

Elite compete for raw land in North Fontana

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In a one-two punch, a couple of the Southland's most respected developers have purchased two large parcels of bank-owned raw land on Sierra Ave., close to Interstate 15 and Interstate 210, in north Fontana. One of the buyers, the Lewis Group of Cos., was beat out by Forestar Land Partners on a 65-acre deal with Bank of America and then successfully bought some 76 acres nearby from Wells Fargo.

Most of the residential land buying since the recession has consisted of builders vying for heavily discounted ready-to-build lots, which have begun to vanish in the most popular home buying areas.

Don Williams, Fontana's director of community development, said it is refreshing to see someone buying raw land with plans to invest the money and time required to get it ready for home building.

It is even a better sign that interest in buying and preparing raw land for future homes is coming from developers like Lewis and Forestar, said Tom Dallape, co-principal of The Hoffman Co., a land broker based in Irvine that does a lot of deals in Inland Southern California. Dallape called the two companies "elite developers. They really understand the market," he said.

It is a good time to buy raw land because land prices have begun to sink again after a rising spell, said Mitch Perez of Whittlesey Doyle, an Irvine-based land brokerage, who represented Wells Fargo in the north Fontana sale to Lewis. It is also a good time for banks to sell, said Perez, because there is no guarantee that they can get a higher price by waiting.

--Leslie Berkman