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LaSalle Group rains Autumn Leaves in Houston

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A chain of assisted living facilities geared toward residents with memory impairments is entering the Houston market with plans to break ground on two developments by the end of the year.

The LaSalle Group Inc., which builds under the brand name Autumn Leaves, will spend a total of \$16 million to construct facilities in The Woodlands and Sugar Land.

Irving-based LaSalle is buying about three acres at 10700 Montfair Blvd. from **The Woodlands Development Co.** in a deal set to close in mid-October. The company is also acquiring three acres in the Riverstone master-planned community near U.S. Highway 59 and State Highway 6 from **Frost Ranch Investors LP**. That deal is scheduled to close in the middle of December.

Construction is slated to begin as soon as the land transactions are completed, and the facilities will open in mid- to late-2010.

LaSalle President Mitchell Warren says Dallas-based Silverado Interests LLC is the equity partner on both developments. **Trustmark National Bank** is providing 75 percent financing on the Riverstone deal, and **Community Trust Bank** is lending 80 percent on the Woodlands project, he says.

Nearly identical facilities will rise at both locations. Each will have a total of 46 beds in 38 units, some of which are semiprivate rooms. The developments will include a 26,000-square-foot building and 20,000 square feet of secured courtyards.

Sixty percent of the standalone facility will cater to residents with Alzheimer's, while the remaining population will be made up of patients with other dementia or memory impairments.

Constant Care Management Co., a sister company to LaSalle, will manage the properties, which will have 30 to 40 employees per site.

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LaSalle intends to build a total of eight to 10 facilities in Houston. The company currently has 12 facilities in operation, two under construction and four in development in Dallas-Fort Worth, Houston and Chicago. Warren says new developments usually fill up 12 to 14 months after they open, and the average length of stay for each resident is two and a half years.

Warren says LaSalle decided to enter the Houston market because the demand for such facilities is greater than the supply, and the firm is already licensed to operate in Texas.

“There’s a tremendous need, and the need is growing each year,” he says. “You couldn’t build these fast enough. It’s very underserved.”

An estimated 5.3 million Americans have Alzheimer’s disease, according to LaSalle, and the number is expected to reach 7.7 million in 2030.

Memory care services are commonly offered in a special wing or section of an assisted living facility. Facilities that care only for memory-impaired residents tend to be smaller, making them more manageable, but also more expensive for residents.

“It’s a really specialized field,” says assisted living facility developer Donald Sapaugh, CEO of Friendswood-based **TrinityCare Senior Living Inc.** “It’s a very complex scenario. That’s part of the reason they charge more.”

Residents will pay approximately \$5,000 per month to stay at Autumn Leaves, a rate that Warren says is comparable to other standalone programs. And the price will not increase as the level of care increases.

“We have one flat rate for all the care we provide,” he says.

Founded 10 years ago, LaSalle is a family owned and operated business started by Warren’s father, Melvin Warren. The 29-year-old son took over as president of the company two years ago.