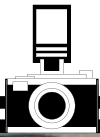


Community Profile NICEVILLE

Niceville... a nice place to live!

Including Valparaiso and Bluewater Bay



Eglin Air Force Base



Sailing on Choctawhatchee Bay



Bluewater Bay Golf Course



Mimosa Tree, Niceville



Fred Gannon Rocky Bayou State Park



Mattie Kelly Arts Center

Known as the "Twin Cities," Niceville and Valparaiso are bordered by Choctawhatchee Bay and the Eglin Military Reservation. This community's close relationship with the military community provides a neighborhood of residents from around the world. Yet, it holds its local flavor hailing back to its fishing days. Niceville and Valparaiso grew from a 19th century fishing village originally named Boggy after the local bog terrain of its bayous. This community has a "Saturday in the Park" small-town feel, making it appealing to families with children.

The city of Valparaiso was established in 1921. The City of Niceville was granted a charter in 1938. In an effort to promote the town, one of its founding fathers, James E. Plew, would bring people down from Chicago to stay at the Valparaiso Inn to enjoy beautiful Boggy Bayou and a wonderful nine-hole golf course.

And golf plays a big role today, as this community of less than 12 square miles hosts three outstanding golf courses. One of these is at Bluewater Bay, an established resort community known for its championship golf and tennis.

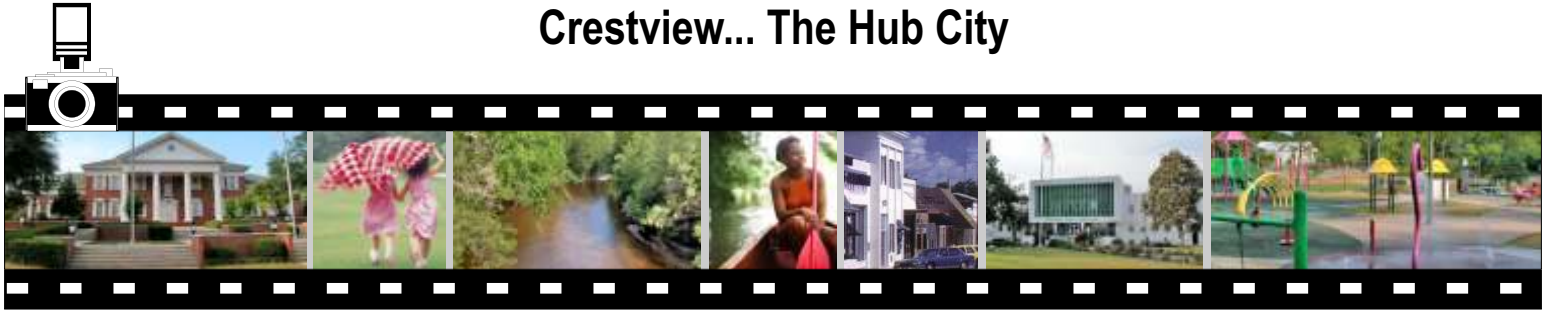
Community Snapshot

- As of 2007, Niceville's population is 12,371 people. Since 2000, it has had a population growth of 5.90 %.
- The number of violent crimes recorded by the FBI in 2003 was 18. The number of murders and homicides was ZERO.
- The population's largest ancestry sector is 14% German, not just in ancestry, but many 1st generation German. Bluewater Bay from its origins attracted German residents.
- The next four largest ancestries are: 12% Irish, 11% English, 5% Black or African American. The remaining 48% is split across 20 nationalities. So, you will see that this community is diverse in its composition.

Niceville - Valparaiso Highlights

- Valparaiso comes from "Vale of Paradise"
- Moss-draped oak trees fringe numerous bayous & creeks
- Elevation is 36 feet above sea level.
- Sailing yachts glide along Choctawhatchee Bay
- Home to main campus for Okaloosa Walton College
- Hosts the annual "Boggy Bayou Mullet Festival"

Crestview... The Hub City



Okaloosa Walton College - Crestview

Day at the Park

River - Blue Sky Landing

Top Rated Canoeing

Main Street

Okaloosa County Courthouse

Children's Park with Splash Fountain

Crestview's name was chosen because its location on the crest of a long woodland range between the Yellow and Shoal rivers which flow almost parallel on the east and west side of the City. With an elevation of 235 feet above sea level, it is one of the highest points in the state. And, it receives 65 inches of rainfall annually, the most of any city in the state of Florida, making it home to acres of pine woods and park lands.

Crestview is nicknamed "The Hub City of Northwest Florida" as it is situated at the junction of three major highways: US 90, State Rd 85 and Interstate I-10.

Originally established as a trading center along the Old Spanish Trail, Crestview has a small town atmosphere, but is experiencing tremendous growth with retail shopping, industrial parks, and new home construction. Yet, this community has a picture-book main street that looks like it could have been used for "Mayberry R.F.D." shoots, down to its sidewalk benches.

Due to the availability of land in the north end of Okaloosa County, we look to Crestview for continued growth and diversity of price ranges.

Community Snapshot

- As of 2007, Crestview's population is 16,378 people. Since 2000, it has had a population growth of 11.10 percent. There are 1,282 people per square mile.
- The number of violent crimes recorded by the FBI in 2003 was 60. The number of murders and homicides was ZERO.
- 74.24% of people are white, 17.42% are Black, 3.21% are Asian, 0.52% are Native American, and 4.60% claim 'Other'. 3.69% of the people in Crestview, FL, claim Hispanic ethnicity.
- Future job growth over the next ten years is predicted to be 24.80%.

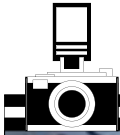
Crestview Area Highlights

- The capital seat of Okaloosa County since 1917
- Nestled alongside the Blackwater River State Forest, one of the state's largest parks. Rated one of **America's TOP 100 Family Campgrounds** and **Top 25 Canoeing Spots** by the national camping reservation organization, *Reserve America*
- Numerous freshwater lakes, springs & rivers

Community Profile FORT WALTON

Fort Walton Beach Metro Area

Including the townships of Shalimar, Cinco Bayou, and Mary Esther



AFSOC, Hurlburt Field

July 4th at the Park

Okaloosa Island

Veteran's Day Air Show

Black Bear on Solar St.

Mary Esther Sound

Zodiac Special Tactics, Hurlburt Field

This community, more than any other in our area, feels the impact of the military. The result? A community that is widely diverse culturally and unusually cosmopolitan for its size. A favored military retirement community, this town gains the advantage of an involved citizenry, great schools, and a wealth of technical knowledge.

This metroplex is bordered to the east, north and west by Eglin Air Force Base and Hurlburt Field. Eglin AFB is active in military research and development. For example, the 'Mother of All Bombs' (MOAB) was first tested at Eglin in 2003. Hurlburt Field is home to various special operations groups. To the south of Fort Walton Beach is miles of Intracoastal Waterway, Choctawhatchee Bay and the Gulf of Mexico.

Even the local flavor of this community is quite diverse. Fort Walton is coined a metro area, perhaps not so much for its size and population, as for the fact that it is composed of numerous small townships: each incorporated, having its own history, and preferring to keep its own identity.

Community Snapshot

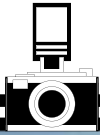
- As of 2007, Fort Walton Beach's population is 20,068 people. There are 2,691 people per square mile.
- The number of violent crimes recorded by the FBI in 2003 was 122. The number of murders and homicides was ZERO. The violent crime rate was 6 per 1,000 people.
- 78.11% of people are white, 13.35% are Black, 3.01% are Asian, 0.37% are Native American, and 5.16% claim 'Other'. 3.94% of the people in Fort Walton Beach, FL, claim Hispanic ethnicity.

Fort Walton Beach Area Highlights

- Prehistoric settlement is attributed to the mound building culture that flourished here from c.c. 1100-1550 AD.
- Originally, Fort Walton Beach was named "Camp Walton." In 1861, Camp Walton was a confederate military camp made up of the 1st Florida Regiment
- Almost 10% of Fort Walton's incorporated land area is water - bays, bayous and creeks.
- Each year this community hosts the Billy Bowlegs Festival, voted a Top 20 Event by Southeast Tourism Society for 2007.

Destin... the Luckiest Fishing Village

Including Destin Beaches and Sandestin



Dune Crossover

One of Destin's Charter Boats

Sky Diving at Noriega Point

Destin Seafood Festival

Booth at Destin Festival

Fellow Diner on Deck of a Destin Seafood Restaurant

Destin Harbor

Destin is more than just a fishing village. It has grown tremendously over the past decade, both as a community to reside in and as a tourist destination. Also known as "The Billfish Capital of the World", Destin has earned its monikers as a result of its location where the "100 Fathom Curve" runs closer to shore than at any other place along the Gulf Coast. This curve is where the trophy catch runs and has put the community on the map for record-breaking fishing tournaments.

Destin is a strip of land about 8 square miles in size, nestled between the Gulf of Mexico to the South and Choctawhatchee Bay toward the North. This community offers a wide variety of housing types with something to suite everyone's lifestyle; from vintage seaside cottages to modern high-rise condominiums or a home on one of the many fine golf courses. Destin offers the best of two worlds as it balances established family-type neighborhoods with the active bustle of a tourism hotspot. Housing values here have increased rapidly over the past few years, but good buys can still be found.

Community Snapshot

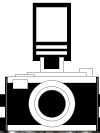
- As of 2007, Destin's population is 12,151 people. Since 2000, it has had a population growth of 9.50 percent.
- There are 1,617 people per square mile.
- 95.79% of people are white, 0.32% are Black, 1.34% are Asian, 0.33% are Native American, and 2.22% claim 'Other'. 2.91% of the people in Destin, FL, claim Hispanic ethnicity.
- Destin, as with its neighboring communities, has an extremely low crime rate.
- Future job growth over the next ten years is predicted to be 24.40%.

Destin Area Highlights

- Over 500 holes of championship golf in this community.
- Business Week magazine listed Destin as one of the 18 best new golf places in the country to retire.
- A skilled, high-tech charter fleet of more than 150 fishing or recreational boats.
- The Milken Institute listed the area as its top Best Performing City in 2005 for small metros.

The Beaches of South Walton... "SoWal"

Including Thirteen Beach Communities, See Pg. 19



Eden Plantation

Dune Crossover

Street Painting Festival

A Dune Lake

Keep'n it Cool

Blue Sky Kayak

Boho or Sowel?

Years ago a group of architects and land planners, labeling their design philosophy "new urbanism", arrived on Florida's panhandle to lay out a master-planned community in a county that, at the time, did not even have a zoning ordinance. This mixed-use, unincorporated community has since become famous internationally as an example of successful implementation of New Urbanism.

Time magazine has called it "the most astounding design achievement of its era and, one might hope, the most influential." And, indeed, Seaside has influenced the direction of Walton County's planning and has resulted in the development of over thirteen beach hamlets of distinct character.

Each has a range of housing from original Florida cottages at affordable prices to single family homes in a planned community at the high end of the range. Many communities are planned for bicycle and pedestrian use and offer a quaint, seaside charm with deep porches and sandy "yards". You may find some high-rise condominiums, but for the most part, they are strategically planned into the community to offer a housing alternative, yet minimize the impact of their density.

Community Snapshot

Area statistics for South Walton alone are not available. Demographics published generally are representative of the entire county. Statistics for unincorporated county also included unincorporated townships in the northern portion of the County. Business types, occupations, income and composition of population are quite different for South Walton's beaches versus the remainder of the county.

Beaches of South Walton Highlights

- Rosemary Beach was the location for the HGTV Dream Home contest in 1999.
- The land at Inlet Beach was originally distributed through a lottery system to WWII veterans, and was formerly known as "Soldiers Beach".
- Grayton Beach is in the center of a 20-mile long stretch of coastal dune lakes that are so rare they are only found in Walton County and remote portions of Africa.

Living Along the Beaches of South Walton

Inlet

Est. 1920. Big boost in 1947 with the "Veterans' Lottery" (See Highlights, this page)

WaterColor

Soft tinted hues suit water-color theme. Shutters & porches. Mosaic pavers. Trails, gazebos & ponds.

Seascape

Low-lying villas nestle among oak & pine trees. Prominent 300-acre resort w/several high-rise towers.

Seaside

The stage set for the movie, *The Truman Show*. Home-town style, picket fences, pedestrian-friendly streets.

Seacrest

Rugged landscape. Dense coastal scrub. Naturally beautiful. Camp Creek Lake a highlight.

Blue Mountain

Gulf Coast lupine, which lives on Blue Mtn's dune scrub, exists in only 8 coastal areas in Florida's Panhandle.

Rosemary Beach

Est. 1995. Dutch and West Indies-inspired architecture.

Grayton

Est. 1890. Oldest of the beach hamlets. Today is a historic district. Many of the old cottages nicely restored.

Seagrove

Family fave, summer trip in 1950s & 60s. Architecture hails back to this popular era as 3rd generation returns.

Dune Allen

Nestled amidst coastal lakes unique to this part of the world. Lakes actually interact with the tides.

WaterSound

Nature with a luxury resort feel. Dunes laced with trails and boardwalks.

Santa Rosa Bch.

Encompasses the largest tract of land of all the beach communities. Eclectic mix.

Freeport - Growing Leaps & Bounds



Egrets Over Bayou

Ranger With Native Floridian

Windswept Dunes Golf Course - Freeport

Freeport Artist Works
in Appalachian Glass Art

Loblolly Bay

One of Area Bass Lakes

Freeport has started a trend. Newly designated as one of our "inland coastal" regions, Freeport is growing and developing at a clipping pace. Large developments are environmentally planned around the marsh bayous and streams that have been such a part of this community's history.

It was one such local waterway that earned the community its name. Freeport was originally called "Genoa", but later became known as "Four Mile Landing." Not until the Civil War did the name "Freeport" come into play, and this, literally, because there was no charge to dock at the port at the junction of Four Mile Creek. Local legend holds differently, though. Old-timers will tell you that the name is all due to an unclaimed shipment of wine that was discovered in the port area during the civil war, and locals were invited to come have a little "free port"!

It offers natural beauty across large chunks of land with few former buildings or streets to have to accommodate in planning new residential communities. It also has the advantage of being but a few miles inland from the beaches of South Walton.

Community Snapshot

- The estimated population, in 2003, was 1,353. As of 2007, Freeport's population is 1,397 people. Since 2000, it has had a population growth of 17.30 percent.
- There are 130 people per square mile (population density).
- The unemployment rate in Freeport is 2.40 percent (U.S. avg. is 4.60%). Freeport jobs have increased by 6.33 %.
- 93.34% of people are white, 2.29% are Black, 0.36% are Asian, 1.65% are Native American, and 2.36% claim 'Other'. 1.36% of the people in Freeport, FL, claim Hispanic ethnicity.

Freeport Highlights

- Short drive to Beaches of South Walton. Yet, maintains more affordable housing costs.
- "Biological Hot Spot" along area creeks and rivers feeding into Choctawhatchee delta. Canoe along shores; view mullet leaping, herons wading, and the occasional eagle.
- Inspiration of *Grit & Grace* – stage productions created from the oral history of Walton County through skits, songs and tales of faith and inspiration.

DeFuniak Springs- Built on The Arts



Lake DeFuniak

Hotel DeFuniak

Magnolia

Sunset on Spring Lake

Ponce de Leon Park

Diving at Morrison Springs

Hall of Brotherhood

In the center of DeFuniak Springs is one of two of the world's only naturally round lakes. Around this lake is a ring of historic Southern homes dating back to the founding of this community in the 1800s. In fact, DeFuniak Springs has over 150 buildings recorded on the National Register.

In 1887, DeFuniak Springs became the winter home of the New York Chautauqua. So you could say this community was built on the arts. These eclectic Chautauqua organizers and performing artists expressed their creativity in their homes nestled around the lake and produced for posterity a charming array of historic styles: Queen Anne, French Colonial, Gothic, Victorian and Frame Vernacular.

Today this area is expanding rapidly. Like Crestview, Okaloosa's county seat, DeFuniak has the advantage of an availability of land, lakes and rivers to develop. Each year more and more "Southerners" from the coastal portions of our two counties migrate North to the fresh water lakes, pine forests and rolling hills for which this area is known.

Community Snapshot

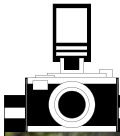
- As of 2007, De Funiak Springs's population is 5,415 people. Since 2000, it has had a population growth of 6.50 percent. There are 494 people per square mile.
- 72.34% of people are white, 21.75% are Black, 0.66% are Asian, 1.09% are Native American, and 4.15% claim 'Other'. 4.41% of the people in De Funiak Springs, FL, claim Hispanic ethnicity.
- Future job growth over the next ten years is predicted to be 6.00%.

DeFuniak Springs Highlights

- Morrison Spring is a 161-acre park that could be considered one of Walton County's greatest treasures. Three cavities of frigid spring water bubble forth from Morrison's underground aquifer into a spring pool 250-foot in diameter.
- The Defuniak Library, established in 1886, is the oldest structure built in Florida as a library and still serving that purpose.
- Home to Florida's largest vineyard and the award-winning winery Chautauqua Winery.

Community Profile NORTH WALTON

Paxton • Mossy Head • Owls Head Development Moves North



Egrets On LaDon Pond

Early Morning Visitor
Comes Calling (Paxton)

Hammock Bay Welcome Ctr.

Sunrise Over Pond

N. Walton Woodland

Britton Hill - Florida's Highpoint Misty Morning (Paxton)

Walton County's first colonials were Scottish pioneers. One of these was Neill McLennin, who left the family homestead in North Carolina in 1820. Arriving in Walton County, he settled around the Yellow River area and wrote back to his family, "Come, I have found a land teeming with production, abounding in game and good grazing... The woods are full of all sorts of grasses and berries... There is no better stock country to be found. Water pure and plenty and nothing to create sickness."

If you're like Neill McLennin, and your idea of scouting investment is to move ahead of the crowd, you may want to look at this area. It is indeed all the Scottish pioneers wrote home about. Good soil, plenty of fishing and hunting and pure, clean spring water. In fact, some of our developers have started looking in this direction. Large-scale, planned communities, some with golf courses, are on the drawing boards for the area. To the east, St. Joe Paper Company has started "Rivercamps" and now developers are starting to look creatively at lifestyle communities taking advantage of the areas terrain and natural resources in these communities.

Area Highlights

Freeport

The New Boom Town on the Back Bay

Developers are looking creatively at what a community just 10-15 minutes from South Walton beaches can offer. Space. Natural beauty. And, an elevation approaching 100' above sea level.

Paxton, Florida's Highest Point

Britton Hill, near Paxton, is the highest point in the state of Florida at 345 feet above sea level. Developers have high expectations for this section of the county with its rolling terrain naturally ideal for golf; pine forests perfect to tuck hamlet communities beneath; and an array of ponds, lakes & streams for recreation.

Community Snapshot

These communities are all part of unincorporated Walton County. Individual demographics are not readily available for these areas. Where they are available, they reflect only that community, and then from the view of the 2000 census. All of these areas have made their step into development focus since that time - or are at the edge of stepping into the ring of major development. Since the growth trend has just started in these areas, we have covered Paxton, Mossy Head and Owls Head more with recent news releases, rather than demographics.