

Pacific West Land, LLC

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Bainbridge Island, WA 98110

11/4/2013

November 2013 Update

By now investors have received their fifth distribution check from the Pacific West Distressed Asset Fund (PWDAF). Funds came primarily from proceeds of the sale of the USA Auto pad at our **Siena Canyon** property. We purchased the property in July 2010 for \$3,210,000, and have now received all of our invested capital back on Siena Canyon while still owning a 6,000-square-foot building with an existing annual net operating income of \$51,900 and an assessed value of \$700,000.



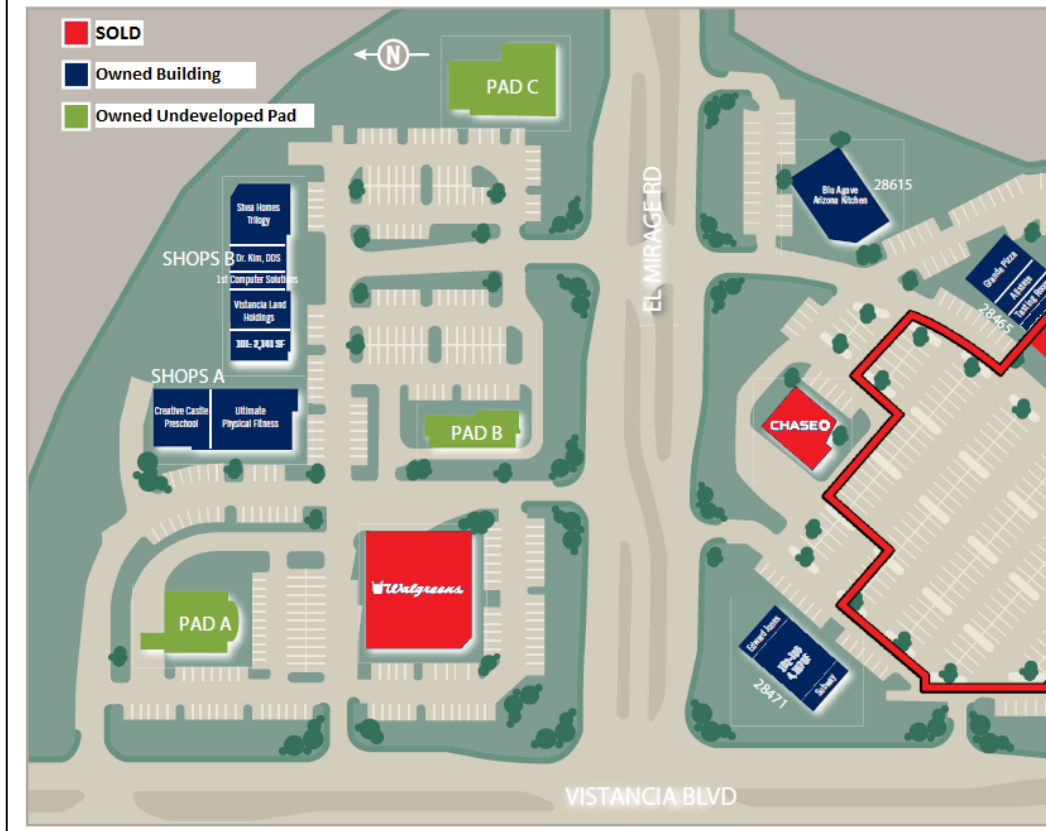
A breakdown of the property sales is below:

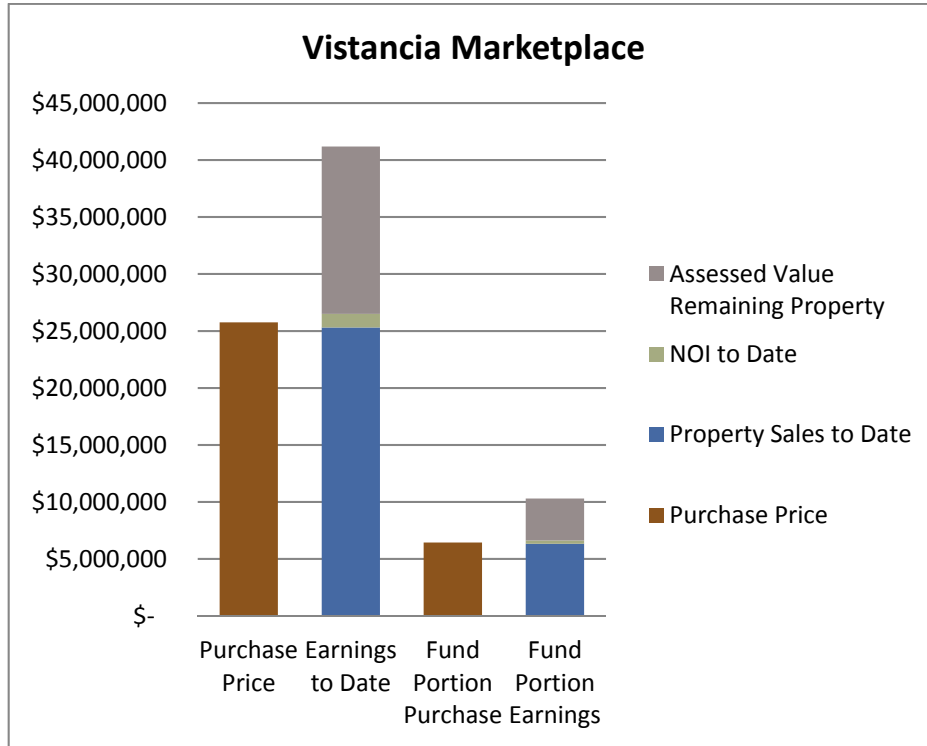
Purchase Price	\$3,210,000
	0
Jack in the Box Sale	\$1,835,000
	0
Arby's Sale	\$1,417,000
	0
USA Auto Pad Sale	\$655,162
Sienna Canyon NOI through 8/31/13	<u>\$118,713</u>
Total	\$4,015,875

The average gross IRR on PWDAF property sales to date is 33.91%, with an average multiple of 1.88x.

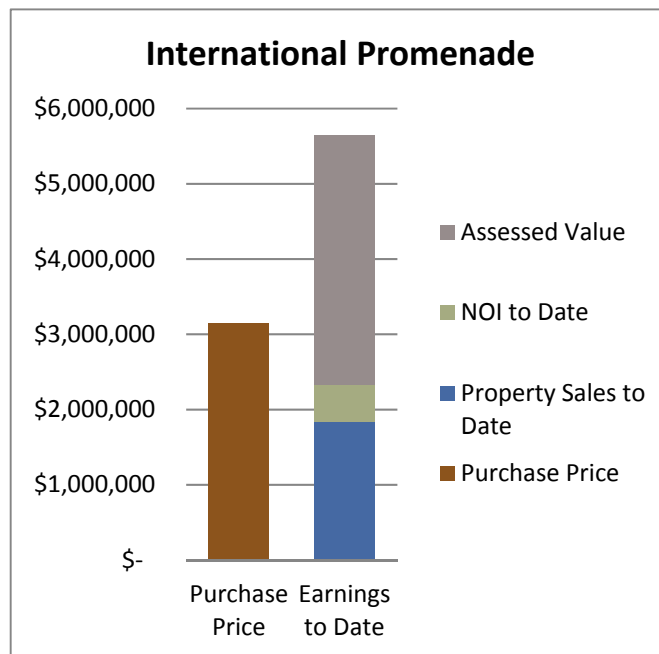
Our first Pacific West Real Estate Opportunity Fund (PWREO) distribution is pending following these two recent sales. We closed the sale of Safeway at **Vistancia Marketplace** on November 4th. The property has been under contract for purchase since March 2013. We retained the property for one calendar year from the date of purchase for tax purposes and were able to complete the sale this month. The net sale price was \$14,106,594. ~\$6.5M was used to pay down the remaining loan on the property. Vistancia was originally purchased in October 2012 for \$25,750,000. We sold the Chase and Walgreens pads in March 2013 for \$11.2M, bringing our total Vistancia sales to ~\$25.3M. We still own 7 more buildings (53,421 square feet) and 3 undeveloped pads.

VISTANCIA MARKETPLACE





As reported in our last update, the Taco Bell pad at **International Promenade** sold in September for \$1,912,500. International Promenade was originally purchased in April 2012 for \$3,150,000. We have retained 31,848 square feet of shops space with a current occupancy of 68%.



I recently met with some of our investors in New Hampshire and New York. They had some great questions. One question was, “*What is a pad?*” This refers to our use of the word pad in monthly emails and other communications. It’s a good question, especially given there are three shades to our use of “pad.”

“Pad” generally means a single taxable lot. So for instance in the Taco Bell sale discussed above, we’d call it the “Taco Bell pad” meaning the land, the building, and the lease to the single tenant as a single item. A pad may not have a tenant. Consider Vistancia Marketplace, where we have two improved pads, but no tenants. By improved we mean the lot or pad has parking and a utility stub, but there is no building or tenant there...yet. We also have “the Safeway pad,” which is has adjacent shops space that was not part of the sale. The Safeway portion of the building along with the adjacent parking lot is a single taxable lot.

We have four new leases to announce this month. National Restaurant Supply will join **Walmart Country Club Shops** starting in January. They are leasing 5,226 square feet of space with a 5-year lease.

Carol Castillo, a women’s clothing store, will open in **Cave Creek Plaza**. They will rent a 1,440-square-foot space over 3 years with \$10,000 in Tenant Improvement (TI) costs.

A beauty salon called Monica Pagan will join our property at **Buenaventura**, leasing 1,200 square feet with a 3-year lease. There are no (TI) costs.

Ground Work Counseling will lease a second-story office space at **Shoppes of Maitland**. Renting 1,803 square feet over 5 years and 4 months, their rent will commence in March 2014.

Please continue to watch our updates for details about our **Pacific West Real Estate Income Fund**. The offering materials will become available soon.

Best --

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Distressed Asset Fund Scorecard
(approximate investment by the Fund)
all data as of 9/30/2013

San Diego County Loan—REPAID \$1M hard money loan at 18% interest. Borrower paid in full and Fund profit amounted to ~\$130.4k.

Oasis at the Islands—SOLD The Fund sold this 7,200-square-foot commercial property located in Gilbert, AZ for \$1,255,000 in April 2012. The property was purchased in March 2010, with an original purchase price of \$546k.

Fund Initial Investment	Profit	Multiple	IRR
\$610,078	\$541,817	1.9x	30.79%

Village at Surprise —SOLD The sale of this property was completed in April 2013 for \$6.01M. The property was purchased in February 2011 for \$3.108M, and was 30% owned by the Fund.

Fund Initial Investment	Fund Profit	Multiple	IRR
\$939,139	\$781,492	1.89x	36.71%

Sunset Commons —SOLD The Popeye’s lease sold in February 2011 for ~\$605k. The sale of the remainder of this property was completed in July 2013 for \$1.85M. It was 100% owned by the Fund.

Fund Initial Investment	Fund Profit	Multiple	IRR
\$627,458	\$1,033,790	1.86x	34.23%

Foothills Park Plaza — This commercial center is located in the Ahwatukee neighborhood of Phoenix, AZ, with 20,173 leasable square feet purchased in June 2011. The Fund owns 50% of this property.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,120,722	\$1,120,722	78%	\$3,876	\$18,539

Desert Bloom Plaza — The Fund acquired this 5,099-square-foot Las Vegas retail property through a trustee’s sale in August 2010. The note had a face value of \$800k. This property is currently listed for sale.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$376,620	\$376,620	100%	\$5,050	\$30,442

Siena Canyon — The Fund purchased this 15,074-square-foot property on Tropicana Ave in Las Vegas, NV in July 2010. The Jack in the Box pad sold for \$1.835M and the Arby's pad sold for \$1.417M. Remaining space is 8,990 square feet. Lease signed with Press Start Gaming. *American Auto sold in October for \$700k. Data below does not reflect American Auto sale.*

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$3,219,290	\$162,554	63%	\$4,009	\$46,717

Laveen Village — This property is 20% owned by the Fund and was purchased in August 2010 for a total purchase price of \$8M. The Jack in the Box pad sold in December 2010 for \$1.225M. Remaining space has 47,106 leasable square feet. Lease signed with Carniceria tenant for 3,900 square feet next to Rainbow expansion space.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,600,000	\$715,000	77%	\$6,839	\$79,159

Pepper Ridge Plaza — This 19,818-square-foot property in Phoenix was acquired in July 2010 for \$1,939M. It is 50% owned by the Fund. Negative NOI reflects payment of property taxes.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$969,730	\$969,730	29%	\$-3,060	\$13,308

Shops at Warm Springs — The Fund owns 20% of a 35,242-square-foot property in Las Vegas purchased November 2010 for \$6.5M. A Wells Fargo ground lease sold for \$3.38M, Sinclair's gas station sold for \$1.4M, and Putter's restaurant sold for \$700k, all in July 2011. We sold the SBA cell phone tower September 2011 for \$260,000, and completed the sale of the South Building in April 2013 for \$3.195M. Remaining building has 15,760 leasable square feet. Occupancy reflects remaining building. Fund Net Investment is zero because we have earned back more than our capital investment.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI

\$1,350,000	\$0	40%	\$1,015	\$30,124
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Walmart Country Club Shops — This Retail property is 44.9% owned by the Fund. It is located in Mesa, AZ with 17,597 square feet of retail space, purchased in December 2010 for \$2.049M.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,123,362	\$1,123,362	18%	\$2,920	\$7,501

Ahwatukee Hills Plaza — This note was purchased by the Fund in December 2010 collateralized by retail property with 7,040 square feet in Phoenix, AZ. Negative NOI reflects payment of property taxes.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$732,073	\$732,073	71%	\$-6,907	\$23,768

Shops at Tatum & Dynamite — This 8,725-square-foot retail property was purchased by the Fund in December 2010. Negative NOI reflects payment of property taxes.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,252,078	\$1,252,078	58%	\$-1,080	\$22,453

Safeway Plaza — The Fund purchased this 6,039-square-foot retail end cap at Safeway Plaza at the southwest corner of Elliot & McClintock in Tempe, AZ in March 2011. A lease was signed with Traders Smoke Shop for the remaining 1,661 square feet of space. This property is currently listed for sale.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$661,670	\$661,670	100%	\$5,783	\$7,372

Plaza in Scottsdale — This shopping center with 67,441 leasable square feet is 20% owned by the Fund, and is located at the intersection of Scottsdale & Thunderbird in Scottsdale, AZ. It was purchased for \$6.44M in May 2011. Jack in the Box sold in September 2011 for \$1.4M. Starbucks pad currently up for sale. Leases signed with Alpine Board Sports for 3,827 square feet and Beautiful in You Day Spa for 1,350 square feet. Massage tenant vacated center. Negative NOI reflects payment of property taxes.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,300,000	\$1,020,000	71%	\$-6,478	\$25,871

Cave Creek Plaza — This shopping center with 21,595 leasable square feet is located at the intersection of Bell & Cave Creek in north Phoenix, AZ. It was purchased in June 2011 for \$1.58M. Negative NOI reflects payment of property taxes.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,584,035	\$1,584,035	69%	\$-1,701	\$82,016

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.