

Polo in Virginia- A Real Estate, Financing and Land Use Case Study

Loudoun County, Virginia, places an emphasis on maintaining agricultural uses in the western portion of the County, in order to prevent over-development and maintain green space. When the operator of polo grounds, which attracts competitors from North and South America, found themselves in financial trouble, a group of private investors turned to the Firm's real estate, financing and land use attorneys to guide them through the process of purchasing the playing fields and the associated facilities, refinancing the debts held by the current owner, and working to resolve land use and tax issues.

The first step of the transaction required the Firm's attorneys to negotiate the purchase agreement for the polo grounds, so as to allow the investor group to take title to the property in time for them to save the summer polo tournament season. Because the existing owner did not have the financial resources to run the competitions, the Firm's real estate attorneys prepared a short-term lease agreement on behalf of the investment group, to allow them to take over operations before they took title to the polo grounds, in order to allow the tournament season to proceed without interruption. As part of the purchase transaction, the Firm's financing attorneys negotiated a modification of the debts encumbering the property, as well as an agreement where a creditor exchanged their debt for an ownership interest in the new polo company.

Additionally, the Firm worked with the new ownership group to ensure that their business operations continued to receive tax breaks provided by the Commonwealth of Virginia and Loudoun County, which tax breaks substantially contributed to the profitability of the venture.