

Sagewater
Hotel & Mineral Springs



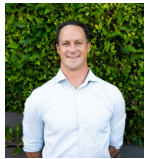
**8-UNIT BOUTIQUE HOTEL & HOT MINERAL SPRING WELL
OPPORTUNITY TO PURCHASE 5 ADJACENT VACANT LOTS
EXCEPTIONAL, ONE-OF-A-KIND ASSET WITH SIGNIFICANT DEVELOPMENT UPSIDE**

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CONTACT INFORMATION



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PROPERTY OVERVIEW

Sagewater Hotel and Springs is a **5-star rated wellness retreat** on **Google** and the **#1 ranked hotel on TripAdvisor in Desert Hot Springs—California’s renowned Spa City**. This **award-winning mid-century modern boutique hotel**, originally built in 1957, has been thoughtfully renovated to honor its **iconic design**. Sagewater is **one of the last remaining mid-century modern hotels in the area, prime for development**, with the opportunity to acquire **five surrounding vacant lots Zoned Visitor Commercial** that offer a rare opportunity to expand into a larger wellness destination.

Eight guest rooms plus Office and Laundry Room surround the **geothermal pool**, offering sweeping desert and **San Jacinto Mountain views**, with **in-room kitchens and refined amenities**. One of the rooms is currently operated as a **highly successful on-site spa** which has **validated strong demand for expansion of additional wellness rooms on vacant lots**.

At the heart of the property is a rare **~150° geothermal mineral water well**, supplying a **87° mineral pool and 104° spa renowned for their therapeutic benefits**. Set atop **Miracle Hill**, the hotel enjoys **panoramic views across the Coachella Valley** and is **proximal to Greater Palm Springs, Palm Springs International Airport, and Joshua Tree National Park**.

Exceptional, one-of-a-kind asset with significant development upside.

Website: <https://www.sagewatersprings.com/>



PROPERTY OVERVIEW

On-Site Wellness Amenity: Samata Spa

The property features **Samata Spa**, a **thoughtfully curated wellness offering** that enhances both **guest experience** and **long-term value**. Located directly on-site, the spa provides a range of **professional bodywork** and **holistic services** delivered by **experienced practitioners**, supporting **relaxation, recovery, and overall well-being**.

Spa offerings include relaxing and **therapeutic massage** modalities, energy work, **reflexology**, and **European-style facials**, along with access to the property's **natural thermal mineral hot springs**. Guests booking spa services enjoy dedicated time in the warm mineral water pools, encouraging **longer stays** and **higher guest satisfaction**.

In addition to spa treatments, the property offers **day-use access** to its mineral pools, **expanding revenue potential** beyond overnight guests and appealing to **wellness-focused visitors** and locals alike. This on-site spa presence positions the property as a destination for **wellness retreats, extended stays, and experiential hospitality**—an increasingly **in-demand segment** within the **desert and resort markets**.



SECTION 1
PROPERTY OVERVIEW

Street Address	12689 Eliseo Rd
City	Desert Hot Springs
State	CA
Zip Code	92240
APN	642-111-021
Square Feet	3,500 Sq. Ft.
Lot Size	8,712 Sq Ft. (0.2 acres)
Year Built	1957

Number of Guest Rooms	8 (1 room used as Spa room)
Other Rooms	Office + Laundry 1
Number of Stories	1
Water	Well + County
Electric	Wood-frame Stucco
Construction Roof	Flat & Pitched
Parking	7 On-Site Spaces

Zoning	Visitor Serving Commercial (VSC)
Additional Surrounding Lots Available	5 Vacant Lots
Vacant Lot Size	~50,000 Sq Ft. (1.15 Acres)
Financing	Cash, New Loan, SBA



12689 ELISEO RD, DESERT HOT SPRINGS, CA 92240

SECTION 2
FINANCIAL ASSESSMENT

Listing Price:
\$1,650,000

Price	\$1,650,000
Price per Room	\$206,250
Price per Square Foot	\$471

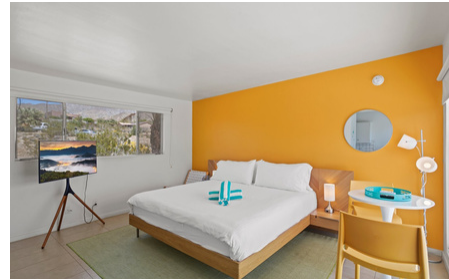
	CURRENT
Cap Rate	5.8%
GRM	9.7
Net Operating Income	\$95,183



SECTION 2
FINANCIAL ASSESSMENT

INCOME	CURRENT
Gross Income	\$170,800
Operating Expenses	\$75,617
Net Operating Income	\$95,183

EXPENSES	CURRENT
Property Taxes	\$21,875
Insurance	\$7,200
Utilities (Gas/Electric/Water/Trash)	\$9,664
Pool Service	\$7,800
Cleaners	\$9,600
IT Services/Management (Web/POS)	\$5,027
Cleaning Supplies	\$1,800
Occupancy Tax	\$12,651
Total Operating Expenses	\$75,617



DEVELOPMENT OPPORTUNITIES

Development & Value-Add Opportunity

Sagewater is one of the last remaining mid-century modern boutique hotels in **Desert Hot Springs** with **significant development upside**, with the **opportunity** to purchase **five adjacent Visitor Commercial zoned vacant lots** that allow for **expansion** while preserving **privacy** and **view corridors**. This **scarcity**, combined with **zoning flexibility**, creates a **highly defensible long-term asset**.

The 5 additional lots are not included in the purchase price of \$1,650,000. The seller is asking \$39,000 to \$45,000 for each additional lot.

The property's existing **geothermal mineral well** is a **core infrastructure advantage** and can be **efficiently scaled to support additional revenue-generating water amenities**, including **expanded pools, private soaking tubs, spa facilities, and dedicated wellness rooms—without the complexity of sourcing new water rights**.



SECTION 3 DEVELOPMENT OPPORTUNITIES

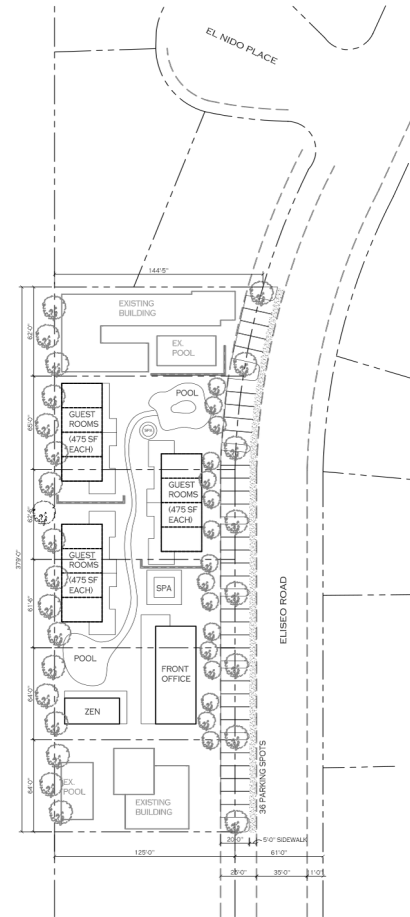
General Development Standards:

- Zoning is **Visitor Serving Commercial (VSC)**
- Residential: **1 Home Plus 1 ADU per lot**
- Condo/Townhome: **15 Units per acre**
- Hotel: **No room count limit**

General Development Standards:

- Setbacks: **15 ft front and back / 5 ft on sides**
- Lot coverage **50%** / Total floor area (FAR) **100%**
- Hotel parking requirements: **1.1 spots for each room, 1 spot for each 50 sq ft of interior common space** i.e. Lobby
- **2 spots for onsite manager** – if applicable.

*Note: these are ideas and estimates that new buyer should vet with their own due diligence with Desert Hot Springs Planning Department @ 760.329.6411.



DEVELOPMENT OPPORTUNITIES

Development Options:

- Secondary/Expansion Hotel: 30-40 additional rooms
- Single Family Homes: A 3/2 home with guest house on each lot to be marketed on AirBnB as well as all commercial platforms with a total of 10 individual structures to rent for \$400-800/night
- Wellness Center: Massage services, cold plunge, sauna, and private hot spring mineral baths
- Restaurant: Health conscious restaurant catering to the public and allowing fast room service Future Financial Potential: -46.9% cash on cash return
- Expansion Opportunity: 28 additional suites, providing a total of 36 total suites!



SECTION 3 DEVELOPMENT OPPORTUNITIES



6 PARCELS AVAILABLE:

1. 642-111-021
2. 642-111-020
3. 642-111-022
4. 642-121-022
5. 642-121-021
6. 642-121-020

1.15+ ACRES



LOCATION OVERVIEW

Desert Hot Springs, California

Desert Hot Springs is internationally recognized for its natural hot mineral springs and long-standing wellness culture. Home to geothermal mineral water sources, the city has become a premier destination for spa resorts, wellness retreats, and holistic health experiences.

Ideally located within the Coachella Valley, Desert Hot Springs sits just minutes from Greater Palm Springs and Palm Springs International Airport, offering convenient regional and national access while maintaining a tranquil, resort-oriented setting. The city is framed by the San Jacinto and San Bernardino Mountains, providing dramatic desert scenery and year-round outdoor recreation.

Visitors enjoy close proximity to Joshua Tree National Park, the Coachella Valley Preserve, championship golf courses, and signature cultural events, including the annual Desert Hot Springs Spa Tour and Cabot's Pueblo Museum Festival, which celebrates the heritage of the local Cahuilla Indians.



<https://www.cityofdhs.org/5-reasons-why-desert-hot-springs-is-one-of-the-best-places-in-southern-california/>

SECTION 4
LOCATION OVERVIEW



THE GEOTHERMAL WELL WATER

The Water: Exceptional Quality, Naturally Renewed

Sagewater's value is anchored by its exceptional thermal mineral water, sourced from a ~150°F **geothermal well located on Miracle Hill**, widely regarded as home to some of the **hottest** and **most mineral-rich waters** in Desert Hot Springs.

The mineral pool and spa operate on a **rare free-flow system**, meaning the **water is not recirculated or reused**. Instead, **fresh mineral water continuously enters the pool and naturally flows out to refresh the aquifer**. This process results in **clearer, cleaner, and fresher water** while preserving its **natural mineral composition**, including **sulfate, calcium, magnesium, and trace elements** commonly associated with **relaxation and wellness experiences**.

This combination of high mineral content, continuous renewal, and elevated Miracle Hill location creates a water experience that is **extremely difficult to replicate today** and **represents one of Sagewater's most valuable and enduring assets**.



MINERAL WATER INFORMATION & BENEFITS

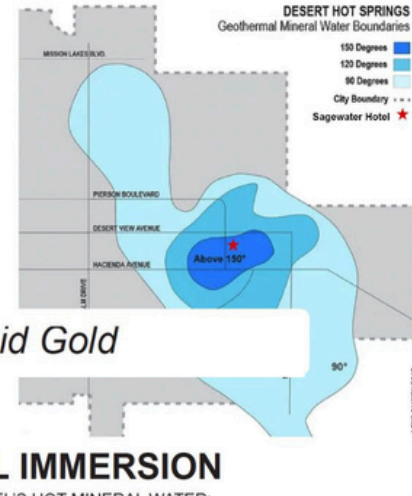


Like Liquid Gold

MINERAL IMMERSION

SAGEWATER HOTEL'S HOT MINERAL WATER:

Mineral bathing helps nurture well-being, including stimulation of the immune system and production of endorphins. It also helps joint pain, arthritis, depression, migraines and exhaustion. Mineral springs contain high amounts of negative ions, which can help promote physical and psychological wellness.



MINERAL WATER INFORMATION & BENEFITS



THERMAL WATER ANALYSIS

Mineral: Bicarbonate

Benefits: In Europe, spa-goers drink bicarbonate-rich water to heal ulcers, colitis and other gastric disorders. Soaking in bicarbonate stimulates circulation, possibly and moderate atherosclerosis (although Altman cautions that anyone with a heart or circulatory disease should consult a doctor before taking a bicarbonate bath).

Mineral: Calcium

Benefits: In addition to building strong bones and teeth, calcium helps the liver, muscles and heart to function properly.

Mineral: Magnesium

Benefits: Essential for healthy functioning of the nerves, muscles and heart, magnesium helps regulate the body's production of protein and energy.

Mineral: Sodium Chloride

Benefits: Found in high concentrations at the Dead Sea, sodium chloride may help treat arthritis, central nervous system diseases and orthopedic disorders.

Mineral: Sulfur (our mineral water is odorless)

Benefits: Inhaling the vapors of sulfur-rich water soothes the mucus membranes, helping to get rid of colds and treat respiratory troubles. Sulfur can also improve skin conditions, including eczema and dermatitis.

THE WATER

165°







Mineral Waters at the Heart of the Experience

At the centre of the destination's wellness identity is **Desert Hot Springs**, home to one of the highest concentrations of naturally occurring hot mineral springs in the world. Among its most celebrated areas is Miracle Hill, where underground waters journey from the snow-fed peaks of **Mount San Gorgonio** through fault lines before resurfacing as silky, odourless hot springs rich in calcium, magnesium, lithium and silica.

These rare geological conditions have shaped a spa culture unlike anywhere else in California, and they take centre stage during the **Miracle Hill Spa Tour and Wellness Weekend**, scheduled for late January and early February 2026. The event invites travellers to explore boutique spa properties, engage with wellness practitioners and experience mineral-water soaking under desert skies. Organisers have indicated that the weekend has expanded in recent years to reflect growing interest in immersive, educational wellness travel.

PRESS






PRESS



COACHELLA MAGAZINE

 by CM · March 7, 2026

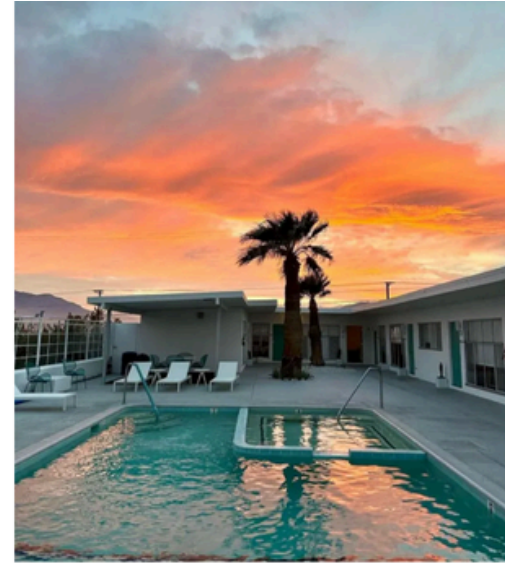
By Jorge Perezchica

Just minutes from Palm Springs, the mineral-rich waters of [Miracle Hill](#) in Desert Hot Springs offer festivalgoers the perfect place to reset, recharge, and experience the desert's legendary hot springs.

Festival season in the desert brings unforgettable music, fashion, and energy to the Coachella Valley—but after long days of dancing under the sun, even the most dedicated festivalgoers need a moment to recharge. The mineral spas of Miracle Hill provide the perfect place to relax, reset, and restore.

Whether you're in town for the iconic [Coachella Valley Music and Arts Festival](#) or the country celebration of [Stagecoach Festival](#), this peaceful hillside destination offers a tranquil escape just a short drive away.

Each property has its own personality, aesthetic, vibe, and amenities, so whether you're looking for a boutique retreat or a full-service spa resort, there's a perfect fit for every kind of visitor.



A Natural Desert Treasure

Miracle Hill sits atop one of the region's most remarkable natural resources: a geothermal aquifer that supplies crystal-clear, naturally hot and cold mineral spring water. This underground source has made Desert Hot Springs famous worldwide for its restorative spa culture.

Across the hillside, visitors will find 20 unique spa resorts and more than 85 mineral pools, each drawing luxurious mineral water directly from the aquifer beneath the earth. Every resort offers its own atmosphere—from peaceful boutique retreats to larger spa resorts—giving visitors a variety of ways to experience the healing waters.

Google & TripAdvisor Reviews

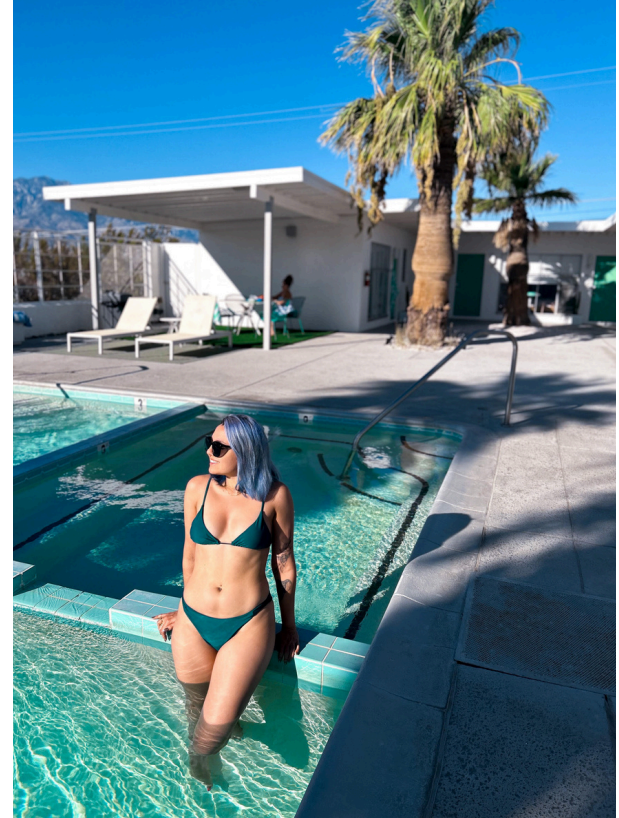
- **"Paradise on earth. The simplicity and beauty of this place is just outstanding. Perfect place to relax, unwind, and recharge."** (Sept. 2025)
- **"The mineral water pools at night are divine. We had a couples massage at the on-site spa and it was honestly one of the best massages I've ever had!"** (January 2025)
- **"Beautiful setting and so relaxing. My room was super comfy and the pool and hot tub were fantastic!"** (March 2025)
- **"I love that there is a kitchenette. It is so nice to be able to cook breakfast."** (March 2025)
- **"We stayed at SageWater for four days last fall, and I'm still dreaming about it! I left feeling more relaxed than I had in a long, long time."** (Sept. 2025)
- **"I LOVED it here. Hands down the cleanest hotel I've ever been at. Housekeeping deserves an award! The water was healing and felt amazing."** (June 2025)



SECTION 6 RECENT REVIEWS

Google & TripAdvisor Reviews

- “This place is **awesome. cosy , intimate, subtly decadent.**” (Jan. 2020)
- “The property is very **carefully maintained** to preserve the **mid century charm.**” (Feb. 2022)
- “This was my **first time staying** here and it **definitely won't be the last!**” (Sep. 2022)
- “**Great value** and feel it **reasonably priced** for the **solitude seeker.**” (Dec. 2022)
- “I just got home from a **three-night girls trip** to Sagewater. It was the **most relaxed I have felt in 5+ years** and the water is the **most beautiful water** I've ever been in ever.” (Nov. 2024)



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