

Offering Memorandum

February, 2026

For Sale - Two Boutique Palm Springs Hotels

2300 N Palm Canyon

20 Suites

~~\$3,750,000~~ **\$3,490,000**

\$187,500 \$174,500 per Room

2330 N Palm Canyon

21 Suites + 4 Apartment Units

~~\$5,500,000~~ **\$4,999,000**

\$220,000 \$199,960 per Unit



Exclusive Broker

MAXIM
HOTEL BROKERAGE

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Mykonos Desert Suites

2300 N Palm Canyon Dr Palm Springs, CA 92262

- ▶ 20 All-Suite Rooms
- ▶ Attractive \$187,500 per-room pricing
- ▶ Corner Location, Convenient Parking
- ▶ Fee Simple, 0.41± acre Site
- ▶ Unencumbered by Management
- ▶ No Food and Beverage
- ▶ Reduced to \$3,490,000 (\$175k/room)

2330 N Palm Canyon Dr Palm Springs, CA 92262

- ▶ 21 All-Suite Rooms, plus 4 Apartments
- ▶ Includes Restaurant/Lounge and Apartments
- ▶ Potential for Full-Service Restaurant and Lounge
- ▶ Liquor License
- ▶ Fee Simple, 1.24± acre Site
- ▶ Unencumbered by Management
- ▶ Reduced to \$4,999,000 (\$199k/room)

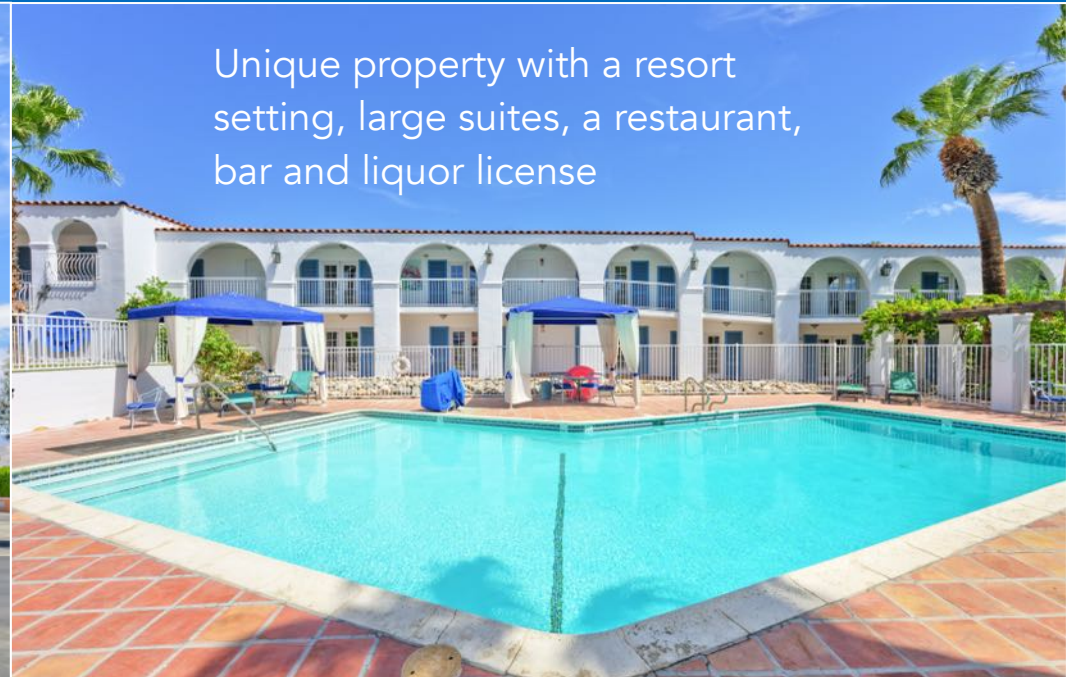
2330 N Palm Canyon

2300 N Palm Canyon

North Palm Springs Location,
North of Uptown Design District

2300 N Palm Canyon





Unique property with a resort setting, large suites, a restaurant, bar and liquor license



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EXCLUSIVE AGENT

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Maxim Hotel Brokerage, Inc. is pleased to present an exclusive listing on **Mykonos Suites Hotel**. Well located within a cluster of boutique hotels in the northern portion of Palm Springs, both hotels comprising Mykonos Suites are among the first hotels encountered along Highway 111 by travelers from Los Angeles and Orange County. The location at the north end of the Uptown Design District is proximate to numerous spectacular restaurants and retail stores. Palm Springs is within two hours drive of Southern California's 22-million-person population base. The hotels have been minimally operated since converting from timeshare to hotel and clearing any timeshare related clouds from title. A new entrepreneurial owner can operate and position each hotel among Palm Springs' extraordinary boutique hotel market.

OVERVIEW

Mykonos Desert Suites is comprised of a full-service and a limited-service boutique hotel, each poised to compete within the boutique segment in the Palm Springs market. Please consider the following highlights:

- ▶ **Large Units** - Formerly timeshare units sold in the 1980s and 1990s, units are large and feature living areas, kitchenettes and bedrooms. Average size is 456 square feet.
- ▶ **Available Individually** - Two separate sites with unique APNs.
- ▶ **Reasonable Basis; Upside Value Potential** - Many Palm Springs boutique hotels have sold in the \$300k per room range to more than \$1 million per room. These hotels are being offered with attractive basis, particularly considering the apartments and restaurant/lounge.
- ▶ **Restaurant and Lounge / Liquor License** - 2330 N Palm Canyon features a restaurant and lounge space fronting N Palm Canyon that is currently non-operational. A liquor license remains active and kitchen equipment is in place.

- ▶ **Four Apartment Units** - 2330 N Palm Canyon includes four apartment units towards the back of the lot. Those units are suitable for staff housing or serviced short term rental units.
- ▶ **Well Maintained Property** - The hotel has operated at a minimal level under stewardship of a family trust for the past several years since the passing of the family patriarch in 2020. Despite its limited current operation, ownership has maintained the physical plant and mechanical systems.
- ▶ **Fee Simple Site** - Unlike many other hotels in the Palm Springs market, Mykonos Desert Suites offers fee simple ownership. Many of the other hotels in Palm Springs are subject to land leases that are overseen by Bureau of Indian Affairs.



VALUE ENHANCEMENT OPPORTUNITIES

- ▶ **Position into Boutique Hotel Market** - Annual Revenue per Available Room (RevPAR) for hotels in Palm Springs that are similar to Mykonos Desert Suites was ±\$150 for trailing 12 months ending May, 2025. Applying this RevPAR to the hotels' combined 45 rooms results in Room Revenue of \$2.5 million annually.
- ▶ **Renovate to Higher Standard** - Leverage the large suite size, renovate to a consistent theme and standard and tie in food and beverage. The large suite size can be a significant competitive advantage of other boutique hotels, which often have smaller mid-century designed living spaces and bathrooms.
- ▶ **Establish Food and Beverage** - Most top boutique Palm Springs hotels offer a food and beverage venue, often a destination for locals or tourists as well as for capture of in-house guests and group or catering functions.
- ▶ **Flexible Sellout Configuration** - The adjacent configuration of the two properties offers flexibility for selling out one side for private functions while the other side remains open for transient business. Each side has its distinct amenities, including a pool.



PROPERTY OVERVIEW

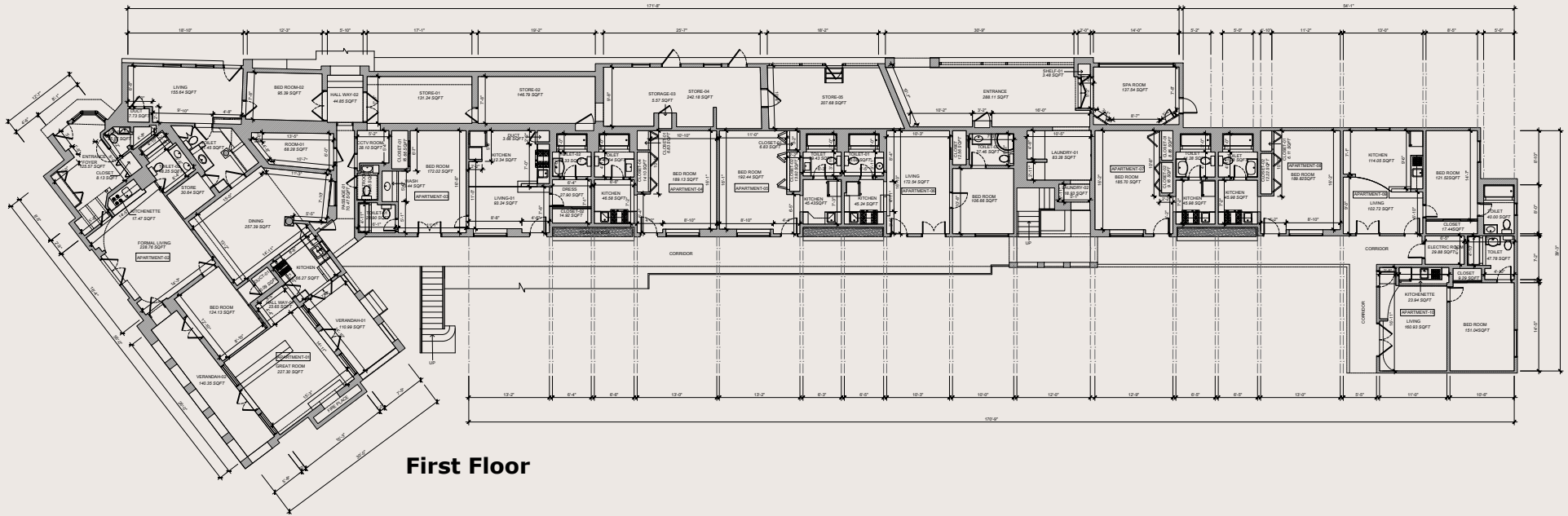
Mykonos Desert Suites is comprised of two, all-suite boutique hotels along Highway 111 (northeast corner of N. Palm Canyon Drive and W Via Olivera) in the northern section of Palm Springs, California. Originally built in 1955/1956 as mid-century modern properties, the two properties located at 2300 N Palm Canyon and 2330 N Palm Canyon were later refashioned under a Greek theme, assembled by current ownership in the 1980s and sold as timeshare under a timeshare regime. Any title issues related to prior timeshare sales have been cleared and the hotel now has clean, marketable title. The hotels offer 45 large units within two two-story, wood-frame C-shaped structures and a four-unit free standing single-story apartment structure on the back side of the site. Amenities include two swimming pools, hot tub (2300 N Palm Canyon), restaurant and bar (2330 N Palm Canyon) landscaped courtyards, mini-golf putting green with complimentary clubs, multiple cabanas, and views of the San Jacinto Mountains. Guestrooms are in eight types and are relatively large, averaging 456 square feet across both properties (detailed dimensions can be found on the following pages).

Current ownership has maintained the property, spending money on mechanical, electrical and plumbing needs and minor cosmetic upgrades. The last renovation was in the late 1990s / early 2000 at an estimated cost of \$1.5 million. A fire at the 2330 building in 2009 resulted in new electrical with centralized control.

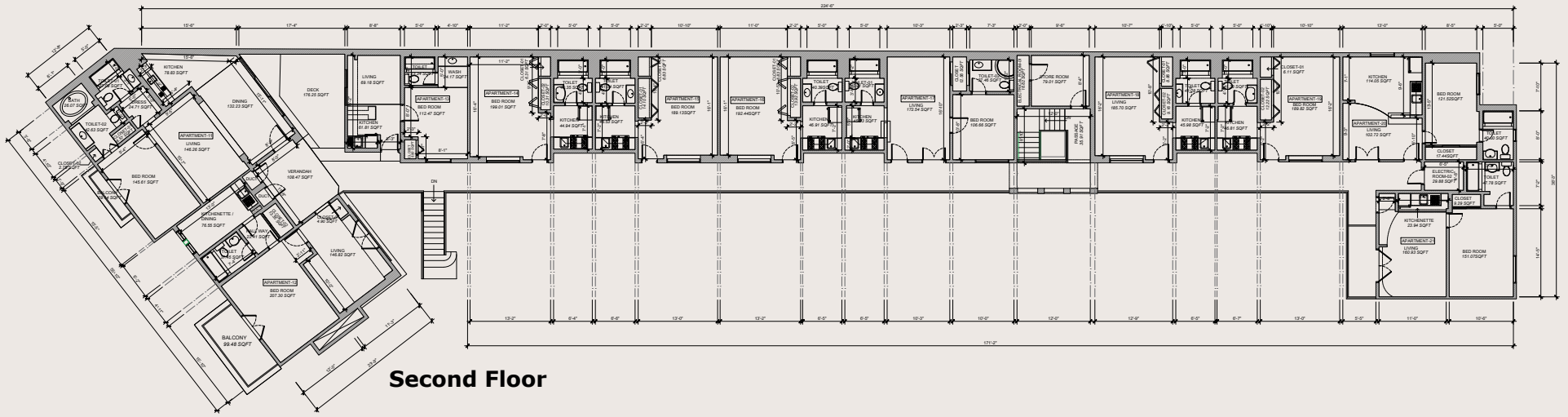
A summary of the facility is shown on the following table.

SUMMARY	2300 N Palm Canyon	2330 N Palm Canyon
Address	- 2300 North Palm Canyon Drive Palm Springs, California 92262	- 2330 North Palm Canyon Drive Palm Springs, California 92262
Guestrooms	- 20 total rooms, 9 first floor and 11 second floor rooms	- 25 total rooms, 11 first floor, 10 second floor and 4 apartment units
Food & Beverage	- None	- Vacant restaurant, lounge and full service kitchen, liquor license
Event Facilities	- Pool deck, outdoor grassy area	- Pool deck, restaurant
Other Amenities	- Swimming pool / pool deck - Hot tub - Sauna	- Swimming pool - Pool deck - Mini-golf putting green
Number of Stories	- Two-story building, single-loaded	- Two-story building, single-loaded - Apt building is one-story
Gross Square Footage	- 10,972 GSF	- 18,979 GSF hotel building - 2,482 GSF apartment building
Assessor's Parcel Number	- 504-250-007	- 504-250-024
Zoning	- C-1 Retail Business Zone	- C1 and R-2 on eastern portion
Flood Zone	- Zone X Shaded (Inside 500Y) is a Non-Special Flood Hazard Area (NSFHA) of moderate flood hazard	- Zone X Shaded (Inside 500Y) is a Non-Special Flood Hazard Area (NSFHA) of moderate flood hazard
Parking	- 20 parking spaces	- 40 parking spaces
Hotel Site	- 0.41± total acres (17,859 SF)	- 1.24± total acres (54,014 SF)
Ownership Interest	- Fee simple	- Fee simple
Year Built	- 1956 original construction - 1985 last major renovation	- 1955 original construction - 1997 last major renovation
HVAC	- Conventional split system with natural gas and some heat pumps	- Mini-split AC units w heat pumps
Fire & Life Safety	- No sprinklers - Smoke detectors, battery operated	- No sprinklers - Smoke detectors, centralized control
Construction	- Wood frame structure on slab with stucco	- Wood frame structure on slab with stucco
Foundation	- Poured concrete slab	- Poured concrete slab

2300 N Palm Canyon

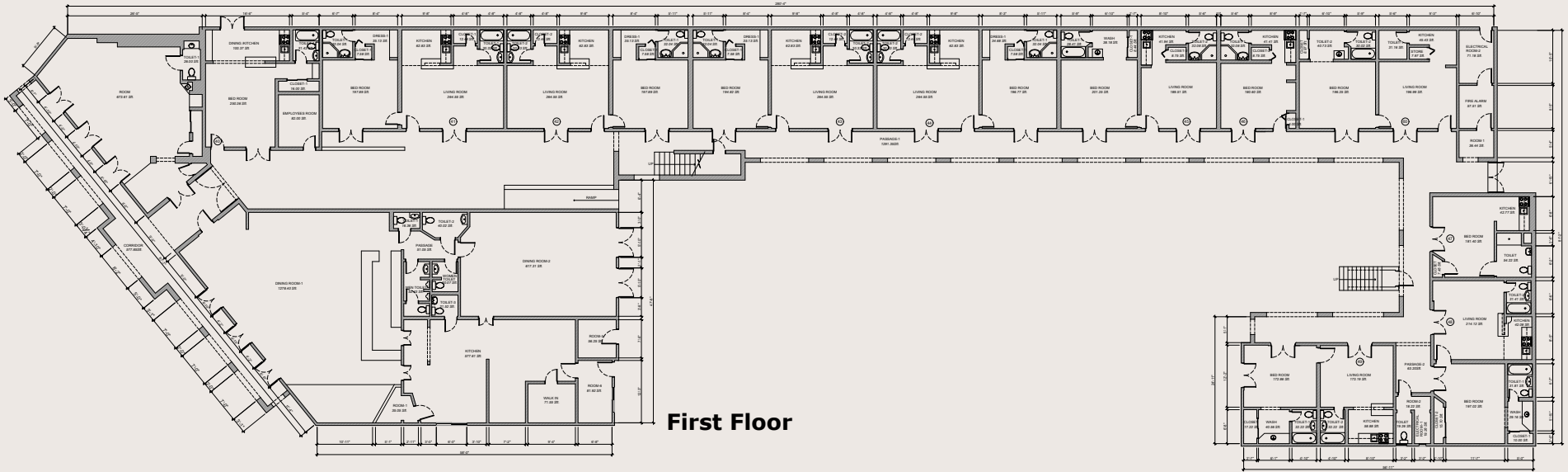


First Floor

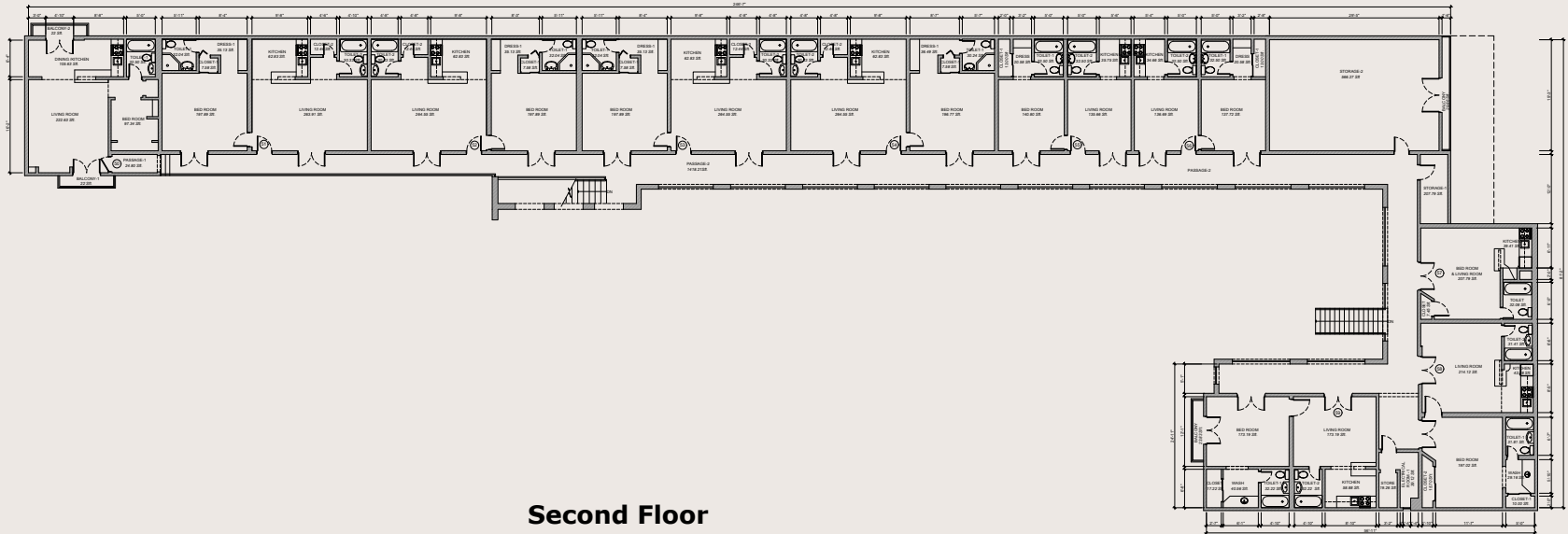


Second Floor

2330 N Palm Canyon



First Floor



Second Floor

GUESTROOMS

Two two-story, single-loaded, wood-frame guestroom buildings contain 41 guestrooms with numerous configurations identified in the below table. An additional single story, free standing apartment building contains four units, for a total of 45 units included within both properties.

2300 N Palm Canyon

	APT	Room #	Room Configuration	SF	Rooms Only SF
First Floor	1	Lobby		1,056.45	
	2	31	Superior Suite Tier 7B	766.88	
	3	11	Queen Suite	523.41	
	4	12	Studio Suite	298.18	
	5	19	Studio Suite	298.05	
	6	14	Queen Suite	414.54	
	7	15	Studio Suite	290.98	
	8	16	Studio Suite	295.41	
	9	17	Queen Suite	395.73	
	10	18	King Suite	392.98	
Common				1,525.64	
Total First Floor		9		6,258.25	3,676.16
Second Floor	11	30	Jacuzzi Suite	671.89	
	12	29	King Suite	608.26	
	13	20	Queen Suite	296.87	
	14	21	Studio Suite	300.92	
	15	22	Studio Suite	298.13	
	16	23	Studio Suite	300.49	
	17	24	Queen Suite	415.46	
	18	25	Studio Suite	290.98	
	19	26	Studio Suite	296.24	
	20	27	Queen Suite	395.73	
	21	28	King Suite	393.01	
Common				446.14	
Total Second Floor		11		4,714.12	4,267.98
Combined (building/rooms)		20		10,972.37	7,944.14

Average Room Size 2300 Bldg	397.21
Average Room Size 2330 Bldg (guestrooms)	512.69
Average Room Size Combined	456.36

All guestrooms are accessed from either first or second floor exterior corridors. Both floors have exterior entrances that are inward facing, towards the courtyard. Formerly sold as timeshare, units are large with kitchens, separate living and sleeping areas.

2330 N Palm Canyon

	APT	Room #	Room Configuration	SF	Rooms Only SF
First Floor	40	40	Deluxe Studio Suite	398.16	
	41	41	Luxury Queen Suite	642.79	
	42	42	Delux King Suite	642.79	
	43	43	Delux King Suite	639.72	
	44	44	Delux King Suite	641.22	
	45	45	Delux Queen Suite	548.56	
	46	46	Studio Suite	266.84	
	47	47	ADA Studio Suite	285.84	
	48	48	Delux King Suite	571.30	
408.462222	49	49	Delux King Suite	494.93	
	60	60	Delux King Suite	335.55	
Common				5,802.22	
Total First Floor		11		11,269.92	5,467.70
Second Floor	50	50	Delux Studio Suite	502.10	
	51	51	Delux Queen Suite	642.15	
	52	52	Delux King Suite	642.79	
	53	53	Delux King Suite	642.79	
	54	54	Delux Queen Suite	641.23	
	55	55	Delux King Suite	410.79	
	56	56	Queen Suite	407.65	
	57	57	Studio Suite	286.73	
	58	58	Delux King Suite	571.30	
387.998182	59	59	Delux King Suite	551.31	
Common				2,344.43	
Total Second Floor		10		7,643.27	5,298.84
Combined (building/rooms)		21		18,913.19	10,766.54

Apartment Building

	1	586.50
	2	830.25
	3	468.50
	4	386.00
	Common	210.00
Combined (building/units)		2,481.25
		2,271.25



Studio Suite

266-301 SF





APARTMENT UNITS

Four one-bedroom apartment units totaling 2,481 square feet, including a 210 storage and laundry area, are located at the eastern end of the 2330 N Palm Canyon site. The units have been held vacant in preparation for a sale.

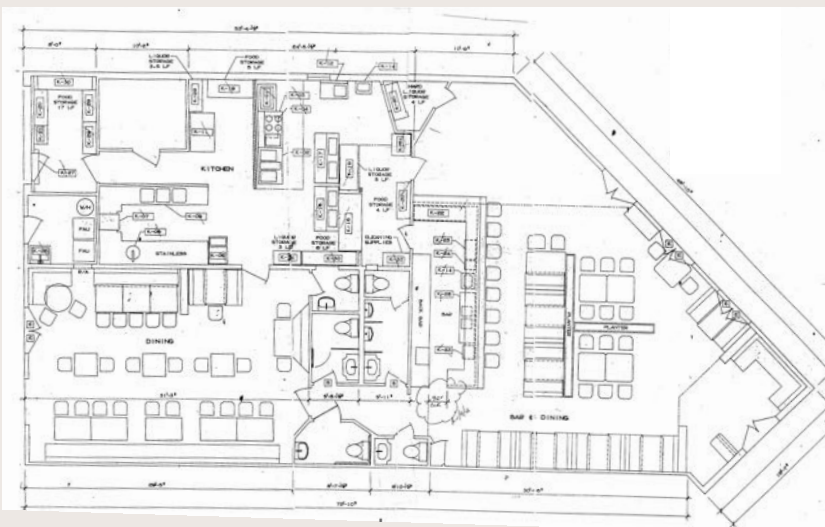
Three units have window air conditioning units, while Unit 2 has a mini-split system providing HVAC.

The apartment units are suitable for staff/management housing, separate or themed villas, or serviced apartments.

FOOD & BEVERAGE

A 3,450 square foot kitchen and restaurant space, part of 2330 N Palm Canyon site, is not currently in operation and has not operated for several years. A liquor license is included in the sale. The diagram shows the general layout of the space, and how it was configured in the past.

A new owner and operator could renovate the space and position it to attract hotel guests and locals. The space opens to the pool deck courtyard space on the east side, and the west side features frontage, excellent visibility and patio dining along North Palm Canyon.





Vacant Restaurant & Lounge
Space with Kitchen (3,450 SF)



OTHER AMENITIES

Other amenities include two swimming pools, a hot tub, sauna, a large room adjacent to the restaurant's dining room that was recently used as a game room, and a putting green. A water feature runs through the courtyard of the 2330 N Palm Canyon property, creating a calming ambient sound.

Sweeping views of San Jacinto Mountains can be seen from both swimming pools and courtyards.



HOTEL SITE

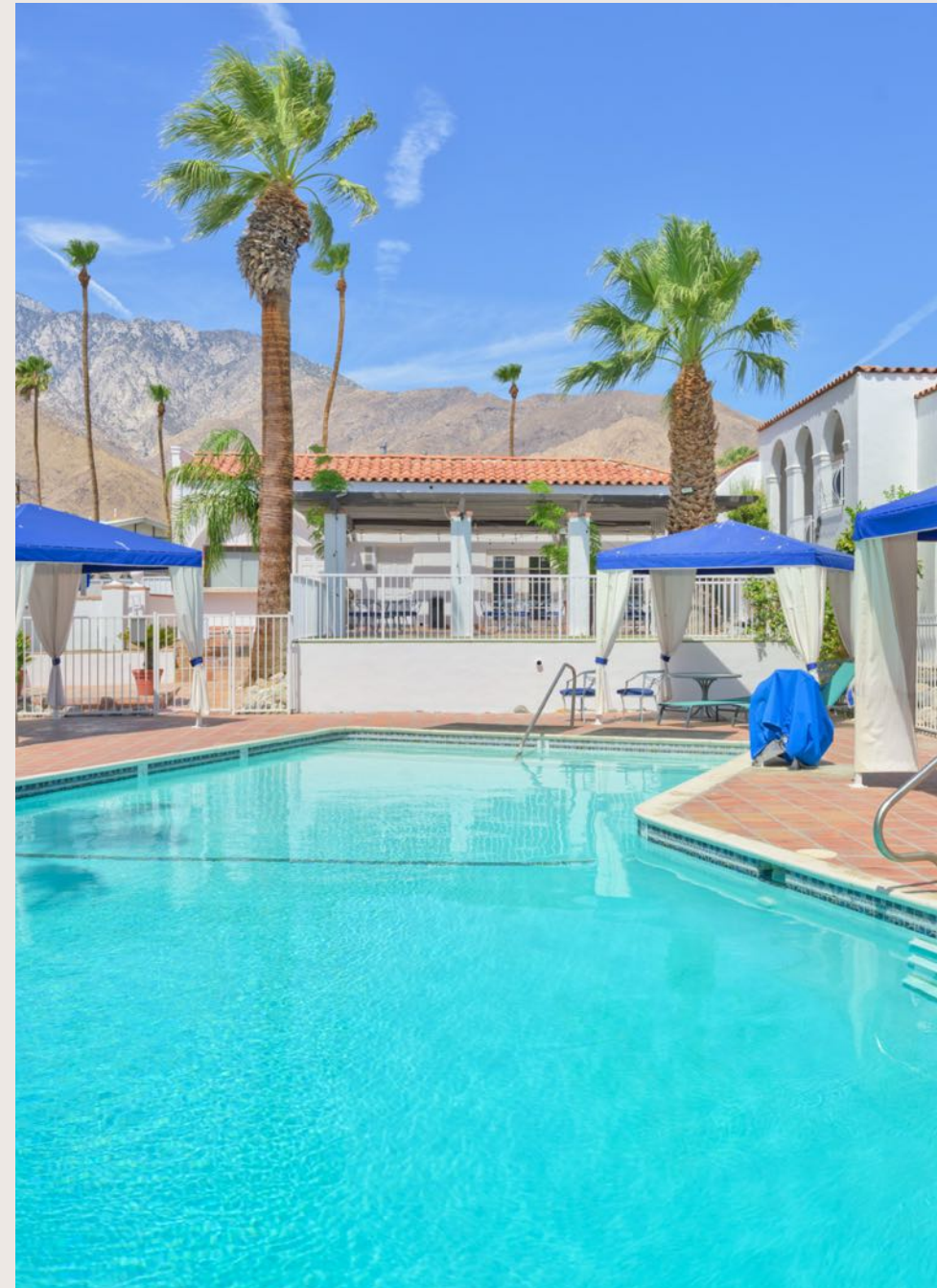
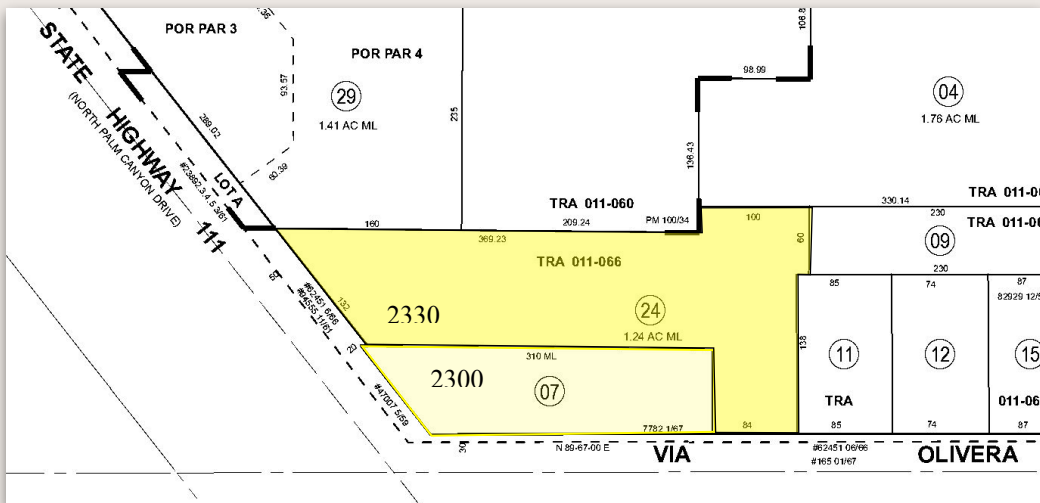
The hotel site is generally flat and irregularly shaped, and encompasses 1.65± fee simple acres (71,873 square feet).

- 2300 N Palm Canyon - 0.41± acres
- 2330 N Palm Canyon - 1.24± acres

The combined site has approximately 227 feet of frontage along N Palm Canyon Drive and approximately 330 feet of frontage along W Via Olivera, with curb cuts along both roads. Zoning is "C-1" Retail Business Zone and hotels represent a legal conforming use. The eastern portion of the 2330 N Palm Canyon Site under the apartment building is zoned "R-2."

UTILITIES

SERVICE	PROVIDER
Water	Desert Water Agency
Electricity	SCE, Solar Edge
Gas	So Cal Gas
Trash	Palm Springs Disposal Services
Internet	Spectrum Fiberoptics





KEY AREA HIGHLIGHTS

Mykonos Desert Suites is located on the north end of the Uptown Design District of the City of Palm Springs, which experienced a major resurgence of tourism since reopening from the COVID lockdown. The surrounding residential neighborhoods are known as Chino Canyon and Little Tuscany. Los Angeles, Orange County and San Diego are within a two hour drive from Palm Springs.

- ▶ The [Uptown Design District](#) is the approximate two-mile stretch of vintage stores, delicious dining options and assorted attractions that begins just North of E. Alejo Road in the Downtown Village and extends north to to E. Vista Chino. The district is one of the city’s vintage hot spots known for retro items house inside interesting vintage buildings. Dozens of consignment, resale and antique boutiques line the avenue.
- ▶ The Greater Palm Springs Area has been enjoying **record breaking tourism** since reopening from the COVID lockdowns. RevPAR for boutique hotels is significantly above 2019’s record breaking performance level.
- ▶ There has been a **return of major sellout events** like Mega Music Festivals (Coachella, Stagecoach), BNP Paribas Tennis Tournament, Modernism Week, International Film Festival, etc. Major events have returned with greater popularity than ever, reflecting the resurgence of demand following COVID lockdowns.
- ▶ Palm Springs has become **less seasonal**, with record breaking summer airline passenger counts and occupancy levels for hotels during summer months.
- ▶ The 261,000 sf Palm Springs Convention Center typically hosts around 100 events annually with more than 125,000 attendees. **Business has returned to pre-COVID levels for the Convention Center.**
- ▶ The **Palm Springs Airport is enjoying record breaking levels of activity**, with more than 3.2 million passengers in 2024 for the first time ever. The City is exploring major expansion plans for the airport, which should approximately double in size.



SOUTHERN CALIFORNIA OVERVIEW

Southern California, with its 22-million person population, includes the large urban areas of Greater Los Angeles, Orange County and Greater San Diego and comprises roughly 60% of California's population. The region generally comprises California's southernmost 10 counties, stretching along the coast from about San Luis Obispo County to the United States and Mexico border, and from the Pacific Ocean inland to the Nevada and Arizona borders.

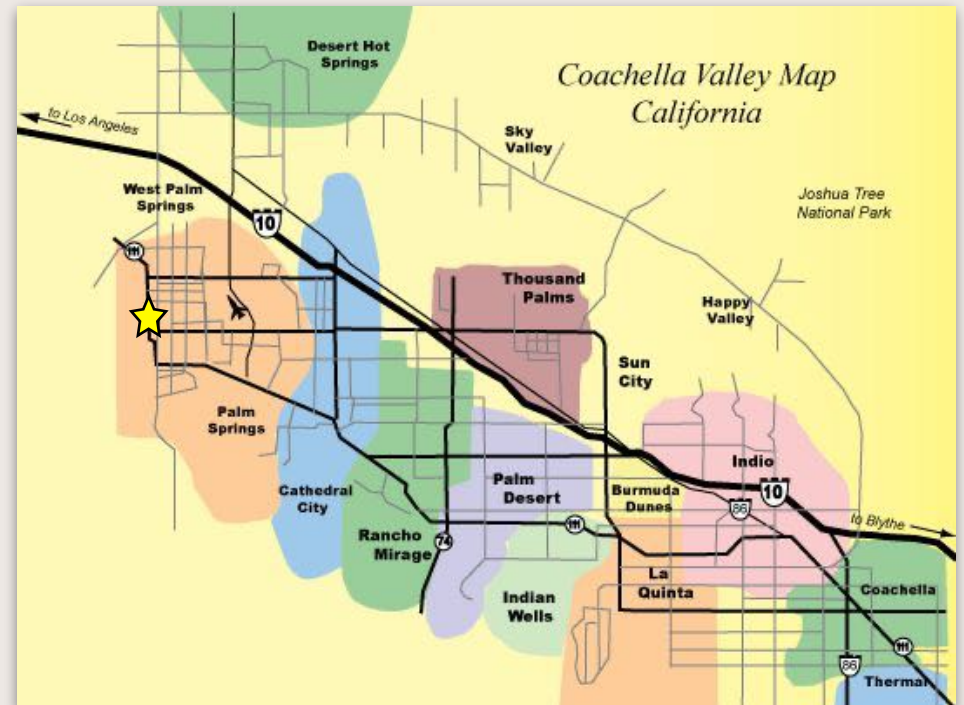
Southern California is a major economic center for the state of California and the United States. Southern California is famous for tourism and Hollywood (film, television, and music). Other industries include petroleum, software, automotive, ports, finance, tourism, biomedical, and regional logistics. Although military spending cutbacks have had an impact, aerospace continues to be a major factor.



COACHELLA VALLEY OVERVIEW

Coachella Valley is a valley in Southern California which extends for approximately 45 mi (72 km) in Riverside County southeast from the San Bernardino Mountains to the northern shore of the Salton Sea. It is bounded by the San Jacinto Mountains, the Santa Rosa Mountains and the Little San Bernardino Mountains. The San Andreas Fault crosses the valley and is easily visible along its northern length as a strip of greenery against an otherwise bare mountain.

Populated by nearly 346,000 people, the Coachella Valley is part of the 13th-largest metropolitan area in the United States, the Inland Empire, with its population of 4.2 million. The famous desert resort cities of Palm Springs, Palm Desert, Rancho Mirage, Indian Wells, La Quinta and Coachella all lie within the Coachella Valley.





PALM SPRINGS OVERVIEW

Located on the western edge of the Coachella Valley at the base of the San Jacinto Mountains, Palm Springs is world renowned for over 300 days of sunshine and an iconic desert setting. Palm Springs continues a rich history as a fashionable resort destination, though it is also a popular destination for retirees. Palm Springs is a unique desert destination with outstanding outdoor recreation, a growing and eclectic culinary scene, award winning boutique hotels and luxury resorts, extensive retail and outlet stores, multiple casinos, and thriving arts and culture.

Palm Springs benefits from its proximity to Southern California's major markets. Following are some primary keys to the city's success:

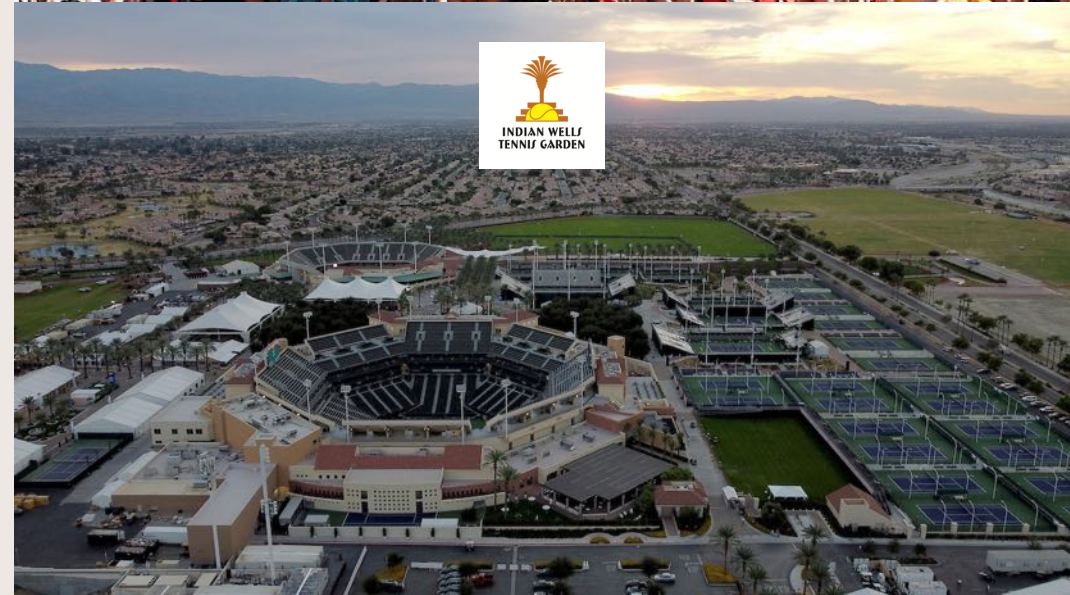
- ▶ **Desirable and Proximate Vacation Destination** - Just two hours' drive for Southern California's 22-million-person population, Palm Springs is close enough to be a convenient getaway, yet far enough away to provide a sense of escape and feel of a true destination.

- ▶ **Preference for "Drive-to" Destination** - With fuel prices and airline travel at all-time highs, and air travel convenience at all-time lows, Palm Springs is the perfect alternative.
- ▶ **Primary Southern California Visitor Market** - The Greater Palm Springs region welcomed over 14 million visitors in 2019 who spent close to \$6.0 billion. Since reopening from the pandemic, visitation has increased to record breaking levels and shows continued prospects for growth as the greater economy recovers.
- ▶ The Downtown Village has experienced a renaissance with the **Downtown Revitalization Project**. The newly built plaza is a centerpiece for Downtown and features several desirable retail stores, as well as restaurants, night life and art galleries. The subject property is steps from Palm Canyon Drive, the primary thoroughway for the Downtown Village.
- ▶ The **Palm Springs Convention Center** features 261,000 total square-feet, with over 129,000 square feet of meeting and event space, including 92,545 square feet of column-free exhibit space, 21 breakout rooms, and a 20,000 square-foot ballroom. Palm Springs is the preferred venue in Southern California for conventions and trade shows as attendees wish to combine business and leisure experiences.
- ▶ **Fast Growing Residential Market** - The median sales price for residential homes in Palm Springs grew substantially following the Covid pandemic. This is due to growing demand for primary and second homes in the market.
- ▶ **Major destination events** like Coachella Valley Music and Arts Festival, Stagecoach Country Music Festival, Modernism Week, BNP Paribas Open, Palm Springs International Film Festival, and American Express PGA golf tournament draw enormous crowds, creating market-wide sellouts.
- ▶ **Other primary attractions** include the numerous casinos, nearby outlet stores, Palm Springs Art Museum, Palm Springs Air Museum, Palm Springs Aerial Tramway, Uptown Design District, and nearby Joshua Tree National Park.

DOWNTOWN PALM SPRINGS VILLAGE and SURROUNDING DEVELOPMENT

Downtown Palm Springs has benefitted from major public and private investment projects in the past decade, emerging as a hub for art and culture, fashion, and design. Notable projects currently driving Palm Spring's resurgence include:

- ▶ Redevelopment of the former Desert Fashion Plaza shopping center features a collection of retail and restaurants anchored by a 10,000 square-foot West Elm, and includes a Starbucks, H&M, Free People, Il Corso, Blaze Pizza, Kiehl's, Sephora, and others.
- ▶ The recently built Agua Caliente Cultural Plaza is now open on 5.8 acres at the corner of E. Tahquitz Canyon Way and S. Indian Canyon Drive. The new facility features a 48,000 square-foot Agua Caliente Cultural Museum, 40,000 square-foot Spa at Séc-he that celebrates the sacred Agua Caliente Hot Mineral Spring, a Gathering Plaza, gardens, and an Oasis Trail.
- ▶ Palm Springs Surf Club (formerly Wet n' Wild waterpark at 1500 S. Gene Autry Trail) features a three million gallon Surf Loch Technology wave pool in addition a lazy river, spa and restaurant, among other amenities as a result of \$50 million in investment. The 21-acre surf resort opened in January of 2024.
- ▶ The Palm Springs International Airport (PSP) experienced record breaking traffic in 2024, with more than 3.2 million passengers. The City announced plans to expand the airport and traffic is expected to double within the next 20 years.
- ▶ The privately funded \$250 million Acrisure Arena recently opened just 16 miles southeast of Downtown Palm Springs. Located on 43 acres adjacent to Classic Club Golf Course, the 300,000 square-foot 11,500-seat entertainment and sports arena is home of the Coachella Valley Firebirds (affiliate of the NHL's Seattle Kraken) and hosts numerous major events annually.

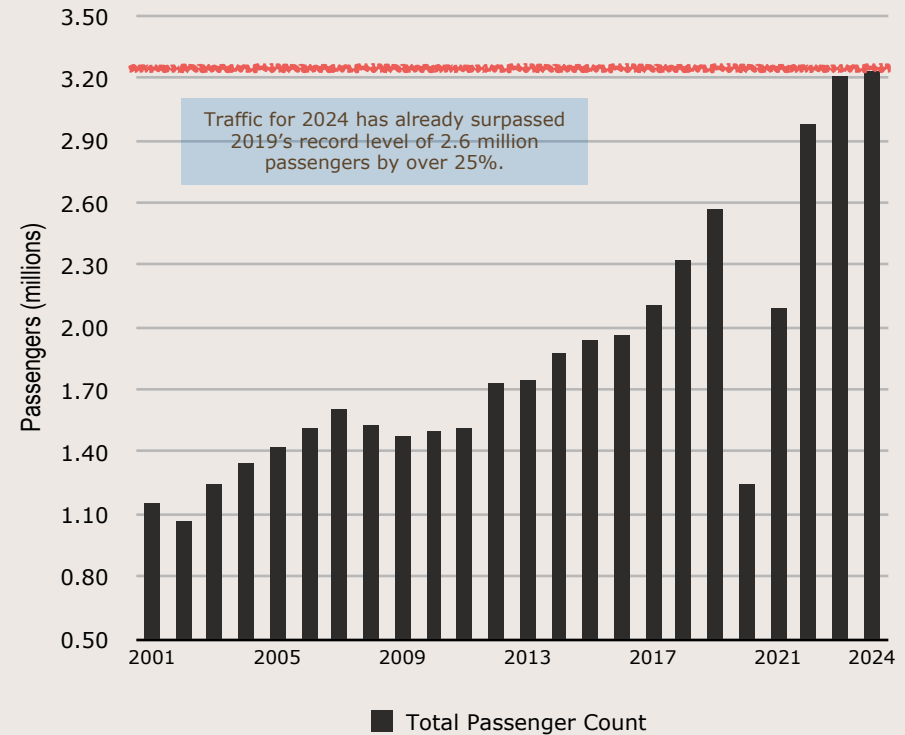


EXCELLENT AIRLIFT

In addition to easy access from nearby major population centers, Palm Springs benefits from strong and growing airlift. The Palm Springs International Airport (“PSP”) is currently served by 13 airlines, connecting hundreds of cities worldwide. PSP currently welcomes visitors from over 500 cities each year and total passenger traffic surpassed a record 3.2 million passengers in 2024. PSP now offers direct flights to and from major U.S. and Canadian cities including Toronto, Vancouver, New York JFK, Austin, San Jose, Nashville, Indianapolis, Dallas, Portland, San Francisco, Seattle, Bellingham, Chicago, Phoenix, Minneapolis, Salt Lake City, Denver, Houston, Los Angeles, Calgary, Edmonton, and Winnipeg.

Palm Springs International Airport's recording breaking 3.2 million travelers is expected to increase to around 6 million by 2042, making a major expansion a must. As a result of the major increase in travel through PSP, the City is launching a major master plan initiative. Work to update the master plan began in February of 2023 and will take approximately three years to complete. In the meantime, two major upgrades are underway. The first, which has already begun, is a renovation of the gate areas in one of the terminals. The second project will double the airport's dining offerings by replacing three existing vendors and adding three new ones.

Palm Springs International Airport - Annual Passenger Traffic



COMPETITIVE HOTEL MARKET PERFORMANCE

Mykonos Desert Suites should be positioned to compete in the Palm Springs' mid- to upper-scale boutique hotel market. A STAR report provided by current ownership shows results for the following hotels, which provides a good sampling of boutique hotel performance in the Palm Springs market.

PROPERTY	ROOMS	OPEN
Desert Riviera Hotel	11	1951
Hotel ZOSO	162	1987
Villa Royale	35	1947
Holiday House	28	1951
Autograph Collection Triada Palm Springs	56	1939
Palm Mountain Resort	142	1954
Drift Palm Springs	39	2023
TOTAL	473	

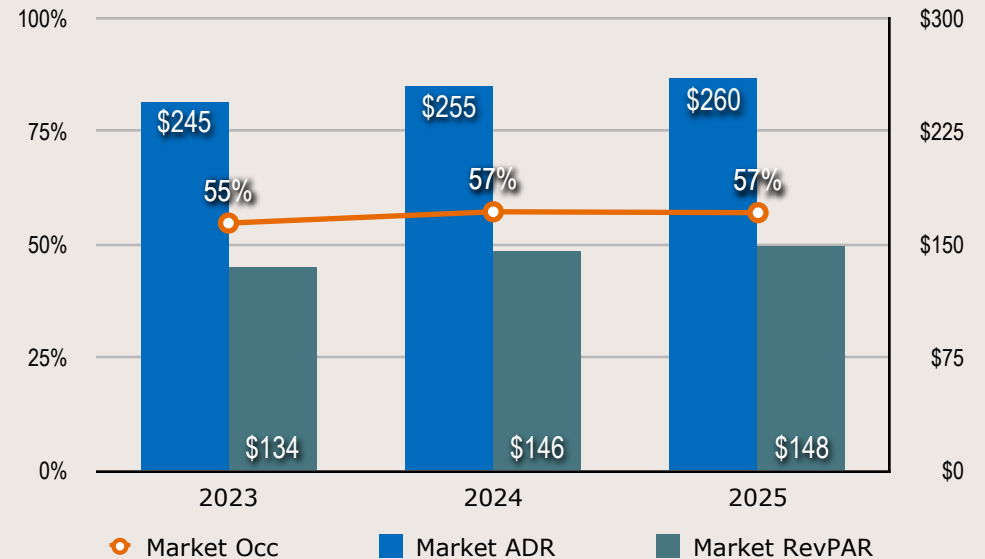
In recent years Mykonos Desert Suites was open, but only for a minimal operation, occasionally selling some units under a short term rental business model in order to offset some carry costs and expenses. As a result it is not useful to compare performance at Mykonos Desert Suites to the above set of boutique hotels in the Palm Springs market. Rather, it is useful to track performance of those hotels as a market indicator. Following a renovation and repositioning, Mykonos Desert Suites should compete with the properties identified in the above table based on size and vintage. Most of the hotels are in excellent condition and Mykonos Desert Suites would require significant renovation in order to compete effectively within this segment.

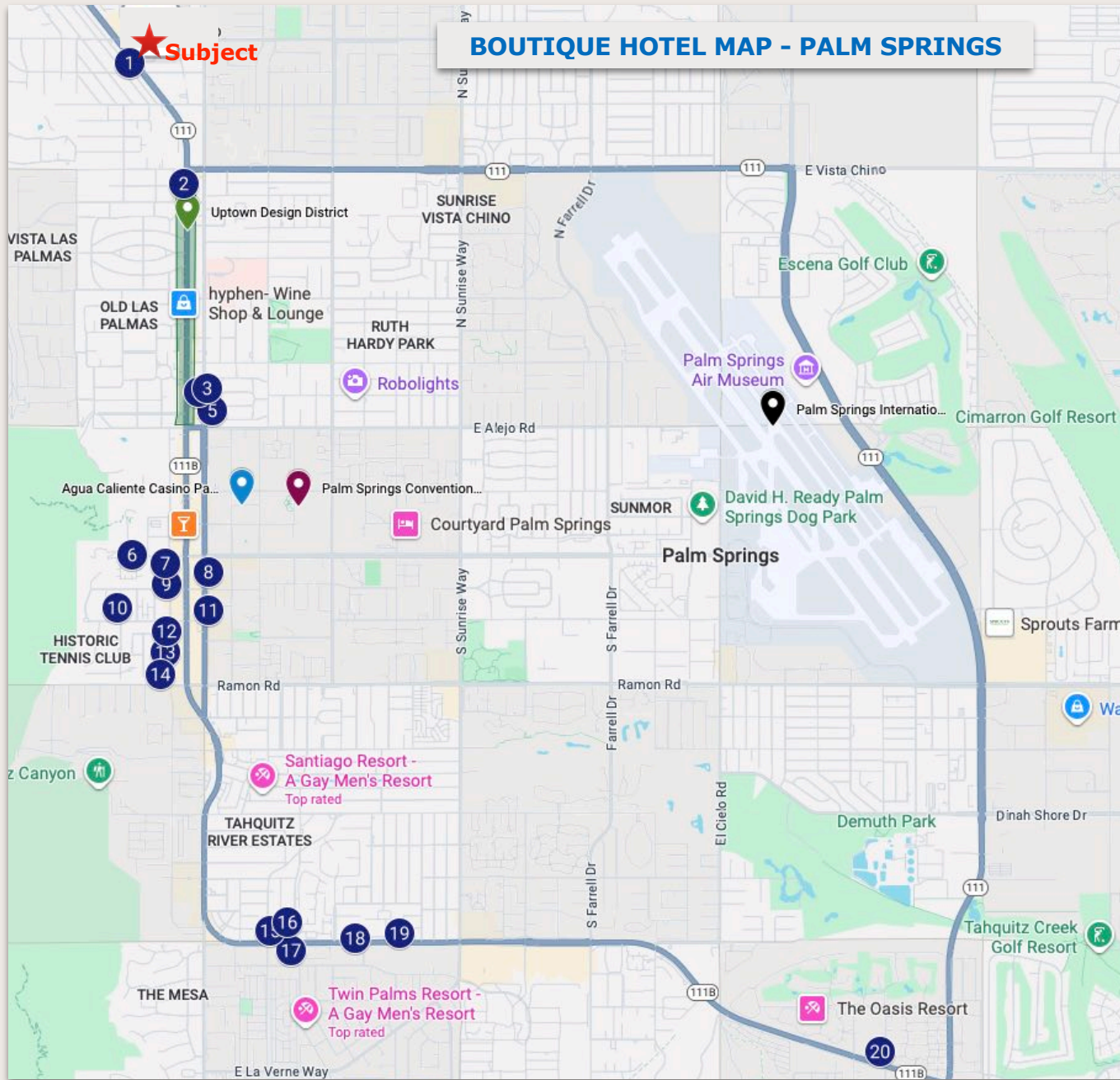
STAR ANALYSIS

Key observations:

- Palm Springs is a strong boutique hotel market. The STAR report for the selected hotels for the period ending May, 2025 shows overall performance of 57.1% occupancy and \$259.69 ADR, resulting in \$148.32 RevPAR for the selected comp set.
- The market has shown strong performance since reopening from the COVID lockdown. RevPAR for trailing-12-months through May, 2025 represents an increase of 1.5% compared to prior year, and has shown continued growth since the surge in performance in 2022 of more than 30% over 2019 pre-COVID levels.
- Palm Springs is a seasonal market, therefore market occupancy stabilizes at a lower level and most of the growth has been in ADR. That said, the growing number of special events and increased convention calendar has begun to increase shoulder season demand.

Selected Hotel Market Performance (T-12 Ending May)





- Attractions**
- Palm Springs International Airport
 - Agua Caliente Casino Palm Springs
 - Palm Springs Convention Center
 - Uptown Design District
- Palm Springs Boutique Map**
- 1 The Cole Hotel
 - 2 Arrive Palm Springs
 - 3 Triada Palm Springs, Autograph Collection
 - 4 Alcazar Palm Springs
 - 5 The Colony Palms Hotel and Bungalows
 - 6 Future Soho House (fka Willows)
 - 7 Palm Mountain Resort & Spa
 - 8 Hotel Zoso
 - 9 Holiday House Palm Springs
 - 10 Korakia Pensione
 - 11 Drift Palm Springs
 - 12 La Serena Villas
 - 13 Avalon Hotel & Bungalows Palm Springs
 - 14 Ingleside Inn
 - 15 Desert Riviera Hotel
 - 16 Villa Royale
 - 17 Ace Hotel & Swim Club
 - 18 L'Horizon Resort & Spa
 - 19 Sparrows Lodge
 - 20 Parker Palm Springs

FINANCIAL PERFORMANCE

As it currently operates, historical financial performance for Mykonos Desert Suites is not indicative of potential future performance. The property was owner-operated with a minimal operation (occasional AirBnB, some walk-in, etc) meant to offset some carry costs and operating expenses.

Gross Income for 2024 was ±\$386,000, and Net Income was ±\$152,000. Financial summaries for prior years are available in the Due Diligence Site to download and review.

A new owner will forecast Revenue and Expenses based on a renovation and repositioning plan. Based on operating data for the comp set and using market data for similar operating boutique hotels, below is a table summarizing a reasonable proforma operating statement for each hotel individually, as well as a combined proforma for both hotels on the following page:

Proforma - Mykonos Desert Suites - 2300 N Palm Canyon

	Year 1	Year 2	Year 3	Year 4
Occupancy	60.0%	62.0%	63.0%	63.0%
Average Daily Rate	\$216.67	\$220.16	\$223.17	\$229.86
RevPAR	\$130.00	\$136.50	\$140.60	\$144.81
Rooms Revenue	\$949,000	\$996,450	\$1,026,344	\$1,057,134
F&B / Other	\$15,000	\$15,000	\$15,000	\$15,000
Total Revenue	\$964,000	\$1,011,450	\$1,041,344	\$1,072,134
NOI ⁽¹⁾	\$356,680	\$374,237	\$385,297	\$396,690

⁽¹⁾ NOI reflects deductions for management fees (3%) and reserves for replacement costs (4%), based on total revenue, and stabilized NOI percentage of 37% of Total Revenue.

Proforma Highlights

- ▶ 2300 N Palm Canyon is forecast to start with RevPAR of \$130 and grow at 5 percent after the first year, and 3 percent thereafter. 2330 N Palm Canyon is slightly higher, starting at \$140 RevPAR due to larger units and F&B programming.
- ▶ 2300 N Palm Canyon stabilized NOI percentage is 37 percent, in line with other boutique operations in Palm Springs with similar RevPAR. 2330 N Palm Canyon stabilized NOI percentage is 30 percent, slightly lower due to the F&B programming.
- ▶ This proforma was created by Maxim Hotel Brokerage based on STAR data, market knowledge and general hospitality statistics in order to provide a viable scenario in support of the pricing guidance. Prospects should build their own operating proforma

Proforma - Mykonos Desert Suites - 2330 N Palm Canyon

	Year 1	Year 2	Year 3	Year 4
Occupancy	60.0%	62.0%	63.0%	63.0%
Average Daily Rate	\$233.33	\$237.10	\$240.33	\$247.54
RevPAR	\$140.00	\$147.00	\$151.41	\$155.95
Rooms Revenue	\$1,277,500	\$1,341,375	\$1,381,616	\$1,423,065
F&B / Other	\$400,000	\$412,000	\$424,360	\$437,091
Total Revenue	\$1,677,500	\$1,753,375	\$1,805,976	\$1,860,156
NOI ⁽¹⁾	\$503,250	\$526,013	\$541,793	\$558,047

⁽¹⁾ NOI reflects deductions for management fees (3%) and reserves for replacement costs (4%), based on total revenue, and stabilized NOI percentage of 30% of Total Revenue.

FINANCIAL PERFORMANCE (continued)

The properties, if bought and operated together, would offer synergies and operating efficiencies. A sample proforma is shown on the following page and summarized in the table below for all 45 rooms. [Proforma Highlights](#)

- ▶ Year 2 stabilized RevPAR (\$154) is only 4% above T-12 RevPAR for the selected comp set of \$148. This should be achievable, particularly following renovation, repositioning and opening of the restaurant and lounge.
- ▶ Year 2 stabilized NOI percentage is 26 percent, in line with other boutique operations in Palm Springs with similar RevPAR.
- ▶ This proforma was created by Maxim Hotel Brokerage based on STAR data, market knowledge and general hospitality statistics in order to provide a viable scenario in support of the pricing guidance. Prospects should build their own operating proforma.



Proforma - Mykonos Desert Suites

	Year 1	Year 2	Year 3	Year 4
Occupancy	60.0%	63.0%	63.0%	63.0%
Average Daily Rate	\$226.59	\$245.08	\$252.42	\$259.96
RevPAR	\$135.95	\$154.40	\$159.03	\$163.77
Rooms Revenue	\$2,233,000	\$2,536,000	\$2,612,000	\$2,690,000
F&B / Other	\$1,397,000	\$1,548,000	\$1,594,000	\$1,642,000
Total Revenue	\$3,630,000	\$4,084,000	\$4,206,000	\$4,332,000
NOI ⁽¹⁾	\$882,000	\$1,074,000	\$1,106,000	\$1,140,000

⁽¹⁾ NOI reflects deductions for management fees (3%) and reserves for replacement costs (4%), based on total revenue.

Mykonos Desert Suites - Palm Springs, CA Revenue and Expense Projections

	2026		2027		2028		2029		2030		2031		2032		2033		2034		2035	
Number of rooms	45		45		45		45		45		45		45		45		45		45	
Occupancy	60%		63%		63%		63%		63%		63%		63%		63%		63%		63%	
Occupied Rooms	9,855		10,348		10,348		10,348		10,348		10,348		10,348		10,348		10,348		10,348	
Average Daily Room Rate	\$227		\$245		\$252		\$260		\$268		\$276		\$284		\$293		\$301		\$310	
Revenue Per Available Room	\$136	% of	\$154	% of	\$159	% of	\$164	% of	\$169	% of	\$174	% of	\$179	% of	\$184	% of	\$190	% of	\$196	% of
	(\$000)	Gross	(\$000)	Gross	(\$000)	Gross	(\$000)	Gross	(\$000)	Gross	(\$000)	Gross	(\$000)	Gross	(\$000)	Gross	(\$000)	Gross	(\$000)	Gross
REVENUE																				
Rooms	2,233	61.5%	2,536	62.1%	2,612	62.1%	2,690	62.1%	2,771	62.1%	2,854	62.1%	2,940	62.1%	3,028	62.1%	3,119	62.1%	3,212	62.1%
Food	1,139	31.4	1,268	31.0	1,306	31.0	1,345	31.0	1,386	31.0	1,427	31.0	1,470	31.0	1,514	31.0	1,559	31.0	1,606	31.0
Beverage	173	4.8	190	4.7	196	4.7	202	4.7	208	4.7	214	4.7	220	4.7	227	4.7	234	4.7	241	4.7
Telecommunications	2	0.0	2	0.0	2	0.0	2	0.0	2	0.0	2	0.0	2	0.0	2	0.0	2	0.0	2	0.0
Other Operated Departments	52	1.4	55	1.3	57	1.3	58	1.3	60	1.3	62	1.3	64	1.3	66	1.3	68	1.3	70	1.3
Rentals & Other Income (net)	31	0.9	33	0.8	34	0.8	35	0.8	36	0.8	37	0.8	38	0.8	39	0.8	41	0.8	42	0.8
Total	3,630	100.0	4,084	100.0	4,206	100.0	4,332	100.0	4,462	100.0	4,596	100.0	4,734	100.0	4,876	100.0	5,022	100.0	5,173	100.0
DEPARTMENTAL EXPENSES																				
Rooms	528	23.6	583	23.0	601	23.0	619	23.0	637	23.0	656	23.0	676	23.0	696	23.0	717	23.0	739	23.0
Food & Beverage	1,063	81.0	1,167	80.0	1,202	80.0	1,238	80.0	1,275	80.0	1,313	80.0	1,352	80.0	1,393	80.0	1,435	80.0	1,478	80.0
Telecommunications	2	102.2	2	100.0	2	100.0	2	100.0	2	100.0	2	100.0	2	100.0	2	100.0	2	100.0	2	100.0
Other Operated Departments	47	91.1	49	90.0	51	90.0	52	90.0	54	90.0	56	90.0	57	90.0	59	90.0	61	90.0	63	90.0
Total	1,640	45.2	1,801	44.1	1,855	44.1	1,911	44.1	1,968	44.1	2,027	44.1	2,088	44.1	2,151	44.1	2,215	44.1	2,282	44.1
DEPARTMENTAL PROFIT	1,991	54.8	2,283	55.9	2,351	55.9	2,422	55.9	2,494	55.9	2,569	55.9	2,646	55.9	2,726	55.9	2,807	55.9	2,892	55.9
UNDISTRIBUTED OPERATING EXPENSES																				
Administrative & General	262	7.2	286	7.0	294	7.0	303	7.0	312	7.0	322	7.0	331	7.0	341	7.0	352	7.0	362	7.0
Marketing	150	4.1	163	4.0	168	4.0	173	4.0	178	4.0	184	4.0	189	4.0	195	4.0	201	4.0	207	4.0
Franchise Fees	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Property Operation & Maintenance	130	3.6	143	3.5	147	3.5	152	3.5	156	3.5	161	3.5	166	3.5	171	3.5	176	3.5	181	3.5
Utility Costs	151	4.1	163	4.0	168	4.0	173	4.0	178	4.0	184	4.0	189	4.0	195	4.0	201	4.0	207	4.0
Other UOE	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total	693	19.1	755	18.5	778	18.5	802	18.5	826	18.5	850	18.5	876	18.5	902	18.5	929	18.5	957	18.5
GROSS OPERATING PROFIT	1,298	35.8	1,527	37.4	1,573	37.4	1,620	37.4	1,669	37.4	1,719	37.4	1,770	37.4	1,824	37.4	1,878	37.4	1,935	37.4
FIXED EXPENSES																				
Management Fees	109	3.0	123	3.0	126	3.0	130	3.0	134	3.0	138	3.0	142	3.0	146	3.0	151	3.0	155	3.0
Property Taxes	93	2.6	95	2.3	98	2.3	101	2.3	104	2.3	107	2.3	111	2.3	114	2.3	117	2.3	121	2.3
Insurance	70	1.9	72	1.8	74	1.8	76	1.8	78	1.8	81	1.8	83	1.8	86	1.8	88	1.8	91	1.8
Leases and Rentals	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Other	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Reserve for Replacement	145	4.0	163	4.0	168	4.0	173	4.0	178	4.0	184	4.0	189	4.0	195	4.0	201	4.0	207	4.0
Total	416	11.5	453	11.1	467	11.1	481	11.1	495	11.1	510	11.1	525	11.1	541	11.1	557	11.1	574	11.1
NET OPERATING INCOME	882	24.3%	1,074	26.3%	1,106	26.3%	1,140	26.3%	1,174	26.3%	1,209	26.3%	1,245	26.3%	1,283	26.3%	1,321	26.3%	1,361	26.3%

Departmental expense ratios are expressed as a percentage of departmental revenue

