

Martin is excited to host several upcoming investor events. This fall, Members of PWL-managed investments are invited to lunches on Whidbey Island and in Boise, ID, as well as our annual holiday investor lunch in December. These meetings are open to invited Members of any PWL-managed entity and to investment advisors with clients invested in PWL offerings. At each event, we'll review recent performance and share market insights drawn from our experiences throughout 2025. We value these opportunities to connect directly with investors and advisors, and we welcome questions in an open forum.

Each year, we hold 3 meetings in the Seattle area for PWL investors and their advisors, along with additional gatherings in other cities on a more flexible schedule. These smaller events are often held in Boise, Portland, the San Francisco Bay Area, Silicon Valley, and occasionally in other locations.

Highlights from the PWREI and PWRE2 Q2 reports show strong performance across both investment pools. Despite **PWREI** continuing to harvest assets, revenue, profit from operations, net operating income (NOI), and free cash flow all increased compared to the previous quarter, the same quarter last year, and year-to-date. Notably, NOI rose by 10.7% and free cash flow by 12.5% year-over-year. **PWRE2** reported year-to-date increases in profit from operations, NOI, and free cash flow. Year-over-year, PWRE2 saw revenue up 9%, NOI up 3.6%, and free cash flow up 4.3%. These are solid results for both PWREI and PWRE2.



Congratulations to Kass on completing the 2025 TCS Sydney Marathon! Thank you too, to everyone who helped support the philanthropy associated with her run. She raised 110% of her fundraising goal for [The True Athlete Project](#), making a meaningful impact on their mission to build a more compassionate world through sport. To top it off, she also earned her first Abbott World Marathon Major Star, a huge milestone in her running journey!

PWL has purchased another Club Deal! [Cooper Village](#) is a 35,735-square-foot neighborhood shopping center made up of two multi-tenant buildings. Acquired in early August for \$8 million, this property presents a good value-add opportunity due to its 11% vacancy and below-market rents among existing tenants.



We've had great success with properties similar to Cooper Village in the past. We can significantly enhance both cash flow and exit value by filling vacancies and adjusting rents to market levels. If a tenant vacates, the replacement tenant typically pays higher rent. Similarly,

lease modifications, such as ownership changes or recapitalizations, often allow us to bring rents up to market. Each time this happens, we accelerate the timeline for achieving market rents for all tenants, which increases both current cash flow and our expected exit price.

Club Deals

Our recent investments, like [Cooper Village](#), show that we continue to source high-quality, tax-advantaged real estate investments even in this restricted 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 one-time 1% acquisition fee and an annual management fee of 1% of asset value. We split the profits 80/20 in favor of investors. The minimum investment is usually \$250K. **Typically, Club Deals are only circulated to past PWL investors who inquire directly about participating.**

1031 Exchanges

In the last three years, PWL helped facilitate **more than a half-dozen 1031 exchanges** for investors. Our newest acquisition, Cooper Village, adds another property to our growing list of Investment Vehicles that include 1031 exchange dollars.

The tight 45-day property identification period is the biggest challenge of the 1031 exchange process. Josh and his team analyze every single property that comes onto the market in the states and sectors we follow, which is critical for finding potentially excellent investments in the current, challenging market. This wide-net view of current offerings, and our thorough and conservative evaluations, means we only put opportunities in front of potential investors that we feel are genuinely high-quality investments.

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

PWL executed three new leases and two lease extensions in August:



[Wingstop](#), a global restaurant chain, signed **two** new 10-year leases: one for 1,390 sq. ft. at [Dublin Village](#), and another for 1,750 sq. ft. at [Loggins Corner](#).



Fyzical Therapy & Balance Center, signed a new 1,760 sq. ft. lease for 10 years at [Castleberry Promenade](#).



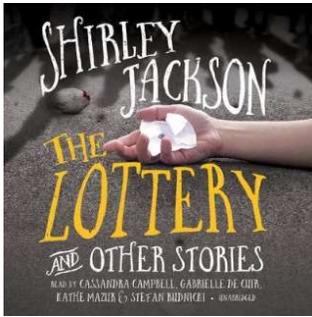
[Capital Ortho Physical Therapy](#), exercised their option to renew their 2,500 sq. ft. lease for 5 years at [Clinton Crossing](#).



[Legacy Vision Center](#) also exercised their option to renew their 1,600 sq. ft. lease for 5 years at [Magna Carta Place](#).

Final thought: Long-time readers of this monthly update know I love books.

About half of my consumption these days is in the form of audiobooks. In August, I met one of the country's most well-known audiobook publishers and narrators, [Stefan Rudnicki](#). Stefan has won Grammy, Audie, and Hugo Awards, which makes it clear that he and his partner, [Gabrielle de Cuir](#), are tops in audiobook publishing. It was a real thrill for me, as I have listened to at least 30 books narrated by Stefan.



While we were talking, Stefan recommended a particular audiobook published by his firm, Skyboat Media. I quickly followed his recommendation, and I loved it. Now I pass on the recommendation to you: "[The Lottery and Other Stories](#)" by Shirley Jackson. Several narrators, including Rudnicki and de Cuir, read this audiobook. The stories by Ms. Jackson include horror, crime, allegory, and slices from the darker side of life.

I listened to it while walking in Olympic National Park, mostly alone, in the woods. Good stuff! The audiobook is available at many libraries, including [The Seattle Public Library](#). It is for sale via [Audible](#) and from [Blackstone Audio's Downpour](#) website.

We hope your summer is going well. Let us know if you'd like to stop by for lunch while the sun is shining.

Martin A. Stever
Partner
martin@pacificwestland.com
(206) 780-3944 direct
(206) 780-4040 office

Sally Erickson
Investor Relations & Marketing Manager
sally@pacificwestland.com
(206) 201-3212 direct

PWREI Scorecard

Approximate investment by PWREI

Data as of 7/31/25

Willow Hill Center

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 8 tenants, the most recognizable being F45 Fitness, Pho Tai Vietnamese, and Rainier Growlers.

Initial Investment	Net Investment	Occupancy	2025 Q2 NOI
\$5,625,000	\$2,943,228	66%	\$143,623

Gulf Breeze

PWREI purchased this 27,736 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 has 17 tenants including: Edward Jones, World Finance, Super Cuts, Republic Finance, Flagship Mail Room, Pizza Hut, and a Wells Fargo ATM.

Initial Investment	Net Investment	Occupancy	2025 Q2 NOI
\$2,677,500	\$2,889,380	96%	\$197,279

Log Pond Plaza

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 Any Lab Test Now, Cheng's Chinese, Fiesta Salon, CX Staffing, and CATO.

Initial Investment	Net Investment	Occupancy	2025 Q2 NOI
\$1,850,000	\$2,179,603	94%	\$177,041

Massard Farms

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	2025 Q2 NOI
\$13,415,287	\$7,401,127	98%	\$282,711

Massillon Commons

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 62,235 sq. ft. of leasable space that includes 11 tenants, the largest being P.S. Cook's, OakPark Preschool, and Stark Medical.

Initial Investment	Net Investment	Occupancy	2025 Q2 NOI
\$8,618,667	\$2,502,750	87%	\$156,143

Greensburg Commons

Purchased in July 2015 for a 66.7% stake for PWREI, this large 87,581 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 14 local and national tenants. The most recognizable tenants are Marshalls, Jimmy John's, Great Clips, Rent-A-Center, Feeder's Pet Supply, Goodwill, and Bath & Body Works.

Initial Investment	Net Investment	Occupancy	2025 Q2 NOI
\$12,512,000	\$3,884,907	87%	\$273,493

Powder Springs

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.

Initial Investment	Net Investment	Occupancy	2025 Q2 NOI
\$1,100,000	\$745,182	100%	\$136,960

Sugarcreek Crossing

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	2025 Q2 NOI
\$5,117,333	\$2,161,342	96%	\$151,132

East West Market

Purchased as a joint deal with Castleberry Promenade, PWREI acquired this 17,018 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	2025 Q2 NOI
\$2,660,000	\$2,206,308	100%	\$185,663

Castleberry Promenade

PWREI acquired this 26,675 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 12 tenants, among them Kumon Learning, Castleberry Ale House, and West Mane Hair Co.

Initial Investment	Net Investment	Occupancy	2025 Q2 NOI
\$2,906,000	\$3,237,237	100%	\$281,462

Village at Las Sendas

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 a specialty footwear company in December 2024 and with FedEx in February 2025.

Initial Investment	Net Investment	Occupancy	2025 Q2 NOI
\$2,922,500	\$3,030,034	100%	\$132,735

Gateway Center – SOLD July 2025

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 Quick Credit, Nexien, Shoe Show, CATO and T-Mobile. Gateway Center sold in July 2025 for \$4.55M.

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

Benjamin Square – SOLD September 2024

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%

Auburn Road – SOLD August 2023

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%

Oak Creek Commons– SOLD June 2022

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%

Shoppes at Buford – SOLD June 2022

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%

Roosevelt Place – SOLD November 2021

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%

Dail Center – SOLD August 2020

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%

Little Corona – SOLD August 2020

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%

Note: 2025 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.