

ANDREWS COMMUNITY INVESTMENT POTOMAC GREEN: AN ACTIVE ADULT COMMUNITY

Ashburn, Virginia

RCLCO was retained by Ashburn Active Adult LLC to conduct a market evaluation and demand analysis for Potomac Green, an active adult community (AAC) in Loudoun County to be built and developed by Del Webb, a division of the Pulte Home Corporation. The 1,401-unit community occupies 304 acres along Route 7 in Loudoun County. RCLCO's objective was to independently validate the pricing and absorption rates proposed by Del Webb for the AAC, to provide independent inputs for a fiscal impact analysis that RCLCO was conducting of the proposed development.

Based upon our analysis, we concluded that the pricing proposed by the developer was reasonable for active adult product at the subject site. The community was appropriately positioned at or near the top of the AAC market in Northern Virginia, given the location of the community and the expected level of execution with Del Webb's extensive experience with developing and building AACs.

Using these pricing and absorption inputs from our independent market evaluation, we determined that the proposed AAC would have a highly positive fiscal impact on Loudoun County, totaling \$103 million over an 18-year period. By comparison, the fiscal impact of the same property under its current zoning for industrial uses would only generate a \$39 million benefit for the County over the same period.

Potomac Green is nearing buildout and has been performing comparatively well despite challenging market conditions.

