



Each year, we host 3 meetings in the Seattle area for PWL investors and their advisors, and on a less rigid schedule, investor meetings are held in other cities around the country. We are trying something new for this year's Holiday Investor Lunch, which will be hosted at [The Museum of Flight](#). The museum has a meeting center with excellent views, and after the meeting, attendees may visit the museum free of charge. The meeting is open to invited Members of any

PWL-managed entity, as well as investment advisors who have clients invested with PWL. It will also be made available via Zoom to those who can't attend in person. At the meeting, we will review recent results. We will also provide some market insights based on our experiences and observations made throughout 2024. We think it's important that we regularly host a public forum during which we take all questions from investors.

### **We break our arms patting ourselves on the back**

Something we have said so often in pitching PWL that it sounds cliché is, *"We believe we can double the return investors get from REITS."* Last week, I participated in a zoom call with the leading research firm covering the REIT industry. Their bottom line, over the last 4 years, the total return for the entire REIT business, public plus private, was about zero. Maybe, in the most recent quarter, it had just pulled ahead a little bit. It was a sobering educational moment.

I don't know exactly how much the Members in PWL's two most recent blind pools (PWREI & PWRE2) made in the last year. I am certain that Member Equity (assets minus liabilities) increased in both. We won't know exactly how much it went up until we sell, but my back-of-the-envelope estimate is 4 – 7%. Including the current Q3 distributions, and excluding return of capital, the cash yields over the last year have been about 7% and 9%. **Both PWREI & PWRE2 crushed REIT returns not only this past year, but through the past 4 years.**

## Club Deals

As you can see from our recent sales, we continue to source high-quality, tax-advantaged real estate investments even in this challenging market. **If you're interested in participating, please give me a call.** The terms for club deals are very similar to those underlying PWRE1 & PWRE2. We charge a 1% one-time acquisition fee and 1% per year of asset value. We split the profits 80/20, in favor of investors. The minimum investment is typically

\$250K. **In general, Club Deals are only circulated to potential investors who ask about participating.**

## 1031 Exchanges

In the last two years, PWL helped facilitate **eight 1031 exchanges** for investors, including the very recent [Conquistador Apartments](#) to [Anderson Central](#) exchange. The tight 45-day property identification period is the biggest challenge of the 1031 exchange process. Unlike most of us, Josh and his team analyze every single property that comes onto the market, which is critical to not miss a potentially excellent investment in the current,

challenging market. This wide-net view of the current offerings, along with our thorough and conservative evaluations, means we only put opportunities in front of potential investors that we feel will make for truly high-quality investments.

We do not reduce the rigorousness of our evaluation process on properties simply because we have an investor needing to make a 1031 exchange, so the more advance notice we have, the higher the likelihood you will make a successful exchange.



**Our leasing department has been rocking; PWL signed 6 new leases and 2 lease extensions in October!**



[The Peach Cobbler Factory](#), a national dessert chain, signed a new 1,700 sq. ft. lease for 10 years at [Log Pond Plaza](#) for 1,700 sq. ft.



Penn Station Subs, an east coast sandwich shop, signed a new 1,800 sq. ft. lease for 10 years at [Mansfield Shopping Center](#).



Pizza Twist, a west coast pizza chain, signed a new 10-year, 1,620 sq. ft. lease at [Village Pointe Center](#).



Total Wireless, a national telephone company, signed a new 1,200 sq. ft. lease for 10 years at [Gulf Breeze](#).



Middle Tennessee Gaming, a board and card gaming store, signed a new 1,200 sq. ft. lease at [Bellevue West Shopping Center](#).

Oasis Wellness, a massage and wellness center, signed a new 5-year 1,300 sq. ft. lease at [Main Street Commons](#).

Asian Fusion Food exercised their option to extend their 1,200 sq. ft. lease for 5 years at [Rosemount Crossing](#).

So Cute Nail Salon exercised their option to renew their 875 sq. ft. lease for 3 years at [Tupelo Market](#).

**If you'd like to meet for breakfast or lunch**, please give Martin a shout so we can get something on the calendar.



Final Thought: Our sincere thanks to all veterans for their service to our country. As we are writing this, on Veterans Day, I'm thinking of my friend Nash. He risked his life while in the Air Force, and this almost certainly caused his early death. He never complained about his situation. We miss him, especially his brutally funny wit.

Stay healthy & keep smiling –

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# PWREI Scorecard

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## Approximate investment by PWREI

Data as of 9/30/2024

### Willow Hill Center

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The 21,082 sq. ft. center located in Puyallup, WA, was purchased in May 2014 with an 83% stake by PWREI. We sold the Starbucks pad in October 2014 for ~\$2.35M net and the Ivar's pad in April 2015 for ~\$1.27M net. The property currently has 9 tenants, the most recognizable being F45 Fitness, Pho Tai Vietnamese, and Rainier Growlers.

Initial Investment	Net Investment	Occupancy	2024 Q2 NOI
\$5,625,000	\$2,943,228	66%	\$185,973

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### Gulf Breeze

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PWREI purchased this 27,739 sq. ft. property located in Port Arthur, TX in January 2015. The property is shadow-anchored by the major grocery store, H-E-B, and maintains great visibility from both HWY 347 and HWY 365. Gulf Breeze's tenants include Edward Jones, World Finance, Super Cuts, Republic Finance, The Nutrition Store, Pizza Hut, and a Wells Fargo ATM.

Initial Investment	Net Investment	Occupancy	2024 Q2 NOI
\$2,677,500	\$2,889,380	87%	\$183,218

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### Log Pond Plaza

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Located in a dense residential area just north of State Route 16 in Newark, OH, this 27,368 sq. ft. property was purchased by PWREI in March 2015. The property is shadow-anchored by a Walmart Super Center with a Home Depot across the street. Log Pond boasts a healthy mix of 12 local and national tenants, which include Hertz, Cheng's Chinese, Fiesta Salon, CX Staffing, and CATO.

Initial Investment	Net Investment	Occupancy	2024 Q2 NOI
\$1,850,000	\$2,179,603	94%	\$150,540

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## Massard Farms

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This large shopping complex in Fort Smith, AR was purchased in April 2015. In September 2018, the Kohl's building sold for \$8.9M net. After its sale, PWREI still owns 71,592 sq. ft. of leasable space. Massard Farms tenants include an IHOP, Savers, Sports Clips, and Pad Thai Cuisine.

Initial Investment	Net Investment	Occupancy	2024 Q2 NOI
\$13,415,287	\$7,401,127	98%	\$263,944

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## Massillon Commons

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Located along the busy Lincoln Way corridor in Massillon, Ohio, this property was purchased in June 2015 for a 66.7% stake for PWREI. In June 2016, the Home Depot pad sold for ~\$9.36M net, with the proceeds used to pay off debt. In addition to a 50,503 sq. ft. Dunham's Sports, Massillon Commons boasts 63,048 sq. ft. of leasable space that includes 10 tenants, the largest being P.S. Cook's, OakPark Preschool, and Stark Medical.

Initial Investment	Net Investment	Occupancy	2024 Q2 NOI
\$8,618,667	\$2,502,750	87%	\$186,302

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## Greensburg Commons

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Purchased in July 2015 for a 66.7% stake for PWREI, this large 88,953 sq. ft. shopping center is located at the intersection of I-74 and State Rd. 3 in Greensburg, IN. In December 2016, the Walmart parcel sold for ~\$13.9M net with most of the proceeds used to pay off debt. Greensburg Commons holds a mix of 15 local and national tenants. The most recognizable tenants are Jimmy John's, Great Clips, GameStop, GNC, Rent-A-Center, Feeder's Pet Supply, Goodwill, and Bath & Body Works. A new lease was signed at the end of February with Marshalls to lease almost 22,000 square feet and we expect them to be open in October 2024.

Initial Investment	Net Investment	Occupancy	2024 Q2 NOI
\$12,512,000	\$3,884,907	96%	\$131,725

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## Gateway Center

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PWREI purchased this 28,056 sq. ft. mixed retail space, located in Newberry, SC, in October 2015. Gateway Center sits at the intersection of US 76 and Main St. and is shadow-anchored by a Walmart. With 10 tenants, the center's most notable occupants include GameStop, Quick Credit, Nexien, and T-Mobile.

Initial Investment	Net Investment	Occupancy	2024 Q2 NOI
\$2,030,055	\$2,233,215	100%	\$167,627

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## Powder Springs

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Purchased in October 2015 by PWREI, this 15,050 sq. ft. strip center is located on Richard D. Sailors Pkwy in Powder Springs, GA. Upon purchasing the property, we also acquired a vacant pad that we sold in February 2016 for ~\$280K net. Powder Springs is shadow-anchored by a Home Depot and has 8 tenants total, including Hanger Prosthetics, Premier Martial Arts, and Esteem Dental Studio. The property is now 100% leased.

Initial Investment	Net Investment	Occupancy	2024 Q2 NOI
\$1,100,000	\$745,182	91%	\$104,349

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## Sugarcreek Crossing

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Located in Centerville, OH, PWREI purchased Sugarcreek Crossing in October 2015 and holds a 66.7% stake. Upon purchase, the property included three parcels: a ground leased Cracker Barrel pad that was eventually sold in May 2016 for ~\$2.28M net; a Tire Discounters pad that was sold in December 2016 for ~\$2.96M net; and a multi-tenant retail building containing a UPS store, a Chiropractic office, and Five Guys burgers, among others.

Initial Investment	Net Investment	Occupancy	2024 Q2 NOI
\$5,117,333	\$2,161,342	96%	\$168,948

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## East West Market

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Purchased as a joint deal with Castleberry Promenade, PWREI acquired this 17,017 sq. ft. property in February 2016. East West Market is located along the East-West Connector in Austell, GA. The 1.09-acre Dunkin Donuts pad sold in June 2020 for ~\$522K net. The property currently holds 6 tenants, the largest being WellStar Health System, American Health Imaging, and Thumbs Up Diner.

Initial Investment	Net Investment	Occupancy	2024 Q2 NOI
\$2,660,000	\$2,206,308	100%	\$153,336

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## Castleberry Promenade

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PWREI acquired this 26,651 sq. ft. property in February 2016 as a joint deal with East West Market. Castleberry Promenade is located at the busy intersection of Bethelview Rd. and Castleberry Rd. in Cumming, GA. Upon purchase, the property included leasable space as well as two small developable pads. This property currently has 10 tenants, among them Kumon Learning, Castleberry Ale House, and Ovo Salon. A lease was signed in March for a new Mexican restaurant concept and the tenant recently opened.

Initial Investment	Net Investment	Occupancy	2024 Q2 NOI
\$2,906,000	\$3,237,237	100%	\$139,296

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## Village at Las Sendas

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PWREI purchased this 39,144 sq. ft property in June 2016 for a 33.4% stake. The Village at Las Sendas is located at the intersection of McDowell Rd. and Power Rd. in Mesa, AZ. This shopping center has a diverse mix of 16 national and local tenants, with the most recognizable being Chipotle, Jimmy John's, and Smashburger. A new lease was signed with Body 20 in May 2024.

Initial Investment	Net Investment	Occupancy	2024 Q2 NOI
\$2,922,500	\$3,030,034	88%	\$137,760

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## Benjamin Square – SOLD September 2024

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PWREI purchased this 9,950 sq. ft. property in May 2014. Benjamin Square is in a highly visible center just off of I-5 in Woodland, WA. The property has 7 tenants and is now 100% leased; the national tenants include Starbucks (drive-thru), Subway, Papa Murphy's, T-Mobile, and H&R Block. Benjamin Square Sold in September 2024 for \$3.46M.

Initial Investment	Profit	Deal Multiple	Deal IRR
\$1,900,000	\$3,876,230	2.68x	12.8%

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## Auburn Road – SOLD August 2023

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Located in Dacula, GA, this 8,400 sq. ft. property was purchased by PWREI in August 2014. The center is located at the busy intersection of Auburn Rd. and Jim Moore Rd. and is at the center of a sprawling residential area. Auburn Road's 4 tenants include State Farm, Intracore Healthcare, Georgia Veterinary, and Center Stripe Golf. Auburn Road sold in August 2023 for \$2.2M

Initial Investment	Profit	Deal Multiple	Deal IRR
\$1,000,000	\$2,457,306	3.1x	16.3%

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## Oak Creek Commons– SOLD June 2022

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This small 10,462 sq. ft. strip center located in Oak Creek, WI was purchased by PWREI in May 2015. Being south of Milwaukee, the area's population growth and average household income are projected to outpace the national average over the next five years. Oak Creek Commons sold in June 2022 for \$2.5M.

Initial Investment	Profit	Deal Multiple	Deal IRR
\$1,191,750	\$2,499,248	2.81x	18.4%

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## Shoppes at Buford – SOLD June 2022

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This 20,844 sq. ft. property was purchased by PWREI in May 2014 and is located in Buford, GA. The center's location across from the Mall of Georgia puts it in a retail corridor ideal for drawing shoppers. Shoppes at Buford sold in June 2022 for \$5.7M.

Initial Investment	Profit	Deal Multiple	Deal IRR
\$2,740,600	\$5,699,583	2.68x	15.1%

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## Roosevelt Place – SOLD November 2021

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This 14,000 sq. ft. property was purchased in August 2014 by PWREI. The property is located in the industrial corridor of Phoenix, AZ, by I-10. This location allows for heavy daytime traffic. In May 2016, the Jack in the Box pad sold for ~\$1.08M. Roosevelt Place sold in November 2021 for \$5.02M.

Initial Investment	Profit	Deal Multiple	Deal IRR
\$2,960,000	\$4,620,030	2.55x	19.9%

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## Dail Center – SOLD August 2020

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PWREI purchased Dail Center in December 2014. This 16,145 sq. ft. center is located along US Route 17 in famous Myrtle Beach, SC. Due to its popular location, the area attracts over 14 million visitors each year. In August 2020, Dail Center was sold for \$2.4M and was 100% occupied.

Initial Investment	Profit	Deal Multiple	Deal IRR
\$1,522,500	\$1,990,807	2.08x	16%

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## Little Corona – SOLD August 2020

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Located at the busy intersection of Rural Rd. and Ray Rd. in Chandler, AZ, this 6,074 sq. ft. property was purchased by PWREI in December 2014. Little Corona was sold in August 2020 for \$1.57M. At the time of sale, Little Corona held 100% occupancy.

Initial Investment	Profit	Deal Multiple	Deal IRR
\$1,010,000	\$1,170,646	1.82x	13%

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**Note:** 2024 NOI numbers reflect the PWREI's portion of the total. All profit, NOI, Gross IRR, and Deal Multiple calculations presented are unaudited gross estimates. All numbers within this report are unaudited and should be considered as close approximations. Members receive audited results on an annual basis from a PCAOB-registered public accounting firm.