

NEWSLETTER

OCTOBER 2026 VOL 48

SALES · LEASING · RESIDENTIAL · MANAGEMENT

AEKREALESTATELLC.COM

THE TRUTH · OCTOBER 2026

HALFTIME ADJUSTMENTS

"It's always apples from oranges. You can't compare anything. Each other, various traits, accomplishments. Everyone and everything are different."

— R. RUBIN

THE TRUTH

2ND

HALF STILL
TO PLAY

"LIFE IS NOT A PROBLEM TO BE SOLVED, BUT AN EXPERIENCE TO BE HAD. NO AMOUNT OF ANXIETY MAKES ANY DIFFERENCE TO ANYTHING THAT IS GOING TO HAPPEN."

— ALAN WATTS

Nothing is equal....so **STOP comparing**, it only leads to unnecessary angst and complaining. The overwhelming urge (our programming) is to always observe someone in an envious manner. The reality of our age is you might only be at halftime. Are you able to look back and see where/what the daily comparisons got you. I suspect I know the answer.

IF we are at halftime and your score isn't what you want it to be.....realize **we still have another half of the game to play**. We have the ability to make the "halftime adjustments" needed to come back.

Everything around us is accelerating at a breakneck pace. We can only apply what we have learned/absorbed from our individual experiences. Remember **it's always apples from oranges**. No direct comparisons. There are hints, similarities, but nothing is exact.

What has been uncovered from being in the locker room at halftime is that the moment you let go of the 1st half mistakes, comparisons, regrets, etc... you have time to implement **YOUR OWN ADJUSTMENTS** and watch them positively impact the remainder of the game.



Don't be surprised..... you just might find yourself having a productive second half. ■

AEK NEWS · OCTOBER 2026

DON'T DRINK ALL THE KOOL-AID.

"Check your ego at the door, for it only gets in the way."

— UNKNOWN



FROM THE FIRM

01 BOUTIQUE VS. NATIONALS

BOOTS ON THE GROUND

Nationals aren't all that they are cracked up to be. Sure historically they have had a proprietary hold on loads of data. That vault often led to competitive advantages. The current version of analytics, LLM's, similar access to compute seems to be leveling some things. As you could imagine, being a boutique firm in a small market, we have a bit of a chip. As we have proven time and time again through various successful transactions (Lease and Disposition) it comes down to having access to similar data, boots on the ground, and maybe most importantly **local relationships**.

Don't drink all the kool aid it isn't always as good as they might portray.

02 CLINE FARM ANNEXATION

A HUGE MILESTONE

A huge milestone was reached this month. **A future development site located in a prominent area was approved for annexation into the City of Hagerstown.** This was a result of many years of strategic evaluation and some old school persistence. Our client (the current property owners) started this journey with the intent of selling the generational property. In order to fulfill the mission, we will continue on a path to maximize the return for our clients.

Stay tuned....more work to do.

Call us or stop by...our doors are always up!

SALES · LEASING · RESIDENTIAL · MANAGEMENT

240-232-7003

FROM THE STREETS

COSTAR NEWS · GLOBEST.

DISTRESS · DEBT · DISCOUNTS



20–99.9%

REPEAT-SALE DISCOUNTS ON THE RISE ACROSS PROPERTY TYPES

12 YRS

OF REPEAT SALES ANALYZED — COSTAR

5.08%

10-YR TREASURY FRIDAY, AFTER TOPPING 5.3% MIDWEEK

~3/4

OF WSJ ECONOMISTS SEE 5% OR HIGHER AT YEAR END

Deeply discounted commercial property sales are increasingly changing hands at steep losses, a trend that's stretching across nearly every major corner of the real estate market. A CoStar analysis of repeat sales — comparing a property's most recent sale price with its previous sale price — found a **sharp increase in deals closing at discounts of 20% to 99.9%** across office, retail, multifamily, hotel and industrial properties over the past 12 years.

The trend offers one of the clearest signs yet of how higher interest rates, maturing loans and shifting property values continue to reshape commercial real estate nationwide. For investors, lenders and property owners, distressed sales are helping reset prices after years of market disruption while creating opportunities for buyers willing to bet on a recovery.

The analysis reveals two truths: Deal activity and dollar volume have rebounded sharply since the slowdown between 2017 and 2020, but prices have not kept pace. Across every property type studied, buyers continue to acquire assets at substantial discounts from what previous owners paid, making steep markdowns a defining characteristic of today's distressed property market.

"Changing expectations is in my view part of what's happening lately," said Chad Littell, CoStar's national director of U.S. capital markets analytics. "Rates have been high for several years relative to 2021," he said. "Loans have been maturing every year and getting extended. Fundamentals have been weakening for two years." **With a deeply discounted going-in basis, buyers are making room for value creation and appreciation** while still being able to exit well below replacement and peak pricing.

— MARK HESCHMEYER & MOHAMMAD SHUMAIL · COSTAR NEWS

TREASURY ROLLER COASTER

Commercial real estate investors waiting for cheaper debt face an uncomfortable possibility: Treasury yields could keep swinging without moving meaningfully lower. A sharp bond-market rally may offer a chance to secure better financing, but economists' forecasts suggest that lasting relief could remain elusive.

The latest trading shows how quickly that opportunity can change. The 10-year Treasury yield began last week at 5.23%, briefly climbed above 5.3% after a hot inflation report and then fell to about 5.08% by Friday. Meanwhile, roughly three-quarters of economists surveyed by The Wall Street Journal expect the yield to finish the year at 5% or higher. **For CRE investors, the challenge is not simply anticipating the next move. It is making deals work if elevated yields persist.**

— ERIKA MORPHY · GLOBEST.

MARKET BRIEFS

OFFICE · MULTIFAMILY · INDUSTRIAL · RETAIL

WASHINGTON COUNTY & THE I-81 / I-70 CORRIDOR



OFFICE

SMALLER DEALS, MORE OF THEM LEASING BOUNCES BACK

Office leasing has bounced back substantially over the past year, but structural demand and supply issues are weighing on deal sizes, making it difficult for volume to fully recover its customary level before 2020. Occupiers executed an average of about 105 million square feet in new lease transactions over the past four quarters. This represents a meaningful increase from the prior four-quarter period, when an average of only about 95 million square feet in new lease commitments were executed. However, it is still roughly 10 million square feet below the amount of office space typically leased between 2015 and 2019. The overall trend obscures a consistent three-year pattern in the office leasing market's composition: **deal sizes have remained smaller**, even as the number of lease transactions has largely returned to its historical norm.



MULTIFAMILY

HARD TO PENCIL STARTS SLIDE AGAIN

AEK TAKE

As I was told yesterday....."It's very difficult to make things pencil."
Construction costs, rate increases, uncertainty, zoning strangulation, on and on.....Certainly not a time for the happy go lucky.

Softness in multifamily construction underscored a housing starts slowdown in September. Seasonally adjusted multifamily groundbreakings, including apartment buildings and condos with five or more units, declined 7.2% from August to a 349,000 annual rate, **off 25.9% from a year earlier**, according to a report Tuesday from the U.S. Census Bureau and HUD. The overall September starts total of 1.221 million, including housing, fell for a third consecutive month. It was nearly 100,000 below analyst expectations and would have been the lowest reading since COVID-19, if not for a disappointing May figure, noted Heather Long, chief economist at Navy Federal Credit Union.



INDUSTRIAL

RIPPLES UP THE CORRIDOR D.C. SETS A QUARTERLY HIGH

AEK TAKE

Regional occupancy strength has a tendency to have ripples that reach the tri-state (Rt 81/Rt 70) corridor. We are active on approx 350K SF. We expect to have a significant portion of this filled in the next few months.

Industrial leasing in the Washington, D.C., area set a new quarterly high, offering fresh evidence that tenant demand is improving after a period of slower absorption and rising vacancy. Companies leased about 5.3 million square feet in the third quarter of 2026, CoStar data shows. While availability remains elevated relative to the market's 2022 lows, several large transactions suggest that industrial users are becoming more willing to commit to space. Over the past year, tenants leased an estimated 18.2 million square feet — **the highest 12-month period in a decade**.



RETAIL

RINGING THE BELL NO NEW SPACE, LOW VACANCY

AEK TAKE

We have been ringing this bell for a long time. We are very intentional of where we choose to spend our time in relation to leasing. Our market is small; however the trend has been no new true retail has been built, offering very few options for users. Thus, an actual low vacancy rate has remained consistent. Spaces that have made themselves available remain in high demand. Pushing rents north and allowing owners to have a bit of an upper hand.

Retailers continued to increase overall net occupancy in the third quarter, providing further evidence that tenant demand remains robust for just about any store space that becomes available. Absorption tied to newly delivered retail space totaled about 12.3 million square feet, the smallest quarterly contribution since 2021, reflecting the limited number of new retail projects being built in the current economic environment. Demolition-related losses also fell to minimal levels. As a result, recent occupancy gains across the retail sector have come almost entirely from tenants filling existing space.

— BRANDON SVEC · COSTAR ANALYTICS

105M SF OFFICE LEASED, TRAILING 4 QUARTERS

349K MULTIFAMILY STARTS, ANNUAL RATE · SEPT

18.2M SF D.C.-AREA INDUSTRIAL LEASED, PAST 12 MONTHS

12.3M SF NEW-DELIVERY RETAIL ABSORPTION · SMALLEST SINCE 2021



FOR SALE RT 40 / EASTERN BLVD

5 AC EASTERN BLVD

COMMERCIAL LAND · ZONING CG

SELLER

Motivated!!!

5 AC

LAND AREA

CG

ZONING — COMMERCIAL
GENERAL

39,082

ADT — RT 40 / EASTERN BLVD

On Site

STORMWATER QUANTITY

PROPERTY HIGHLIGHTS

- 01** MOTIVATED SELLER!!!
- 02** 5 ACRES · commercial land
- 03** ZONING: CG · Commercial General
- 04** STORMWATER · quantity on site
- 05** RT 40 / EASTERN BLVD · 39,082 ADT

PROPERTY DETAILS

STATUS	For Sale
LAND	5 acres
ZONING	CG
STORMWATER	Quantity On Site
TRAFFIC	39,082 ADT

CALL US OR STOP BY

240-232-7003 · AEKREALESTATELLC.COM

Mike Deming
410-808-2483

Corey Linthicum
240-478-5107

NEW TO THE MARKET

NEW LISTING



SALE/LEASE

952 Frederick St

±89,196 SF Industrial — Hagerstown, MD

- Industrial / Warehouse / Mfg / R&D
- Warehouse, Production & Office
- 6 Docks + 2 Drive-Ins
- Zoning: IG (Industrial General)
- 100% Climate-Controlled
- 7.20 Ac Site
- 10'-26' Ceiling Height
- Available Immediately



LEASE

49 S Potomac St

Turnkey Restaurant / Bar — Hagerstown, MD

- Bring Your Concept to Life!
- Outdoor Seating
- Arts & Entertainment District
- Fully Equipped Kitchen / Hood
- Walk to Meritus Park
- Near The Maryland Theatre

NEW LISTING



SALE/LEASE

11550 Molly Pitcher Hwy

Greencastle, PA · For Sale or Lease

- Zoning: Community Commercial
- Well Water w/ Sewer Hookup
- Building at Grade w/ Single Overhead Door
- 1.95 Acres
- 480V 3 Phase w/ Plenty of Amperage
- Additional Opening w/ Specialty Hoist



LEASE

Mulberry Lofts

Under New Management

- Professional/Creative Suites
- Private Parking Access
- Flexible Terms Starting at \$499/mo

2 SUITES AVAILABLE



LEASE

19833 Leitersburg Pike

- Professional Office Suite
- All Utilities Included
- Ample Parking
- 1,085 SF / 185 SF

UNDER CONTRACT



LEASE

19414 Leitersburg Pike

Professional / Office Space

- 2,700 SF Available
- Professional Office/Medical Space



LEASE

28 South Potomac St

New Suites Available

- Entrepreneurs, Creatives & Professionals
- Studio/Office Spaces Available
- Starting as Low as \$250/mo



LEASE

Prospect Park

- Newly Developed Artisan/Creative Studios
- Join a Growing Community
- Tons of Natural Light
- Flexible Terms
- Flexible Rates — Starting at \$499/mo



LEASE

300 W Franklin St

Office / Flexible Cold Storage

- Suites Starting as Low as 2,000 SF
- Flexible Floor Plan
- Private Reception
- Ample Parking



LEASE

South Pointe

Retail / Medical / Office Space

- Suite #100 — 2,100 SF
- Clean Professional Space
- Low CAM Expense



SALE

101 W Washington Ave

- 17,720 SF +/-
- 2 Story w/Basement
- Elevator
- Private Parking
- New Parking Deck — 1 Block



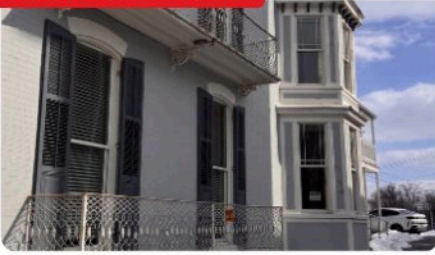
SALE

1825 & 1829 Howell Road

Multi-Tenant Professional / Medical Office

- 19,517 SF +/- · 10 Suites
- 90% Leased · 9 Tenancies
- 8.31% Going-In Cap Rate
- Two Buildings on 1.98 Acres

BACK ON THE MARKET



SALE

140 S Potomac Street

- Fully Renovated Professional/Medical Office
- Over 3,000 SF Finished Space
- Private Secure Parking



LEASE

Wheatfield

- Small Bay Warehouse
- 12,000 SF
- Showroom/Offices

SOLD



SALE

152 W. Washington St

- Historic Kneisley Building
- Value Add
- Stable Tenants
- Ample Parking
- CCMU Zoning

ONLY 1 SPACE LEFT



LEASE

Cressler Plaza, Burhans Blvd

Retail Center

- 7K SF Available
- 2 Pad Sites
- 435+/- Parking Spaces
- Four-Way Signalized Intersection



SALE

Commercial Land

- Rt 81 Visibility
- Newly Improved Intersection
- 19.64 Ac
- Zoning: HI

UNDER CONTRACT



SALE

Label Lane

Development Land

- Industrial Development Land
- Light Industrial
- Zoning: HI
- 63 Ac



SALE

301 E Washington St

NNN Investment

- NOI \$174,000 with 2% Annual Increases
- Lease Term ~14+ Years with Renewal Options
- High-Traffic Area on Rt 40



SALE

1150 Omega Ct

Turnkey Investment Opportunity

- Medical Condo
- Current Tenant: NNN w/Extension
- 1,550+/- SF
- FF&E Included

UNDER CONTRACT



SALE/LEASE

Eastern Blvd Corridor

Retail Opportunity

- Zoning CG (Commercial General)
- 21,000+ ADT
- 6,000+/- SF
- 1.25 Ac



LEASE

19021 Longmeadow Rd

Warehouse / Storage

- 5,600+/- SF High Bay Warehouse
- 2 Docks
- Outdoor Laydown/Storage Available



LEASE

686 Pennsylvania Ave

Industrial / Creative Space

- Zoned IR (Industrial Restricted)
- Build to Suit
- Up to 10,000 SF Available



LEASE

700 East 1st

Newly Renovated Warehouse

- 12,000–36,000 SF
- 14'6" Clear
- Sprinkler
- Drive In/Docks



LEASE

830 Beaver Creek Rd

- Great Live/Work Scenario
- Acres of Available Laydown Space
- Zoned HI
- Freshly Renovated 20'x40' Shop w/14'x12' Door



SALE

29–33 E Washington St

\$1,680,000

20-Unit Mixed-Use · Elevator Building

- 18 Two-Bed Apts + 2 Commercial
- 17,160 SF · Renovated 2019
- Delivered Vacant



SALE

720 N Mulberry

Light Mfg / Office with Additional Warehouse

- Zoning: Industrial Restricted (IR)
- Conditioned: Light Mfg/Office
- Power: 2400AMP 240/3 Phase
- Warehouse w/Laydown



SALE

90 W Lee St

- Major Renovations 2021
- 21,000+/- SF
- 18' Clear w/12'x12' Drive In
- Additional Storage



UNDER CONTRACT

SALE

67 W Baltimore St

- 50K SF Warehouse
- Additional Parcel (Parking) Included
- Zoning: CG-Commercial General



SALE

Eastern Blvd / Opal Court

\$199,900

Commercial Building Lot

- 2.2 +/- Acres
- Zoning: "POM"
- Professional Office Mixed

UNDER LOI



LEASE

122 Railway Ln

Office / Medical / Retail

- 1,925 SF +/- End Cap Unit
- High Visibility
- Ample Parking
- Just Off Wesel Blvd



LEASE

9449 Earley Dr

Small Bay Industrial w/ High Bay

- 11,334 SF +/- Gross
- 4,000 SF +/- High Bay
- Dock / Drive In
- Power: 3 Phase, 440V
- Zoning: Industrial General



LEASE

535 Northern Ave

Retail / Showroom / Medical

- 4,200+/- SF
- Highly Visible
- Flexible Floor Plan w/ Rear Loading
- Private Parking



LEASE

919 Sweeney Drive

Flex

- 5,462 SF +/- Available
- Office / Warehouse
- 3.16 Acres
- Ample Parking
- Dock Access
- Outdoor Storage / Laydown Available



LEASE

916-926 South Potomac St

Industrial Flex / Retail / Showroom

- 2,700 - 9,000 +/- SF
- Divisible · Flexible Floor Plan
- 20' Clear Height
- Highly Visible Location
- Zoning: Commercial General



LEASE

20354 Leitersburg Pike

Shop / Showroom / Office

- 10,000 +/- SF
- Outdoor Storage / Laydown
- 40x60 Fully Conditioned Shop Space
- Power: 3 Phase
- Zoning: RB



LEASE

401 E Antietam St

Professional Office Space

- 2,550 SF Professional Office
- Front Portion of Building
- Several Private Offices
- Spacious Conference Room
- Secure Entry · Ample On-Site Parking



SALE

44 Frederick Rd

Moonlite Pool & Pub — Funktown, MD

- Real Estate w/ Liquor License
- Class D License · On & Off Sale
- Renovated 2 Bed / 1 Bath Apartment Above
- Redevelopment Opportunity
- Adjacent Property Also Available



SALE/LEASE

39 E Franklin St, Hagerstown

Mixed-Use Investment Opportunity

- Flexible Layout · Office, Live/Work or Redevelopment
- New HVAC, Updated Windows, Newer Roof
- 3rd Floor Full Kitchen & Bath
- Leased Through 12/31/2026
- Owner Is the Listing Agent · Corey Linthicum

CHAMBERSBURG & CUMBERLAND VALLEY LISTINGS

**LEASE**

6100 Buchanan Trail

- Divisible to +/-5,000 SF
- (3) Buildings +/-30K to +/-130K SF
- 20'-32' Clear Ceiling Heights
- 28 Drive-In Doors · 4 Dock Doors
- 3-Phase Power · Propane Heat

**LEASE**

20 S Main Street

Office Suites

- Starting at \$250/Office
- Designated Parking Included
- Conference Room Access

**LEASE**

12258 Buchanan Trail W

Former John Deere Dealership — Mercersburg, PA

- Public Water/Sewer
- Total 15,000 SF +/-
- 5,700 SF +/- Shop Space
- 18'+/- Ceiling Height

**LEASE**

3737 Lincoln Way W

Small Business Flex Shop

- 4,800 SF
- Secure Laydown
- Highly Visible



AEK REAL ESTATE

Is focused on providing sales and leasing services in the tri-state region. We have been operating in various capacities within the real estate industry since 2002.

We aren't a traditional real estate firm. We appreciate the fact that your circumstances are unique, and we can insert ourselves as you see fit. We are here to help. Give us a call or stop by.

OUR DOORS ARE ALWAYS UP.

“It's a good day for a good day. A little bit of you and me. Only thing to bring me a little up, not down.”

— mike

BROKERAGE ACTIVITY · OCTOBER 2026

RECENT TRANSACTIONS

3

MARKETS

3

STATES

LEASE

Regional Medical Services Roll Out

CHAMBERSBURG, PA · HAGERSTOWN, MD · MARTINSBURG, WV

Mike Deming
410-808-2483

Corey Linthicum
240-478-5107