

Pacific West Land, LLC

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10/7/2013

October 2013 Update

We've added a new feature to the Pacific West Land website. Our new [property map](#) gives an interactive overview of our property locations. Click on the map markers for details about each purchase. Next time you are visiting an area where Pacific West Land owns property, feel free to browse.

This month we sold the Taco Bell portion of our property at **International Promenade**. The building sold for \$1,912,500. Our original purchase price for the property was \$3,150,000 in April 2012. Following the sale we have 31,848 square feet with a current occupancy of 68%.

The new Starbucks and Potbelly Sandwiches building at the **Plaza in Scottsdale** is up for sale. Interest was high the moment it went on the market, and we anticipate a sale in the near future. Meanwhile, the traffic created by the Starbucks drive-through continues to attract tenants to the property. Alpine Board Sports, a 12-year-old business now relocating to the Plaza. They will lease 3,790 square feet for five years starting next month. Joining them will be Beautiful You Day Spa, leasing 1,350 square feet annually over 5 years.

Other Pacific West Distressed Asset Fund (PWDAF) properties listed for sale are **Safeway Plaza** and **Desert Bloom Plaza**, both 100% occupied. American Auto Parts in **Siena Canyon** is currently under contract to sell this month, and the deal went nonrefundable in September.

At **Laveen Village**, Mercado Y Carniceria will take over 3,900 square feet. This Hispanic market has signed a 5-year lease and Tenant Improvements (TI) costs will be approximately \$100,000.

Crabapple Station welcomes 850 Pizza Bar, a new tenant leasing 2,961 square feet of space for 5 years. There will be no tenant improvement (TI) costs for this tenant.

Our next offering, the **Pacific West Real Estate Income Fund, LLC**, is nearly ready to launch. If you would like to be first on our list to receive a PPM, please email Melissa (Melissa@pacificwestland.com) and let her know.

Best --

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Real Estate Opportunity Fund Scorecard
(approximate investment by the Fund)
all data as of 8/31/13

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 | 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 | 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 | 68% | \$15,610 | \$107,408 |

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. Tenants include Taco Bell, Kissimmee Dental, and T&C Spa. Negative NOI reflects 2013-2014 property and liability insurance payments. Golf Store tenant vacated at end of term. We are working on a lease for a replacement tenant.

| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
|-------------------------|---------------------|-----------|----------|-----------|
| \$3,167,940 | \$3,167,940 | 71% | \$44,686 | \$188,855 |

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.

| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
|-------------------------|---------------------|-----------|----------|----------|
| \$1,559,778 | \$1,559,778 | 54% | \$14,060 | \$84,686 |

91st 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. State Farm construction complete and tenant is open.

| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
|-------------------------|---------------------|-----------|---------|----------|
| \$1,057,874 | \$1,057,874 | 66% | \$3,814 | \$31,828 |

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. An expansion was completed with Musical Surprise taking an additional 1,573 square feet to enhance their retail sales business.

| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
|-------------------------|---------------------|-----------|---------|-----------|
| \$5,838,446 | \$5,311,011 | 100% | \$5,347 | \$114,379 |

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. Tanning Salon elected to end his month to month

tenancy.

| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
|-------------------------|---------------------|-----------|---------|----------|
| \$1,948,347 | \$1,948,347 | 80% | \$7,966 | \$39,372 |

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. Tax preparation business evicted and we're working to replace the tenant.

| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
|-------------------------|---------------------|-----------|----------|-----------|
| \$2,918,863 | \$2,918,863 | 78% | \$21,536 | \$117,648 |

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 16,147 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% | \$9,534 | \$108,311 |

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. Parking lot repair work completed. New paint scheme approved by City of Mesa and work is scheduled to be complete by the end of September.

| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
|-------------------------|---------------------|-----------|---------|----------|
| \$1,306,793 | \$1,306,793 | 41% | \$6,525 | \$61,512 |

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 and is a tremendous lease-up opportunity. Negative NOI reflects additional property

maintenance and improvements in August.

| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
|-------------------------|---------------------|-----------|----------|----------|
| \$855,401 | \$855,401 | 64% | \$-6,123 | \$10,394 |

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 for \$1.825M.

| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
|-------------------------|---------------------|-----------|----------|-----------|
| \$2,742,170 | \$1,362,170 | 100% | \$18,982 | \$187,326 |

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 currently under contract for sale. Remaining shops space equals 53,421 square feet. Please note: occupancy % does not include Safeway.

| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
|-------------------------|---------------------|-----------|----------|-----------|
| \$4,821,809 | \$3,670,924 | 65% | \$26,542 | \$207,772 |

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. 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 | 66% | \$15,269 | \$31,370 |

Hickory Flats — 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 |
|-------------------------|---------------------|-----------|---------|---------|
|-------------------------|---------------------|-----------|---------|---------|

| | | | | |
|-------------|-------------|-----|----------|-----------|
| Investment | Investment | | | |
| \$2,276,454 | \$2,276,454 | 70% | \$19,048 | \$147,280 |

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. Tenants include Francesco Pizza and Jimmy John’s.

| | | | | |
|-------------------------|---------------------|-----------|----------|-----------|
| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
| \$4,109,872 | \$4,109,872 | 77% | \$22,936 | \$212,495 |

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, Sip Wine, and a CrossFit studio.

| | | | | |
|-------------------------|---------------------|-----------|----------|-----------|
| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
| \$2,625,000 | \$2,625,000 | 78% | \$22,209 | \$139,560 |

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 First Watch, Altamonte Springs Yoga, and Silvano’s Restaurant. T.G.I. Friday’s and Winghouse neighbor the property on each end.

| | | | | |
|-------------------------|---------------------|-----------|----------|----------|
| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
| \$2,900,000 | \$2,900,000 | 40% | \$10,720 | \$34,461 |

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 and a Bank of America ground lease. Other tenants include BVL Pediatrics, Lou’s Pizza, and Ace Cash Express. The property is 91% owned by the fund.

| | | | | |
|-------------------------|---------------------|-----------|----------|----------|
| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
| \$2,402,405 | \$2,402,405 | 80% | \$27,626 | \$47,248 |

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% | \$7,573 | \$18,754 |

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 is 86% occupied with Papa John’s, Trammel Dance Studio, and Sagos Tavern as tenants.

| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
|-------------------------|---------------------|-----------|---------|---------|
| \$1,850,000 | \$1,942,500 | 86% | N/A | N/A |

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. Negative NOI reflects current low occupancy.

| Fund Initial Investment | Fund Net Investment | Occupancy | MTD NOI | YTD NOI |
|-------------------------|---------------------|-----------|----------|-----------|
| \$700,000 | \$700,000 | 12% | \$-4,225 | \$-11,196 |

Note: MTD and YTD numbers reflect Real Estate Opportunity Fund 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.