

**DESERT SUN INVESTMENT
PROPOSAL 2024**

1533 N CHAPARRAL RD, PALM SPRINGS, CA 92262

DISCLAIMER:

This is neither an offer to sell nor a solicitation of an offer to buy the securities described herein. An offering may only be made by O2 a Private Placement Memorandum, to which this Investment summary is attached as an exhibit. You should read the Private Placement Memorandum (including each of its Exhibits) in their entirety in order to fully understand all of the implications and risks of the offering of securities to which it relates. An investment in the Property should be made only after careful review of the Private Placement Memorandum. This Investment Summary includes forecasts, projections, and other predictive statements based on assumptions and expectations made by the manager in light of currently available information, historical property performance, industry trends, market conditions, and information provided by the seller. The Property's actual performance may differ from these projections based on factors outside of the Manager's control. Moreover, past performance is no guarantee of future results; therefore, no guarantee is presented or implied as to the accuracy of specific forecasts, projections, or predictive statements contained herein. This investment is considered a 506(c) which is only available for accredited investors.

OVERVIEW

The Desert Sun Resort is a 33-room resort sitting on 1.67 acres of manicured grounds, featuring two large pools, jacuzzi, bar/café (seats 50), lighted tennis court, spa (two-room), gift shop, two fire pits, loggia, green event lawns, and water features.

- Operates with experienced staff of 20 FTEs and over 17-year absentee owner
- 22 hotel rooms renovated in 2020; 11 courtyard rooms renovated 2016; 5 suites with kitchenettes
- 192 solar panels installed in 2016 (owned)
- Full liquor license



\$6,290,000

HIGHLIGHTS

EXPANSION

Incredible grounds with opportunity for expansion.

HIGH TRAFFIC AREA

Within walking distance of local retail stores, shopping plazas, restaurants, bars, and plenty of nightlife in a revitalized Downtown Palm Springs.

TURN KEY PROPERTY

Highly rated with great historical occupancy and produces significant cash-flow. Room Renovations in 2016 and 2020. 11 courtyard rooms completed, and 170 full paid for solar panels installed in 2016. Still needs an update from nude to non-nude.

VALUE-ADD OPPORTUNITY

With a full liquor license and a restaurant on-site, a new operator has significant alternative cash-flow opportunities independent of room revenue, which is highly sought after and rarely available in a large specialty property like this.

PARKING

Ample parking along two sides of the property, rarely available to hospitality properties within this proximity to Downtown.



DOWNTOWN PALM SPRINGS

ARRIVE HOTEL

MARGARITAVILLE

THE DESERT SUN

INDIAN ROAD



THE FIRM
CAPITAL GROUP

TENNIS / PICKLE
BALL COURT

TOWER 22 ROOMS

FRONT DESK

GIFT SHOP

CAFE / BAR

PROPERTY FACTS

- 33 rooms (31 guestrooms, 2 suites)
- Lot size: 1.67 acres - 77,745 SF
- Building size: 22,000+SF
- 2 pools; 1 jacuzzi; tennis court
- Café/bar, spa, gift shop, fitness
- Manicured lawns
- 43 parking spaces
- 192 owned solar panels
- Zoning R-3

COURTYARD 11-ROOMS

JACUZZI

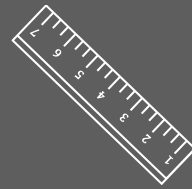
SPA

HOUSE KEEPING

PROPERTY HIGHLIGHTS:



PURCHASE PRICE
\$6,290,000



LOT SIZE
1.67 AC
72,745 SF



ZONING:
R3



TOTAL KEYS:
33



BUILDING SIZE
22,000+ SF



ARV
\$12,000,000

****EXPANSION OPPORTUNITY:** THE DESERT SUN IS IS SITUATED IN A PRIME LOCATION NEAR OTHER MAJOR HOTELS, SURROUNDED BY 90 CONDO UNITS ORIGINALLY DEVELOPED IN CONJUNCTION WITH THE HOTEL, THE CONDO HOA ALLOWS FOR NUDITY WHICH HAS KEPT THE PRICES LOW. THERE IS A MASSIVE OPPORTUNITY TO PURCHASE THESE CONDOS, AND ADD THEM TO THE HOTEL INVENTORY, AND POTENTIALLY TURN OUR 33-KEY HOTEL INTO A 120+-KEY HOTEL.

PROPERTY OVERVIEW

1533 N Chaparral Rd,
Palm Springs, CA 92262

EXECUTIVE SUMMARY

The Firm Brokerage is pleased to present an exciting opportunity to own this 33 room clothing optional hotel in the heart of Palm Springs proper! 22 hotel rooms were extensively renovated in 2020 and 11 courtyard rooms completed in 2016, along with 170 solar panels that are 100% paid for.

This resort comes complete with a Spa, Cafe, Tennis Courts, Fire pits, Gift Shop, and an onsite restaurant/ bar with a full liquor license. With additional options for increased revenue whether the property is kept clothing optional or it is converted to a traditional hotel.

DesertSun Resort is the ultimate escape—not just a change of scenery, but a whole different way of relaxing for people unsatisfied with the ordinary and wanting an experience they can take home after their vacation ends. Step in and earn cash flow immediately with this highly sought after and centrally located Palm Springs hotel.

ROOM DESCRIPTIONS

CHAPARRAL KING/DOUBLE (22)



THE CHAPARRAL HOTEL ROOMS ARE THE NEWEST ROOMS ON OUR PROPERTY AND OFFER A KING/2 DOUBLE BED AND ARE LOCATED NEXT TO THE VOLLEYBALL POOL WITH BREATHTAKING VIEWS OF THE MOUNTAINS.

ENJOY THE CONVENIENCE OF BEING NEAR THE CAFÉ AND FRONT DESK. SITTING AREAS ARE LOCATED JUST OUTSIDE THE ROOMS. ALL HOTEL ROOMS OFFER A MINI REFRIGERATOR, FLAT-SCREEN TV, HAIR DRYER, AND SAFE. 260 SF



COURTYARD KING (2)

ENJOY A STAY IN THE ONE-STORY KING COURTYARD WITH A KING BED; AN AUTHENTIC PALM SPRINGS FEEL AND GORGEOUS VIEWS OF THE MOUNTAINS. ITS CLASSIC MID-CENTURY MODERN DESIGN CREATES THE FEELING OF DELIGHTFUL SECLUSION BUT ONLY STEPS AWAY FROM THE COURTYARD POOL AND SPA.

WE'VE EMBRACED THE ORIGINAL MID-CENTURY ARCHITECTURE AND BALANCED THE DESIGN WITH MODERN FURNISHINGS COUPLED WITH TOUCHES OF OLD HOLLYWOOD. 285 SF. ROOM AMENITIES INCLUDE A SMALL REFRIGERATOR, MICROWAVE, FLAT-SCREEN TV, HAIR DRYER, AND SAFE.



ROOM DESCRIPTIONS

COURTYARD STANDARD (4)



ENJOY A STAY IN THE ONE-STORY COURTYARD KING SUITE WITH A KING BED; AN AUTHENTIC PALM SPRINGS FEEL AND GORGEOUS VIEWS OF THE MOUNTAINS. ITS CLASSIC MID-CENTURY MODERN DESIGN CREATES THE FEELING OF DELIGHTFUL SECLUSION BUT ONLY STEPS AWAY FROM THE COURTYARD POOL AND SPA.

WE'VE EMBRACED THE ORIGINAL MID-CENTURY ARCHITECTURE AND BALANCED THE DESIGN WITH MODERN FURNISHINGS COUPLED WITH TOUCHES OF OLD HOLLYWOOD. ROOM 5 HAS A KITCHENETTE AND ROOM 11 HAS A PRIVATE PATIO AREA. ROOM AMENITIES INCLUDE MEDIUM SIZE REFRIGERATOR, MICROWAVE, WET BAR, FLAT-SCREEN TV, HAIR DRYER, AND SAFE.



COURTYARD KING SUITE (2)

ENJOY A KING BED WITH AN AUTHENTIC PALM SPRINGS FEEL AND GORGEOUS VIEWS OF THE MOUNTAINS. ITS CLASSIC MID-CENTURY MODERN DESIGN CREATES THE FEELING OF DELIGHTFUL SECLUSION BUT ONLY STEPS AWAY FROM THE COURTYARD POOL AND SPA

WE'VE EMBRACED THE ORIGINAL MID-CENTURY ARCHITECTURE AND BALANCED THE DESIGN WITH MODERN FURNISHINGS COUPLED WITH TOUCHES OF OLD HOLLYWOOD. THE DELUXE KING SUITE OFFERS QUIET LUXURY WITH VAULTED CEILINGS, FRENCH DOORS TO A PRIVATE SITTING AREA, AND A SEPARATE KITCHENETTE WITH A SITTING AREA, AND IS LOCATED STEPS AWAY FROM THE VOLLEY BALL POOL. 575 SF ROOM AMENITIES INCLUDE MEDIUM SIZE REFRIGERATOR, MICROWAVE, KITCHEN SINK, FLAT-SCREEN TV, HAIR DRYER, AND SAFE.



ROOM DESCRIPTIONS

COURTYARD QUEEN (2)



ENJOY A STAY IN THE ONE-STORY QUEEN COURTYARD WITH A QUEEN BED; AN AUTHENTIC PALM SPRINGS FEEL AND GORGEOUS VIEWS OF THE MOUNTAINS. ITS CLASSIC MID-CENTURY MODERN DESIGN CREATES THE FEELING OF DELIGHTFUL SECLUSION BUT ONLY STEPS AWAY FROM THE COURTYARD POOL AND SPA.

WE'VE EMBRACED THE ORIGINAL MID-CENTURY ARCHITECTURE AND BALANCED THE DESIGN WITH MODERN FURNISHINGS COUPLED WITH TOUCHES OF OLD HOLLYWOOD. 240 SF. ROOM AMENITIES INCLUDE A SMALL REFRIGERATOR, MICROWAVE, WET BAR, FLAT SCREEN TV, HAIR DRYER, AND SAFE

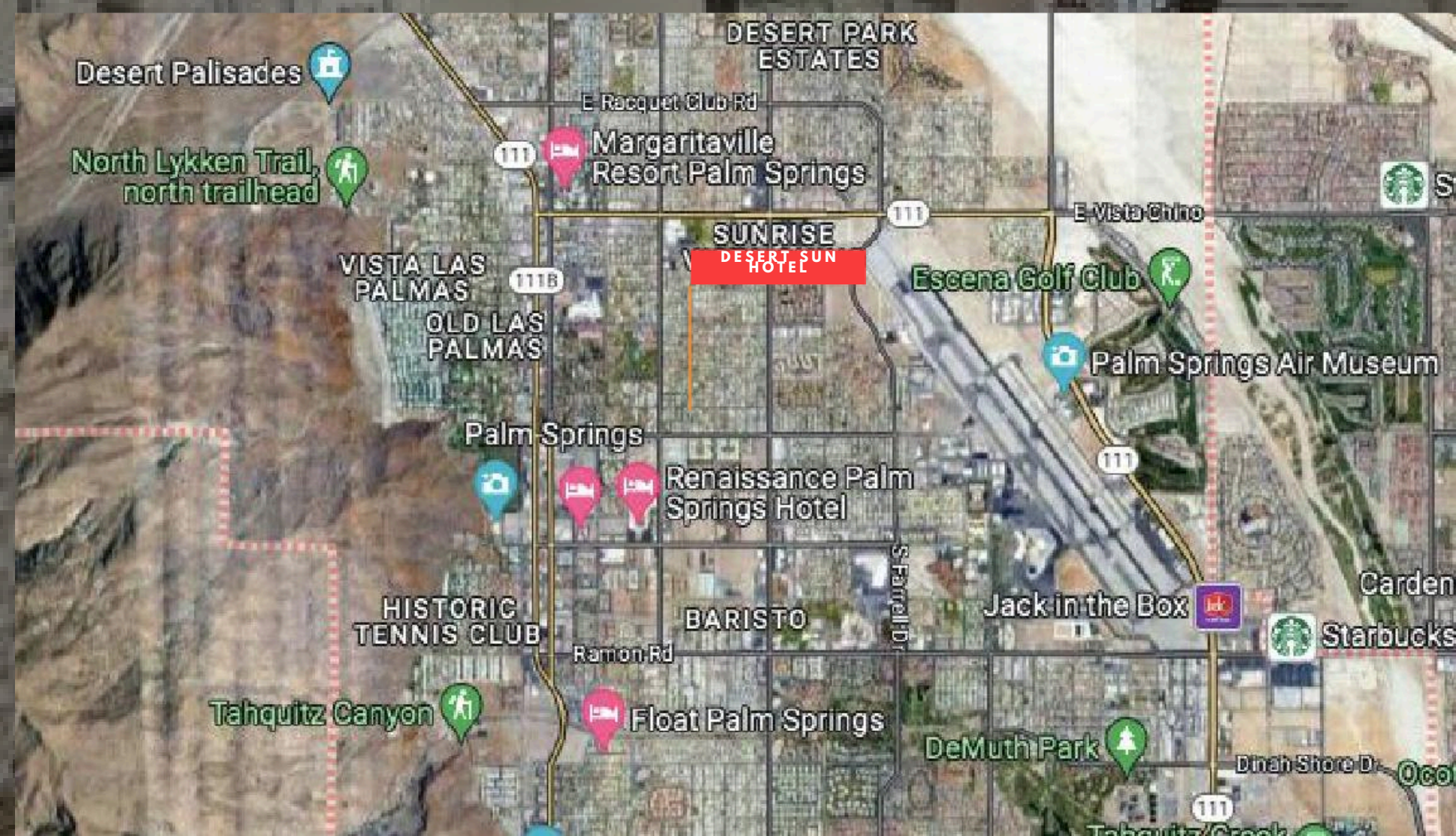
COURTYARD DOUBLE QUEEN (2)

ENJOY A STAY IN THE ONE-STORY COURTYARD DOUBLE WITH TWO QUEEN BEDS; AN AUTHENTIC PALM SPRINGS FEEL AND GORGEOUS VIEWS OF THE MOUNTAINS. ITS CLASSIC MID-CENTURY MODERN DESIGN CREATES THE FEELING OF DELIGHTFUL SECLUSION BUT ONLY STEPS AWAY FROM THE COURTYARD POOL AND SPA.

WE'VE EMBRACED THE ORIGINAL MID-CENTURY ARCHITECTURE AND BALANCED THE DESIGN WITH MODERN FURNISHINGS COUPLED WITH TOUCHES OF OLD HOLLYWOOD. 240 SF. ROOM AMENITIES INCLUDE A SMALL REFRIGERATOR, MICROWAVE, WET BAR, FLAT SCREEN TV, HAIR DRYER, AND SAFE



**PALM SPRINGS REGIONAL
VICINITY MAP / AERIAL VIEW**





OFFERING MEMORANDUM

1533 N Chaparral Rd,
Palm Springs, CA 92262

LEARN MORE

Visit our website to learn more about how we can be your ideal partner in finding a commercial real estate

www.firmcompanies.com

CONTACT



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