

## Home Builder Modifies Strategy to Meet Affordable Demand

Foremost Cos. has modified future planning areas and is planning attached duplex homes that will sell at a lower price point.

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Steve Cameron

Homebuilder **Foremost Cos.** is heeding the call for more affordable housing developments. It has made some adjustments to its future planning areas to build attached duplex homes that will sell at a more affordable price point. The company is currently developing two such projects: Terramor in Corona and Deerlake Ranch in Chatsworth, both of which are master planned communities.

“There is a push towards lower priced, more affordable homes—especially in California where the cost of living is so high relative to other markets nationwide,” **Steve Cameron**, president at Foremost Cos., tells GlobeSt.com. “To meet this need, for example, we have modified some of our future planning areas at Terramor to accommodate attached duplex homes that will sell at a lower price point.”

The demand for more affordable housing, however, is hard to meet, particularly in Southern California. “Masterplanned community development in Southern California will continue to be very challenging,” says Cameron. “I don’t think there’s a more difficult market to develop in or build in, and that’s exactly why I’m here. “Challenges include finding a large enough piece of land in the region in a worthwhile location. You can go to tertiary markets, but the finished lot values don’t justify the upfront capital you need to invest.”

The maturing cycle is also pressuring new development. “In my career, I have not seen a single master plan that was started and completed in the same cycle. That’s one of the reasons why we’ve diversified our offerings,” says Cameron. “For example, at Terramor we made the decision to deliver part age-restricted housing and part market-rate product because it gives us two different market segments in which to sell lots. Our current Southern California development pipeline includes projects encompassing master-planned communities as well as urban infill and redevelopment opportunities.”

In addition to affordability, Foremost is also focusing on sustainability. “One big priority is water conservation,” says Cameron. “At Terramor, the smart growth technique of clustered development means less landscaping to irrigate. The community’s design guidelines have eliminated turf in all parkways and front yards. All common areas are irrigated via a reclaimed water system. Lastly, the landscape architect we contracted with included climate-appropriate, drought-tolerant native plants throughout the community, with Riparian habitat in the lowlands and scrub habitat in the higher areas.”