



# The Latest Baby-Boomer Home-Buying Trends

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The majority of 55-plus buyers are moving from more-expensive homes, downsizing and rolling a significant amount of equity into their new homes, Foremost Cos.' Satish Lion tells GlobeSt.com.



*Terramor*

IRVINE, CA—High home prices in more coastal areas have lead many young families to move inland. That is according to Foremost Cos.' Satish Lion, VP of community development, who tells GlobeSt.com that the majority of 55-plus buyers are moving from more-expensive homes, downsizing and rolling a significant amount of equity into their new homes.

***GlobeSt.com: Tell us more about the trading equity that you're seeing in the Baby Boomer buyers at Terramor. Where are they coming from? Are they paying cash or taking on mortgages? Why are they moving?***

***Satish Lion:*** The majority of our 55+ buyers are moving from more expensive homes, downsizing, and rolling a significant amount of equity into their new homes at Terramor. To date, buyers at Terramor are coming primarily from Southern California (including Riverside, Los Angeles, Orange, San Bernardino, and San Diego counties). Terramor is also attracting some buyers from Northern California, Seattle, Arizona, and the East Coast.

Our buyers are moving to Terramor for several compelling reasons, including enjoying resort quality amenities and social programming to facilitate a healthy and happy life, and to be closer to their children and grandchildren who live in the Inland Empire. Many who have built up a large equity position in their current homes are able to purchase at Terramor and cash out that equity. They can buy a brand-new home with cash or a small mortgage and put their equity in the bank. And, with the extreme shortage of housing in Southern California, Terramor is one of the few prime locations where they can buy a new single-story, "right-sized" home that fits their needs.

***GlobeSt.com: How have housing shortages and high prices in other cities impacted your business operations in the Inland Empire?***

***Lion:*** It's a key driver of demand at Terramor. Rising home prices have created a lot of paper wealth for homeowners, and most significantly for Baby Boomers, who have owned their homes for a long time. High home prices in more coastal areas have led many young families to move inland. The combination of being able to cash out equity and move closer to one's children who are living inland is a compelling reason to live at Terramor.

***GlobeSt.com: Tell us more about Propositions 60 and 90, which allow 55+ buyers to transfer their tax rates from one city to another.***

***Lion:*** Propositions 60 and 90 allow the transfer of an existing Proposition 13 base year assessed home value from a former residence to a replacement residence if certain conditions are met. This benefit is open to homeowners who are at least 55 years old

and are able to meet all qualifying conditions. These propositions could provide a significant tax break for someone who has lived in their home for a long period of time and has a low property tax assessment.

***GlobeSt.com: What type of measures have you taken to attract these buyers in terms of neighborhood, amenities, design, and more?***

***Lion:*** Terramor offers some of the best amenities in Southern California and delivers best-in-class resort-style service, facilities, and programming. Terramor offers home sites with unobstructed views of the Santa Ana Mountains and the Cleveland National Forrest. Terramor's 55+ exclusive neighborhoods are situated within an integrated multigenerational community that provides the ability for our 55+ buyers to live close to their adult children and grandchildren. Our 55+ residents will have access to an exclusive 6-acre recreation site that includes a 20,000 square-foot clubhouse with social and fitness centers, indoor and outdoor pools and spa, six pickle ball courts, two tennis courts, bocce ball courts, expanded living room with a bar, sports bar, and crafts room as well as an outdoor demonstration kitchen.