

4.0 MARKET ANALYSIS SUMMARY



The purpose of this document is to demonstrate market research for financial forecasting for the Return to Aztlán Theme Park and Entertainment District in the cities of Coachella and Indio California.

In this study, the development group researched the available resident and visitor markets, estimated for the proper scaling of components for the site, recommended a market positioning for the concept and related components.

Site and Environs – Riverside County and the Inland Empire

Coachella and Indio resides [Riverside County](#) which is the fastest growing county in California. It is part of the [Inland Empire](#) defined as **Riverside–San Bernardino–Ontario metropolitan area**, which covers more than 27,000 square miles.

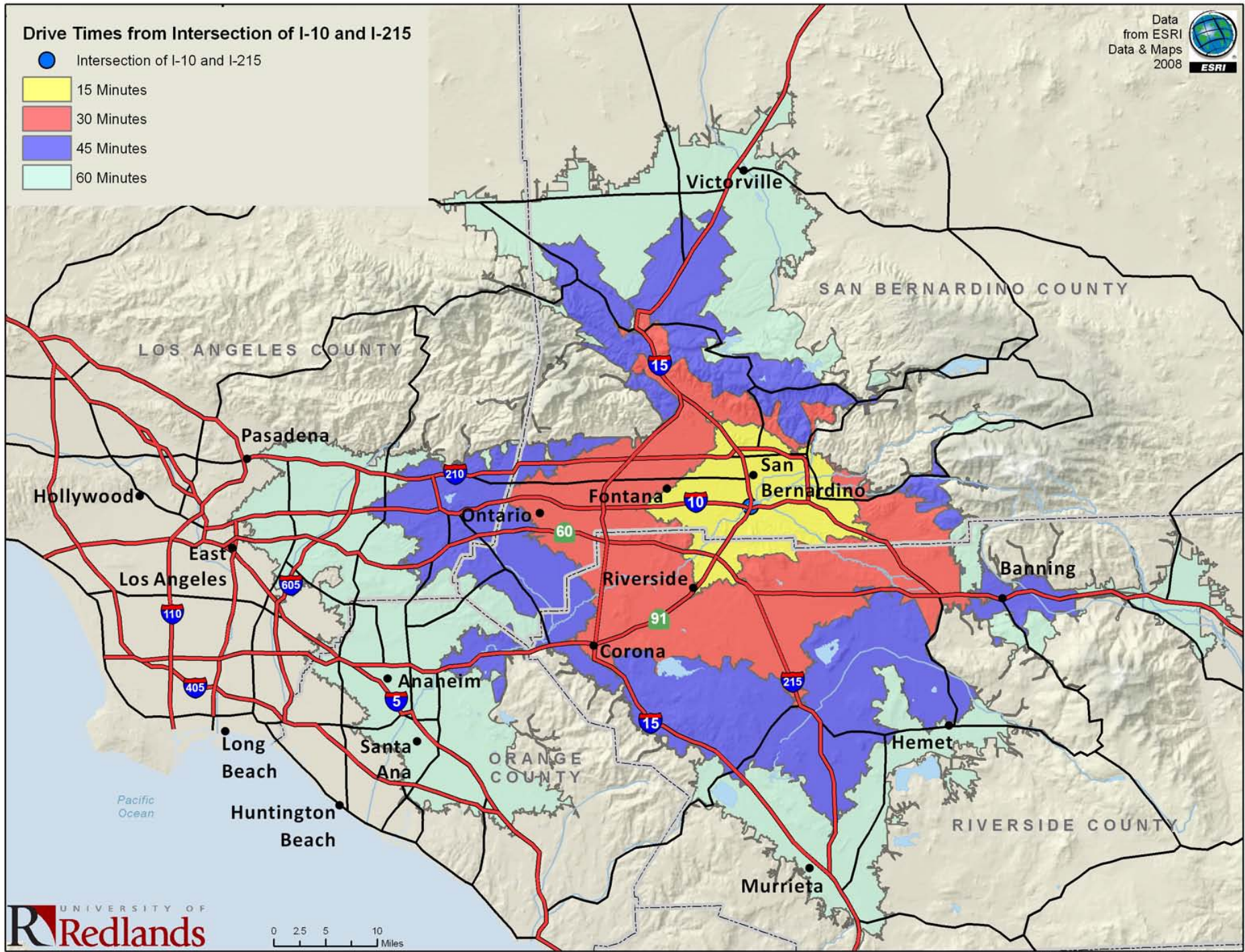
The Inland Empire is a metropolitan area and region of Southern California. It is situated directly east of the Los Angeles metropolitan area. According to the Census Bureau, the counties of San Bernardino and Riverside are home to over 4 million people, and together they comprise the 13th-most populous metropolitan area in the United States, and the third-most populous in the state of California. Most of the area's population is located in the southwest of San Bernardino County and the northwest of Riverside County.

From the heart of the Inland Empire, there are 4 MM people living 90 miles or 90 minutes from the Theme Park.

Drive Times from Intersection of I-10 and I-215

● Intersection of I-10 and I-215

- 15 Minutes
- 30 Minutes
- 45 Minutes
- 60 Minutes



Sites and Environs – Coachella Valley – Greater Palm Spings



Return to Aztlán sets on the eastern edge of Coachella Valley and part the Greater Palm Springs Tourism base with \$4 billion in published annual visitor spending. Coachella Valley is populated by 600,000 people.

This base is increased by over 100,000 during the season, and by 3.5 MM annual conventioner. There are 11.5 MM visitors to Coachella Valley annually, of which 5.1 MM extend their stay. The Theme Park is within a 30 minute drive from any part of Coachella Valley including the Palm Springs International Airport.

The majority of the population is employed in the Services, Wholesale and Retail Trades and Government sectors. Bordering the site to the south is the un-tapped market of Mexicali with another 1.5 MM residents within a 90 minute drive.

There are no other theme parks in the valley and the existing Wet-n-Wild water park boasts a summer day only seasonal attendance of 300,000.

The renowned Palm Springs Tramway advertises 500,000 visitors per year.

The Theme Park is directly visible from two miles and accessed by Interstate 10 – the second busiest Interstate in the world.



GREAT PALM SPRINGS



NINE CITIES, ONE DESTINATION

Highway 111 is your roadway to one of the liveliest destinations on the West Coast. Greater Palm Springs offers family fun, romantic environments, magnificent shopping, and a robust arts and culture community. Travel through the nine cities and fall in love with the California desert.



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Coachella/Indio, CA and New Braunfels, TX Comparison

According to a Schlitterbahn Water Park survey, there are approximately, 11 MM people within a 3.5 hour drive of their park.

This would compare to 24 MM within a 2.5 hour drive and 35 MM within a 3.5 hour drive of Aztlán.

The demographics of Southern California and Southern TX are virtually the same with a burgeoning Latino population of families of school-aged children.

Schlitterbahn attendance in New Braunfels was 1.1 MM in 2012. It was ranked 5th in the US and 15th in the World. Galveston has 600,000 and ranked 8th the US.

Aztlán Reach	(3.5 Hrs)	35 MM
Southern California	(2.0 Hrs)	24 MM
Inland Empire	(1.5 Hrs)	4 MM
Riverside County	(1.0 Hrs)	2.5 MM
San Diego & Tijuana	(2.5 Hrs)	6 MM
Mexicali-Tecate	(2.0 Hrs)	1.5 MM
Coachella Valley	(0.5 Hrs)	600 K
Indio & Coachella	(0.5 Hrs)	120 K



Major Factors for Locations

There are two major factors relevant to locating a Theme Park and Entertainment Resort:

1. Population density within a 3.5 hour driving radius of the park (maximum day trip). If you include, Phoenix, 4.5 MM; Tijuana, 5.2 MM; Mexicali, 1.5 MM, a safe estimate would be that there are over 35 million people within a 3.5 hour drive of Coachella Valley. Los Angeles Basin, 125 miles, San Diego, 125 miles; Newport Beach, Orange County, 111 miles; Santa Barbara, 211 miles; Phoenix, 246 miles; Tijuana, 146 miles. The busiest Interstate in the US runs the length of Coachella Valley with over 20 million vehicles passing by the 200 ft. pyramid each year.
2. Existing tourist visitation to the area. The Coachella Valley currently attracts 5.5 million tourists per year with an average 2 day stay, and there is no significant family entertainment venue open during this tourist base's peak winter season.

Our comparables included in this study attract population within 3,5 hours driving distance. This includes population within similar distances to major resorts such as Six Flags and Sea World, as well as numerous smaller resorts.

We can reasonably project that visitation to Return to Aztlán Theme park will attract a number of guests greater than the existing Wet-n-Wild of Palm Springs of 300,000 during its daytime *summer only* season, and feel that we can initially attract similar visitation rates as the Palm Springs Tramway. This is because the Theme Park will be designed to offer year round venues that coincide with the peak visitation of the Coachella Valley during the *seasonal months*; Aztlán offers venues both day and night including overnight lodging, retail, dining, and concerts; and Aztlán's *Value Proposition* invites guests to frequent the facility often with free parking and a park like setting where whole families can bring their own coolers and spend the day – a value add proposition for the working demographic of its host region. We therefore conclude that the projections of 450,000 to 600,000 guests to the Theme Park is both a reasonable and conservative estimate based on the vast population base of all Southern California and Baja California.