

Developer buys Riverwalk Vista

RIVERSIDE: A company buys 217 lots at the stalled 100-acre housing development on La Sierra Avenue.

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By LESLIE BERKMAN The Press-Enterprise

More than half of the 402 residential lots in Riverwalk Vista, a master-planned community in Riverside, sold at public auction to a joint venture for \$9.5 million.

The winning cash bidder for 217 roughly graded lots was Forestar Land Partners, a joint venture between Foremost Communities, an Irvine-based land developer, and Starwood Capital Group Global, LLC., a \$1 billion private equity fund in Greenwich, Conn., that is investing in distressed properties.

As part of the transaction, Forestar Land Partners also acquired the rights to serve as master developer of the entire 100-acre project located south of Interstate 91 at La Sierra Avenue. The project was formerly under development by Griffin Industries, which acquired the land from Riverside Community College.

Steve Cameron, president of Foremost Communities, said development of Riverwalk Vista stalled when the real estate market tanked in 2007 but the completed facilities, including a swim club, fountains, entry gates and a large park, continued to be well maintained.



Kurt Miller / The Press-Enterprise
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Competition for the controlling half of the property was expected to be fierce, Cameron said. He said for a time the sale was put on hold while the foreclosing banks Bank of the West, Wells Fargo and City National Bank worked out a business plan.

But when the property went to auction March 17 on the steps of the Corona Civic Center, Forestar Land Partners was the only bidder other than the foreclosing banks. The banks raised the opening price by \$600,000 before Forestar made the winning bid, said Cameron.

Cameron said the land that the joint venture bought is on the south half of the community, is the least ready for construction and won't be developed for three to four years. It consists of lots ranging from 2,700 square feet to 6,000-square feet that will accommodate large to middle size houses and townhouses.

Forestar Land Partners would like to buy the remaining 185 lots in the project when they become available for sale, Cameron said. Included, according to the city, are six furnished models and 30 houses that are almost completely built. No houses in the community are as yet occupied.

Cameron said he expects the banks will select a buyer for the rest of the lots within a few months and that Forestar Land Partners will have an edge over the competition because of its master developer status.

Clara Miramontes, principal planner for the city of Riverside, said city officials are pleased to learn that the Riverwalk Vista project is going forward.

"We are very glad the banks were able to find a developer that has the financial resources to jumpstart the project again," she said.