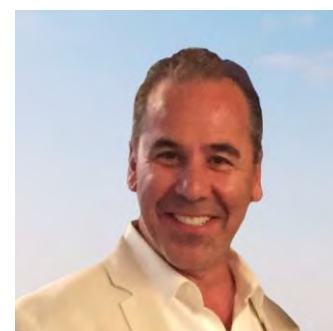




OFFERING MEMORANDUM

Exclusive Off Market Listing Boutique Hotel



Lucent Real Estate, Inc (CalBRE Corp ID # 01908229)

(Paul Kurdian)

Paul@LucentRealEstate.com

310-291-1680 (Call/Text)

Dear Investor,

Presenting a unique Hotel & Real Estate (including a Type 70 Liquor License) investment opportunity that holds potential for an immediate upside and long-term value.

The Inn at Palm Springs is a 22-room hotel located in the heart of Palm Springs, offering a range of strategic initiatives to enhance revenue streams and operational efficiency.

Immediate Value-Add & Upside Opportunities:

Room Expansion: Increase revenue by adding four more rooms online. The current financials are based on 18 room occupancy, providing a clear avenue for growth. (total of 22 revenue generating rooms)

Optimizing Type 70 Liquor License: Leverage the Liquor License more effectively by opening the “Breezeway Bar” and *stocking fridges in every room.*

Day Pool Passes and Poolside Liquor Service: Introduce day pool passes and poolside liquor service to attract a broader clientele and capitalize on the leisure market.

Full Hotel Buyouts & Private Events: Advertise for *complete hotel takeovers* (weddings, private parties, special events).

Mini-Bars in Each Room: Enhance guest convenience and *generate additional income* by introducing mini-bars in each room.

Breezeway Bar Opening: Establish a Breezeway Bar with strategic operating hours, creating a vibrant space for guests and *increasing on-site spending.*

Investment Appeal

Real Estate Inclusion: The acquisition encompasses the underlying real estate, poised to appreciate in value over time.

Contactless Operation: The property is configured for an easy transition to a contactless operation, with existing privacy and gated features, providing cost-saving benefits

Tourism Bureau Improvement Fund Opportunities: New investors/owners can explore borrowing options from the City of Palm Springs TBID fund for specific remodels, easing financial considerations for improvements.

Compliance and Licensing: All business licenses and regulatory requirements, including fire inspections, pool permits, etc., are current, ensuring a seamless transition.

Financial Viability: Comprehensive financials and a market value appraisal are available, affirming the soundness of this investment proposition. The existing infrastructure coupled with the untapped potential provides a compelling picture of long-term financial gain.

We Believe this investment opportunity aligns with a vast number of real Estate and Positive Cash Flow portfolio objectives and presents a compelling prospect for immediate and sustained returns.

Conclusion:

Investing in The Inn In Palm Springs is not just a strategic business move; it's an opportunity to partake in the cultural heartbeat of a city revered by the world. This offering memorandum encapsulates the essence of a property poised for greatness, awaiting the vision and expertise of astute investors like yourself.



**2525 North Palm Canyon Drive
Palm Springs, CA**




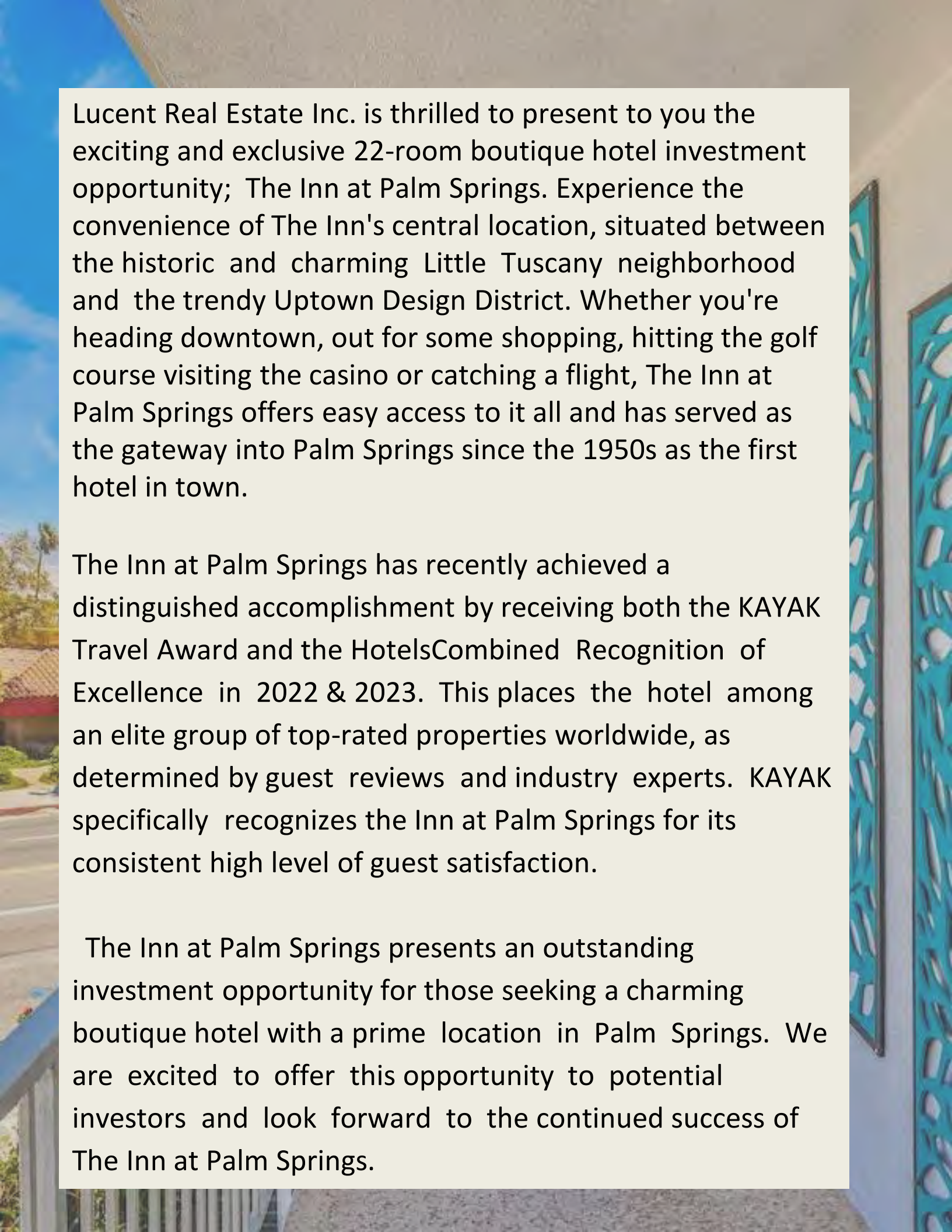


TABLE OF CONTENTS

- 1 Executive Summary**
- 2 Property Overview**
- 3 Investment Highlights**
- 4 Hotel Strategic Location, Property Details, Licenses & Awards**
- 5 Market Overview, Economic Drivers and Data**



Lucent Real Estate Inc. is thrilled to present to you the exciting and exclusive 22-room boutique hotel investment opportunity; The Inn at Palm Springs. Experience the convenience of The Inn's central location, situated between the historic and charming Little Tuscany neighborhood and the trendy Uptown Design District. Whether you're heading downtown, out for some shopping, hitting the golf course visiting the casino or catching a flight, The Inn at Palm Springs offers easy access to it all and has served as the gateway into Palm Springs since the 1950s as the first hotel in town.

The Inn at Palm Springs has recently achieved a distinguished accomplishment by receiving both the KAYAK Travel Award and the HotelsCombined Recognition of Excellence in 2022 & 2023. This places the hotel among an elite group of top-rated properties worldwide, as determined by guest reviews and industry experts. KAYAK specifically recognizes the Inn at Palm Springs for its consistent high level of guest satisfaction.

The Inn at Palm Springs presents an outstanding investment opportunity for those seeking a charming boutique hotel with a prime location in Palm Springs. We are excited to offer this opportunity to potential investors and look forward to the continued success of The Inn at Palm Springs.

Property Overview



22-ROOM BOUTIQUE HOTEL*

Sale Type: Investment (Fee Simple Absolute)

APN: 504-073-001

YEAR BUILT: 1960

PROPERTY TYPE: HOSPITALITY

SUBTYPE: HOTEL

OF BUILDINGS: 1

Continuous U-Shaped Building Around the Pool

OF FLOORS: 2

BUILDING SIZE: 8,700 Sq Feet

Lot Size: 22,651 sq feet / .52 Acres

Parking: 22 Parking Spots includes 1 ADA

Zoning: C1

(Not on Leased Land)

**INCLUDES TYPE 70 FULL
LIQUOR LICENSE**

PRICING GUIDANCE

\$5.5 – \$5.8 MILLION

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INVESTMENT HIGHLIGHTS

TYPE 70 FULL LIQUOR LICENSE

22 Rooms | 25 Bathrooms | 2 Kitchens

CURRENT OPERATIONS

- ◆ **18 Guest Rooms**

(Other rooms currently used for on-site management, fitness center, staff quarters, housekeeping/laundry, and additional storage).

- ◆ **Price Per Key: \$250,000**

- ◆ Industry Leading Integrated Hospitality/Hotel Software Systems and Platforms
- ◆ Positive Cash Flow
- ◆ Pass Through Bar
- ◆ Accommodates Up to 56 Guests*
- ◆ EV Charging On-Site
- ◆ Stash Partner Hotel
- ◆ Room Configurations:
 - 8 Double Doubles
 - 6 Kings
 - 4 Queens
- ◆ Dog Friendly
- ◆ Pool: Permitted
- ◆ Fee Simple Land
- ◆ 1500 sqft Basement

* At current operation of 18 rooms

*VALUE ADD OPPORTUNITIES

- ◆ Increase Operating Capacity to 22 Rooms*
- ◆ On-Site Food & Beverage/Pass Thru Breezeway Bar
(Type 70 License Included in Sale)
- ◆ Repurpose Rooftop Space*
- ◆ Fully Gated & Private - Easily Suitable for Contactless Management and Self Check-In.
- ◆ Renovations/Upgrades
- ◆ Hotel Buy-Outs & Events

* We have not verified and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. These are used for example only.

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STRATEGIC LOCATION MAP





**Fully Gated & Private
Easily Suitable for Contactless Management
and Self Check-In**



HOTEL LOBBY



**Industry Leading Integrated
Hospitality/Hotel Software Systems and
Platform**



SUITES





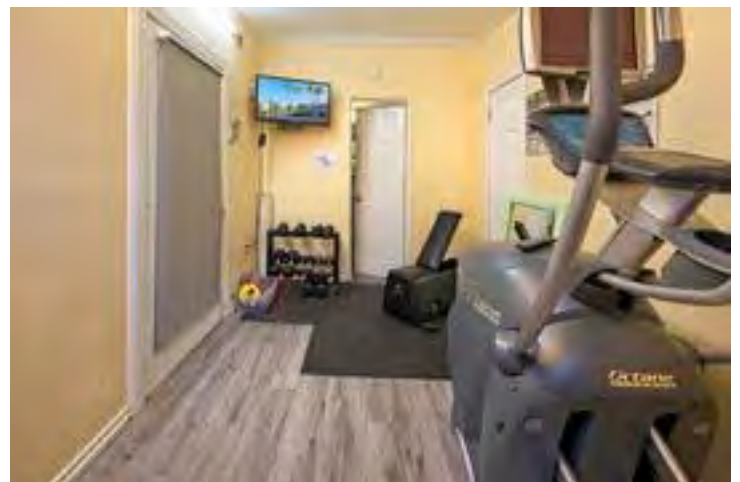
SUITES





HEATED POOL





TYPE 70 FULL LIQUOR LICENSE



PASS THRU BREEZEWAY BAR



Awarded to **Inn at Palm Springs**

Booking.com

Traveller Review Awards 2023

9

out of 10



100%
6 Month Score

92%
Lifetime Score



MARKET OVERVIEW

Palm Springs is a popular vacation and desert resort destination located in the Sonoran Desert of Southern California. The city is known for its hot springs, golf courses, spas, warm weather, scenic mountain views and abundance of outdoor activities.

The real estate market in Palm Springs is currently experiencing high demand, with limited inventory and rising prices. The vacation rental market is also strong, with many visitors looking for a place to relax and enjoy the warm weather. Additionally, recent trends show that the demand for Palm Springs real estate has increased as many people are looking for second homes or vacation properties in more rural or vacation-like areas. The COVID pandemic has also driven many people to seek out properties in Palm Springs as they look for more space and a change of scenery.

2022 Economic Impact of Tourism in Greater Palm Springs

(April 2023 Lates Data)

ECONOMIC IMPACTS KEY FINDINGS

DIRECT VISITOR SPENDING

Visitors to Greater Palm Springs spent \$7.1 billion in 2022, an increase of 26% over the prior year. Visitor volumes increased 10% as strong room demand bolstered the overnight market. Visitor spending reached 120% of 2019 levels, with visitor volumes nearly even with pre-pandemic levels.

TOTAL VISITORS

Greater Palm Springs welcomed 14.1 million visitors in 2022, including 7.5 million day visitors and 6.6 overnight visitors.



14.1 MILLION

Total Visitors to Greater Palm Springs in 2022

TOTAL ECONOMIC IMPACT

The direct visitor spending impact of \$7.1 billion generated a total economic impact of \$8.7 billion in Greater Palm Springs in 2022 including indirect and induced impacts. This total economic impact sustained more than 49,000 jobs and generated \$812 million in state and local tax revenues in 2022.



\$8.7 BILLION

Total Economic Impact of Tourism in Greater Palm Springs in 2022

SUMMARY ECONOMIC IMPACTS



\$8.7B

Total Economic Impact



\$1.8B

Total Income



49,137

Total Jobs Generated



\$812M

State & Local Taxes Generated



VISITS & VISITOR SPENDING

Greater Palm Springs saw visits reach pre-pandemic levels, and visitor spending surpass them as the region fully recovered in 2022. Visitor volumes reached 14.1 million, with spending registering an all time high of \$7.1 billion.

VISITOR VOLUME

Recovered in 2022

Reduced health risks from the COVID-19 pandemic coupled with Greater Palm Springs' many outdoor amenities brought visitor volumes back to 2019 levels. An increase of 1.3 million visitors over the prior year, visitor volume growth registered 10.4% year-over-year.

Greater Palm Springs visitation
Amounts in millions



Source: Tourism Economics

VISITOR SPENDING

\$7.1 BILLION
Total Visitor Spending in 2022

Visitors to Greater Palm Springs spent \$7.1 billion across a range of sectors in 2022

Visitor spending expanded 26% in 2022, surpassing 2019 levels by nearly 20%.

Of the \$7.1 billion spent in Greater Palm Springs in 2022, lodging, including hotels, short-term rentals, and the value of second homes, accounted for 31% of total visitor spending. Food and beverage contributed \$1.8 billion in sales—about 25% of total visitor spending.

Visitors spent 20% of their total budget on retail purchases, 13% on recreation, and 11% on transportation, including both transportation within the destination as well as air transportation.



Greater Palm Springs Visitor Spending
Amounts in \$ billions



Source: Tourism Economics

Source: Tourism Economics

Note: Lodging spending is calculated as an industry and includes casino revenue and second homes spending. Transport includes both air and local transportation.

PALM SPRINGS SIGNATURE EVENTS



COACHELLA VALLEY
MUSIC & ARTS
FESTIVAL



STAGECOACH
COUNTRY MUSIC
FESTIVAL



JOSHUA TREE MUSIC
FESTIVAL



THE AMERICAN
EXPRESS GOLF
TOURNAMENT



MODERNISM WEEK



PALM SPRINGS
INTERNATIONAL
FILM FESTIVAL



BNP PARIBAS OPEN



GREATER PALM
SPRINGS PRIDE



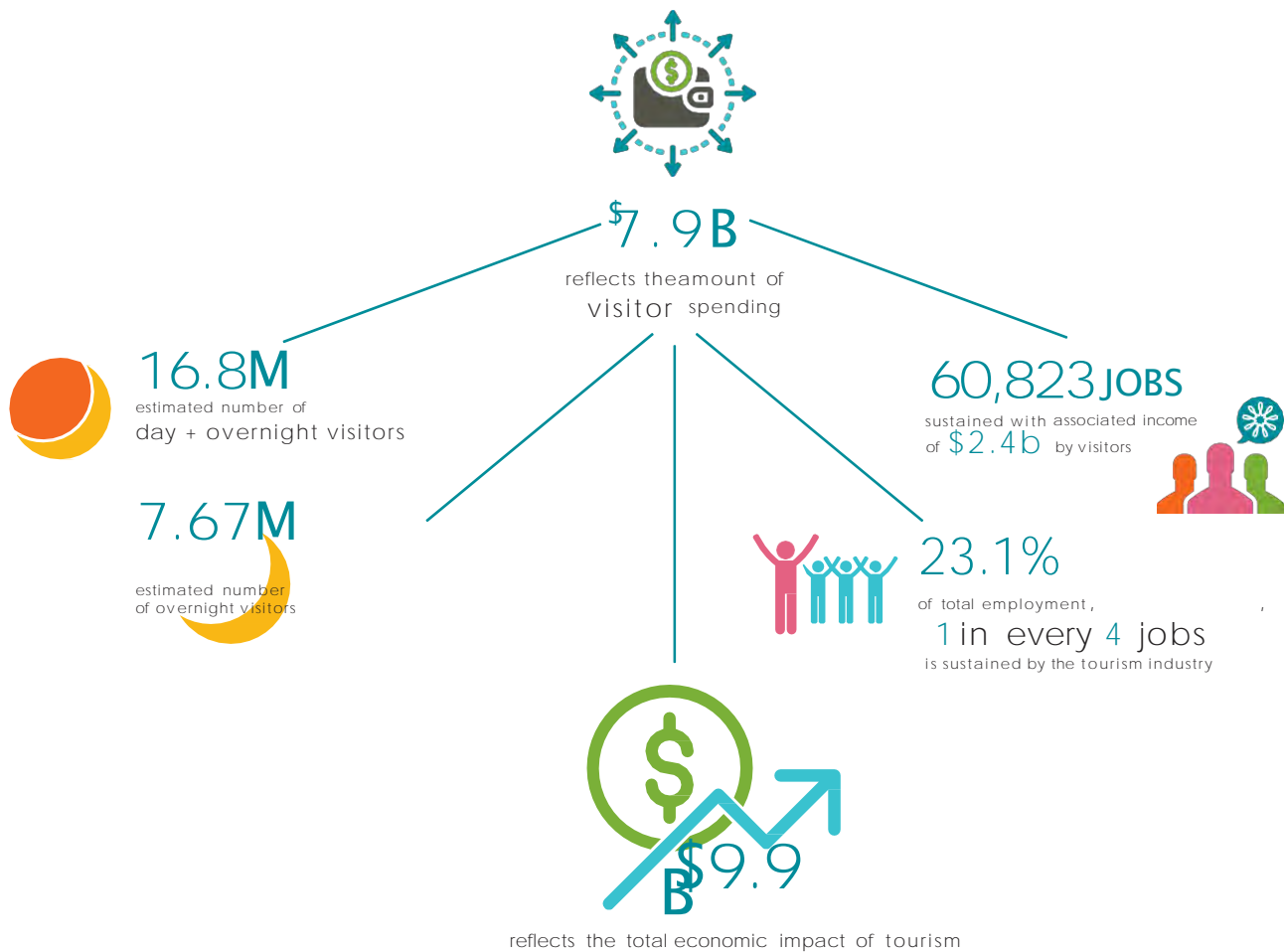
SPLASH HOUSE

16million 2026

OUR GOAL IS TO REACH 16M VISITORS BY 2026.

Tourism has grown into a \$7 billion annual economic engine in Greater Palm Springs. With the valley's collective commitment, we can achieve our long-term goal of welcoming 16.8 million annual visitors by 2026 while positioning the region for a successful and sustainable future.

HERE'S THE ECONOMIC IMPACT OF OUR LOCAL TOURISM ECONOMY IF WE REACH THAT GOAL.



\$853.8M
in state and local taxes will be generated by tourism

\$655.7M
in additional federal taxes will also be generated



\$4,327

annual amount each household would need to pay to maintain the current level of governmental services in the absence of state and local taxes generated by tourism

Disclaimer

This offering memorandum has been prepared solely for informational purposes. The information, opinions and suggestions are provided by the seller, or other sources and is not verified in any way by Lucent Real Estate Inc. (LREI). LREI has no knowledge of the accuracy of the information provided and makes no representation, promise, or warranty, express, or implied, as to the accuracy or completeness of any such information. Purchaser shall be responsible to make an independent verification of said information prior to entering into an agreement to purchase any business or real estate. Interested Parties agree to indemnify and hold LREI and its agents harmless for any claims or damages which may occur by reason of the inaccuracy or incompleteness of any information provided to them with respect to any business they might purchase.

Any interested or engaged party is urged to verify all information and to conduct their own inspections and investigations including through appropriate third party independent professionals selected by such party. All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. LREI makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions. All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. Materials and information from any source, whether written or verbal, that may be furnished for review are not a substitute for a party's active conduct of its own due diligence to determine these and other matters of significance to such party.

All properties and services are marketed by LREI in compliance with all applicable fair housing and equal opportunity laws.

Listing Broker (Paul Kurdian) is a Principal of Inn at Palm Springs.