

FOUND Hotels is Redefining Luxury for the Modern-Day Explorer

By CJ Arlotta, Hotel Business

LOS ANGELES, CA, USA, August 27, 2019 /EINPresswire.com/ -- FOUND is larger than just hotels; it's a family of co-lifestyle brands dedicated to providing its customers with a variety of living options connected by a shared lifestyle.

"With most of the [boutique hotel market](#) focused on traditional luxury lifestyle product, we realized there was a significant opportunity in the affordable luxury—or low-cost, high-value—lifestyle segment for new products," said Ross Walker, managing partner of Hawkins Way Capital and owner of FOUND, who founded the company with Lew Wolff. "This product concentrates on facilitating social connections and promoting local experiences in major urban centers—basically, a new and improved take on what hostels have historically been."



FOUND Hotel concept: community, affordable luxury, authenticity and exploration.

[For anyone unfamiliar with FOUND's hotel brand](#), Walker said, "FOUND Hotels is a network of authentic, locally driven hotels redefining luxury for the modern-day explorer."

The name "FOUND" originated from a brainstorming session among the founders. "It had a lot of good interpretations relating to discovery, exploration, reflection, etc.," he said.

To build a strong framework for the brand, the founders had to develop a set of principles everyone within the organization would follow to protect the integrity of the FOUND concept: community, affordable luxury, authenticity and exploration.

The most important is exploration. "There is much more to a brand than a hotel room," Walker said. "FOUND Hotels wants to put people in a position to get the most out of exploring the neighborhoods, gaining a sense of belonging to a new city, making new friends and, ultimately, feeling like a local.

"FOUND Hotels' real estate and operating companies are affiliated, which allows for ideal alignment," he continued. "Each is well capitalized and self-sustainable on day one. This allows for patient, controlled growth and the ability to scale most effectively."

The founders agreed against a VC approach to the operating company. They determined—for the time being—it was best to stay away from a strategy "typically focused on hyper revenue growth via risky master leases or capital-intensive management contracts born by the operating company for the sake of building brand," Walker said.

“This all takes the pressure off initially depending on third parties to secure projects,” Walker said. “The fewer third parties during the growth period, the better. You can perfect the brand ‘in-house’ and earn the right to expand beyond to the franchise agreements and third party management contracts. One of the more important advantages is owning a portfolio of existing properties in key U.S. markets—prime real estate at scale is a barrier to entry.”

Following this strategy was challenging at times, especially when there were others doing the opposite. “Many are achieving substantial ‘hyped’ revenue growth in a very risky nature for the sake of brand building,” he said. “That approach may ultimately work out for some, but...our focus is on sustainable real estate property and management profits day one. It is more of a bottoms up approach.”

Designed to encourage social interactions among guests and locals, each one of FOUND’s hotels is centrally located and offers guests a choice of shared bunk or private room accommodations.

“[The] design is simple, yet stylish and functional,” Walker said. “Pricing options are affordable and cater to group travel given selected bunked rooms that may be rented by the bed. This allows more to be spent on additional experiences, as so much of hospitality today is not just selling rooms, but access to experiences.”

When asked where he believed FOUND Hotels fits in the market, he replied: “Perhaps in the budget lifestyle segment. However, we do not want FOUND cheapened by that description. Luxury is a state of mind, and when you are holistically selling access to amazing experiences, that is redefining luxury. It is not just a room or bed price point.”

There are 12 existing and future FOUND Hotel properties. “Some of these are smaller FOUND Hotel properties (sub 50 rooms) labeled as our ‘By FOUND,’ brand,” he said.

“We will be open to franchise agreements at some point, including third-party management,” Walker added.

[There’s more to the FOUND brand than hotels.](#) The FOUND brand also has FOUND Study, which caters to students living in dense urban cities where affordability and quality supply are constrained; and FOUND Residences, which currently has two opened properties in Los Angeles and Philadelphia, and at least two more under development in Downtown Oakland and San Francisco.

“We had already been in both businesses, but did not have a cohesive brand or operations plan connecting the three asset types,” he said. “In all cases, the location and affordability are staples of the product.”

FOUND has dedicated more than \$500 million of equity to purchase, redevelop and rebrand properties across the U.S. Currently, there are 25 FOUND properties across 15 major cities, including San Diego, Santa Monica, Hollywood, Oakland, San Francisco, Chicago, Providence, Boston, Brooklyn, New York, Washington D.C., Miami Beach, Honolulu, Philadelphia and growing. Today, this translates to approximately 2,000 units / 4,000 beds opened by 2021.

“In 2019, FOUND will be opening two hotels, in San Francisco by the start of Q4 and Santa Monica, CA, by the end of the year,” he said. “In addition, we will be developing properties we control in areas such as: San Diego, Miami Beach and Honolulu.” HB

Ben Russo
EMCBOWERY
+1 323-654-0001
[email us here](#)

This press release can be viewed online at: <http://www.einpresswire.com>

Disclaimer: If you have any questions regarding information in this press release please contact the company listed in the press release. Please do not contact EIN Presswire. We will be unable to assist you with your inquiry. EIN Presswire disclaims any content contained in these releases. © 1995-2019 IPD Group, Inc. All Right Reserved.