

# 1336 U STREET NW

Washington DC 20009



## Table of Contents

01

Executive  
Summary

02

Tenant  
Overview

03

Floor Plans

04

Pro Forma  
Financials

05

Neighborhood  
Aerial

06

Regional  
Map

07

Location  
Overview

09

Demographics

## Contact Information



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## The Offering

KLNB Retail Capital Markets is pleased to offer for sale the fee simple interest in 1336 U St NW, a fully occupied 6,000 SF retail building in the heart of the U Street Retail Corridor. The building is tenanted by Hide Up Kitchen & Lounge which is on a new 10 year lease through May-2034 with 3.0% annual base rent increases. Hide Up is the newest concept by experienced operator, Hellen Kassa, owner of Arif Bar & Restaurant, with the lease also guaranteed by Shewa Etana, who has other successful restaurant/bar businesses on the U Street Corridor including Space and Privilege Lounge. The operators just completed a renovation of the building including new build out of interior spaces, upgrading alarm systems, security cameras and WiFi cabling, and new sound system.

Hide Up Kitchen & Lounge is a great addition to the vibrant restaurant and bar scene on the U Street Corridor which is a major draw for Washington DC's young population due to it's live-work-play environment and metro accessibility. With 10 years of lease term and appreciating cash flow, 1336 U St provides an opportunity for an investor to acquire an asset with a strong operator in place, that is located in one of the hottest commercial corridors in the district.

1336 U STREET NW, WASHINGTON DC 20009

PRICE

\$5,750,000

NET OPERATING INCOME

\$387,888

Sep. 2024 - Aug. 2025

RENTABLE AREA

6,000 SF

OCCUPANCY

100%

LAND AREA

1,800 SF

ZONING

ARTS-1

YEAR BUILT/RENOVATED

1905/2024

PARCEL

0237 - 0047

# HIDE UP

## Kitchen & Lounge

LEASE COMMENCEMENT: 1/22/2024  
 RENT COMMENCEMENT: 5/21/2024  
 LEASE EXPIRATION: 5/31/2034

[VIEW WEBSITE](#)



Hide Up Kitchen and Lounge is the newest concept by experienced operator, Hellen Kassa and Shewa Etana, an owner of Arif Bar & Restaurant, with the lease also guaranteed by Shewa Etana, who has other successful restaurant/bar businesses on the U Street Corridor including Space and Privilege Lounge. Hide Up recently replaced the former occupant, The Hawthorne, which was a long-time staple of the neighborhood. As part of their new operation, Hellen and Shewa have invested significant capital in upgrades to the building including interior renovations, new security and camera systems, and upgraded sound system, which demonstrates their commitment to the location and community.

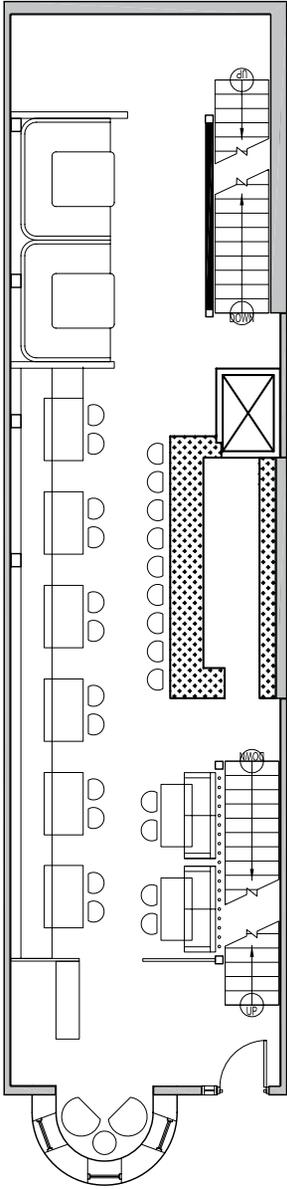
Hide up is on a new 10-year lease through 5/31/2024 with one 5-year option. The lease has 3% annual rent increases in primary and option terms and the tenant is responsible for reimbursement of expenses, management, insurance, and taxes. The lease is personally guaranteed by both Hellen Kassa and Shewa Etana for the first three years with a 12 month rolling guarantee thereafter.

### Rental Schedule

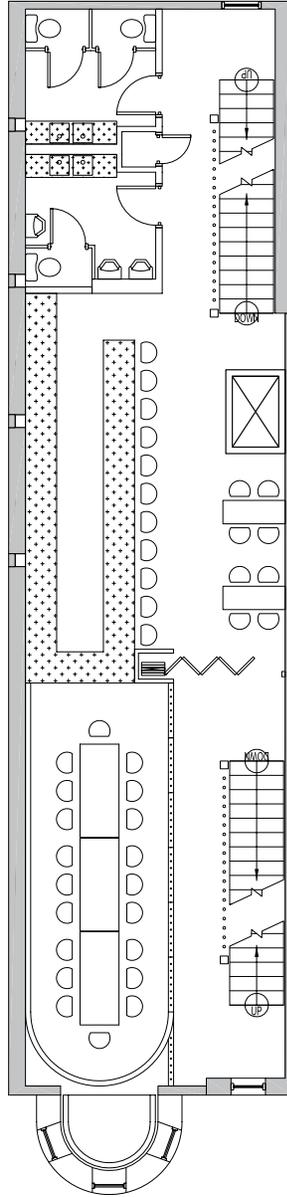
Date	Annual Rent	% Increase	Rent/SF
June 2024 - May 2025	\$385,000		\$64.17
June 2025 - May 2026	\$396,550	3.00%	\$66.09
June 2026 - May 2027	\$408,447	3.00%	\$68.07
June 2027 - May 2028	\$420,700	3.00%	\$70.12
June 2028 - May 2029	\$433,321	3.00%	\$72.22
June 2029 - May 2030	\$446,321	3.00%	\$74.39
June 2030 - May 2031	\$459,710	3.00%	\$76.62
June 2031 - May 2032	\$473,501	3.00%	\$78.92
June 2032 - May 2033	\$487,706	3.00%	\$81.28
June 2033 - May 2034	\$502,338	3.00%	\$83.72

# Floor Plans

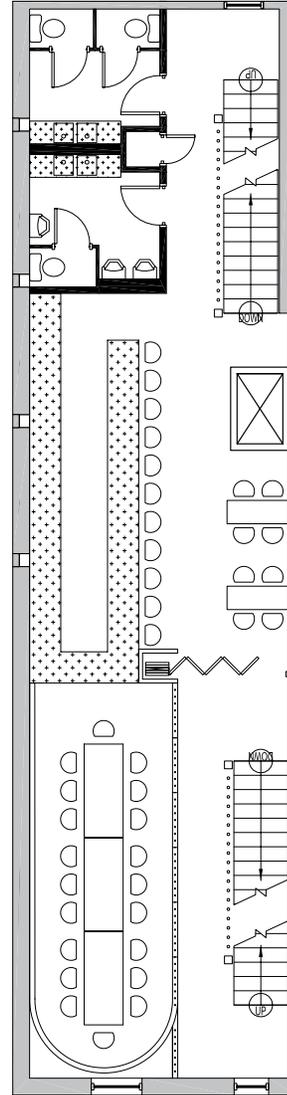
First Floor



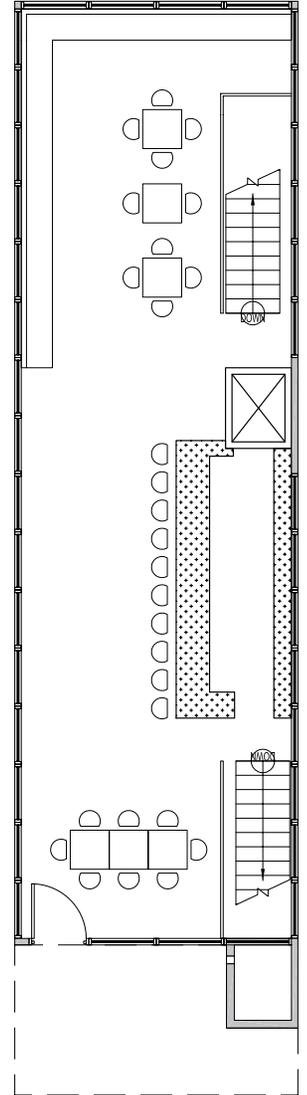
Second Floor



Third Floor



Fourth Floor



## Pro Forma Financials

Base Rent*	\$387,888
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### OTHER INCOME

Insurance Reimbursement	\$7,395
Tax Reimbursement	\$60,308
Mgmt Reimbursement	\$18,224
<b>Total Reimbursements</b>	<b>\$85,927</b>

Scheduled Base Income	\$473,814
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### EXPENSES

Insurance	\$7,395
Taxes	\$60,308
Mgmt (@ 4.00%)	\$18,224
<b>Total Expenses</b>	<b>\$85,927</b>

<b>Net Operating Income</b>	<b>\$387,888</b>
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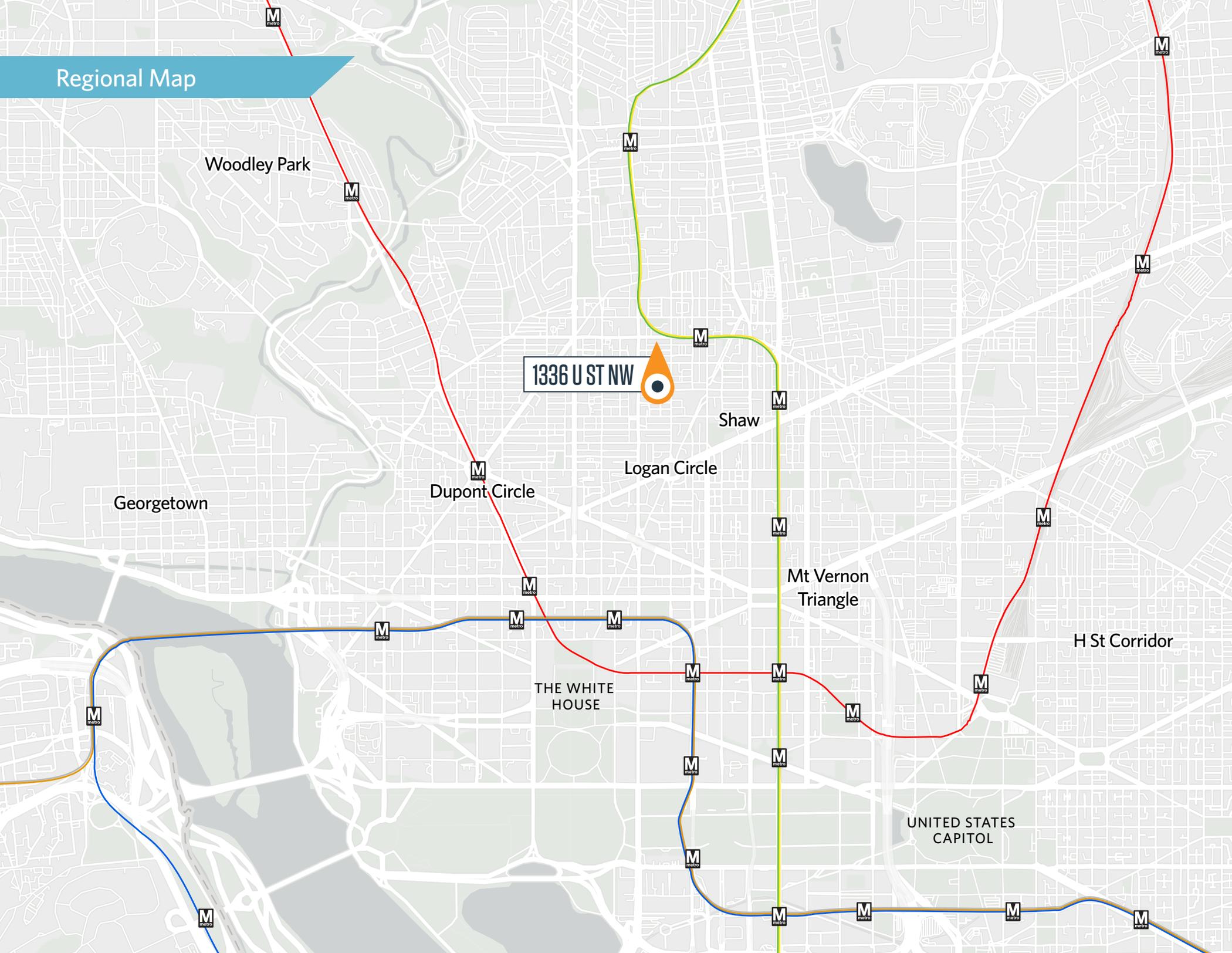
\*Pro forma commencing Sept-2024



# Neighborhood Aerial



# Regional Map



Woodley Park



1336 U ST NW



Shaw



Logan Circle

Dupont Circle



Mt Vernon Triangle



H St Corridor



Georgetown

THE WHITE HOUSE



UNITED STATES CAPITOL



# 14th & U Street Corridor

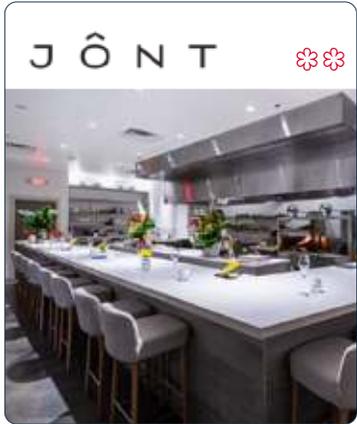
1336 U Street is located just off the intersection of 14th & U Street NW – well positioned at the cross section of the U and 14th St Corridors. The property has unmatched accessibility to the U-Street Metro Station and sits within a vibrant residential, retail, and dining scene. The property is a 3-minute walk from the metro station, which services the yellow and green lines connecting Maryland and Alexandria, VA to Washington DC. The U-Street Metro Station is two stops from Gallery Place Chinatown, serving as a transfer point for the red line and adding further connectivity to the Maryland suburbs. 1336 U Street's location at the intersection of 14th & U Street offers seamless access to one of Washington DC's premier retail nodes with immediate proximity to Trader Joe's (one block south), high-end destination retailers including Backcountry, Room & Board, Madewell, and Jeni's Ice Cream, all planting their Washington DC flag in recent years. The 14th Street Corridor is a preferred submarket for national and international brands expanding to DC.

As a neighborhood with destination retail, food & beverage, and entertainment – the 14th & U Street Corridor is home to four Michelin-starred restaurants and five grocery stores including Trader Joe's and two Whole Foods, while offering unbeatable connectivity to Downtown and the dense residential in the surrounding market. Since 2015 –within a ½ mile of 1336 U Street, 3,787 residential units have been delivered with 274 additional units under construction and 428 units proposed for future development. A booming, land constrained neighborhood, 14th & U Street is one of the most attractive locations for young, wealthy renters that are seeking to be at the intersection of it all – dining, entertainment, and proximity to Downtown office. Residents surrounding 1336 U Street are within walking distance to a plethora of entertainment options including Lincoln Theatre, Howard Theatre, Studio Theatre, and music venues The Black Cat, 930 Club, and The Atlantis.

*Southern view of The Harper, 144 residential units delivered in 2014 on 14th & T Street NW.*



ACCLAIMED DINING OPTIONS



SELECT RETAIL + RESTAURANT OPENINGS (2022+)

RESTAURANT

BABY SHANK

MI-VIDA RESTAURANTE

NAMA KO

WHITLOW'S DC

BEER GARDEN

aslin beer co

BOOKSTORE

SOLID STATE BOOKS 2017

DISTRICT of COLUMBIA

NIGHTCLUB

THE Owl Room

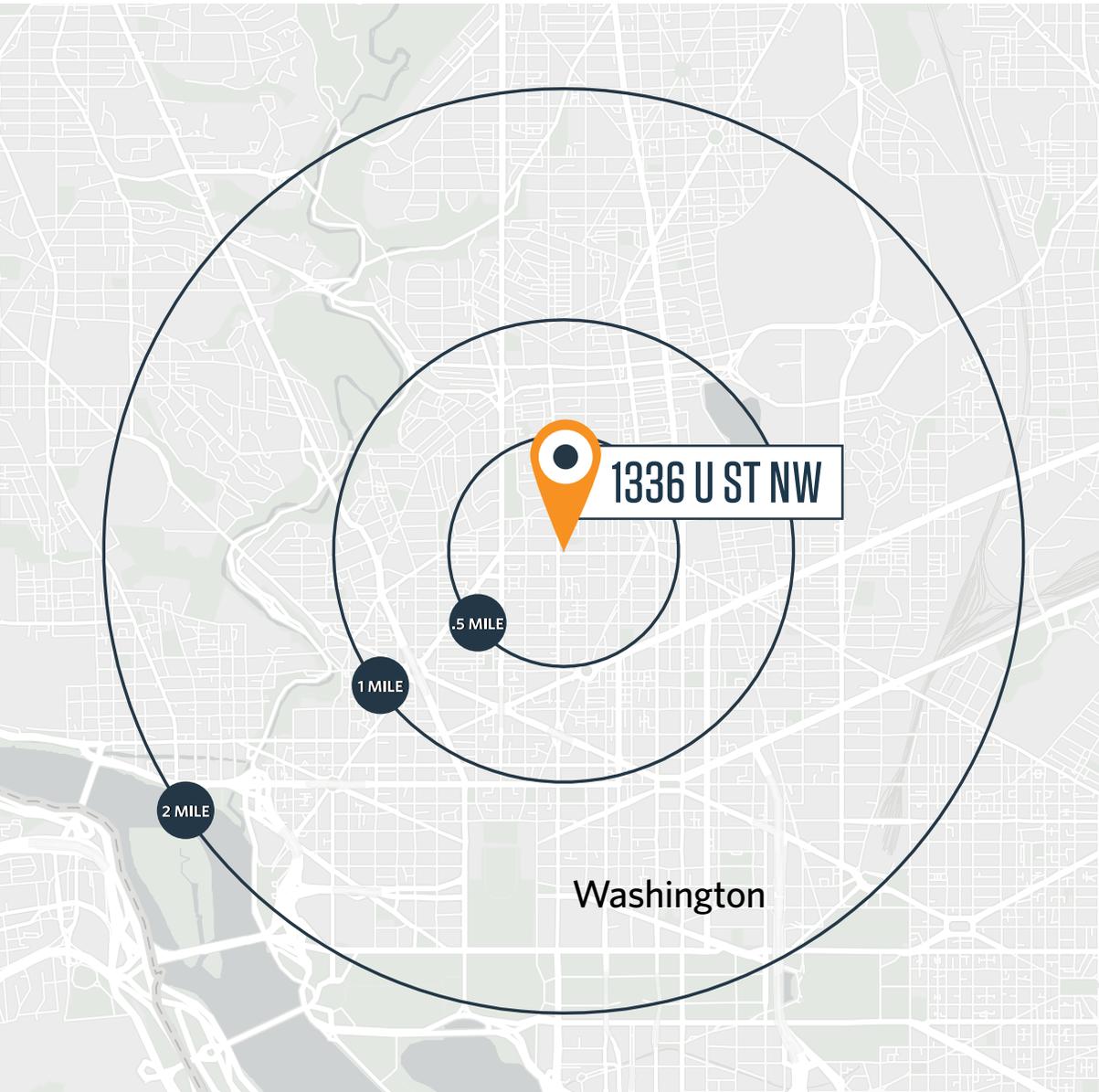
MEN'S APPAREL

Madswell

OUTDOOR GEAR

Backcountry

# Demographics



## 2023 Demographic Summary

	0.5 MILE	1 MILE	2 MILE
 Total Population	32,691	108,368	246,324
 Average Household Income	\$221,298	\$204,148	\$194,337
 Households	18,138	58,948	126,858
 Daytime Population	23,510	147,191	648,145

## 2023 - 2028 Projected Annual Growth Summary

 Population	0.92%	0.02%	0.69%
 Average Household Income	2.37%	2.83%	2.56%

## Disclaimer Notice & Non-Endorsement

# Confidentiality Disclaimer

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This Investment Memorandum (“Memorandum”) is furnished to prospective purchasers solely to facilitate the purchaser’s consideration of Subject Property. The Memorandum contains proprietary information and was prepared by KLNБ, LLC (“KLNБ”) using information compiled from sources we consider to be reliable. By receipt of this Memorandum, you agree that: (a) the Memorandum and its contents are of a confidential nature and that you will hold and treat it in strictest confidence in full compliance with the separate confidentiality agreement you have executed; (b) you will not reproduce, transmit or disseminate the information contained in the Memorandum through any means, or disclose this Memorandum or any of its contents to any other entity without the prior written authorization of KLNБ nor will you use this Memorandum or any of its contents in any fashion or manner detrimental to the interests of KLNБ or seller; and (c) upon request you will return the Memorandum without retaining any copy or extract of any portion thereof; and (d) Arris Realty Capital, LLC is a joint venture between KLNБ, LLC and Columbia National Real Estate Finance, LLC. KLNБ, LLC may receive compensation in the event that KLNБ, LLC, an agent or affiliate thereof, refers you to Arris Realty Capital, LLC; Columbia National Real Estate Finance, LLC, or an affiliate thereof, for financing of a real estate transaction.

This Memorandum does not purport to be all-inclusive or to contain all the information which prospective purchasers may desire and is a summary upon which prospective purchasers are not entitled to rely. Certain documents

and materials are described herein in summary form. The summaries are not complete descriptions of the documents and materials. Interested parties are expected to review all such documents and materials independently. Market financial projections are provided for reference purposes only and are based on assumptions relating to the general economy, competition and other factors beyond the control of KLNБ and are, therefore subject to material variation. Additional information and an opportunity to inspect the Property will be made available to qualified prospective purchasers upon request. Each purchase offer is to be based strictly and entirely upon the purchaser’s independent investigation, analysis, appraisal and evaluation of facts and circumstances deemed relevant by the purchaser. Neither Owner, KLNБ nor any of their respective directors, officers or affiliates have made any representation or warranty, express or implied as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of this Memorandum or its contents.

This offering is submitted and received with the understanding that all negotiations for the acquisition of the herein described property will be conducted through KLNБ. The sellers and KLNБ expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or terminate discussions with any entity at any time with or without notice.



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