

NEIGHBORHOOD DATA

The relationship of the Subject Property with surrounding properties forms the basis of neighborhood analysis. The Appraisal of Real Estate, 12th Edition 2001, states: "Social, economic, governmental, and environmental forces influence property values in the vicinity of a subject property. As a result, they affect the value of the subject property. Although physical boundaries may be drawn, the most important boundaries are those that identify factors influencing property values. The area of influence, commonly called a neighborhood, can be defined as a group of complementary land uses."

The Subject neighborhood is considered to be those properties situated along the Federal Highway (U.S. Highway 1) corridor between Linton Boulevard on the north and Yamato Road on the south. This area includes the southern portion of City of Delray Beach, the northern portion of the City of Boca Raton and several small unincorporated Palm Beach County pockets.

Access to and through the Subject neighborhood is considered to be very good. The primary north/south traffic artery is Federal Highway (U.S. Highway 1), which is a four lane divided road that extends along Florida's east coast. Secondary north/south access through the neighborhood is provided by Dixie Highway, which is a two lane roadway in this area. Linton Boulevard and Yamato Road are the primary east/west traffic arteries. Linton Boulevard extends from State Road A-1-A to Jog Road and provides access to Interstate 95, Congress Avenue and Military Trail. Yamato Road extends from Federal Highway to U.S. Highway 441 and provides access to Interstate 95, Congress Avenue, Military Trail, Jog Road and Lyons Road.

The character of the properties along US Highway 1 is mixed, with a predominance of automobile agencies and shopping centers. The neighborhood also has a mixture of older restaurants, mobile home parks, service stations, fast food restaurants, and furniture stores. Generally, these improvements range in age from five to 50 years. The area is showing signs of rejuvenation. The market for properties with old improvements being purchased for redevelopment has been recently active. In some cases, commercial property is being purchased for multifamily residential development.

The areas lying east and west of the neighborhood is almost fully developed with single homes and multifamily projects. Some of the properties lying east of the neighborhood have Intracoastal Waterway or canal frontage, which makes the average home price greater than that of the properties west of the neighborhood.

The neighborhood is adequately served by healthcare facilities with two hospitals located within a reasonable distance. There are adequate public and private schools with elementary, middle, and high schools located within, or near the neighborhood. The City of Delray Beach provides water and sewer service to the northern portion of the

neighborhood and the City of Boca Raton provide water and sewer service to the southern portion.

Conclusion

The Subject neighborhood is an established commercial area with a strong residential base. It is well located within southeastern Palm Beach County, with easy access to transportation and other public facilities. Some of the properties with old improvements are being purchased and redeveloped with mixed use projects and this trend is expected to continue during the foreseeable future. Considering the general location of the neighborhood and the current real estate market conditions, we expect the demand for properties to remain strong and a continuation of increasing property values.