

Pacific West Land, LLC

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11/2/2015

November 2015 Update

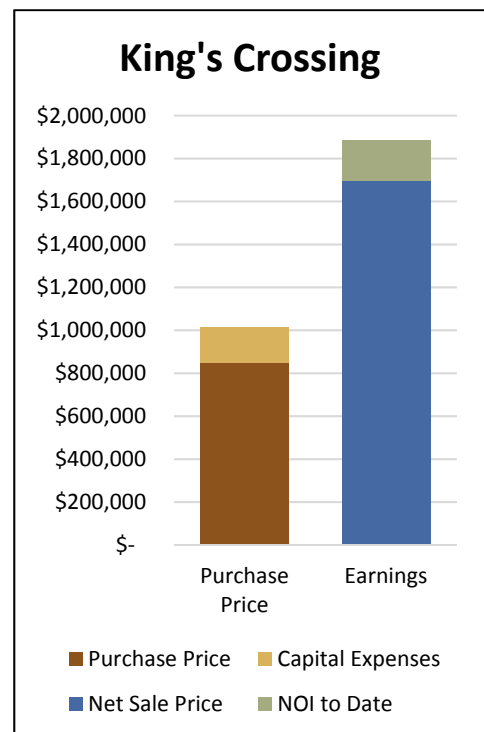
I recently enjoyed meeting with Members in San Francisco and Boise this past month. Meeting a speaking with our investors is my favorite part of the job. I look forward to an upcoming dinner in Portland, and our December Seattle Investor Lunch.

A distribution check for went out in the mail last week to members of our **Pacific West Real Estate Opportunity Fund (PWREO)** from the sale of **King's Crossing**. PWREO purchased this property in August 2012 for \$850,500. The property sold on October 16, 2015 for ~\$1,694,471. We earned an NOI of ~\$191,266 during the hold period. Capital expenses during that time were ~\$164,437.

Purchase Price (<i>Aug 2012</i>)	\$850,500
Capital Expenses	~\$164,437
Total	~\$1,014,437
Sale Price (<i>October 2015</i>)	~\$1,694,471
NOI (through 8/15)	<u>~\$191,266</u>
Total	~\$1,885,737

King's Crossing is a good story. When we bought it, it was only 10% occupied. We sold it at 100% occupancy. Hats off to our leasing and property management team. Leasing remains robust, with three new tenants at PWREO properties.

PWREO continues to perform well. King's Crossing was PWREO's fourth sale this year, and the results have been excellent.



The **Pacific West Distressed Asset Fund (PWDAF)** is pleased to report final Multiple and Gross IRR for the September sale of **Ahwatukee Hills Plaza**. The Multiple is ~2.55x with a Gross IRR of ~23.92%. We first purchased the property in December 2010 for \$710,000. Net proceeds from the sale were \$1,928,303.

Fund NOI during ownership was \$263,454. Fund Capital Expenses for the property were \$131,455.

Purchase Price	\$710,000
Capital Expenses	<u>~\$131,455</u>
Total	\$841,455
Sale Price	\$1,928,303
NOI through 7/31/15	<u>~\$263,454</u>
Total	~\$2,191,757



Our remaining three PWDAF properties are performing well, yielding ~12% when compared to Members’ unreturned capital balance.

The **Pacific West Real Estate Income Fund (PWREI)** has made three recent purchases.

The first of the properties we purchased is **Gateway Center** in Newberry, South Carolina. This property is 28,240 square feet and is 72% occupied with tenants that include Game Stop, Sally Beauty, CATO, and Shoe Show. The purchase price was \$2,030,055. The property is shadow-anchored by a Walmart, and is in close proximity to I-26 between two major metropolitan areas of Columbia and Greenville.

On October 22 we purchased **Powder Springs Crossing** for \$1,072,940. Located in Powder Springs, Georgia, the 15,050 square foot shopping center includes a large 7.7 acre parcel as part of the purchase. Tenants include Xtreme Cuts & Styles, Ricky Allen DC Chiropractor, Johnny’s Pizza, Nail TLC, and Petal’s Rose, giving us 58% occupancy. The center is shadow-anchored by a Home Depot along a busy retail corridor with a traffic count of 24,380 cars per day. The town is 25 miles northwest of Atlanta, with an average household income of \$71,860 within 5 square miles. The population in the area is expected to increase by 6.33% in the next five years.

On October 23 we closed on the purchase of **Sugarcreek Crossing** in Dayton, Ohio. \$7,478,350 purchased three parcels—parcel one is a Cracker Barrel, parcel two a Tire Discounters, and parcel three with a multi-tenant shops center. Tenants of the shops include UPS, Godfather’s Pizza, and Mattress Firm. The property is shadow-anchored Home Depot and Target, with a newly opened

Costco across the street. Population within 5 miles is 134,642 with an average household income exceeding \$80,000. This property is 66.7% owned by PWREI.

Best –

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Real Estate Opportunity Fund Scorecard
(approximate investment by the Fund)
all data as of 9/30/15

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%

Jonesboro-Towne Crest — SOLD 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.

Fund Initial Investment	Fund Profit	Multiple	Gross IRR
\$1,559,778	\$1,591,182	2.05x	28.34%

Shoppes at Princeton Lakes — SOLD The fund owned 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. This property sold on July 7, 2015 for \$4.15M net.

Fund Initial Investment	Fund Profit	Multiple	Gross IRR
\$775,000	\$310,873	1.55x	24.44%

Shoppes of Andover — SOLD 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. This property was sold on August 6, 2015 for \$4.62M net.

Fund Initial Investment	Fund Profit	Multiple	Gross IRR
\$2,918,863	\$1,859,243	1.77x	22.72%

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	\$1,883,642	58%	\$7,103	\$61,237

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. New lease signed with Simple Stroller Rental for 1,338 square feet.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$3,167,940	\$1,878,294	88%	\$18,914	\$234,781

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.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,057,874	\$1,139,411	80%	\$6,880	\$61,112

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	\$3,909,972	70%	\$21,428	\$145,934

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	\$2,076,191	85%	\$15,977	\$98,207

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	\$1,528,151	63%	\$4,187	\$88,531

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	\$1,603,162	78%	\$15,796	\$88,133

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. *This property was sold on October 16, 2015 for \$1.694M net. Sale will be reflected in next month’s report.*

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$855,401	\$1,019,838	100%	\$15,224	\$124,985

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	\$1,447,414	90%	\$12,525	\$186,027

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	\$294,148	56%	\$5,932	\$45,266

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	\$1,031,345	74%	\$18,174	\$127,972

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	\$2,330,404	84%	\$28,634	\$213,566

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	\$431,614	100%	\$29,768	\$230,350

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 Fahrenheit Pizza, and a CrossFit studio.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,625,000	\$2,721,073	93%	\$19,199	\$218,703

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.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,900,000	\$3,589,266	68%	\$23,738	\$233,703

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.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,402,405	\$1,471,016	91%	\$27,128	\$194,563

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%	\$902	\$65,064

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 due to low tenancy.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$700,000	\$750,112	25%	\$879	-\$2,538

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.