

Shops at Penn Branch

Presented to: Penn Branch Citizens Civic Association

Date: October 8, 2019



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REAL ESTATE PARTNERS

WHY PENN BRANCH?

- ❖ Delivering **what the neighborhood wants** in more retail and daytime vibrancy
- ❖ Ownership invested **\$11 MM in full building overhaul** attracting quality tenants
- ❖ Leveraging **existing momentum** with a new retail anchor
- ❖ Utilizing **approved map amendment** to maintain flexibility





Renovations

Renovations including (1) new water proofing of upper level parking and sidewalks (2) renovated exterior facade, (3) new office windows and mechanical screen, and (4) new signage.



Renovations (cont.)

Renovations including (1) new two-story lobby with elevators and stairs connecting both level, (2) all new building systems (roof, HVAC, electrical)



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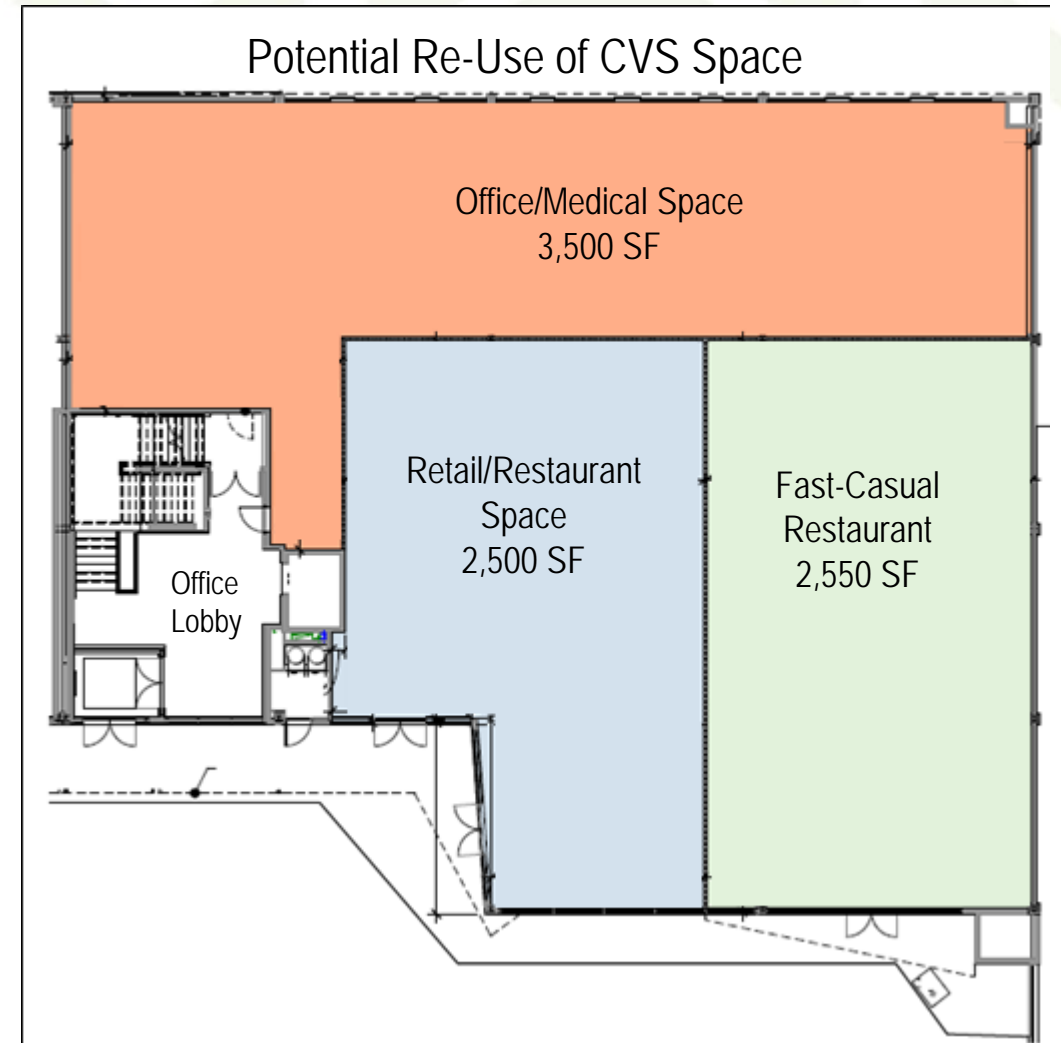


Existing/New Vibrant Retail

To-be-announced coffee shop/restaurant coming in 2020

Retail Leasing:

- ❖ 2 of 14 retail spaces are currently vacant (unleased)
- ❖ Coming Soon
 - Paisanos Pizza – Opening Spring 2020
- ❖ On the Boards
 - Full-service café/restaurant concept with coffee bar and food service
- ❖ Watchlist
 - CVS – lease expires June 2020
 - Analyzing options to re-tenant the space
 - Pursuing additional food options



Office Leasing:

- ❖ 7,800 sf of office is under lease
- ❖ Coming Soon
 - KBEC – January 2020
 - DC Office of State Superintendent of Education ("OSSE") Strong Start Program – Opening Spring 2020
- ❖ 10,000 sf of office space is vacant and available
- ❖ On the Boards
 - Competing for health and wellness concepts





We started working with the neighborhood in 2016. We heard loud and clear they wanted a place that is healthy and active throughout the day. We **share that vision** for Penn Branch.

SURROUNDING NEIGHBORHOOD OVER TIME

- ❖ Strongest Demographics in East Washington
- ❖ Solid and sustainable growth
- ❖ Stable single-family homes

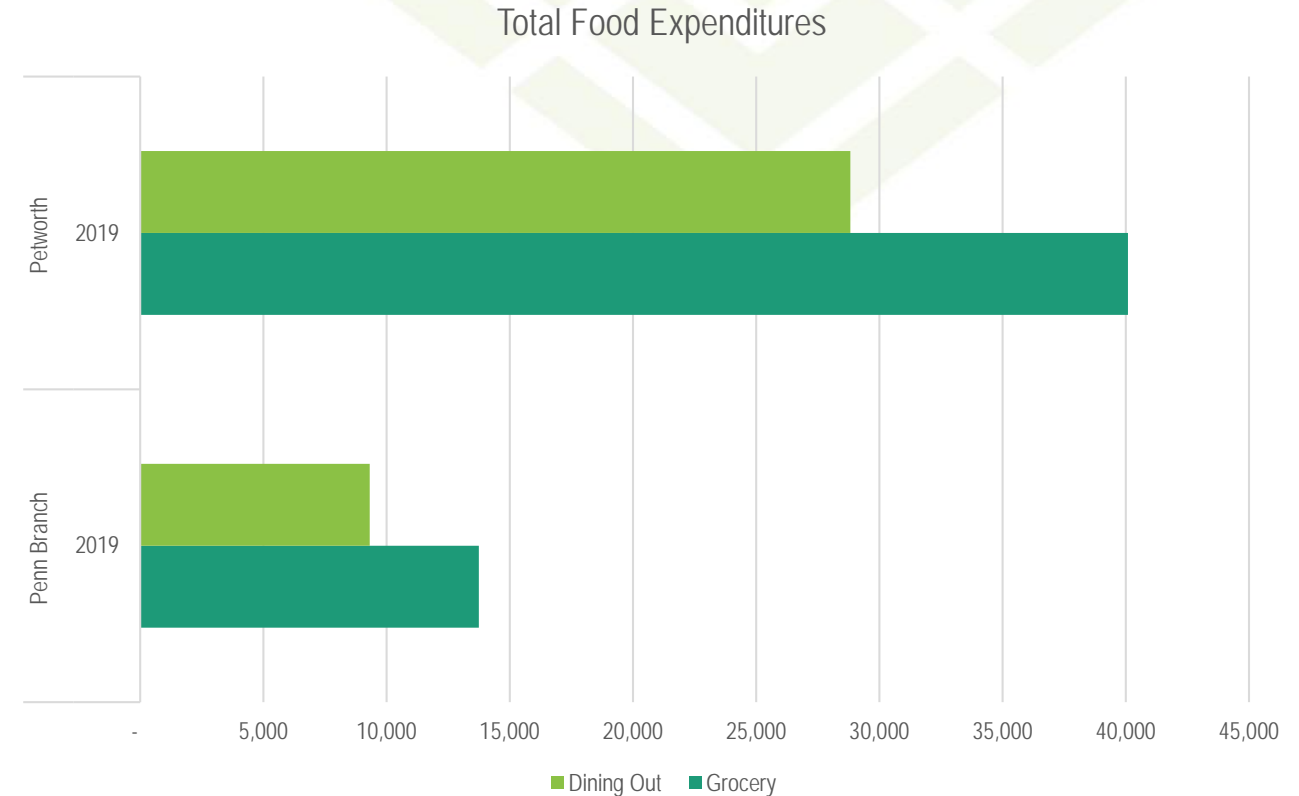
- ❖ Comparison to Petworth
 - Population – 5,037 vs. 18,848
 - Median Income – 65,079 vs. 70,020

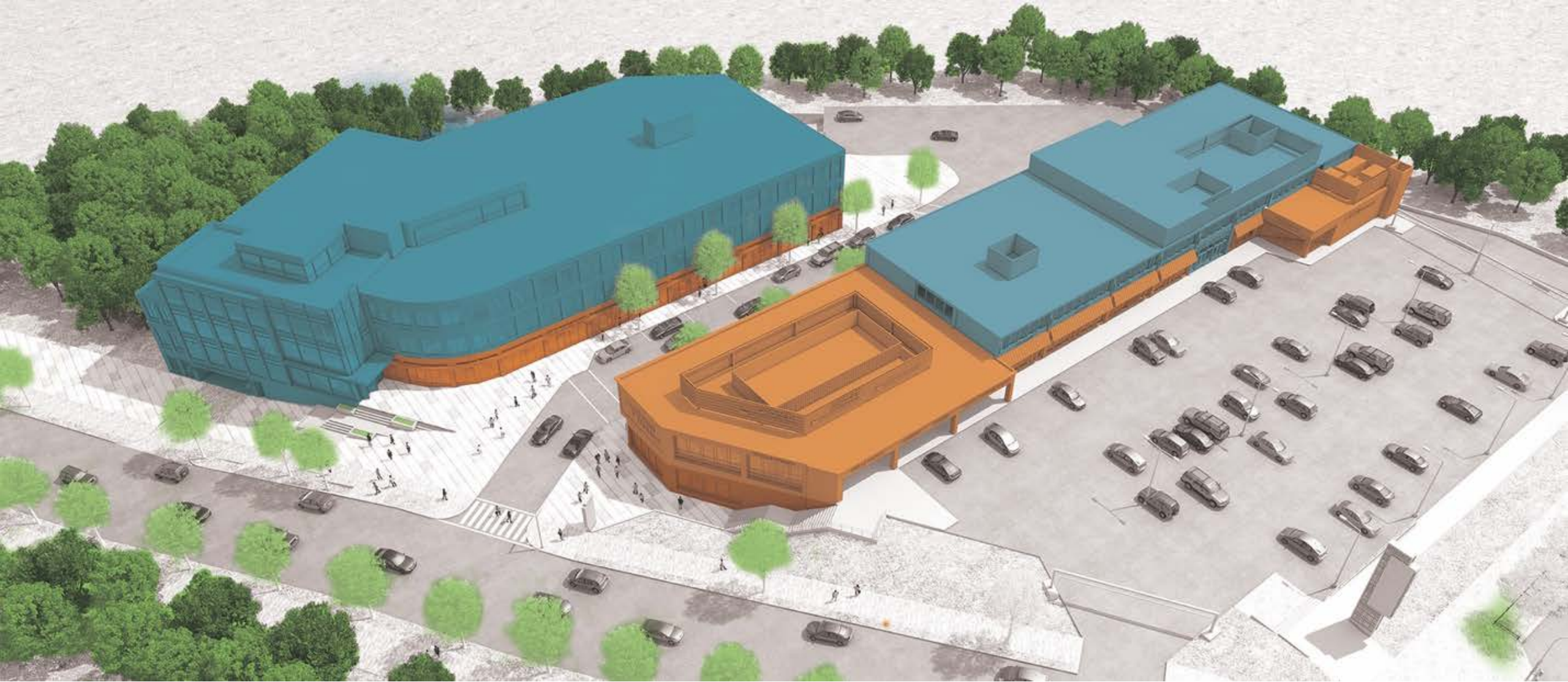


DEMAND DRIVERS FOR RETAIL

- ❖ Make commuters customers
- ❖ Increase the daytime population
- ❖ Give multiple reasons to stay

- ❖ Comparison to Petworth
 - Food at Home – \$14 MM vs. \$40 MM
 - Per Person/Week -- \$52 vs. \$41
 - Food Away from Home – \$9 MM vs. \$29 MM
 - Per Person/Week -- \$36 vs. \$29





Branch Ave

Competing/Exploring how to increase population to attract additional retailers. (1) Homeownership with for-sale townhomes, (2) affordable/workforce housing, (3) office