



GRACE MGMT INC.
A CPF LIVING COMPANY



NEWS RELEASE

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FOR IMMEDIATE RELEASE

Grace Management Dips Toe in Active Adult With Larger Plans Possible

Maple Grove, MN – January 9, 2023 – [By Nick Andrews, Senior Housing News](#) — Grace Management has broken ground on its first active adult project as the company explores further expansion into the space.

For Maple Grove, Minnesota-based Grace Management, a subsidiary of CPF living, and Padua Realty Company, the move comes after a years-long period of pursuing acquisitions in the product type, according to President Guy Geller.

“We weren’t really able to make any of them happen,” Geller told Senior Housing News. “We’ve probably pursued 20 active adult buildings aggressively over the last three or four years.”

But now the company has landed on a suitable opportunity, and is forging ahead with a new active adult project called The Lakes at Woodhaven Village in Conroe, Texas. As planned, the community is slated for 115 units, with amenities including a salon, theater, game room, library and card room, gym and space for yoga, golf simulator, pool and a dog park.

The community is planned to span about 130,000 square feet, with a campus footprint of about five acres. Grace, along with a small group of project partners, are developing the community across the street from Woodhaven Village, another Grace community with 167 units for IL, AL and memory care that is set to open in the early part of 2024, according to Geller.

Currently, Grace operates a portfolio of 67 properties in 19 states, 47 of which it owns, according to Geller. The company’s operating margin for its owned communities is currently about 35%, with occupancy varying and in the neighborhood of 87% to 90%.

When Grace [acquired Woodhaven Village](#), Padua Realty owned a parcel of land across the street from the senior living community. So, Grace bought a small portion of that land and is now working with Padua to develop the active adult community.

This is not just Grace's first foray into active adult. It is also a rare development project for the company which Geller described as "an acquisition group, not a development group."

For now, Grace is still getting its bearings in the active adult space and is exploring the product type. The company's future strategy in the sector will hinge on lessons learned in the new active adult project.

"First, we want to understand the lease-up process ... how long it takes, what kind of measures need to be taken that are different from leasing up IL, AL or memory care," he said.

Grace is not alone. Indeed, active adult continues to be an area of investment and excitement in senior living with some predicting a major boom in the asset class [on the horizon](#).

Looking ahead, Geller sees the line between active adult and independent living continuing to blur. And he is positioning the company to navigate those changes in the future.

"As we see it, independent living is continuing to raise up an acuity level and active adult is almost what independent living was 30 years ago," Geller said.

About Grace Management, Inc.

Grace Management, Inc. (GMI) was established in 1984 to develop, market, and manage residential communities for seniors. GMI combines sound fiscal and operational management, adherence to ethical standards, and dedication to the long-term satisfaction and quality of life of all residents and associates. Grace Management, Inc. is a subsidiary of CPF Living Communities and is ranked in ASHA's 50 largest seniors housing owners. For more information, please visit: www.GraceManagement.com.

About Chicago Pacific Founders

Chicago Pacific Founders is a Chicago and San Francisco-based healthcare private equity investment firm. The fund targets investments in healthcare verticals, including senior living and innovative healthcare service-based platforms. CPF Living Communities was launched in 2014 by CPF and co-founding Operating Partner John Rijos, and it is the 30th largest Healthcare Real Estate operator in the United States. CPF is the only investment firm that owns its own specialized property management company, Grace Management, Inc.

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