

555 S ESCONDIDO BLVD

ESCONDIDO, CA 92025



AUTO CENTER FOR SALE IN ESCONDIDO

NON-ENDORSEMENT OVERVIEW

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OFFICES NATIONWIDE AND THROUGHOUT CANADA

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EXECUTIVE SUMMARY

555 S ESCONDIDO BLVD | ESCONDIDO, CA

Marcus & Millichap presents a lucrative investment opportunity- a recently renovated multi-tenant industrial retail property located at 555 S Escondido Blvd in Central Escondido, California. This property, spanning approximately 13,939 square feet on a single parcel, is fully leased to three established tenants: a Smog Shop, an Auto Repair business, and an Auto Dealership.

Conveniently situated just outside of Escondido's central business district, the property is strategically positioned, with proximity to the California Center for the Arts, Escondido, and the Civic Center Plaza Shopping Center. It also offers easy access to key transportation routes, including Interstate 15 and Highway 78.

With a current 100% occupancy rate and a submarket vacancy rate of under 3%, this property presents a compelling investment opportunity. Moreover, there is significant potential for increased returns as all tenants are on month-to-month leases, allowing investors to transition to Net Leases. Additionally, owner-users can occupy 51% of the property to qualify for SBA financing while offsetting ownership costs by collecting rent from other tenants.

This property offers an excellent prospect for both investors and owner-users in a highly desirable market. For more information, please contact Marcus & Millichap Brokers.

INVESTMENT SUMMARY



\$1.6M
Price



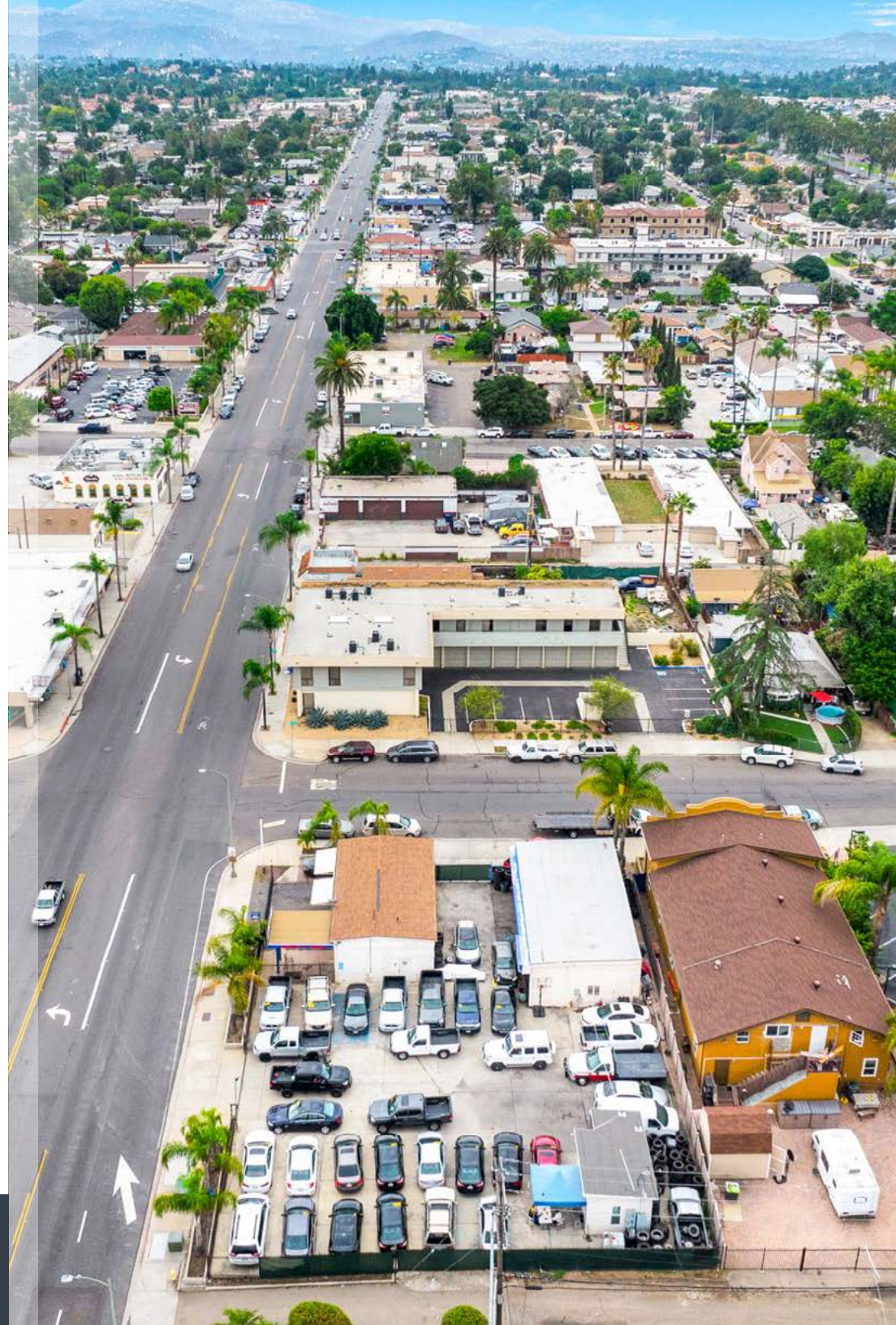
7.43%
Pro Forma Cap

PRICING ANALYSIS

Price	\$1,600,000
RBA	2,511
Lot Size (SF)	13,939
Price / SF	\$637.20
Price / SF Land	\$114.78
Current CAP Rate	5.58%
Pro-Forma CAP Rate	7.43%

BUILDING SUMMARY

Address	555 S Escondido Blvd
City, State	Escondido, CA
Acreage	0.32 AC
Year Built/Renovated	1950/2018



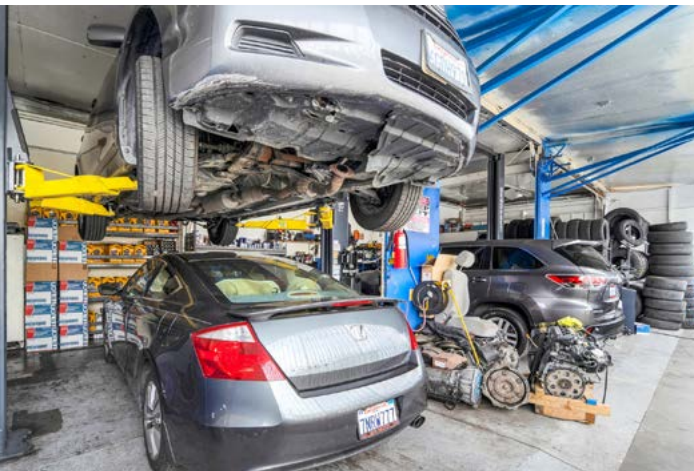


CURRENT RENT ROLL

SUITE	Tenant	RBA	% of RBA	Rent / SF	Monthly Rent	Annual Rent	Lease	
555	Smog	1,008	40%	\$2.48	\$29.76	\$2,500	\$30,000	MTM
557-B	Mechanic	1,275	51%	\$1.57	\$18.82	\$2,000	\$24,000	MTM
557-A	Auto Dealer	228	9%	\$15.35	\$184.21	\$3,500	\$42,000	MTM
Total		2,511	100%	\$3.19	\$38.23	\$8,000	\$96,000	

STABILIZED RENT ROLL

SUITE	Tenant	RBA	% of RBA	Rent / SF	Monthly Rent	Annual Rent	Lease	
555	Smog	1,008	40%	\$3.33	\$40.00	\$3,360	\$40,320	5.00
557-B	Mechanic	1,275	51%	\$2.00	\$24.00	\$2,550	\$30,600	5.00
557-A	Auto Dealer	228	9%	\$17.54	\$210.53	\$4,000	\$48,000	5.00
Total		2,511	100%	\$3.95	\$47.36	\$9,910	\$118,920	



FINANCIAL ANALYSIS

	CURRENT		STABILIZED	
Base Rent	\$96,000		\$118,920	
Reimbursement			\$21,500	
Total Income	\$96,000		\$140,420	
Est. Gross Operating Inc. (EGI)	\$96,000		\$140,420	
Total Expenses	-\$6,794		-\$21,500	
Net Operating Income (NOI)	\$89,206	(1.38)	\$118,920	(1.83)
Less Loan Payments	-\$64,820		\$64,820	
Pre-Tax Cash Flow	\$24,386	3.05%	\$183,740	22.97%
Plus Principle Reduction	\$13,209		\$13,209	
Total Return Before Taxes	\$37,595	4.70%	\$196,949	24.62%

PROPOSED FINANCING	
Loan Amount	\$800,000
Variable Rate	6.500%
Years Amortized	25
Monthly Payment	\$5,402
Annual Payment	\$64,820

EXPENSES	
Adjusted Property Tax	\$18,000
Insurance	\$4,500
Total	\$22,500

CURRENT EXPENSES	
Current Property Tax	\$5,466
Insurance	\$1,328
Total	\$6,794

OWNER/USER ANALYSIS

Price	\$1,600,000	
Building SF	2,511	
Owner / User SF	2,511	100%
Price / SF	\$637.20	

SBA Loan (85%):	\$1,360,000	
Down Payment	\$240,000	
Interest Rate	6.50%	
Amoritzation	300	
Payment:	\$9,183	\$110,194

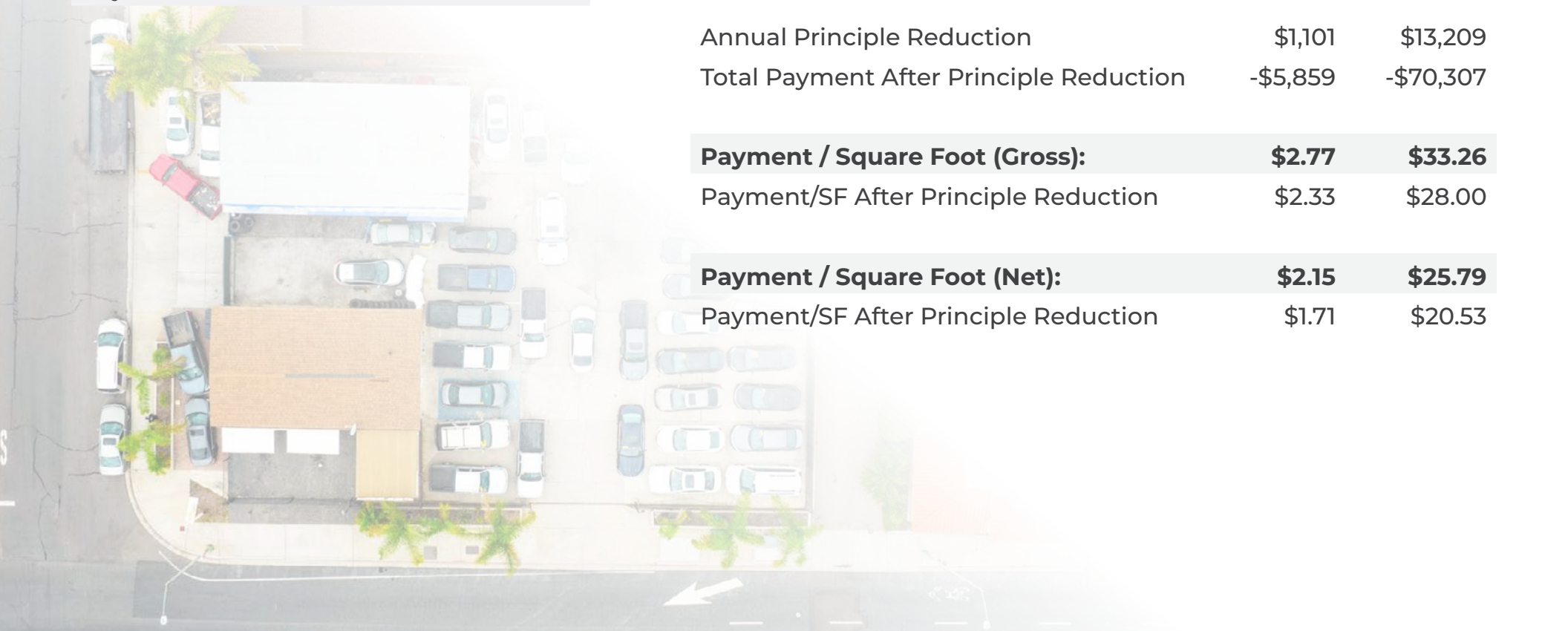
EXPENSES	Monthly	Annual	\$ / SF
Loan Payments	\$8,896	\$106,750	
Property Taxes	\$1,453	\$17,438	\$6.94
Insurance	\$111	\$1,328	\$0.53
Total Payment	-\$10,460	-\$125,516	\$7.47

Other Tenant Rent & Reimbursements	\$3,500	\$42,000	
Net Payment		-\$6,960	-\$83,516

Annual Principle Reduction	\$1,101	\$13,209	
Total Payment After Principle Reduction	-\$5,859	-\$70,307	

Payment / Square Foot (Gross):	\$2.77	\$33.26
Payment/SF After Principle Reduction	\$2.33	\$28.00

Payment / Square Foot (Net):	\$2.15	\$25.79
Payment/SF After Principle Reduction	\$1.71	\$20.53



SALES COMPARABLES

Sale Date	Property Address	Property Type	Building SF	Sale Price	Price Per SF	Submarket Name	Year Built
4/22/2024	1310 S Escondido Blvd	Retail	2,130	\$1,300,000	\$610	Escondido	1972
3/1/2024	600 N Broadway	Retail	3,744	\$1,450,000	\$387	Escondido	1988
9/28/2023	340 W Grand Ave	Retail	3,960	\$2,000,000	\$505	Escondido	1972
7/17/2023	1558 Sterling Ct	Industrial	4,000	\$1,415,000	\$354	Escondido	1982
5/15/2023	903 S Escondido Blvd	Retail	1,500	\$1,556,263	\$1,038	Escondido	1960
8/5/2022	311 E Valley Pky	Retail	2,400	\$1,470,000	\$613	Escondido	1968
7/29/2022	240 N Andreasen Dr	Industrial	3,475	\$1,325,000	\$381	Escondido	1994
12/15/2021	722 Enterprise St	Industrial	800	\$865,000	\$1,081	Escondido	1970
11/17/2021	649 N Broadway	Retail (Neighborhood Center)	3,136	\$2,425,000	\$773	Escondido	1989
9/10/2021	332 S Escondido Blvd	Retail	3,208	\$3,423,500	\$1,067	Escondido	1955
9/8/2021	249 N Ivy St	Retail	1,312	\$937,000	\$714	Escondido	1990
Average					\$684		



San Diego

California

MARKET OVERVIEW- SAN DIEGO

The San Diego-Carlsbad metro is located in the southwestern portion of the state of California. Composed of San Diego County, it sits adjacent to the Mexican border, extending north to the southern edge of Orange County and Riverside County. From west to east, it is situated between the Pacific Ocean and Imperial County.

San Diego is the most populous city in the county with 1.4 million residents, followed by Chula Vista with 270,800 and Oceanside with 180,000 people. A diverse economic base includes military, finance, life sciences, tourism and real estate. Employment in these industries and a strong retail base draw many job seekers to the region. residents, followed by Elk Grove and Roseville.





Metro HIGHLIGHTS



WHITE-COLLAR JOBS

The professional and business services sector accounts for a larger share of total employment than the U.S. average.



POPULATION GROWTH

A gain of approximately 115,300 residents in the metro over the next five years will increase the need for basic health and education services.



HIGHLY AFFLUENT POPULATION

San Diego's median household income of \$81,600 per year is well above the national median.

MAJOR AREA EMPLOYERS

Qualcomm

Rady Children's Hospital

General Dynamics NASSCO

Cubic Corporation

Kaiser Permanente

Sharp HealthCare

Palomar Health

Sony Electronics Inc.

Scripps Health

Illumina

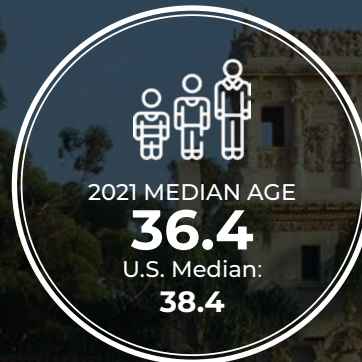


DEMOGRAPHICS

San Diego is California's oldest community. A large harbor, miles of beaches and exceptional weather attract businesses, residents and tourists. San Diego still houses a number of buildings and facilities from its past, including two missions, Old Town San Diego, Balboa Park and the Hotel Del Coronado. San Diego County has grown into a sophisticated, urban region. Its downtown area has undergone a renaissance in the past decade or so. Petco Park, home of the San Diego Padres, spurred redevelopment that spread to the mid-city communities and attracted residents to the urban core.

ECONOMY

The San Diego metro is maintaining economic growth. Gross Metro Product (GMP) is expected to grow 2.6 percent this year versus 2.4 percent for the nation. The U.S. Department of Defense has a significant impact on the local economy. The largest employer in the county is the U.S. Navy at the Naval Base Coronado, which includes the North Island Naval Air Station. Camp Pendleton is also a sizable employer. Tech and life science firms are proliferating. Major technology and research companies include Leidos, General Dynamics NASSCO, Qualcomm and BAE Systems.



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