



LIGHTLE BECKNER ROBISON

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COMMERCIAL REAL ESTATE SERVICES

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**BREVARD COUNTY  
COMMERCIAL REAL ESTATE  
MARKET OVERVIEW**

4<sup>th</sup> Quarter  
October-December 2010

PREPARED BY

TUTTLE-ARMFIELD-WAGNER APPRAISALS & RESEARCH  
AND  
LIGHTLE BECKNER ROBISON, INC.  
COMMERCIAL REAL ESTATE SERVICES

Dear Client

This is the 4<sup>th</sup> Quarter 2010 overview of the Brevard County Commercial Real estate market. It is the twelfth report that we have completed in what we hope is an informative tool to assist you in forecasting market trends.

It appears the market has stabilized in regard to occupancy and within some property classifications we are seeing an upward trend in occupancy. The stabilization trend and increase in some property classifications is a positive sign. However in most property classifications vacancy remains high.

On the other hand we are still seeing rents in a declining trend. Much of this is a result of the renegotiation of leases and landlords cutting deals in an effort to attract and maintain tenants. We believe this trend will continue until occupancy levels strengthen. In order for this to occur we believe we will need a strengthening in the national economy.

There are signs that overall economy is strengthening, however the country is still fighting a high unemployment situation. The shifting from complete Democrat control at the federal level during the 4<sup>th</sup> Quarter may also have a positive effect. No matter what your politics are it appears we operate better with a balance of power.

The cancellation of the Shuttle and Constellation programs will directly affect the Kennedy Space Center's facilities and employees, as well as most of Brevard County. As of September 2010 Florida Today and the Brevard Workforce reported that up to 8,000 workers at Kennedy Space Center will lose their jobs due to the cancellation of these programs. Using a NASA statewide multiplier of 2.5 community jobs lost for each shuttle job cut, Lisa Rice, president of Brevard Workforce said the area's shuttle-related impact could total 19,000 jobs, "give or take a few thousand." The reality of long-anticipated shuttle program job losses is just beginning to hit the Space Coast as nearly 2,000 local employees at KSC already lost and another 6,000 in the next year. North Brevard and Merritt Island will likely bear the brunt of thousands more layoffs to come as the shuttle program nears retirement.

Not all employment news is negative.

Melbourne International Airport has been attracting major companies from the aviation industry. Embraer's first phase of construction is nearing completion and AAR and MidairUSA announced they are locating U.S. aircraft maintenance operations at Melbourne International Airport. Total capital investment for the three projects is estimated at \$85 million. Employment from these three companies will be in the range of 950 direct jobs. The airport authority reports there is strong interest from other companies.

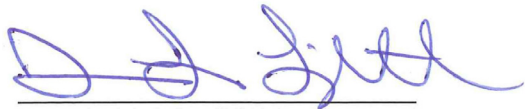
Port Canaveral is a major economic influence in Brevard County. Port Canaveral is the second busiest cruise port, behind Miami for passenger counts. Disney will homeport two new ships at Port Canaveral in 2011 and 2012. The Disney Dream arrived in January. In December the Canaveral Port Authority approved moving forward on a new terminal that will support additional ships with a 4,000 plus passenger capacity. In addition to the passenger aspect Port Canaveral has nine cargo ship berths, two tanker berths, two roll on/roll off ramps, six small boat marinas and six cruise terminals as well as an active commercial real estate component. The Canaveral Port Authority is actively working on ways to make the Port a destination for tourism and to retain cruise passengers.

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. However not all aspects of the Brevard County economy are negative. Melbourne International Airport and the Port Canaveral are examples of strong segments of this market.

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

## SUMMARY DISCUSSION OF MARKET OCCUPANCY

**Class A Office** in Brevard County is at an overall average 84% occupancy compared to 85% in the 3<sup>rd</sup> Quarter of 2010. Class A office is holding steady and tour volume is up. Tenant confidence appears to be stronger as they negotiate full service deals in true class "A" property. Overall operating expenses are dropping slightly as landlords benefit from lower property taxes and insurance premiums. 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 75% up from 69% in the 3<sup>rd</sup> Quarter 2010. The market is becoming stronger for general office space. Tenants are feeling that the discounted rates are at a point that it its worth the relocation expense to save rent dollars. Most deals have several months free rent with tenant improvement allowance for a 3-5 year lease. Annual increases still hover between 3% and 4%. 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 88% which is slightly higher than the 3<sup>rd</sup> Quarter of 2010 at 87%. 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%, the same as the 3<sup>rd</sup> Quarter of 2010. Anchored Retail over the past quarter continues to remain stable. National Retailers have started to evaluate options in the market and are making very deliberate and strategic choices in specific markets. They are working diligently to appreciate the benefit of market conditions that have transitioned in their favor. Market rents continue to be pressured by the conditions and lack of demand. Brevard County is still declining in contrast to the national averages due to concerns over the space program and the impending workforce losses. Overall we would expect these trends to transition some based on the Holiday results.

**Unanchored Retail** in Brevard County is at an overall average of 77% occupancy as compared to 76% in the 3<sup>rd</sup> 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 71% which is slightly down from an average of 74% in the 3<sup>rd</sup> Quarter of 2010. This segment of the market is also struggling to maintain occupancy. Rental rates are very competitive.



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**Service Bays – Small** Brevard County is at an overall average of 66% occupancy, slightly higher than 62% in the 3<sup>rd</sup> 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 79% slightly higher than 74% in the 3<sup>rd</sup> Quarter of 2010.

*This product has experienced an upward trend in occupancy which is a positive sign. However rents are still weak. We believe there will be limited demand for new product in the near term.*



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## 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	19,800	0	100%
Rialto Place 100 Rialto Place	Melbourne	146,175	120,175	26,000	82%
One Harbor Place 1901 S. Harbor City Blvd.	Melbourne	72,000	60,516	11,484	84%
Babcock Oaks 2202 Babcock St.	Melbourne	20,969	17,595	3,374	84%
Corporate Park At Viera 7334 Office Park Place	Melbourne	27,960	22,570	5,390	81%
Imperial Plaza 6767 N. Wickham Rd	Melbourne	107,000	85,000	22,000	79%
Melbourne Financial Cen. 1990 W. New Haven Ave.	Melbourne	44,388	29,713	14,675	67%
Spyglass Medical 7000 Spyglass Ct.	Melbourne	31,552	25,592	5,960	81%
Indian River National Bank 5240 Babcock St.	Palm Bay	39,975	33,975	6,000	85%
<b>Totals</b>		<b>509,819</b>	<b>414,936</b>	<b>94,883</b>	<b>81%</b>



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**CLASS A OFFICE  
CENTRAL**

	CITY	TOTAL SF	SF OCCUPIED	SF VACANT	OCCUPANCY
Maritime Center 445 Challenger Road	Cape Canaveral	67,129	59,029	8,100	88%
AJT Building 8900 Astronaut Blvd.	Cape Canaveral	43,958	38,558	5,400	88%
High Point 400 High Point	Cocoa	12,000	10,000	2,000	83%
Merritt Financial Center 775 Merritt Cswy	Merritt Island	35,700	28,620	7,080	80%
<b>Totals</b>		<b>158,787</b>	<b>136,207</b>	<b>22,580</b>	<b>86%</b>

**CLASS A OFFICE  
NORTH**

	CITY	TOTAL SF	SF OCCUPIED	SF VACANT	OCCUPANCY
Boeing 100 Boeing Way	Titusville	82,500	80,093	2,407	97%
City Square 815 S. Washington Ave.	Titusville	17,400	13,999	3,401	80%
<b>Totals</b>		<b>99,900</b>	<b>94,092</b>	<b>5,808</b>	<b>94%</b>
<b>Countywide Totals</b>		<b>768,506</b>	<b>645,235</b>	<b>123,271</b>	<b>84%</b>

Class A Office

Class A office is holding steady and tour volume is up. Tenant confidence appears to be stronger as they negotiate full service deals in true class "A" property. Overall operating expenses are dropping slightly as landlords benefit from lower property taxes and insurance premiums.



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**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	95,641	21,409	82%
Rivercrest Professional 3625 N. Harbor City Blvd.	Melbourne	37,000	24,000	13,000	65%
Sarno Business Complex 2080 Sarno Road	Melbourne	142,314	94,294	48,020	66%
Wickham Commons 8240 Devereux Dr.	Melbourne	34,536	30,036	4,500	87%
The Boulevard Professional Cen. 1600 Eau Gallie Blvd.	Melbourne	21,000	11,000	10,000	52%
Eau Gallie Professional 2351 W. Eau Gallie Blvd.	Melbourne	10,000	10,000	0	100%
<b>Totals</b>		<b>381,370</b>	<b>281,141</b>	<b>100,229</b>	<b>74%</b>

**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	15,775	7,325	68%
Perrone Plaza 2460 N. Courtenay Blvd.	Merritt Island	15,000	12,780	2,220	85%
Town Square 1355 N. Courtenay Blvd.	Merritt Island	15,800	11,300	4,500	72%
Orange Street Tower 600 Florida Avenue	Cocoa	12,012	8,862	3,150	74%
<b>Totals</b>		<b>84,912</b>	<b>67,717</b>	<b>17,195</b>	<b>80%</b>



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**GENERAL/ OFFICE BUSINESS PARK  
NORTH**

	CITY	TOTAL SF	SF OCCUPIED	SF VACANT	OCCUPANCY
Buena Vista Professional 3910 S. Washington Ave.	Titusville	36,800	23,886	12,914	65%
Sand Point Center 350 N. Washington Ave.	Titusville	12,000	10,500	1,500	88%
Washington Plaza 3880 S Washington Ave	Titusville	39,800	30,625	9,175	77%
<b>Totals</b>		<b>88,600</b>	<b>65,011</b>	<b>23,589</b>	<b>73%</b>
<b>Countywide Totals</b>		<b>554,882</b>	<b>413,869</b>	<b>141,013</b>	<b>75%</b>

General / Office Business Park

The market is becoming stronger for general office space. Tenants are feeling that the discounted rates are at a point that it its worth the relocation expense to save rent dollars. Most deals have several months free rent with tenant improvement allowance for a 3-5 year lease. Annual increases still hover between 3% and 4%



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## 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	164	28	85%
Lakeside @ Greensboro 7670 Greensboro Dr.	Melbourne	232	214	18	92%
Paradise Cay 1900 Post Road	Melbourne	197	158	39	80%
The Savannahs 3051 Savannah Way	Melbourne	256	249	7	97%
Lighthouse Point 3350 Wedgewood Dr.	Palm Bay	270	182	88	67%
Woodlake Village 1000 Woodlake Dr. NE	Palm Bay	462	436	26	94%
The Vinings 1000 Palm Place Dr.	Palm Bay	320	273	47	85%
Via Tuscany 300 Tuscan Way	SunTree	280	245	35	88%
Cypress Cove 7667 N. Wickham Rd.	Suntree	143	128	15	90%
Brittany Apartments 1874 Brittany Dr.	Indialantic	210	207	3	99%
The Dunes 201 Harbour City Pkwy	Indian Harbol	200	189	11	95%
<b>Totals</b>		<b>2762</b>	<b>2445</b>	<b>317</b>	<b>89%</b>



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**APARTMENTS  
CENTRAL**

PROJECT/ADDRESS	CITY	TL UNITS	OCCUPIED	VACANT	OCC. RATE
Candlewood 811 Crestview Road	Cocoa	100	93	7	93%
Village Green 650 Dixon Blvd.	Cocoa	240	172	68	72%
Fountain Villa 1001 Cascade Circle	Rockledge	132	125	7	95%
Polo Glen 3603 Middleburg Lane	Rockledge	252	236	16	94%
Courtenay Palms 700 N. Courtenay Pkwy.	Merritt Island	300	278	22	93%
<b>Totals</b>		<b>1024</b>	<b>904</b>	<b>120</b>	<b>88%</b>

**APARTMENTS  
NORTH**

PROJECT/ADDRESS	CITY	TL UNITS	OCCUPIED	VACANT	OCC. RATE
Emerald Place 1000 Tree Lane	Titusville	136	126	10	93%
Heritage 1850 South Park Ave.	Titusville	56	50	6	89%
Summerhill Apartments 5274 Summerhill Club Lane	Titusville	278	247	31	89%
Morningside 1187 South Park Ave.	Titusville	185	146	39	79%
Parkvillas 1021 South Park Ave.	Titusville	160	134	26	84%
<b>Totals</b>		<b>815</b>	<b>703</b>	<b>112</b>	<b>86%</b>
<b>Countywide Totals</b>		<b>4601</b>	<b>4052</b>	<b>549</b>	<b>88%</b>

The 2010 4<sup>th</sup> Quarter overall occupancy is at 88%. It was 87% at the end of the 3<sup>rd</sup> 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.



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## 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	174,384	22,340	89%
Melbourne Shopping Center 1390 S. Babcock St.	Melbourne	204,218	149,443	54,775	73%
Lake Washington Square 2447 N. Wickham Rd.	Melbourne	111,811	96,280	15,531	86%
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	71,876	840	99%
Palm Bay West 160 Malabar Rd.	Palm Bay	263,121	240,406	22,715	91%
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%
<b>Totals</b>		<b>1,414,312</b>	<b>1,254,556</b>	<b>159,756</b>	<b>89%</b>



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**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	59,639	28,226	68%
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	54,177	14,400	79%
Banana River Square 2039 N. Atlantic Ave.	Cocoa Beach	89,893	83,599	6,294	93%
<b>Totals</b>		<b>334,579</b>	<b>278,566</b>	<b>56,013</b>	<b>83%</b>

**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	110,776	6,300	95%
Dairy Plaza 1525 Singleton Ave.	Titusville	81,890	74,190	7,700	91%
Royal Oaks Plaza 1881 Knox McRae Dr.	Titusville	73,406	64,090	9,316	87%
Village Square 1528 Harrison St.	Titusville	77,356	72,556	4,800	94%
Indian River Plaza 700 Cheney Hwy.	Titusville	75,594	40,075	35,519	53%
<b>Totals</b>		<b>425,322</b>	<b>361,687</b>	<b>63,635</b>	<b>85%</b>
<b>Countywide Totals</b>		<b>2,174,213</b>	<b>1,894,809</b>	<b>279,404</b>	<b>87%</b>

Anchored Retail over the past quarter continues to remain stable. National Retailers have started to evaluate options in the market and are making very deliberate and strategic choices in specific markets. They are working diligently to appreciate the benefit of market conditions that have transitioned in their favor. Market rents continue to be pressured by the conditions and lack of demand. Brevard County is still declining in contrast to the national averages due to concerns over the space program and the impending workforce losses. Overall I would expect these trends to transition some based on the Holiday results.



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**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	24,620	4,000	86%
Harbor City Plaza 404-426 N. Harbor City Blvd.	Melbourne	13,365	10,687	2,678	80%
La Galeria Arcade 815 Strawbridge Ave.	Melbourne	22,573	19,813	2,760	88%
Stack Crossing 1505 Palm Bay Rd.	Melbourne	21,000	12,410	8,590	59%
Baymeadows 3680-3716 N. Wickham Rd.	Melbourne	31,921	29,921	2,000	94%
West Melbourne Business Cen. 4175-4195 W. New Haven Ave.	West Melbourne	61,496	56,096	5,400	91%
Woodlake Village Plaza 2155 Palm Bay Rd.	Palm Bay	10,358	10,358	0	100%
Palm Bay Plaza 4500 N. Dixie Highway	Palm Bay	40,000	22,200	17,800	56%
Arlington Pines 2000 Palm Bay Rd	Palm Bay	17,760	14,800	2,960	83%
Park Place (Retail) 7640 N. Wickham Road	Suntree	35,957	28,525	7,432	79%
Shoppes at Murrell 5445-5455 Murrell Rd.	Suntree	11,960	10,760	1,200	90%
<b>Totals</b>		<b>295,010</b>	<b>240,190</b>	<b>54,820</b>	<b>81%</b>



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**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	7,175	2,825	72%
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	11,532	5,675	67%
A1A Plaza 585-685 Atlantic Ave.	Cocoa Beach	37,081	29,981	7,100	81%
Merritt Island Shopping Center 325 Merritt Island Cswy	Merritt Island	23,930	20,905	3,025	87%
Triangle Shopping Center 864-890 N. Banana River Dr.	Merritt Island	28,000	26,000	2,000	93%
<b>Totals</b>		<b>164,118</b>	<b>119,512</b>	<b>44,606</b>	<b>73%</b>



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**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	40,669	8,095	83%
2935 Garden St.	Titusville	21,376	0	21,376	0%
Shoppes of Highway 50 369-383 Cheney Hwy.	Titusville	14,850	14,850		100%
Rivertowne Plaza 2600 Hopkins Ave.	Titusville	6,039	6,039	0	100%
Dixie Oaks Plaza 1415-1425 Garden St.	Titusville	9,300	6,900	2,400	74%
Southway Plaza 601 Cheney Hwy.	Titusville	53,576	43,576	10,000	81%
Red Door Shoppes 4509-4527 Hopkins Ave.	Titusville	10,800	10,800	0	100%
<b>Totals</b>		<b>164,705</b>	<b>122,834</b>	<b>41,871</b>	<b>75%</b>
<b>Countywide Totals</b>		<b>623,833</b>	<b>482,536</b>	<b>141,297</b>	<b>77%</b>

County wide unanchored retail occupancy is at an average of 77% which is up slightly from 3<sup>rd</sup> Quarter 2010. Based on the economy we do not anticipate any significant increases in the near term.

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.



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## 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	52,464	64,736	45%
<b>Totals</b>		<b>223,355</b>	<b>158,619</b>	<b>64,736</b>	<b>71%</b>

This sectors' occupancy in the South Brevard market has decreased to 71% in the 4th quarter of 2010, due to the relocation of a 20,000 sf tenant. All other properties included are still at 100% occupancy.

#### 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	55,500	7,500	88%
<b>Totals</b>		<b>205,624</b>	<b>131,044</b>	<b>74,580</b>	<b>64%</b>



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In this Warehouse/Manufacturing Sector in the central part of the county occupancy levels have risen 3% year over year from the 4th 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	17,500	2,500	88%
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%
<b>Totals</b>		<b>110,825</b>	<b>93,325</b>	<b>17,500</b>	<b>84%</b>
<b>Countywide Totals</b>		<b>539,804</b>	<b>382,988</b>	<b>156,816</b>	<b>71%</b>

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 84%, down only 2% from the 3<sup>rd</sup> quarter.



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## 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	7,200	7,200	50%
Kirby Industrial Park 2510-2550 Kirby Rd.	Palm Bay	57,864	45,809	12,055	79%
<b>Totals</b>		<b>175,414</b>	<b>130,409</b>	<b>45,005</b>	<b>74%</b>



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This sector of small service bays in the south county area has occupancy levels that have fluctuated from a low of 62% to a high of 76%. The average has been about 71%. While the supply on the market is still significant there has been an uptick in activity, as the properties with the lower lease rates are getting the attention.

**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	15,000	15,000	50%
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	12,825	6,325	6,500	49%
<b>Totals</b>		<b>87,825</b>	<b>45,492</b>	<b>42,333</b>	<b>52%</b>

The central area occupancy levels have suffered the most since the beginning of the market decline, and are now at a 52% occupancy level after being as low as 41% for two continuous quarters through the year. The 52% level is the highest since the 1<sup>st</sup> 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	10,800	3,600	75%
1006 Tropic St.	Titusville	4,000	0	4,000	0%
<b>Totals</b>		<b>18,400</b>	<b>10,800</b>	<b>7,600</b>	<b>59%</b>
<b>Countywide Totals</b>		<b>281,639</b>	<b>186,701</b>	<b>94,938</b>	<b>66%</b>

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



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## 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	21,046	8,954	70%
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%
<b>Totals</b>		<b>350,000</b>	<b>276,146</b>	<b>73,854</b>	<b>79%</b>

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 9% increase in occupancy from the 4th 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	42,040	3,840	92%
3370 Grissom Parkway	Cocoa	15,000	7,500	7,500	50%
<b>Totals</b>		<b>111,130</b>	<b>86,390</b>	<b>24,740</b>	<b>78%</b>
<b>Countywide Totals</b>		<b>461,130</b>	<b>362,536</b>	<b>98,594</b>	<b>79%</b>

The occupancy levels in this area have increased 19% from the 4th quarter of 2009 to 78%. After 4 quarters of stabilized rates at around 60%(+/-) occupancy. The last two quarters have seen 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 and now has one tenant. The others are in a quality park in Rockledge that have averaged high occupancy and have recently lost tenants creating this vacancy. This central area continues to be the hardest hit in the county.



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## 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 by partners 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.lbreres.com](http://www.lbreres.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](http://www.t-a-w.com).



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