

NEWSLETTER

THE TRUTH

PATTERNS THAT FORCE YOU TO SWERVE

If you have been a part of this....this "thing" that is produced on what appears to be a monthly cycle, you have undoubtedly been served a number of themes, ideologies, theories, dreams, failures, life experiences, and some personal reflections.

We are complex beings, yet still at a neanderthal level of understanding.

Ok, that may be a bit aggressive, but Aristotle famously wrote, "**The more you know, the more you realize you don't know.**"

Hence why you will tend to see..."it appears" or "it seems".

These are simply iterations of constants that have and will presumably continue to appear in our daily practices.

Not good or bad, just patterns. Patterns that have different outcomes depending on your personal circumstances.

So, apologies if there appears to be some consistency. Honestly, as stimulating as our world is, the fact that there might be some identifiable trends is in itself interesting.

When embarking on this exercise, this wasn't even a thought. How would you know that by pushing way out of comfort, gradually becoming more vulnerable, would act as a resource and a therapeutic session at the same time?

Have you noticed any patterns? Recurring themes that seem to appear from time to time.

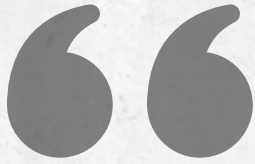
Starting to think, maybe even realize, we all have them....some choose to continue to relive itOVER and OVER and OVER.

Others have chosen to step out of the scheduled occurrence. To modify the path. Swerving beyond the lines.

TRY IT! At the very least you have learned something. No harm in that.

**OUT OF THE DARKNESS ONLY LIGHT CAN COME
AFTER A LONELY LONG NIGHT, COMES THE SUN.**

John Butler



**WHEN BUTTERFLY DANCES IN.....METAMORPHOSIS HAS BEGUN
CALL IN BUTTERFLY WHEN YOU NEED HELP, GRACEFULLY
NAVIGATING A MAJOR TRANSITION**

- U N K O W N

THE BEST ADVICE COMES FROM PEOPLE WHO DON'T GIVE ADVICE -ALL WE HAVE IS EXPERIENCE/LESSONS

Answering the phone. Its been something that we take seriously.

Funny how things work sometimes. Received a call the other day from an individual (clearly young and curious) to simply ask "Do you do Real Estate?"

Clear response was, "Yes, how can I help you?"It didn't occur to me, that was in fact why this interaction was happening. To help. You see, we receive all sorts of correspondence....with all sorts of inquiries.

Something was different. Something that immediately led to a patient tact. The individual was young and inquisitive. How interesting....bold even.

Not many people in their late teens would choose to pick up a phone (the fact that he actually picked up the phone and called in itself was intriguing) much less have the humbleness to ask questions.

This is the second time we have experienced this. The first being a local high school student who walked in our office.

Our doors are truly always up.

We have since gone on to help these young men and will continue to do so. They email/call us from time to time to ask questions. Even better. How cool.

Could we expand this? Any thoughts?



AS ABOVE

SO BELOW

IN THE NEWS



▶ Entitle Through the Downturn



▶ Conair to Bring New Distribution Center and 700 New Jobs to Hagerstown, MD

SEARCH FOR QUALITY LOCATION/VALUE ADD

The market has shifted. Over the past year, there was a general sentiment that the market will/should adjust, and there was a lot of tension around the timing. The timing is, that this has happened.

Asset Quality over the past few months, has improved to include trophy assets for sale. Not 'trophy' in the way that brokers define it, but legitimately A+ generational assets. Many are being marketed off-market at ridiculous prices, then come on the market at 20-30% discounted prices (to what was quoted), or with asking prices undefined.

Broker sentiment late last year/early this year, brokers would scoff at Buyers pointing to treasury yields. The market has come to realize that treasury yields are serious competition to real estate yields, and that yields are going to be higher for longer.

Some of the biggest CRE investors and family offices, will not acquire any deals for under an 8% - 9% cap rate. Some are quoting 10%+.

In our humble estimation, the CRE market will continue to deteriorate. I believe there is a meaningful probability that prices will continue to fall, and this may accelerate faster than people expect.

Does that mean we should stop doing deals? No.

From my perspective, the only deals you should be doing now (if any) are value-add plays, in which you can substantially increase the NOI. Value-add projects will help buffer your equity from a general large correction.



STREET KNOWLEDGE

OFFICE

What can be said? Nationally, this is THE topic. Defaults, vacancy, repositioning. However, in our immediate market, we are experiencing moderate demand. Assets that we are associated with have relatively low vacancy. Strategic locations allow for Tenants of various business classes to pursue the few available spaces. Pricing remains steady and IF ownership groups are motivated, deals are getting done.

INDUSTRIAL/FLEX

Absorption...Absorption.....RFP's continue to be circulated. Less of the pace, but due to our geographic location and current availability....this market can and will remain competitive. The smaller user is still being passed over. There are a few locations that will have some opportunity in the near future, but have been operating at 100% occupancy for many years. Mainly 25kSF and under. We continue to receive inquiries for this.

MULTI-FAMILY

Ten year money continues to trend upwards. Sales of larger assets are basically non-existent. Will the financial reset (repositioning of upcoming debt) change this? We suspect there will be some opportunities to deploy the capital that has decided to "sit tight". Refinances remain a challenge. Yes, you can obtain agency debt, but does the DSCR work? Can you pull out your equity? Rents are elevated from years past albeit a good thing, but operating expenses continue to creep. All factors that will challenge the original prospectus that was presented. We shall see..

RETAIL

The strength of the consumer remains (for the moment). Are savings dwindling and credit card balances increasing? All factors when trying to gauge the "status" of retail. Had the experience of being in a mall recently. Wow. Credit to the landlord for converting a huge, cavernous section to a pool. Discretionary money and nothing but time while your kids are learning. Still seeing more traditional spaces being pursued and subsequently occupied by some different concepts. To think...huge cookies that cost the equivalent of 3 gallons of gas would be a line generating endeavor. Regardless, they have designed the floor plan to be extremely efficient, thus keeping overhead to a minimum. Just one exampleSimple, unique, experience, and fresh pick up.

**Come see us.....
OUR DOORS ARE ALWAYS UP!!!**

FOR SALE

FEATURE PROPERTY

EASTERN BLVD

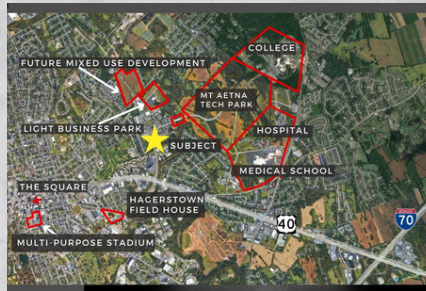
- MULTI-TENANT MEDICAL/OFFICE
- CURRENTLY <5% VACANCY
- POSITIONED FOR FUTURE GROWTH

1101 OPAL COURT



151 N BURHANS BLVD -FLEX/RETAIL

- OPEN FLOOR PLAN
- UP TO 9400+/-SF
- HIGHLY VISIBLE
- FULLY CONDITIONED
- 15' CLEAR HEIGHT
- FULLY SPRINKLERED
- DRIVE-IN LOADING



EASTERN BLVD- COMMERCIAL LAND

- 1.053 ACRES
- ZONING: "POM"
- PROFESSIONAL OFFICE -MIXED
- HIGH GROWTH CORRIDOR
- VARIOUS PERMITTED USES



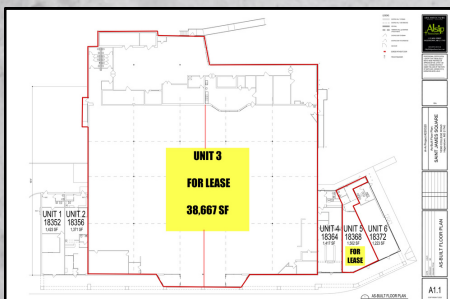
SYLVANIA BUILDING

- 2100+/-SF UP TO 7,984+/-SF CONTIGUOUS
- TURN KEY MEDICAL SPACE
- CLOSE PROXIMITY TO RT. 81
- DOZENS OF EATERIES/RETAIL WITHIN MINUTES

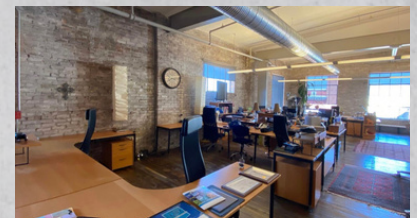
ST. JAMES SQUARE



- 38,667 +/- SF
- FORMER GROCERY STORE FOR LEASE
- OVER 25,000+ ADT



- UNIT 3- 38,667 SF
 - OWNER WILL DEMISE
- UNIT 5- 1,502 SF



DOWNTOWN OFFICE SPACE

- 4,186 SF IN SCHINDEL ROHRER BUILDING
- 806 SF 2-3 OFFICES



I-81|63 ACRE INDUSTRIAL DEVELOPMENT SITE

FOR SALE

Label Lane, Hagerstown MD 21742



- DISTRIBUTION/LOGISTICS SITE LOCATED IMMEDIATELY OFF I-81 EXIT 8
- 4 MAJOR PORTS WITHIN 250 MILES
- NORFOLK SOUTHERN INTERMODAL - 5 MILES NORTH ON I-81
- CSX INTERMODAL - 20 MILES NORTH ON I-81
- SIGNIFICANT I-81 FRONTAGE AND NORFOLK SOUTHERN RAIL FRONTAGE (MAIN LINE)
- ZONED HI - HIGH-WAY INTERCHANGE
- PUBLIC WATER TO SITE
- PUBLIC SEWER TO SITE
- GENERALLY FLAT TOPOGRAPHY



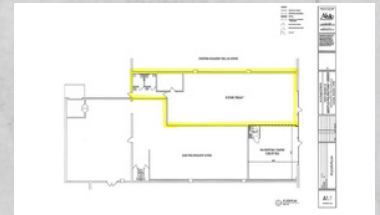
19760 LONGMEADOW ROAD

- PROFESSIONAL OFFICES/STUDIO SPACE
- PRIVATE, EASILY ACCESSIBLE, AMPLE PARKING
- 1000+/-SF - 2500+/-SF **LEASED**



WILLIAMSPORT MD -COMMERCIAL LAND-FOR SALE

- 2.32AC +/-
- IMMEDIATE INTERSTATE EXIT VISIBILITY
- ZONED: GC GENERAL COMMERCIAL
- RT 81 (NEAR RT 11) EXIT = 64,310 ADT
- VA AVE (RT 11) = 15,552 ADT



HANCOCK SHOPPING CENTER -RETAIL

- 2.791 +/- SF
- HANCOCK'S PREMIER RETAIL DESTINATION. (THIS IS THE ONLY LARGE SHOPPING CENTER IN HANCOCK)-10,000 VISITORS WEEKLY
- JOIN: MERITUS. FOOD LION. REEDS PHARMACY. FAMILY DOLLAR. VALLEY HEALTH. SUNOCO. M&T BANK

591 NORTHERN AVE -RETAIL

LEASE

- 2100 +/- SF
- HIGHLY VISIBLE/STRONG TRAFFIC
- NORTHERN AVE- DESIRABLE NEIGHBORHOOD





**FOR SALE
DOLLAR GENERAL**

- 9,100 SF
- 13 YEAR LEASE
- \$99,500 ANNUAL RENT

SERVPRO

- 3,600 SF
- 3 YEAR LEASE
- \$31,500 ANNUAL RENT



**225 MCRAND COURT
COMMERCIAL LAND FOR SALE**

- \$450,000
- ZONED IG- (WIDE VARIETY OF PERMITTED USES)
- 2.566 AC
- UP TO 20KSF CONCEPTUAL WAREHOUSE



62 E ANTIETAM

LEASE

- LARGE OPEN AREA WITH 2 PRIVATE OFFICE SPACES
- LARGE UNFINISHED BASEMENT FOR PLENTY OF STORAGE SPACE
- KITCHEN AREA IN BASEMENT



**44 N POTOMAC STREET
-STUDIO/PROFESSIONAL OFFICE**

LEASE

- OFFICE/STUDIOS
- STARTING AT \$249/MO
- UTILITIES INCLUDED!



**1101 OPAL COURT
-MEDICAL/OFFICE**

- FLEXIBLE TERMS
- HIGH GROWTH AREA

- ~~1600 SF~~ **LEASED**
- 2600 SF



**16428 LEON GRIMM RD
GREAT CONTRACTOR LIVE/WORK SPACE**

- 3 BED / 2 BATH HOME
- 11.52 TOTAL ACRES
- ZONED RB
- LARGE OUT BUILDING W/ OFFICE TRAILER



**1125 OPAL COURT
-OFFICE**

LEASE

- 4000 +/-SF
- OPEN FLOOR PLAN



**686 PENNSYLVANIA AVE
-INDUSTRIAL/CREATIVE SPACE**

LEASE

- ZONED IR (INDUSTRIAL RESTRICTED)
- BUILT TO SUIT
- 2,000-18,000 SF



**13331 PENNSYLVANIA AVE
-FLEX SPACE**

LEASE

- 8,800 +/- SF
- HIGHLY VISIBLE
- AVERAGE 15,500 ADT
- AMPLE PARKING
- 3 PHASE ELECTRICAL



**SMITHSBURG- CORNER
LAND LEASE OR BUILD TO
SUIT**

- WANTED: C-STORE/RETAIL
- HIGH TRAFFIC
- FOUR WAY LIGHTED INTERSECTION
- GROWING COMMUNITY
- FLEXIBLE LEASE TERMS



**CRESSLER PLAZA,
BURHANS BLVD**

LEASED

- ~~2,500~~-SF
- 6K-7K SF AVAILABLE
- 2 PAD SITES
- 435+/- PARKING SPACES
- LOCATED AT A FOUR WAY SIGNALIZED INTERSECTION



**GRINDSTONE HILL & FREDERICK DR
-INDUSTRIAL LAND FLEX-BTS/SALE**

- UP TO 50,000 SF AVAILABLE - 6 ACRES
- OWNER WILL CONSIDER SALE OF ENTITLED LAND OR BUILD TO SUIT
- SITE PLAN FULLY APPROVED AND READY TO BUILD
- IMMEDIATE ACCESS TO I-81



**22309 OLD GEORGETOWN ROAD
FOR SALE
-ICE CREAM BUSINESS /REAL ESTATE**

- 1.2 ACRES
- PRIME LOCATION
- ZONED BG

**HUGE
PRICE
REDUCTION**



**1120 PROFESSIONAL COURT
-MEDICAL/OFFICE**

LEASE

- GROUND FLOOR ACCESS
- UP TO 7,500 SF
- FLEXIBLE TERMS
- HIGHLY VISIBLE



**123000 SHIFLER LANE
WAREHOUSE FOR LEASE**

- INDUSTRIAL/FLEX SPACE (NEWLY RENOVATED OFFICES/SHOWROOM)
- SECURE OUTDOOR LAYDOWN/STORAGE W/ADDITIONAL OUTDOOR SPACE AVAILABLE!
- 15,500+/-SF MAIN BUILDING DOCKS / DRIVE IN'S 16'-20' CLEAR HEIGHTS



**580 NORTHERN AVE
-PROFESSIONAL OFFICE**

LEASE

- GREAT LOCATION
- AMPLE PARKING
- 3,500 SF



**WESEL PLAZA
-END CAP RETAIL**

LEASE

- 1,300 SF END CAP AVAILABLE
- LOCATED IN HAGERSTOWN'S MOST SOUGHT AFTER RETAIL AREA
- JOIN HARBOR FREIGHT TOOLS, MARINER FINANCE, AND PHO VIET



**145 W CHURCH STREET- FOR SALE
-LAUNDROMAT/REAL ESTATE**

- REAL ESTATE INCLUDED
- AMPLE PARKING
- CASH FLOW
- TURN KEY OPERATION



AEK Real Estate

is focused on providing Sales/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 can insert ourselves as you see fit. We are here to help. Give us a call or stop by!

Our doors are always up!



THE SPOTLIGHT COMMUNITY INSIGHTS

ARE YOU AWARE THAT THERE REALLY IS AN "UNDERGROUND" NETWORK OF BUSINESSES AND COMMUNITY CENTRIC DEAL MAKERS THAT PROVIDE THE OXYGEN TO THE GREATER HAGERSTOWN LUNGS. OUR GOAL WITH THIS SECTION WILL BE TO UNCOVER THEIR MISSIONS... WHAT IS THEIR PURPOSE....THEIR "WHY"



RECENT TRANSACTIONS

**-LEASE - LONGMEADOW- HOME HEALTHCARE 400 +/- SF -AEK LANDLORD & TENANT REPRESENTATION
-LEASE- PA AVE -IN HOME HEALTHCARE 800 +/- SF -AEK LANDLORD & TENANT REPRESENTATION**