

Pacific West Land, LLC

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

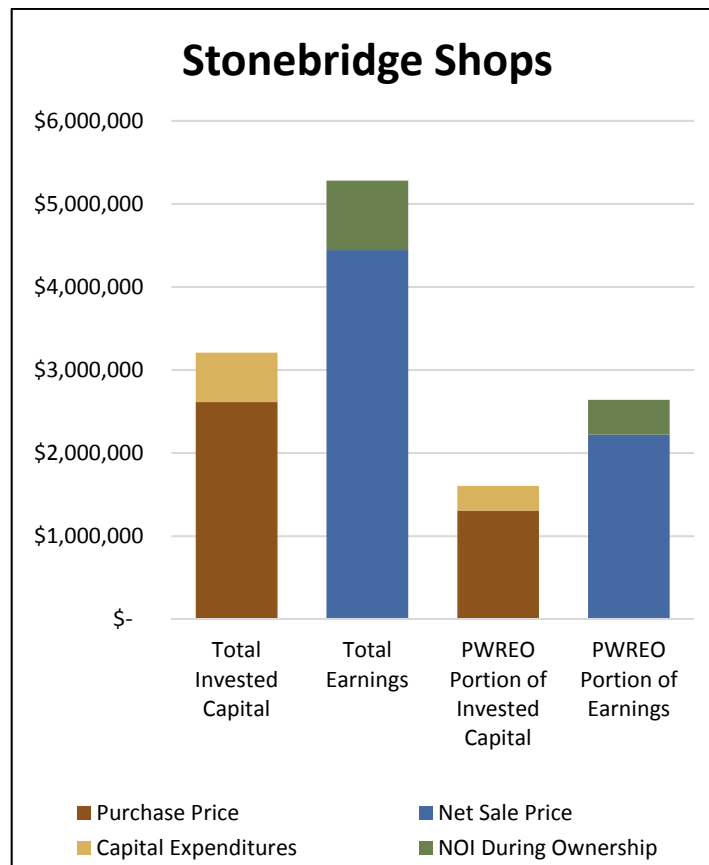
2/13/2017

February 2017 Report

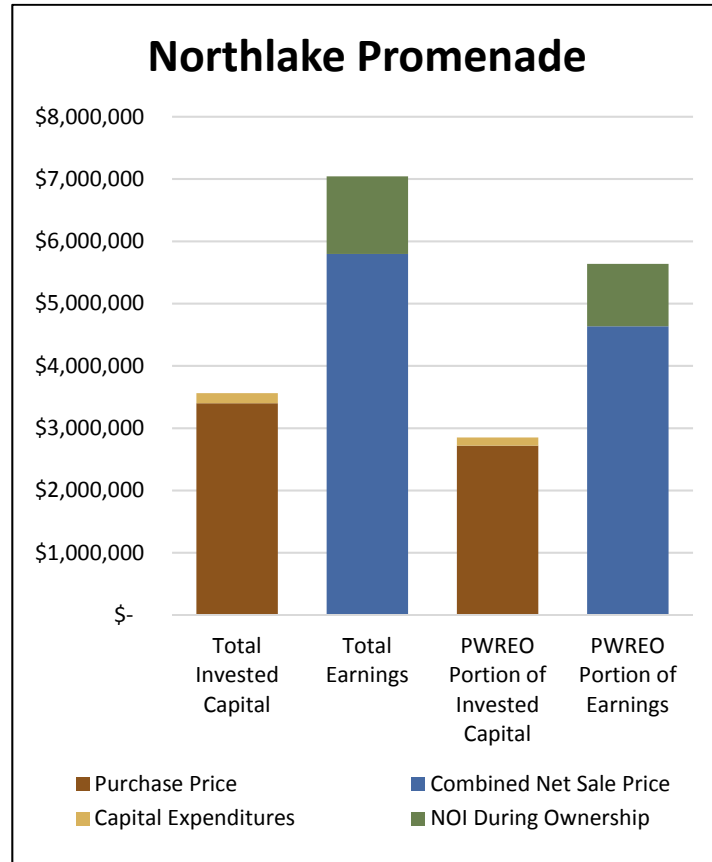
We have had many potential investors contact us about our new offering, **Pacific West Real Estate Income II, LLC**. This is the first time we've opened our doors to new investors since 2014. We have spent the first few weeks meeting with existing investors, whose participation in this new effort has been very strong. It's our expectation that we will begin sending out offering materials to new potential investors in March. If you would like be prioritized in the sending of the materials, would like to meet with me to discuss, schedule a call, or would like to meet here in our office, please drop me an email or give me a call.

At the end of December, we sold two PWREO properties – **Stonebridge Shops** and the remaining shops at **Northlake Promenade**.

Stonebridge Shops was 50% owned by PWREO. We originally purchased Stonebridge in August 2012 for ~\$2.61M, and it sold on December 22, 2016 for ~\$4.44M net. PWREO's estimated NOI during our ownership was ~\$418,000.



Northlake Promenade was 80% owned by PWREO. We purchased Northlake for ~\$3.4M in September 2012. In April 2013 we sold the AT&T parcel for ~\$1.75M net, and on December 29, 2016 we sold the remaining shops for ~\$4.05M. PWREO's estimated NOI during our ownership was ~\$1M.



In leasing news, PWREO signed a new lease in January with Skyra Performance Studios, a dance/entertainment production company, at the Village Shoppes at Altamonte. Skyra is leasing 6,638 sq. ft.

As always, please don't hesitate to call with questions, and we always welcome visitors.

Best –

Martin A. Stever
206-780-3944
martin@pacificwestland.com

PWREO Scorecard
(approximate investment by PWREO)
all data as of 12/31/16

Palm Bay Commons — SOLD April 2013 PWREO sold this 9,000 sq. ft. property in April 2013 for \$1.35M. The property was purchased in May 2012.

Initial Investment	Profit	Multiple	Gross IRR
\$936,659	\$338,191	1.51x	48.42%

Eastern and St. Rose — SOLD August 2013 PWREO sold this property in August 2013 for \$6.5M. PWREO owned 22% of this property. Purchased for \$3.21M in December 2011, this 20,180 sq. ft. commercial property is located at the northwest corner of Eastern Ave and St. Rose Parkway in Henderson, NV.

Initial Investment	Profit	Multiple	Gross IRR
\$709,000	\$547,131	1.84x	46.68%

Jonesboro-Towne Crest — SOLD May 2015 PWREO purchased this property in May 2012. This 20,109 sq. ft. 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.

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

Shoppes at Princeton Lakes — SOLD July 2015 PWREO owned 25% of this property located in Atlanta, GA. It was purchased in May 2013 for \$3.1M. The property includes one retail building with 13,264 sq. ft. of space. This property sold on July 7, 2015 for ~\$4.15M net.

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

Shoppes of Andover — SOLD August 2015 This 21,599 sq. ft. property in Orlando, FL was purchased in August 2012. 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.

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

King's Crossing — SOLD October 2015 This 15,000 sq. ft. property, located in Kennesaw, GA, just outside of Atlanta, was purchased in August 2012. It is located next to a busy Bank of America branch, has excellent visibility from the street, and easy access to I-75. This property was sold on October 16, 2015 for ~\$1.7M net.

Initial Investment	Profit	Multiple	Gross IRR
\$855,401	\$829,486	1.99x	25.70%

Buenaventura Lakes — SOLD November 2015 This property was purchased in May 2013 for \$2.8M and is located in Kissimmee, FL, just outside of Orlando. The property consists of 23,625 sq. ft. of inline retail space. The property was 91% owned by PWREO. The Bank of America parcel was sold on May 9, 2014 for \$1.23M. The remaining property sold on November 4, 2015 for ~\$3.362M net.

Initial Investment	Profit	Multiple	Gross IRR
\$2,402,405	\$1,537,890	1.77x	34.45%

Shoppes of Maitland — SOLD December 2015 Purchased in December 2012, this property is 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. Regions Bank parcel sold February 2014 for \$3.986M. The remaining property sold on December 9, 2015 for ~\$3.1M net.

Initial Investment	Profit	Multiple	Gross IRR
\$4,109,872	\$2,840,230	1.85x	43.20%

Crabapple Station — SOLD December 2015 This property was purchased in February 2013 and is located in Milton, GA, a suburb of Atlanta. The property consists of 18,943 sq. ft. of retail space in three buildings. This property sold on December 30, 2015 for ~\$4.17M net.

Initial Investment	Profit	Multiple	Gross IRR
\$2,625,000	\$1,558,819	1.80x	26.38%

Westminster Crossings — SOLD May 2016 PWREO purchased 50% of this property located in Westminster, CO in August 2012. It totals 28,713 sq. ft. and is shadow-anchored by Lowe's Home Improvement. This property sold on May 9, 2016 for ~\$3.9M net to PWREO.

Initial Investment	Profit	Multiple	Gross IRR
\$1,948,347	\$1,784,859	2.24x	25.90%

Fort Apache Shopping Center — SOLD June 2016 PWREO 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 consists of 9,819 sq. ft. of retail space. The property sold in June 2016 for ~\$2.7M net.

Initial Investment	Profit	Multiple	Gross IRR
\$1,942,500	\$852,072	1.55x	16.88%

Bell West Ranch Shops – SOLD August 2016 PWREO purchased this property and assumed an underlying loan in August 2012. The center is located on Bell Road near the growing Loop 303 corridor in Surprise, AZ. The 7,000 sq. ft. O’Reilly Auto Parts pad sold in October 2012 for ~\$1.98M net, which was used to pay down the loan. The remaining 20,225 sq. ft. of retail space sold on August 15, 2016 for ~\$3.82M net, with owner carryback financing. Final investment analysis numbers will be available when buyer pays off the loan balance.

Initial Investment	Profit	Multiple	Gross IRR
\$4,692,339	N/A	N/A	N/A

91st and Northern (Peoria Crossing) – SOLD August 2016 PWREO purchased this property in June 2012. This 7,900 sq. ft. 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. Streets of New York restaurant. Property sold on August 31, 2016 for ~\$2.1M net.

Initial Investment	Profit	Multiple	Gross IRR
\$1,057,874	\$1,031,050	2.03x	18.86%

Stonebridge Shops – SOLD December 2016 This property is located in Mesa, AZ and was 50% owned by PWREO. The property was purchased in August 2012 for \$2.65M. The property consists of 30,235 square feet of shops, shadow-anchored by Safeway. It was sold on December 22, 2016 for ~\$4.44M net. Final investment analysis numbers will be in next month’s report.

Initial Investment	Profit	Multiple	Gross IRR
\$1,306,793	N/A	N/A	N/A

Northlake Promenade – SOLD December 2016 This property, located in Atlanta, GA, was purchased in September 2012 for \$3.4M. The property was 80% owned by PWREO. The AT&T portion of the building sold on April 23, 2013 for \$1.825M. The remaining shops were sold on December 29, 2016 for ~\$4.05M net. Final investment analysis numbers will be in next month’s report.

Initial Investment	Profit	Multiple	Gross IRR
\$2,742,170	N/A	N/A	N/A

Arrowhead Festival — PWREO purchased this property in March 2012. The 12,615 sq. ft. commercial property is located at the northeast corner of Bell Road and 73rd Ave in Glendale, AZ. America’s Best Contacts and Eyeglasses relocated within the building and expanded their footprint to over 5,200 sq. ft.

Initial Investment	Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,739,027	\$1,914,409	79%	\$17,591	\$123,275

International Promenade — PWREO purchased this property in April 2012. This 35,296 sq. ft. commercial property is located at the corner of US Highway 192 and Vineland Road in Kissimmee, FL. The Taco Bell parcel sold for \$1.9M on September 17, 2013 leaving 31,845 sq. ft. of retail space remaining.

Initial Investment	Net Investment	Occupancy	MTD NOI	YTD NOI
\$3,167,940	\$2,159,133	95%	\$37,152	\$296,530

Shoppes at Summerlin — PWREO 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 and many popular local businesses. The center consists of 16,127 sq. ft. It is shadow-anchored by K-Mart, Lowe’s, and Trader Joe’s.

Initial Investment	Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,467,225	\$1,568,423	93%	\$11,060	\$103,401

Vistancia Marketplace — This property, located in Peoria, AZ, was purchased in October 2012 for \$25.9M and is 25% owned by PWREO. The center is located in the master planned community of Vistancia which will have over 17,000 homes at final build-out. The Chase pad and Walgreens pad sold in March 2013 for ~\$10.82M combined net. The Safeway pad sold November 2013 for ~\$14.1M net. A vacant restaurant pad sold for ~\$781k net in July 2016. A three-tenant building sold for ~\$2.2M net in September 2016. This property has recouped all invested funds through these partial sales. Remaining shops space totals 41,075 sq. ft.

Initial Investment	Net Investment	Occupancy	MTD NOI	YTD NOI
\$3,237,500	\$0	69%	\$11,073	\$96,127

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 32,133 sq. ft. of shops space, shadow-anchored by a CVS Pharmacy. New lease was signed with an African Grocery Store for 1,100 sq. ft.

Initial Investment	Net Investment	Occupancy	MTD NOI	YTD NOI
\$925,914	\$1,025,889	81%	\$17,615	\$202,067

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 sq. ft. of retail space in two separate buildings. Tenants include a 6,000 sq. ft. liquor store and Papa John’s Pizza. Wendy’s exercised the option to purchase their parcel on February 29, 2016 for \$735k net.

Initial Investment	Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,276,454	\$1,607,248	84%	\$22,701	\$231,135

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 35,381 sq. ft. of retail space. Tenants include Altamonte Springs Yoga, International Diamond Center, and Crepevine Restaurant. Net investment figure is lower than the initial investment thanks to the proceeds received from the eminent domain taking settlement.

Initial Investment	Net Investment	Occupancy	MTD NOI	YTD NOI
\$2,900,000	\$597,355	75%	\$40,012	\$365,648

Highlands Shopping Center — PWREO owns this property located in Clearwater, FL, purchased in June 2013 for \$700k. The property includes two retail buildings with 19,015 sq. ft. of space. The property is shadow anchored by a Walmart Neighborhood Market.

Initial Investment	Net Investment	Occupancy	MTD NOI	YTD NOI
\$700,000	\$755,230	35%	\$5,786	\$19,626

Note: MTD and YTD numbers reflect PWREO’s portion of the totals. All profit, NOI, Gross IRR, and Multiple calculations presented are unaudited gross estimates.

All numbers within this report are unaudited and should be considered as close approximations. Members receive the audited results on an annual basis.