CONFIDENTIAL OFFERING MEMORANDUM

334-426 E Pennsylvania Ave.

ESCONDIDO, CA

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BRIDGEPOINT
COMMERCIAL REAL ESTATE SOLUTIONS

CONFIDENTIAL OFFERING MEMORANDUM

334-426 E PENNSYLVANIA AVE

Escondido, CA

SEPTEMBER, 2026

BRIDGEPOINT

COMMERCIAL REAL ESTATE SOLUTIONS

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INVESTMENT OVERVIEW

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Rare Development Site In Downtown Escondido

334–426 EAST PENNSYLVANIA AVENUE

334–426 Pennsylvania Avenue presents a rare opportunity to acquire a well-positioned infill development site in Escondido, CA. The approximately 1.30-acre property is located within Downtown Escondido's Specific Plan Area and offers significant residential redevelopment potential. The site currently includes 13 units totaling approximately 8,425 rentable square feet on a 56,628 square foot parcel, providing an investor with the opportunity to reposition an existing asset into a higher-density residential project. Based on applicable density guidelines, the property has the potential to support approximately 98 residential units, subject to final entitlement approval and applicable development standards.

The property's strongest value proposition is its ability to unlock substantial future development upside in a supply-constrained North County San Diego market. With existing multifamily income, a large redevelopment footprint, and proximity to Downtown Escondido amenities, transportation corridors, and employment centers, 334–426 Pennsylvania Avenue provides developers and investors with the opportunity to transform an underutilized asset into a modern residential community while benefiting from long-term rental demand.

STRATEGIC LOCATION & DEVELOPMENT FUNDAMENTALS

Located within Downtown Escondido, 334–426 Pennsylvania Avenue offers a rare opportunity to capitalize on the city's ongoing demand for additional housing supply through a high-density residential redevelopment. The property benefits from its location within the Downtown Specific Plan Area, where increased residential density is encouraged to support urban growth, walkability, and revitalization efforts.

The surrounding Escondido market provides a strong foundation for future residential development, supported by established neighborhoods, regional connectivity, and access to major employment centers throughout North County San Diego. Within five miles of the property, the market contains approximately 191,075 residents, 63,348 households, and an average household income exceeding $111,000, supporting long-term demand for quality housing options.

With limited opportunities for new infill development in established urban areas, the property's combination of downtown positioning, favorable planning framework, and significant density potential creates an attractive opportunity to deliver additional housing supply in one of Escondido's most strategic locations.

Investment Essentials

RARE INFILL DEVELOPMENT OPPORTUNITY

334–426 Pennsylvania Avenue presents a unique opportunity to acquire a well-positioned redevelopment site in Downtown Escondido. The approximately 1.30-acre property is located within the City of Escondido's Downtown Specific Plan Area (SPA 9) and benefits from a high-density residential designation supporting future multifamily development. Based on current density guidelines, the site has the potential to support approximately 98 residential units, subject to final approvals, design standards, and applicable development requirements. These parcels can be sold individually. Please call/text listing agent for details.

DENSITY UPSIDE & VALUE CREATION POTENTIAL

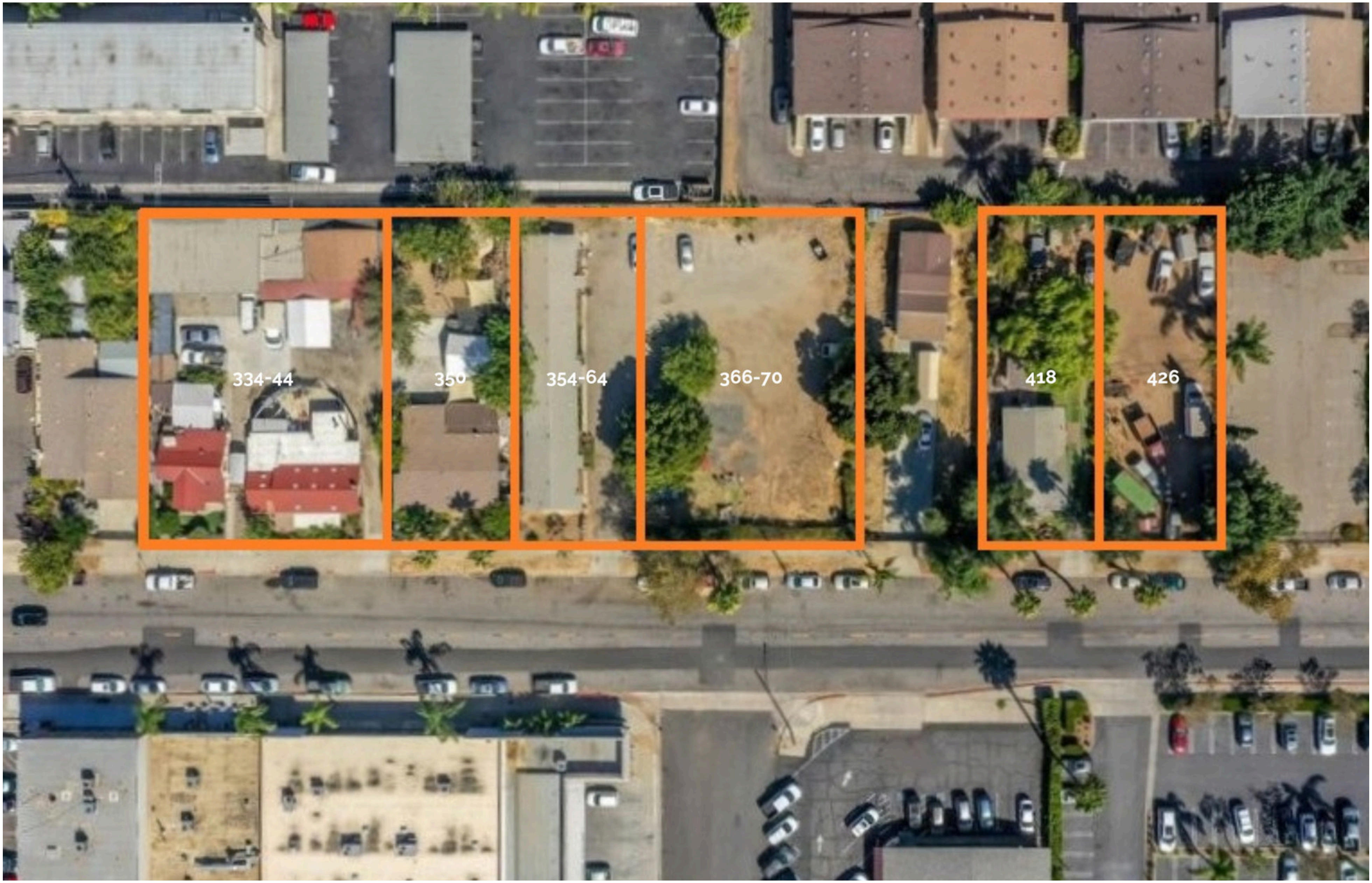
The property provides investors with the opportunity to transform an underutilized multifamily asset into a larger-scale residential community. The existing site configuration, combined with its location within a designated downtown growth area, creates a compelling value-add development opportunity through increased residential density, modern housing delivery, and long-term appreciation potential.

Property Overview

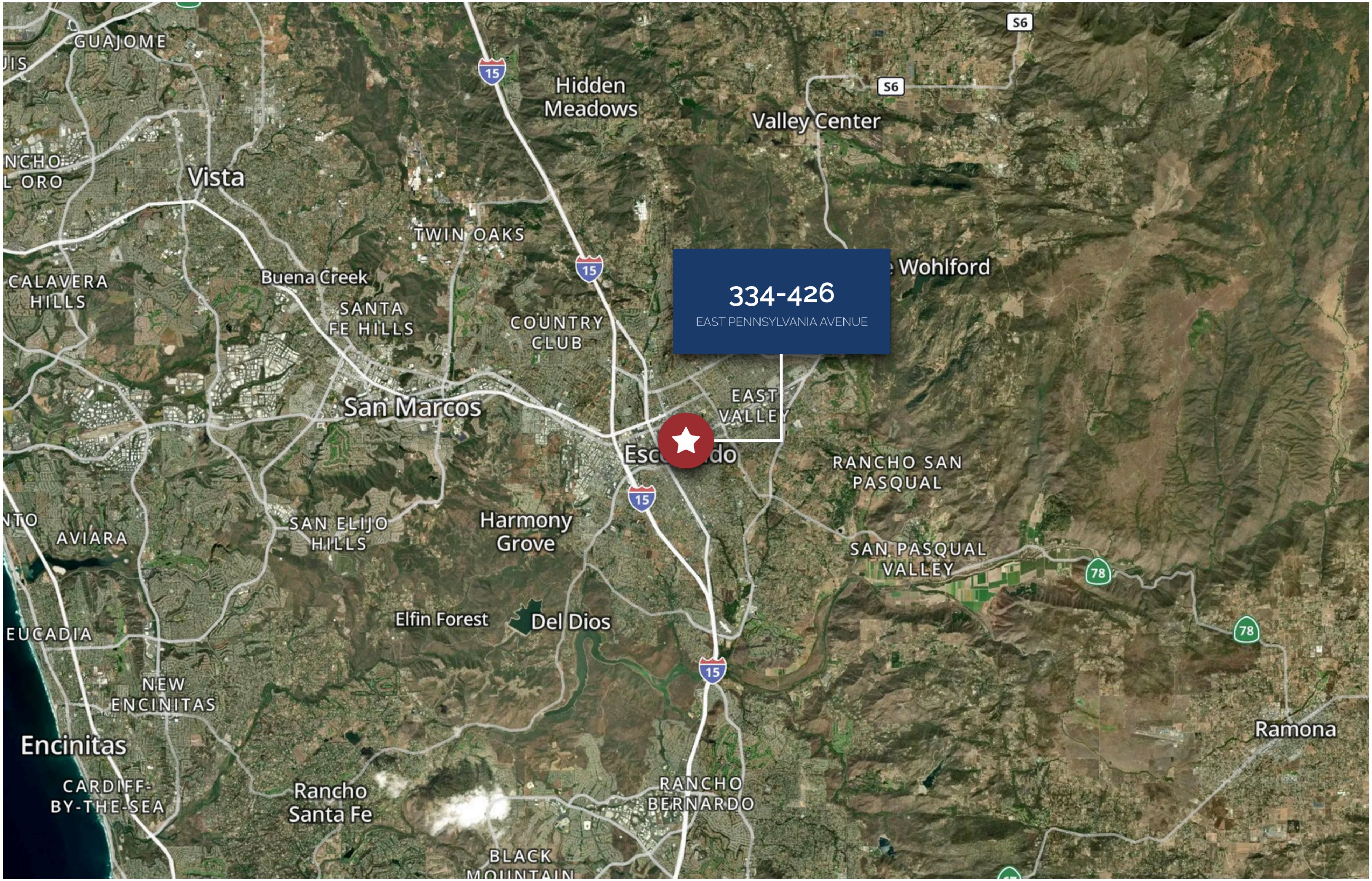
Address	334–426 Pennsylvania Avenue
Purchase Price	$4,565,000
Price per SF	$80.61
City	Escondido, CA 92025
Site Area	~1.30 Acres
Land Area	~56,628 SF
Zoning	S-P (Specific Plan)
Planning Area	Downtown Specific Plan Area (SPA 9)
Density Allowance	~75 DU / Acre
Potential Development Yield	~98 Units
APN's	229-310-45-00, 229-310-20-00, 229-310-21-00, 229-310-22-00, 229-310-24-00, 229-310-25-00

±56,628 SF	75	1.30 AC	6	Downtown SPA 9	S-P
LAND AREA	DU/ACRE	SITE AREA	PARCELS	PLANNING AREA	ZONING

Site Map



Regional Map



Sales Comparables

Address	Sale Price	Price/SF	Cap Rate	Sale Date	Status	Distance
334-426 E Pennsylvania Ave	$4,565,000	$80.61	-	-	-	0.0 mi
2690 S Escondido Boulevard	$1,595,000	$92	—	Sep 2026	On-market	3.0 mi
2608 S Escondido Boulevard	$7,650,000	$99	—	Dec 2024	Closed	3.0 mi
2342-72 S Escondido Boulevard	$12,800,000	$196	—	Apr 2025	Closed	2.7 mi
350 10th Avenue	$530,000	$37	—	Feb 2024	Closed	1.3 mi
1525-1561 Tanglewood Ln	$1,000,000	$42	—	Jan 2026	Closed	2.3 mi
411 S Escondido Boulevard	$700,000	$50	—	Apr 2025	Closed	0.8 mi
1325 N Broadway	$1,350,000	$37	—	Jul 2025	Closed	1.4 mi
Average of Comps	$3,660,714	$79	—	—	—	—

Sales Comparables

334-426 E Pennsylvania Ave

Sale Price	**$4,565,000**
Price/SF	**$80.61**
Cap Rate	-
Sale Date	-
Status	-
Distance	**0.0 mi**

2690 S Escondido Boulevard

Sale Price	**$1,595,000**
Price/SF	**$92**
Cap Rate	—
Sale Date	**Sep 2026**
Status	**On-market**
Distance	**3.0 mi**

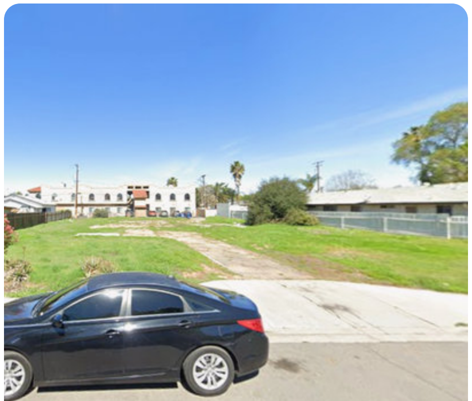
2608 S Escondido Boulevard

Sale Price	**$7,650,000**
Price/SF	**$99**
Cap Rate	—
Sale Date	**Dec 2024**
Status	**Closed**
Distance	**3.0 mi**

2342-72 S Escondido Boulevard

Sale Price	**$12,800,000**
Price/SF	**$196**
Cap Rate	—
Sale Date	**Apr 2025**
Status	**Closed**
Distance	**2.7 mi**

Sales Comparables



350 10th Avenue

Sale Price	**$530,000**
Price/SF	**$37**
Cap Rate	**—**
Sale Date	**Feb 2024**
Status	**Closed**
Distance	**1.3 mi**

1525-1561 Tanglewood Ln

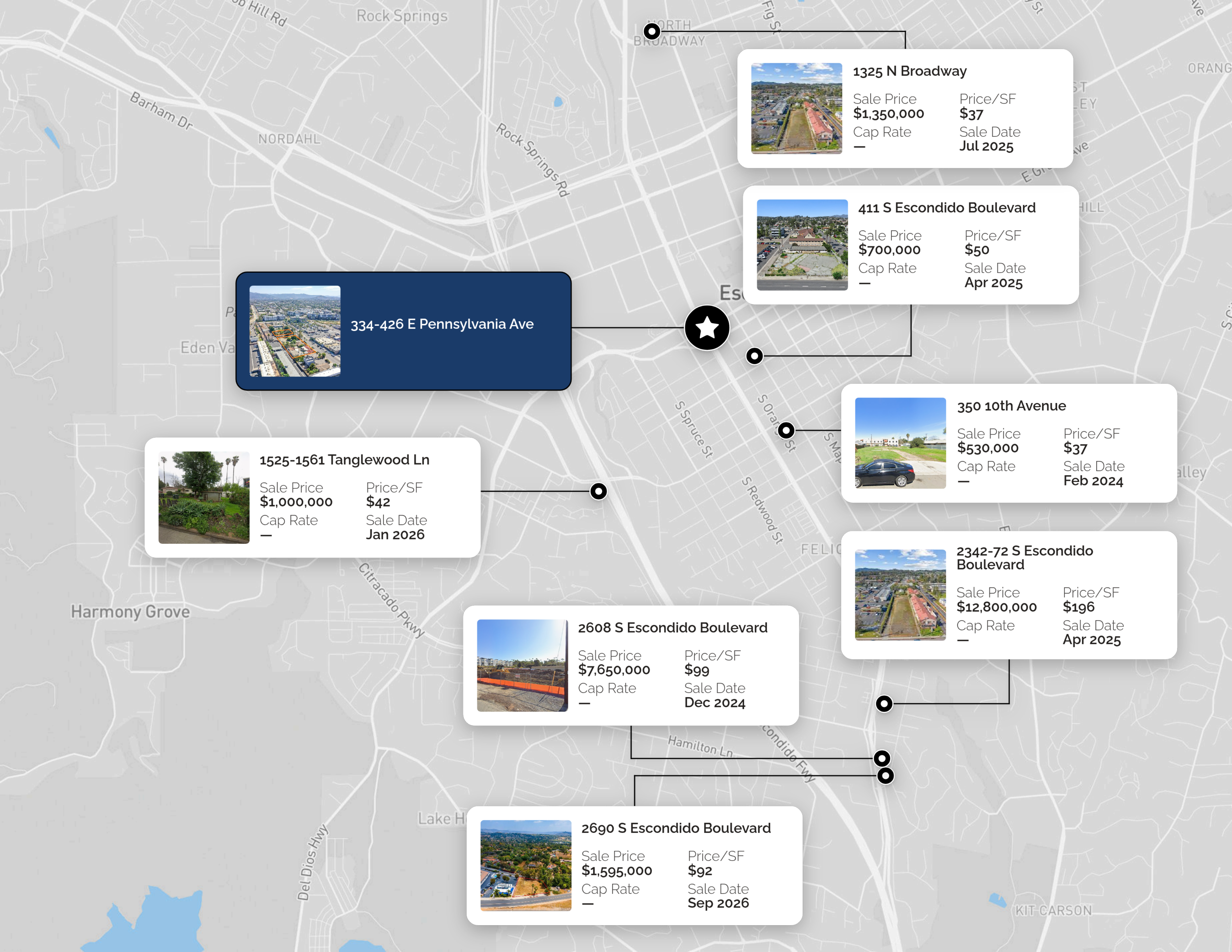
Sale Price	**$1,000,000**
Price/SF	**$42**
Cap Rate	**—**
Sale Date	**Jan 2026**
Status	**Closed**
Distance	**2.3 mi**

411 S Escondido Boulevard

Sale Price	**$700,000**
Price/SF	**$50**
Cap Rate	**—**
Sale Date	**Apr 2025**
Status	**Closed**
Distance	**0.8 mi**

1325 N Broadway

Sale Price	**$1,350,000**
Price/SF	**$37**
Cap Rate	**—**
Sale Date	**Jul 2025**
Status	**Closed**
Distance	**1.4 mi**



334-426 E Pennsylvania Ave
1325 N Broadway
Sale Price
$1,350,000
Price/SF
$37
Cap Rate
—
Sale Date
Jul 2025
411 S Escondido Boulevard
Sale Price
$700,000
Price/SF
$50
Cap Rate
—
Sale Date
Apr 2025
350 10th Avenue
Sale Price
$530,000
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Cap Rate
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Sale Date
Feb 2024
1525-1561 Tanglewood Ln
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$7,650,000
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Cap Rate
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Dec 2024
2690 S Escondido Boulevard
Sale Price
$1,595,000
Price/SF
$92
Cap Rate
—
Sale Date
Sep 2026
Rock Springs
Barham Dr
NORDAHL
Rock Springs Rd
Harmony Grove
Citracado Pkwy
S Spruce St
S Redwood St
Hamilton Ln
Del Dios Hwy
KIT CARSON

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MARKET OVERVIEW

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Escondido, California

Escondido: Civic & Employment Hub of Inland North County

Escondido is the civic and employment hub of inland North San Diego County — home to Palomar Health (the largest public healthcare district in California, headquartered downtown), Palomar Medical Center, the California Center for the Arts, and a revitalizing downtown centered on Grand Avenue. As the anchor of the region's healthcare, civic, and cultural economy, the city draws a steady base of employees, patients, students, and visitors into the core each day — a deep, durable source of daytime population and rental demand.

Housing Demand and Market Fundamentals

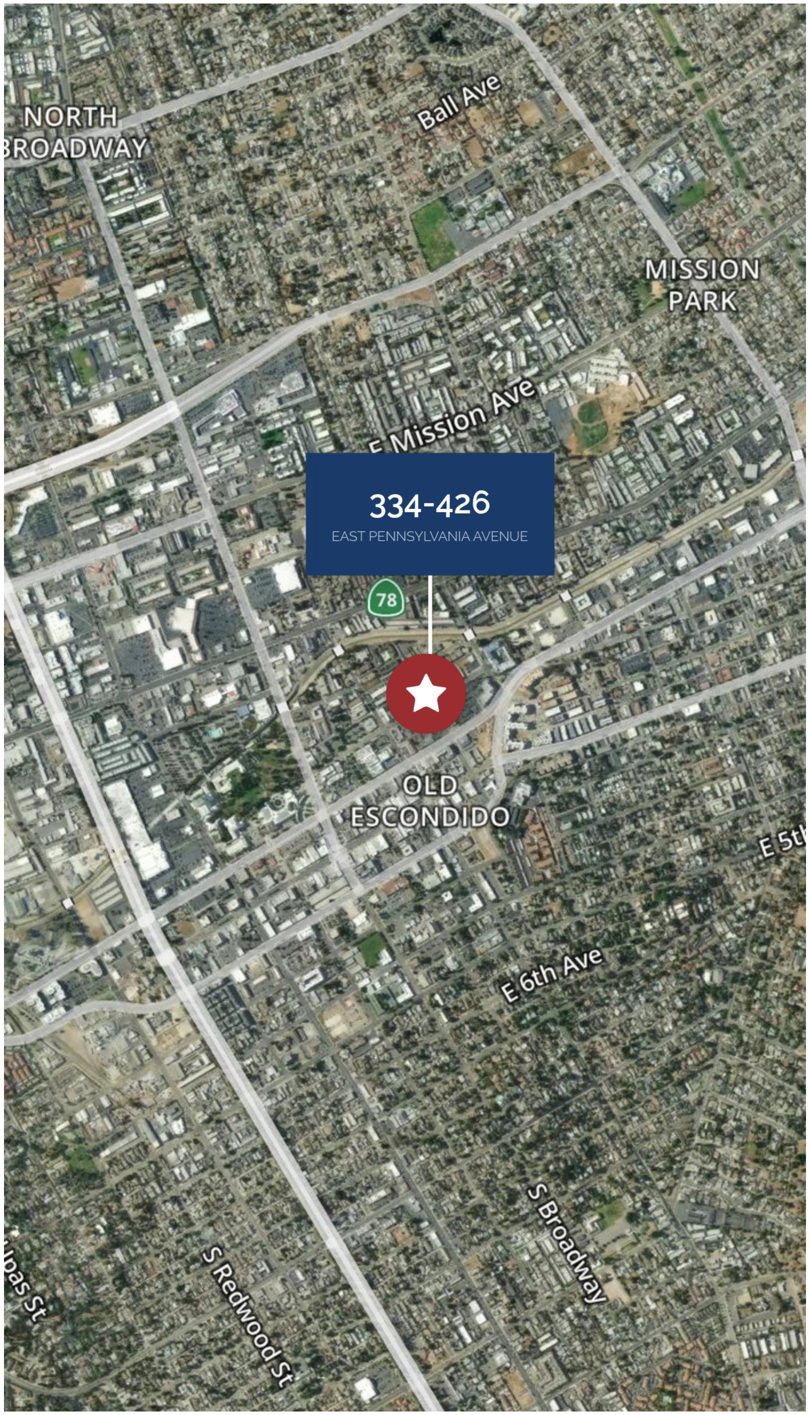
Housing demand is strong and supply is tight. Escondido rental vacancy ran roughly 3.5% in 2024 — below San Diego County's 4.2% — and sits under 5% across most neighborhoods, signaling a market that absorbs new units quickly. Escondido also remains a relative value: median rent near $2,117 sits about 6.3% below the metro's $2,259, with rents up 0.9% early in the year. That affordability gap keeps drawing cost-conscious renters inland, supporting stable occupancy and steady rent growth.

Planning Posture and Downtown Revitalization

The city's planning posture actively supports higher-density infill near the core. Specific Plan (S-P) overlays — including the one covering the subject assemblage — permit density bonuses close to downtown, giving well-positioned sites a path to greater buildable scale than base zoning alone allows. Downtown revitalization reinforces this on the ground: the Grand Avenue Vision Project is drawing new restaurants and private investment into the historic core, improving walkability and strengthening the case for residents to live within walking distance.

Subject Positioning and Multifamily Opportunity

The subject assemblage at 344–426 East Pennsylvania Avenue sits just blocks from downtown, at the intersection of each of these tailwinds. A future higher-density project on the site is positioned to capture strong, supply-constrained rental demand and the relative-value rent gap versus coastal submarkets, while unlocking the S-P overlay density opportunity. All of it sits within reach of Escondido's civic, healthcare, and cultural anchors and its revitalizing Grand Avenue core — a well-supported multifamily development thesis.



Market Insights

STEADY RENT GROWTH

Escondido rents continue a steady climb — up 0.9% in the first four months of the year (in line with last year's pace), with the citywide median at roughly $2,117, still about 6.3% below the San Diego metro median — a value gap that keeps pulling renters inland. That persistent affordability gap should sustain absorption even as new supply is delivered.

TIGHT VACANCY RATES

Multifamily vacancy ran approximately 3.5% in 2024, below San Diego County's 4.2%, and sits below 5% in most Escondido neighborhoods — new units lease into a supply-constrained market. With so few units sitting empty, owners retain pricing power heading into the next leasing cycle.

LAND VALUE BENCHMARK

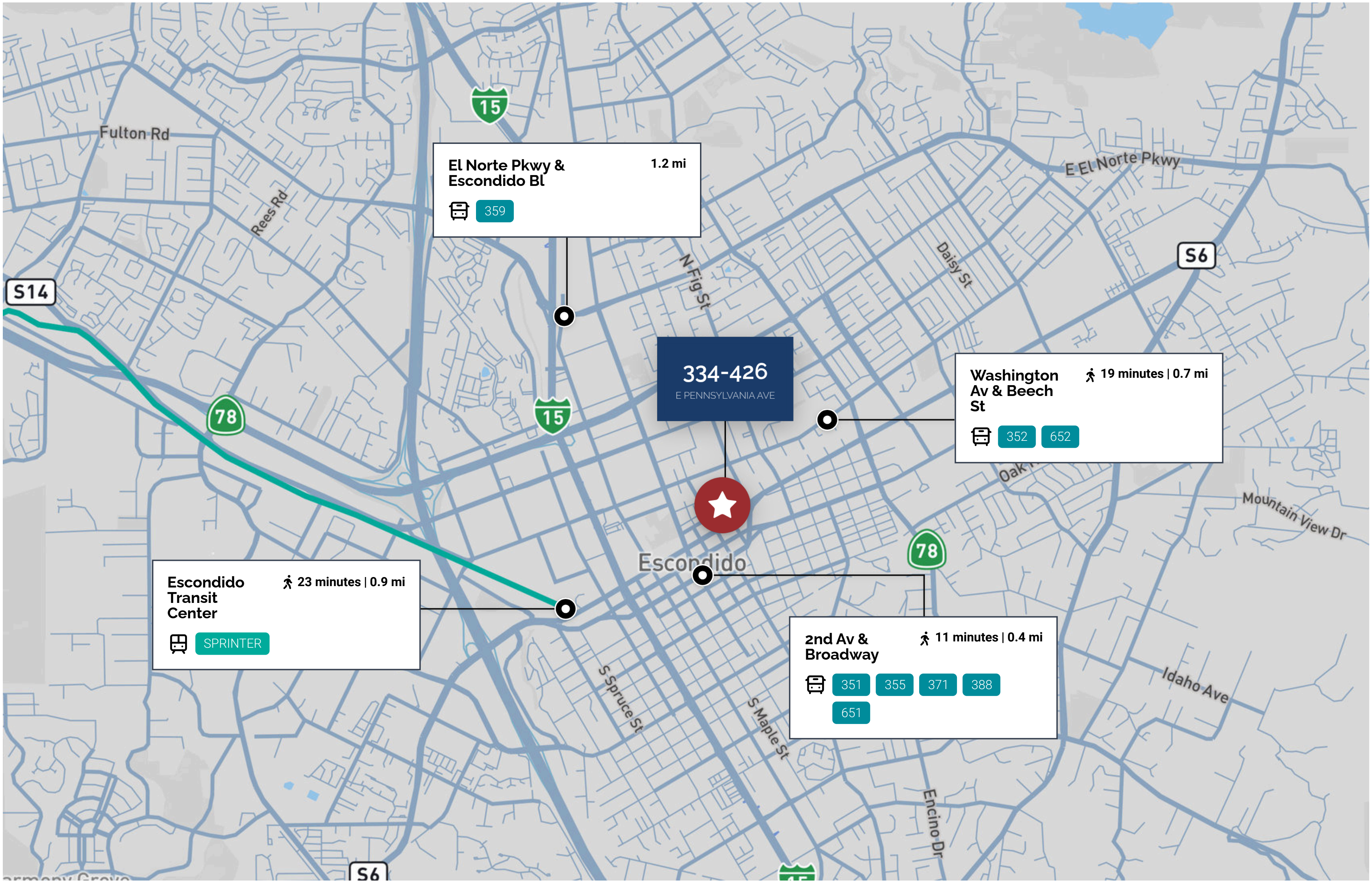
Assemblage activity is setting the market nearby — Penn + Elm, a five-parcel flexibly-zoned land assemblage in downtown Escondido marketed by CBRE just down the street on East Pennsylvania Avenue, is listed at $6.3M. The subject's $4,565,000 basis — $80.61 per land SF across ±56,628 SF — is introduced against that benchmark. That entry point leaves meaningful headroom to the comparable listing on a per-land-SF basis.

DENSITY POLICY SUPPORT

Escondido's Specific Plan overlays — including the S-P overlay covering the subject — permit density bonuses near the downtown core, supporting higher unit counts on infill sites and firming values for entitled land. Higher achievable density directly improves residual land value on a per-buildable-unit basis, strengthening the development case.

Amenities Map

Transportation Map



Major Employers

ECONOMIC ANCHORS AND EMPLOYMENT BASE

The area surrounding 334–426 East Pennsylvania Avenue sits at the center of Escondido's diversified employment core. The landscape is anchored by Palomar Health — California's largest public healthcare district with roughly 4,668 employees — alongside major hospitality and industrial employers including Stone Brewing and Bergelectric. Auto retail depth at Toyota Escondido and a strong municipal workforce further reinforce local job density that supports multifamily absorption.

INSTITUTIONAL STABILITY AND CONNECTIVITY

Beyond private-sector employers, Escondido benefits from a deep institutional base that delivers steady payrolls and workforce development. Escondido Union School District (2,000+ employees), the City of Escondido (~950), and Escondido Union High School District (~900) are major local anchors within a few miles of the site.

The property's strategic location offers seamless connectivity via SR-78 and I-15, linking residents to the broader North County San Diego economy. This combination of healthcare, education, government, and manufacturing employers positions Escondido as a resilient demand base for a redeveloped multifamily project.

Employer	Industry	Employees	Distance
Palomar Health	Healthcare	4,668	1.0 mi
Escondido Union School District	Education	2,000+	2.2 mi
City of Escondido	Government	~950	0.3 mi
Escondido Union High School District	Education	~900	1.8 mi
Stone Brewing	Brewing/Hospitality	501-1,000	2.5 mi
Bergelectric	Electrical Contracting	~500	2.2 mi
Toyota Escondido	Auto Retail	~370	0.6 mi

Nearby Dining & Bar Options

Stone Brewing World Bistro & Gardens

Escondido's flagship craft-beer spot and the original Stone bistro, with 36 beers on tap and a one-acre beer garden.

Plan 9 Alehouse

Craft-beer alehouse on historic Grand Avenue—a walkable nightlife stop in the heart of Escondido's dining district.

Burger Bench

Burgers and craft beer at 237 E Grand Ave—a downtown Escondido favorite known for consistently excellent burgers.

Upper East On Grand

Locally owned gastropub on Grand Avenue serving fresh takes on classic American favorites, with 20+ beers on tap.

Vintana Wine + Dine

Modern California cuisine with picturesque town and countryside views, on the penthouse level at Lexus Escondido.

Brigantine Escondido

A San Diego seafood tradition since 1969 near the Arts Center—known for fresh seafood and signature clam chowder.

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