CONFIDENTIAL OFFERING MEMORANDUM

334-344 E Pennsylvania Ave.

ESCONDIDO, CA
SEPTEMBER, 2026

BRIDGEPOINT
COMMERCIAL REAL ESTATE SOLUTIONS

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334-344 E PENNSYLVANIA

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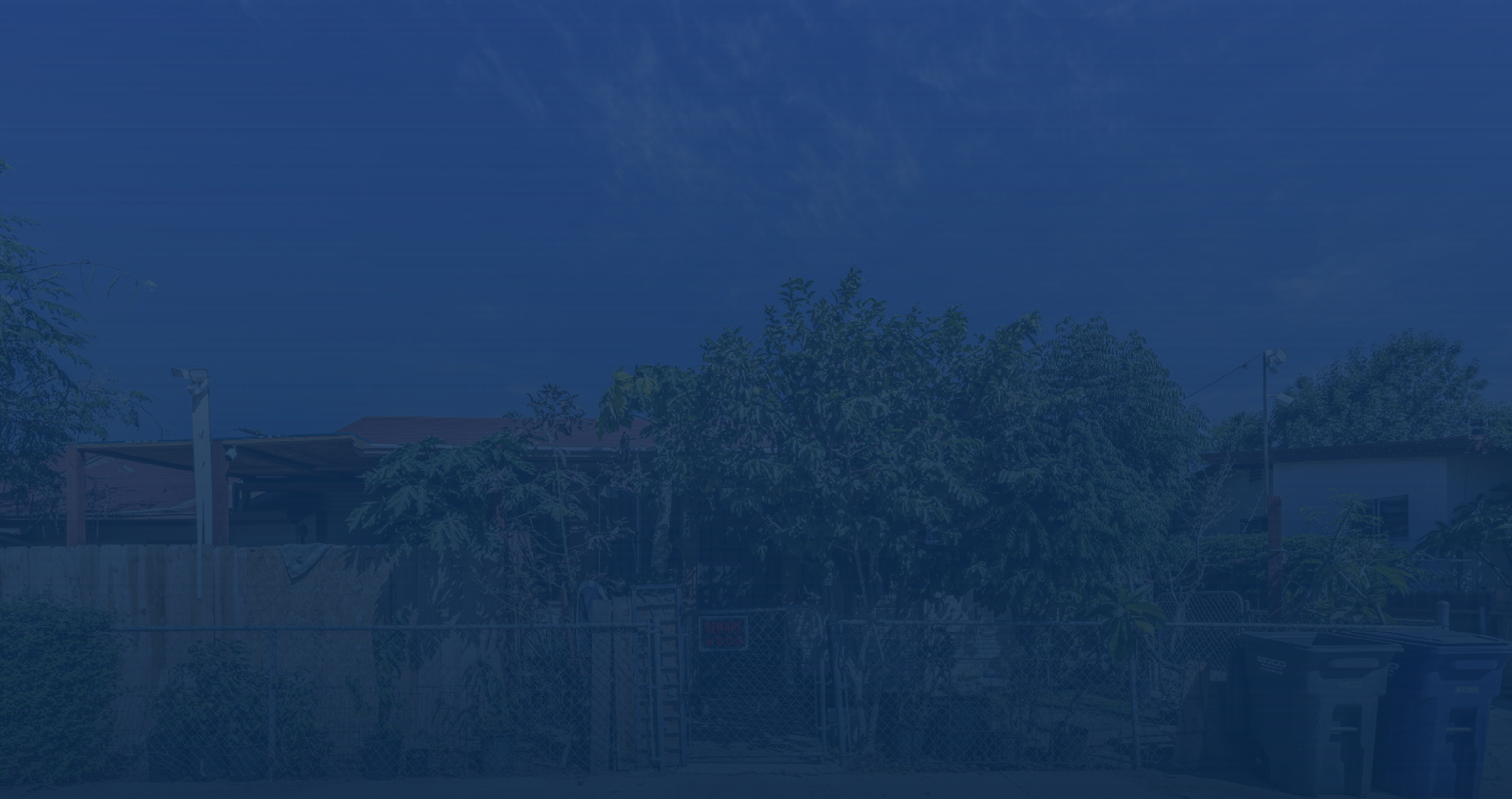
CONFIDENTIALITY & DISCLAIMER



01

INVESTMENT OVERVIEW

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Exceptional Value-Add Investment Opportunity Near Downtown Escondido

334-344 EAST PENNSYLVANIA AVENUE

334-344 East Pennsylvania Avenue, Escondido, CA is a prime value-add investment opportunity, uniquely blending residential and commercial uses on an oversized 14,499 SF parcel (approx. 1/3 acre). The property consists of three residential units—two detached 2B/1b single-family homes with private yards, and a 3B/1b unit—plus a three-bay mechanic's shop. Critically, all tenancies, including the commercial shop, are on month-to-month terms, providing a new owner with the critical opportunity to immediately reset rents and capitalize on the strong market demand.

Offered at $1,250,000, the property has in-place income of $5,285 per month (a 2.69% cap rate and $33,661 NOI), but is positioned for substantial growth. Capturing projected market rents of $8,830 per month (a 67% lift) increases the NOI to $74,925 and repositions the cap rate to a compelling 6.0%.

STRATEGIC LOCATION & MARKET FUNDAMENTALS

334-344 East Pennsylvania Avenue is strategically situated blocks from the $15M Grand Avenue Vision downtown revitalization project, which is set to significantly enhance the local retail and dining landscape. The parcel is also near the transformative 510-unit Palomar Heights redevelopment. This central positioning within a rapidly changing corridor ensures a strong submarket demand from both residential and commercial tenants. With all tenancies on month-to-month agreements, an immediate opportunity exists to capture market demand. Furthermore, the oversized parcel (~1/3 acre), combined with the light existing build-out (~2,500 GSF), presents significant future potential for conversion, such as a garage-to-ADU project, or other covered-land upside.

Investment Essentials

STRATEGIC LOCATION AND DIVERSE UNIT MIX

BridgePoint Realty, Inc. is proud to present 334-344 East Pennsylvania Avenue, a unique residential and commercial assemblage. Ideally situated in Escondido, CA 92025, the oversized 14,499 SF parcel (~one-third acre) features three residential units and a three-bay mechanic's shop. The property offers a diverse unit mix comprised of (2) detached 2-bedroom/1-bath single-family homes with private yards, and (1) 3-bedroom/1-bath residence, catering to a wide demographic of tenants. Parking is well-accommodated with on-site driveways and a garage.

OPERATIONAL EFFICIENCY AND VALUE-ADD POTENTIAL

The ~2,500 SF property boasts significant upside and value-add potential. Offered at $1,250,000 ($416,667/unit; ~$500/SF), the asset generates $5,285 in current monthly income, representing a 2.69% cap rate. Market rents support $8,830 monthly, allowing a clear path to a 6.0% market cap. Crucially, all tenancies are month-to-month, providing immediate flexibility for a renovation or repositioning strategy. Furthermore, the large lot presents excellent covered-land and garage-to-ADU upside, which can be implemented to drive substantial bottom-line value and future growth.

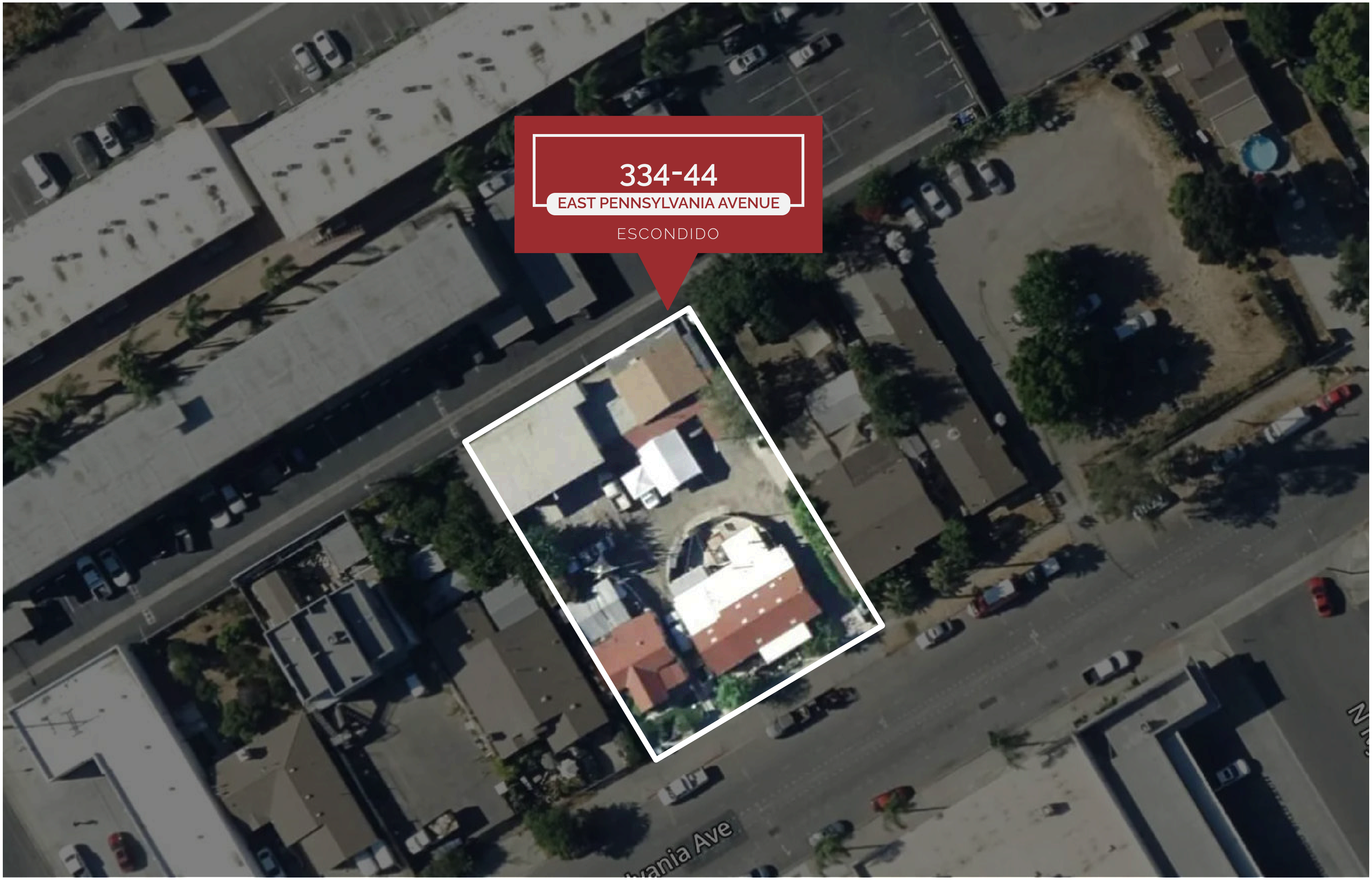
Property Overview

Address	334-344 East Pennsylvania Avenue
City	Escondido 92025
Average Unit size	833 SF
Units / Suites	(2) 2B/1b SFR, (1) 3B/1b, (1) 3-bay shop
Number of Units	3 residential + 1 commercial
Parking	On-site driveway and garage

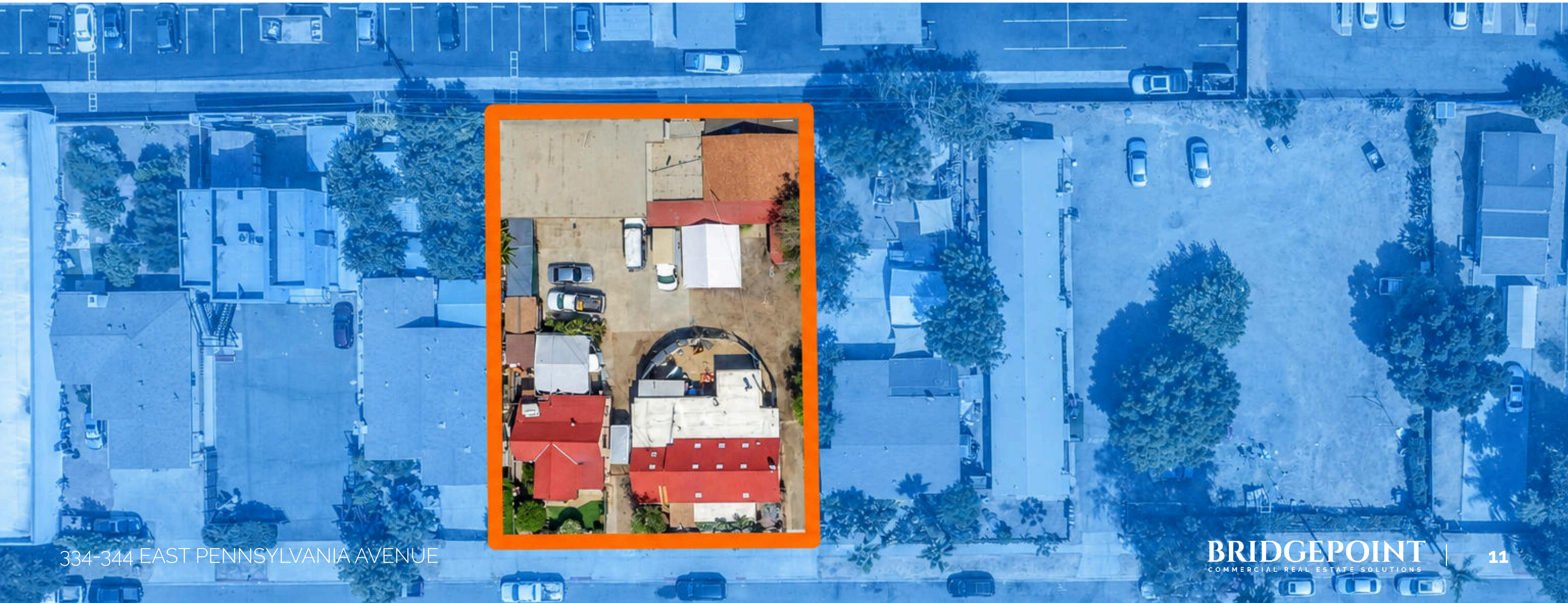
$1,250,000	$33,661	2,500 SF	3 Res / 1 Comm	0.32Acre
PRICE	NOI	RENTABLE SF	RENTABLE UNITS	LOT SIZE

2.69%	6.00%
CURRENT CAP RATE	MARKET CAP RATE

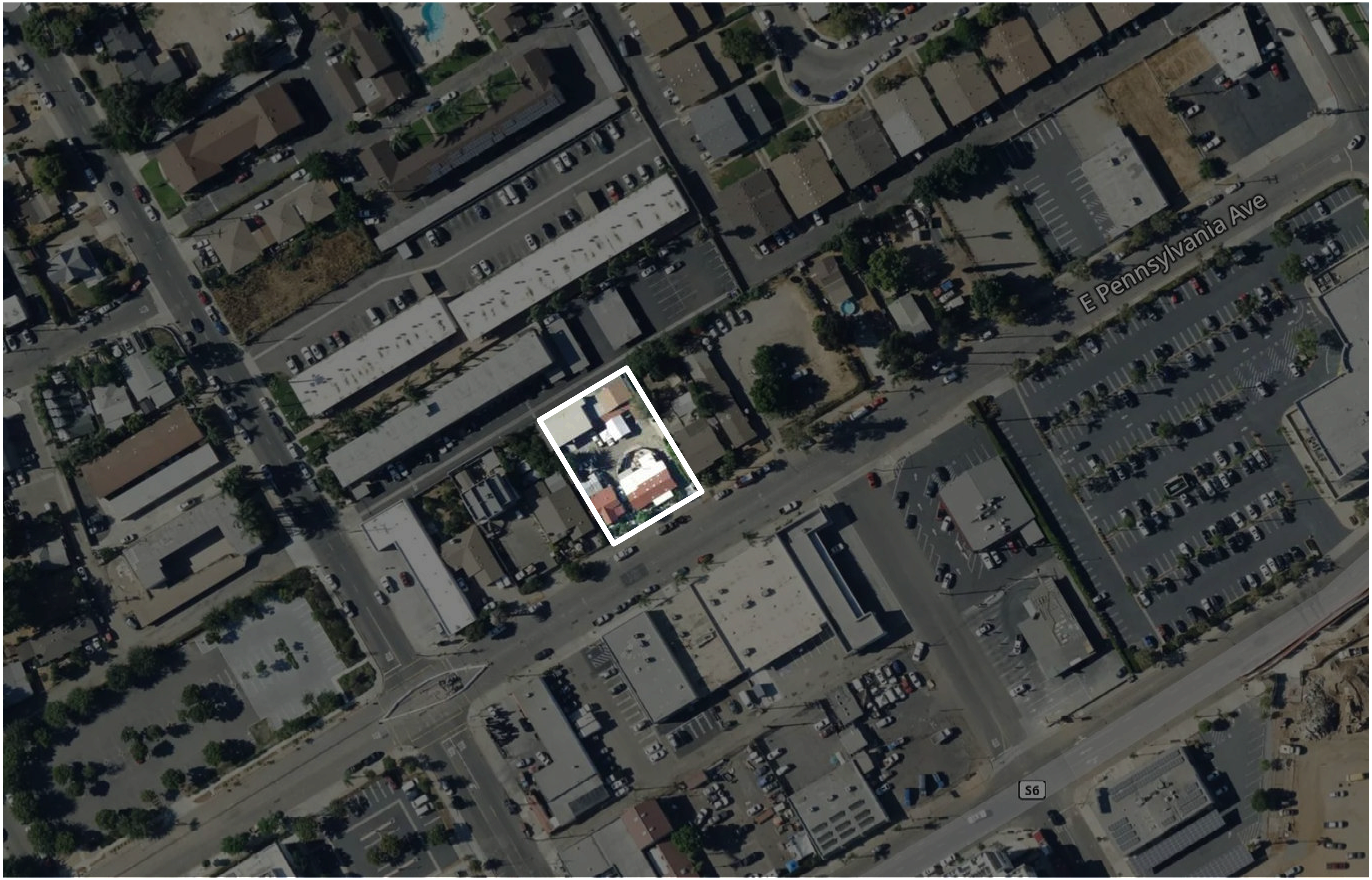
Site Map



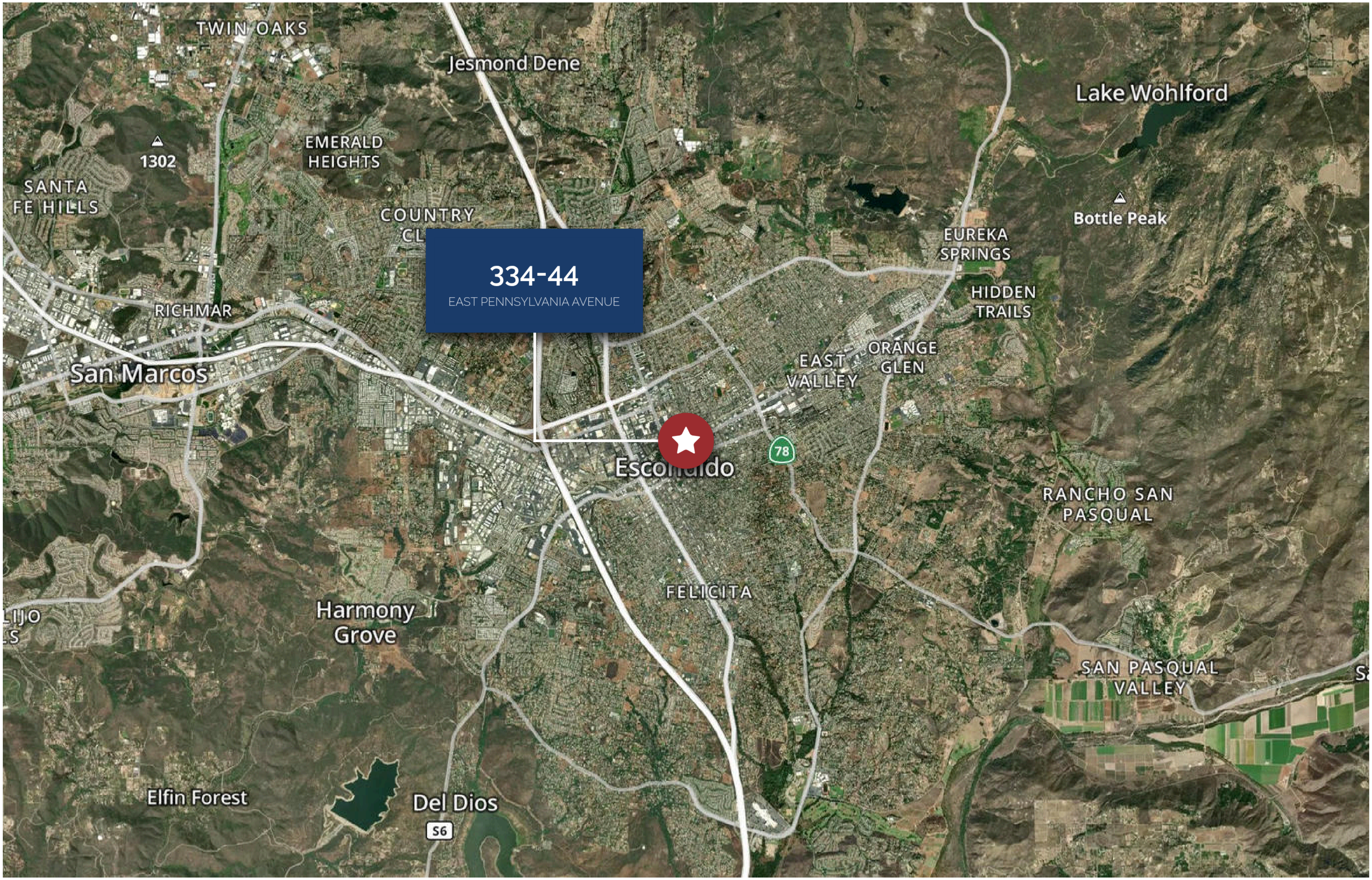


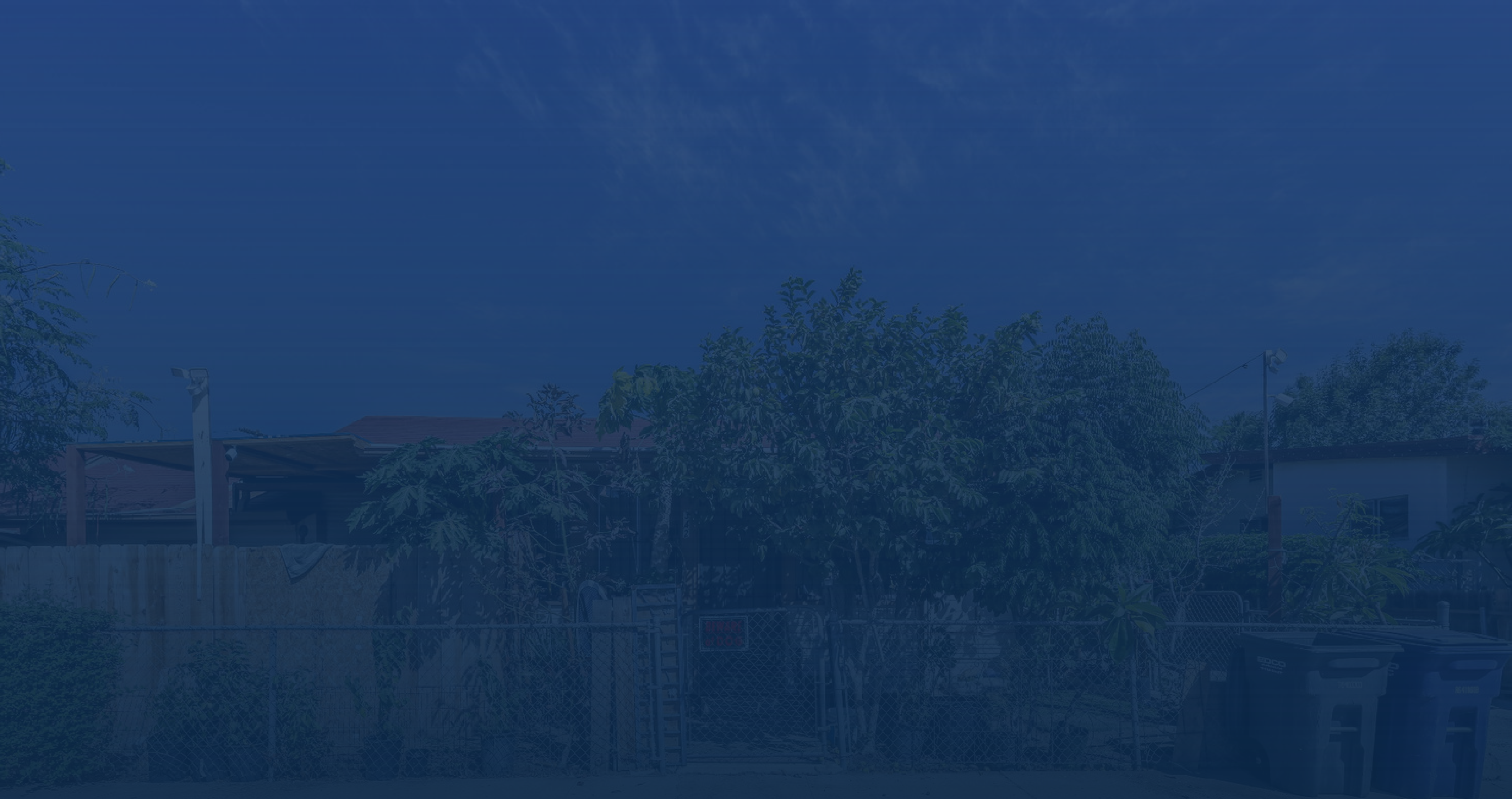



Aerial



Regional Map





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SALES COMPARABLES

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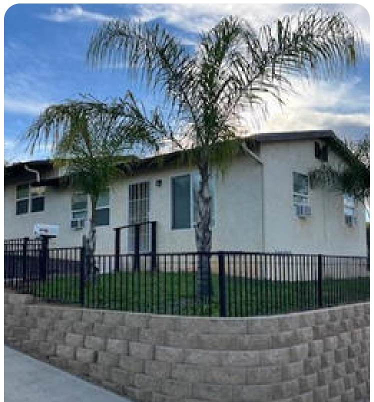
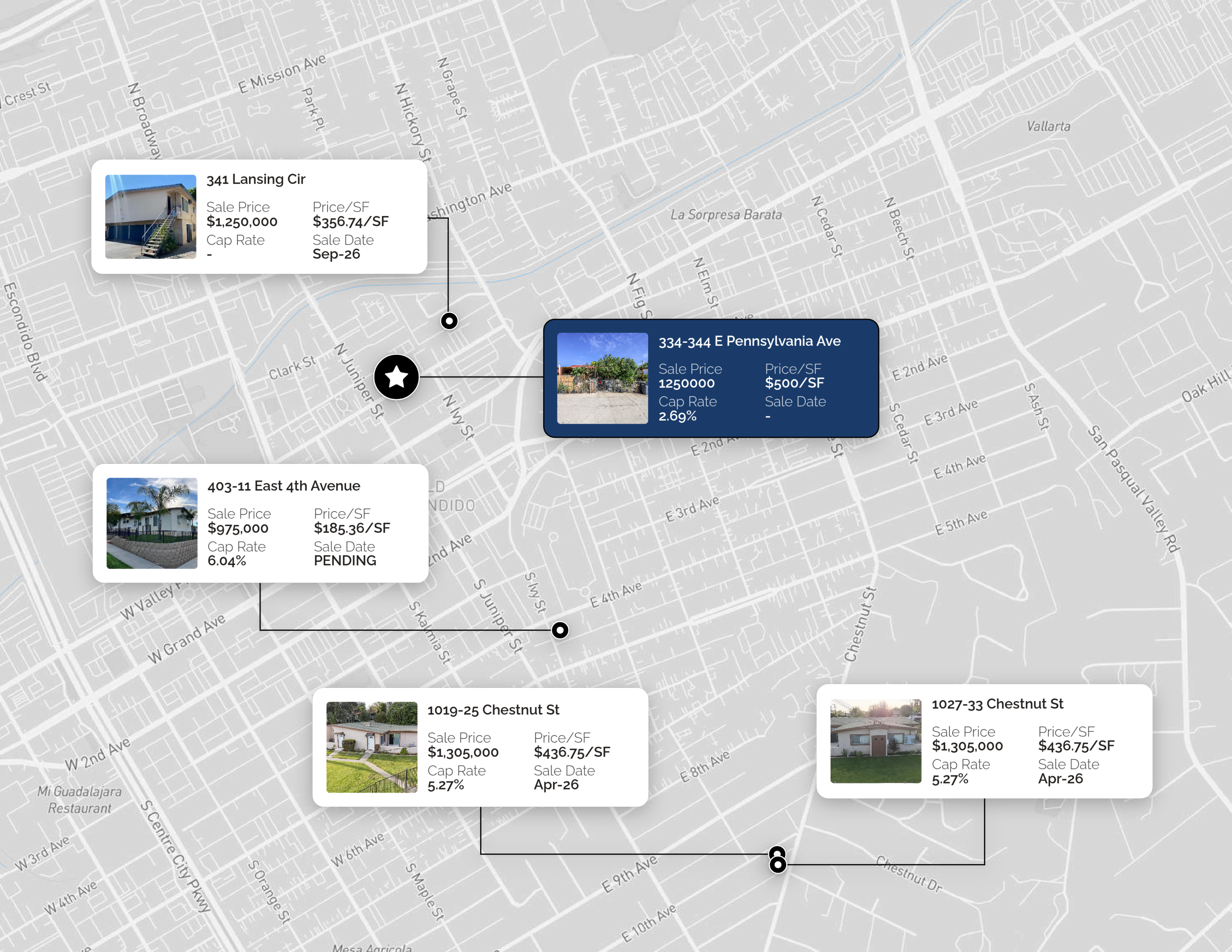
Sales Comparables

Address	Sale Price	Price/SF	Cap Rate	Sale Date	Status	# of Units	Year Built	Days on Market
334-344 E Pennsylvania Ave	$1,250,000	$500/SF	2.69%	-	-	4	-	-
403-11 4th Ave	$975,000	$185.36/SF	6.04%	-	PENDING	3	N/A	156
1019-25 Chestnut St	$1,305,000	$436.75/SF	5.27%	Apr-26	SOLD	4	1975	7
1027-33 Chestnut St	$1,305,000	$436.75/SF	5.27%	Apr-26	SOLD	4	1975	7
341 Lansing Cir	$1,250,000	$356.74/SF	-	Sep-26	SOLD	4	1963	37
Averages / Totals	$1,208,750					15 (Total)	1971 (Avg)	52 (Avg)

Sales Comparables


	334-344 E Pennsylvania Ave	403-11 4th Ave	1019-25 Chestnut St	1027-33 Chestnut St	341 Lansing Cir
Sale Price	1250000	$975,000	$1,305,000	$1,305,000	$1,250,000
Price/SF	$500/SF	$185.36/SF	$436.75/SF	$436.75/SF	$356.74/SF
Cap Rate	0.0269	0.0604	0.0527	0.0527	-
Sale Date	-	-	Apr-26	Apr-26	Sep-26
Status	-	PENDING	SOLD	SOLD	SOLD


341 Lansing Cir
Sale Price
$1,250,000
Price/SF
$356.74/SF
Cap Rate
-
Sale Date
Sep-26
334-344 E Pennsylvania Ave
Sale Price
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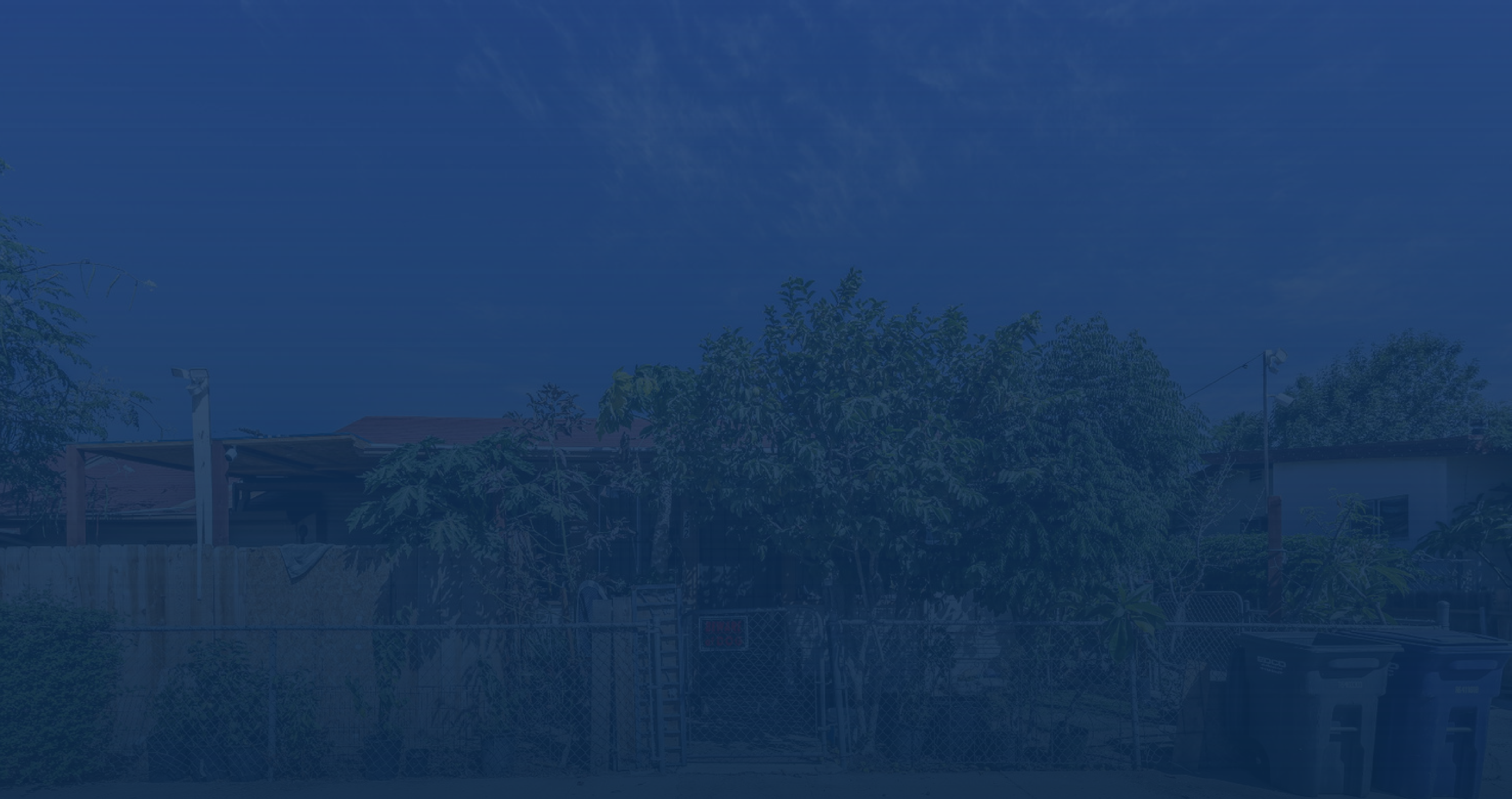
Apr-26
1027-33 Chestnut St
Sale Price
$1,305,000
Price/SF
$436.75/SF
Cap Rate
5.27%
Sale Date
Apr-26
Crest St
E Mission Ave
N Broadway
Park Pl
N Hickory St
N Grape St
Vallarta
shington Ave
La Sorpresa Barata
N Cedar St
N Beech St
N Fig St
N Elm St
Escondido Blvd
Clark St
N Juniper St
N Ivy St
E 2nd Ave
E 3rd Ave
S Ash St
Oak Hill
S Cedar St
E 4th Ave
San Pasqual Valley Rd
E 2nd Av
E 3rd Ave
E 5th Ave
Chestnut St
E 4th Ave
S Ivy St
S Juniper St
S Kalmia St
W Valley P
W Grand Ave
W 2nd Ave
Mi Guadalajara Restaurant
S Centre City Pkwy
W 3rd Ave
W 4th Ave
S Orange St
W 6th Ave
S Maple St
E 8th Ave
E 9th Ave
E 10th Ave
Chestnut Dr
Mesa Agricola



03

FINANCIAL OVERVIEW

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Income Detail

# of Units	Unit Type	Rent per month	Total
Current Rents 2025-26			
2	2B/1b SFR	$1,212.50	$2,425
1	3B/1b	$1,980	$1,980
1	Commercial	$880	$880
Total Monthly Income			**$5,285**

Estimated Market Rents			
2	2B/1b SFR	$2,500	$5,000
1	3B/1b	$2,950	$2,950
1	Commercial	$880	$880
Total Monthly Income			**$8,830**

Estimated Annual Operating Expenses

Operating Expenses	
Water & Sewer	$1,620
Trash Removal	$360
Pest Control	$144
Maintenance	$1,500
Management (Off Site)	$6,358
Miscellaneous	$300
Reserves	$900
Insurance	$2,550
Taxes	$14,125
Total Annual Operating Expenses (estimated):	**$27,857**

Expenses Per:	
% of Actual GSI	43.9%
% of Market GSI	26.3%
Expense Per Unit	$9,286

Pro Forma

Estimated Annual Operating Proforma			
		Actual	**Market**
Gross Scheduled Income		$63,420	$105,960
Vacancy Factor	**3.0%**	**$1,903**	**$3,179**
Gross Operating Income		$61,517	$102,781
Less: Expenses	44%	$27,857	$27,857
Net Operating Income		**$33,661**	**$74,925**
Less: 1st TD Payments		($56,886)	($56,886)
Pre-Tax Cash Flow		**-$23,225**	**$18,038**
Cash-On-Cash Return		**-4.65%**	**3.61%**
Principal Reduction		$8,383	$8,383
Total Potential Return (End of Year One)		-2.97%	5.3%

Profit & Loss

	Current (Annualized)
Income	
Residential Rental Income	$52,860
Commercial Rent	$10,560
Gross Scheduled Income	**$63,420**
Less: Vacancy (3%)	$1,903
Gross Operating Income	**$61,517**

	Current (Annualized)
Expense	
Water & Sewer	$1,620
Trash Removal	$360
Pest Control	$144
Maintenance	$1,500
Management (Off-Site)	$6,358
Miscellaneous	$300
Reserves	$900
Insurance	$2,550
Taxes	$14,125
Total Expense	**$27,857**
Net Operating Income	**$33,661**
Net Income	**$33,661**

Financing Summary

Financing Summary	
Downpayment:	**$500,000**
	40.0%
Interest Rate:	6.500%
Amortized over:	30
Proposed Loan Amount:	$750,000

Debt Coverage Ratio:	
Current:	0.59
Market:	1.32

04

MARKET OVERVIEW

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Escondido, California

Escondido: A Strategic Hub in North San Diego County

Situated along the I-15 corridor, Escondido serves as a growing inland center in North San Diego County that pairs a historic downtown with quiet suburban neighborhoods. Its convenient access to Vista, San Marcos, and major employment hubs draws a wide variety of residents looking for a relatively affordable balance of coastal proximity and inland recreation.

Real Estate Market Fundamentals and Demographics

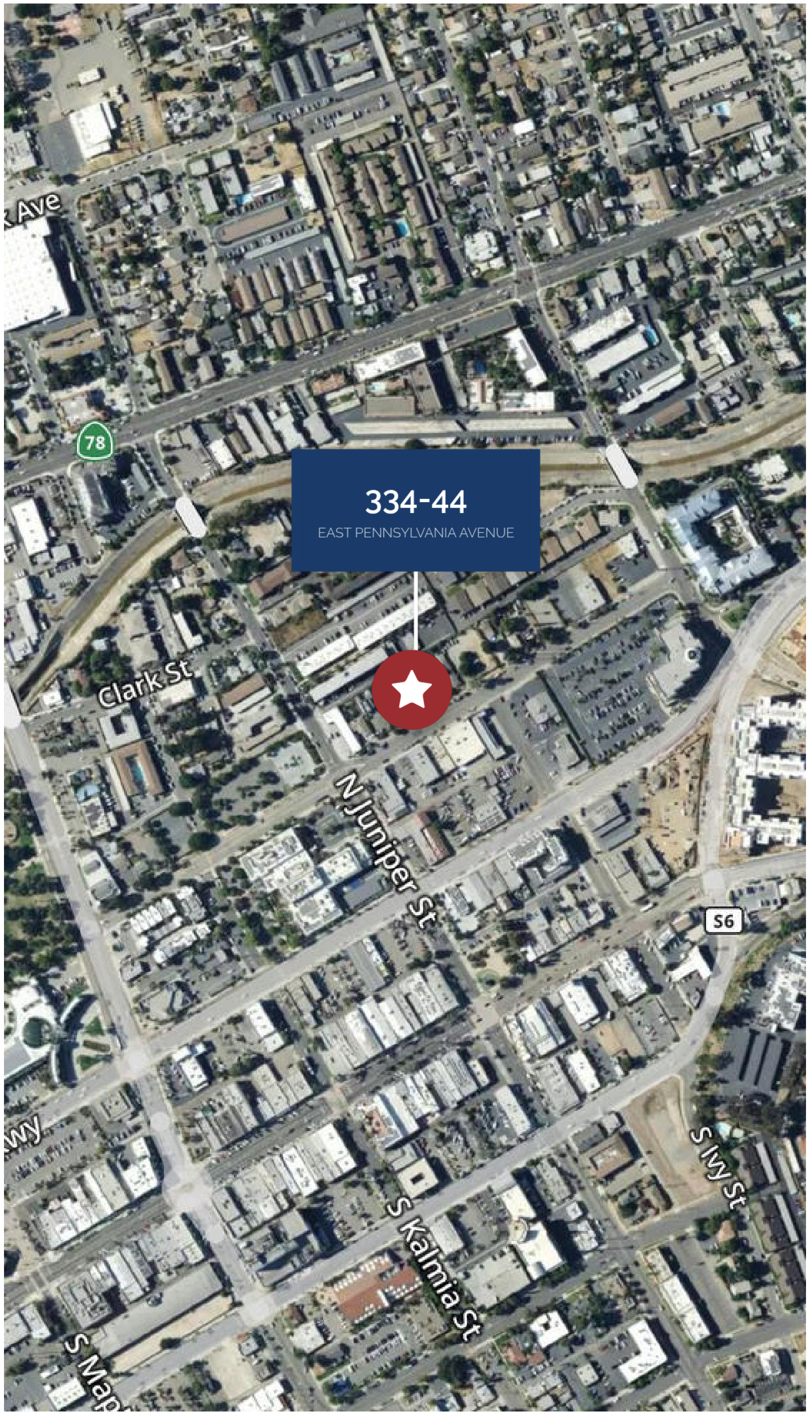
Strong housing demand in the area is driven by a population of roughly 145,000 to 148,000 residents, with median household incomes typically ranging from $90,000 to $105,000. Because it provides a more cost-effective housing alternative to pricier coastal communities like Encinitas and Carlsbad, the city maintains steady renter demand. Monthly rents for one- and two-bedroom units generally fall between $1,900 and $2,700.

Investment Appeal and Submarket Maturity

Escondido has stabilized over the last ten years into a highly established North County submarket, regularly sustaining healthy occupancy rates and mid-single-digit multifamily vacancies. Buyers are increasingly drawn to the city for its dependable tenant pool, long-term rental upside, and strong connectivity to the I-15 and SR-78 job corridors, all enhanced by an evolving downtown core and abundant community events.

Future Outlook and Multifamily Opportunities

The city is primed for sustained expansion thanks to a reliable employment base, strategic inland geography, and ongoing population shifts from more expensive coastal regions. For apartment investors, Escondido presents a compelling mix of immediate cash flow stability, strong rent growth prospects, and long-term asset appreciation as the inland North County region continues to mature.



Market Insights

INLAND MIGRATION RENT GROWTH
Escondido captures renters priced out of coastal North County; relative affordability supports steady rent growth for well-located product.

SCARCE DETACHED RENTAL PRODUCT
Small-scale detached homes with private yards are a constrained rental niche; the subject's two detached 2B/1b homes compete above typical apartment product, supporting the $2,500/$2,950 market rents per the APOD.

DOWNTOWN INVESTMENT MOMENTUM
Public and private capital is concentrated in the downtown core: the $15M Grand Avenue Vision Project (Phase II completed June 2025) and the 510-home Palomar Heights redevelopment.

VALUE-ADD / ADU INVESTOR APPETITE
Escondido's oversized lots and California ADU law make garage-to-ADU and covered-land plays a recognized buyer strategy; the subject's 14,499 SF parcel fits it.

Amenities Map

Transportation Map

Major Employers

ECONOMIC ANCHORS AND EMPLOYMENT BASE

The area surrounding 334-344 East Pennsylvania Avenue is a vital node within North County San Diego's employment corridor. The landscape is anchored by major employers like Palomar Medical Center Escondido, Sony Electronics, and Hunter Industries, reflecting a high concentration of healthcare and manufacturing roles. This hub is further bolstered by a diverse municipal and industrial sector, creating a resilient economic foundation that attracts a high-caliber workforce and supports long-term market demand.

INSTITUTIONAL STABILITY AND CONNECTIVITY

Beyond its industrial strength, the region benefits from a significant institutional presence that ensures steady employment and workforce development. California State University San Marcos, Palomar College, and the Escondido Union School District serve as major anchors, contributing to regional economic stability and intellectual capital.

The property's strategic location offers seamless connectivity via I-15, SR-78, and regional transit, linking residents to the broader San Diego economy. This synergy of institutional growth and robust infrastructure positions the Escondido market as a secure investment with high potential for long-term appreciation.

Employer	Industry	Employees	Distance
Palomar Medical Center Escondido	Healthcare	3,000	2.5 mi
California State University San Marcos	Education	3,000	4.6 mi
Sony Electronics	Manufacturing	2,500	7.6 mi
Escondido Union School District	Education	2,100+	2.1 mi
Palomar College	Education	1,500	6.2 mi
City of Escondido	Municipal	1,000	0.3 mi
Hunter Industries	Manufacturing	1,000	8.3 mi

PALOMAR HEALTH

California State University SAN MARCOS

SONY

Escondido UNION SCHOOL DISTRICT

PALOMAR COLLEGE Learning for Success

ESCONDIDO

Hunter®

Nearby Dining & Bar Options

Burger Bench

Craft burger joint on Grand Avenue offering creative American classics and local beers in a casual downtown setting.

Filippi's Pizza Grotto

Italian restaurant and pizza grotto serving pasta, pizza, and family-style dining along Grand Avenue.

O'Sullivan's Irish Pub

Downtown Irish pub and restaurant serving classic pub fare in a lively Grand Avenue setting.

Bellamy's Restaurant

Upscale American and Californian dining with a refined bar and wine program on Grand Avenue.

Jacked Up Brewery

Craft brewery and beer garden with a casual pub atmosphere on Grand Avenue.

A Delight Of France

French bakery and bistro offering pastries, breads, and café fare along Grand Avenue.

PRESENTED BY

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