CONFIDENTIAL OFFERING MEMORANDUM

354-64 E PENNSYLVANIA AVE

BRIDGEPOINT
COMMERCIAL REAL ESTATE SOLUTIONS

ESCONDIDO, CA
SEPTEMBER, 2026

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Table Of Contents

CONFIDENTIALITY & DISCLAIMER

01

INVESTMENT OVERVIEW

BRIDGEPOINT
COMMERCIAL REAL ESTATE SOLUTIONS


354-64 E PENNSYLVANIA AVE

Exceptional Value-Add Investment Opportunity Near Downtown Escondido

354-64 E PENNSYLVANIA AVE

354-64 E Pennsylvania Ave, Escondido, CA is a six-studio multifamily offering priced at $1,200,000 — $200,000 per unit — a basis below every closed Escondido comp in the CoStar set ($236,364–$564,286/unit). Built in 1960, the property delivers a well-priced entry point for value-add and 1031 buyers seeking quantified upside.

In-place studio rents of $640/month sit well below a $1,559 median and $1,586 average studio rent within a two-mile radius.. Repositioning the six studios to $1,700/month market rent lifts NOI from $15,455 to $89,485 — a 1.25% going-in cap moving to a 7.5% pro forma cap on an all-cash basis.

STRATEGIC LOCATION & MARKET FUNDAMENTALS

The property's strategic location in Escondido, CA, provides residents convenient access to Downtown Escondido's growing retail, dining, entertainment, and transportation amenities, enhancing its appeal to both renters and investors. Positioned along E Pennsylvania Ave within the Central Escondido submarket, the asset benefits from an established infill location with direct connectivity to major employment corridors throughout Inland North County San Diego. From a demographic and demand perspective, Escondido represents one of North County's most resilient rental markets, offering a more affordable alternative to coastal communities while maintaining strong regional connectivity. The city's renter-oriented housing profile, combined with limited new supply of attainable apartment options, supports durable demand for well-located multifamily assets. Demand for affordable rental housing remains compelling as residents continue seeking attainable housing options with convenient access to employment, retail, and lifestyle amenities throughout North County. The property's vintage studio units provide an attractive entry point for renters priced out of coastal submarkets while offering investors the opportunity to capture additional value through rental growth and operational improvements.

Investment Essentials

STRATEGIC LOCATION AND ALL-STUDIO PRODUCT

BridgePoint Multifamily is proud to present 354-64 E Pennsylvania Ave, a six-unit all-studio multifamily asset in Escondido, CA built in 1960. The 2,240 SF building sits on a 7,033 SF lot and offers an efficient studio product averaging ~373 SF per unit, with laundry income and RUBS already in place — positioning the asset for straightforward operations from day one.

COMPELLING VALUE-ADD UPSIDE

In-place rents of $640/mo per studio versus market rents of $1,700/mo drive a clear cap-rate expansion from 1.25% current to 7.5% pro forma, with NOI expanding from $15,455 to $89,485. At a $200,000/unit basis, the pricing sits below every closed Escondido comp in the CoStar set ($236,364–$564,286/unit), offering value-add and 1031 buyers a discounted entry into a supply-constrained studio market.

Property Overview

Address	354-64 E Pennsylvania Ave
City	Escondido 92025
Average Unit size	373 SF
Units / Suites	(6) studios
Number of Units	6
Gross Building Area	2,240 SF
Lot Size	7,033 SF
Year Built / Renovated	1960

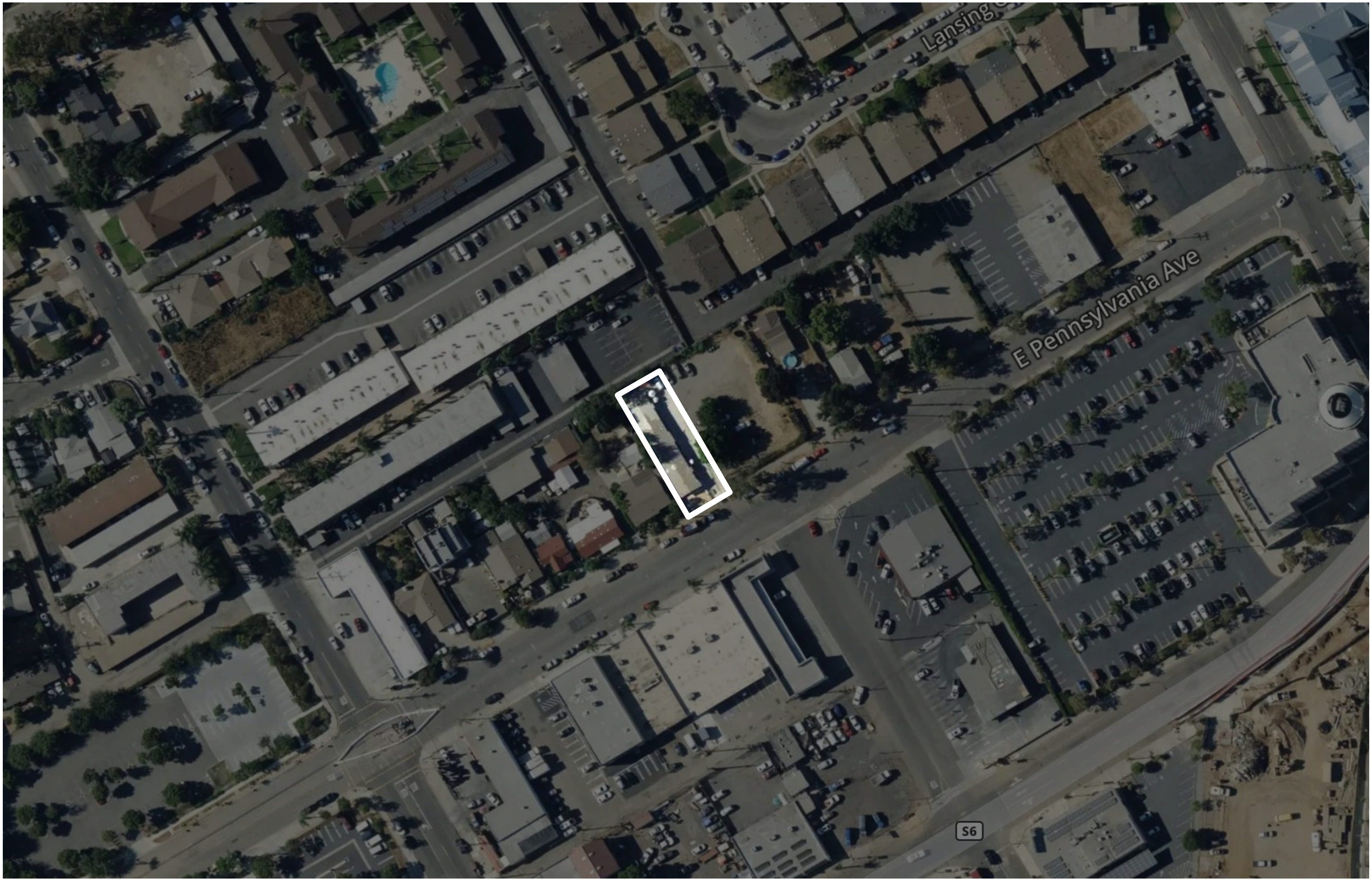
$1,200,000	$15,455	2,240	6	7,033 SF	1960
PRICE	NOI	RENTABLE SF	RENTABLE UNITS	PARCEL SIZE	YEAR BUILT

1.29%	7.5%
CURRENT CAP RATE	MARKET CAP RATE

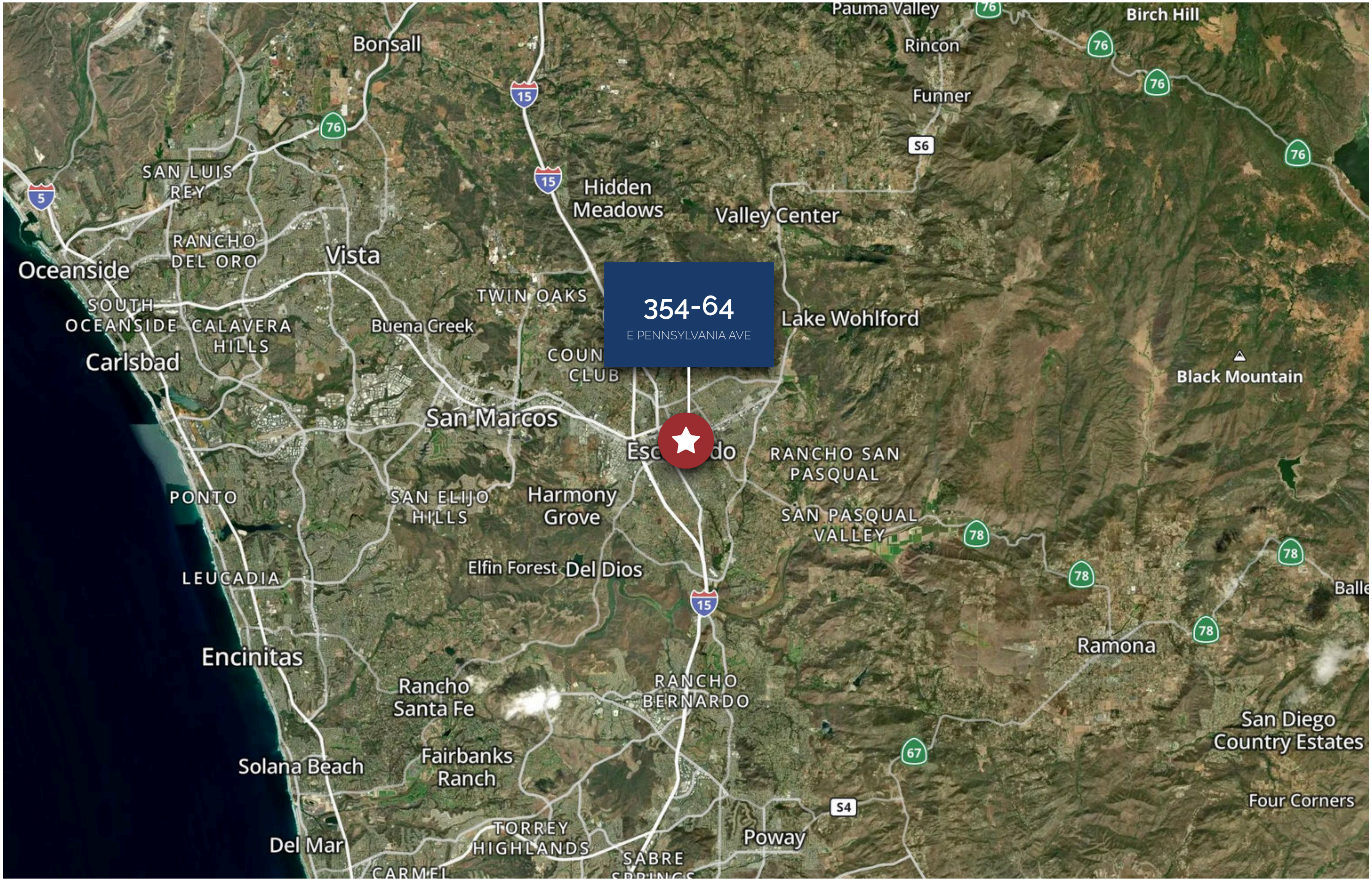
Site Map


354

Aerial



Regional Map



Sales Comparables

Address	Sale Price	Price/SF	Cap Rate	Sale Date	Status
354-64 E Pennsylvania Ave	$1,200,000	$535.71	1.29%	-	-
101-107 E 15th Ave	$2,600,000	$341.75/SF	3.61%	Jan-26	Sold
2222 Bear Valley	$1,750,000	$410.12/SF	5.24%	Oct-25	Sold
1316 East Grand Ave	$7,225,000	$373.13/SF	4.50%	Apr-25	Sold
318 E Washington Ave	$1,830,000	$423.61/SF	5.50%	Apr-25	Sold
331 E Washington Ave	$3,700,000	$467.17/SF	6.56%	Mar-25	Sold
408-410 W 4th Ave	$2,000,000	$506.33/SF	N/A	Jan-25	Sold
406-416 E 10th Ave	$2,100,000	$390.63/SF	5.40%	Dec-24	Sold
938 N Fig St	$7,900,000	$447.59/SF	5.27%	Sep-24	Sold
1019-1033 Chestnut St	$2,600,000	$435.07/SF	N/A	Sep-24	Sold
	$3,522,778	$414.82	5.11%		

Sales Comparables

354-64 E Pennsylvania Ave

Sale Price	**$1,200,000**
Price/SF	**$535.71**
Cap Rate	**1.29%**
Sale Date	**-**
Status	**-**

101-107 E 15th Ave

Sale Price	**$2,600,000**
Price/SF	**$341.75**
Cap Rate	**3.61%**
Sale Date	**Jan-26**
Status	**Sold**

2222 Bear Valley

Sale Price	**$1,750,000**
Price/SF	**$410.12**
Cap Rate	**5.24%**
Sale Date	**Oct-25**
Status	**Sold**

1316 East Grand Ave

Sale Price	**$7,225,000**
Price/SF	**$373.13**
Cap Rate	**4.50%**
Sale Date	**Apr-25**
Status	**Sold**

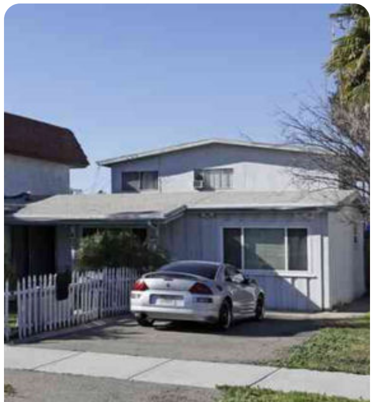
318 E Washington Ave

Sale Price	**$1,830,000**
Price/SF	**$423.61**
Cap Rate	**5.50%**
Sale Date	**Apr-25**
Status	**Sold**

Sales Comparables

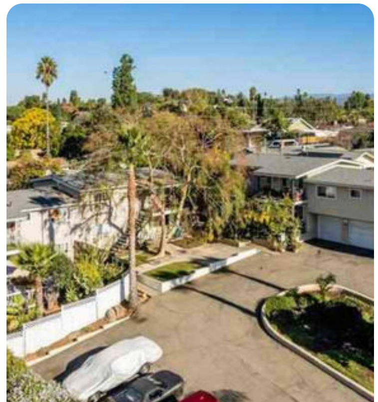
331 E Washington Ave

Sale Price	$3,700,000
Price/SF	$467.17
Cap Rate	6.56%
Sale Date	Mar-25
Status	Sold



408-410 W 4th Ave

Sale Price	$2,000,000
Price/SF	$506.33
Cap Rate	N/A
Sale Date	Jan-25
Status	Sold



406-416 E 10th Ave

Sale Price	$2,100,000
Price/SF	$390.63
Cap Rate	5.40%
Sale Date	Dec-24
Status	Sold

938 N Fig St

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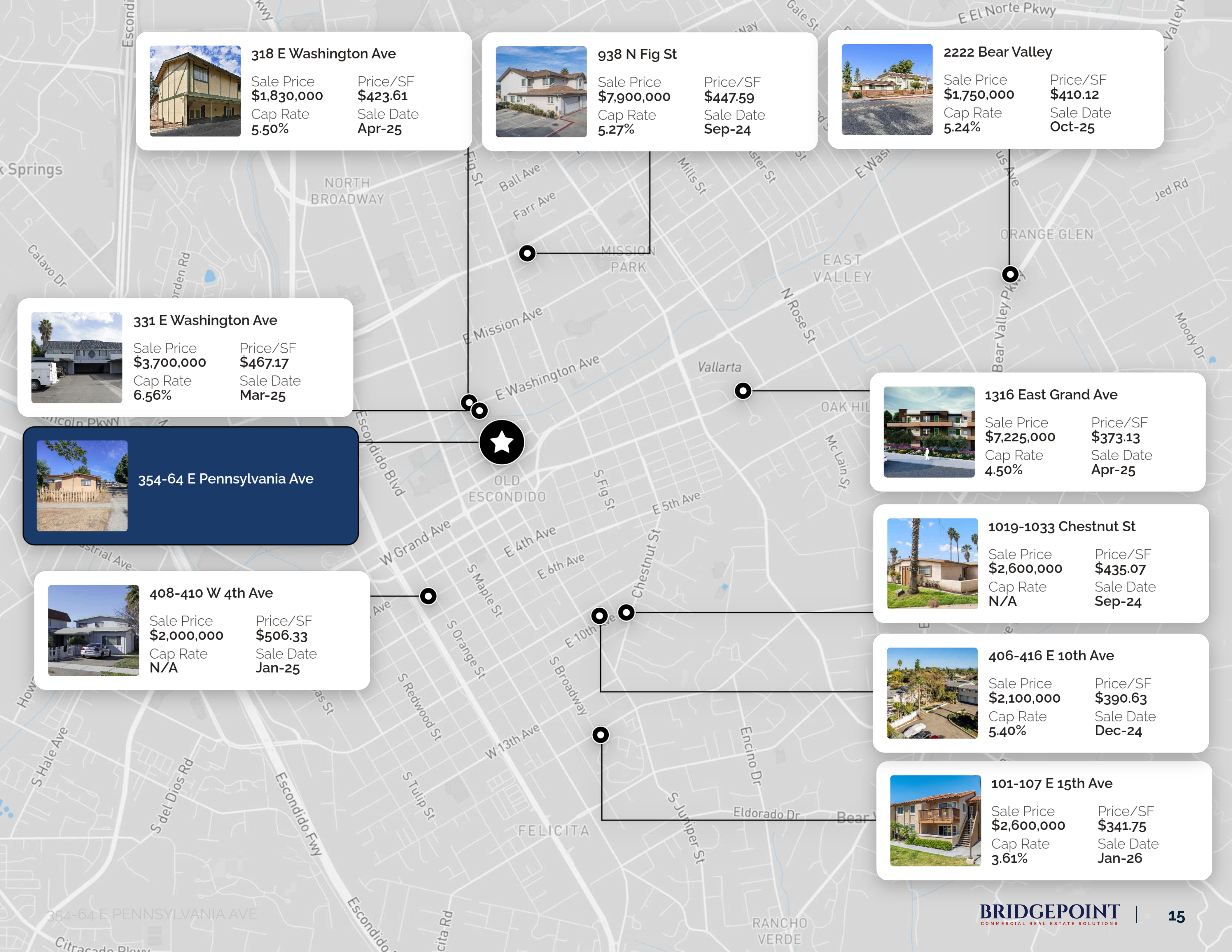

318 E Washington Ave

Sale Price	Price/SF
$1,830,000	$423.61
Cap Rate	**Sale Date**
5.50%	Apr-25

938 N Fig St

Sale Price	Price/SF
$7,900,000	$447.59
Cap Rate	**Sale Date**
5.27%	Sep-24

2222 Bear Valley

Sale Price	Price/SF
$1,750,000	$410.12
Cap Rate	**Sale Date**
5.24%	Oct-25

331 E Washington Ave

Sale Price	Price/SF
$3,700,000	$467.17
Cap Rate	**Sale Date**
6.56%	Mar-25

354-64 E Pennsylvania Ave

1316 East Grand Ave

Sale Price	Price/SF
$7,225,000	$373.13
Cap Rate	**Sale Date**
4.50%	Apr-25

1019-1033 Chestnut St

Sale Price	Price/SF
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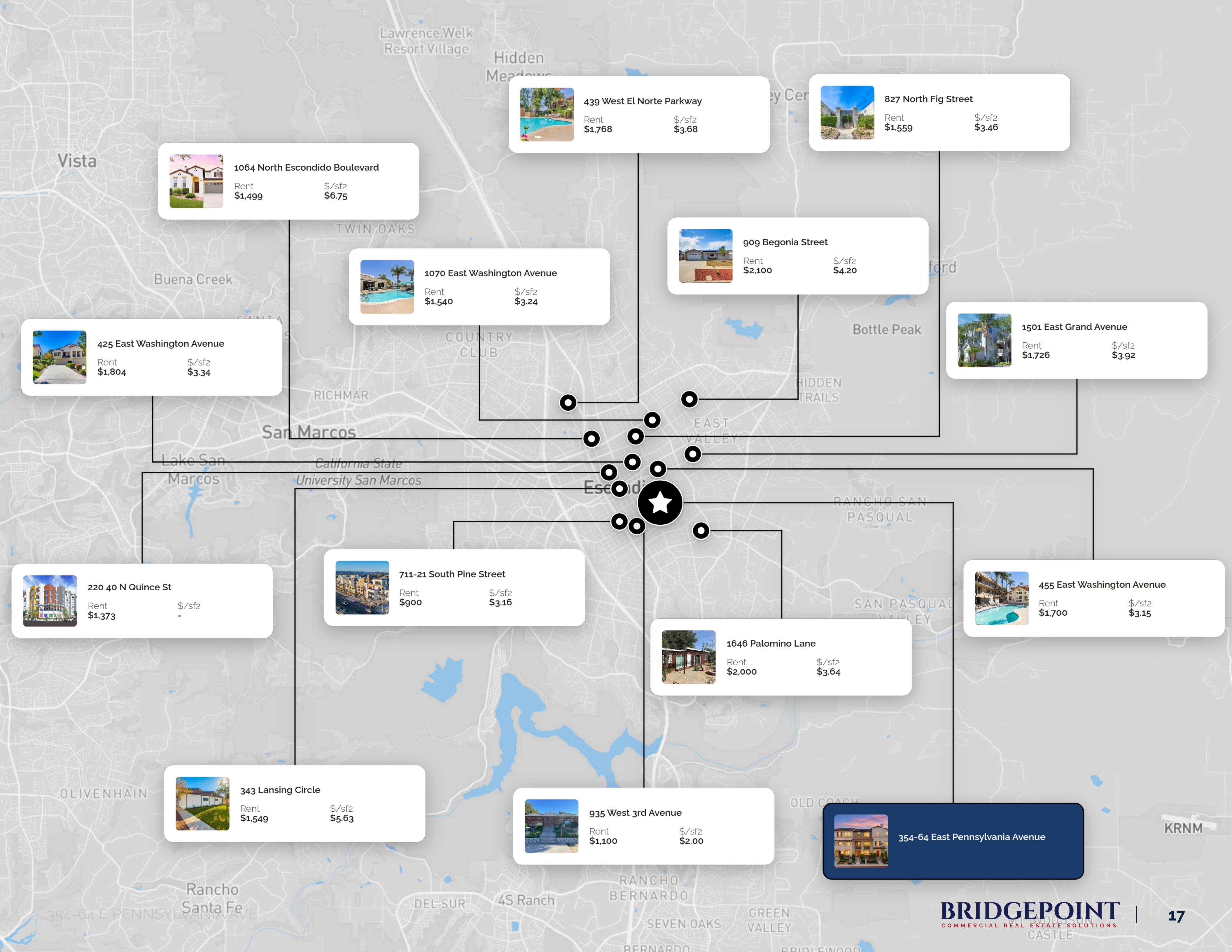
5.40%	Dec-24

101-107 E 15th Ave

Sale Price	Price/SF
$2,600,000	$341.75
Cap Rate	**Sale Date**
3.61%	Jan-26

Rent Comparables

Address	Distance	Rent	Size	$/ft²	Beds	Baths	Bldg Type	Last Seen
354-64 E Pennsylvania Ave	-	$640	373 ft²		studio	N/A	-	-
343 Lansing Cir E	0.07 mi	$1,549	275 ft²	$5.63/ft²	studio	1ba	Apartment	May-26
425 E Washington Ave	0.2 mi	$1,804	540 ft²	$3.34/ft²	studio	1ba	Condo	Jul-26
455 E Washington Ave	0.21 mi	$1,700	540 ft²	$3.15/ft²	studio	1ba	Apartment	Apr-26
827 N Fig St	0.69 mi	$1,559	450 ft²	$3.46/ft²	studio	1ba	Apartment	Feb-26
1070 E Washington Ave	0.81 mi	$1,540	475 ft²	$3.24/ft²	studio	1ba	Apartment	Jul-26
220 40 N Quince St	0.83 mi	$1,373			studio	1ba	Apartment	Jul-26
1064 N Escondido Blvd D	1.06 mi	$1,499	222 ft²	$6.75/ft²	studio	1ba	Apartment	Jun-26
711 21 S Pine St #711	1.07 mi	$900	285 ft²	$3.16/ft²	studio	1ba	Townhouse	Aug-26
935 W 3rd Ave	1.32 mi	$1,100	550 ft²	$2.00/ft²	studio	1ba	Apartment	Jun-26
1501 E Grand Ave	1.44 mi	$1,726	440 ft²	$3.92/ft²	studio	1ba	Apartment	Aug-26
1646 Palomino Ln	1.85 mi	$2,000	550 ft²	$3.64/ft²	studio	1ba	Apartment	Mar-26
909 Begonia St #1	1.87 mi	$2,100	500 ft²	$4.20/ft²	studio	1ba	Apartment	Jul-26
439 W El Norte Pkwy	1.97 mi	$1,768	480 ft²	$3.68/ft²	studio	1ba	Apartment	Jul-26


439 West El Norte Parkway
Rent $1,768
$/sf2 $3.68
827 North Fig Street
Rent $1,559
$/sf2 $3.46
1064 North Escondido Boulevard
Rent $1,499
$/sf2 $6.75
909 Begonia Street
Rent $2,100
$/sf2 $4.20
1070 East Washington Avenue
Rent $1,540
$/sf2 $3.24
1501 East Grand Avenue
Rent $1,726
$/sf2 $3.92
425 East Washington Avenue
Rent $1,804
$/sf2 $3.34
220 40 N Quince St
Rent $1,373
$/sf2 -
711-21 South Pine Street
Rent $900
$/sf2 $3.16
455 East Washington Avenue
Rent $1,700
$/sf2 $3.15
1646 Palomino Lane
Rent $2,000
$/sf2 $3.64
343 Lansing Circle
Rent $1,549
$/sf2 $5.63
935 West 3rd Avenue
Rent $1,100
$/sf2 $2.00
354-64 East Pennsylvania Avenue
Vista
San Marcos
Lawrence Welk Resort Village
Buena Creek
Twin Oaks
Country Club
Richmar
Bottle Peak
Hidden Trails
East Valley
California State University San Marcos
Rancho San Pasqual
San Pasqual Valley
Olivenhain
Rancho Santa Fe
4S Ranch
Del Sur
Rancho Bernardo
Seven Oaks
Green Valley
KRNM
354-64 E PENNSYLVANIA AVE

02

FINANCIAL OVERVIEW

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Income Detail

# of Units	Unit Type	Rent per month	Total
	Current Income Rents		
6	studios	$640	$3,840
Total Monthly Income			**$3,840**

	Estimated Market Rents *Post Remodeling		
6	studios	$1,700	$10,200
Total Monthly Income			**$10,200**

Estimated Annual Operating Expenses

Operating Expenses	
Water & Sewer	$3,240
Landscaping	$720
Trash Removal	$720
Pest Control	$288
Maintenance	$3,000
Reserves	$2,765
Management (Off Site)	$600
Miscellaneous	$1,800
Insurance	$2,550
Taxes	$13,560
Total Annual Operating Expenses Estimated	**$29,243**

Expenses Per:	
Unit	$4,874
% of Actual GSI	63%
% of Market GSI	24%

Pro Forma

Estimated Annual Operating Proforma			
		Actual	Market
Gross Scheduled Income		$46,080	$122,400
Vacancy Factor	**3%**	**$1,382**	**$3,672**
Gross Operating Income		$44,698	$118,728
Less: Expenses	63%	$29,243	$29,243
Net Operating Income		**$15,455**	**$89,485**
Pre-Tax Cash Flow		**$15,455**	**$89,485**
Cash-On-Cash Return		**1.3%**	**7.5%**
Total Potential Return (End of Year One)		1.29%	7.5%

Profit & Loss

	Actual
Income	
Gross Scheduled Income	$46,080
Less: Vacancy Factor	$1,382
Gross Operating Income	**$44,698**
Expense	
Water & Sewer	$3,240
Landscaping	$720
Trash Removal	$720
Pest Control	$288
Maintenance	$3,000
Management (Off Site)	$2,765
Miscellaneous	$600
Reserves	$1,800
Insurance	$2,550
Taxes	$13,560
Total Annual Operating Expenses (estimated):	**$29,243**
Net Operating Income	**$15,455**

Financing Summary

Financing Summary	
Downpayment:	**$1,200,000**
	40.0%
Interest Rate:	6.50%
Amortized over:	30

03

MARKET OVERVIEW

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Escondido, California

Escondido: Inland North County's Affordability Hub

Escondido serves as Inland North San Diego County's primary affordability hub, offering renters a lower-cost alternative to coastal communities while maintaining access to major employment centers throughout the region. Citywide average apartment rents of approximately $2,254 and average studio rents of $1,746 remain meaningfully below nearby coastal North County submarkets, supporting sustained renter demand from residents seeking attainable housing options without sacrificing connectivity.

Central Escondido Location

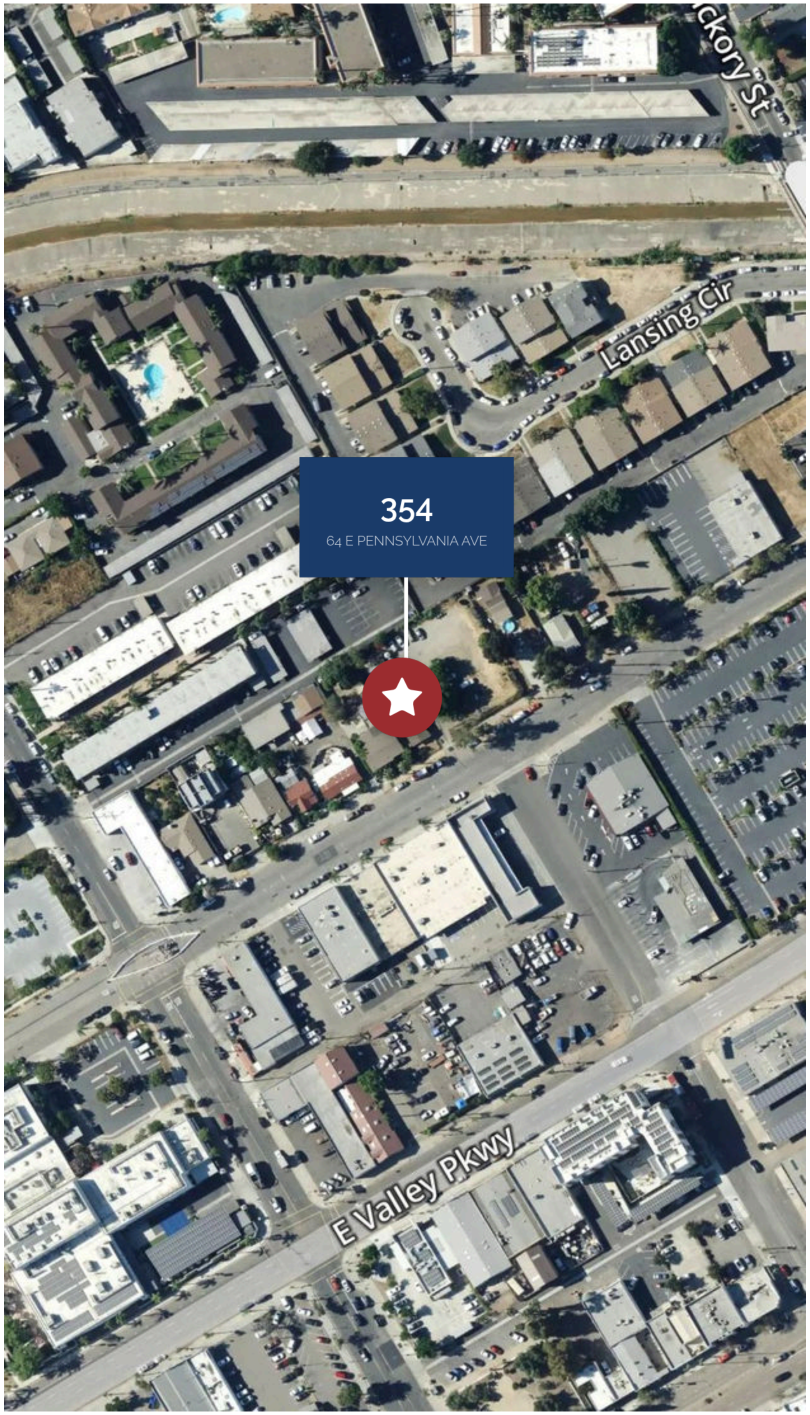
The subject property is strategically located within the Central Escondido submarket, positioned along the E Pennsylvania Ave corridor just blocks from the Downtown Escondido core. This infill location provides residents convenient access to local retail, dining, employment nodes, and public transportation while offering investors exposure to an established rental market that benefits from affordability relative to coastal North County submarkets including Vista, Carlsbad, and Encinitas.

Limited New Studio Supply Reinforces Demand

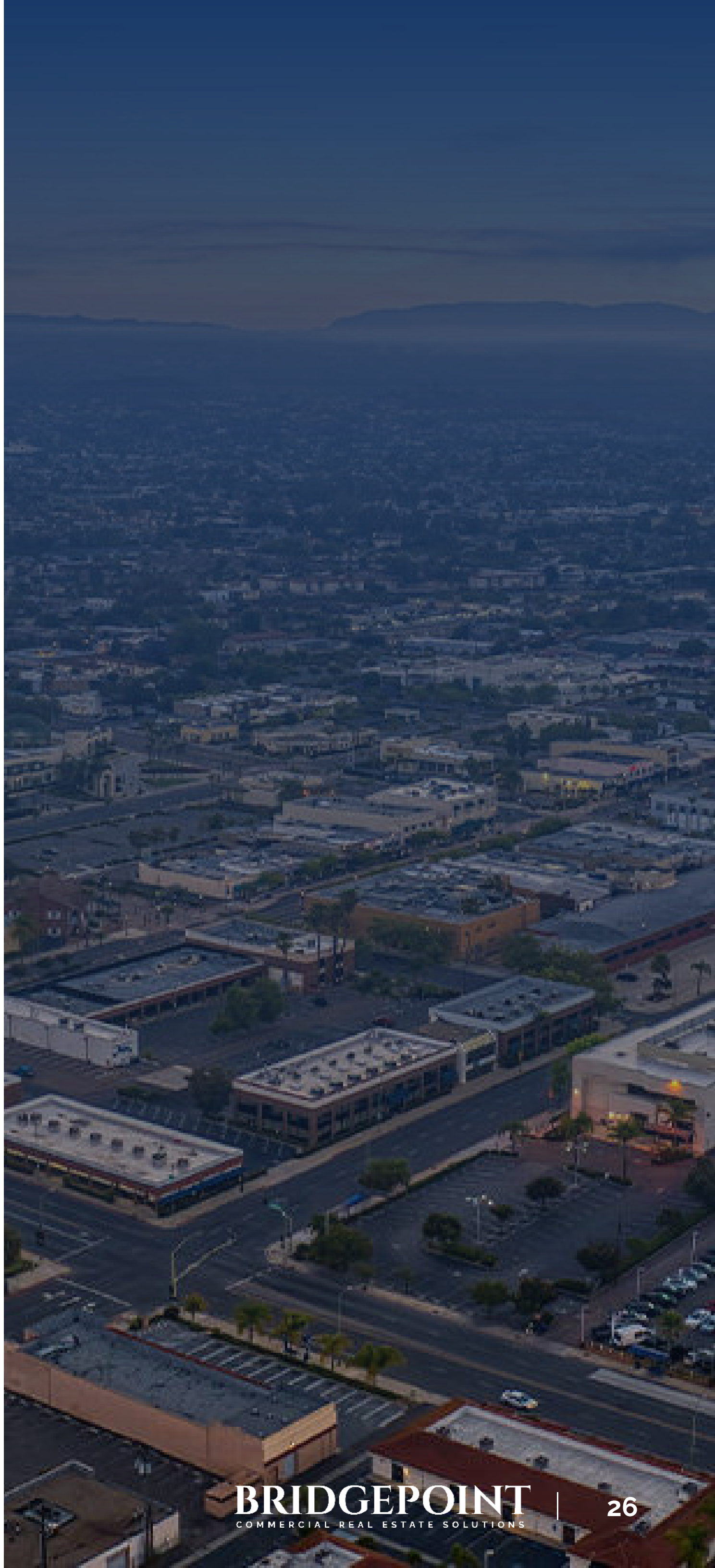
Demand for existing studio inventory is supported by limited new construction catering to smaller unit types. Recent Escondido deliveries have primarily focused on larger, higher-end multifamily product, including the 2023-built Grandview Apartments, which traded at approximately $481,667 per unit. As new development continues to target higher rents and larger floor plans, well-located vintage studio units remain an important affordable housing option for cost-conscious renters.

Local Studio Rents Support Pro Forma Reset

Recent studio rental activity within two miles of the subject supports continued upside through rental repositioning. Comparable studio units average approximately $1,586 per month, with a median rent of $1,559 across 13 recent rentals, providing market support for the subject's $1,700 pro forma rent assumption across its six 1960-built studio units. The opportunity to capture rental growth while maintaining an affordability advantage creates additional value potential for investors.



Market Insights



STUDIO MARKET DEPTH

Escondido's average studio rent is $1,746 (RentCafe/Yardi Matrix, Aug 2026) and the two-mile Rentometer sample around the subject averages $1,586 — both comfortably above the in-place $640 and supportive of the $1,700 pro forma reset, which is underwritten with a 3% vacancy factor per the APOD.

RENT EVIDENCE

Studio rents within two miles average $1,586 with a $1,363–$1,810 middle range (25th–75th percentile), median $1,559, across 13 rentals seen in the trailing 12 months.

CAP RATE EVIDENCE

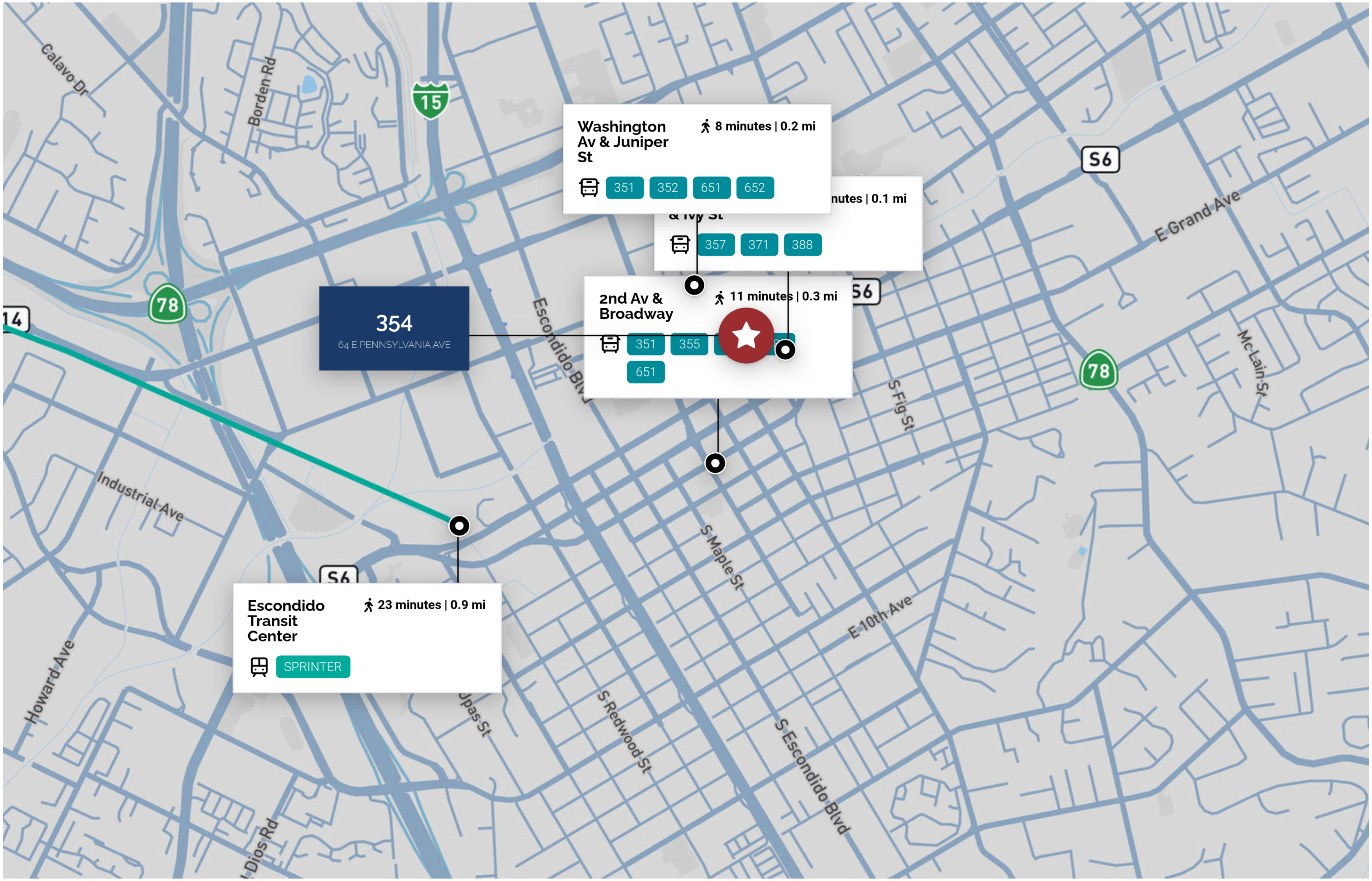
Nine Escondido sales since September 2024 traded at 3.61%–6.56% actual caps, averaging 5.15% — the subject's 7.9% pro forma cap prices well above the market's stabilized yield, and its 1.7% going-in reflects the depth of the rent discount.

BASIS EVIDENCE

Comp pricing ran $236,364 to $564,286 per unit ($341.75–$506.33/SF); the subject's $200,000 per unit basis sits below every closed comp in the set.

Amenities Map

Transportation Map



Major Employers

ECONOMIC ANCHORS AND WORKFORCE DEMAND

A diversified employment base — healthcare, education, civic, and the North County biotech and technology corridor — reduces single-industry exposure and supplies the workforce tenancy that fills studio product. Anchors such as Palomar Medical Center, Qualcomm, and Viasat concentrate specialized roles within commuting distance of the property, while Stone Brewing Co. and the San Diego Zoo Safari Park add hospitality and manufacturing depth.

INSTITUTIONAL STABILITY AND CONNECTIVITY

Beyond commercial strength, the region benefits from significant institutional presence. California State University San Marcos, the Escondido Union School District, and the City of Escondido serve as major anchors, contributing to regional economic stability and a steady workforce pipeline.

All six studios are underwritten to a $1,700 market rent with a 3% vacancy factor, positioned to capture demand from this diversified employer base via SR-78 and I-15 connectivity across North County San Diego.

Employer	Industry	Employees	Distance
Palomar Medical Center	Healthcare	3,000	2.5 mi
Qualcomm	Technology	3,000	7.1 mi
Viasat	Technology	2,500	10.9 mi
Escondido Union School District	Education	2,000	2.1 mi
California State University San Marcos	Education	2,000	4.6 mi
City of Escondido	Civic	1,000	0.3 mi
San Diego Zoo Safari Park	Hospitality	1,000	5.3 mi
Stone Brewing Co.	Manufacturing	500	2.4 mi

Nearby Dining & Bar Options

Plan 9 Beer Company

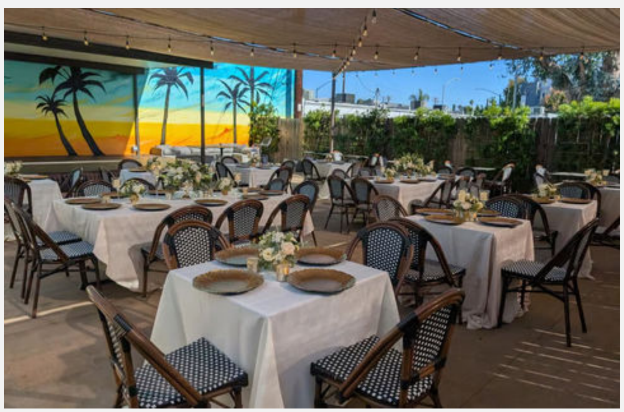
Craft brewery anchor of the downtown Grand Avenue scene.

Filippi's Pizza Grotto

Long-standing Italian restaurant offering pizza and family-style dining on Grand Avenue.

O'Sullivan's Irish Pub

Downtown Irish pub for casual nights out with friends.



Bellamy's Restaurant

Upscale wine bar and Californian dining on Grand Avenue.

Kettle On Grand

Specialty café and wine bar in the heart of downtown.

James Coffee Co.

Neighborhood cafe and roastery steps from the property.

PRESENTED BY

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