

Executive Summary

June 21, 2024

The Resort at Sonoran Springs, Buckeye, Arizona A Hybrid RV and Tiny Home Rental Resort

OVERVIEW

The Retreat at Sonoran Springs RV Resort (SS), is located in the municipality of Buckeye, AZ. Buckeye is the fastest growing municipality in the US, and is home to 86,000 people with a year-to-year growth of 10.7% and a median income of \$84,000 in 2019. This 'Class A' motor coach, first-class development site is comprised of 232 acres of fee-simple land, fully entitled for an 800 site RV Resort, and designed to accommodate the "Big Rig" market with 100x50ft (5000 Sq-Ft) sites. Additional amenities include: 2clubhouses, a 12-hole executive golf course, an equestrian center, and more. Water rights are included with the purchase of the land, and utilities are provided by a top of the line well and sewage treatment plant, which efficiently recycles water.

The plat was submitted to the City of Buckeye for review on May 13, 2021. The response to the City's review is currently being submitted with the new curvilinear design and mix of 500 luxury RV sites, and 246 Tiny Home sites.

Bordered by BLM land that opens to the Sonoran Desert and North Maricopa Mountains Wilderness Area, the resort will attract 'Class A' clientele, an under- accommodated demographic in the "big rig" market. Comparable resorts with comparable size sites in the Phoenix-Mesa-Scottsdale Area rent for upwards of \$1000/mo.

The proforma conservatively uses a per lot monthly rental of \$850. With a conservative absorption of roughly 15% per year, and assuming a conservative occupancy of 60% by year 5; the proforma demonstrates a 10-year exit value of \$80M at a 7.5% CAP rate, representing a 5.5x investment multiple and a 116% IRR over that 10-year period. For those that wish to capture retail opportunities from the captive audience of the resort/resident patrons, an additional development opportunity can be sold in tandem or separate, which is the resorts commercial frontage zoned and entitled with a hotel building, a sports bar/restaurant, a market, and a truck fuel and 'big rig' wash station.

HIGHLIGHTS

- » **232 AC fee simple land entitled to build a:**
 - **220 AC RV Resort & 12 AC or Commercial Frontage (sold separately)**
- » **800-site Luxury RV/Tiny Home Rental Resort Bordered by BLM Land and opens to:**
 - **Sonoran Desert National Monument & The North Maricopa Mountain Wilderness**

- 15000 & 7500 SF Clubhouses – w/infinity pool and spa center
- Bar/lounge/dining
- Fitness Centers
- Pickleball & Tennis Courts
- » 12-hole Executive Golf Course
- Designed by Forest Richardson
- » Helicopter Landing Pad
- » Equestrian Center
- » Dark Skies Observatory

ADDITIONAL OPPORTUNITIES

- » Commercial Frontage lots sold separately
- » City of Buckeye Approval to establish a separate **Private Water Utility** in South Buckeye to “connect to in the future”

The City of Buckeye recently purchased a well outside Buckeye for \$100 million