



MARKET STUDY FOR THE PRESERVE AT WEST BRANCH

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REVISION: N/A

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The Preserve at West Branch community consists of 216 move-up family lots and 53 empty nester lots. Pulte will target younger, move-up, family buyers on 129 of the lots, referred to as the Meadows home series below. Additionally, Pulte will target more affluent, move-up, family buyers on 87 of the lots, referred to as the Estates home series. Lastly, Pulte will target the 55+, empty nester buyers on the remaining 53 lots, referred to as the Landings homes series. The accompanying table and map provide additional detail behind each series with the target square footage range, estimated starting base price, average lot size and lot distribution.

Buyer Group	Product Series	Sq. Ft. Range	Expected Starting Base Price	Lot Size	# of Lots
Young, Move-Up Families	Meadows (40' wide)	2,386 – 3,261	Low \$400ks	55' x 125'	129
Affluent, Move-Up Families	Estates (50' wide)	3,120 – 3,368	High \$400ks	75' x 135'	87
Empty Nester (55+ buyers)	Landings (40' wide)	1,683 – 1,953	Mid \$300ks	55' x 130'	53
Total Units:					269



The Preserve at West Branch site plan is designed in such a way to allow each home series to have its own specific neighborhood identity, while keeping them efficiently connected in the overall design. The Estate lots (highlighted in pink) are strategically positioned on the peripheral backing to large acreage lots, trees, and open space. The Meadows lots (highlighted in purple) are positioned in the center to drive value and a sense of community with a pocket park in the center. The Landings lots (highlighted in green) are to have a sense of connectivity/views to the open space golf course to the south.

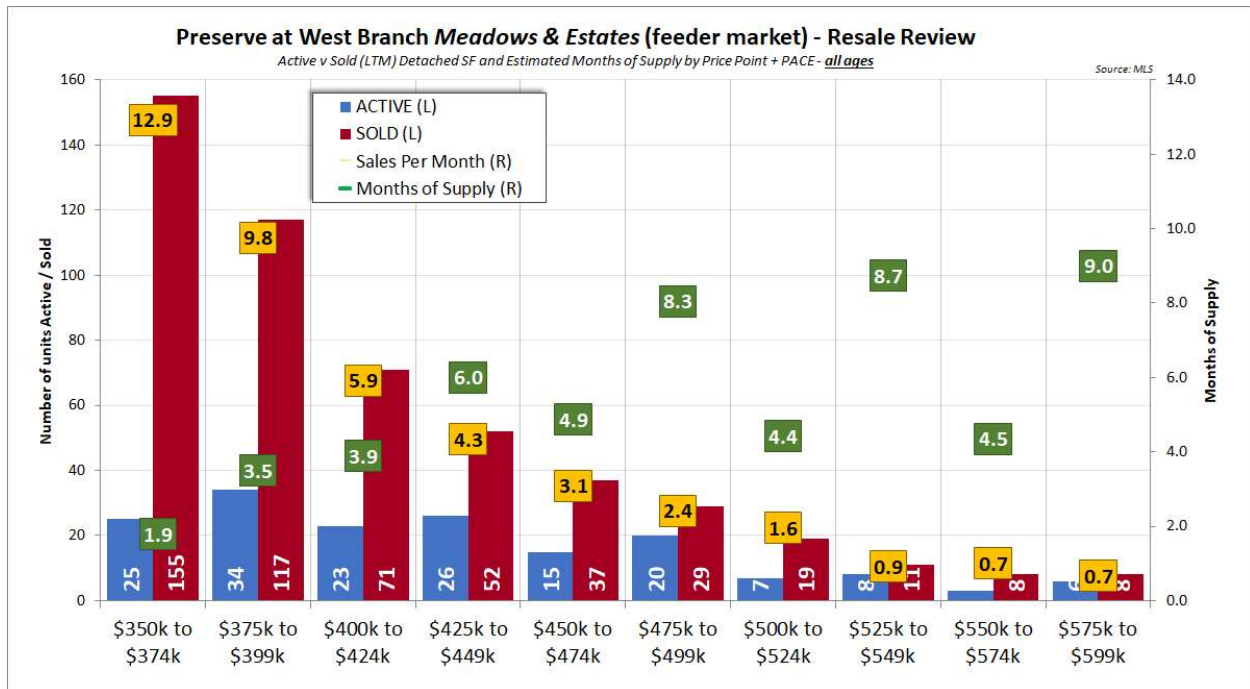
The success of The Preserve at West Branch will be driven by the following:

Healthy Depth & Breadth of Feeder Market Activity:

The proposed site is in the U-46 school district and is anticipated to pull to Bartlett High School. Over the last 12 months in the U-46 school district, there were approximately 3,900 sold transactions (detached + attached), 870 active listings and a resulting 2.7 months of supply.

Meadows & Estates Home Series:

The Meadows and Estates home series will focus on the almost 11,500 households in the U-46 school district feeder market. The targeted price range for The Preserve at West Branch Move-Up Family Buyer Group (\$375k to \$599k) represents annual sold transactions of 352 (~30/month) in the feeder market area. With a combined pace of 5.0 per month, The Preserve at West Branch Meadows and Estates home series assumes a conservative market capture rate of 17 percent. The chart below provides an illustration of this housing activity.



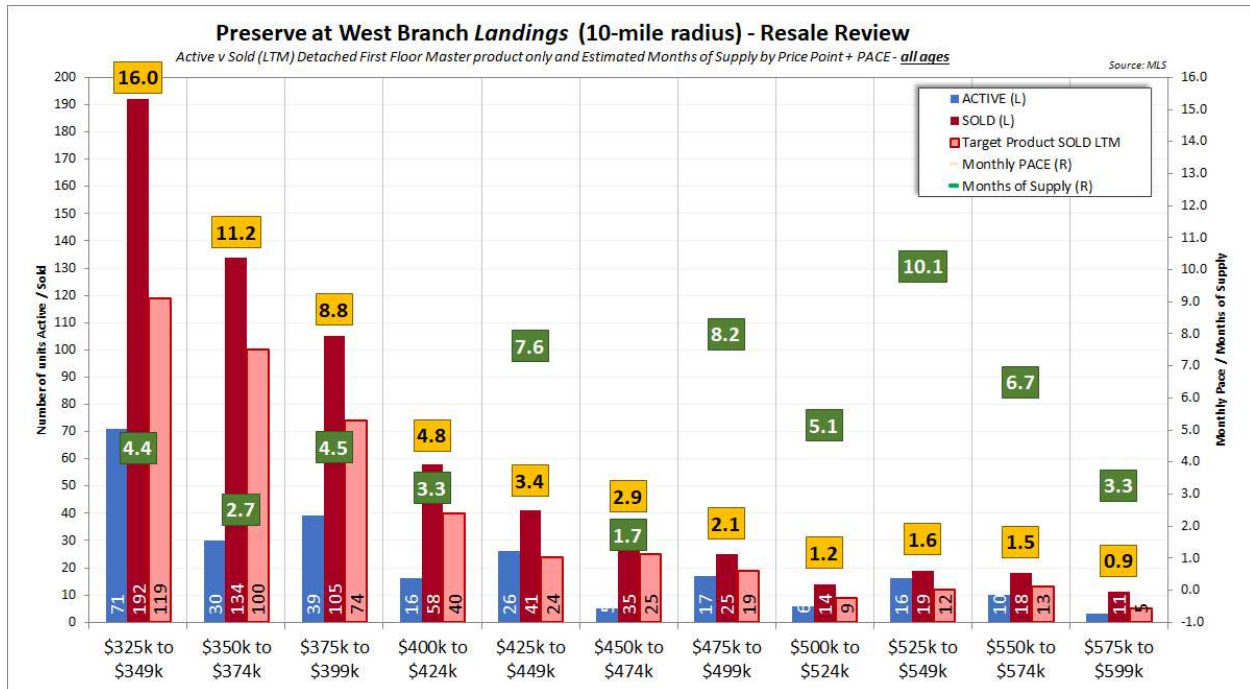
Despite such strong housing activity in the feeder market, there remains very limited new home construction available, especially in the highly sought-after Bartlett High School district. The comparison table below summarizes three key competitors for Pulte’s Meadows and Estates buyers. Pulte’s Eastfield community is also represented to illustrate offerings, pricing, and the success it has achieved.

Community	City High School	Builder	Lot Size	Mo. Pace	Avg. Sq. Ft.	Base Price	ASP
Preserve at West Branch <i>Meadows</i>	West Chicago Bartlett HS	Pulte	55 x 125	3.0	2,841	\$424k - \$465k	\$520k
Preserve at West Branch <i>Estates</i>	West Chicago Bartlett HS	Pulte	75 x 135	2.0	3,246	\$474k - \$510k	\$597k
Preserve at West Branch <i>Landings</i>	West Chicago Bartlett HS	Pulte	55 x 130	1.3	1,840	\$359k - \$380k	\$447k
Bartlett Ridge <i>(sold out)</i>	Bartlett South Elgin HS	William Ryan	65 x 117	1.0	2,641	\$403k - \$458k	\$500k
South Pointe	South Elgin South Elgin HS	Lennar	51 x 125	3.1	2,757	\$379k - \$421k	\$470k
Bowes Creek CC	Elgin South Elgin HS	Toll Bros.	75 x 130	4.2	2,453	\$430k - \$508k	\$516k
Eastfield <i>First SUP 2Q21</i>	Bartlett Bartlett HS	Pulte	65 x 155	3.4	3,105	\$462k - \$508k	\$614k

Landings Home Series:

Based on the differing projected demographic, the Landings home series will focus on the 85,000 (55+) households in the 10-mile feeder market area making \$50k or more annual income. The 10-mile feeder market for the Landings, empty nester buyers, saw almost 3,000 sold transactions that were a first-floor master in the last 12 months.

The targeted price range for the Landings (\$350k to \$474k) represents annual sold transactions of 263 (~22/month). The estimated monthly pace for the Landings home series is 1.3, or a very conservative 6 percent market capture. The chart below provides an illustration of this housing activity.



Schools:

School	greatschools rating*	niche.com "grade"
Hawk Hollow Elem	6	B-
Eastview Middle	9	B+
Bartlett High	7	A

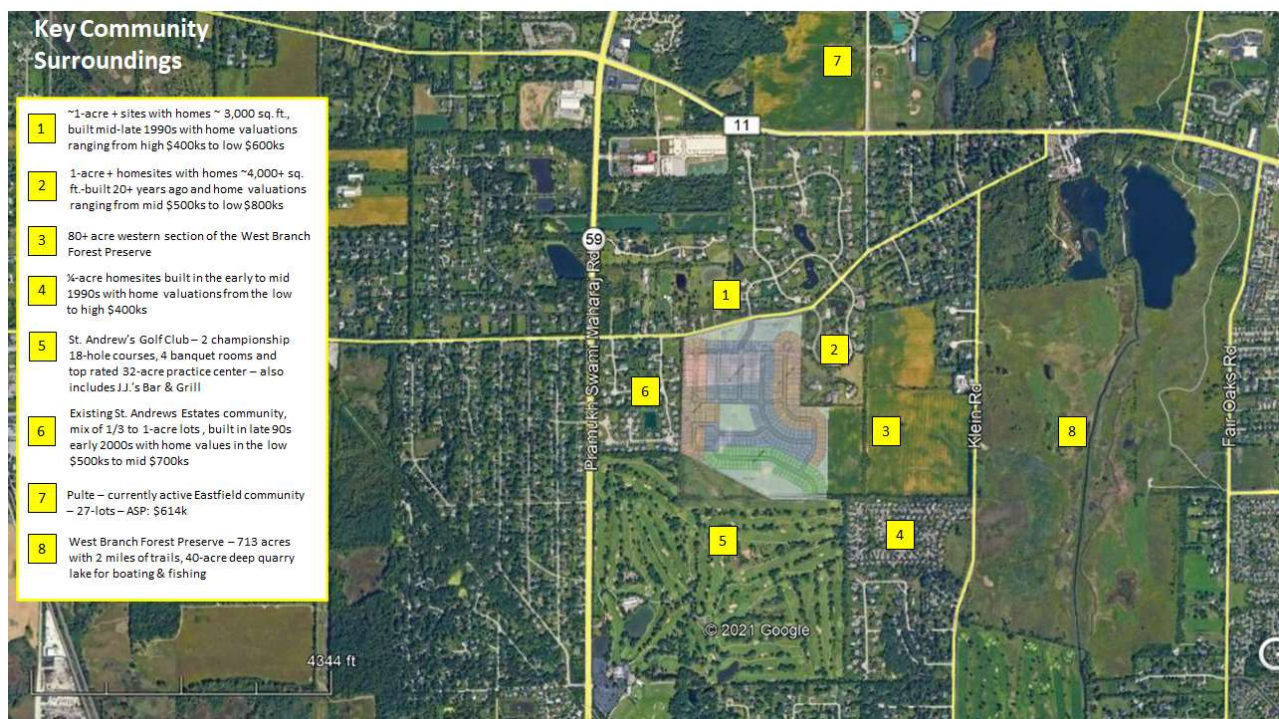
The specific schools that residents of the Preserve at West Branch will attend are key selling points for the community. Each specific school is shown in the accompanying table with the greatschools.org test score rating and niche.com grade.

Key Location Proximate to Necessities:

The Preserve at West Branch is strategically tucked away, but has extraordinary access attributes adjacent to the St. Andrews Golf Club to the south and ½-mile to the West Brand Forest Preserve (713 acres of natural preservation forest preserve with 2 miles of trails and a 40-acre deep quarry lake). The community is located one mile north and ¼-mile east of the intersection of Route 59 (major north/south corridor) and Route 64 (east/west corridor) – which quickly (20-minute drive) connect to I-90 (north), I-88 (south) and I-355 (east). For the train commuter, residents have 2 immediate choices, the Bartlett Metra® station to the north (5-miles) and the West Chicago station to the south (4 miles).

For essential services and recreation, within 3 miles of the community is everyday grocery, pharmacy, retail, healthcare along with recreational opportunities like golf, varietal parks, and walking trails. One of the larger hospitals and medical facilities in the area – Central DuPage Hospital/Northwestern Medicine is located less than 5-miles directly southeast of the community.

The accompanying map highlights the key surrounding elements to the entire Preserve at West Branch community following the number code from the map:



1. ~1-acre + sites with homes ~ 3,000 sq. ft., 2-story homes, built mid-late 1990s with home valuations ranging from high \$400ks to low \$600ks – well kept, pride of ownership.
2. 1-acre + homesites with homes ~4,000+ sq. ft., 1.5-story & 2-story homes, built 20+ years ago and home valuations ranging from mid \$500ks to low \$800ks
3. 80+ acre western section of West Branch Forest Preserve
4. ¼-acre homesites that were built in the early to mid-1990s with home valuations from the low to high \$400ks
5. St. Andrew's Golf Club – 2 championship 18-hole courses, 4 banquet rooms and top rated 32-acre practice center – also includes J.J.'s Bar & Grill
6. Existing St. Andrews Estates community, mix of 1/3 to 1-acre lots, built in late 90s early 2000s with home values in the low \$500ks to mid \$700ks
7. Currently active Pulte – Eastfield community, 27-lots and ASP: \$614k
8. West Branch Forest Preserve – 713 acres with 2 miles of trails, 40-acre deep quarry lake for boating & fishing – as described previously.

Conclusion

The Preserve at West Branch offers a compelling opportunity to meet the needs of the under-served move-up family buyers and empty nester buyers in a sought-after submarket and specific high school district. PulteGroup is confident that the Preserve at West Branch is a strong investment opportunity to serve these buyers and continue the success gained from our Eastfield and Trillium Farm communities.