

Builder

Land Acquisition

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Horton Grabs 622 Lots in the Inland Empire

By Les Shaver

A little over a month after making a major **statement** in **Atlanta**, D.R. Horton is pushing further into California's Inland Empire. The Fort Worth, Texas,-based builder paid \$62 million for 622 lots from Irvine, Calif.,-based Foremost Communities. Here's the press release with more information:

IRVINE, Calif. – June 9, 2014 – Foremost Communities and its related entities have sold 622 lots in three separate residential developments in California's Inland Empire for a combined \$62 million to D.R. Horton, the nation's largest homebuilder.



The sale includes 246 finished lots – 178 lots at Mission Estates in the City of Jurupa Valley and 68 lots at Rosena Ranch, a master-planned community in the Lytle Creek area of San Bernardino County – as well as 376 fully entitled, but undeveloped lots at Bella Strada, a master planned community located within the City of Fontana.

“We acquired these properties several years ago when the land market in the Inland Empire was at a low point,” said Steve Cameron, president of Foremost, one of the most active land buyers in Southern California since its launch in 2007. “At this point, Foremost has added all the value we can through modified entitlements and cleaned-up development issues. We’ve seen significant market lift and have sold these properties to achieve our business plan objectives.”

Foremost’s financial partner on two of the properties was Starwood Capital Group Global, a private, U.S.-based investment firm focused on global real estate.

Stephen Fitzpatrick, D.R. Horton’s Southern California Division President, said, “We appreciated the opportunity and enjoyed working with the professional team at Foremost to successfully complete this land acquisition. We believe these properties are well-situated to further strengthen our existing land portfolio and will be a key part of our continued success in the Inland Empire.”

In the past seven years, Foremost has acquired ownership or management of nearly 7,800 lots across Southern California. To date the residential land investor has sold approximately 1,300 of those lots, and retains control of an estimated 6,500 lots.

Cameron is bullish on the local housing market: "We have a great portfolio of residential land in and we continue to seek further investment opportunities in Southern California to add to our holdings. As our properties become ready for homebuilders and market conditions continue to improve, we plan to periodically bring additional lots to the market."

Tom Dallape and Norm Scheel of The Hoffman Company were key brokers in putting the deal together. Province West and Land Advisors also represented Foremost in the sale.