

Builder

Vantage Advantage

As the Inland Empire strikes back, developer Foremost Companies programs its Terramor tract for dual appeal--55-plus and market-rate buyers.

By John McManus
May 15, 2017



Temescal Valley, in California's [Riverside](#) County--since the early 1800s, anyway--has a history steeped in livestock, tin mining, beehives, and citrus orchards once fed by creeks, springs, and cienegas alive with milkweed and monarchs. Eventually, its water-bearing lands became parched and arid from overuse, but its soil, as it's being scraped Etch-a-Sketch style into a labyrinthine layout of roads for a new, 961-acre, integrated age-qualified and all-ages market rate masterplan looks red-clay ready to grow one more time.

The community, a classic case-study in customer segmentation programming lessons learned from the latest housing cycle, will grand open this week. Still an early work in progress, its unveiling will showcase its all-ages Veranda recreation and fitness center and the first of five first-phase neighborhood's, Pulte Del Webb's Cortina 55+ models.



In another era, another housing cycle, Terramor might have been programmed as an Inland Empire, drive-'til-you-qualify market rate enclave, just under 50 miles from downtown [Los Angeles](#), and more accessible to Orange County's job centers. It very nearly went in that direction.

This time, however, Foremost Companies developers of Terramor--a masterplanned community a few miles south on the I-15 from Corona--intend a future narrative that strikes a better, more sustaining balance of humans and a hydricly-deprived nature. Contoured and graded anew to thrive as a xeriscaped oasis, whose precious riparian biome snakes elegantly through a valley crowned by Saddleback Ridge and snow-blanketed Trabuco Peak in the Santa Ana range to the West, and the splendid ridges of the San Gabriel mountains north, the Lake Mathews Estelle Mountain Preserve and San Jacinto mountains to the east, and Mount Palomar and the [Cleveland](#) National Forest in the farther horizon to the south.



(Left) Gene Wark, Director of Land Development, Foremost Companies, yours truly, and Steve Cameron, president of Foremost on site at Terramor.

Gene Wark, Foremost Companies director of land development at Terramor, has approached resculpting of the site since 2015 with the planning tools and mind of an engineer but with the eye of an artist, which is what he'd studied to do as an undergraduate decades ago. The tract banks up from the creek that runs along Temescal Canyon Road in a series of terraces whose horizons to the north and east blend into a 540-acres preserve which will be left as a permanently open, with wondrous vantage to the mountains all around, and a network of trails and paseos.

"This," he points to the layout whose topography slopes upward into the low foothills to a multi-tiered shelf above the base of the valley, "is my canvas now."

Just as Terramor finds itself physically situated on a shelf above the valley, the concept for the MPC discovered a middle position in the market--between all age-targeted and all market rate--where it could meet a demographic trend head-on and fill a price position lacuna in the market, from the low \$400,000s to \$600,000.

Steve Cameron, president of Foremost, which is has joint ventured with Starwood Capital on the acquisition and development of Terramor, had had experience at another Temescal Valley MPC, Sycamore Creek, which got sucked into the vortex of the Great Recession, and has been clawing its way out since the recovery began six years ago.

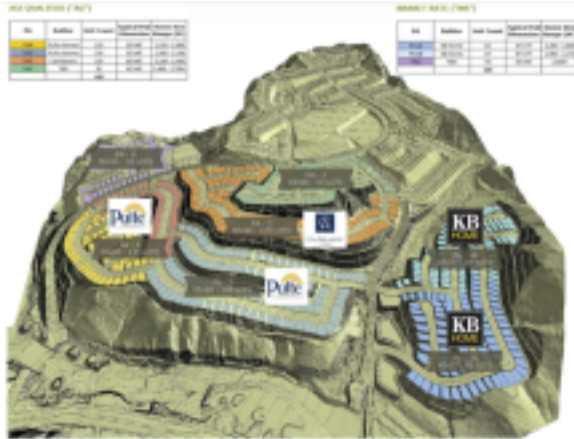
"Our experience at Sycamore Creek suggested that these MPCs have a window of timing that's the natural, healthy run for the cycle," says Cameron. "So, what we learned is that we have to have the product, the price, and the pace that will allow us to sell the project from start to finish without losing momentum."

This lesson--don't lose momentum--turned Cameron's thinking when it came to a plan for Terramor.

"We started exploring what was happening at Rancho Mission Viejo and some of the other MPCs that had begun integrating age-qualified and market rate neighborhoods, and liked what we saw."

In 2014 and 2015, Cameron and Foremost worked with [Mature Market Strategies 55+ housing expert Dave Schreiner](#) and a number of market analytics partners--including BUILDER sibling Metrostudy--to explore whether the Terramor plan would support a 55+ age-qualified product and positioning strategy.

The conclusion? Absolutely.



CalAtlantic Homes and KB Home, along with Del Webb, which has already begun construction on two 55+ neighborhoods, will build the first five neighborhoods. Cortina by Del Webb will feature 105 single-family homes, ranging from 1,999 to 2,172 square feet and Ardena by Del Webb will feature 135 new single-family homes, ranging from 1,579 to 1,865 square feet. KB Home will build two all-age neighborhoods, Sorrel and Caraway, totaling 170 two-story homes that will range from approximately 2,200 to 2,700 square feet. CalAtlantic Homes will build an active adult neighborhood on 105 home sites called Sterling. The neighborhood will offer four new, one- and two-story home designs that will range in size from approximately 2,200 to 2,500 square feet.



Inside the gatehouse, Terramor's narrative is all about optional connectivity ... to trail systems, to pocket parks, to recreation, resort-style luxuriance, and health, to an integrated community of households, to the roads that lead to either work or leisure opportunity.

Cameron believes the integrated age mix and the mid-level price position--together with the exclusive locational beauty of the Terramor perch above Temescal Valley--will add up to a one-two punch that will give the three-phased MPC its start-to-finish pacing through eventual sell-out before the next downturn.

With the brush-strokes of earth movers and curb cutters and an earth-toned palette of desert agave, manzanita, scrub oaks, bush poppy, jojoba, laural sumac, white sage, and deerweed, Gene Wark paints a masterpiece of balance between man and a drier brand of nature.

"I always wanted a way to express myself in my artwork," he says. "This is it."