



## May 2020 Update

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Our third **Opportunity Zone Project** or Qualified Opportunity Fund (QOF) is expected to close to new investors in June. We expect the QOF will hold three to four income producing residential assets, providing investors with diversification and regular cash flow. Opportunity Zone investment dollars can be sourced from any taxable gain, including the sale of stocks, bonds, real estate, companies, or collectibles made during the 180 days before making the investment. If you would like to get more information, please contact me or Sally. The minimum investment for our QOF is \$250,000.

**Our office remains closed by order of our governor.** The earliest we may be able to open the office is May 25, but we're not counting on it. Our staff has done a terrific job getting their work done from home, keeping the lines of communication open, keeping the company running despite some personal/technical challenges, hitting deadlines, developing new online information tools, and remaining upbeat. **Josh and I are very proud of them and thankful for their can-do spirit.**

April rent collections for PWREI were 66.3% of what we would expect sans coronacrisis, and PWRE2's collections were 71.8% and 91% for commercial and multifamily respectively of what we would expect. *Disclaimer: these are the first blush numbers and will likely change, but only slightly.* Over 74% of commercial tenants paid something for April. For those commercial tenants who did not pay April rent, many have entered discussions with us to make minor lease modifications that would spread the missing rent out over time. There's no doubt that the CARES Act Payroll Protection Program has had a positive impact on rent collections.

Last week, we also received the first draft of the PWREI & PWRE2 Q1 financials. While these are the first draft numbers and will likely change slightly, we can't see any impact of the coronachaos on our results from Q1. Net profits from operations were up in both investment pools about 9% over the same period last year.

Last month, the update included a book recommendation. We received some nice positive feedback, with one excellent request, "Can you recommend something funny? We need it." **I love the book "[Three Men in a Boat](#)" by Jerome K. Jerome.** The premise is quite simple, three guys who know nothing about boating or camping take a camping trip up the Thames River, along with their dog. It's one of the few books that made me laugh so hard I cried.

**In April PWREI signed a new 10-yr lease** at [Castleberry Promenade](#) for 1,760 sq. ft. with Hotworx, a hot yoga studio.

Stay healthy and keep smiling –

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# PWREI Scorecard

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## Approximate investment by PWREI

Data as of 03/31/2020

### Willow Hill Center

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PWREI purchased this property in May 2014. The 21,082 sq. ft. center is located in Puyallup, WA. Tenants include Money Tree, Rainier Growler, Omar Beauty, and F45. PWREI owns 83% of this property. Starbucks' parcel sold for ~\$2.35M net on October 15, 2014. Ivar's pad sold for ~\$1.27M net on April 28, 2015.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$5,625,000	\$2,889,595	100%	\$102,139

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### Benjamin Square

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PWREI purchased this property in May 2014. The 9,950 sq. ft. center is located in Woodland, WA, and is just off I-5. Tenants include AT&T, Starbucks, Subway, Papa Murphy's, and H&R Block.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$1,900,000	\$1,978,735	86%	\$58,945

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### Shoppes at Buford

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PWREI purchased this 20,844 sq. ft. property in May 2014. The property is located in Buford, GA, and is located across from the Mall of Georgia. The tenants include Play It Again Sports, Foot Traveler, Edible Arrangements, Ideal Image, and a Sushi restaurant.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$2,740,600	\$3,011,339	100%	\$83,440

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### Auburn Road

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PWREI purchased this property in August 2014. The 8,400 sq. ft. property is located in Dacula, GA. The tenants include a World Finance, a medical care facility, a large veterinary office, and a hair salon.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$1,000,000	\$1,031,598	100%	\$37,340

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## Roosevelt Place

PWREI purchased this property in August 2014. The 14,000 sq. ft. center is located in Phoenix, AZ, off of busy I-10. The tenants include Port of Subs, Teramar Staffing, Cash America, Boba Donuts, and a drive-thru Filiberto's Mexican restaurant. The Jack in the Box pad sold on May 2, 2016 for ~\$1.08M net.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$2,960,000	\$1,945,965	81%	\$61,490

## Little Corona

PWREI purchased this property in December 2014. The property consists of 6,074 sq. ft. of leasable space located at the busy intersection of Rural Rd and Ray Rd in Chandler, AZ. The property is now 100% occupied. Current tenants include Athletico, a Greek restaurant and Fullers Bar & Grill.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$1,010,000	\$1,053,737	100%	\$8,365

## Dail Center

This property was purchased in December 2014. The 16,145 sq. ft. strip is located along US Route 17 in Myrtle Beach, SC, which boasts over 14 million visitors a year. Current tenants include State Farm, Regional Finance, Batteries Plus, Atlantic Kitchens, Tao Wellness Spa, Painting with a Twist, Guardian Security, and Palmetto School.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$1,522,500	\$1,661,489	100%	\$51,074

## Gulf Breeze

PWREI purchased this 27,736 sq. ft. property in January 2015. The property is located in Port Arthur, TX, and is shadow anchored by H-E-B, a major grocery chain based out of San Antonio, with great visibility from both Hwy 365 and 347. Current tenants include Pizza Hut, Edward Jones, Sprint, Supercuts, The Nutrition Store, World Finance, and Fancy Nails.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$2,677,500	\$2,805,419	91%	\$86,596

## Log Pond Plaza

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PWREI purchased this 27,368 sq. ft. property in March 2015. This property, located in Newark, OH, is shadow anchored by a Walmart Super Center and across the street from a Home Depot, in a dense residential area just north of SR-16. The center boasts a healthy mix of local and national tenants including Hertz, Cheng's Chinese, Fiesta Salon, Big Apple Cafe, and CATO.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$1,850,000	\$2,037,905	82%	\$52,934

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## Massard Farms

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PWREI purchased this large shopping complex in April 2015, located in Fort Smith, AR. We own a total of 71,592 sq. ft. of leasable space, consisting of the Kohl's remainder space, IHOP, Savers, and an 8,000 sq. ft. mixed tenant building including Sport Clips, Firehouse Subs, Catherine's, and Pad Thai Cuisine. The Kohl's building sold in September 2018 for \$8.9M net. A new lease was signed with 10-Gym in November 2019.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$13,415,287	\$6,896,494	100%	\$86,385

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## Oak Creek Commons

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PWREI purchased this small strip center in May 2015. Located south of Milwaukee, the population growth and average household income of Oak Creek, WI, are projected to outpace the national average over the next five years. The 10,462 sq. ft. property has a healthy mix of tenants including Dunkin' Donuts, Great Clips, Empress Nail Spa, and an insurance agency

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$1,191,750	\$1,275,862	89%	\$25,098

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## Massillon Commons

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PWREI is 66.7% owner of this shopping center purchased in June 2015. It is located along the busy Lincoln Way corridor in Massillon, OH. Home Depot sold on June 30, 2016 for ~\$9.36M net and proceeds were used to pay off debt. In addition to a 50,503 sq. ft. Dunham's Sports, this property boasts 63,048 sq. ft. of leasable shop space. Tenants include Oakpark Preschool, Stark Medical, P.S. Cook's, and Agavero Bar & Grill.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$8,618,667	\$2,457,590	84%	\$57,646

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## Greensburg Commons

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This property was purchased in July 2015 and is 66.7% owned by PWREI. The large shopping center is located at the intersection of I-74 and State Rd 3 in Greensburg, IN. It currently consists of 88,953 sq. ft. of leasable retail space and boasts a healthy mix of tenants including Jimmy Johns, Great Clips, GameStop, GNC, Rent A Center, Goodwill, Cricket Wireless, and Bath & Body Works. The Walmart parcel sold on December 2, 2016 for ~\$13.9M net, with most of the proceeds used to pay off debt.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$12,512,000	\$3,450,124	81%	\$99,551

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## Gateway Center

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PWREI purchased this center in October 2015. It consists of 28,056 sq. ft. of mixed retail space located at the intersection of US 76 and Main St in Newberry, SC. It is shadow anchored by a Walmart. Current tenants include GameStop, T-Mobile, Nexien, Newberry Nails & Spa, CATO, It's Fashion, Shoe Show, Groucho's Deli, and China Town Restaurant.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$2,030,055	\$2,233,215	100%	\$90,352

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## Powder Springs

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This property was purchased by PWREI in October 2015. It is located on Richard D Sailors Pkwy in Powder Springs, GA, and is shadow anchored by a Home Depot. The small strip center has a total of 15,050 sq. ft. and has Allen Chiropractic, Johnny's Pizza, Hanger Prosthetics and Benchmark Therapy as tenants. The vacant pad we bought with the building was sold on February 12, 2016 for ~\$280k net.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$1,100,000	\$976,903	91%	\$41,437

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## Sugarcreek Crossing

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PWREI is 66.7% owner of this shopping center in Centerville, OH, purchased in October 2015. The property at purchase included three parcels – a ground leased Cracker Barrel pad, a Tire Discounters pad, and a multi-tenant retail building containing a UPS Store, a Chiropractic office, and Edward Jones, among others. The Cracker Barrel parcel was sold on May 6, 2016 for ~\$2.28M net. The Tire Discounter's parcel sold on December 23, 2016 for ~\$2.96M net. Work is complete on the project to create an additional 3,425 sq. ft. of retail space in what used to be a bank drive-thru in the middle of the strip center, with new tenant Milan Laser scheduled to open in this space later in 2020.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$5,117,333	\$2,069,157	92%	\$46,348

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## East West Market

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PWREI purchased this property as a joint deal with Castleberry Promenade in February 2016. This center is located along East West Connector in Austell, GA, and consists of 17,017 sq. ft. of leasable space and a 1.09-acre developable pad. Current tenants include 100% Chiropractic, WellStar, and American Health Imaging.

Initial Investment	Net Investment	Occupancy	2002 Q1 NOI
\$2,660,000	\$2,704,587	100%	\$67,279

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## Castleberry Promenade

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PWREI purchased this property as a joint deal with East West Market in February 2016. It consists of 26,651 sq. ft. of leasable space with two small developable pads, and is located at the busy intersection of Bethelview Rd and Castleberry Rd in Cumming, GA. Current tenants include Kumon Learning, Liberty Tax, Castleberry Ale House, My Running Store, Fitness Foundation, Grimaldi's Restaurant and Arise Chiropractic.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$2,906,000	\$3,040,460	93%	\$81,441

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## Village at Las Sendas

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PWREI purchased a 33.4% stake in this property in June 2016. The shopping center is located in Mesa, AZ, at the intersection of McDowell Rd and Power Rd and consists of 39,144 sq. ft. of leasable space. Current tenancy is a diverse mix of local and national tenants including Jimmy Johns, Smashburger, Chipotle, Sunnyside Breakfast, Pacino's Italian, D'Vine Wine, Two Wheel Jones, Royal Tobacco, and Echo 5 Sports Pub, with Board & Brush scheduled to open mid-2020.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$2,922,500	\$2,988,043	95%	\$56,011

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**Note: 2019 NOI numbers reflect the PWREI's portion of the total. All profit, NOI, Gross IRR, and Deal Multiple calculations presented are unaudited gross estimates. All numbers within this report are unaudited and should be considered as close approximations. Members receive the audited results on an annual basis.**