

RESTAURANT & HOSPITALITY
OPPORTUNITY

Embassy Suites *Palm Desert*

Highway 111 Frontage | Palm Desert, CA
201-Room Embassy Suites by Hilton
\$14M Hilton-Approved Renovation — 2027
40,097 Annual Occupied Room Nights
15,017 SF of Meeting & Event Space
21 Pickleball Courts + Planned Expansion

CONFIDENTIAL | 74700 HIGHWAY 111, PALM DESERT, CA
92260



Opportunity

This is more than a restaurant lease — it is a hospitality platform: a standalone building with Highway 111 frontage, a 201-room full-service hotel, Southern California's fastest-growing sport, and a \$14 million ownership commitment to the property's future.

201

All-Suite Hotel Rooms — largest all-suite hotel in the Coachella Valley

40,097

Annual Occupied Room Nights (2025) — a captive customer base

15,017 SF

Meeting & Event Space — #1 in the competitive set

\$14M

Hilton-Approved Renovation Completing 2027

21

Existing Pickleball Courts + Padel Expansion Planned

6,656 SF

Ballroom — Largest in the Competitive Set

Ownership is investing \$14 million in this property. We are looking for a partner to join us.

Why Now

01

The renovation window

Ownership's \$14M Hilton-approved renovation completes in 2027. An operator who commits now opens alongside a fully renovated hotel — and shapes the F&B program as the property relaunches.

02

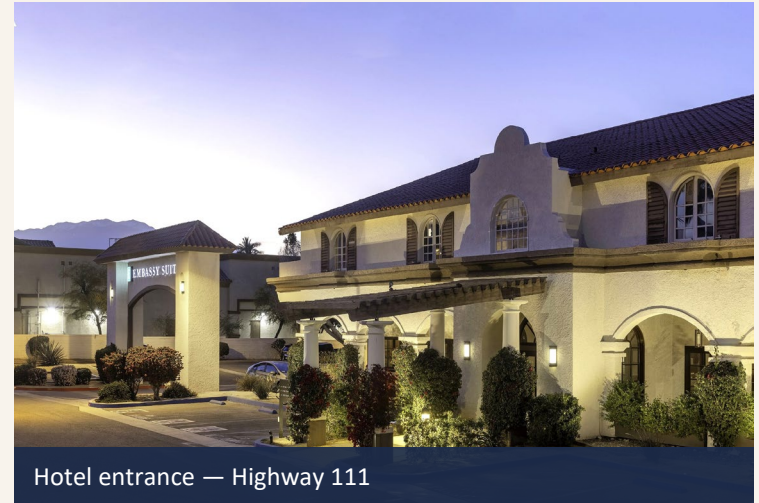
A free-rent runway

Ownership offers 3–6 months of free rent in lieu of additional buildout funding — letting an operator build out, hire, and open with the renovation tailwind instead of paying rent through construction.

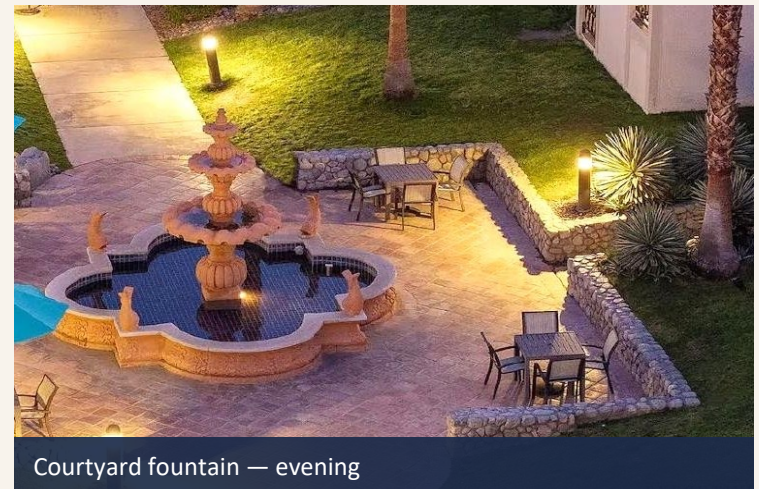
03

A market with momentum

Palm Springs submarket RevPAR is up 30.5% since 2019 with minimal new hotel supply under construction — and no competitive hotel property offers a standalone restaurant building.



Hotel entrance — Highway 111



Courtyard fountain — evening

Palm Desert, California



Key Demand Generators

El Paseo Shopping District	1.4 mi
Indian Wells Tennis Garden	3.5 mi
DSRT Surf Club (opening 2026)	3.9 mi
Acrisure Arena — 10,000 seats	6.2 mi
Cotino / Disney Community	7.0 mi
Coachella / Stagecoach (Empire Polo)	10.2 mi
Palm Springs Intl. Airport	11.7 mi

Demographics: American Community Survey (ACS), July 2026

A Year-Round Destination

500,000

BNP Paribas Open — attendees annually

325,000+

Coachella & Stagecoach — per festival weekend

850,400

Acrisure Arena — attendees in 2024

3.3M

Palm Springs Airport — passengers in 2025

110

Golf courses across the Coachella Valley

5.5 AC

DSRT Surf wave garden — opening Q3 2026

Palm Springs submarket RevPAR has grown 30.5% since 2019 — with minimal new supply under construction.

Location Overview



74-700 Highway 111, Palm Desert, CA

8.54 AC Property Site Area

1.4 mi El Paseo Shopping District

3.5 mi Indian Wells Tennis Garden

6.2 mi Acrisure Arena

10.2 mi Coachella & Stagecoach

11.7 mi Palm Springs Intl. Airport

Positioned on Highway 111 — the Coachella Valley's primary commercial corridor.

Embassy Suites Palm Desert



Restaurant building — dedicated entrance

201	All-Suite Guestrooms (avg. 540 SF)
8.54 AC	Property Site Area
144,431 SF	Gross Building Area
283	Parking Spaces
1984 / 2012 / 2027	Built / Last Reno / Upcoming Reno
Non-Union	Labor
Hilton Franchise	Through August 2041

The largest all-suite hotel in the Coachella Valley.

The \$14M Hilton-Approved Renovation

Ownership is investing \$14 million to bring the property in line with Hilton brand standards and the quality of its market. The restaurant operator opens beside a fully renovated hotel.

\$11.2M

Guestroom Renovation

Full soft goods, casegoods, and bath renovation across all 201 suites

\$1.0M

Public Space Upgrades

Breakfast dining, oasis building, courtyard and pool improvements

\$1.8M

OS&E, Signage & Systems

Food service equipment, LED conversion, brand signage package

Renovation Timeline



Courtyard, Pool & Amenity Programming



Courtyard & fountain — the heart of the property



Resort pool & spa

The courtyard is the centerpiece of the 2027 renovation — an activated resort core connecting the pool, turf lawn, event patios, and pickleball complex. Ownership's vision is a single operator programming F&B at the restaurant, and then overtime across all of the property:

Pool & courtyard service

Seasonal desert pool demand, cabana, and cocktail programming

Turf lawn & patio events

3,500 SF lawn + 3,000 SF Sonoma patio & fountain

Pop-up & festival concepts

Coachella, BNP Paribas, and holiday-season activations

The Restaurant Space



Full-service bar



Dining room



Main restaurant floor

±8,019 SF

Total Leasable Space

237 seats

Indoor Seating (4,307 SF)

32 + 36

Front & Back Terrace Seats

Direct Frontage

Highway 111

**Street-Facing
Signage**

+ Dedicated Entrance

1,910 SF

Full Commercial Kitchen

47 · 58 · 68

ABC Licenses Cover the Property

6,656 SF

Ballroom Above at 8% Rent

A standalone Spanish-style building at the front of the property — a freestanding identity with a 201-room hotel behind it.

Kitchen, Infrastructure & Licenses

A fully equipped commercial kitchen is included — turnkey for an experienced operator. Replacement cost to build from scratch would exceed \$500,000. Full equipment inventory and site inspection available on tour.

Kitchen & Equipment

- Vulcan commercial range + 6-burner gas
- 48" commercial flat-top griddle
- Dean double deep fryers
- Commercial convection ovens
- Walk-in cooler + walk-in freezer
- Everest reach-in refrigerator
- Full hood system — 5,000 CFM
- 2x 20K CFM make-up air (new 2025)
- Extensive stainless prep + shelving

On-Site ABC License Coverage

Type 47

On-Sale General — full liquor service in the restaurant and bar

Type 58

Caterer's Permit — off-site and event catering

Type 68

Portable Bar License — pool, courtyard & pickleball service

Ownership's Types 47, 58 & 68 in combination cover the entire property today. Tenant to acquire its own liquor license or discuss alternatives.

\$500K+ replacement value of kitchen infrastructure included in the lease

Built-In Demand: The Hotel Customer

40,097 room nights were occupied in 2025. Every one of those guests is a potential customer — and they don't have to drive anywhere.

Metric	2019 (Peak)	2025 (Current)	2028 (Post-Reno)
Occupancy	70.3%	54.7%	63.9% (proj.)
ADR	\$140.89	\$168.05	\$217.32 (proj.)
RevPAR	\$99.07	\$91.92	\$138.80 (proj.)
Occupied Room Nights	50,815	40,097	46,985 (proj.)
Group ADR Premium	—	\$214.04	Growing

15%

Group mix — at \$214 avg. ADR

70.3%

Peak occupancy achieved in 2019

\$44

RevPAR gap below Embassy brand avg. — the upside coming from the renovation, bringing in higher-paying guests

Banquet & Catering Platform



6,656 SF ballroom — largest in the competitive set · 384 banquet / 480 reception

6,656 SF

Ballroom

3,000 SF

Sonoma Patio & Fountain

3,500 SF

Turf Lawn

1,536 SF

Pre-Function

325 SF

Boardroom

15,017 SF total — 4x the competitive set average. The operator who controls this kitchen controls the food for every wedding, corporate retreat, and group event in the building — at 8% banquet participation.

Pickleball & Padel



The F&B anchor for a destination sports facility

21

Existing pickleball courts on-site today

5+

Padel courts planned

4+

Additional pickleball courts planned

1st

Tournament-grade facility in the Valley

Pickleball is the fastest-growing sport in America. The restaurant operator controls F&B for every player, spectator, and tournament.

Eight Revenue Streams, One Operator

HIGH

Local Dining

Hwy 111 frontage, 126K population within 5 mi.

HIGH

Hotel Guests

40,097 room nights — a captive audience

HIGH

Banquets & Weddings

6,656 SF ballroom, 384-seat capacity

HIGH

Corporate Events

15,017 SF total — #1 in comp set

MED-HIGH

Pool & Courtyard F&B

Seasonal desert pool demand

HIGH

Pickleball F&B

21 courts today, expansion planned

MED-HIGH

Off-Site Catering

Type 58 coverage on property today

HIGH

Holiday & Festival Events

Group & community programming

Deal Structure Overview

LEASE TERM

Long-term restaurant lease — 7 to 10 year term

RENT

Greater of 8% of gross sales or \$13,000/mo minimum rent, growing 3% annually

RENT CAP

Total rent capped at \$20,000/mo during initial term (+3%/yr); cap moves to \$26,000 or market rate after initial 7-10 year term

PREMISES & USE

±8,019 SF — dining, bar, kitchen, terraces; first-class restaurant with breakfast, dinner & cocktail lounge

UTILITIES

Landlord pays 90% of water & trash; tenant reimburses 50% of electric and 100% of gas — allocations to be finalized in lease

LANDLORD INVESTMENT

\$136,000 in Hilton-required F&B and restroom upgrades — within the broader \$14M renovation

INCENTIVES

3–6 months of free rent in lieu of buildout funding

DELIVERY & COMMENCEMENT

Delivery upon lease execution; rent commences at completion of licensing & permitting

LIQUOR LICENSES

Tenant acquires its own license; ownership's Types 47, 58 & 68 cover the property today. Alternative TBD

DEPOSIT & EQUIPMENT

\$20,000 security deposit; kitchen equipment delivered in good condition



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Process & Contacts

- 01** Review this memorandum and schedule a site tour
- 02** Tour the property, kitchen, ballroom, courtyard and courts
- 03** Submit a letter of intent with your concept and qualifications
- 04** Begin lease negotiation and due diligence

CONTACTS

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