

Pacific West Land, LLC

403 Madison Avenue North, Suite 230
Bainbridge Island, WA 98110

4/2/2013

April 2013 Update

The Starbucks pad at the **Plaza at Scottsdale** is complete! Starbucks took possession of their space on March 25th and immediately began their tenant improvements (TI). Potbelly Sandwiches anticipates starting the work on their new location in the same building in mid-April. Opening dates will be announced shortly.

Construction began on two new LED digital monument signs for the property, providing excellent visibility in the busy corridor. The digital signs can be programmed to display tenant specials. The signs will be completed within the next 60 days, prior to Starbucks and Potbelly opening.

There were two property sales for PWREO in March, both at our **Vistancia** property. The Walgreens pad was sold on March 5th for \$7.6M. We used 55% of the sale price to pay down the loan used for financing half of the **Vistancia** purchase, and the remainder went into a 1031- exchange account. We had originally projected the Walgreens would sell for \$6.87M so we are happy with this result.

The Chase bank pad sold for \$3,600,000 on March 8th. Again, 55% was used to pay down the loan on **Vistancia**, and the remainder was placed in a 1031-account. We had originally projected the Chase would sell for \$2.6M, so we are pleased with this result.

The Safeway at **Vistancia** is also for sale.

We just signed a lease with Align Chiropractic Clinic at **Eastern & St. Rose** into 842 square feet at \$22.20/sq. ft., with a 3% escalator each subsequent year. This brings Eastern & St. Rose to 100% leased and now ready for sale.

The Shoppes at Andover welcomes Citi Boys Urban Café, a casual diner restaurant, into 1,542 square feet of space at \$10.51/sq. ft. Built-in elevators raise rent to \$17.62/sq. ft. in year two and \$19.24/sq. ft. in year three.

Also at the **Shoppes at Andover**, a lease was signed with Angel Nails, taking over an existing nail salon. At \$18/sq. ft. there are 4% escalators in years 2 – 5.

Crossfit Bound will join **King's Crossing** in a 4,500 square foot space at \$8/sq. ft., increasing to \$10.50 in year two and \$12 in year three.

Northlake Promenade welcomes Cook Daddy's Southern Cooking into a 1,612 square foot space at \$17/sq. ft. There are \$.50 increases each year 2 through 5.

And finally, **Laveen Village** welcomes Long Wong's restaurant, a franchise with quick-serve burgers, pizza, and hot wings. They signed a 3-year lease at \$13/sq. ft., with \$1 increases each year. There are no TI costs, and the commission for the broker is \$3,432.

Please remember that if you'd like to visit our office for an in-person update, you are always welcome.

Best –

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Real Estate Opportunity Fund Scorecard
(approximate investment by the Fund)
all data as of 2/28/13

Eastern and St. Rose — The PWREO Fund owns 22% of this property. Purchased for \$3.21M, this 20,180 square foot commercial property is located at the northwest corner of Eastern Ave and St. Rose Parkway in Henderson, NV. Extreme Mattress is open. Phenix Salons received their Certificate of Occupancy. Work is 85% complete on the Great Clips relocation.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$709,000	96%	\$5,318	\$9,202

Arrowhead Festival — The PWREO Fund owns 100% of this property. Purchased for \$1.73M in March, this 12,611 square foot commercial Page 3 property is located at the northeast corner of Bell Road and 73rd

Ave. in Glendale. Tenants include America's Best Contacts and Eyeglasses, and Avis Car Rental.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,732,500	68%	\$17,504	\$31,119

International Promenade — The PWREO Fund owns 100% of this property. Purchased for \$3.15M in April, this 35,296 square foot commercial property is located at the corner of US Highway 192 and Vineland Road in Kissimmee, FL. Tenants include Taco Bell, Kissimmee Dental, and T&C Spa. New Lease signed with Soriya Internet Café for 1,500 square feet.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$3,150,000	100%	\$18,096	\$52,611

Jonesboro-Towne Crest — The PWREO Fund owns 100% of this property. Purchased for \$1.55M in May, this 24,966 square foot commercial property is located at the corner of Jonesboro Road and Vinings Drive in McDonough, GA. Tenants include a U.S. Armed Services recruiting station and Pro-Health Nutrition. We elected to evict a nonperforming Quizno's Sub tenant and are working with a replacement user.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,548,750	52%	\$10,444	\$18,060

Palm Bay Commons — The PWREO Fund owns 100% of this property. The note was purchased in May for \$923,000 and a deed-in-lieu of foreclosure was completed in early June. The 9,000-square-foot property is located in Melbourne, FL. The tenants include Mattress One, L.A. Tan, and Sushi Mori Restaurant.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$923,000	100%	\$13,750	\$27,061

91st and Northern — The PWREO Fund owns 100% of this property. Purchased for \$1.06M in June, this 7,900 square foot commercial building is located in the popular Peoria Crossings shopping center just

off Arizona Loop 101. The building is anchored by 2,700 sq. ft. Page 4 Streets of New York restaurant.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,055,000	52%	\$5,044	\$9,138

Bell West Ranch Shops — The PWREO Fund owns 100% of this property, purchased for \$4.34M with an assumed loan in August 2012. The 7,000-square-foot O’Reilly auto parts pad sold in October for \$2.07M, which was used to pay down the loan. The remaining shop space is 20,225 square feet. The center is located on Bell Road near the growing Loop 303 corridor in Surprise, AZ. The Friends of Threads tenant elected to close their doors. We are pursuing for lost rent and are marketing the space for a replacement tenant.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$4,340,000	94%	\$24,306	\$35,053

Westminster Crossings — The PWREO Fund owns 50% of this property located in Westminster, CO. The property was purchased for \$4.05M in August 2012. The property boasts a drive-thru Starbucks, Subway, and several local tenants. The total property is 28,713 sq. ft. and is shadowanchored by Lowe’s Home Improvement. Rockley Music open. Supercuts space has been turned over to tenant for their improvements. Negative NOI is a result of property tax payment in February.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,090,263	76%	\$-14,907	\$-1,370

Shoppes of Andover — This property in Orlando, FL is 100% owned by the fund and was purchased in August 2012 for \$2.89M. The property consists of 21,599 square feet. Tenants include a local pizza restaurant and TrustCo Bank. The location is easily accessible from the interstate and benefits from Publix as a shadow-anchor. Lease signed with Citi-Boys restaurant for 1,542 square feet.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,887,500	79%	\$25,679	\$29,507

Shoppes at Summerlin — The PWREO Fund owns 50% of this property located in the affluent Summerlin area of Las Vegas, NV. The property was purchased in August 2012 for \$2.86M. Tenants include Sprint, Page 5 Nationwide Insurance, and many popular local businesses. The center consists of 16,147 square feet. It is shadow anchored by K-Mart, Lowe’s and Trader Joe’s. Sport Shax space turned over to tenant.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,480,794	100%	\$19,139	\$30,984

Stonebridge Shops — This property is located in Mesa, AZ and is 50% owned by the fund. The purchase price was \$2.65M and was completed in August 2012. The property consists of 30,235 square feet of shops, shadow-anchored by Safeway. Tenants include Moki’s Hawaiian Grill, Hungry Howie’s Pizza, and Edward Jones.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,289,293	41%	\$20,081	\$24,045

Kings Crossing — The Fund owns 100% of this property located in Kennesaw, GA, just outside of Atlanta. The property was purchased in September 2012 for \$850,000. The property is located next to a busy Bank of America branch and has excellent visibility from the street. It provides easy access to I-75 and is a tremendous lease-up opportunity. A CPA tenant signed 5-year lease to stay at the property. Lease signed with Complete Cash for 1,200 square feet.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$850,000	18%	\$110	\$1,111

Northlake Promenade — This property, located in Atlanta, GA, was purchased in September 2012 for \$3.4M. The property is 80% owned by the PWREO Fund. Tenants include AT&T, FedEx Office, and Coast Dental. The property is located on a busy intersection across from the Northlake Mall and has easy access.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,589,411	85%	\$29,687	\$62,257

Vistancia Marketplace — This property, located in Peoria, AZ, was purchased in October 2012 and 25% owned by the Fund. The center is located in the master planned community of Vistancia which will have over 17,000 homes at final build-out. Chase pad and Walgreens pad sold in March 2013. 71 American Grille opened to great reviews in the Page 6 community. Lease signed with F-H Fitness for 2,141 square feet. Please note: occupancy % does not include Safeway.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$3,237,500	70%	\$34,864	\$61,433

Fairway Park Plaza — This property is located in Phoenix, AZ at the hard corner of 59th Ave and W. Indian School Rd, a high-volume, stabilized intersection. The property consists of 31,955 sq. ft. of shops space, shadow anchored by a CVS Pharmacy. Lease signed with a Zumba fitness tenant for 4,511 square feet.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$925,000	66%	\$2,714	\$14,389

Hickory Flats — This property is located in Holly Springs, GA within the greater Atlanta metropolitan area. The center includes 19,285 sq. ft. of retail space in two separate buildings. Tenants include a freestanding Wendy's, a 6,000 sq. ft. liquor store, and Papa John's Pizza.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,273,756	70%	\$16,933	\$37,419

Shoppes at Maitland — The fund owns 100% of this property located in Maitland, FL, a suburb of Orlando. The property consists of a 3,820 sq. ft. Regions Bank with drive-thru and a 16,441 sq. ft. retail shops building with second story office spaces. Tenants include Francesco Pizza and Jimmy John's.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$4,109,872	63.04%	\$29,133	\$59,799

Crabapple Station — The fund owns 100% of this property located in Milton, GA, a suburb of Atlanta. The property consists of 18,943 sq. ft. of

retail space in three buildings. Tenants include Just for Giggles, Sip Wine, and a CrossFit studio.

Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,625,000	78.19%	N/A	N/A

Note: MTD and YTD numbers reflect Real Estate Opportunity Fund Page 7 portion of the totals.

Due to the length of these messages, our monthly updates will now alternate scorecards of our Real Estate Opportunity Fund and our Distressed Asset Fund.