BREVARD COUNTY
COMMERCIAL REAL ESTATE
MARKET OVERVIEW

1st Quarter
January-March 2010

PREPARED BY

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AND
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Dear Client

This is the 1st Quarter 2010 overview of the Brevard County Commercial Real estate market. It is the ninth report that we have completed in what we hope is an informative tool to assist you in forecasting market trends.

Since the 2nd quarter of 2009 the Brevard County commercial markets have remained relatively stable in occupancy. Stabilization of occupancy is a positive factor however it is not the only factor affecting the stability of the commercial market.

Under current conditions to maintain stable occupancy many property owners have had to reduce rents and offer concessions. We estimate rents are down by 30% to 40% in most property classification since the end of 2006.

In addition many tenants are paying reduced rents or no rent. Property owners are willing to forego income to maintain a tenant with an occupancy history rather than creating a vacancy when there is already substantial vacancy in a property. This situation results in what we are classifying as effective occupancy. The occupancy we report is physical occupancy. There is no way to determine the extent of tenants that are paying reduced rent or not paying rent at all. Therefore effective occupancy can not be determined. We believe effective occupancy is at least a few percentage points below the reported physical occupancy.

Of major concern is the Kennedy Space Center which 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 and a new direction has been charted for NASA that will directly affect the Kennedy Space Centers 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 in late 2010.

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. However at this time President Obama has announced the cancellation of the Constellation plan and will gear all space exploration and development toward the private sector.

As of February 26, 2010 Florida Today and the Brevard Workforce reported that up to 23,000 workers at and around the Kennedy Space Center will lose their jobs due to the recent announcements. The total loss is broken down as 9,000 "direct" space jobs and 14,000 "indirect" jobs.

The affect of this on the local community is unknown but we believe it will be substantial. 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 in rental rates.

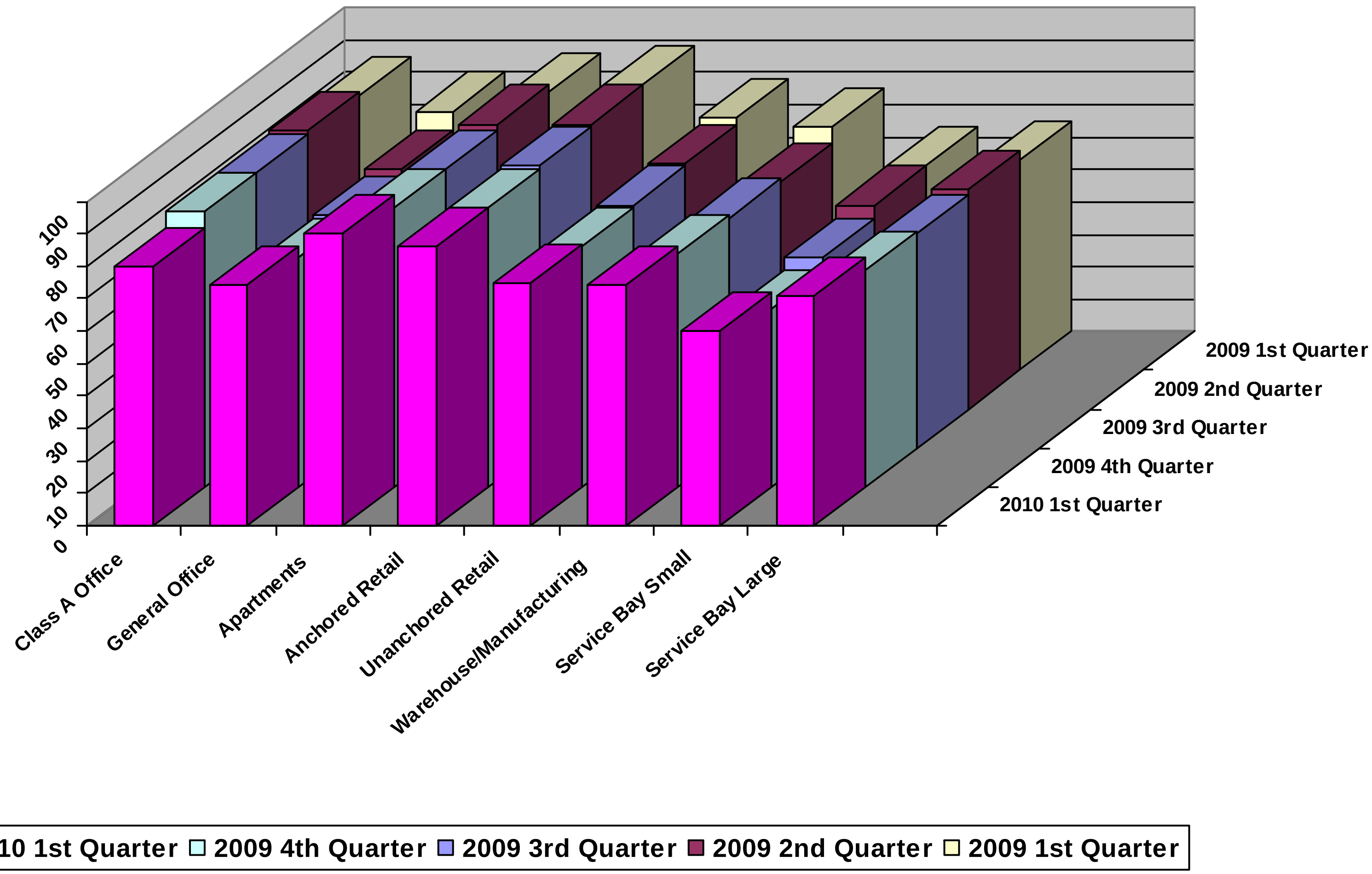
We believe the near term outlook for the Brevard County commercial real estate market is not positive. An overall weak economy and the looming job loses from the Space Center will make any recovery difficult in the near term. The outlook for strengthening will be dependant on the recovery of the economy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


0
10
20
30
40
50
60
70
80
90
100
Class A Office
General Office
Apartments
Anchored Retail
Unanchored Retail
Warehouse/Manufacturing
Service Bay Small
Service Bay Large
2009 1st Quarter
2009 2nd Quarter
2009 3rd Quarter
2009 4th Quarter
2010 1st Quarter
2010 1st Quarter
2009 4th Quarter
2009 3rd Quarter
2009 2nd Quarter
2009 1st Quarter

SUMMARY DISCUSSION OF MARKET OCCUPANCY

Class A Office *in Brevard County is at an overall average 80% occupancy compared to 85% in the 4th Quarter of 2009. Companies are debating the bottom line a great deal on Class A space resulting in some set back in occupancy as companies go toward Class B or C space.*

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 74% compared to 71% from the 4th Quarter 2009. As indicated by the decrease in vacancy available space is being leased. This is due to great rent deals which are attracting tenants from Class A space.*

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 90% which is slightly higher than the 4th Quarter of 2009 at 88%. This market continues to compete with a substantial supply of single family homes in the rental pool.*

Anchored Retail *in Brevard County remains at an overall average of 86%. 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 *in Brevard County is at an overall average of 75% occupancy as compared to 74% in the 4th Quarter 2009. 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 up from an average of 72% in the 4th Quarter of 2009. 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 60% occupancy as compared to 55% in the 4th Quarter of 2009. This increase is somewhat of a surprise considering the nature of the product and its users.*

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 71% as compared to 67% in the 4th Quarter of 2009.*

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	7,350	12,450	37%
Rialto Place 100 Rialto Place	Melbourne	146,175	118,863	27,312	81%
One Harbor Place 1901 S. Harbor City Blvd.	Melbourne	72,000	62,579	9,421	87%
Babcock Oaks 2202 Babcock St.	Melbourne	20,969	14,531	6,438	69%
Corporate Park At Viera 7334 Office Park Place	Melbourne	27,960	21,551	6,409	77%
Imperial Plaza 6767 N. Wickham Rd	Melbourne	107,000	86,260	20,740	81%
Melbourne Financial Cen. 1990 W. New Haven Ave.	Melbourne	44,388	22,275	22,113	50%
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	398,523	111,296	78%

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	10,750	1,250	90%
Merritt Financial Center 775 Merritt Cswy	Merritt Island	35,700	30,632	5,068	86%
Totals		158,787	123,469	35,318	78%

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	12,600	4,800	72%
Totals		99,900	95,100	4,800	95%
Countywide Totals		768,506	617,092	151,414	80%

Class A Office

The class “A” market in 2010 has slowed. Companies are questioning the bottom line and debating a great deal on class “A” or a better deal on class “B”. The question is being asked how important a river view or a parking garage is considering a questionable economy. Landlords are willing to sacrifice free rent and tenant improvements and low base rents but that may not be enough as expenses are still running high.

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	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	86,973	55,341	61%
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	285,295	96,075	75%

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	11,497	3,503	77%
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	60,260	24,652	71%

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	32,300	7,500	81%
Totals		73,069	53,984	19,085	74%
Countywide Totals		539,351	399,539	139,812	74%

<u>General / Office Business Park</u>

Available space is being leased and the vacancy is slowly decreasing. This is due to great rent deals and flexible terms. The most desired space is approximately 1,250 sf in today's market. The outside interest in the area has been noticeable as companies consider relocation to Brevard.

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	131	7	95%
Lakeside @ Greensboro 7670 Greensboro Dr.	Melbourne	232	198	34	85%
Stonewood Townhomes 325 E. University Blvd.	Melbourne	176	151	25	86%
Crane Creek Villas 150 E. University Blvd.	Melbourne	103	66	37	64%
Berkshire of West Melbourne 2255 Friday Ct.	W. Melbourne	246	225	21	91%
Woodlake Village 1700 Woodlake Dr. NE	Palm Bay	462	438	24	95%
The Vinings 1000 Palm Place Dr.	Palm Bay	320	277	43	87%
Via Tuscany 300 Tuscan Way	SunTree	280	258	22	92%
Plantation Club 201 Plantation Club Dr.	Suntree	216	210	6	97%
Brittany Apartments 1874 Brittany Dr.	Indialantic	210	205	5	98%
Shore View 50 Berkeley St.	Satellite Bch	155	149	6	96%
Totals		2538	2308	230	91%

APARTMENTS
CENTRAL

PROJECT/ADDRESS	CITY	TL UNITS	OCCUPIED	VACANT	OCC. RATE
Cocoa Lakes 100 Golden Ave.	Cocoa	50	48	2	96%
Woodhaven 1903 Woodhaven Cir.	Rockledge	152	121	31	80%
Fountain Villa Apt. 1001 Cascade Cir.	Rockledge	132	129	3	98%
Courtenay Palms 700 N. Courtenay Pkwy.	Merritt Island	300	270	30	90%
Catalina Club 1005 Loring Dr.	Merritt Island	136	130	6	96%
Totals		770	698	72	91%

APARTMENTS
NORTH

PROJECT/ADDRESS	CITY	TL UNITS	OCCUPIED	VACANT	OCC. RATE
Emerald Place 1000 Tree Lane	Titusville	136	109	27	80%
Heritage 1850 South Park Ave.	Titusville	56	50	6	89%
Summerhill Apartments 5274 Summerhill Club Lane	Titusville	278	242	36	87%
Morningside Apartments 1187 South Park Ave.	Titusville	185	160	25	86%
Windover Woods 2605 Columbia Blvd.	Titusville	132	129	3	98%
Totals		787	690	97	88%
Countywide Totals		4092	3701	391	90%

The 2010 1st Quarter overall occupancy is at 90%. It was 88% at the end of the 4th Quarter of 2009. 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	171,824	24,900	87%
Melbourne Shopping Center 1390 S. Babcock St.	Melbourne	204,218	159,468	44,750	78%
Lake Washington Square 2447 N. Wickham Rd.	Melbourne	111,811	93,853	17,958	84%
Lake Washington Crossing 3200 Lake Washington Rd.	Melbourne	118,282	77,181	41,101	65%
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	66,095	3,975	94%
Shoppes at Palm Bay 1150 Malabar Rd.	Palm Bay	72,716	67,216	5,500	92%
Palm Bay West 160 Malabar Rd.	Palm Bay	263,121	241,806	21,315	92%
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	157,244	8,277	95%
Totals		1,414,312	1,233,236	181,076	87%

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	65,459	22,406	74%
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%
Totals		334,579	284,386	50,193	85%

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	64,141	52,935	55%
Dairy Plaza 1525 Singleton Ave.	Titusville	81,890	76,690	5,200	94%
Royal Oaks Plaza 1881 Knox McRae Dr.	Titusville	73,406	58,190	15,216	79%
Village Square 1528 Harrison St.	Titusville	77,356	72,556	4,800	94%
Indian River Plaza 700 Cheney Hwy.	Titusville	75,594	75,594	0	100%
Totals		425,322	347,171	78,151	82%
Countywide Totals		2,174,213	1,864,793	309,420	86%

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	22,820	5,800	80%
Eye 2 Eye Super Center 785 N. Wickham Rd.	Melbourne	10,240	7,680	2,560	75%
Harbor City Plaza 404-426 N. Harbor City Blvd.	Melbourne	13,365	9,679	3,686	72%
Times Square Center 2430-2480 Minton Rd.	Melbourne	18,300	17,800	500	97%
Stack Crossing 1505 Palm Bay Rd.	Melbourne	21,000	5,809	15,191	28%
West Melbourne Business Cen. 4175-4195 W. New Haven Ave.	West Melbourne	61,496	52,410	9,086	85%
Woodlake Village Plaza 2155 Palm Bay Rd.	Palm Bay	10,358	10,358	0	100%
Shady Oaks Plaza 6050 Babcock St.	Palm Bay	44,095	29,840	14,255	68%
Port Malabar Shopping Center 2200 Port Malabar Blvd.	Palm Bay	11,600	8,000	3,600	69%
Park Place (Retail) 7640 N. Wickham Road	Suntree	35,957	25,359	10,598	71%
Shoppes at Murrell 5445-5455 Murrell Rd.	Suntree	11,960	11,960	0	100%
Totals		266,991	201,715	65,276	76%

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	12,550	2,750	82%
Horizon Palms 3760-3770	Cocoa	10,000	8,850	1,150	89%
Westport Plaza 2025 Murrell Rd.	Rockledge	11,600	6,954	4,646	60%
The Barton Shoppes 500 Barton Blvd.	Rockledge	14,200	12,459	1,741	88%
Barton Square 563 Barton Blvd.	Rockledge	17,207	8,882	8,325	52%
A1A Plaza 585-685 Atlantic Ave.	Cocoa Beach	37,081	30,881	6,200	83%
Emerald Plaza 925 N. Courtenay Pkwy.	Merritt Island	27,516	23,516	4,000	85%
Triangle Shopping Center 864-890 N. Banana River Dr.	Merritt Island	28,000	26,100	1,900	93%
Totals		174,204	135,792	38,412	78%

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	41,869	6,895	86%
2935 Garden St.	Titusville	21,376	0	21,376	0%
Shoppes of 50 369-383 Cheney Hwy.	Titusville	14,850	14,850	0	100%
1015-1095 Garden St.	Titusville	7,092	1,530	5,562	22%
Hopkins Square 2400 S. Hopkins Ave.	Titusville	11,650	9,080	2,570	78%
Southway Plaza 601 Cheney Hwy.	Titusville	53,576	43,576	10,000	81%
Hopkins Plaza 3400-3448 Hopkins Ave.	Titusville	17,000	12,200	4,800	72%
Totals		174,308	123,105	51,203	71%
Countywide Totals		615,503	460,612	154,891	75%

County wide unanchored retail occupancy is at an average of 75%. This is up from the 74% in 4th Quarter 2009. 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 increased to 80% in the 1st quarter of 2010. Occupancy at 80% is only 1% lower than the 1st 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	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	41,000	22,000	65%
Totals		205,624	123,544	82,080	60%

In this Warehouse/Manufacturing Sector in the central part of the county occupancy levels have dropped 9% year over year from the 1st 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	398,724	141,080	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%. It should be noted the increase in occupancy from 3rd quarter is from one tenant moving to a building above from a foreclosed building not listed on this report.

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	7,200	4,800	60%
Dow-Rodes Industrial Center 4250 Dow Rd.	Melbourne	66,150	49,950	16,200	76%
360 Stan Drive	Melbourne	14,400	0	14,400	0%
Kirby Industrial Park 2510-2550 Kirby Rd.	Palm Bay	57,864	43,398	14,466	75%
Totals		175,414	115,548	59,866	66%

This sector of small service bays in the south county area has occupancy levels that have decreased by approximately 5% year over year from the 1st 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	167,690	113,999	60%

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	24,000	6,000	80%
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	83,950	16,050	84%
490 Distribution Dr.	Melbourne	10,000	10,000	0	100%
7100-7500 Technology Dr.	Melbourne	139,000	92,000	47,000	66%
Totals		350,000	261,050	88,950	75%

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 5% increase in occupancy over last quarter and the same year over year as the 1st 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	28,999	16,881	63%
3370 Grissom Parkway	Cocoa	15,000	0	15,000	0%
Totals		111,130	65,849	45,281	59%
Countywide Totals		461,130	326,899	134,231	71%

The occupancy levels in this area have increased 1% from the 1st quarter of 2009 to 59%; seemingly stabilized at just below 60% 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 have averaged high occupancy and have 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 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.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.