



August 15, 2011 – Monthly Update 12

To Current Investors:

Today commemorates the Fund's one year anniversary, a year which proved to be a successful beginning with 20 properties acquired and closed and not a single one which did not turn a profit (knock on wood). The performance can be attributed to thorough due diligence on the acquisition front, tenacity in achieving quick vacating scenarios, swift renovation periods, and a hyper-sensitivity to market pricing on the disposition end. In addition, we have successfully negotiated a new \$3,000,000 line of credit in order to provide the Fund with additional capitalization and take advantage of improving lending structures which have entered the market. The Fund's performance has been in-line with the original projections from a profitability standpoint with average turn times to date of 92 days per property and expected overall returns to investors tracking above 20% annually. Based on these figures, an additional profit distribution will be made at quarter end on September 30, 2011 along with the quarterly preferred payments. The distribution will bring the total annualized investor returns to 20%.

Currently the Fund owns 21 properties, 9 of which are in escrow. The past 30 days have been extremely busy with readying inventory for marketing and strong buyer activity in the retail market as marked by the 9 escrows which are open. We have continued with the strategy of aggressive pricing in order to induce quick sales of the properties with a focus on shortened turn times and an aversion to any prolonged market risk exposure. The acquisition front has been slightly slower due to capital constraints; however, 4 properties were purchased in the past 30 days. Details on the new properties follow:

1. **Address:** 2668 Cindy Place, Port Hueneme, CA
Purchase Price at Auction: \$172,000 on 07/14/2011
Projected Sales Price: \$220,000
Projected Repair Costs: \$8,000
Property Notes: Cash for keys negotiated and vacated w/ 3 weeks. Will be listed by 8/20/11.
2. **Address:** 751 Halyard Street, Port Hueneme, CA
Purchase Price at Auction: \$81,500 on 08/12/2011
Projected Sales Price: \$105,000
Projected Repair Costs: \$6,000
Property Notes: Cash for keys under negotiation with existing tenant.
3. **Address:** 1276 Seacliff Court #3, Ventura, CA
Purchase Price at Auction: \$137,000 on 08/12/2011
Projected Sales Price: \$180,000
Projected Repair Costs: \$6,000
Property Notes: Cash for keys negotiated. Will be vacated on 9/3/2011.
4. **Address:** 4812 NE 103rd Avenue, Portland, OR
Purchase Price at Auction: \$178,501 on 07/14/2011
Projected Sales Price: \$250,000
Projected Repair Costs: \$6,000
Property Notes: Purchased vacant, repairs underway, will be listed by 8/22/11.

EWCP is currently raising capital for our distressed note fund. If you or anyone you know would like more information on investment opportunities please contact us at info@equitywestcapital.com. In addition to cash equity investments, retirement funds such as IRA, 401k, 403B & ROTH IRA are also accepted as investment sources.