

# POTOMAC SHORES OFFICE LAND ACQUISITION OPPORTUNITY



## The Offering

JLL's Capital Markets Group, on behalf of SunCal (the "Sponsor") has been retained to market for sale or lease approximately 60 acres at Potomac Shores that has been master-planned and permitted for development of premier office space (approximately 3,040,000 s.f.). Key office development opportunities include:

- **Town Center Gateway Office Development Pads:** Located along Dunnington Place at the intersection with Potomac Shores Parkway, these Town Center gateway sites feature completed infrastructure and are ready for immediate development.
- **Secured Perimeter Single Tenant Office Campus:** 35+ acres opposite the Town Center Gateway office pads has been master planned for office and can accommodate more than 2 million s.f. of office space can be constructed within a secured perimeter to meet DOD requirements.

SunCal is working with Prince William County and the State to explore ways in which the County and State can provide support for commercial development/ tenant relocations to Potomac Shores.

## Investment Highlights

- **More than just a place to work**
- **Outstanding transportation access**
- **Proximate to the highly dynamic and active Marine Corps Base Quantico and Fort Belvoir**
- **Irreplaceable site and location**
- **Strong employment growth**
- **Experienced and committed master developer**

PROJECT SNAPSHOT	
Total acres	1,920 acres
Lots sold to-date	235 (440+ under contract)
Finished Homes Sold to-Date	220 (January 2016)
Current residential development plan	Approved residential density: 3,987 units
Amenities	<ul style="list-style-type: none"> <li>• Immediate access to Interstate 95, and the Route 1/Route 234 Interchange via the extended Potomac Shores Parkway</li> <li>• On-site, dedicated VRE train station with 550 parking spaces</li> <li>• 18-hole Jack Nicklaus Signature Golf Course</li> <li>• First-class club house and Tidewater Grill</li> <li>• 228-acre Town Center</li> <li>• 230,000 s.f. of retail</li> <li>• 3,040,000 s.f. of office</li> <li>• 330,000 s.f. resort hotel and conference center (250 keys)</li> <li>• Marina</li> <li>• Shores Club, a 16,000 s.f. community recreation center with two pools, large fitness and wellness facilities</li> <li>• 12 sports fields</li> <li>• Numerous pocket parks and playground</li> <li>• 10 miles of wooded trails</li> <li>• 2 miles of natural shoreline</li> <li>• Brand-new elementary and middle schools (2017 and 2020)</li> </ul>
Average home price	\$681,697: current average estimated for all product types \$673,540: median sales price for single family detached product, January 2016
Date opened	First lot sale: 1/2013; Golf course opened: 5/2014
Developer	SunCal
Current homebuilder	NVR, Inc. (Ryan Homes and NV Homes)



## Opportunity 1

### Town Center Gateway Office Development Pads

Various office pads are situated along Potomac Shores Parkway and Dunnington Place at the gateway to the Town Center. These parcels are shovel ready for immediate development. Sites 4a and 4b will be developed first and can accommodate up to 190,000 square feet of leasable office space.



## Opportunity 2

### Secured Perimeter Single Tenant Office Campus

- 35+ acres situated on the west side of Potomac Shores Parkway can accommodate a large-scale secured perimeter, single-tenant office/research campus.



Potential Development Plan



# OFFICE MARKET OVERVIEW



Prince William County's office market is driven by rapid population growth, fueled by the county's proximity to Washington D.C. and the expansion of two local military installations: Marine Corps Base Quantico and Fort Belvoir. The Interstate-95 corridor between Woodbridge and Stafford has a 6.5 million s.f. office market. Since the year 2000, 3.9 million s.f. of new office space has been constructed in this corridor - translating to an average annual expansion of more than 230,000 s.f. (see adjacent table).

Years	Office Space Built (RSF)	Average Annual Office Space Delivered
2010 - 2016	1,386,589	198,084
2000 - 2009	2,524,047	252,405
1990 - 1999	501,501	50,150
1980 - 1989	1,464,751	146,475
Before 1980	587,107	NA
<b>Total</b>	<b>6,463,995</b>	

Potomac Shores is poised to become the premier office location in the region, thanks to:

- **Superior neighborhood amenities:** The Jack Nicklaus Signature Golf Course and restaurant, planned luxury hotel, and planned retail in the Town Center are higher quality amenities than those offered in existing office parks.
- **Transit-oriented development with excellent, multi-model accessibility:** The planned direct access route from I-95 and VRE train station will make travel to Potomac Shores more convenient than to nearby corporate centers. Potomac Shores enjoys a competitive advantage over other TOD communities due to its substantial surrounding woodlands and scenic location overlooking the Potomac River.

## *Marine Corps Base Quantico*

Located less than 5 miles from Potomac Shores, Marine Corps Base Quantico ("MCB Quantico") is a critical growth driver in the local economy. MCB Quantico and its support enterprises are firmly entrenched in the local economy: MCB Quantico was established in 1917, and grew substantially as a result of the 2005 Base Realignment and Closure Act.

**\$5.9b**

*economic impact on regional economy (2011)*

**28k**

*daytime population*

**2,000**

*permanent buildings*

**93miles**

*land coverage*

**1,137**

*military family housing units*

**3**

*department of defense schools*

## Local Office Parks

Various office parks in the Woodbridge - Stafford I-95 corridor have been successfully developed in recent years and substantially contributed to the growth of the local office market. Two of these nearby parks are described below:

### *Quantico Corporate Center (Stafford, VA)*

Quantico Corporate Center is an 85-acre office park located in Stafford, VA. The park has numerous government, defense, and academic tenants totaling approximately 435,000 square feet of space. At complete buildout, the development can accommodate up to 1.5 million square feet of commercial space. Currently, a 40,000 square foot office building is under construction.

### *Quantico Center (Dumfries, VA)*

Located at the intersection of I-95 and Route 234, Quantico Center is a 260,000 square foot office development that sits on approx. 50 acres of land. There are six existing buildings on the site. An additional 62,000 square feet of office is proposed for the site. Quantico Center has plenty of nearby amenities including a 107-unit Holiday Inn hotel. Asking office rental rates range from \$25 to \$29 per square foot.

## Prince William County Highlights



- Located 25 miles from Washington, DC
- 2nd largest county in the Commonwealth of Virginia.
- Estimated 50.7% population growth over the next 25 years.
- Access to an outstanding talent pool of highly-skilled, culturally diverse labor where 43% of the workforce has four-year degrees, 20% more than the national average.
- 250% more workers hold an advanced degree compared with the nation as a whole.
- 75% of Northern Virginia's 1.3 million workers live within a 30 minute, one-way commute to the center of Prince William County during rush hour.
- Pro-business community which ranked #8 nationwide for job growth by CNN Money.
- 57% increase in the number of business establishments over the past decade.
- 40% employment growth over the past decade compared with 25% regionally.
- More INC 500 firms located in Prince William County than anywhere in the United States.
- Highest expenditures on University R&D in the nation.
- AAA bond rating from all three of the major credit ratings agencies.

Population **429,864**



Median Household Income

**\$99,620**



Average Home Value

**\$415,021**

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