



Ramon Road

Rattler Road

Rancho Mirage Development Opportunity

NW CORNER OF RATTLER ROAD & RAMON ROAD | 36.68 Acres

2021



The Offering

JLL is pleased to offer a development site at NW corner of Rattler Rd. and Ramon Rd. (the “Property” or “Site”) located in the City of Rancho Mirage. The Property is adjacent to the Mission Hills Country Club and less than two miles from downtown Palm Springs. The Site’s proximity to top vacation and recreation spots makes it a prime residential development opportunity. Given its excellent location and with the right mix of amenities, the Property would appeal to a wide range of homebuyers, from locals to weekend dessert dwellers looking for a vacation home. The Site could allow up to 199 residential lots sized at 8,000 square feet. This lot size would be spacious enough to accommodate a large single-story home as well as ample outdoor recreation and entertainment space. The property is delivered unimproved, with buyer to secure all entitlements.

PROPERTY DETAILS

| | |
|----------------------|-------------------|
| Metro Area | Coachella Valley |
| City | Rancho Mirage, CA |
| Size | 36.68 Ac |
| Site Condition | Unimproved |
| Max Density | 9 units/acre |
| Minimum Lot Size | 8,000 SF |
| Max Residential Lots | 199 Lots |



Investment Highlights



- Premiere location next to top vacation and resort destinations including the Mission Hills Country Club and Agua Caliente Resort.



- Ability to build up to 199 high density residential lots in one of the Coachella Valley's top residential markets. As of September 2020, the median home value in Rancho Mirage (\$747,000) was 46% higher than the Coachella Valley as a whole (\$510,000).



- Successfully securing entitlements for the Property could potentially allow for a greater density and intensity of uses than the City's Zoning Code allows. Accordingly, a developer could be permitted to develop additional units or amenities that are currently not offered at surrounding residential communities.



- Opportunity to develop units within a fast-growing market that is projected to experience a 4% growth in population in the next five years. Prime location adjacent to Rancho Mirage High School offering a strong athletics program, musical theater, and college preparatory resources.



- Favorable market dynamics as increasing numbers of coastal dwellers migrate to more affordable Coachella Valley cities, fueled in part by the widespread acceptance of remote work due to Covid-19.



Property Description

The Property is an approximately 37-acre lot located just north of the Mission Hills Country Club. It is situated at the northwest corner of Rattler Road and Ramon Road in the northern part of the City. The Site is unimproved and relatively flat, with non-expansive soil conditions. In addition to the Mission Hills Country Club, the Property is within a few miles of the Agua Caliente Resort, Westin Mission Hills Golf Resort, and Desert Princess Country Club. Rancho Mirage High School, the newest school in the Palm Springs Unified School District, is adjacent to the Site.

The Site could accommodate 199 single-family residential lots with an average area of 8,000 square feet. To take advantage of surrounding mountain views, the lots could be designed to be east or west-facing. The Property also has space for community amenities such as a central park, dog park, and extensive greenbelt throughout. A homeowner's association (HOA) would need to be formed to fund the maintenance of the common areas and amenities.

The Site is accessed via the Bob Hope exit off Interstate-10 (I-10), which connects to Rattler Road. A future entry to the property is envisioned approximately 700 feet north of the intersection of Rattler and Ramon Roads.

PROPERTY DETAILS

| | |
|----------------------|---|
| Size | 36.68 Acres |
| Address | NW Corner of Rattler & Ramon Roads |
| APN | 6702-300-21 |
| Zoning | High Density Residential (R-H) |
| Primary Major Routes | Ramon Road |
| Adjacent Uses | Rancho Mirage High School, Mission Hills Country Club |
| Current Uses | Unimproved |

4



EXISTING ZONING

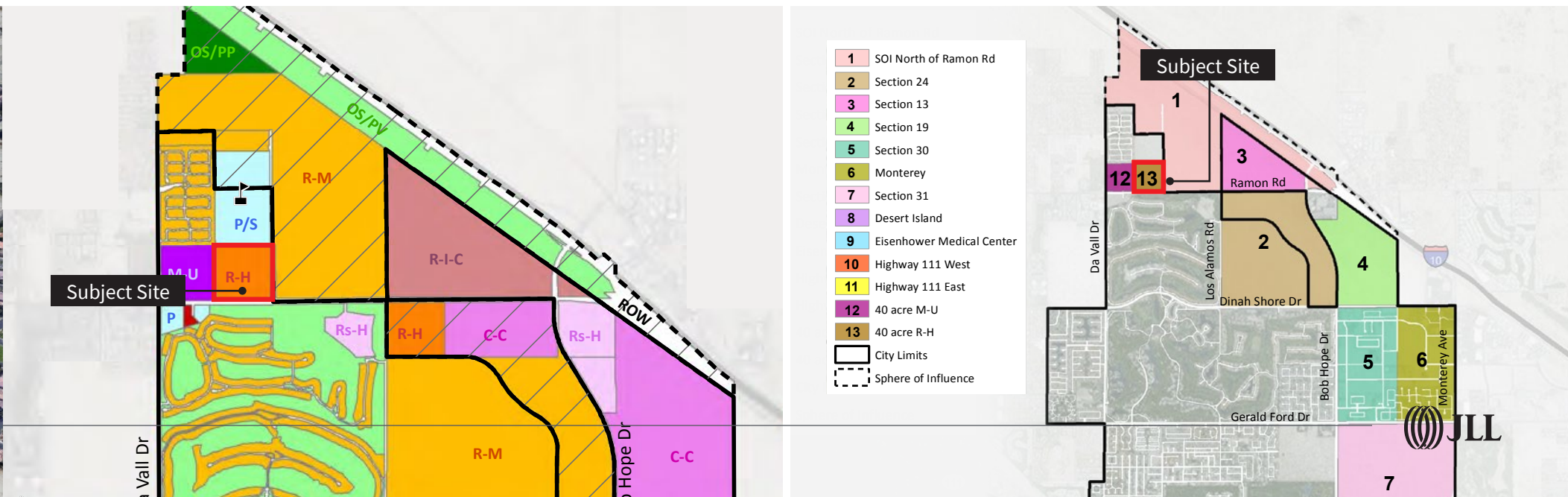
The property is currently zoned High Density Residential (R-H) per the City's General Plan and Zoning Ordinance. The City has designated several "Specific Plan Areas" that require the preparation of a Specific Plan in order to develop those sites. The Site is identified as Specific Plan Area 13, which means that any development of the Property would require the preparation of a Specific Plan. A Specific Plan is a comprehensive planning and zoning document that applies to a defined geographic area within a city. The purpose is to promote development and amenities beyond those expected under conventional development through flexible planning and design.

Rancho Mirage would require a Specific Plan to subdivide and develop the property with residential uses. A Plan could allow for uses, development standards, and density/intensity beyond that permitted by the Zoning Ordinance. A Specific Plan would be subject to the California Environmental Quality Act (CEQA) and would require preparation of an environmental review document.

The Property was previously entitled for a 115-lot single family residential subdivision. Although the permits expired in 2016, we have included the architectural renderings from that project in the following pages to provide an example of potential single family development on the Site.



5



► ARCHITECTURAL RENDERINGS

PLAN 2

Elevation A - Spanish



Elevation B - Rustic Italian



Elevation C - Modern Desert



ARCHITECTURAL RENDERINGS

PLAN 3

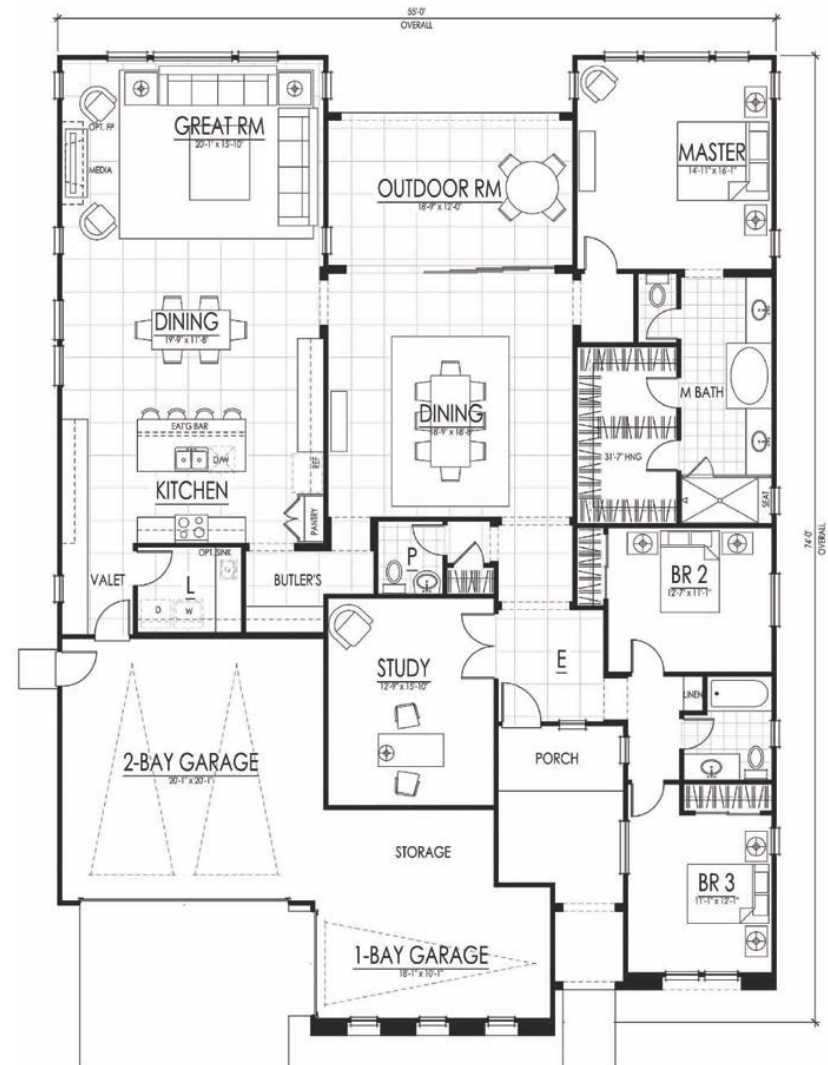
Elevation A - Spanish



Elevation B - Rustic Italian



Elevation C - Modern Desert



ARCHITECTURAL RENDERINGS

PLAN 4

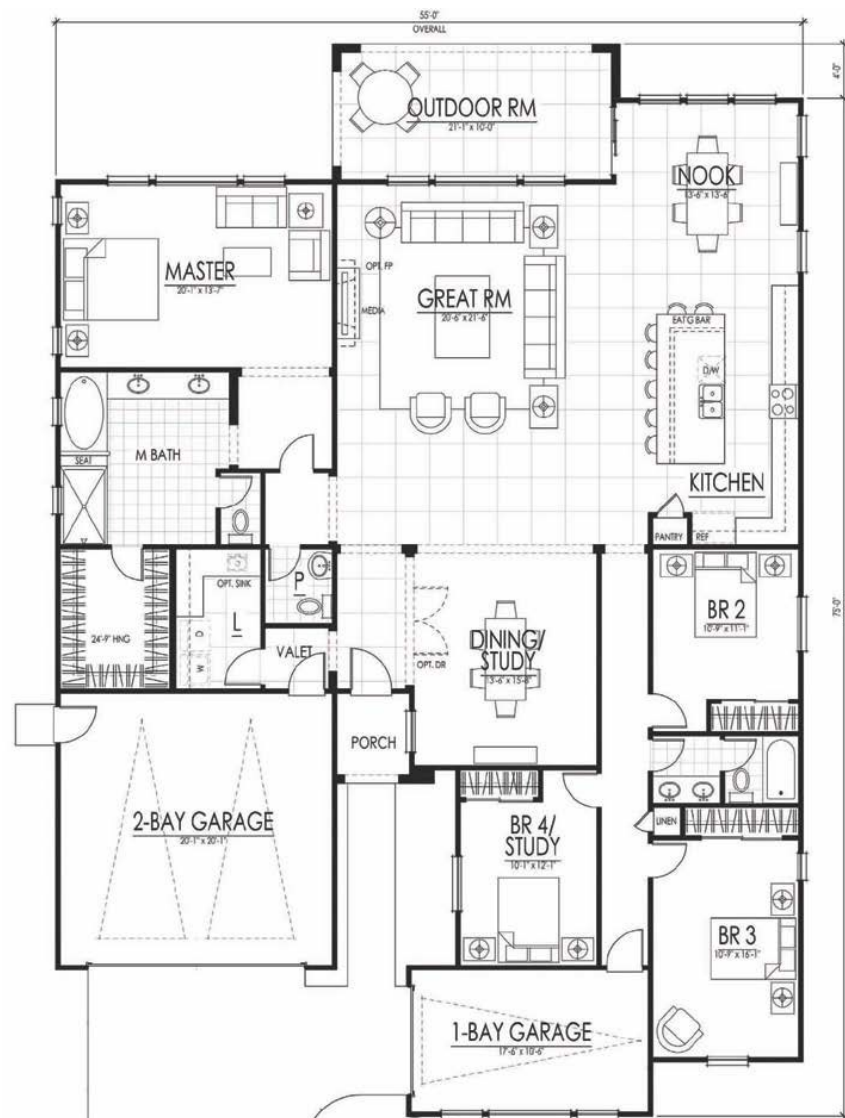
Elevation A - Spanish



Elevation B - Rustic Italian



Elevation C - Modern Desert



ARCHITECTURAL RENDERINGS

PLAN 5

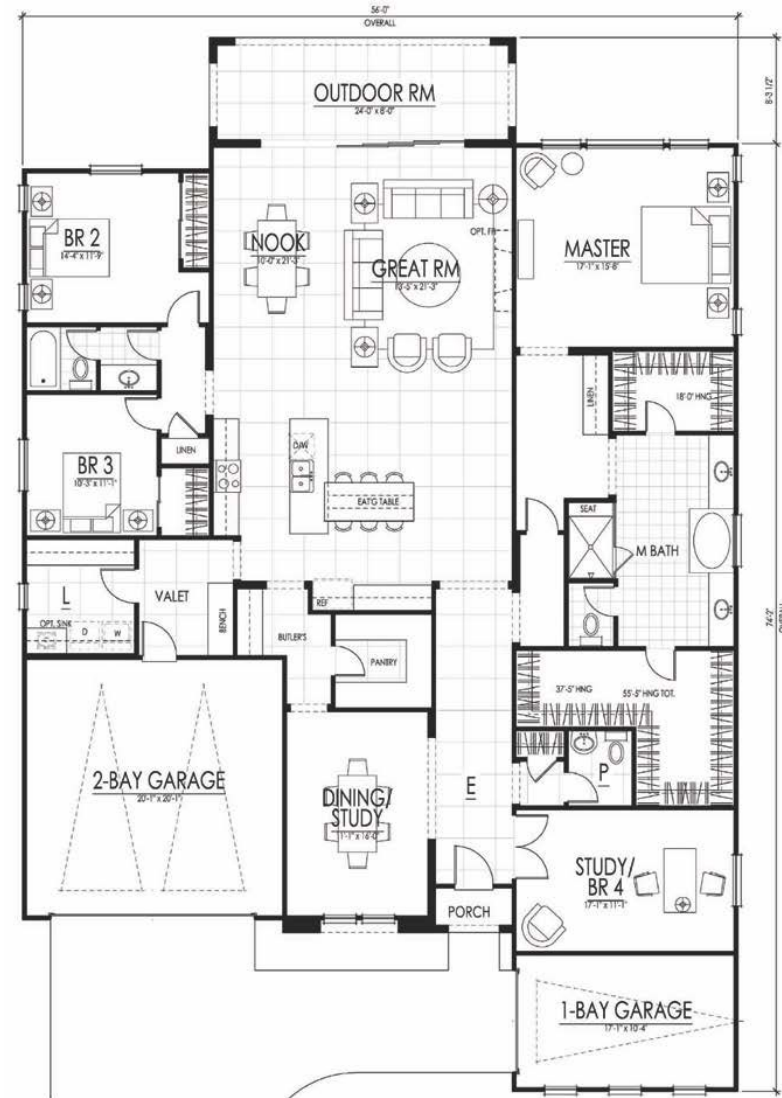
Elevation A - Spanish



Elevation B - Rustic Italian



Elevation C - Modern Desert



Rancho Mirage Development Pipeline

Utilities, infrastructure and land development are carefully planned in Rancho Mirage. The city has a reputation as a prestigious community with an extremely high quality of life as well as commercial and residential development. Large, master-planned communities are required to be thoughtfully designed and to integrate a variety of residential and non-residential land uses. Among the notable approved projects are the Villas of Mirada, the Residences at Rancho Mirage Country Club, and the Grand Oasis Crystal Lagoon.



VILLAS OF MIRADA

Approved by the City over 10 years ago, the Villas of Mirada is a 46-unit single-family residential subdivision that offers both resale and new construction homes. The property is located adjacent to the Ritz Carlton Resort, with homeowners having access to many of the resort's amenities. Although most of the site has been built out, there are a few remaining undeveloped lots. The site is approximately 3.6 miles from the subject Property.



GRAND OASIS CRYSTAL LAGOON

Located roughly 3.5 miles from the subject Property is the Grand Oasis Crystal Lagoon, a new 618-acre master-planned, mixed-use community located at the northeast corner of Bob Hope and Frank Sinatra Drives. A Specific Plan was prepared for the site, which guides the development of up to 1,932 dwelling units including multifamily and single-family homes, 175,000 square feet of non-residential space including retail and office, and 400 hotel rooms. The City approved entitlements on the property in December 2019



THE RESIDENCES AT RANCHO MIRAGE COUNTRY CLUB

In 2019, Oasis Ranch LLC (the property owner) received approval from the City to rezone 25 acres of land to low density residential and resort hotel uses. The company plans to build up to 108 residential condominiums and a boutique hotel with up to 60 rooms. The property is located at the southeast corner of Bob Hope and Frank Sinatra Drives, approximately 3.5 miles from the subject Site.

Coachella Valley Overview

The Coachella Valley is a collection of affluent resort communities including Palm Springs, Palm Desert, Rancho Mirage, Desert Hot Springs, Indian Wells, La Quinta and Indio. Given the area's warm climate and its proximity to the Greater Los Angeles area, the valley is a popular winter and weekend retreat for Southern California residents as well as visitors from the northern United States and Canada, who are referred to as "snowbirds." With its large inventory of recreational facilities in the area, including more than 100 golf courses and over 600 tennis courts, the valley is also an established resort and group destination.

The Palm Springs Valley, as it has been termed, has also become a known location for Indian casinos such as the Agua Caliente Spa Resort Casino in downtown Palm Springs, the Casino Morongo in Cabazon, the Fantasy Springs Casino Hotel in Indio, and the Agua Caliente Hotel in Rancho Mirage, among others. The Coachella Valley is also host to numerous PGA golf and Pro-Am tournaments, professional tennis tournaments and music festivals including the Coachella Music Festival, Stagecoach, and Desert Trip. On average, Coachella Valley welcomes more than 12 million visitors per year.



The Coachella Valley occupies an area of approximately 600 square miles. The year-round climate in the valley averages 71 degrees, with average daytime temperatures of 88 degrees and nighttime temperatures dropping to an average of 55 degrees. A low average rainfall of approximately 5.5 inches per year ensures that the skies are sunny typically 350 days per year.

The major corridor through the Valley is Interstate 10, the fourth largest interstate highway in the United States. Amtrak provides passenger rail service through its depot in Palm Springs, and the Valley is served by Greyhound Bus service. The area is served by three airports. Most notably Palm Springs International Airport (approximately 4.3 miles from the Site) in the heart of Palm Springs provides access to cities across the country and globe.



POPULATION

The Coachella Valley's has more than doubled in size in the past 30 years. It went from a population of 169,000 in 1989 to approximately 388,000 in 2019. A large reason for such rapid growth is migration from other parts of Southern California as the valley offers a comparably lower cost of living without compromise in quality of life. The population of Coachella Valley is growing at a rate of roughly 1% annually. If this rate continues, it will reach 400,000 in the next few years.



City of Rancho Mirage





Located approximately 100 miles east of Los Angeles, Rancho Mirage is an affluent resort community with a year-round population of approximately 18,400. Incorporated in 1973, the “garden in the desert” became known for its high-quality residential neighborhoods and attractively landscaped arterials and golf courses. The first two country clubs in Rancho Mirage were Thunderbird and Tamarisk, paving the way for the renowned Rancho Mirage country clubs, golf courses and resorts of today. U.S. Presidents, corporate executives, and Hollywood celebrities have designated this enclave as the preferred luxury destination located in the heart of the Coachella Valley.

Median household income within one mile of the Site is \$95,000, which is roughly 40% higher than Riverside County as a whole (68,500). Moreover, around 49% of households earn over \$100,000 per year. Unemployment is roughly 2.5%, which is lower than the County rate of 4.2%.

According to Smith Travel Research Global, Rancho Mirage has historically been the top performing lodging market in the Coachella Valley, which is supported by its variety of upscale hotel product in the city including the \$200 million ultra-luxury full-service hotel at the popular Agua Caliente Casino, the renovated Omni Rancho Las Palmas Resort, and the 260-room Ritz Carlton Rancho Mirage. The \$100 million Rancho Mirage High School opened in August 2013, creating capacity for 2,300 students in state of the art facilities.

The population within one mile radius of the Property is projected to grow by 4% in the next five years. The top employment sectors are Professional and Management (30%), Services (15%), Sales (15%), and Education and Health (13%).

DEMOGRAPHIC PROFILE – CITY OF RANCHO MIRAGE

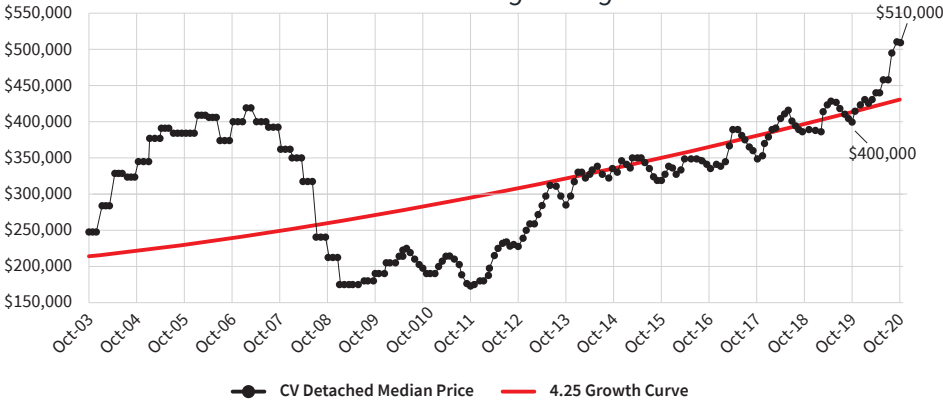
| | | |
|---|--|-----------|
|  | Population | 18,378 |
|  | Daytime Population | 25,635 |
|  | Average Household Income | \$138,993 |
|  | Average Owner-Occupied Home Value | \$825,738 |



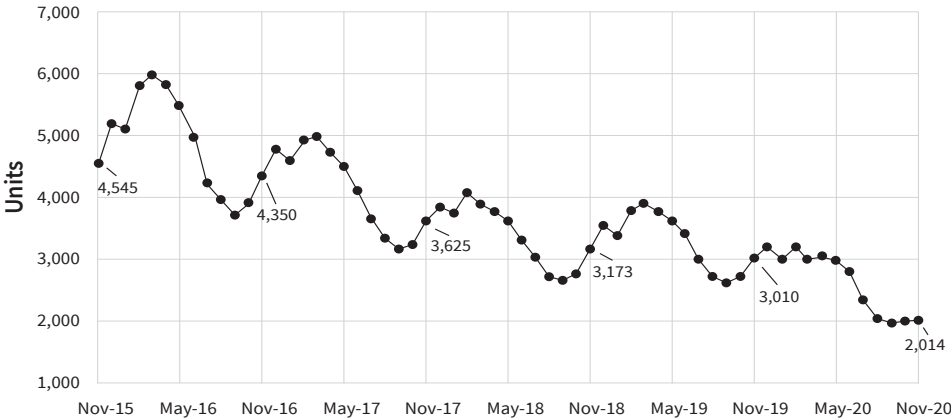
COACHELLA VALLEY: SINGLE-FAMILY RESIDENTIAL

The increasing unaffordability of coastal communities and Covid-19's impact on remote working has helped fuel homebuying in the Coachella Valley. Also driving up home values is the extremely low inventory in the area. Single-family home prices have risen year over year, with the median detached home value in September 2020 at \$510,000, up 26% from the previous year. Detached home sales are also up 34% year-over-year.

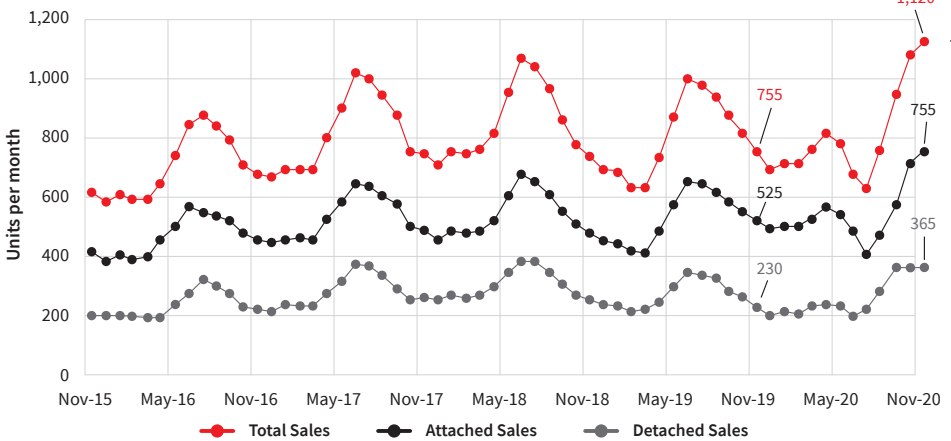
Coachella Valley Detached, Attached and Total Sales
3 month moving average



Coachella Valley Housing Inventory



Coachella Valley Median Detached Home Price
October 2002 - October 2020



Transaction Guidelines

The property sale is being distributed exclusively by Jones Lang LaSalle (“JLL”) to a select group of pre-qualified investors. The prospective investor will be selected by Owner in its sole and absolute discretion based on a variety of factors including, but not limited to:

- Sale price and terms;
- Financial strength;
- Development plan;
- Level of Property due diligence completed; and
- Thoroughness of Property underwriting.

All offers must be presented in writing and include:

- The sale price rate and terms;
- An outline of the proposed schedule for due diligence; and
- A list of any contingencies, including committee approvals, required to complete the sale transaction.

JLL will be available to assist prospective investors to arrange on-site inspections and to answer any questions related to information contained in this Offering Memorandum.

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Additional information and an opportunity to inspect the property may be made available, in Owner’s or JLL’s sole discretion, upon written request by interested and qualified prospective investors.

Owner and JLL each expressly reserves the right, in its sole discretion, to reject any or all expressions of interest or offers regarding the property and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligations to any recipient reviewing this Offering Memorandum or making an offer to purchase the property unless and until such offer is approved by Owner, a written agreement for the purchase of the property has been fully executed, delivered and approved by Owner and its legal counsel, and any obligations set by Owner thereunder have been satisfied or waived.

The recipient (“Recipient”) agrees that (a) the Offering Memorandum and its contents are confidential information, except for such information contained in the Offering Memorandum, which is a matter of public record, or is provided from sources available to the public (b) the Recipient, the Recipient’s employees, agents and consultants who have a valid need to know business reason to know such information (collectively, the “need to know parties”) will hold and treat it in the strictest of confidence, and the Recipient and the need to know parties will not, directly or indirectly, disclose or permit anyone else to disclose its contents to any other person, firm, or entity without the prior written authorization of JLL and the Owner, (c) the Recipient and the need to know parties will not use or permit to be used this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Owner or JLL or for any purpose other than use in considering whether to purchase the property, and (d) recipient will notify each of the need to know parties of the terms of this agreement and will be responsible for breach of same by any of the need to know parties. The Recipient and the need to know parties agree to keep this Offering Memorandum and all confidential information contained herein permanently confidential and further agree to use this Offering Memorandum for the purpose set forth above. If the Recipient has no interest in the property, or if in the future the Recipient or owner discontinue such negotiations, the Recipient will return this Offering Memorandum to JLL. ©2020. Jones Lang LaSalle IP, Inc. All rights reserved.

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