

Pacific West Land, LLC

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

3/5/2014

March 2014 Update

The **Pacific West Real Estate Income Fund, LLC** ended the month of February with firm commitments of \$17,600,000. Thank you to those who have already invested in PWREI. If you have any questions about potentially making an investment, please call or email me. I'm meeting with prospective investors regularly in Seattle. I have trips to meet with prospective investors in Portland, Chicago, San Francisco Bay Area, and the Northeast Corridor on the calendar. Please let me know if you have an interest in meeting in person.

On February 26th we completed the sale of the Regions Bank parcel at **Shoppes of Maitland** for \$3,985,940. Pacific West Real Estate Opportunity Fund, LLC originally purchased the Shoppes for \$4,100,000 in December 2012. We have earned a total NOI since purchase of \$316,114. In January an existing tenant, Raleigh Design, expanded their square footage and the remaining property, 16,441 square feet, is now 100% leased.

After completing the sale of **Safeway Plaza** in January by Pacific West Distressed Asset Fund, LLC, we're pleased to report a final multiple of 1.87x and an IRR of 28.87%. The building was purchased in March 2011 for \$660,000 and sold for \$1,275,000 net.

Dennis and our leasing team have been on a roll, signing 11 new tenants to PWL properties in February. Total square footage leased was 25,184, a whopping 11% of our vacancies of the previous month.

- **Bell West Ranch Shops** gains a new Sports Bar & Grill into the former Coyote Alley space, leasing 3,420 square feet for five years.
- A Beauty Supply Store will join **Highland Shopping Center** into 2,500 square feet of space.
- **International Promenade** welcomes three new tenants: Advance Auto Parts signed a 10-year lease for 6,077 square feet. All Signs Express and a Moroccan Restaurant, both with the same owner, will round out the tenants, making the center 96% occupied.
- Diva Dominican Salon will open at **King's Crossing** in Kennesaw, GA.
- A new restaurant called The Breakfast Club will take over the former First Watch space at the **Village Shoppes**.

- **Westminster Crossings** leased 2,493 square feet to Fall Brook Wine and Spirits, who are opening their second location.
- A Metro PCS store will offer cell phone and wireless options to shoppers at **Pepper Ridge Plaza**. Their 3-year lease commences in June.
- **Cave Creek Plaza** welcomes Ya Hala Middle Eastern Market & U-Haul. With a name that says it all, this business is moving into 900 square feet of space starting next month.

As always, feel free to call or come by the office any time.

Best --

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Distressed Asset Fund Scorecard
(approximate investment by the Fund)
all data as of 1/31/2014

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%

Desert Bloom Plaza — SOLD The sale of this property was completed in November 2013 for \$780k. 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. It was 100% owned by the Fund.

Fund Initial Investment	Fund Profit	Multiple	IRR
\$376,620	\$538,532	2.27	29.96%

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	\$1,155,622	78%	\$7,324	\$7,324

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. American Auto sold in October 2013 for \$700k. Remaining space is 6,000 square feet. Fund Net Investment is zero because we have earned back more than our capital investment. A lease was signed with Apache Foot and Ankle Specialists for 1,500 square feet.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$3,219,290	\$0	70%	\$6,579	\$6,579

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. Carniceria space delivered to tenant and Rainbow opened in expansion space.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,600,000	\$715,000	77%	\$10,157	\$10,157

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.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$969,730	\$969,730	29%	\$1,324	\$1,324

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. A lease was signed with Freedom Industries for 1,800 square feet.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,350,000	\$0	60%	\$1,378	\$1,378

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	\$1,103,023	48%	\$3,183	\$3,183

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.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$732,073	\$732,073	71%	\$7,389	\$7,389

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

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,252,078	\$1,252,078	58%	\$10,022	\$10,022

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. *The property sold for \$1,275,000 and funds were received in February. Data below does not reflect the sale.*

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$661,670	\$661,670	100%	\$5,794	\$5,794

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 sold November 2013 for \$3M.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,300,000	\$442,353	69%	\$7,002	\$7,002

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.

Fund Initial Investment	Fund Net Investment	Occupancy	MTD NOI	YTD NOI
\$1,584,035	\$1,584,035	76%	\$10,475	\$10,475

Note: MTD and YTD numbers reflect Distressed Asset 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.*