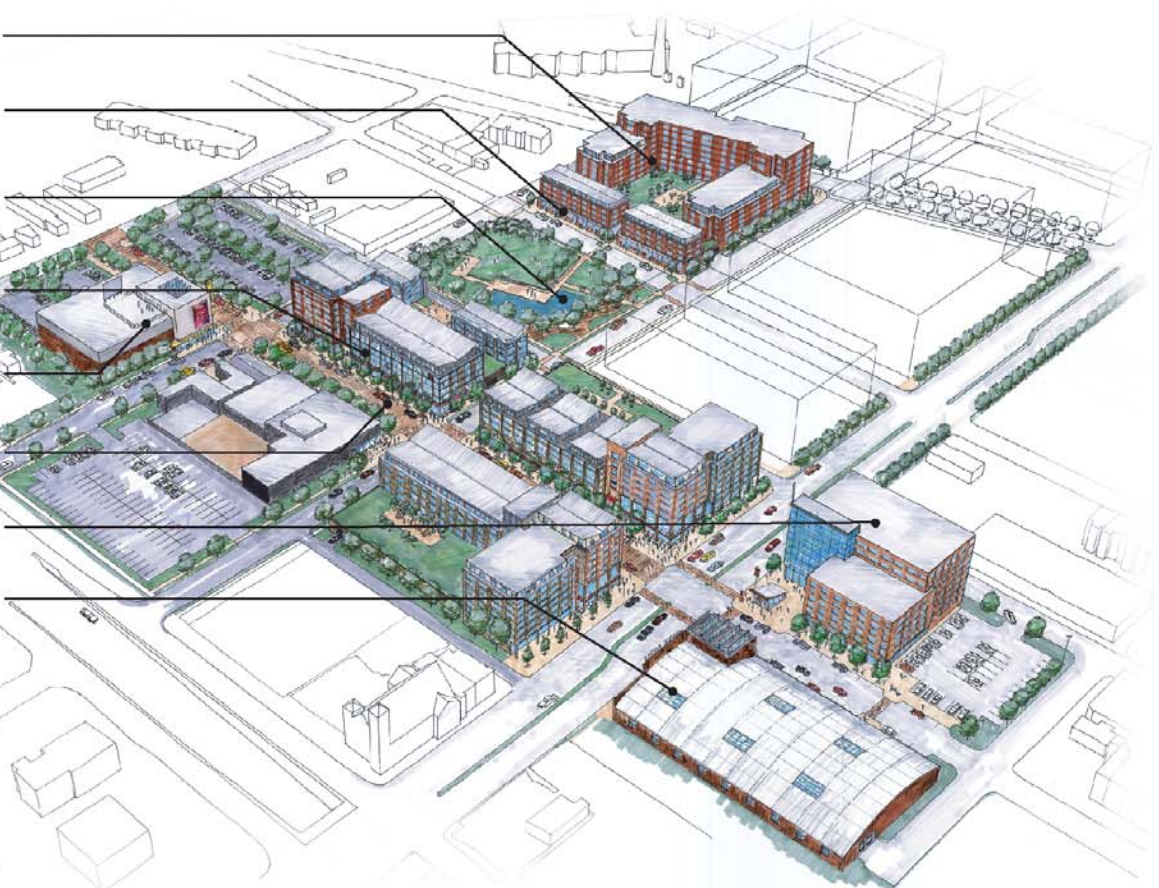
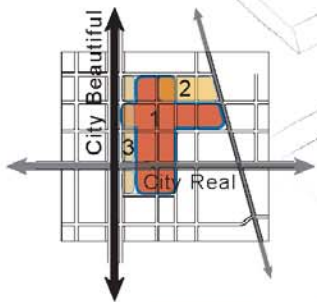
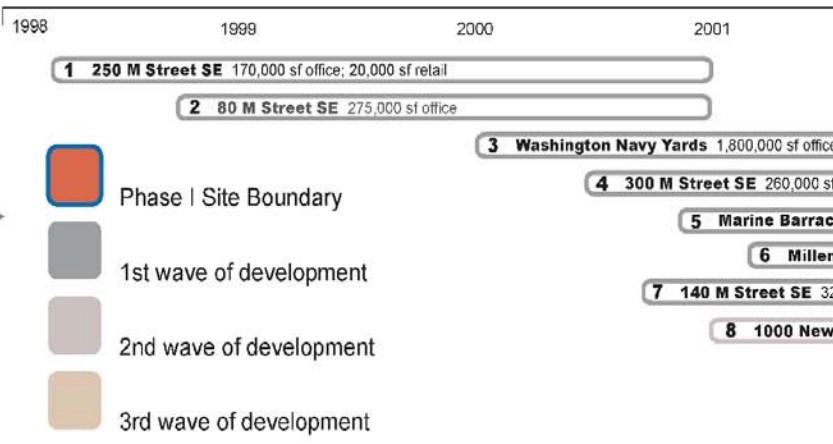


# Phase 1: City Building

- CONDOMINIUMS
- LIVE / WORK RESIDENTIAL
- NEIGHBORHOOD PARK
- RESIDENTIAL LOFTS
- ARTS CINEMA
- ENTERTAINMENT/RETAIL DISTRICT
- CLASS A OFFICE
- WHOLE FOODS



## AREA PROJECT PIPELINE



\*\* Source: SE Federal Center RFP

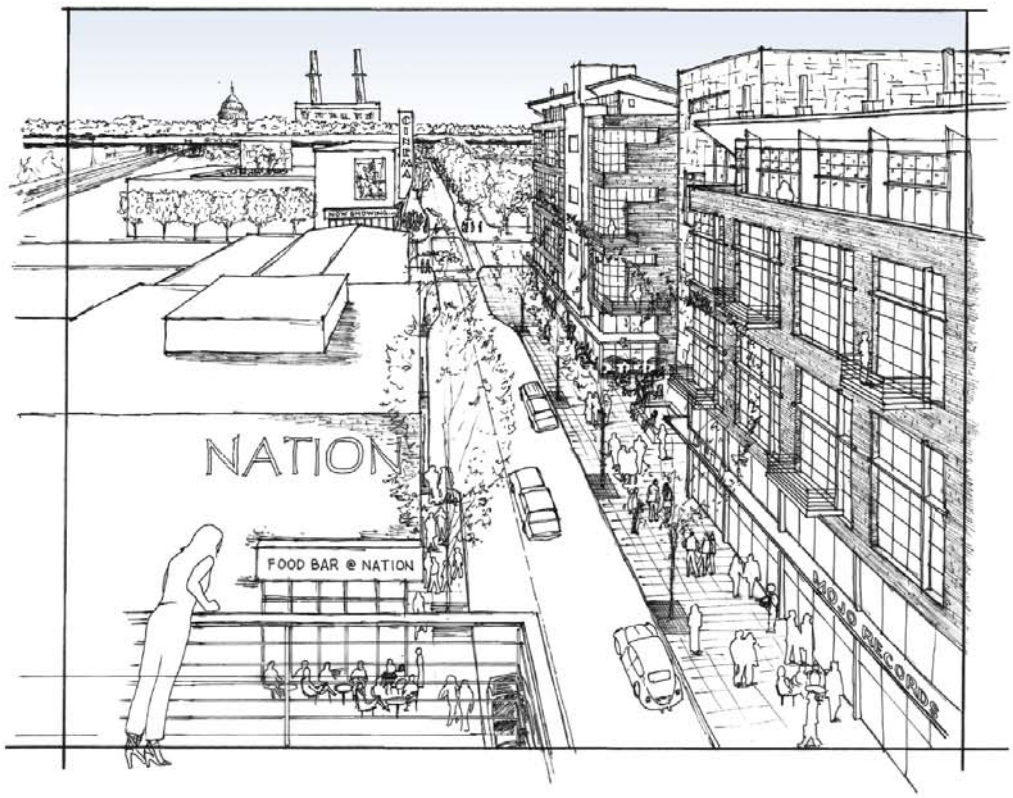
# Phase 1: Creative District



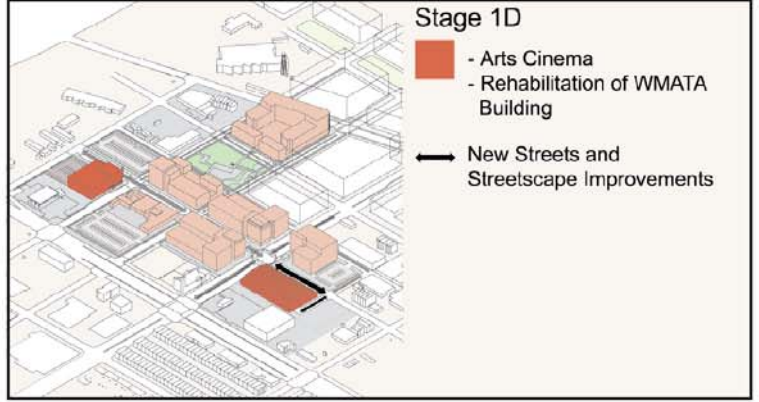
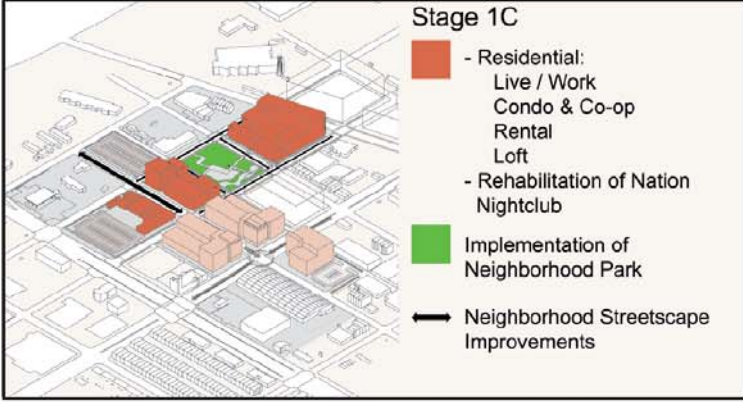
M Street Metro



New Jersey Avenue



Half Street Terrace View

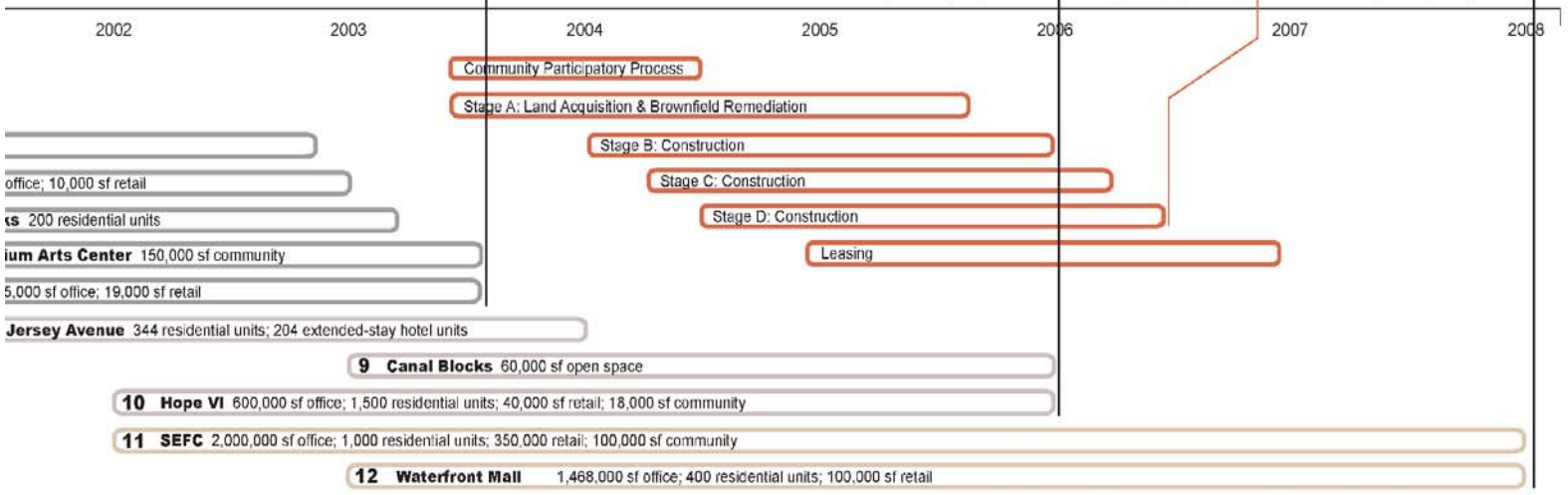


- 2.8 Million sf office
- 49,000 sf retail
- 200 residential units
- 150,000 sf community

- 3.4 Million sf office
- 89,000 sf retail
- 2,044 residential units
- 188,000 sf community
- 60,000 sf open space

- 3.5 Million sf office
- 287,000 sf retail
- 2,597 residential units
- 168,000 sf community
- 112,000 sf open space

- 7 Million sf office
- 737,500 sf retail
- 3,997 residential units
- 268,000 sf community
- 112,000 sf open space



office; 10,000 sf retail  
 200 residential units  
 Arts Center 150,000 sf community  
 5,000 sf office; 19,000 sf retail  
 Jersey Avenue 344 residential units; 204 extended-stay hotel units

9 Canal Blocks 60,000 sf open space

10 Hope VI 600,000 sf office; 1,500 residential units; 40,000 sf retail; 18,000 sf community

11 SEFC 2,000,000 sf office; 1,000 residential units; 350,000 retail; 100,000 sf community

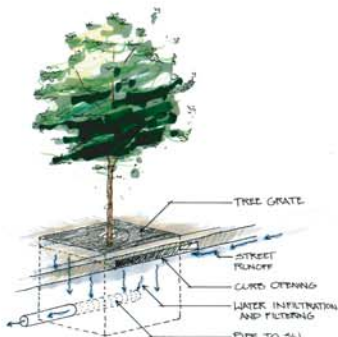
12 Waterfront Mall 1,468,000 sf office; 400 residential units; 100,000 sf retail

# Phase 1: Critical Mass

## GROUND FLOOR PLAN



## ENVIRONMENTAL DESIGN

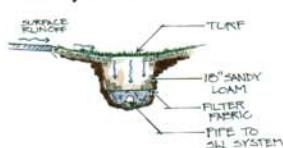


Tree Filter Box

### Green Roof System



### Runoff System

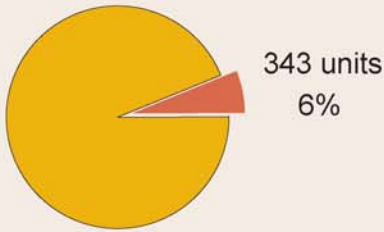


# Phase 1: The (Double) Bottom Line

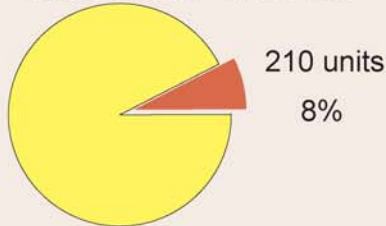
## MARKET ANALYSIS

### Metro DC Annual Absorption

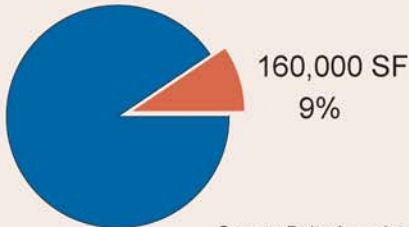
Rental = 5,700 units



Condo & co-op = 2,800 units



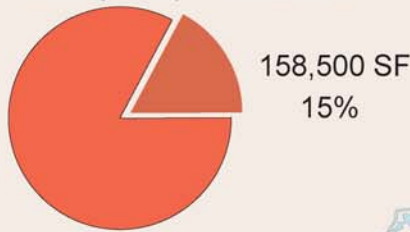
Office = 1,700,000 SF



Source: Delta Associates

### Supportable Retail Analysis

Retail (1 mile) = 1,062,000 SF



### Trade Area



	Median HH Income	Total Income	% income spent on consumer goods
1 <sup>o</sup> (.5m)	\$45,000	\$616,500,000	22%
2 <sup>o</sup> (1m)	\$50,000	\$590,625,000	22%

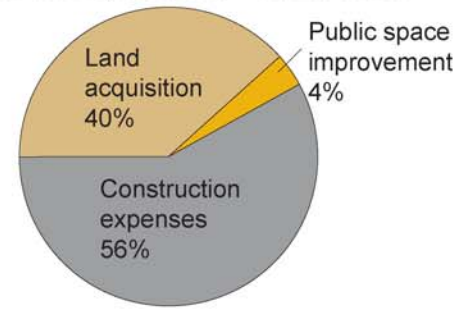
  

	Amount consumer goods per year	Average annual retail revenue psf	Supportable retail square feet
1 <sup>o</sup> (.5m)	\$135,630,000	\$250	542,520
2 <sup>o</sup> (1m)	\$129,937,000	\$250	519,750

## DEVELOPMENT COST

Office psf	\$155
Retail psf	\$110
Residential psf	\$115
Parking (below grade)/space	\$25,000
Parking (above grade)/space	\$10,000
Parking (at grade)	\$1,400
Park psf	\$40

Total development cost = \$222.9 million



average "all-in" cost per foot \$206

## OPERATING ASSUMPTIONS

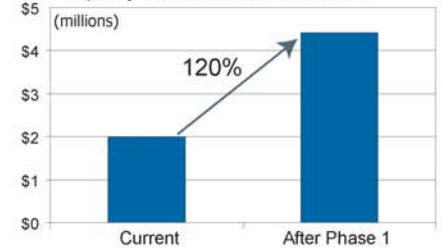
		Year 1	Year 2	.....	10
Residential Market rent	\$2.00	5,169,682	5,324,773		8,616,103
Affordable rent	HUD	3,076,478	3,168,772		4,014,106
Market sale	\$250	5,003,865	5,153,981		7,627,093
Affordable sale	\$75				
Vacancy	6%				
Exit cap rate	8%				
Office: Rent	\$38.00				
Vacancy	9.5%				
Exit cap rate	9%				
Retail Rent (triple net)	\$30.00				
Nation rent	\$15.00				
Arts cinema rent	\$10.00				
Vacancy	10%				
Exit cap rate	9%				
Parking Rent enclosed	\$1,200				
Rent surface	\$1,000				
Residential RENTAL NOI		13,250,026	13,647,527		20,257,302
- equity contribution		(138,685,111)			
+ net cash from sale					238,596,983
Rental Cash Flow		(138,685,111)	13,250,026	13,647,527	258,854,285
- equity contribution		(34,274,997)			
+ net cash from sale		40,972,500			
Condo Cash Flow		(34,274,997)	40,972,500		
TOTAL CASH FLOW		(172,960,108)	54,222,526	13,647,527	258,854,285

unlevered IRR 15%

## PUBLIC INVESTMENT & BENEFITS

- 22% Affordable housing  
69 rental units @ 50% AMI and 43 for sale co-op units
- 6% Brownfields  
170,000 square feet decontaminated
- 6% Community arts cinema  
5 screen cinema managed by non-profit
- 16% Green practices  
Integrated eco-friendly design throughout project
- 4% Park  
52,000 square feet community park
- 34% Public land for grocery store  
Conversion of WMATA site into neighborhood grocery
- 12% Streetscape  
re-paved roads, new street lights and trees

### Property tax revenue increase



Public \$1 public = \$3.5 private

