

July 2023 Update

We are often asked how we keep our investors informed once they've placed funds with Pacific West Land. Aside from receiving a version of this monthly email, which includes more investment-specific information, we host three in-person events in the Seattle area each year for investors and their advisors. Two of these are broadcast via the Internet. Current investors will be joining us for lunch at the Bellevue Club later this month, where we'll talk about the market, our current investments, and receive an update on Washington State's painful new capital gains tax. We also send out quarterly reports, which include the financials for every investment. For our large pools, investors also receive an annual audit prepared by a NAIOP-registered public accounting firm. In short, communication is consistent and detailed.

Golfing for a great cause! The 14th Annual Bertha L. Johnson Memorial Golf Tournament returns to the beautiful [Port Ludlow Golf Course](#) on Thursday, July 27, at 1:30 pm. This annual four-person scramble tournament is organized by our Leasing Director, [Dennis Johnson](#). Please consider participating in the event for a day of food, prizes, and friendly golf while supporting a great cause. This tournament is open to golfers of all skill levels. The Bertha L. Johnson Memorial Golf Tournament is an officially sanctioned event of the [Pancreatic Cancer Action Network \(PanCAN\)](#). This year, all proceeds will be split equally and donated to PanCAN, a 501(c) non-profit ID #33-0841281, and the [Fred Hutch Cancer Center](#). A golfer's \$199 entry covers green fees, cart rental, range balls, drinks, dinner, and prizes. **For any PWL investor who participates in the event, we will match the golfer's \$199 entry.** Please contact Dennis (Dennisj@pacificwestland.com) for more details and to register.

Club Deals

In our monthly reports, we note when PWL has purchased a new property, like [Magna Carta Place](#). Each of these new investments is organized as a stand-alone LLC funded by a handful of current PWL investors. The terms for club deals are very similar to those underlying PWREI & PWRE2. We charge a 1% one-time acquisition fee and 1% per year of asset value. We split the profits 80/20 in favor of investors. The minimum investment is typically \$250K. We keep a rolling list of current PWL investors who would like to participate in such opportunities. If such an investment might suit you, we would be happy to add you to this list at your request.

1031 Exchanges

PWL's recent purchase of [Meridian Marketplace](#), the property we discussed in the May update, satisfied the **1031 exchange** need of an investor. This investor is a client of a financial advisor who has incorporated PWL investments into their clients' portfolios for 14 years. If you are selling a property and looking at 1031 exchange options, please give me a call. Please remember, the more advance notice we receive about a possible 1031 exchange, the more likely it is we will be able to make a successful exchange. The tight 45-day identification period is the most difficult challenge of the 1031 exchange process. Advance notice and planning can overcome this potential obstacle.

PWL signed three new leases and two lease extensions in June:



Scramblers, the breakfast restaurant chain, signed a new 4-year, 4,000 sq. ft. lease at [Hamilton Pointe](#).



Aliberto's, a fast food Mexican restaurant chain, signed a new 1,600 sq. ft. lease at [Ponderosa Village](#) for 10-years.



Mattress Experts signed a new 7-year, 6,000 sq. ft. lease at [Ponderosa Village](#).



Check into Cash, signed a 3-year, 1,490 sq. ft. lease extension at [Ponderosa Village](#).



Snappy Nails signed a new lease amendment at [Arapahoe & Lima Center](#). PWL replaced the tenants' HVAC unit, amortizing the cost of the repair into the remaining term of their lease.

We have extra copies of "The Snow Goose" here in our office. If you'd like a copy to gift to a friend or family member, please email caroline@pacificwestland.com.

Office visitors with an appointment are welcome, although ferry rides are more fun when the sun is shining.

Stay healthy & keep smiling –

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PWREI Scorecard

Approximate investment by PWREI

Data as of 5/31/2023

Willow Hill Center

The 21,082 sq. ft. center in Puyallup, WA, was purchased in May 2014, with PWREI buying an 83% stake. We sold the Starbucks pad in October 2014 for ~\$2.35M net and the Ivar's pad in April 2015 for ~\$1.27M net. The property currently has nine tenants, the most recognizable being Moneytree, Pho Tai Vietnamese, and Rainier Growlers.

Initial Investment

\$5,625,000

Net Investment

\$2,943,228

Occupancy

100%

2023 Q1 NOI

\$105,371

Benjamin Square

PWREI purchased this 9,950 sq. ft. property in May 2014. Benjamin Square is in a highly visible center just off I-5 in Woodland, WA. The property currently has six tenants; the national tenants include Starbucks (drive-thru), Subway, Papa Murphy's, T-Mobile, and H&R Block.

Initial Investment

\$1,900,000

Net Investment

\$2,069,607

Occupancy

86%

2023 Q1 NOI

\$43,506

Auburn Road

Located in Dacula, GA, this 8,400 sq. ft. property was purchased by PWREI in August 2014. The center is well positioned at the busy intersection of Auburn Rd. and Jim Moore Rd. and is at the center of a sprawling residential area. Auburn Road's four tenants include State Farm, Intracore Healthcare, Georgia Veterinary, and Center Stripe Golf.

Initial Investment

\$1,000,000

Net Investment

\$1,051,877

Occupancy

100%

2023 Q1 NOI

\$40,115

Gulf Breeze

PWREI purchased this 27,739 sq. ft. property located in Port Arthur, TX, in January 2015. The property is shadow anchored by the major grocery store, H-E-B, and maintains great visibility from both HWY 347 and HWY 365. Gulf Breeze's national tenants include Edward Jones, Sprint, World Finance, Super Cuts, Republic Finance, The Nutrition Store, Pizza Hut, and a Wells Fargo ATM.

Initial Investment

\$2,677,500

Net Investment

\$2,889,380

Occupancy

100%

2023 Q1 NOI

\$164,130

Log Pond Plaza

Located in a dense residential area just north of State Route 16 in Newark, OH, this 27,368 sq. ft. property was purchased by PWREI in March 2015. The property is shadow anchored by a Walmart Super Center with a Home Depot across the street. Log Pond boasts a healthy mix of 11 local and national tenants, which include Hertz, Cheng's Chinese, Fiesta Salon, and CATO.

Initial Investment

\$1,850,000

Net Investment

\$2,179,603

Occupancy

94%

2023 Q1 NOI

\$72,514

Massard Farms

Located in Fort Smith, AR, this large shopping complex was purchased in April 2015. In September 2018, the Kohl's building sold for \$8.9M net. After its sale, PWREI still owns 71,592 sq. ft. leasable space. Massard Farms tenants include an IHOP, Savers, Sports Clips, Firehouse Subs, and Pad Thai Cuisine.

Initial Investment	Net Investment	Occupancy	2023 Q1 NOI
\$13,415,287	\$7,401,127	94%	\$146,519

Massillon Commons

Located along the busy Lincoln Way corridor in Massillon, Ohio, this property was purchased in June 2015 for a 66.7% stake for PWREI. In June 2016, the Home Depot pad sold for ~\$9.36M net with the proceeds used to pay off debt. In addition to a 50,503 sq. ft. Dunham's Sports, Massillon Commons boasts 63,048 sq. ft. of leasable space that includes 12 tenants, the largest being P.S. Cook's, OakPark Preschool, and Stark Medical.

Initial Investment	Net Investment	Occupancy	2023 Q1 NOI
\$8,618,667	\$2,502,750	87%	\$47,531

Greensburg Commons

Purchased in July 2015 for a 66.7% stake for PWREI, this large 88,953 sq. ft. shopping center is located at the intersection of I-74 and State Rd. 3 in Greensburg, IN. In December 2016, the Walmart parcel sold for ~\$13.9M net with most of the proceeds used to pay off debt. Greensburg Commons holds a mix of 15 local and national tenants. The most recognizable tenants are Jimmy John's, Great Clips, GameStop, GNC, Rent-A-Center, Feeder's Pet Supply, Goodwill, Open Box Outlet and Bath & Body Works.

Initial Investment	Net Investment	Occupancy	2023 Q1 NOI
\$12,512,000	\$3,884,907	91%	\$99,703

Gateway Center

PWREI purchased this 28,056 sq. ft. mixed retail space, located in Newberry, SC, in October 2015. Gateway Center sits at the intersection of US 76 and Main St. and is shadow anchored by a Walmart. With 12 tenants, the center's most notable occupants include GameStop, Quick Credit, Nexien, and T-Mobile.

Initial Investment	Net Investment	Occupancy	2023 Q1 NOI
\$2,030,055	\$2,233,215	100%	\$77,684

Powder Springs

Purchased in October 2015 by PWREI, this 15,050 sq. ft. strip center is located on Richard D. Sailors Pkwy in Powder Springs, GA. Upon purchase of the property, we acquired a vacant pad that was sold in February 2016 for ~\$280K net. Powder Springs is shadow anchored by a Home Depot and has a total of 6 tenants including Hanger Prosthetics and Premier Martial Arts.

Initial Investment	Net Investment	Occupancy	2023 Q1 NOI
\$1,100,000	\$745,182	81%	\$30,726

Sugarcreek Crossing

Located in Centerville, OH, PWREI purchased Sugarcreek Crossing in October 2015 and holds a 66.7% stake. Upon purchase, the property included three parcels: a ground leased Cracker Barrel pad that was eventually sold in May 2016 for ~\$2.28M net; a Tire Discounters pad that was sold in December 2016 for ~\$2.96M net; and a multi-tenant retail building containing a UPS store, a Chiropractic office, and Edward Jones, among others.

Initial Investment	Net Investment	Occupancy	2023 Q1 NOI
\$5,117,333	\$2,161,342	96%	\$56,184

East West Market

Purchased as a joint deal with Castleberry Promenade, PWREI acquired this 17,017 sq. ft. property in February 2016. East West Market is located along the East West Connector in Austell, GA. The 1.09-acre Dunkin Donuts pad sold in June 2020 for ~\$522K net. The property currently holds 6 tenants, the largest being WellStar Health System, American Hearing Imaging, and Thumbs Up Diner.

Initial Investment	Net Investment	Occupancy	2023 Q1 NOI
\$2,660,000	\$2,206,308	100%	\$100,776

Castleberry Promenade

PWREI acquired this 26,651 sq. ft. property in February 2016 as a joint deal with East West Market. Castleberry Promenade is located at the busy intersection of Bethelview Rd. and Castleberry Rd. in Cumming, GA. Upon purchase, the property included leasable space as well as two small developable pads. This property currently has 10 tenants, among them Liberty Tax, Kumon Learning, Castleberry Ale House, and Ovo Salon.

Initial Investment	Net Investment	Occupancy	2023 Q1 NOI
\$2,906,000	\$3,237,237	96%	\$159,147

Village at Las Sendas

PWREI purchased this 39,144 sq. ft property in June 2016 for a 33.4% stake. The Village at Las Sendas is located at the intersection of McDowell Rd. and Power Rd. in Mesa, AZ. This shopping

center has a diverse mix of 16 national and local tenants, with the most recognizable being Chipotle, Jimmy John's, and Smashburger.

Initial Investment	Net Investment	Occupancy	2023 Q1 NOI
\$2,922,500	\$3,030,034	100%	\$59,786

Little Corona – SOLD August 2020

Located at the busy intersection of Rural Rd. and Ray Rd. in Chandler, AZ, this 6,074 sq. ft. property was purchased by PWREI in December 2014. Little Corona was sold in August 2020 for \$1.57M. At the time of sale, Little Corona held 100% occupancy.

Initial Investment	Profit	Deal Multiple	Deal IRR
\$1,010,000	\$1,170,646	1.82x	13%

Dail Center – SOLD August 2020

Dail Center was purchased by PWREI in December 2014. This 16,145 sq. ft. center is located along US Route 17 in famous Myrtle Beach, SC. Due to its popular location, the area attracts over 14 million visitors each year. In August 2020, Dail Center was sold for \$2.4M and was 100% occupied.

Initial Investment	Profit	Deal Multiple	Deal IRR
\$1,522,500	\$1,990,807	2.08x	16%

Roosevelt Place – SOLD November 2021

This 14,000 sq. ft. property was purchased in August 2014 by PWREI. The property is located in the industrial corridor of Phoenix, AZ by I-10. This location allows for heavy daytime traffic. In May 2016, the Jack in the Box pad sold for ~\$1.08M. Roosevelt Place sold in November 2021 for \$5.02M.

Initial Investment	Profit	Deal Multiple	Deal IRR
\$2,960,000	\$4,620,030	2.55x	19.9%

Shoppes at Buford – SOLD June 2022

This 20,844 sq. ft. property was purchased by PWREI in May 2014 and is located in Buford, GA. The centers' location across from the Mall of Georgia puts it in a retail corridor ideal for drawing shoppers. Shoppes at Buford sold in June 2022 for \$5.7M.

Initial Investment	Profit	Deal Multiple	Deal IRR
\$2,740,600	\$5,699,583	2.68x	15.1%

Oak Creek Commons– SOLD June 2022

This small 10,462 sq. ft. strip center located in Oak Creek, WI was purchased by PWREI in May 2015. Being south of Milwaukee, the area's population growth and average household income are projected to outpace the national average over the next five years. Oak Creek Commons sold in June 2022 for \$2.5M.

Initial Investment

\$1,191,750

Profit

\$2,499,248

Deal Multiple

2.81x

Deal IRR

18.4%

Note: 2023 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 audited results on an annual basis from a PCAOB-registered public accounting firm.

Pacific West Land, LLC • 403 Madison Ave N, Ste 230 • Bainbridge Island, WA 98110 • July 12, 2023
