SHOETERIA & SHOPS
OWNER USER INVESTMENT OPPORTUNITY

10015 MAGNOLIA AVENUE, RIVERSIDE, CA 92503

Marcus & Millichap
DUONG INVESTMENT GROUP



INVESTMENT OVERVIEW

Investment Highlights

Owner-User Opportunity: Purchase With As Little as 10% Down Using SBA Financing and Occupy ±19,000 Square Feet at an Effective Rent of ±$0.85 Per Square Foot Per Month

$176.55 Per Square Foot, Approximately 19% Below Market Average and Well Below Replacement Cost

Less Than a Half-Mile From the 1.2 Million Square Foot Galleria at Tyler, Immediately Off of the 91 Freeway Exit/Entrance

Owner-User Opportunity

- **As Little as 10% Down (±$512,000) With SBA Financing.** The Owner-User Would Occupy ±66% of the Building, Well Above SBA's 51% Owner-Occupancy Requirement
- **Effective Rent of ±$0.85 Per Square Foot Per Month** on ±19,000 Square Feet Once Shoeteria's $180,000 Annual NNN Rent Is Applied to Debt Service (90% LTV, 6.50% Interest, 25-Year Amortization)
- Suite A Is Vacant and Suites B & C Can Be Delivered Vacant, Giving a User **±19,000 Contiguous Square Feet** Without Waiting Out Lease Terms
- Shoeteria's Lease Is **Corporate-Guaranteed by Work World**, a Private Equity-Sponsored Workwear Platform With 38 Locations Across California, Nevada, and Washington
- Investors Can Lease the Space at Market Instead, **Supporting a 6.67% Pro Forma Cap Rate**

Magnolia Avenue Position Basics

- Immediately Off of the 91 Freeway Exit/Entrance **(280,000 Cars Per Day)**, With Magnolia Avenue Carrying **±32,000** Vehicles Per Day
- Less Than a Half-Mile From the Galleria at Tyler, a **±1.2 Million Square Foot** Regional Mall With Roughly 170 Stores, Macy's, JCPenney, AMC Theatres, Furniture City, and **±5,700 Parking Spaces**
- **±29,000 Square Feet of Improvements on ±1.10 Acres** of Fee Simple Land in a Fully Built-Out Corridor, a Land Position That Provides Long-Term Optionality







INVESTMENT OVERVIEW

Tenant Spotlight

Shoeteria

Shoeteria is the largest specialty supplier of work boots and work gear in Southern California, operating within the essential workwear and safety footwear retail sector. With seven retail locations and a fleet of mobile "Shoe Mobile" trucks throughout the greater Los Angeles and Inland Empire regions, Shoeteria serves a consistent base of union workers, tradespeople, and industrial employers.

The company's focus on necessity-based products, including safety-toe footwear, work apparel, high-visibility gear, and personal protective equipment, positions Shoeteria within a demand-driven retail segment tied to employment and workplace compliance requirements.

Founded in 1949 as a single retail store in Norwalk, California, Shoeteria has operated continuously for over 75 years. In 2025, the company was acquired by Work World, the largest specialty workwear retailer in the Western United States. Shoeteria continues to operate under its own brand name as a subsidiary.

Founded	**1949**
# of Locations	**7**
Headquarters	**Commerce, CA**
Parent Company	**Work Work (38 Locations)**



Representative Photo

Company Growth

Shoeteria operates seven retail locations across Southern California: Anaheim, Commerce, Garden Grove, Gardena, La Puente, Norwalk, and Riverside. A mobile truck service extends the company's reach by bringing the store directly to jobsites and employers.

Through its acquisition by Work World, Shoeteria now operates as part of a broader retail platform with over 38 locations across California, Nevada, and Washington. Work World is backed by Gart Capital Partners, a Denver-based private equity firm. Shoeteria also maintains a dedicated e-commerce platform and an Industrial Accounts program providing businesses with voucher programs, safety footwear programs, and head-to-toe outfitting services.

Website	**shoeteria.com**

Why Choose Shoeteria?

For commercial real estate investors, Shoeteria represents a long-established, necessity-based specialty retailer with over 75 years of continuous operations in Southern California. The company's focus on work boots, safety footwear, and workwear positions it within a resilient retail segment driven by employment activity and workplace safety compliance rather than discretionary spending. Backed by Work World's scale and distribution platform, Shoeteria maintains a competitive position as Southern California's largest specialty workwear supplier with consistent operations, an active commercial accounts program, and a loyal customer base across the trades and industrial workforce.



Representative Photo

INVESTMENT OVERVIEW

Aerial Photo



INVESTMENT OVERVIEW

Close-Up Aerial Photo



FINANCIAL ANALYSIS

Offering Summary

Property Name	Shoeteria & Shops
Property Address	10015 Magnolia Avenue Riverside, CA 92503
Assessor's Parcel Number	145-271-020
Current Occupancy	83%
Year Built	1979
Gross Leasable Area (GLA)	±29,000 Square Feet
Lot Size	±1.10 AC (±47,916 Square Feet)

Pricing

Price	$5,120,000
Cap Rate	4.60%
Cap Rate - Pro Forma	6.67%
Price/SF	$176.55

Current income reflects Shoeteria and Rat Hole Records (month-to-month) in place, with Suite A vacant. Pro forma reflects Suite A and Suites B & C leased at the pro forma rents shown on the rent roll. For the owner-user scenario, see the Owner-User Analysis on the following page.

Annualized Operating Data	Current	Pro Forma
Gross Potential Rent	$300,000	$423,000
Expense Reimbursements	$34,051	$35,748
Gross Potential Income	$334,051	$458,748
Vacancy Allowance (% of GPI)	0.00% / $0	3.00% / $13,762
Effective Gross Income	$334,051	$444,985
Net Operating Income	**$235,303**	**$341,317**

Expenses	Current	Pro Forma
Property Tax (1.22297%)	$62,959	$62,959
Tax Special Assessments	$289	$289
Insurance	$13,000	$13,000
CAM-Service Contracts	$10,500	$10,500
Property Management	$12,000	$16,920
Total Expenses	**$98,748**	**$103,668**
Expenses/SF	$3.41	$3.57

FINANCIAL ANALYSIS

Owner-User Scenario

Owner-User Premises	Suites A and B & C (Contiguous)
Owner-User Square Feet	±19,000 Square Feet (±66% of GLA)
Remaining Tenant	Shoeteria, ±10,000 Square Feet, NNN
Shoeteria Base Rent	$15,000/Month ($180,000/Year)
Shoeteria Lease Expiration	07/31/2032, Plus Two, Five-Year Options
Shoeteria Rent Increases	Annually, Beginning August 2027

Loan Assumptions

Purchase Price	$5,120,000
Loan-to-Value (LTV)	90% (SBA Financing, Owner-Occupied)
Loan Amount	$4,608,000
Down Payment (10%)	$512,000
Interest Rate	6.50%
Amortization	25 Years
Monthly Loan Payment	$31,114
Annual Debt Service	**$373,363**

Net Payment Analysis

	Annual	Monthly	$/SF/Mo
Net Payment (Debt Service Offset by Shoeteria Rent)			
Annual Debt Service	$373,363	$31,114	$1.64
Less: Shoeteria Base Rent (NNN)	($180,000)	($15,000)	($0.79)
Net Payment (Effective Rent)	**$193,363**	**$16,114**	**$0.85**
Net Occupancy Cost (All-In Cost to Occupy)			
Net Payment	$193,363	$16,114	$0.85
Plus: Expenses Not Reimbursed	$64,697	$5,391	$0.28
Net Occupancy Cost	**$258,060**	**$21,505**	**$1.13**
Equity Build (Year 1)			
Less: Year 1 Principal Paydown	($76,083)	($6,340)	($0.33)
Occupancy Cost Net of Paydown	$181,977	$15,165	$0.80

Owner-User Expenses

	Annual	Monthly	$/SF/Mo
Property Tax (1.22967%)	$62,959	$5,247	$0.28
Tax Special Assessments	$289	$24	$0.00
Insurance	$13,000	$1,083	$0.06
CAM-Service Contracts	$10,500	$875	$0.05
Property Management (4% of GPR)	$12,000	$1,000	$0.05
Total Expenses	$98,748	$8,229	$0.43
Less: Shoeteria Reimbursements	($34,051)	($2,838)	($0.15)
Operating Expenses Not Reimbursed	**$64,697**	**$5,391**	**$0.28**

10% Down

±$512,000 Down Payment With SBA Financing, Available to an Owner-User Occupying 51% or More of the Building

$0.85 /SF/Mo

Effective Rent on ±19,000 Square Feet Once Shoeteria's NNN Rent Is Applied to Debt Service

$76,083

Year 1 Principal Paydown, Building Equity in the Property Instead of Paying Rent to a Landlord

Assumes the owner-user occupies vacant Suite A and Suites B & C, which can be delivered vacant. Loan terms are illustrative only. SBA financing requires owner occupancy of at least 51% of the building and is subject to borrower qualification and lender and SBA approval. Net Payment is annual debt service less Shoeteria base rent. Net Occupancy Cost is Net Payment plus operating expenses not reimbursed by Shoeteria (total expenses less Shoeteria's NNN reimbursements, including a 4% management fee on current gross potential rent). Figures are Year 1 and exclude Shoeteria's scheduled rent increases, opportunity cost on the down payment, depreciation, and income tax effects. All $/SF figures are based on the owner-user's ±19,000 square feet.

FINANCIAL ANALYSIS

Rent Roll - October 2026

Suite	Tenant Name	GLA	% of GLA	Expires	Current Monthly Rent	Current Rent/SF/Mo	Lease Type	Increases	Options	Pro Forma Lease Type	Pro Forma Rent/SF
10015	Shoeteria	10,000	34.48%	07/31/2032	$15,000.00	$1.50	NNN	Fixed per Lease	Two, Five-Year @3.5% Annual (Option 1) Option 2 @FMV	NNN	$1.50
A	Vacant (Owner-User)	5,000	17.24%	-	-	-	-	-	-	MG	$1.25
B & C	Rat Hole Records	14,000	48.28%	MTM	$10,000.00	$0.71	MG	None	None	MG	$1.00
# of Tenants: 2	Total Available: 5,000 SF Total Occupied: 24,000 SF			Monthly: $25,000 Annual: $300,000		Average: $1.04/SF					



MARKET OVERVIEW

Riverside-San Bernardino-Ontario MSA

The Riverside-San Bernardino-Ontario MSA remains one of Southern California's largest population centers, reaching approximately 4.77 million residents in 2025. The region continues to benefit from household formation and population growth, while its employment base spans healthcare, education, government, logistics, manufacturing, construction, and consumer services. This scale supports a broad retail customer base that is less dependent on a single employment sector.

Inland Empire retail fundamentals remained relatively balanced through Q2 2026. Regional retail vacancy was approximately 6.2%, while year-to-date net absorption totaled roughly 621,000 square feet. Leasing activity continues across grocery, discount, service, fitness, and other necessity-oriented categories, while the region's expanding residential base and extensive logistics economy support both consumer spending and daytime employment.

Within Riverside, the Subject Property is positioned in the established Magnolia Avenue and Tyler Street retail corridor across from Galleria at Tyler. The surrounding trade area includes approximately 258,293 residents within five miles, with 2025 median household income of $94,010 and average household income of $110,032. Nearby SR-91 carried approximately 228,000 vehicles per day on adjacent segments in 2022, providing the corridor with substantial regional exposure and connectivity to Orange County and the broader Inland Empire.

Additional demand is generated by California Baptist University, which reached a record 12,516 students in Fall 2025, as well as Riverside County government operations, regional shopping destinations, entertainment venues, and commuter infrastructure. For private investors evaluating multi-tenant retail, the location combines a large consumer base, high freeway traffic, established retail concentration, and access to major institutional and employment centers.





Demographics

Income & Economics	1-Mile	3-Mile	5-Mile
Average Household Income	$79,021	$102,292	$110,032
Average Household Retail Expenditure	$79,991	$88,049	$90,847
2025 Daytime Population	26,695	126,118	228,891
Population			
2030 Population	21,303	144,787	262,490
2025 Population	20,918	142,572	258,293
2020 Population	20,298	140,414	245,566
Households			
2030 Households	6,665	42,525	79,519
2025 Households	6,521	41,811	78,149
2010 Households	6,245	40,446	75,538

Nearby Attractions **Proximity to Subject Property



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