LIGHTLE BECKNER ROBISON
INCORPORATED
COMMERCIAL REAL ESTATE SERVICES

BREVARD COUNTY COMMERCIAL REAL ESTATE MARKET OVERVIEW

3rd Quarter
July- September 2010

PREPARED BY

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AND
LIGHTLE BECKNER ROBISON, INC.
COMMERCIAL REAL ESTATE SERVICES

Dear Client

This is the 3rd Quarter 2010 overview of the Brevard County Commercial Real estate market. It is the eleventh report that we have completed in what we hope is an informative tool to assist you in forecasting market trends.

There are minor differences in the average occupancy levels since the 2nd quarter of 2010 to the 3rd quarter 2010. In fact, with the exception of minor fluctuations occupancy levels have remained relatively stable yearly since 2009. However they are down in the range of 20% to 30% within many of the property classifications since the 2005/2006 peak of the market.

While occupancy levels seem to have stabilized we are not seeing any increases in obtainable rental rates. It is reported by most leasing agents that rental rates are very competitive. We project rental rates will not increase until the supply and demand factors balance out and we do not see this occurring until there is a strengthening of the economy. We believe any strengthening in the economy is going to be a slow process.

On September 21, 2010 the National Bureau of Economic Research announced the recession ended in June 2009. There is very little positive evidence of that occurrence within the Brevard County market.

In addition to an already struggling economy the county is going through the process of the shut down of the shuttle and Constellation programs. Kennedy Space Center is Brevard County's largest single employer and a major source of revenue for the local economy. For 50 years, Brevard County has been at the forefront of rocketry and space exploration. However, the space shuttle program will end in the fall of 2010 to early 2011 and a new direction has been charted for NASA that will directly affect the Kennedy Space Center's facilities and employees, as well as most of Brevard County. The major area of concern within the market is the number of job losses as a result of the end of the Space Shuttle program.

Although the economy diversified in recent years, Brevard County is still dependent upon the aerospace and defense related industries. Until recently it was believed NASA would work toward the Constellation mission of providing rocket based vehicles (Orion spaceships and Ares rockets) to support future missions to reaching the moon and Mars. President Obama announced the cancellation of the Constellation plan and will gear all space exploration and development toward the private sector.

There are varying reports on the number of job losses that will occur. It appears that between 7,000 to 9,000 "direct" space jobs will be lost. It is estimated as many as 14,000 "indirect jobs" will be lost. Some areas of the county will fare better than others. The South County has a significant stabilized employment base as a result of companies like the Harris Corporation and will not be impacted the same as the Central and North portions of the county.

The effect of this on the local community is not measurable at this time. It will certainly take a sizeable amount of economic activity out of the local market and have a significant negative impact on the real estate market.

Other major concerns affecting the commercial real estate market are availability of financing, loan renewal policy and the continuing downward trend of the real estate market.

We believe the near term outlook for the Brevard County commercial real estate market is not positive. An overall weak economy and the looming job losses from the Space Center will make any recovery difficult in the near term. The outlook for strengthening will be dependant on the recovery of the economy which by all accounts will be a slow process.

Within the following report we have provided a summary discussion of market occupancy, sampling of occupancy levels of office, retail, industrial and multi-family properties along with our comments related to these property classifications. We hope this information is beneficial to you. If you have questions or comments please feel free to contact me.

Sincerely,

LIGHTLE BECKNER ROBISON, INC.
COMMERCIAL REAL ESTATE SERVICES

Brian L. Lightle, CCIM
President/Broker

SUMMARY DISCUSSION OF MARKET OCCUPANCY

Class A Office *in Brevard County is at an overall average 85% occupancy compared to 84% in the 2nd Quarter of 2010. This increase is a result aggressive rent reductions within this classification. Companies are expanding on space and tenants that could not previously afford Class A are now reacting based on affordability. Landlords are reaching their breaking points as the discounted Full service rates are netting $6.00 - $7.00 per square foot.*

Based on current occupancy and rents within the Class A market new development would not be economically feasible. Most proposed projects have been put on hold.

General/Office Business Park *in Brevard County is at 69% down from 74% in the 2nd Quarter 2010. As with Class A this market has been hard hit in rent declines. With the affordability of class A space becoming more attractive we are seeing some tenant movement from general office space to Class A.*

As with Class A we do not anticipate much new product coming into the market. Rents will not support production cost.

Apartments *in Brevard County have an overall average occupancy of 87% which is slightly lower than the 2nd Quarter of 2010 at 89%. This market continues to compete with a substantial supply of single family homes in the rental pool.*

Anchored Retail *in Brevard County is at 87%, up slightly from the 2nd Quarter of 2010 at 85%. During this quarter retail occupancy and vacancy remain relatively flat but as surmised the anchored centers are maintaining a better rate of occupancy quarter over quarter due to the nature of the customers who must frequent these centers on a regular basis. They are "staples" in most household's daily lives and therefore have not felt the pressure of other sectors as harshly. The one factor that is not evidenced in the scope of this report but is noteworthy to comment on is that even though there does not appear to be as sharp of a curve or decline in occupancy the rates that are being negotiated are significantly decreasing as demand continues to plummet.*

Unanchored Retail *in Brevard County is at an overall average of 76% occupancy as compared to 77% in the 2nd Quarter 2010. The small retail merchant is one of the hardest hit under current economic conditions and we believe this submarket will continue to struggle. Rental rates continue to decline as landlords struggle to maintain occupancy.*

It is our opinion that there will be limited demand for new space in this submarket for the near term.

Warehouse/Manufacturing Space *countywide is at an overall average of 74% which is slightly up from an average of 73% in the 2nd Quarter of 2010. This segment of the market is also struggling to maintain occupancy. Rental rates are very competitive*

Service Bays – Small *Brevard County is at an overall average of 62% occupancy, the same as the 2nd Quarter of 2010.*

Service Bay – Small is a product that is predominantly occupied by small business operators many related to the construction industry. Due to overall economic conditions this market has been significantly impacted. Needless to say based on the current occupancy levels even though there is a slight increase in occupancy new product will be very limited in near term years.

Service Bays – Large *is at an overall county average of 74% slightly higher than 71% in the 2nd Quarter of 2010.*

This product follows the trends of Small Bays- Service in that it is closely related to the construction and related industries. We believe there will be limited demand for new product in the near term. This trend should continue as the economy continues to weaken thus negatively impacting both construction and related businesses that typically occupy this product.

Office Overview

To provide an indication of supply and demand factors currently influencing our office market we have surveyed 30 office properties through out the Brevard county area. These properties are representative of the market and provide a reliable representation of current conditions.

The surveyed properties are classified by building type as Class A space and General /Office Business Park.

The Class A category includes those buildings that accommodate professional office tenants only. These buildings are generally located in high business traffic areas, are usually multi-story, and can be full service facilities. General Office/Business Park includes buildings of over 10,000 square feet which are multi or single tenant structures consisting of office space. These buildings are generally single story structures located in moderate to high traffic areas.

CLASS A OFFICE SOUTH

	CITY	TOTAL SF	SF OCCUPIED	SF VACANT	OCCUPANCY
Reflections on the River 1499 S. Harbour City Blvd.	Melbourne	19,800	18,467	1,333	93%
Rialto Place 100 Rialto Place	Melbourne	146,175	118,863	27,312	81%
One Harbor Place 1901 S. Harbor City Blvd.	Melbourne	72,000	59,820	12,180	83%
Babcock Oaks 2202 Babcock St.	Melbourne	20,969	17,605	3,364	84%
Corporate Park At Viera 7334 Office Park Place	Melbourne	27,960	24,918	3,042	89%
Imperial Plaza 6767 N. Wickham Rd	Melbourne	107,000	90,495	16,505	85%
Melbourne Financial Cen. 1990 W. New Haven Ave.	Melbourne	44,388	28,548	15,840	64%
Spyglass Medical 7000 Spyglass Ct.	Melbourne	31,552	29,839	1,713	95%
Indian River National Bank 5240 Babcock St.	Palm Bay	39,975	35,275	4,700	88%
Totals		509,819	423,830	85,989	83%

CLASS A OFFICE CENTRAL

	CITY	TOTAL SF	SF OCCUPIED	SF VACANT	OCCUPANCY
Maritime Center 445 Challenger Road	Cape Canaveral	67,129	56,027	11,102	83%
AJT Building 8900 Astronaut Blvd.	Cape Canaveral	43,958	41,958	2,000	95%
High Point 400 High Point	Cocoa	12,000	10,750	1,250	90%
Merritt Financial Center 775 Merritt Cswy	Merritt Island	35,700	27,920	7,780	78%
Totals		158,787	136,655	22,132	86%

CLASS A OFFICE NORTH

	CITY	TOTAL SF	SF OCCUPIED	SF VACANT	OCCUPANCY
Boeing 100 Boeing Way	Titusville	82,500	82,500	0	100%
City Square 815 S. Washington Ave.	Titusville	17,400	13,999	3,401	80%
Totals		99,900	96,499	3,401	97%
Countywide Totals		768,506	656,984	111,522	85%

Class A Office

Tenants relocating out of class A properties for the great class B deals. Landlords are reaching their breaking points as the discounted Full service rates are netting $6.00 - $7.00 per square foot.

GENERAL/ OFFICE BUSINESS PARK SOUTH

	CITY	TOTAL SF	SF OCCUPIED	SF VACANT	OCCUPANCY
Sarno Office Park 1360 Sarno Road	Melbourne	19,470	16,170	3,300	83%
Gateway Business Center 1333 Gateway Drive	Melbourne	117,050	53,957	63,093	46%
Rivercrest Professional 3625 N. Harbor City Blvd.	Melbourne	37,000	24,550	12,450	66%
Sarno Business Complex 2080 Sarno Road	Melbourne	142,314	100,630	41,684	71%
Wickham Commons 8240 Devereux Dr.	Melbourne	34,536	31,742	2,794	92%
The Boulevard Professional Cen. 1600 Eau Gallie Blvd.	Melbourne	21,000	14,607	6,393	70%
Eau Gallie Professional 2351 W. Eau Gallie Blvd.	Melbourne	10,000	8,000	2,000	80%
Totals		381,370	249,656	131,714	65%

GENERAL/ OFFICE BUSINESS PARK CENTRAL

	CITY	TOTAL SF	SF OCCUPIED	SF VACANT	OCCUPANCY
Portside Office Complex 101 George King Blvd.	Cape Canaveral	19,000	19,000	0	100%
Cape Canaveral Professional 7001 North Atlantic Ave	Cape Canaveral	23,100	17,100	6,000	74%
Perrone Plaza 2460 N. Courtenay Blvd.	Merritt Island	15,000	12,145	2,855	81%
Town Square 1355 N. Courtenay Blvd.	Merritt Island	15,800	5,452	10,348	35%
Orange Street Tower 600 Florida Avenue	Cocoa	12,012	8,288	3,724	69%
Totals		84,912	61,985	22,927	73%

GENERAL/ OFFICE BUSINESS PARK NORTH

	CITY	TOTAL SF	SF OCCUPIED	SF VACANT	OCCUPANCY
Buena Vista Professional 3910 S. Washington Ave.	Titusville	36,800	29,000	7,800	79%
Sand Point Center 350 N. Washington Ave.	Titusville	12,000	9,036	2,964	75%
Washington Plaza 3880 S Washington Ave	Titusville	39,800	30,625	9,175	77%
Totals		88,600	68,661	19,939	77%
Countywide Totals		554,882	380,302	174,580	69%

General / Office Business Park

The market is moving from triple net to Gross leases as tenants are demanding no variables in the terms. This aggressive posture is generating opportunity deals as significant rent savings can be earned from previous leases.

APARTMENT OVERVIEW

The Apartment category is made up of complexes that consist of 50 or more units and are operated as rental projects. The following sampling provides a good indication of the occupancy levels for apartment complexes within the Brevard Market.

APARTMENTS
SOUTH

PROJECT/ADDRESS	CITY	TL UNITS	OCCUPIED	VACANT	OCC. RATE
Manatee Cove 740 Carolyn St.	Melbourne	192	160	32	83%
Lakeside @ Greensboro 7670 Greensboro Dr.	Melbourne	232	204	28	88%
Paradise Cay 1900 Post Road	Melbourne	197	165	32	84%
Crane Creek Villas 150 E. University Blvd.	Melbourne	103	71	32	69%
Lighthouse Point 3350 Wedgewood Dr.	Palm Bay	270	186	84	69%
Woodlake Village 1000 Woodlake Dr. NE	Palm Bay	462	440	22	95%
The Vinings 1000 Palm Place Dr.	Palm Bay	320	285	35	89%
Via Tuscany 300 Tuscan Way	SunTree	280	258	22	92%
Cypress Cove 7667 N. Wickham Rd.	Suntree	143	128	15	90%
Brittany Apartments 1874 Brittany Dr.	Indialantic	210	201	9	96%
The Dunes 201 Harbour City Pkwy	Indian Harbou	200	180	20	90%
Totals		2609	2278	331	87%

APARTMENTS
CENTRAL

PROJECT/ADDRESS	CITY	TL UNITS	OCCUPIED	VACANT	OCC. RATE
Oak Meadows 1605 Flower Mound Ln.	Cocoa	120	108	12	90%
Woodhaven 1903 Woodhaven Cir.	Rockledge	152	135	17	89%
Polo Glen 3603 Middleburg Lane	Rockledge	252	230	22	91%
Courtenay Palms 700 N. Courtenay Pkwy.	Merritt Island	300	270	30	90%
Country Club Apartments 1155 N. Courtenay Pkwy.	Merritt Island	240	156	84	65%
Totals		1064	899	165	84%

APARTMENTS
NORTH

PROJECT/ADDRESS	CITY	TL UNITS	OCCUPIED	VACANT	OCC. RATE
Emerald Place 1000 Tree Lane	Titusville	136	114	22	84%
Heritage 1850 South Park Ave.	Titusville	56	52	4	93%
Summerhill Apartments 5274 Summerhill Club Lane	Titusville	278	245	33	88%
River Breeze 102 Court St.	Titusville	115	95	20	83%
Windover Woods 2605 Columbia Blvd.	Titusville	132	125	7	95%
Totals		717	631	86	88%
Countywide Totals		4390	3808	582	87%

The 2010 3rd Quarter overall occupancy is at 87%. It was 89% at the end of the 2nd Quarter of 2010. We are still seeing signs of rental concessions and strong competition from the rental housing. Current occupancy and rent levels will limit new product in this market with the exception of subsidized product.

RETAIL OVERVIEW

Retail category is divided into two classifications, anchored and nonanchored. Anchored centers are generally larger centers of approximately 75,000 square feet or more, and typically have at least one anchor tenant.

Nonanchored centers are typically smaller centers that have no large major tenants; they are generally below 30,000 square feet. Smaller strip stores have also been included in this classification. This classification also includes larger centers that had anchored tenants at one time but presently do not.

ANCHORED RETAIL
SOUTH

RETAIL CENTER ADDRESS	CITY	TOTAL SQ.FT.	SQ.FT. OCC	SQ.FT. VACANT	% SQ.FT. OCC
Post Commons 4100 N. Wickham Rd.	Melbourne	196,724	191,924	4,800	98%
Melbourne Shopping Center 1390 S. Babcock St.	Melbourne	204,218	161,068	43,150	79%
Lake Washington Square 2447 N. Wickham Rd.	Melbourne	111,811	86,010	25,801	77%
Lake Washington Crossing 3200 Lake Washington Rd.	Melbourne	118,282	96,002	22,280	81%
Palm Crossings 145 Palm Bay Rd.	West Melbourne	76,800	72,000	4,800	94%
Bayside Shopping Center 3450 Bayside Lakes Blvd.	Palm Bay	70,070	66,995	3,075	96%
Shoppes at Palm Bay 1150 Malabar Rd.	Palm Bay	72,716	68,166	4,550	94%
Palm Bay West 160 Malabar Rd.	Palm Bay	263,121	251,416	11,705	96%
Palm Bay Center 4711 Babcock St.	Palm Bay	135,049	126,549	8,500	94%
Indian Harbour Place Eau Gallie Blvd.	Indian Harbour	165,521	160,621	4,900	97%
Totals		1,414,312	1,280,751	133,561	91%

ANCHORED RETAIL CENTRAL

RETAIL CENTER ADDRESS	CITY	TOTAL SQ.FT.	SQ.FT. OCC	SQ.FT. VACANT	% SQ.FT. OCC
Rockledge Square 1802 Rockledge Blvd.	Rockledge	87,865	61,302	26,563	70%
First Merritt Center 125 E. Merritt Island Cswy.	Merritt Island	88,244	81,151	7,093	92%
Cornerstone Plaza 5675 N. Atlantic Ave.	Cocoa Beach	68,577	55,376	13,201	81%
Banana River Square 2039 N. Atlantic Ave.	Cocoa Beach	89,893	83,599	6,294	93%
Totals		334,579	281,428	53,151	84%

ANCHORED RETAIL NORTH

RETAIL CENTER ADDRESS	CITY	TOTAL SQ.FT.	SQ.FT. OCC	SQ.FT. VACANT	% SQ.FT. OCC
St. John's Plaza 3235 Garden St.	Titusville	117,076	49,207	67,869	42%
Dairy Plaza 1525 Singleton Ave.	Titusville	81,890	74,190	7,700	91%
Royal Oaks Plaza 1881 Knox McRae Dr.	Titusville	73,406	62,881	10,525	86%
Village Square 1528 Harrison St.	Titusville	77,356	72,556	4,800	94%
Indian River Plaza 700 Cheney Hwy.	Titusville	75,594	74,122	1,472	98%
Totals		425,322	332,956	92,366	78%
Countywide Totals		2,174,213	1,895,135	279,078	87%

During this quarter retail occupancy and vacancy remain flat but as surmised the anchored centers are maintaining a better rate of occupancy quarter over quarter due to the nature of the customers who must frequent these centers on a regular basis. They are “staples” in most household’s daily lives and therefore have not felt the pressure of other sectors as harshly. The one factor that is not evidenced in the scope of this report but is noteworthy to comment on is that even though there does not appear to be as sharp of a curve or decline in occupancy the rates that are being negotiated are significantly decreasing as demand continues to plummet.

UNANCHORED RETAIL
SOUTH

RETAIL CENTER ADDRESS	CITY	TOTAL SQ.FT.	SQ.FT. OCC	SQ.FT. VACANT	% SQ.FT. OCC
Eagle Harbor Downtown 3760-3800 Eau Gallie Blvd.	Melbourne	28,620	20,420	8,200	71%
Eye 2 Eye Super Center 785 N. Wickham Rd.	Melbourne	10,240	6,400	3,840	63%
Harbor City Plaza 404-426 N. Harbor City Blvd.	Melbourne	13,365	10,687	2,678	80%
Times Square Center 2430-2480 Minton Rd.	Melbourne	18,300	18,300	0	100%
Stack Crossing 1505 Palm Bay Rd.	Melbourne	21,000	6,410	14,590	31%
Baymeadows 3680-3716 N. Wickham Rd.	Melbourne	31,921	25,021	6,900	78%
West Melbourne Business Cen. 4175-4195 W. New Haven Ave.	West Melbourne	61,496	56,146	5,350	91%
Woodlake Village Plaza 2155 Palm Bay Rd.	Palm Bay	10,358	10,358	0	100%
Troutman Plaza 2280 Harris Ave. NE	Palm Bay	13,454	13,454	0	100%
Park Place (Retail) 7640 N. Wickham Road	Suntree	35,957	29,339	6,618	82%
Shoppes at Murrell 5445-5455 Murrell Rd.	Suntree	11,960	10,760	1,200	90%
Totals		256,671	207,295	49,376	81%

UNANCHORED RETAIL
CENTRAL

RETAIL CENTER ADDRESS	CITY	TOTAL SQ.FT.	SQ.FT. OCC	SQ.FT. VACANT	% SQ.FT. OCC
Shoppes of Cocoa North 2300 S.R. 524	Cocoa	13,300	4,200	9,100	32%
Dixon Plaza 854-914 Dixon Blvd.	Cocoa	8,800	3,300	5,500	38%
Horizon Palms 3760-3770 Curtis Blvd.	Cocoa	10,000	6,150	3,850	62%
Westport Plaza 2025 Murrell Rd.	Rockledge	11,600	8,108	3,492	70%
The Barton Shoppes 500 Barton Blvd.	Rockledge	14,200	8,311	5,889	59%
Barton Square 563 Barton Blvd.	Rockledge	17,207	12,382	4,825	72%
A1A Plaza 585-685 Atlantic Ave.	Cocoa Beach	37,081	30,881	6,200	83%
Perrone Park 950 N. Courtenay Pkwy	Merritt Island	37,440	32,940	4,500	88%
Triangle Shopping Center 864-890 N. Banana River Dr.	Merritt Island	28,000	26,000	2,000	93%
Totals		177,628	132,272	45,356	74%

UNANCHORED RETAIL
NORTH

RETAIL CENTER ADDRESS	CITY	TOTAL SQ.FT.	SQ.FT. OCC	SQ.FT. VACANT	% SQ.FT. OCC
Garden Shoppes & Mall 2825 Garden St.	Titusville	48,764	42,069	6,695	86%
2935 Garden St.	Titusville	21,376	0	21,376	0%
Rivertowne Plaza 2600 Hopkins Ave.	Titusville	6,039	6,039	0	100%
1015-1095 Garden St.	Titusville	7,092	2,016	5,076	28%
South Park Plaza 600-680 S. Park Ave.	Titusville	13,330	6,730	6,600	50%
Southway Plaza 601 Cheney Hwy.	Titusville	53,576	43,576	10,000	81%
Hopkins Plaza 3400-3448 Hopkins Ave.	Titusville	17,000	14,572	2,428	86%
Totals		167,177	115,002	52,175	69%
Countywide Totals		601,476	454,569	146,907	76%

County wide unanchored retail occupancy is at an average of 76%. This is down from the 77% in 2nd Quarter 2010. Based on the economy it is expected this trend will continue.

As with many other property classifications retail rents have declined significantly as landlords struggle to maintain occupancy in a shrinking and competitive market.

New product will be limited to pocket markets due to current occupancy, obtainable rent levels and loan underwriting requirements.

INDUSTRIAL OVERVIEW

WAREHOUSE/MANUFACTURING SPACE

The Warehouse/Manufacturing Category is made up of those buildings whose primary purpose is that of manufacturing, distribution and/or storage. These buildings are generally made up of open, undivided space with little or no air conditioned office space. These buildings are most typically owner-occupied or occupied by a single tenant. Construction is generally of concrete or metal and they generally include higher clear ceiling height and, in most cases, loading docks or truck wells.

WAREHOUSE/MANUFACTURING SOUTH

	CITY	TOTAL SF	OCCUPIED	VACANT	% OCCUPIED
7852 Ellis Rd.	Melbourne	12,250	12,250	0	100%
7618 Ellis Rd.	Melbourne	54,605	54,605	0	100%
6934 Imogene Dr.	Melbourne	11,200	11,200	0	100%
1575 W. NASA Blvd.	Melbourne	10,800	10,800	0	100%
7003 Technology Dr.	Melbourne	17,300	17,300	0	100%
Palm Bay One 2280 NE Wilhelmina Ct.	Palm Bay	117,200	73,200	44,000	62%
Totals		223,355	179,355	44,000	80%

This sectors' occupancy in the South Brevard market has remained at 80% in the 3rd quarter of 2010. Occupancy at 80% is only 1% lower than the 1st quarter of 2009, but has increased by 5% year over year since 3rd quarter of 2009.

WAREHOUSE/MANUFACTURING CENTRAL

	CITY	TOTAL SF	OCCUPIED	VACANT	% OCCUPIED
570 Haverty Ct.	Rockledge	32,964	32,964	0	100%
2971 Oxbow Cir.	Cocoa	25,000	25,000	0	100%
658-662 Industry Rd.	Cocoa	20,160	10,080	10,080	50%
600 Cox Rd.	Cocoa	27,000	7,500	19,500	28%
3400 Grissom Pkwy.	Cocoa	37,500	0	37,500	0%
Pt. Canaveral Commercial Ctr. 405 Atlantis Rd.	Cape Canaveral	63,000	48,500	14,500	77%
Totals		205,624	124,044	81,580	60%

In this Warehouse/Manufacturing Sector in the central part of the county occupancy levels have dropped 4% year over year from the 3rd quarter of 2009, This area seems to be stable with only minimal changes at the this time. This area's high vacancy rate is due to one large speculative building still being vacant.

WAREHOUSE/MANUFACTURING NORTH

	CITY	TOTAL SF	OCCUPIED	VACANT	% OCCUPIED
875 Buffalo Rd.	Titusville	20,000	20,000	0	100%
1400 White Dr.	Titusville	51,383	51,383	0	100%
Hells Bay Boatworks 1520 Chaffee Dr	Titusville	24,442	24,442	0	100%
225 Sunset Ave.	Titusville	15,000	0	15,000	0%
Totals		110,825	95,825	15,000	86%
Countywide Totals		539,804	399,224	140,580	74%

There is a limited supply of this type of product in the north end of the county and it does not appear that substantial demand is on the way. This area remains at a high occupancy level at 86%.

SERVICE BAYS- SMALL

This property type is characterized by the many small bays or units that it offers. The buildings can be large or small but offer units ranging from +/-1,000 SF and up. This product type has typically been in high demand due to the many small businesses that can operate from such facilities. It was also the first and hardest to be hit when the homebuilding began to slow as many of the tenants were the roofers, cabinet makers, etc.

SERVICE BAYS- SMALL
SOUTH

	CITY	TOTAL SF	OCCUPIED	VACANT	% OCCUPIED
CIA 500 North Drive	Melbourne	25,000	15,000	10,000	60%
Runway Bays 700 Atlantis Rd.	Melbourne	12,000	8,400	3,600	70%
Dow-Rodes Industrial Center 4250 Dow Rd.	Melbourne	66,150	54,000	12,150	82%
360 Stan Drive	Melbourne	14,400	0	14,400	0%
Kirby Industrial Park 2510-2550 Kirby Rd.	Palm Bay	57,864	45,809	12,055	79%
Totals		175,414	123,209	52,205	70%

This sector of small service bays in the south county area has occupancy levels that have increased by approximately 2% year over year from the 3rd quarter of 2009, as demand for the small units are weak and the supply on the market is significant. This trend is expected to continue until the economy and new home construction picks up.

SERVICE BAYS- SMALL
CENTRAL

	CITY	TOTAL SF	OCCUPIED	VACANT	% OCCUPIED
245 Gus Hipp Blvd.	Rockledge	15,000	12,500	2,500	83%
Huntington Business Center 1739 Huntington Lane	Rockledge	30,000	12,000	18,000	40%
1950 Murrell Rd.	Rockledge	25,000	11,667	13,333	47%
4110 Pine Tree Place	Cocoa	5,000	0	5,000	0%
3015 Grissom Parkway	Cocoa	12,875	6,375	6,500	50%
Totals		87,875	42,542	45,333	48%

The central area occupancy levels have suffered the most since the beginning of the market decline, and are now at a 48% occupancy level after being as low as 41% for two continuous quarters through the year. The 48% level is the same as the 1st quarter of 2009. There is still a large amount of space available in this area; competition is heavy to attract new tenants.

SERVICE BAYS- SMALL
NORTH

	CITY	TOTAL SF	OCCUPIED	VACANT	% OCCUPIED
3650 Bobbie Lane	Titusville	14,400	9,600	4,800	67%
1006 Tropic St.	Titusville	4,000	0	4,000	0%
Totals		18,400	9,600	8,800	52%
Countywide Totals		281,689	175,351	106,338	62%

Very little of this product type exists in North County and has varied occupancy levels as reflected.

SERVICE BAYS- LARGE

These properties are also larger in total size but are designed to accommodate multiple tenants in a minimum of 5,000 SF increments or bay sizes.

SERVICE BAYS- LARGE
SOUTH

	CITY	TOTAL SF	OCCUPIED	VACANT	% OCCUPIED
4301 Fortune Place	West Melbourne	30,000	5,206	24,794	17%
Wickham Business Park 2200 Wickham Rd.	Melbourne	71,000	51,100	19,900	72%
Trio Industrial Center 285,295,305 North Dr.	Melbourne	100,000	100,000	0	100%
490 Distribution Dr.	Melbourne	10,000	10,000	0	100%
7100-7500 Technology Dr.	Melbourne	139,000	94,000	45,000	68%
Totals		350,000	260,306	89,694	74%

These properties are fairing better with their large overall size due to the fact that they can provide smaller unit sizes than most single tenant facilities. Several of the buildings have had very solid occupancy for many years and should continue to maintain strong occupancies. The southern area remains stable this quarter with a 4% increase in occupancy year over year as the 3rd quarter of 2009.

SERVICE BAYS- LARGE
CENTRAL

	CITY	TOTAL SF	OCCUPIED	VACANT	% OCCUPIED
501 Haverty Ct.	Rockledge	50,250	36,850	13,400	73%
Rockledge Business Park 571 Haverty Ct.	Rockledge	45,880	34,883	10,997	76%
3370 Grissom Parkway	Cocoa	15,000	7,500	7,500	50%
Totals		111,130	79,233	31,897	71%
Countywide Totals		461,130	339,539	121,591	74%

The occupancy levels in this area have increased 17% from the 3rd quarter of 2009 to 71%. After 4 quarters of stabilized rates at around 60%(+/-) occupancy. There has been a nice increase in occupancy. Of the 3 properties in this sector for Central Brevard, one is brand new and in the high growth area of West Cocoa. This building even offers SR528 -Beachline visibility but remains vacant. The others are in a quality park in Rockledge that has averaged high occupancy and has recently lost tenants creating this vacancy. This central area continues to be the hardest hit in the county.

COMPANY PROFILES

Lightle Beckner Robison, Inc. Commercial Real Estate Services is a full service commercial real estate firm specializing in office, retail and industrial commercial real estate throughout Brevard County and the entire State of Florida. Brian Lightle, CCIM has been practicing commercial real estate for over 20 years and is joined with principals, Robert Beckner and Jeffery Robison. Presently over 1,000,000 SF of commercial property is professionally managed in the State of Florida. Please visit our website at www.lbrcres.com to see the full spectrum of our services.

Tuttle-Armfield-Wagner Appraisals & Research has been in the appraisal and consulting business within Brevard County for 25 years. The firm provides commercial and residential appraisal services for a wide array of clients. We can also be reached through our website www.t-a-w.com.