

NEWSLETTER

THE TRUTH

CARRYING LESS "WEIGHT" OFTEN LEADS TO CLARITY

Is it worth it if you're miserable? Worth what? We aren't taking anything with us anyways. It is becoming more and more apparent that the gift....**the purpose, might be to find weightlessness. The ability/choice to be happy.** Not carry all the shit.

Have you ever run into someone you haven't seen in a while and you tell them they look great. It just kind of came out...blurted really. Nothing in particular that was evident...they just looked different. They just looked good....healthy. Glowing maybe!?

The freedom of little to no weight. Isn't that it? It can't be that we are here to constantly be pushing the boulder up the hill. That would be forced. As we continue to age, it may be more likely that we are supposed to be working towards the glow. Light. Things coming and going as they are supposed to be.....not grinding a round boulder into a square opening.

With this forceful approach, there tends to be tentacles that attach to circumstances, baggage along the way. Adding to the overall weight.

Being in an environment that is absent of the gravity (the weight) professionally, personally, spiritually, etc...Is crucial.

Not to insinuate that your daily circumstances don't justify consideration and the subsequent "weight" that comes with that, but it may also be a situation that you can also give it the.... "what are we really talking about....does it REALLY matter" Might be best to let it go. Let it clear.

Most often, things aren't as severe as initially ingested. With less weight, things become clearer. When things are clearer they tend to become more manageable. Seemingly easier to digest, **allowing you to do you...glow.**

"WHEN THINGS ARE BAD, NO ONE SEES THE GOOD. WHEN THINGS ARE GOOD, NO ONE SEES THE BAD" TIMELY ADVICE

Stephen Ross

"IF YOU THINK THE PRICE OF WINNING IT TOO HIGH.....WAIT UNTIL YOU GET THE BILL FROM REGRET. THE BILL FROM REGRET IS GENERATIONAL"

- U N K O W N

It's literally been a year since we began the shift. No interest in providing all of the details/successes (If you really want to know how we got here, you might have to stop by...our doors are always up!) but you should know, it's been all that we could have manifested. Fast and Slow, Everything and Nothing!

Overall, the firm is a living, breathing entity that continues to provide the stimulus required. We remain willing to do the things that not everyone in our positions would consider. We are also protective of our space and may only introduce a plant or two at times.

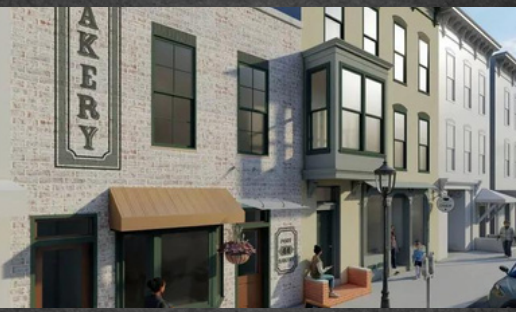
It's certainly not for everyone and certainly not your typical real estate brokerage, but if it resonates.....you already know, we are here.



IN THE NEWS



▶ Real Estate Investing Is Down But Not Out



▶ Port 44 and Ritchie Revival: Can targeted determination help rejuvenate communities?



▶ Absorbing inventory - Hagerstown

THE U.S. HOUSING SHORTAGE

The US has significantly underinvested in single family housing since 2008. This has created a dramatic shortage of supply. Estimates show there is a deficit of somewhere between 3-7 million homes.

Virtually, there doesn't seem to be any argument about this, nearly every economist from every reputable institution agrees demand for homes is significant and growing.

Millennials represent the largest generation since the baby boomers. They have begun to form families and to seek homes instead of apartments. Is there any relief on the way? Not likely. New construction takes time. Building a few million homes will take a decade new construction isn't cheap and higher interest rates won't cause significant forced selling.

A report from Redfin found that 91.8% US homeowners with mortgages have an interest rate below 6%. Older generations are remaining in their homes longer



STREET KNOWLEDGE

OFFICE

The greater Hagerstown area is very fortunate. Contrary to what some believe to be the case, supply is still constrained. There really aren't a lot of existing office options available. The more traditional, reasonably priced options have been absorbed. The next phase, interestingly enough will have to incorporate some newly constructed product. It may prove to be difficult to provide leasing options at a competitive price based on construction costs and land basis.

INDUSTRIAL/FLEX

"to beat the dead horse" we continue to experience requirements for the space that is more than storage but less than a traditional warehouse. Call it contractor storage or maybe we start utilizing the term "THE NEW flex space"

If the client needs storage/office you build a small box within a box

MULTI-FAMILY

Fully occupied! Higher Rents! Has been the basis of the sector in our market for some time. This appears to continue to be more of the norm. However, we have seen a bit of stabilization. Rents seemed to have leveled off. The reality of the consumer starting to feel pinched is starting to show up. Overall, due to the increase in rents over the last 24 months and the overall absorption, we have a new norm providing unprecedented comps.

RETAIL

Similar to the office environment, there is limited availability. Retail is most desirable in high traffic, highly visible locations. Due to the size of our market, there are concentrations in specific areas. The availability in these centers/locations remains constrained. The Tenants tend to thrive and sustain occupancy for the long term in these locales. Thus leaving only a few select options that are either a result of unexpected vacancy or simply....they are less desirable locations. The unexpected vacancy (retirement, business sale, unexpected circumstances, etc...) tend to refill quickly at or above the previous economics.

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

Making the move before the market does is the ultimate sign of an investor plugged into their environment. Being able to go against the consensus of “logical” thinking is a difficult task.

Right now, while real estate supply is still historically short, people aren't buying, and investors don't want to borrow because they are waiting for rates to drop. Maybe you need to move. Here's why you should consider.

Interest Rates:

Interest rates have played the biggest role in the market for sometime now. The Federal Reserve's attempt at slowing down inflation and the economy and slowing the record-breaking housing market in 2022 has, for the most part, been a success in their playbook.

Even though interest rates may have absolutely sideswiped the market, the decently high rates are shaping a new market that can help investors make gains down the road.

First, we must look at the sole purpose of raising interest rates in the first place: to slow down the rapid inflation the economy was facing in the first half of 2022. Coming off the hottest real estate market in recent history, where prices were skyrocketing, and buyers could not bid high enough to buy any property that was on the market for more than three days, the Fed needed to get it under control. The interest rate hikes have been effective. The rapidly rising home prices of 2022 have slowed down significantly, and homes are not flying off the shelf like they were a year ago. In fact, according to data from the National Association of Realtors, existing home sales were down 16.6% from last year in July—in other words, the market has sufficiently slowed down. Cutting interest rates should free up the market, help boost the economy, and allow many people to sell and buy homes more easily.

We are on the back end of the interest rate trend, which is now on the clock. First, you must look at the umbrella trends that will have a significant impact on the market behavior over the next 12 months. Understanding where we stand in the market today will help you position yourself.

Macro trends like election years, the economic outlook from the media, and the Fed's decisions sometimes overshadow the local trends that can help you get more out of your assets as we approach 2024. Let's dive into the Real Estate Cycle.

The real estate market is cyclical, and consists of four main phases.

- Recovery
- Expansion
- Hyper-supply
- Recession

We are at the end of the expansion phase now. . Despite what it may feel like right now, notice the symptoms of an expansion market:

- Active new construction: (winding down)
- Low vacancy rates: Check
- Increased rents: Check
- General optimism for the future: meh
- Rising prices: Check
- Readily available financing: Check (if you're willing to accept the rates)

Although you can still navigate the market with an expansive mindset, it would be better to begin positioning yourself for the next phase: hyper-supply.

Maybe expect a foreclosure wave as properties begin to make their way through the system after being backed up for two years because of pandemic-era protections expiring.

The Bottom Line is the upcoming election, a bolstered economy boosted by interest rates potentially dropping, and the end of a substantial expansion phase in real estate could be an opportunistic approach with a proven asset class.



FEATURE PROPERTY

RETAIL/FLEX

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

151 N BURHANS BLVD



19760 LONGMEADOW ROAD

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

LEASED



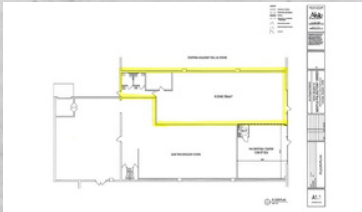
HUNTERS GREEN PARKWAY -FLEX SPACE/STORAGE

- 5,000 SF
- BUILD TO SUIT
- EASY ACCESS TO RT 81



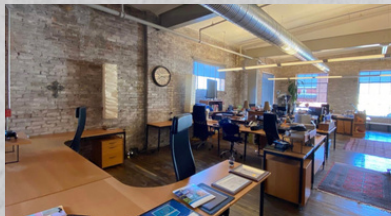
SYLVANIA BUILDING

- 2100+/-SF UP TO 7,984+/-SF CONTIGUOUS
- TURN KEY MEDICAL SPACE
- HIGHLY VISIBLE DRIVE THRU
- GROUND FLOOR OFFICE
- CLOSE PROXIMITY TO RT. 81
- DOZENS OF EATERIES/RETAIL WITHIN MINUTES



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



DOWNTOWN OFFICE SPACE

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



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



**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



**591 NORTHERN AVE
RETAIL**

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



**225 MCRAND COURT
COMMERCIAL LAND FOR SALE**

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



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

- 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**

- 2832+/-SF
- NEWLY RENOVATED
- GROUND FLOOR SUITE
- PRIVATE - ADA BATHROOM



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

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



**13331 PENNSYLVANIA AVE
-FLEX SPACE**

- 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**

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

LEASED



**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



**1120 PROFESSIONAL COURT
-MEDICAL/OFFICE**

- 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**

- GREAT LOCATION
- AMPLE PARKING
- 3,500 SF



**WESEL PLAZA
-END CAP RETAIL**

- 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



RECENT TRANSACTIONS

- LEASE - N. POTOMAC ST. - TAG & TITLE - AEK LANDLORD & TENANT REPRESENTATION
- LEASE- PA AVE -ENGINEERING/CONSTRUCTION COMPANY - AEK LANDLORD & TENANT REPRESENTATION
- LEASE - N. POTOMAC ST. - ENGINEERING/CONSTRUCTION COMPANY - AEK TENANT REPRESENTATION
- LEASE - S. POTOMAC ST.- HOLISTIC HEALING (EXPANSION) - AEK LANDLORD & TENANT REPRESENTATION
- LEASE - LONGMEADOW RD. - FACILITY SERVICES - AEK LANDLORD & TENANT REPRESENTATION
- LEASE - HANCOCK PLAZA - MEDICAL SERVICES - AEK LANDLORD & TENANT REPRESENTATION
- LEASE - CRESSLER PLAZA - AEK LANDLORD & TENANT REPRESENTATION
- LEASE - BRANDT BUILDING - AEK LANDLORD & TENANT REPRESENTATION
- LEASE - CHARLES STREET - WAREHOUSE- AEK LANDLORD & TENANT REPRESENTATION
- SALE - SFH - AEK SELLER REPRESENTATION
- SALE- INVESTMENT TH - AEK SELLER REPRESENTATION
- SALE- INVESTMENT TH - AEK SELLER REPRESENTATION
- SALE- INVESTMENT TH'S - AEK BUYER REPRESENTATION

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!