



August 15, 2012 – Monthly Update 24

To Current Investors:

Sales continue to be strong in both the Portland and So Cal markets. We have seen home prices across most of Southern California increase from 5%-10% over the past 9 months as buy/hold investors continue to snatch up most of the housing product under the \$400,000 price range. In addition, interest rates remain at historic lows and job growth is slowly starting to take a turn for the better. These three factors combined have led to high demand and low inventory. Simple economics shows that prices have to go up. This is a drastic change from last year's doom and gloom mentality.

We have continued to purchase in Portland and Ventura, but are shifting our Portland purchases to newer built homes that will require less capital improvement expenditures. This allows us to turn the homes quicker and get them on the market in time for the end of the summer selling season. We will probably halt the majority of Portland purchases by the beginning of September and focus solely on the Ventura market. We have also implemented a team in Humboldt County (far north part of California) who is poised to act should a rare opportunity present itself. This fund will most likely be wound up at some point in 2013 as the housing market continues to improve, foreclosures slow and more players enter this now highly publicized market. Not to worry, we are in the process of starting our 3rd fund, which will focus on rental properties in the highly growing Pacific Northwest. This fund will have a 7 year life with expected returns of approximately 10% per year. This fund will roll out on 1/1/2013 and is hoping to have \$100 Million in assets by the end of 2014.

Currently the Fund owns 22 properties, 16 located in Oregon and six located in Ventura County. We closed escrow on 1 property in Oregon in the past 30 days. On the acquisition front, we purchased the following properties over the past 30 days:

1. **Address:** 551 N Lombard Street, Portland, OR 97217
Purchase Price at REO: \$178,200
Projected Sales Price: \$240,000
Projected Repair Costs: \$25,000
Property Notes: Property was purchased vacant and renovation work is underway
2. **Address:** 4230 SW Chesapeake Avenue, Portland, OR 97239
Purchase Price at REO: \$282,017
Projected Sales Price: \$303,500
Projected Repair Costs: \$175
Property Notes: This property has already been sold for the projected sales price
3. **Address:** 43 Bell Canyon Road, Bell Canyon, CA 91307
Purchase Price at Auction: \$112,494.02
Projected Sales Price: \$130,000
Projected Repair Costs: \$0
Property Notes: This property is a vacant piece of land

EWCP is currently raising capital for this 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.