

Project Gene: \$15MM for Construction and Development Project

Executive Summary & Request

Rush Street Capital has been engaged to raise \$15 million of financing for construction and development of a new project in the Midwest. Project Gene is a 0.77-acre site for an 8-story, multi-purpose construction development near a large Mid-West university campus. The proposed sources and uses for the transaction are listed below.

Sources	(\$ in 000's)	Uses	(\$ in 000's)
Financing	15,024	Pre-Development Costs	1,536
Equity Contribution	3,000	Construction Costs	14,755
		GC Fee (2.5%)	389
		Developer Fee (4%)	590
		Construction Contingency (4%)	605
		Rush Street Capital fee (1%)	149
Total	\$18,024	Total	\$18,024

Background Information & Description of Project

Project Gene is being managed by two individuals and a local Private Equity firm. This development is spearheaded by a 20-year industry veteran and a successful real estate developer. The equity group will be contributing \$3 million towards the project and has already paid expenses of \$1.5 million. The Private Equity firm involved is a Midwest alternative asset manager with investment activities focused predominately on the private equity and real estate sectors.

Project Gene is a mixed-use development in in the heart of a large Midwest university. The building will be eight (8) stories in total, the 1st floor will have commercial use, the building lobby and parking. The 2nd floor will be exclusively for parking, and floors 3-8 will be residential (rental) units.

Income for the project will be generated through rent charged to commercial and residential tenants, storage units and for parking spaces. The building will have 6,700 SF of commercial space. The equity group has a signed LOI from a national fitness franchise to be the principal commercial tenant. Residential units will total 77 units, 72 of the units will be 2-Bedroom units, and the remaining 5 as 1-bedroom units. Parking spaces will total to 110, storage units will be 26 in total.

The equity group has done extensive market research and is in-tune to the market dynamics and local demographics. The region that Project Gene will be located has a strong local economy and will have a wide appeal to large subset of the local population. Being located in the heart of the city's downtown and university campus, the sponsors expect to generate significant demand.

Project Gene is seeking a flexible financing partner to provide \$15 million of financing for a new construction and development project. For further inquiries please contact Rush Street Capital.