

## **SURROUNDING AREA SUMMARY**

### **BOUNDARIES**

The property is located along the I-35 corridor northwest of the Dallas Central Business District. This market area is generally delineated as follows:

North	Northwest Hwy.
South	Stemmons Frwy. (I-35E)
East	Dallas North Tollway
West	John Carpenter Frwy. (SH-114)

A map identifying the location of the property follows this section.

### **ACCESS AND LINKAGES**

Primary access to the neighborhood is from Stemmons Freeway (I-35E) and the Dallas North Tollway. Secondary access is from Northwest Hwy., Harry Hines Blvd., Inwood Rd., and Mockingbird Ln. Overall, vehicular access is rated as good.

Public transportation is provided by DART (bus only) with access near the subject site. The green light rail line is present under construction along the Denton Dr. corridor, with completion scheduled for 2010. The local market perceives public transportation as average to good compared to other market areas in the region. However, the primary mode of transportation in this area is the automobile.

### **DEMAND GENERATORS**

#### **Employment Base**

The subject market area contains several major buildings for housing these activities, which includes the Apparel Mart, Dallas Market Hall, Dallas World Trade Center and the Info Mart. Love Field is one of the nation's busiest in-town airports and the headquarters of Southwest Airlines.

Located within the subject's market area is University of Texas Southwestern Medical Center at Dallas, a component of The University of Texas System. Parkland Memorial Hospital is also a major influence on the market, with current expansions occurring at the Children's Medical Center. Parkland Memorial Hospital is the primary teaching institution of The University of Texas Southwestern Medical School and is often rated among the best hospitals in the United States. As Dallas County's only public hospital, Parkland ensures that health care is available to all area residents.

The Dallas Central Business District is located less than four miles to the south of the subject and is home to over 2,500 businesses including three Fortune 500 companies, 7 of the 10 largest Metro area accounting firms and 7 of the 10 largest banks. It is the largest employment center in North Texas with a workforce that exceeds 125,000 people.

---

**Population and Income**

As indicated in the table below, population and households in the market area have grown over the past seven years and this trend is expected to continue in the foreseeable future. Income levels in the market area are slightly higher than income levels in the Dallas MSA area as a whole.

<b>DEMOGRAPHIC DATA</b>			
<b>3 Mile Radius</b>			
<b>Market Area</b>	<b>Population</b>	<b>Median Number of Households</b>	<b>Median Household Income</b>
2000	71,563	22,567	\$30,226
2008	77,938	25,576	\$37,802
2013 (projection)	80,701	24,262	\$44,288
<i>Source: STDBOnline</i>			

**LAND USE**

In the immediate vicinity of the subject, land uses include a mix of commercial, office, industrial, retail, and personal service uses. Land use characteristics are summarized below.

<b>SURROUNDING AREA LAND USES</b>	
Character of Area	Urban
Predominant Age of Improvements	20 to 50 years
Predominant Quality and Condition	Average
Approximate Percent Developed	95%
Infrastructure/Planning	Average
Predominant Location of Undeveloped Land	West
Prevailing Direction of Growth	South, primarily infill and redevelopment

<b>SUBJECT'S IMMEDIATE SURROUNDINGS</b>	
North	Night club
South	Vacant land
East	Restaurants
West	Office

**DEVELOPMENT ACTIVITY AND TRENDS**

The subject's market area has been in a period of transition since the early 1980's. It was primarily retail development that first spilled over west from the Dallas North Tollway. The Lemmon Ave., Maple Ave., Harry Hines Blvd. corridors traverse the market area between the Dallas CBD and Love Field. More recently investors, speculators and auto dealers have moved into the area and remodeled old warehouses into business showrooms and offices. Redevelopment has been increasing in the past five years and is expected to continue. The recent overturning of the Wright Amendment, which will slowly be phased out over the next seven years, should bring more traffic to Love Field, primarily through Southwest Airlines. The addition of the DART light rail green line along Denton Drive, scheduled for completion in 2010, is also promising. Growth of the University of Texas Southwestern Medical Center has also created an increased demand for housing in the area. Multiple townhouse projects are in the works in the Love Field area. Investors continue to look to the Love field submarket for investment opportunities as prices in the Uptown area continue to push even higher.

New construction in the area includes the West Love Market, a retail power center at W Mockingbird Lane and Maple Ave. The project is in the planning stages and is expected to be completed in November of 2009, with 365,000 square feet of space. The Shops at Bluffview is another retail center consisting of 205,000 square feet located at Lemmon Ave and W Northwest Highway. This project is already under construction and is expected to be completed in 2009 as well.

A number of old retail establishments line these corridors, some of which are in poor condition. However, some redevelopment has been occurring with these properties. On Maple Avenue at the terminus of Clara Street, a new retail strip center with approximately 20,000 square feet was recently completed. A new multi-family apartment complex has been constructed at the south corner of Mockingbird and Maple by Southwestern Medical Center. Further developments in the neighborhood include Piazza Siena Apartments and Inwood on the Park Apartments. Piazza Siena Apartments is a Class A, 96-unit property, recently constructed and located at the northeast corner of Cedar Springs Road and Kings Road.

The market area has recently received a considerable amount of attention from developers and appears to have the critical mass for its transition to accelerate.

As a result of Parkland's recent activity and assemblage of other property in the area, several parcels have been purchased in the area by investors for speculation purposes. One investment company, Greenway Investments, has assembled 11.5 acres at Motor Street and Bengal Street. The investor would not disclose the purchase price, but indicated that they may consider a future medical complex on the site. This site is also located across from the Trinity Industries property.

**OUTLOOK AND CONCLUSIONS**

Overall, the area is in redevelopment stage of its life cycle, mainly due to the continued growth and expansion of the healthcare facilities surrounding medical center area.

---

Given the history of the area and the growth trends, we expect that property values will likely stabilize in the near future.

In comparison to other areas in the region, the area is rated as follows:

<b>SURROUNDING AREA ATTRIBUTE RATINGS</b>	
Highway Access	Average
Demand Generators	Average
Convenience to Supporting Land Uses	Average
Employment Stability	Average
Demographic Trends	Average
Property Compatibility	Average
General Appearance of Properties	Average
Appeal to Market	Average
Price/Value Trend	Average