

OFFERING MEMORANDUM

CARA

A 60-Key Boutique Hotel • Los Feliz, Los Angeles

1730 North Western Avenue, Los Angeles, California 90027

LEE & ASSOCIATES LOS ANGELES WEST

THE OFFERING

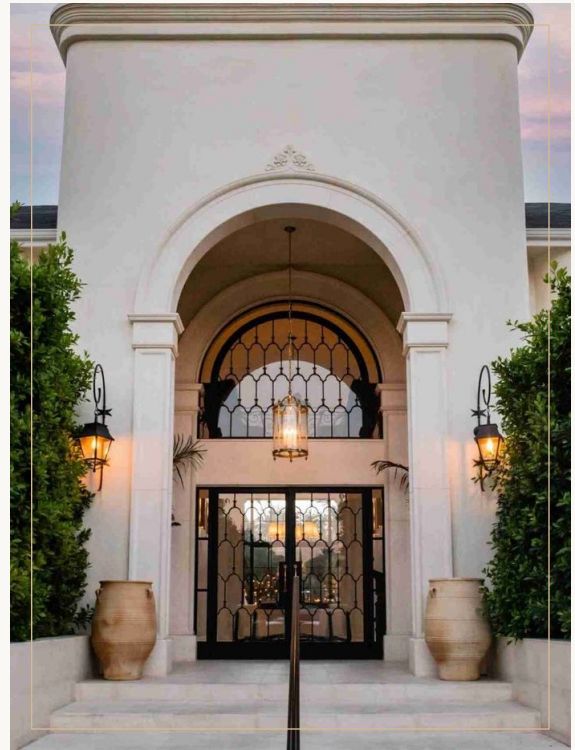
A Rare Asset in a Supply-Constrained Market

Lee & Associates Los Angeles West, Inc. has been exclusively retained to offer for sale the fee simple interest in the Cara Hotel, a recently repositioned, award-winning 60-key boutique hotel with a critically acclaimed on-site restaurant, Cara Restaurant.

Nestled in the foothills of Griffith Park in the heart of Los Feliz — one of Los Angeles' most sought-after neighborhoods — the Hotel embodies California through thoughtful design, breezy patios, and private courtyard balconies that blur the line between indoor and outdoor living.

Following a 2018 acquisition at \$16.5 million (\$275K per key), the Property underwent a comprehensive \$17.8 million renovation (\$297K per key) that took the asset down to the studs before reopening in September 2020 as a premier luxury-lifestyle destination.

The offering is fully unencumbered of brand and management, with a non-union workforce — providing maximum flexibility for a new owner. Pricing expectation is in the mid-\$40 millions.



60 \$16.5M \$17.8M 17,286 0.77 1,680 *Fee Simple*

KEYS 2018 ACQUISITION RENOVATION SQUARE FEET ACRES SF EVENT SPACE UNENCUMBERED

Why Cara

01

Post-Renovation Upside, No Capex Overhang

Acquired in 2018 for \$16.5MM (\$275K/key), then a \$17.8MM renovation brought the asset to studs in 2020 with brand-new kitchen, mechanical systems, and guest rooms. An investor captures upside without additional capital burden.

03

Award-Winning F&B Platform

\$4.6MM in F&B revenue at a 35.4% profit margin. Time Out ranked Cara as the #5 most romantic restaurant and #8 outdoor dining in LA (2025). A standalone demand generator.

05

Unprecedented LA Event Cycle

FIFA World Cup (2026), Super Bowl (2027), and the 2028 Summer Olympics — layered on a Dodgers roster of Japanese superstars defending a World Series title, driving record international travel to LA.

07

Untapped Events Revenue

Three distinctive venue spaces with a proven hosting model — yet no dedicated sales effort to date. A focused events team unlocks a high-margin revenue stream from day one.

09

Resort Fee Opportunity

No resort fee is currently charged. Implementing a fee consistent with the submarket adds a pure-margin revenue line without impacting the guest value proposition.

02

Strong & Growing Cash Flow

2025 full-year NOI of \$2.8 million with a forecast of \$3.5 million for 2026 — reflecting continued rate growth, expense discipline, and expanding F&B margins.

04

Supply-Constrained Submarket

Only 78 keys under construction in the Hollywood/Beverly Hills submarket — 0.4% of existing supply. Demand growth has outpaced supply growth for a decade.

06

Fee Simple, Fully Unencumbered

No brand. No management agreement. Non-union workforce. Maximum optionality for a new owner to implement their own strategic vision and operating platform.

08

Occupancy Upside

Current occupancy in the low 60s leaves meaningful room for growth. Closing the gap to competitive-set levels directly lifts RevPAR and strengthens rate positioning.

10

Convertible Key Inventory

Four rooms currently offline represent immediate upside. Two convert readily to wellness amenities; two more — currently used for laundry — can be returned to sellable inventory.

RECOGNITION

As Seen By Those Who Set the Standard

Vogue

Best Hotels in Los Angeles

Condé Nast Traveler

Best Hotels in Los Angeles

Travel + Leisure

Best Boutique Hotels in LA

Architectural Digest

Feels instantly transporting

Time Out

Best Hotel in Hollywood

Forbes

Champions California cool

Michelin Guide

A transformative atmosphere

Goop

Elegantly earthy, minimalist yet warm





CARA RESTAURANT & BAR

\$4.6MM F&B Revenue • 35.4% Profit Margin • Time Out #5 Most Romantic Restaurant, LA



Performance Summary

Operating Performance

2025 Full-Year NOI	██████████
2026 Forecast NOI	██████████
YoY NOI Growth	25.0%
Pricing Guidance	Mid-\$40 Millions

Food & Beverage

F&B Revenue	██████████
F&B Profit	██████████
Profit Margin	35.4%
Margin Growth vs. Prior	+290 bps

LA Event Cycle

Dodgers Title Defense	2026
FIFA World Cup	2026
Super Bowl LXI	2027
Summer Olympics	2028

Detailed financial statements, trailing-twelve-month operating reports, and forward projections will be made available following registration of a Confidentiality Agreement and qualifying property tour.

SPACES & LOCATION

Three Distinct Event Venues



The Courtyard

130 seated • 350 reception

Signature open-air atrium with reflective pool, century-old olive trees, and palm-lined perimeter.



North Patio

50 seated • 60 reception

Intimate garden-enclosed outdoor space with mature landscaping and stone accents.



Bar & South Patio

75 seated • 150 reception

Indoor-outdoor space anchored by the craft cocktail bar, with weekly live music programming.

LOCATION

At the Center of LA's Creative Core

Strategic location at the intersection of Los Feliz, Hollywood, Silver Lake, and Echo Park — supported by major corporate tenants including Paramount, Netflix, CBS, and Viacom. With \$15 billion in LAX modernization and the 2028 Olympics, the broader market is positioned for sustained demand growth.

Fonda Theatre	0.9 mi
Hollywood Palladium	1.2 mi
Pantages Theatre	1.2 mi
The Greek Theatre	2.2 mi
Hollywood Bowl	2.3 mi
Griffith Observatory	3.3 mi
Crypto Arena (2028 Olympics)	6.5 mi

The Cara Residences Opportunity (Pure Optionality)

The Citywide Adaptive Reuse Ordinance, effective February 2026, cleared the path for hotel-to-residential conversion under ministerial review. For Cara, the headline pathway is the Unified ARO bonus track: retain all 60 keys, add ~20–30 branded residences on two bonus stories above the existing roof, and unlock the density through a voluntary workforce set-aside (~10–15% at 80% AMI). A second pathway — the Base ARO by-right — retains ~55 keys and carves 1–2 residences at the margin. No affordability required, no hearing. Neither pathway competes with the going concern.

THE GEARING RATIO

A Cara guestroom is 210 SF; a credible branded residence is 700–1,200+ SF — roughly three to five keys of footprint per residence. The math is a constraint, not an opportunity. The keys-preserving hybrid treats it as a ceiling: retain ~55 keys, carve 1–2 residences at the margin.

Pathway Comparison

	UNIFIED ARO BONUS TRACK	BASE ARO BY-RIGHT
PATHWAY	Unified ARO (voluntary workforce)	Base ARO (by-right)
HOTEL KEYS	All 60 retained	~55 retained
RESIDENCES	~20–30 on +2 bonus stories	1–2 optional (at the margin)
AFFORDABILITY	~10–15% at 80% AMI (workforce)	None — 100% market rate
TIMELINE	9–15 months LOI to permits	6–12 months LOI to permits

Why the Keys-Preserving Hybrid Is the First, Best Play

Building already designed for it

Cara's courtyard typology — exterior-entry rooms, natural light, plumbing in place — is unusually suited to branded residences with minimal structural work.

Brand already built

A known design-forward hospitality identity with Michelin recognition; branded residences trade on exactly this kind of equity.

Hotel keeps operating

~55 keys continue generating cash through entitlement and construction. The asset stays substantially whole.

Amenities already exist

Courtyard, pool, restaurant, bar, concierge, housekeeping — residents buy into a working hotel, not a pitch deck.

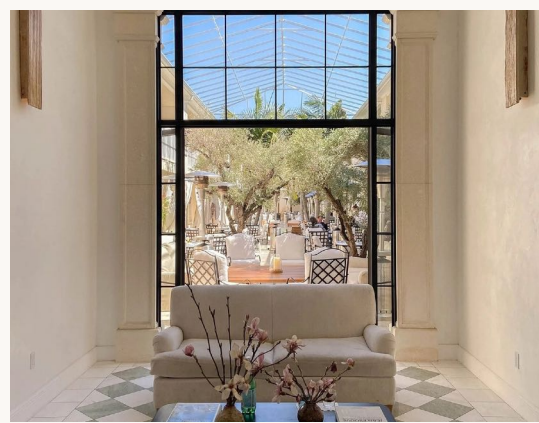
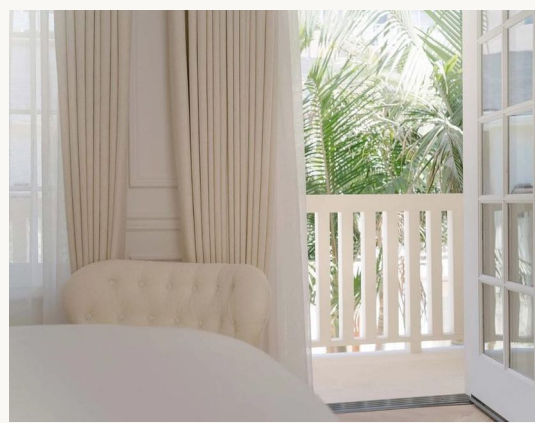
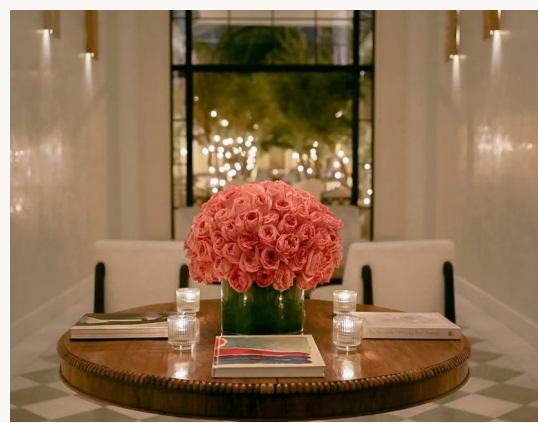
Ministerial timeline

By-right LADBS review. LOI-to-permits in months, not years.

WORKFORCE HOUSING — BONUS-TRACK SET-ASIDE AS OPERATIONAL ASSET

On a ~25-unit bonus-track program, the voluntary set-aside is typically 3–4 units at 80% AMI — a wage band that maps almost exactly to Cara's BOH, housekeeping, and front-desk staff. Positioned as on-site workforce housing, the set-aside stops being a concession and becomes a retention tool.

Informational only; not legal, planning, or tax advice. All entitlement pathways are subject to City of Los Angeles Planning Department confirmation. Prepared by Lee & Associates – West Los Angeles. Data current April 2026.



EXCLUSIVELY OFFERED BY

Sales Team

Lee & Associates Los Angeles West, Inc.

Brad McCoy

Co-President
DRE 01938098

310.418.1692
brad@bradmccoy.com

Conor Halloran

Principal
DRE 02085970

323.590.9494
conor@leewestla.com

Dylan Mahood

Principal, CCIM
DRE 02027002

310.488.2373
dylan@leewestla.com

The information contained herein has been obtained from sources deemed reliable. While every reasonable effort has been made to ensure its accuracy, we cannot guarantee it. No warranty or representation, express or implied, is made as to the accuracy of the information contained herein. This is not intended to solicit property already listed.