



LIGHTLE COMMERCIAL

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COMMERCIAL REAL ESTATE SERVICES

**BREVARD COUNTY
COMMERCIAL REAL ESTATE
MARKET OVERVIEW**

1st Quarter
January-March 2009

PREPARED BY

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



LICENSED REAL ESTATE BROKER

1398 S. BABCOCK STREET MELBOURNE, FLORIDA 32901 (321) 722-0707

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Dear Client

This is the 1st Quarter 2009 overview of the Brevard County Commercial Real estate market. It is the fifth report that we have completed in what we hope is an informative tool to assist you in forecasting market trends.

The Market Overview is a joint effort between Lightle Commercial, Inc., Commercial Real Estate Services and Tuttle-Armfield-Wagner Appraisal & Research, Inc. All property data set forth in this report is verified information obtained by the authors of the report. Market trends and perspectives are based on the combined knowledge of the firms preparing the overview.

2008 was a year of decline for the commercial real estate market and the economy in general. The 1st quarter of 2009 has not yielded any measurable change in the market but there are some indications that the economy has at least stopped it's free fall trend. There are also signs that the single family residential market is picking up slightly in sales volume however we are not witnessing any measurable level of price increases. The outlook for new residential development is still dim. End unit pricing and absorption do not warrant new development.

Within the following report we have provided a sampling of occupancy levels of office, retail, industrial and multi-family properties along with our comments related to these property classifications.

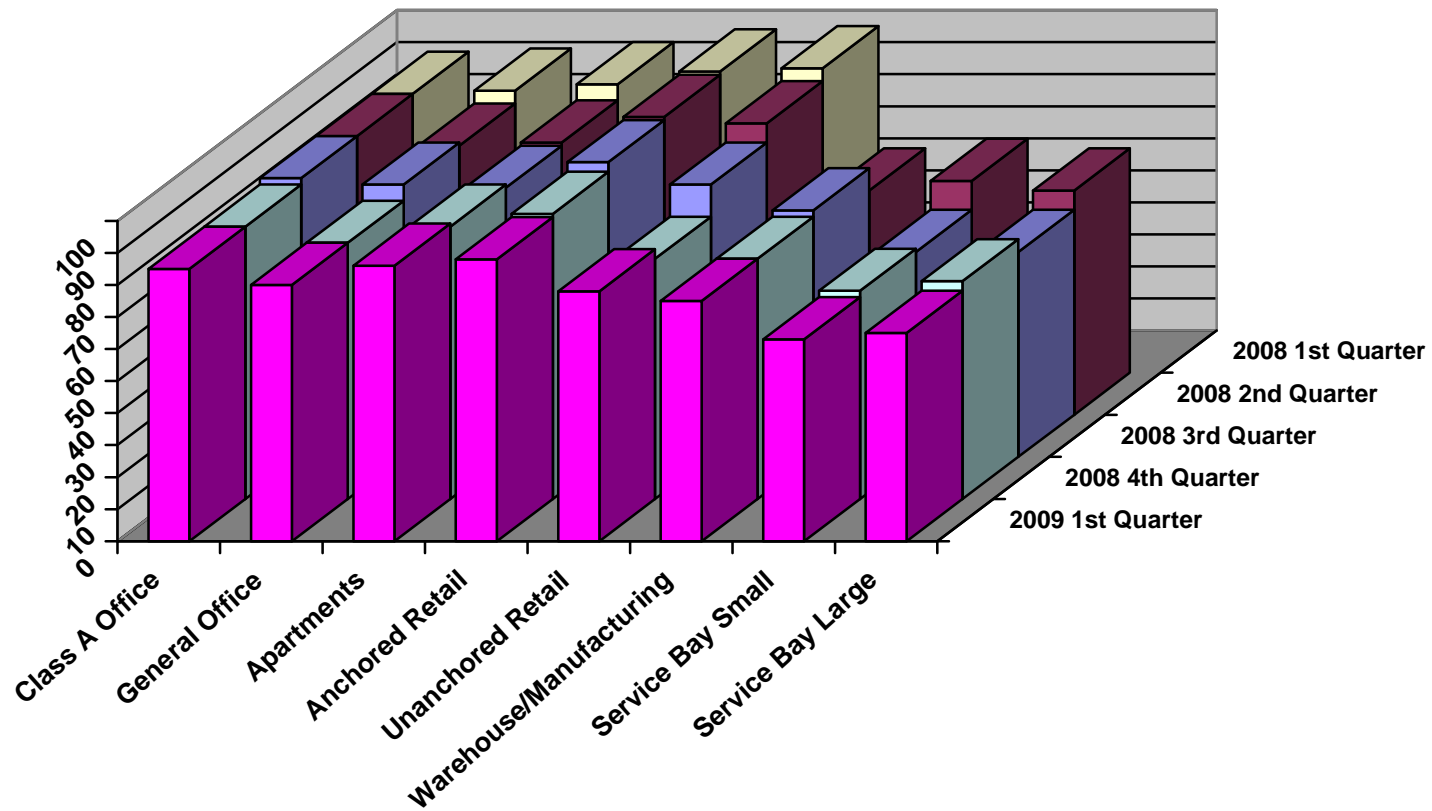
Following is a brief overview of the report.



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■ 2009 1st Quarter
 ■ 2008 4th Quarter
 ■ 2008 3rd Quarter
 ■ 2008 2nd Quarter
 ■ 2008 1st Quarter

* NOTE: Due to the restructuring of the classifications between the 1st and 2nd Quarters of 2008, there are no 1st Quarter 2008 statistics for Warehouse/Manufacturing, Service Bay-Small or Service Bay-Large.



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Class A Office in Brevard County remains at an overall average 85% occupancy level as compared to the 4th Quarter of 2008. While occupancy has remained level the largest impact to this market has been substantial downward rental rate adjustments. Most space in this category is renting in the range of \$14.00 to \$16.00 gross.

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 80% which is unchanged from the 4th Quarter of 2008. As with Class A space rents have been reduced as landlords become aggressive to maintain occupancy.

As with Class A we do not anticipate much new product coming into the market.

Apartments in Brevard County have an overall average occupancy of 86% which is relatively close to the 4th Quarter 2008 at 85%. For the most part the apartment market appears to have leveled out.

We are still seeing signs of rental concessions and strong competition from the rental housing market. Current occupancy and rent levels will limit new product in this market with the exception of subsidized product.

Anchored Retail in Brevard County is at an overall average of 88% occupancy as compared to 89% in the 4th Quarter 2008.

As with other property classifications rental rates are also being impacted in this submarket as landlords deal with negotiated rents to maintain existing tenants and concessions to attract new ones.

Unanchored Retail in Brevard County is at an overall average of 78% occupancy as compared to 75% in the 4th Quarter 2008. This slight increase does not support a change in the unanchored submarket. The small retail merchant is one of the hardest hit under current economic conditions and we believe this submarket will continue to struggle.

It is our opinion 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 75%. The South County has an overall average of 80% and has the strongest occupancy of the county. Central County is still reflecting 69% and North County is still at 77%.

This category shows that all areas of the county are within a 70% to 80% occupancy level which has remained relatively stable since the 3rd Quarter. However, as with most property types, rents are being impacted.

Service Bays – Small Brevard County is at an overall average of 63% occupancy as compared to 65% in the 4th Quarter of 2008.

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 new product will be very limited in near term years.



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Service Bays – Large is at an overall county average of 65% which is down slightly from 68% in the 4th Quarter of 2008.

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.

There are some signs the economy is improving but the real estate market has not reacted and will not in the near term. We are witnessing somewhat of a stabilization in occupancy levels in most property classifications with not more than 2% to 3% variation from the 4th Quarter 2008 through the 1st Quarter 2009. The occupancy stabilization is positive but does not fully reflect market conditions. The stabilization of occupancy comes at a price. To maintain this stabilized level many property owners are giving free rent, offering rent concession or renegotiating existing leases. This process has helped to stabilize occupancy levels but has impacted the value of properties. The effect of lost income will impact values for near term years.

Lack of available financing continues to have a major impact on the overall market. Also as a result of declining values many loans that have to be renewed are now requiring loan pay downs or the calling of the loan.

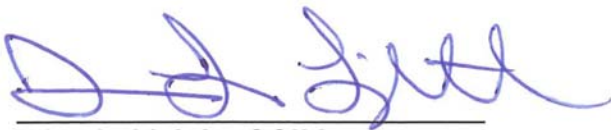
Rental rate declines continue to be evident in the market. The decline in income levels result in value loses that will affect the market for extended periods. It will take several years to return rent levels to a point that will support new development.

We do not wish to cast a pessimistic view on the market. However the reality is that the market is in trouble and there does not appear to be a short term recovery in store.

We hope this information is beneficial to you. If you have questions or comments please feel free to contact me.

Sincerely,

Lightle Commercial, Inc.
Commercial Real Estate Services



Brian L. Lightle, CCIM
President/Broker



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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	15,146	4,654	76%
Rialto Place 100 Rialto Place	Melbourne	146,175	136,175	10,000	93%
One Harbor Place 1901 S. Harbor City Blvd.	Melbourne	72,000	65,959	6,041	92%
Babcock Oaks 2202 Babcock St.	Melbourne	20,969	18,572	2,397	89%
Corporate Park At Viera 7334 Office Park Place	Melbourne	27,960	22,666	5,294	81%
Imperial Plaza 6767 N. Wickham Rd	Melbourne	107,000	80,446	26,554	75%
Melbourne Financial Cen. 1990 W. New Haven Ave.	Melbourne	44,388	30,968	13,420	70%
Spyglass Medical 7000 Spyglass Ct.	Melbourne	31,552	29,852	1,700	95%
Indian River National Bank 5240 Babcock St.	Palm Bay	39,975	35,275	4,700	88%
Totals		509,819	435,059	74,760	85%



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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	40,129	27,000	60%
AJT Building 8900 Astronaut Blvd.	Cape Canaveral	43,958	41,958	2,000	95%
High Point 400 High Point	Cocoa	12,000	12,000	0	100%
Merritt Financial Center 775 Merritt Cswy	Merritt Island	35,700	30,632	5,068	86%
Totals		158,787	124,719	34,068	79%

**CLASS A OFFICE
NORTH**

	CITY	TOTAL SF	SF OCCUPIED	SF VACANT	OCCUPANCY
Boeing 100 Boeing Way	Titusville	82,500	77,627	4,873	94%
City Square 815 S. Washington Ave.	Titusville	17,400	12,600	4,800	72%
Totals		99,900	90,227	9,673	90%
Countywide Totals		768,506	650,005	118,501	85%

Class A Office

Class a Market activity is up this quarter. Declining rents have incentivized stable tenants to benefit from this down market. These Tenants are consisting of local Brevard based companies not the traditional national user. Overall rates for the Class A are still holding at \$14-16 Gross.



**GENERAL/ OFFICE BUSINESS PARK
SOUTH**

	CITY	TOTAL SF	SF OCCUPIED	SF VACANT	OCCUPANCY
Sarno Office Park 1360 Sarno Road	Melbourne	19,470	11,770	7,700	60%
Gateway Business Center 1333 Gateway Drive	Melbourne	117,050	107,510	9,540	92%
Rivercrest Professional 3625 N. Harbor City Blvd.	Melbourne	37,000	27,400	9,600	74%
Sarno Business Complex 2080 Sarno Road	Melbourne	142,314	120,967	21,347	85%
Wickham Commons 8240 Devereux Dr.	Melbourne	34,536	29,242	5,294	85%
The Boulevard Professional Cen. 1600 Eau Gallie Blvd.	Melbourne	21,000	10,000	11,000	48%
Eau Gallie Professional 2351 W. Eau Gallie Blvd.	Melbourne	10,000	8,000	2,000	80%
Totals		381,370	314,889	66,481	83%

**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	17,799	5,301	77%
Perrone Plaza 2460 N. Courtenay Blvd.	Merritt Island	15,000	12,820	2,180	85%
Town Square 1355 N. Courtenay Blvd.	Merritt Island	15,800	5,452	10,348	35%
Orange Street Tower 600 Florida Avenue	Cocoa	12,012	6,512	5,500	54%
Totals		84,912	61,583	23,329	73%



**GENERAL/ OFFICE BUSINESS PARK
NORTH**

	CITY	TOTAL SF	SF OCCUPIED	SF VACANT	OCCUPANCY
Buena Vista Professional 3910 S. Washington Ave.	Titusville	21,269	9,684	11,585	46%
Sand Point Center 350 N. Washington Ave.	Titusville	12,000	12,000	0	100%
Washington Plaza 3880 S Washington Ave	Titusville	39,800	34,300	5,500	86%
Totals		73,069	55,984	17,085	77%
Countywide Totals		539,351	432,456	106,895	80%

General / Office Business Park

Class B rates continue to be very negotiable and some deals are signed under \$10.00 gross. The market is flooded with executive space as companies try to lease individual unoccupied offices priced in the \$200- \$400 per month range.

Construction is still slowing current projects are being put on hold with site work in place with no vertical construction.



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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
Palm Harbor Villas 820 N. Wickham Rd.	Melbourne	138	121	17	88%
Priceton Park 4800 Dairy Rd.	Melbourne	200	162	38	81%
Manatee Cove 740 Carolyn St.	Melbourne	192	163	29	85%
Stonewood Townhomes 150 E. University Blvd.	Melbourne	103	84	19	82%
Harvard Apartments 1501 Harvard Circle	Palm Bay	276	220	56	80%
Woodlake Village 1700 Woodlake Dr. NE	Palm Bay	462	392	70	85%
The Vinings 1000 Palm Place Dr.	Palm Bay	320	268	52	84%
Via Tuscany 300 Tuscan Way	SunTree	280	226	54	81%
Plantation Club 201 Plantation Club Dr.	Suntree	216	190	26	88%
Brittany Apartments 1874 Brittany Dr.	Indialantic	210	186	24	89%
Shore View 50 Berkeley St.	Satellite Bch	155	141	14	91%
Totals		2552	2153	399	84%



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**APARTMENTS
CENTRAL**

PROJECT/ADDRESS	CITY	TL UNITS	OCCUPIED	VACANT	OCC. RATE
Cocoa Lakes 100 Golden Ave.	Cocoa	120	116	4	97%
Mission Bay 1738 Mission Bay Cir.	Rockledge	360	304	56	84%
Fountain Villa Apt. 1001 Cascade Cir.	Rockledge	132	120	12	91%
Courtenay Palms 700 N. Courtenay Pkwy.	Merritt Island	300	290	10	97%
Catalina Club 1005 Loring Dr.	Merritt Island	136	132	4	97%
Totals		1048	962	86	92%

**APARTMENTS
NORTH**

PROJECT/ADDRESS	CITY	TL UNITS	OCCUPIED	VACANT	OCC. RATE
Emerald Place 1000 Tree Lane	Titusville	136	123	13	90%
Heritage 1850 South Park Ave.	Titusville	56	52	4	93%
Summerhill Apartments 5274 Summerhill Club Lane	Titusville	278	240	38	86%
Morningside Apartments 1187 South Park Ave.	Titusville	185	152	33	82%
Parkvillas 1023 Park Ave.	Titusville	160	136	24	85%
Totals		815	703	112	86%
Countywide Totals		4415	3818	597	86%

The 2009 1st Quarter overall occupancy is at 86%. It was 85% at the end of the 4th Quarter of 2008.

We are still seeing signs of rental concessions and strong competition from the rental housing market but overall the slight changes from 4th Quarter 2008 to 1st Quarter 2009 shows a stabilizing trend. 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	184,334	12,390	94%
Melbourne Shopping Center 1390 S. Babcock St.	Melbourne	204,218	185,141	19,077	91%
Lake Washington Square 2447 N. Wickham Rd.	Melbourne	111,811	105,645	6,166	94%
Lake Washington Crossing 3200 Lake Washington Rd.	Melbourne	118,282	84,164	34,118	71%
Palm Crossings 145 Palm Bay Rd.	West Melbourne	76,800	69,800	7,000	91%
Bayside Shopping Center 3450 Bayside Lakes Blvd.	Palm Bay	70,070	67,295	2,775	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	218,297	44,824	83%
Palm Bay Center 4711 Babcock St.	Palm Bay	135,049	130,049	5,000	96%
Indian Harbour Place Eau Gallie Blvd.	Indian Harbour	165,521	160,282	5,239	97%
Totals		1,414,312	1,273,173	141,139	90%



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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	79,945	7,920	91%
First Merritt Center 125 E. Merritt Island Cswy.	Merritt Island	88,244	79,051	9,193	90%
Cornerstone Plaza 5675 N. Atlantic Ave.	Cocoa Beach	68,577	58,077	10,500	85%
Banana River Square 2039 N. Atlantic Ave.	Cocoa Beach	89,893	85,774	4,119	95%
Totals		334,579	302,847	31,732	91%

**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	120,176	57,856	62,320	48%
Dairy Plaza 1525 Singleton Ave.	Titusville	81,096	75,896	5,200	94%
Royal Oaks Plaza 1881 Knox McRae Dr.	Titusville	73,406	65,006	8,400	89%
Village Square 1528 Harrison St.	Titusville	77,356	72,556	4,800	94%
Indian River Plaza 700 Cheney Hwy.	Titusville	75,594	74,244	1,350	98%
Totals		427,628	345,558	82,070	81%

Countywide Totals		2,176,519	1,921,578	254,941	88%
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As expected in the first quarter of 2009 anchored retail vacancy rates continue to climb in keeping with the national trends. This sector has suffered the least but owners are certainly feeling the impact, especially those who acquired in the last twenty four months on a low CAP rate. The ISCS is reporting that we will continue to see national store closures at an accelerated rate. However,



we are seeing discount retailers expand aggressively as their sales are increasing and they are winning over loyal customers in the current market.

My opinion is that this cycle will last well into 2010 and we will continue to see vacancies escalate. One item this report does not reflect but implies is that rental rates on the deals that are occurring are soft even in this sector due to the lack of demand for space. Many owners have the mindset that if a tenant is interested do not under any circumstances let them get away.

**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%
Eye 2 Eye Super Center 785 N. Wickham Rd.	Melbourne	10,240	7,880	2,360	77%
Oakpoint Plaza 635 N. Wickham Rd.	Melbourne	18,492	12,020	6,472	65%
Harbor City Plaza 404-426 N. Harbor City Blvd.	Melbourne	13,365	8,941	4,424	67%
West Melbourne Business Cen. 4175-4195 W. New Haven Ave.	West Melbourne	61,496	44,452	17,044	72%
Shady Oaks Plaza 6050 Babcock St.	Palm Bay	44,095	34,491	9,604	78%
Port Malabar Shopping Center 2200 Port Malabar Blvd.	Palm Bay	11,600	7,080	4,520	61%
Park Place (Retail) 7640 N. Wickham Road	Suntree	35,957	27,206	8,751	76%
Shoppes at Murrell 5445-5455 Murrell Rd.	Suntree	11,960	11,960	0	100%
Totals		235,825	178,650	57,175	76%



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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	5,600	7,700	42%
West Plaza 702-732 West Ave.	Cocoa	15,300	12,500	2,800	82%
Westport Plaza 2025 Murrell Rd.	Rockledge	11,600	6,980	4,620	60%
The Barton Shoppes 500 Barton Blvd.	Rockledge	14,200	6,452	7,748	45%
Barton Square 563 Barton Blvd.	Rockledge	17,207	9,832	7,375	57%
A1A Plaza 585-685 Atlantic Ave.	Cocoa Beach	37,081	35,081	2,000	95%
Emerald Plaza 925 N. Courtenay Pkwy.	Merritt Island	27,516	23,628	3,888	86%
Triangle Shopping Center 864-890 N. Banana River Dr.	Merritt Island	28,000	27,000	1,000	96%
Totals		164,204	127,073	37,131	77%



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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	43,269	5,495	89%
La Cita Plaza 680-776 Country Club Dr.	Titusville	6,688	3,938	2,750	59%
Plaza Royale 2625 Barna Ave.	Titusville	12,448	12,448	0	100%
1015-1095 Garden St.	Titusville	7,092	1,530	5,562	22%
Hopkins Square 2400 S. Hopkins Ave.	Titusville	11,650	9,750	1,900	84%
2600 S. Hopkins Ave.	Titusville	6,039	3,939	2,100	65%
Shoppes of Highway 50 369-383 Cheney Highway	Titusville	14,850	14,850	0	100%
Totals		107,531	89,724	17,807	83%
Countywide Totals		507,560	395,447	112,113	78%

County wide unanchored retail occupancy is at an average of 78%. This is up from the 75% 4th Quarter of 2008. Based on the economy it is expected this trend will continue.

The strongest segment of this market is the older established centers that have rents in the range of \$12.00 to \$14.00. Newer centers that have to market at higher rent levels due to recent higher building and land costs are experiencing slower absorptions and set backs in asking rents versus negotiated rents.

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	38,015	16,590	70%
6934 Imogene Dr.	Melbourne	11,200	11,200	0	100%
1575 W. NASA Blvd.	Melbourne	10,800	0	10,800	0%
7003 Technology Dr.	Melbourne	17,300	17,300	0	100%
Palm Bay One 2280 NE Wilhelmina Ct.	Palm Bay	107,264	92,264	15,000	86%
Totals		213,419	171,029	42,390	80%

This sector in the South Brevard market is the same as the third and fourth quarters of 2008. Of the buildings showing occupancy, one is actually vacant but the former tenant is still paying the rent while a sub tenant is found.

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	20,160	0	100%
600 Cox Rd.	Cocoa	27,000	14,500	12,500	54%
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	141,124	64,500	69%



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This Sector in the central part of the county has the same occupancy level as the fourth quarter of 2008 of 69%. This area's high vacancy rate is due to one large speculative building still being vacant. This once promising industrial growth corridor of Grissom Parkway remains somewhat stagnant in growth as many new buildings remain vacant.

**WAREHOUSE/MANUFACTURING
NORTH**

	CITY	TOTAL SF	OCCUPIED	VACANT	% OCCUPIED
875 Buffalo Rd.	Titusville	20,000	9,000	11,000	45%
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	84,825	26,000	77%
Countywide Totals		529,868	396,978	132,890	75%

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 the same occupancy levels as the fourth quarter of 2008 at 77%, although one building was foreclosed on tenancy remained the same.

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	13,750	11,250	55%
Runway Bays 700 Atlantis Rd.	Melbourne	12,000	6,000	6,000	50%
Dow-Rodes Industrial Center 4250 Dow Rd.	Melbourne	66,150	56,700	9,450	86%
360 Stan Drive	Melbourne	14,400	2,400	12,000	17%
Kirby Industrial Park 2510-2550 Kirby Rd.	Palm Bay	57,864	45,824	12,040	79%
Totals		175,414	124,674	50,740	71%

This sector's occupancy levels have dropped an average of 8% throughout the county from the fourth quarter of 2008, with the central are being hardest hit, dropping 17% quarter to quarter. The trend of smaller companies going out of business or working from their home garages continues to increase.

**SERVICE BAYS- SMALL
CENTRAL**

	CITY	TOTAL SF	OCCUPIED	VACANT	% OCCUPIED
245 Gus Hipp Blvd.	Rockledge	15,000	15,000	0	100%
Huntington Business Center 1739 Huntington Lane	Rockledge	30,000	12,000	18,000	40%
1950 Murrell Rd.	Rockledge	25,000	15,000	10,000	60%
4110 Pine Tree Place	Cocoa	5,000	0	5,000	0%
3015 Grissom Parkway	Cocoa	12,875	0	12,825	0%
Totals		87,875	42,000	45,825	48%

Occupancy levels continue to struggle to recover from the 2007 hit that was taken in this sector. New product in the West Cocoa area has also been added in the last 12 to 24 months.



**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	176,274	105,365	63%

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	18,840	11,160	63%
Wickham Business Park 2200 Wickham Rd.	Melbourne	71,000	44,700	26,300	63%
Trio Industrial Center 285,295,305 North Dr.	Melbourne	100,000	80,000	20,000	80%
490 Distribution Dr.	Melbourne	10,000	10,000	0	100%
7100-7500 Technology Dr.	Melbourne	139,000	83,000	56,000	60%
Totals		350,000	236,540	113,460	68%

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 only a 1% decrease in occupancy. Although there is 17,000 square feet shown as occupied, that has been vacated by the tenant who is still paying the lease while trying to sub-lease. This trend is increasing as larger national tenants consolidate locations due to deteriorating economic conditions.

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	27,297	18,583	59%
3370 Grissom Parkway	Cocoa	15,000	0	15,000	0%
Totals		111,130	64,147	46,983	58%
Countywide Totals		461,130	300,687	160,443	65%

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 has good prospects for leasing. The others are in a quality park in Rockledge that have averaged high occupancy and have recently lost tenants creating this vacancy. This area should be able to recover in a reasonable time frame due to location and quality of property.



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1398 S. BABCOCK STREET MELBOURNE, FLORIDA 32901 (321) 722-0707

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COMPANY PROFILES

Lightle Commercial 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. Through Lightle Commercial Asset Management, LLC over 1,000,000 SF of commercial property is professionally managed in the State of Florida. Please visit our website at www.lightlecommercial.com to see the full spectrum of our services.

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