



August 2020 Update

We have been getting MANY questions about how rent collections are holding up. **We collected 94.3% of billed rent for July** across all properties managed by PWL, both commercial and residential, the highest ratio since April. We almost never see this number get to 100%, even in the best of times. To explain this datapoint, if a tenant were to pay us their July rent today, then the 94.3% would go up; we would not count the payment as part of the August data point.

We are pleased to announce that two weeks ago we made the regularly scheduled quarterly distributions to our investors. Distributions to PWREI investors included a return of capital from the pad sale we announced in last month's update.

Move up According to the U.S. Census Bureau, there are currently 22 million Americans living in 6.8 million manufactured homes across the U.S. After years of decline starting in the late 1990's, manufactured housing has been rising in popularity over the last few years. – ManufacturedHomes.com, July 2020

Especially in these uncertain financial times, we know that cash flow from investments can be the difference maker in deciding whether to reinvest gains in an Opportunity Zone (OZ) or take the tax hit to have the cash on hand. While some OZ investments are set up to have no returns, or minimal returns, during the mandatory 10-year hold period, that is not how we organize our Qualified Opportunity Fund (QOF) Member returns. We are projecting our QOF will start with **solid cash distributions**, growing to double digits over the 10-year hold.

PWL's new QOF is currently open to investors and is focused on Manufactured Home Communities, i.e., Mobile Home Parks, in Opportunity Zones. This QOF will hold at least three properties, which pose as excellent diversification of cash flows for investors.

With a minimum investment of \$250,000, the investment dollars for Opportunity Zones must be sourced from a taxable gain to realize the full tax benefit of an OZ investment. Taxable gains could be from the sale of stocks, bonds, real estate, private companies, or collectibles. **If you would like to receive the brochure we wrote explaining Opportunity Zone tax incentives** or would like information about potentially investing in our Manufactured Home Community QOF, please contact me or Sally.

Remember that the IRS had created a new [deadline relief](#) in response to the Corona chaos. This means that the 6-month deadline for investors to join a QOF has been extended to **anytime in 2020**. **If you have any flow-through from last year to a K-1** of any direct gain booked October 2019 or later, those are eligible for the maximum tax benefit in this investment opportunity.

Stay healthy and keep smiling –

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PWRE2 Scorecard

Approximate investment by PWRE2.

Data as of 06/30/2020

Lexington Commons

PWRE2 purchased this property in August 2017. The 21,857 sq. ft. center is located in Glen Allen, VA. Tenants include Pho Saigon, Gojo Ethiopian, Patti Alterations, Hillary Nail & Spa, Ariya Family Chiropractic, Chanello's Pizza, among others.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$4,099,862	\$4,114,658	100%	\$87,192

Rosemount Crossing

PWRE2 purchased a combined 59.37% stake in this property in September 2017. It is located in Rosemount, MN, and consists of 26,767 sq. ft. of mixed retail space, as well as a 17,427 sq. ft. ALDI grocery store that serves as an anchor to the center. Tenants include Starbucks, Domino's, Fantastic Sams, Sprint, Snap Fitness, Orchid Nails, and USA Karate. The ALDI building was sold on January 19, 2018 for ~\$3.194M net. Because PWRE2 owned 100% of the ALDI building, its stake in the remaining property is now 29.24%.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$4,621,712	\$1,334,461	95%	\$39,485

Main Street Commons

PWRE2 purchased this property in November 2017. The center consists of 24,388 sq. ft. of mixed retail space and is located just north of I-85 along State Route 317 in Suwanee, GA. Tenants include Staffing Solutions, C2 Education, Suwanee Karate, TADA Coffee, and an Asian restaurant.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$3,509,813	\$3,612,455	100%	\$93,426

The Pointe at Epps Bridge

PWRE2 purchased this property in November 2017. It is located in Athens, GA, along a busy commercial corridor and is shadow anchored by Trader Joes and Ashley Furniture, with Walmart and Lowe's directly across Epps Bridge Pkwy, among others. The center consists of 14,145 sq. ft. of mixed retail space and includes tenants such as Sprint, Jittery Joe's coffee, a Mexican restaurant, American Deli, and a Barber Shop/Salon.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$3,208,250	\$3,214,610	100%	\$74,152

Bellevue West Shopping Center

PWRE2 purchased a 45.42% stake in this property in December 2017. The 30,210 sq. ft. strip center is located in Nashville, TN, along the busy Hwy 70 S corridor. Neighboring developments include Home Depot, Goodwill, Staples, Bed Bath & Beyond, Hampton Inn, and a Sprouts Market. The property boasts a healthy mix of tenants, including Subway, Burn Boot Camp, Scrub Shoppe, Sir Pizza, and a hair salon

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$1,943,374	\$2,182,307	93%	\$46,068

Hamilton Pointe

PWRE2 purchased an 86.08% stake in this property in February 2018. It is located in northeast Columbus, OH, just off of OH-161 and I-270. The center consists of 12,166 sq. ft. of mixed retail space and includes tenants Sylvan Learning, Vetcare, Daneault Dentistry, and Scrambler Marie's Restaurant.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$1,868,000	\$1,919,490	100%	\$28,606

Loggins Corner

PWRE2 purchased this large multi-building shopping center anchored by a Kroger grocery store (not owned) in April 2018. It is located in Jefferson, GA, along US-129 just south of I-85 and consists of 29,800 sq. ft. of leasable space including a standalone Beef O'Brady's restaurant pad and two mixed-retail strips. Tenants include Little Caesars, H&R Block, Great Clips, Etcon Employment, and Radiance Tanning, as well as a variety of medical uses including Benchmark Rehabilitation and Northeast Georgia Physicians, among others.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$6,557,422	\$6,643,613	100%	\$153,568

Phoenix Place Apartments

PWRE2 purchased this 144-unit multi-family property in late August 2018. The complex was originally named Harmony Pointe Apartments and we are in the process of a complete re-branding. The property is located in the city of East Point, GA, less than 3 miles away from Hartsfield-Jackson International Airport. Its proximity to some of Atlanta's largest job centers and large townhome-style floorplans make it an attractive property for many of the city's residents.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$6,775,000	\$7,114,129	98%	\$98,568

Dublin Village

PWRE2 purchased this 98,540 sq. ft. shopping center anchored by a Kroger grocery store in late August 2018. It is in Dublin, GA, and included two multi-tenant buildings, a Kroger grocery store and three vacant outparcel pads. The Kroger parcel sold in April 2019 for ~\$5.16M. The remaining tenants include Great Clips, a local BBQ restaurant, Little Tokyo Steak House, and Accordia Urgent Care among others. *Net Investment and Occupancy below has been adjusted for the Kroger sale.*

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$8,450,000	\$3,332,456	88%	\$61,087

Westminster Apartments

PWRE2 purchased this 40-unit multi-family property in late August 2018. The complex is in Macon, GA, and has significant value add opportunity through some hands-on management and changes/upgrades throughout the property.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$918,750	\$1,068,146	35%	(\$58,165)

Brookfield Apartments

PWRE2 purchased this 120-unit multi-family property in late December 2018. The complex is in East Point, GA, less than 3 miles away from one of Atlanta's largest job centers: Hartsfield-Jackson International Airport. Brookfield Apartments is in good physical condition and has significant value add opportunity.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$5,412,000	\$6,032,490	89%	(\$70,606)

Liberty Heights Apartments

PWRE2 purchased a 50% stake in this 105-unit multi-family property in January 2019. The complex is in Lexington, KY, in a quiet neighborhood location with easy access to an employment hub located on the outer beltway as well as downtown Lexington and University of Kentucky.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$1,900,000	\$2,169,128	70%	\$16,890

Colony East Apartments

PWRE2 purchased a 77.74% stake in this 104-unit multi-family property in June 2019. The complex is in Columbia, SC in a quiet neighborhood location with easy access to an employment hub located on the outer beltway as well as downtown Columbia and University of South Carolina.

Initial Investment	Net Investment	Occupancy	2020 Q1 NOI
\$3,803,655	\$3,579,981	88%	\$21,543

Note: 2020 NOI numbers reflect the PWRE2'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.

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