TEMECULA SHOPPING COURT

OLD TOWN FRONT STREET, TEMECULA

OFFERING MEMORANDUM

CENTENNIAL ADVISERS

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PROPERTY OVERVIEW AND LOCATION DETAILS

Property Address	28860 Old Town Front Street, Temecula, CA 92590
Property Type	Neighborhood Center
Zoning	CC, SC
Year Built	1987/1988/2000
Total Building SF	31,172 SF
GLA	30,539 SF
Lot Size	92,783 SF / 2.13 AC
Suites	18
Tenants	6
Grade Level Doors	14
Parking	78 Surface Spaces (2.6 / 1000 SF)
Zoning	C1/CP

LOCATION INFORMATION

City, State, Zip	Temecula, California 92590
Market	Riverside County, CA

AREA OVERVIEW

Nearest Airport	Temecula (8.6 mi.) / Murrieta Airport (TNP)/ San Diego International Airport (SAN) (59.1 mi.)
Nearest Fire Service	Temecula Fire Department (0.7 m)
Nearest Police Service	Temecula Police Department (9.4 m)
Highways	I-15, CA-79, CA-371
Traffic Count	Old Town Front Street: 14,750 AADT

$6,300,000

PRICE

EXECUTIVE SUMMARY

31,172 SF

BUILDING SIZE

This stabilized multi-tenant retail property offers a unique value-add opportunity in the heart of Temecula's historic district. With prime exposure on Old Town Front Street, it benefits from high traffic visibility and easy access to both local visitors and regional commuters via Interstate 15.

$202.10

PRICE/SF

The property features 30,539 SF of rentable space and a diverse tenant mix, currently generating $43,864 per month in rental income. Despite stable cash flow, rents are below market, providing immediate upside potential through strategic lease management.

5.30%

CAP RATE

A significant value creation opportunity exists as approximately 25% of the building's leases are set to expire by the end of 2026. This turnover allows a buyer to capture market rents and transition tenants to NNN lease terms, which could substantially boost cash flow without requiring major capital improvements.

7.85%

NNN CAP RATE

28860 Old Town Front Street is an attractive acquisition for investors seeking stable in-place cash flow and future growth through market rent adjustments. This asset offers a compelling opportunity in one of Southern California's most sought-after retail submarkets.

2.13 AC

LOT SIZE

2000/1987

YEAR BUILT

PROPERTY HIGHLIGHTS

BELOW-MARKET IN-PLACE RENTS

Current leases are structured on a modified gross basis, with electricity as the only recaptured expense. Average in-place rents are approximately 25% below market, offering an immediate opportunity to increase rental income upon lease rollover.

CLEAR PATH TO EXPENSE RECOVERY

Ownership currently absorbs CAM, taxes, and insurance, creating a significant opportunity for future expense recovery. Once leases roll over, future agreements can be structured as NNN or MG + CAM, enabling full recovery of operating costs and boosting NOI.

NEAR-TERM ROLLOVER OPPORTUNITY

Approximately 25% of the building's leases are set to expire by the end of 2026, presenting an excellent opportunity for lease restructuring. Buyers can re-tenant or renegotiate leases at market rates, enhancing property cash flow and value.

NOI GROWTH POTENTIAL

The primary path to value creation comes from lease restructuring and expense pass-through, not speculative rent growth or capital-intensive improvements. This provides a low-risk strategy for generating long-term returns without relying on new development or construction.

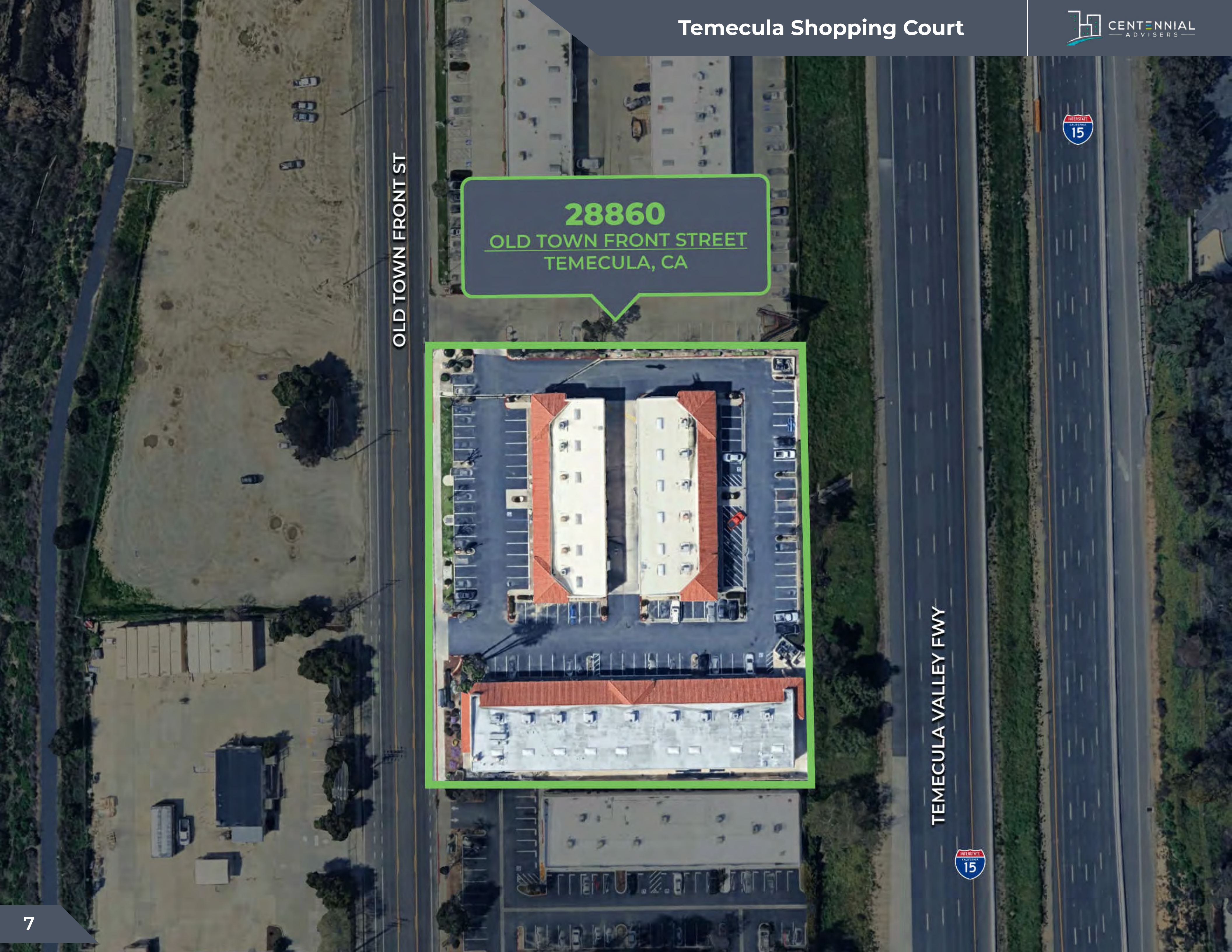
STABLE CASH FLOW WITH UPSIDE

The property provides stable cash flow through in-place tenants while offering contract-driven upside through natural lease expirations. This offers a strong foundation for income generation with clear opportunities for improvement upon lease rollover.

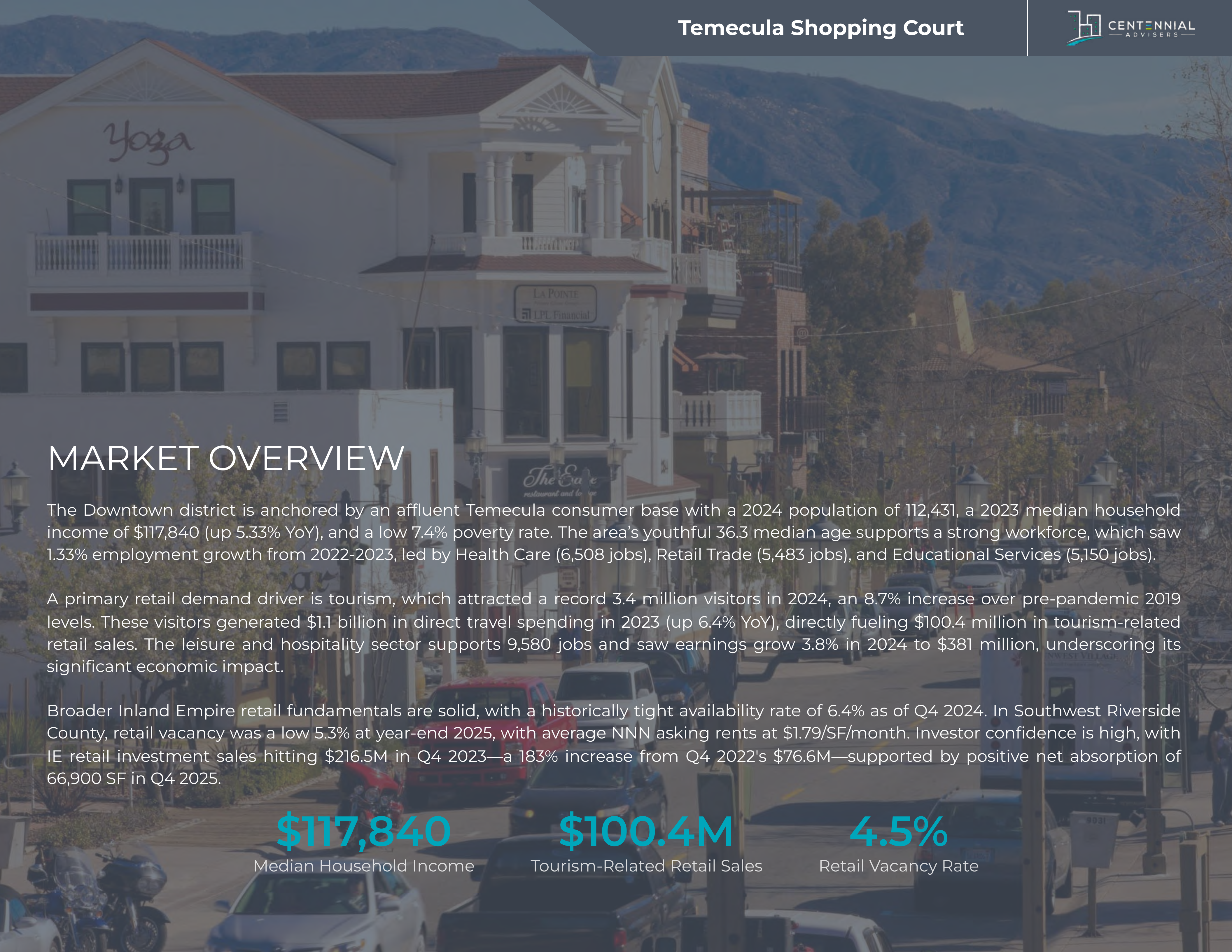
PRIME LOCATION

Located on Old Town Front Street, the property enjoys prime exposure in the heart of Temecula's retail and entertainment district. Surrounded by boutiques, restaurants, and breweries, it attracts significant local and tourist foot traffic, enhancing its appeal for retail tenants.


Old Town Temecula 0.8mi
STONE CHURCH BREWING
1909
STAMPEDE
WEST COAST'S LARGEST COUNTRY MUSIC VENUE
BOTTEGA ITALIA
Landeros
Havana Kitchen
ARCO
AMC THEATRES
CVS pharmacy
ups
VONS
Michaels
Old Town Front Street 14,750 VPD
INTERSTATE CALIFORNIA 15
CALIFORNIA 79
165,103 VPD


28860
OLD TOWN FRONT STREET
TEMECULA, CA
OLD TOWN FRONT ST
TEMECULA VALLEY FWY
15
15

PHOTOS



MARKET OVERVIEW

The Downtown district is anchored by an affluent Temecula consumer base with a 2024 population of 112,431, a 2023 median household income of $117,840 (up 5.33% YoY), and a low 7.4% poverty rate. The area’s youthful 36.3 median age supports a strong workforce, which saw 1.33% employment growth from 2022-2023, led by Health Care (6,508 jobs), Retail Trade (5,483 jobs), and Educational Services (5,150 jobs).

A primary retail demand driver is tourism, which attracted a record 3.4 million visitors in 2024, an 8.7% increase over pre-pandemic 2019 levels. These visitors generated $1.1 billion in direct travel spending in 2023 (up 6.4% YoY), directly fueling $100.4 million in tourism-related retail sales. The leisure and hospitality sector supports 9,580 jobs and saw earnings grow 3.8% in 2024 to $381 million, underscoring its significant economic impact.

Broader Inland Empire retail fundamentals are solid, with a historically tight availability rate of 6.4% as of Q4 2024. In Southwest Riverside County, retail vacancy was a low 5.3% at year-end 2025, with average NNN asking rents at $1.79/SF/month. Investor confidence is high, with IE retail investment sales hitting $216.5M in Q4 2023—a 183% increase from Q4 2022's $76.6M—supported by positive net absorption of 66,900 SF in Q4 2025.

$117,840
Median Household Income

$100.4M
Tourism-Related Retail Sales

4.5%
Retail Vacancy Rate

AMENITIES MAP

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