

425

West 5th Ave
Escondido, CA 92025



FOR SALE | 8,138 SF | \$1,506,971

Excellent Investment Opportunity

HANK JENKINS

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Highlights



- Rare, free standing office building for sale in the heart of Escondido
- Excellent value add property for an investor with short term leases and below market lease rates
- Less than 5 minutes from the Interstate 15 and easily accessible off of Escondido Blvd
- 90% occupied by three tenants
- Recently reslurried parking lot



BUILDING
SIZE
8,138 SF



CAP RATE
6.8%



HIGH
OCCUPANCY
90%





Details



Building size: 8,138 SF

Building type: Class B Multi-Tenant Office

Occupancy: 90%

Parcel Number: 233-212-14

Condition: Good

Location: Two

Year Built: 1987

Parking: 25 spaces

Lot Size: 0.32 Acres



Valuation

There is one 1,094 SF vacant suite being marketed in the Property for \$1.50/SF plus utilities. The current rents in the building are approximately \$0.40/SF per month below market. If the leases at the Property were adjusted to market lease rollover, it would have a significant positive impact on the value of the building.

RENT ROLL

		<u>Rent</u>
Alan White Associates Suite 203	1,094 SF	\$1,494
Healthcare Suites 101, 103 & 104	3,950 SF	\$6,495
Mission to Children Suite 201	2,000 SF	\$2,725
Vacant	1,094 SF	\$1,641 @ \$1.50/SF Gross
Total	8,138 SF	\$12,355/month
Gross Income		\$148,260
Less 5% Vacancy Factor		(\$7,413)
Less Expenses		<u>(\$38,100)</u>
Net Operating Income		\$102,474
Value @ 6.8% cap		\$1,506,971

EXPENSES

Property Taxes	\$18,000
Insurance	\$3,000
Landscaping	\$2,500
Repairs and Maintenance	\$4,000
Pest Control	\$500
Property Management	\$4,500
Trash	\$1,400
Utilities	<u>\$4,200</u>
TOTAL	\$38,100
	\$3,175/month (\$0.36/SF)



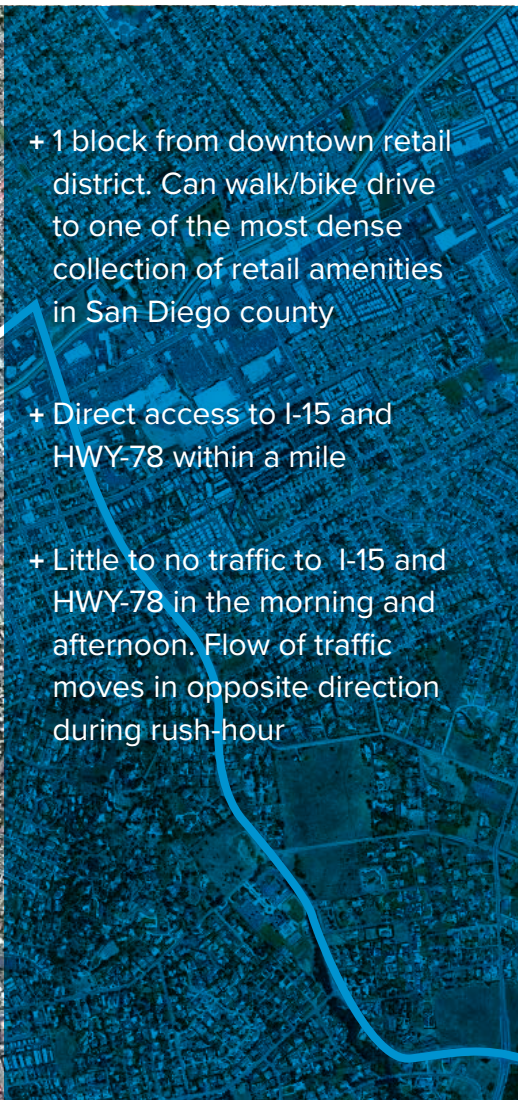
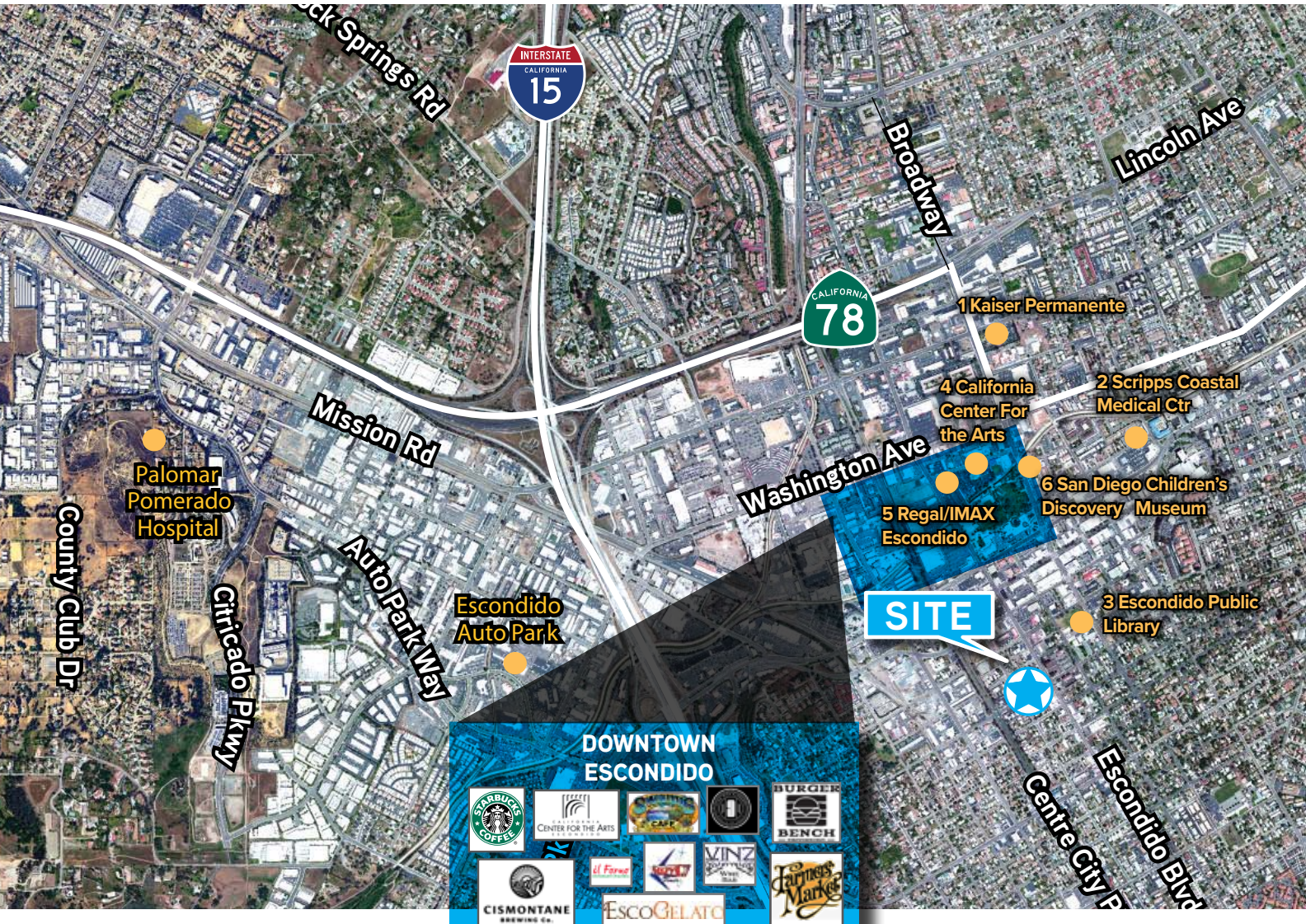
Property

Photos



Location

Convenient site location provides quick access to CA-78 and I-15 freeways
within walking distance to Downtown Escondido



- + 1 block from downtown retail district. Can walk/bike drive to one of the most dense collection of retail amenities in San Diego county
- + Direct access to I-15 and HWY-78 within a mile
- + Little to no traffic to I-15 and HWY-78 in the morning and afternoon. Flow of traffic moves in opposite direction during rush-hour

Neighborhood Info

ESCONDIDO OVERVIEW

Settled in a long valley in the coastal mountains of Southern California, Escondido, which means “hidden” in Spanish, lies about 18 miles inland, 100 miles south of Los Angeles, and 30 miles northeast of San Diego. Surrounded by avocado and citrus groves, Escondido is a diverse, vibrant community with just the right mix of small town friendliness and big-city buzz.

Established in 1888, Escondido is one of the few remaining communities where people of all income levels can enjoy the Southern California lifestyle. It offers such amenities that includes two lakes, several parks, a sports center, golf courses, restaurants, wineries, shopping centers, comprehensive healthcare and the nearby San Diego Zoo Safari Park.

In addition, the California Center for the Arts, Escondido, brings world class entertainment to the area along with a sculpture garden in Kit Carson Park donated by late internationally renowned artist Niki de Saint Phalle. In recent years Escondido was named by Money Magazine as the Best Place in the West in which to retire and, at the other end of the spectrum, was named a Kid-Friendly City for our broad range of youth programs.

OFFICE MARKET

Escondido has a total office inventory of nearly 1.63 million SF. Nearly two-thirds (64.7%) of the inventory – or 1.05 million SF – is concentrated in Class C space. Class A and Class B space make up 11.3% and 24.0% of the inventory, respectively. Currently, there is no new office building construction in Escondido. Small free-standing office buildings are in limited supply.

DEMOGRAPHICS

According to current demographic information compiled and reported the San Diego Association of Governments (SANDAG), Escondido has a total population of 151,478 as of 2018. By 2035 the population is expected to grow by an additional 14.1% to 172,892 residents. The total number of households stands at 46,488; this is expected to increase by 19.7% to 55,633 in 2035. The median household income in Escondido stood at \$64,902. With an average household size of 3.21 persons – compared to the county wide average of 2.83 persons – household density is higher than the county.

Population	1 Mile	3 Mile	5 Mile
2020 Total Population:	26,179	142,040	208,735
2025 Population:	26,769	145,071	213,643
Pop Growth 2020-2025:	2.25%	2.13%	2.35%
Average Age:	33.60	35.90	37.10
Households			
2020 Total Households:	7,733	44,658	68,360
HH Growth 2020-2025:	2.35%	2.25%	2.50%
Median Household Inc:	\$53,441	\$63,202	\$71,597
Avg Household Size:	3.30	3.10	3.00
2020 Avg HH Vehicles:	2.00	2.00	2.00
Housing			
Median Home Value:	\$532,127	\$486,076	\$542,494
Median Year Built:	1974	1977	1980

The Neighborhood



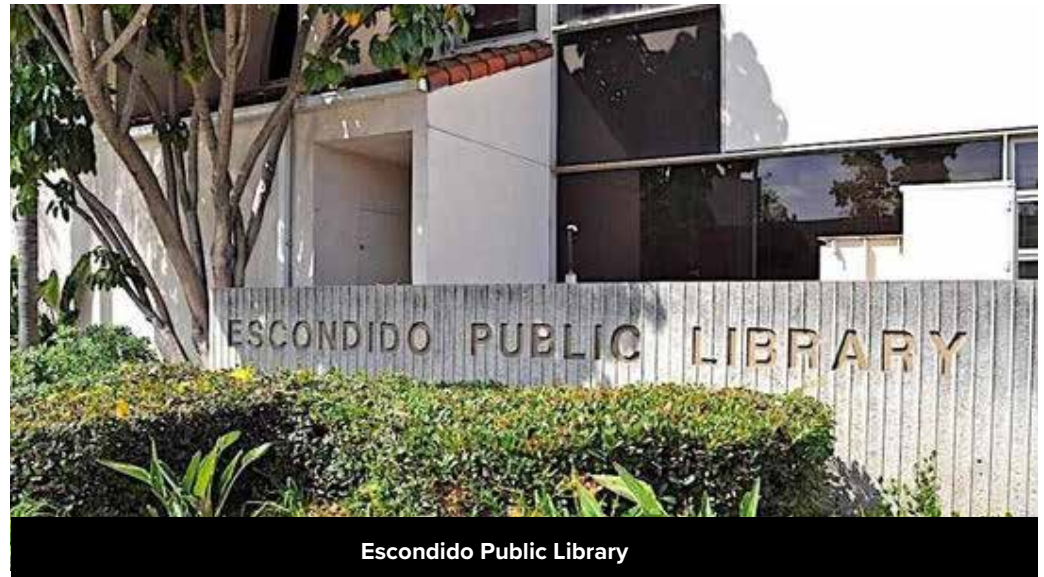
California Center for the Arts



Maple Street Plaza



Farmers Market



Escondido Public Library



Palomar Health



Grape Day Park



Vintana - Fine Dining Restaurant



Cruisin' Grand - Friday Nights (April - Sept)

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