

## Pacific West Land, LLC

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

6/12/2015

June 2015 Update

Investors in our Pacific West Real Estate Opportunity Fund (PWREO) have received a distribution check for the sale of **Jonesboro Towne Crest**. The property sold on May 18<sup>th</sup> for \$3,304,283 with a remaining holdback of up



to \$55,000. The Pacific West Real Estate Opportunity Fund (PWREO) purchased the property in May 2012 for \$1,548,750. NOI during ownership was ~\$372,437. Gross IRR for the investment is ~28.34%, with a multiple of ~2.11x. These numbers will be finalized once the holdback is resolved.

<b>Purchase Price</b>	<b>\$1,548,750</b>
Sale Price	\$3,304,283
Gross ROI through March	<u>\$372,437</u>
<b>Total Gross Return</b>	<b>\$3,676,720</b>

On May 14<sup>th</sup> the Pacific West Real Estate Income Fund (PWREI) purchased its 11<sup>th</sup> property, **Oak Creek Commons**. This 10,463-square-foot property is located in Oak Creek, Wisconsin, with a purchase price of \$1,135,000. The property boasts a Dunkin' Donuts, Express Cleaners, Yen Hwa Chinese Restaurant, Empress Nail Spa, and more. It will be 100% occupied following a signed lease with Fantastic Sam's.

---

If you're in the Northwest, it's not too late to sign up for the **7<sup>th</sup> Annual Bertha L. Johnson Memorial Golf Tournament**, scheduled for July 23<sup>rd</sup>. Our leasing director Dennis Johnson organizes this four-person scramble to benefit pancreatic cancer research. Please join us in supporting a worthy cause by contacting [dennis@pacificwestland.com](mailto:dennis@pacificwestland.com) to sign up.

Last but not least, congratulations are in order to PWL Marketing Manager Melissa Dylan on earning her Master's Degree in Business Administration (MBA). This spring Melissa graduated from Indiana University's Kelley School of Business, where she completed their 2-year program while working full time at PWL. Indiana's MBA program is one of the top such programs in the country. Many evenings as the office closed Melissa has remained at her computer participating in classes. We are very proud of her. She looks forward to using her new knowledge to continue to improve our internal processes and results. She'll also be spending the new found free time with her two daughters, ages 6 and 8.

As always, please don't hesitate to call with questions, and we always welcome visitors. A summer ferry ride is a great way to enjoy the Pacific Northwest.

Best –

**Martin A. Stever**  
**206-780-3944**  
**[martin@pacificwestland.com](mailto:martin@pacificwestland.com)**

**Real Estate Opportunity Fund Scorecard**  
**(approximate investment by the Fund)**  
**all data as of 4/30/15**

**Palm Bay Commons — SOLD April 2013.** The Fund sold this 9,000-square-foot property in March 2013 for \$1.35M. Original purchase price was \$923,000 in May 2012.

Fund Initial Investment	Profit	Multiple	Gross IRR
\$923,000	\$468,900	1.51x	48.42%

**Eastern and St. Rose — SOLD August 2013.** The Fund sold this property in August 2013 for \$6.5M. PWREO Fund owned 22% of this property. Purchased for \$3.21M in January 2012, this 20,180-square-foot

commercial property is located at the northwest corner of Eastern Ave and St. Rose Parkway in Henderson, NV.

Fund Initial Investment	Fund Profit	Multiple	Gross IRR
\$709,000	\$545,677	1.84x	46.68%

**Arrowhead Festival** — The Fund purchased this property in March 2012. The 12,611-square-foot commercial property is located at the northeast corner of Bell Road and 73rd Ave in Glendale.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,739,500	\$1,739,500	84%	-\$8,002	\$25,243

**International Promenade** — The Fund purchased this property in April 2012. This 35,296-square-foot commercial property is located at the corner of US Highway 192 and Vineland Road in Kissimmee, FL. Taco Bell parcel sold for \$1.9M on September 17, 2013.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$3,167,940	\$1,327,641	84%	\$24,628	\$104,710

**Jonesboro-Towne Crest** — The Fund purchased this property in May 2012. This 20,109-square-foot commercial property is located at the corner of Jonesboro Road and Vinings Drive in McDonough, GA. *This property sold on May 18, 2015 for \$3.3M net. Sale will be reflected in next month's update.*

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,559,778	\$1,559,778	100%	\$8,708	\$67,698

**91<sup>st</sup> and Northern** — The Fund purchased this property in June 2012. 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-square-foot Streets of New York restaurant.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,057,874	\$1,057,874	66%	\$7,318	\$24,550

**Bell West Ranch Shops** — The Fund purchased this property with an assumed loan in August 2012. The 7,000-square-foot O'Reilly Auto Parts pad sold in October 2012 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.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$5,838,446	\$3,850,343	70%	\$17,591	\$70,513

**Westminster Crossings** — The Fund owns 50% of this property located in Westminster, CO. The property was purchased for \$4.05M in August 2012. It boasts a drive-thru Starbucks, Subway, and several local tenants. It totals 28,713 square feet and is shadow-anchored by Lowe’s Home Improvement.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,948,347	\$1,948,347	78%	\$20,190	\$11,799

**Shoppes of Andover** — This property in Orlando, FL was purchased in August 2012. The property consists of 21,599 square feet of space. 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.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,918,863	\$2,918,863	87%	\$30,601	\$131,527

**Shoppes at Summerlin** — The Fund owns 50% of this property in the affluent Summerlin area of Las Vegas, NV. The property was purchased in August 2012 for \$2.86M. Tenants include Sprint, Nationwide Insurance, and many popular local businesses. The center consists of 16,127 square feet. It is shadow-anchored by K-Mart, Lowe’s, and Trader Joe’s.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,467,225	\$1,467,225	86%	\$14,101	\$56,137

**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, Cricket Wireless, Central AZ Medical Associates and Hungry Howie’s Pizza.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,306,793	\$1,306,793	80%	\$17,878	\$35,567

**King's Crossing** — This property is located in Kennesaw, GA, just outside of Atlanta. Purchased in September 2012, it is located next to a busy Bank of America branch and has excellent visibility from the street. With 15,000 square feet, it provides easy access to I-75.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$855,401	\$855,401	100%	\$9,395	\$50,087

**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 16,632-square-foot property is located on a busy intersection across from the Northlake Mall and has easy access. AT&T portion of the building sold in April 2013 for \$1.825M.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,742,170	\$1,348,765	90%	\$14,982	\$98,140

**Vistancia Marketplace** — This property, located in Peoria, AZ, was purchased in October 2012 for \$25.9M and is 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 for ~\$11.2M combined. Safeway pad sold October 2013 for ~\$14.1M. Remaining shops space totals 53,421 square feet.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$4,821,809	\$224,632	56%	\$5,547	\$24,664

**Fairway Park Plaza** — This property is located in Phoenix, AZ at the hard corner of 59<sup>th</sup> Ave and W. Indian School Rd, a high-volume, stabilized intersection. Purchased in November 2012, the property consists of 31,955 square feet of shops space, shadow-anchored by a CVS Pharmacy.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$925,914	\$925,914	70%	\$26,470	\$75,040

**Hickory Flat** — This property is located in Holly Springs, GA within the greater Atlanta metropolitan area. It was purchased in November 2012. The center includes 19,285 square feet of retail space in two separate

buildings. Tenants include a freestanding Wendy's, a 6,000-square-foot liquor store, and Papa John's Pizza.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,276,454	\$2,276,454	84%	\$29,159	\$100,156

**Shoppes of Maitland** — Purchased December 2012, this property is located in Maitland, FL, a suburb of Orlando. The property consists of a 3,820-square-foot Regions Bank with drive-thru and a 16,441-square-foot retail shops building with second story office spaces. Regions Bank parcel sold February 2014 for \$3.986M.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$4,109,872	\$268,045	100%	\$16,068	\$94,192

**Crabapple Station** — This property was purchased in February 2013 and is located in Milton, GA, a suburb of Atlanta. The property consists of 18,943 square feet of retail space in three buildings. Tenants include Just for Giggles, Grand Champion BBQ, 850 Farenheit Pizza, and a CrossFit studio.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,625,000	\$2,625,000	79%	\$9,176	\$115,939

**Village Shoppes at Altamonte** — This property is located in Altamonte Springs, FL, a suburb of Orlando, and was purchased May 2013. The property consists of 35,506 square feet of retail space. Tenants include Breakfast Club, Altamonte Springs Yoga, International Diamond Center, and Silvano's Restaurant with Winghouse as a close neighbor. New 5-year lease signed with Str8Endz Hair Salon for 2,925 square feet.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,900,000	\$2,900,000	68%	\$19,178	\$75,804

**Buenaventura Lakes** — This property was purchased in May 2013 for \$2.8M and is located in Kissimmee, FL, just outside of Orlando. The property contains 23,625 square feet of inline retail space. Other tenants include BVL Pediatrics, Lou's Pizza, and a Puerto Rican Bakery. The property is 91% owned by the fund. The Bank of America parcel was sold on May 9, 2014 for \$1.23M. New 5-year lease signed with Cobe's Barber Shop for 1,200 square feet.

---

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,402,405	\$1,380,724	100%	\$20,644	\$85,935

**Shoppes at Princeton Lakes** — The fund owns 25% of this property located in Atlanta, GA, purchased May 2013 for \$3.1M. The property includes one retail building with 13,624 square feet of space with no vacancies. Current tenants include Edible Arrangements, Wireless Time, and Rice Box restaurant.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$775,000	\$775,000	100%	\$8,974	\$29,409

**Fort Apache Shopping Center** — The fund purchased the note secured by this property in Las Vegas, NV for \$1.85M and took ownership in August 2013 via trustee's sale. The property is 9,819 square feet and tenants include Papa John's, EZ Spot and Sagos Tavern.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,850,000	\$1,942,500	86%	\$12,855	\$36,922

**Highlands Shopping Center** — The fund owns 100% of this property located in Clearwater, FL, purchased in June 2013 for \$700k. The property includes two retail buildings with 19,020 square feet of space. The property is shadow anchored by a Walmart Neighborhood Market.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$700,000	\$700,000	25%	\$2,989	\$764

**Note: MTD and YTD numbers reflect the Real Estate Opportunity Fund's portion of the totals. All profit, NOI, Gross IRR, and Multiple calculations presented are unaudited gross estimates.**

*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.*