

Pacific West Land, LLC

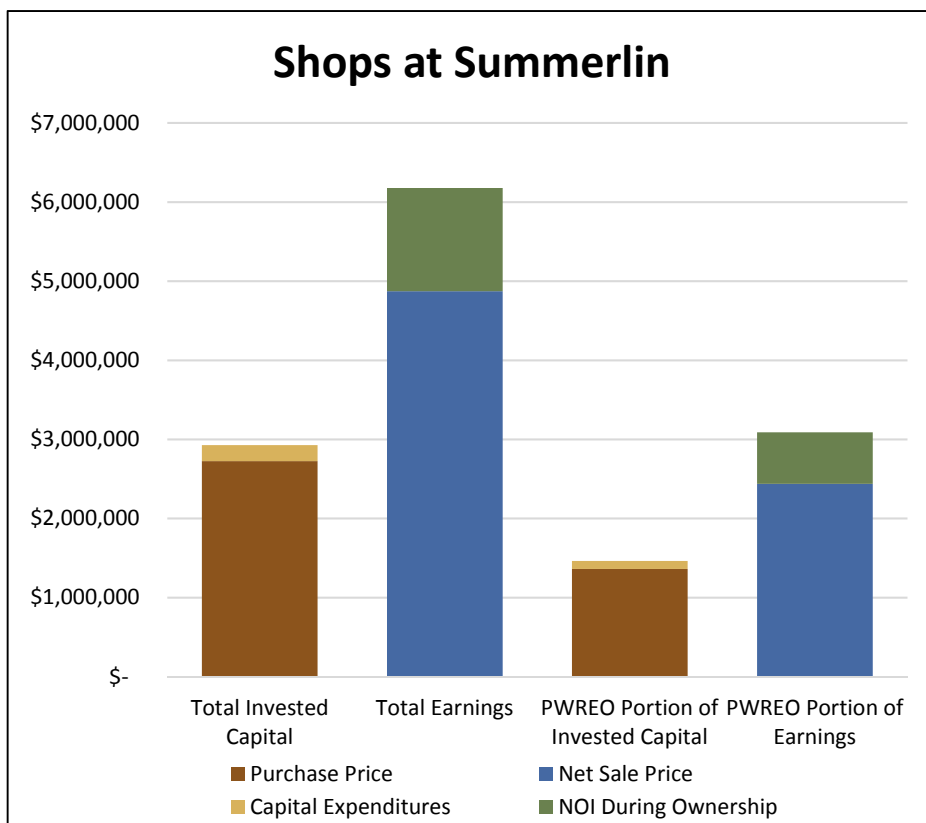
403 Madison Avenue North, Suite 230
Bainbridge Island, WA 98110

9/18/2017

September 2017 Update

Pacific West Real Estate Income II, LLC (PWRE2) is still open. If you have not already done so, we hope you'll consider investing with us again. If you're happy with Pacific West Land's performance, please consider making a referral to any friends or colleagues for whom PWRE2 may be a good fit.

In August 2017, PWREO sold **Shoppes at Summerlin** for ~\$4.87M net.



Shoppes at Summerlin was originally purchased in August 2012 for ~\$2.7M, and was 50% owned by PWREO. The total NOI during our ownership was ~\$1.3M, and occupancy increased to 100% from 93%. Total distributions to PWREO Members are now 143% of initial capital.

We are happy to report on PWRE2's first acquisition.

Lexington Commons is a 21,857 sq. ft. shopping center in Glen Allen, VA, which is in the Richmond market, purchased on August 22nd. The property was purchased for \$4,180,846. It is 100% occupied with a mix of local, service oriented tenants with

below-market rents. We plan to move rents up to market prices as leases come up for renewal.



Located on the major retail corridor West Broad Street where traffic counts exceed 49,000 vehicles per day. The average household income for the five-mile radius around Lexington Commons is \$103,188. PWRE2 owns 100% of this property, which we purchased from a special servicer through an auction. In other words, this is a true distressed deal that went back to the lender after the previous owner borrowed more than the property was worth. This creates an excellent value-add opportunity for PWRE2.

We are thankful the hurricane that crossed Florida was not as severe as originally predicted. Per the on-site property managers, Village Shoppes at Altamonte and Highlands (both PWREO) have weathered the storm and did not flood. PWREI owns one property in the area of last week's hurricanes. Fortunately, Gulf Breeze, in Port

Arthur, Texas, is sufficiently elevated that it only suffered minor water damage to a couple of suites during Hurricane Harvey. Our prayers are with those who have suffered loss in the storms.

PWREI signed two new leases in August. The first is Goodwill Enterprises at Greensburg Commons, which is a branch of the national charity thrift store chain. Goodwill is leasing 11,758 sq. ft. of space. The second lease is to JQ Salon, a hair salon, for 1,200 sq. ft. at Auburn Road. With these two leases, occupancy has increased to 82% at Greensburg and 86% at Auburn.

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

PWREI Scorecard
(approximate investment by PWREI)
all data as of 7/31/17

Willow Hill Center — PWREI purchased this property in May 2014. The 21,082 sq. ft. center is located in Puyallup, WA. Tenants include Money Tree, Kumon Learning, and Rainier Growler. PWREI owns 83% of this property. Starbucks parcel sold for ~\$2.35M net on October 15, 2014. Ivar's pad sold for ~\$1.27M net on April 28, 2015.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$5,625,000	\$2,705,018	74%	\$152,148

Benjamin Square — PWREI purchased this property in May 2014. The 9,950 sq. ft. center is located in Woodland, WA and is just off I-5. Tenants include Starbucks, Subway, Papa Murphy's, H&R Block, and Verizon Wireless.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$1,900,000	\$1,967,475	86%	\$84,162

Shoppes at Buford — PWREI purchased this 20,844 sq. ft. property in May 2014. The property is located in Buford, GA and is located across from the Mall of Georgia. The tenants include Edible Arrangements, a hair salon, and a South African restaurant.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
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\$2,740,600	\$2,914,149	77%	\$84,739
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Auburn Road — PWREI purchased this property in August 2014. The 8,400 sq. ft. property is located in Dacula, GA. The tenants include a medical care facility and a veterinarian who recently expanded his practice. *(With new lease signed in August, occupancy is now 86%).*

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$1,000,000	\$1,005,400	71%	\$50,024

Roosevelt Place — PWREI purchased this property in August 2014. The 14,000 sq. ft. center is located in Phoenix, AZ off of busy I-10. The tenants include Port of Subs, Teramar Staffing, and a drive-thru Filiberto's Mexican restaurant. The Jack in the Box pad sold on May 2, 2016 for ~\$1.08M net.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$2,960,000	\$1,936,898	80%	\$135,534

Little Corona — PWREI purchased this property in December 2014. The property consists of 6,074 sq. ft. of leasable space located at the busy intersection of Rural Rd and Ray Rd in Chandler, AZ. Current tenants include a Greek restaurant and Fullers Bar & Grill.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$1,010,000	\$1,019,850	59%	\$22,339

Dail Center — This property was purchased in December 2014. The 16,145 sq. ft. strip is located along US Route 17 in Myrtle Beach, SC, which boasts over 14 million visitors a year. Current tenants include Batteries Plus, Coastal Beds, Atlantic Kitchens, State Farm, and Tao Wellness Spa. A new lease was signed with Guardian Security for 1,983 sq. ft.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$1,522,500	\$1,526,877	87%	\$70,769

Gulf Breeze — PWREI purchased this 27,736 sq. ft. property in January 2015. The property is located in Port Arthur, TX and is shadow anchored by H-E-B, a major grocery chain based out of San Antonio, with great visibility from both Hwy 365 and 347. Current tenants include Edward Jones, Sprint, Fancy Nails, Supercuts, and Pizza Hut.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI

\$2,677,500	\$2,736,435	71%	\$112,431
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Log Pond Plaza — PWREI purchased this 27,368 sq. ft. property in March 2015. This property, located in Newark, OH, is shadow anchored by a Walmart Super Center and across the street from a Home Depot, in a dense residential area just north of SR-16. The center boasts a healthy mix of local and national tenants including Cheng’s Chinese, Fiesta Salon, Buckin Burger, and CATO.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$1,850,000	\$1,934,078	96%	\$122,316

Massard Farms — PWREI purchased this large shopping complex in April 2015, located in Ft Smith, AR. This 100% occupied center totals 133,709 sq. ft. of leasable space, consisting of Kohl’s, Savers, IHOP, and an 8,000 sq. ft. mixed tenant building including Catherine’s, Sport Clips, Firehouse Subs, and Pad Thai Cuisine.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$13,415,287	\$13,789,840	100%	\$497,342

Oak Creek Commons — PWREI purchased this small strip center in May 2015. Located south of Milwaukee, the population growth and average household income of Oak Creek, WI are projected to outpace the national average over the next five years. The 10,462 sq. ft. property has a healthy mix of tenants including Express Cleaners, Fantastic Sam’s, Yen Hwa Chinese Restaurant, and Dunkin’ Donuts.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$1,191,750	\$1,256,205	88%	\$54,030

Massillon Commons — PWREI is 66.7% owner of this shopping center purchased in June 2015. It is located along the busy Lincoln Way corridor in Massillon, OH. In addition to a 50,503 sq. ft. Dunham’s Sports, this property boasts 63,048 sq. ft. of leasable shop space. Home Depot sold on June 30, 2016 for ~\$9.36M net and proceeds were used to pay off debt.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$8,618,667	\$2,393,457	72%	\$131,630

Greensburg Commons — This property was purchased in July 2015 and is 66.7% owned by PWREI. The large shopping center is located at the intersection of I-74 and State Rd 3 in Greensburg, IN. It currently consists of 88,953 sq. ft. of leasable retail space and boasts a healthy mix of tenants including Jimmy Johns, Great Clips, GameStop, GNC, Rent A Center, Goody’s, Cricket Wireless and Bath and Body Works.

The Walmart parcel sold on December 2, 2016 for ~\$13.9M net, with most of the proceeds used to pay off debt. *(With new lease signed in August, occupancy is now 82%).*

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$12,512,000	\$3,306,935	68%	\$130,867

Gateway Center — PWREI purchased this center in October 2015. It consists of 28,240 sq. ft. of mixed retail space located at the intersection of US 76 and Main St in Newberry, SC. It is shadow anchored by a Walmart. Current tenants include GameStop, Sally Beauty, Newberry Nails & Spa, CATO, It's Fashion, Shoe Show, Groucho's Deli, Boost Mobile, and China Town Restaurant.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$2,030,055	\$2,124,811	94%	\$138,658

Powder Springs — This property was purchased by PWREI in October 2015. It is located on Richard D Sailors Pkwy in Powder Springs, GA and is shadow anchored by a Home Depot. The small strip center has a total of 15,050 sq. ft. and has Allen Chiropractic, Johnny's Pizza, and Nail TLC as tenants. The vacant pad we bought with the building was sold on February 12, 2016 for ~\$280k net.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$1,100,000	\$821,003	37%	\$6,541

Sugarcreek Crossing — PWREI is 66.7% owner of this shopping center in Centerville, OH, purchased in October 2015. The property at purchase included three parcels – a ground leased Cracker Barrel pad, a Tire Discounters pad and a multi-tenant retail building containing a UPS Store, Godfather's Pizza, and Mattress Firm, among others. The Cracker Barrel parcel was sold on May 6, 2016 for ~\$2.28M net. The Tire Discounter's parcel sold on December 23, 2016 for ~\$2.96M net.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$5,117,333	\$1,690,709	100%	\$79,164

Castleberry Promenade — PWREI purchased this property as a joint deal with East West Market in February 2016. It consists of 26,452 sq. ft. of leasable space with two small developable pads, and is located at the busy intersection of Bethelview Rd and Castleberry Rd in Cumming, GA. Current tenants include Castleberry Ale House, My Running Store, Fitness Foundation, Kumon Learning, and i4Food. A new lease was signed with a massage/reflexology business for 1,760 sq. ft.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$2,906,000	\$2,910,400	82%	\$100,168

East West Market — PWREI purchased this property as a joint deal with Castleberry Promenade in February 2016. This center is located along East West Connector in Austell, GA and consists of 17,017 sq. ft. of leasable space and a 1.09-acre developable pad. Current tenants include 100% Chiropractic, WellStar, and American Health Imaging.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$2,660,000	\$2,663,245	88%	\$100,068

Village at Las Sendas — PWREI purchased a 33.4% stake in this property in June 2016. The shopping center is located in Mesa, AZ at the intersection of McDowell Rd and Power Rd and consists of 39,144 sq. ft. of leasable space. Current tenancy is a diverse mix of local and national tenants including Sunnyside Breakfast, Jimmy Johns, Pacino's Italian, D'Vine Wine, Smashburger, Coco Milanos, Royal Tobacco, Chipotle, and Echo 5 Sports Pub.

Initial Investment	Net Investment	Occupancy	2017 Q1-Q2 NOI
\$2,922,500	\$2,932,427	84%	\$104,967

Note: 2017 NOI numbers reflect the PWREI's portion of the total. 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.