

**FOR IMMEDIATE RELEASE**

**WALTON WESTPHALIA DEVELOPMENT CORPORATION  
REPORTS FIRST QUARTER 2013 RESULTS**

**CALGARY – May 27, 2013:** Walton Westphalia Development Corporation (the “**Corporation**”) announced today its results for the first quarter of 2013.

**First Quarter Financial Results**

During the first quarter of 2013, the Corporation realized a net loss of \$228,718 (March 31, 2012 – \$246,785). The majority of expenses were comprised of management fees, amortization of debenture issuance costs and servicing fees. The nature and amount of the expenses incurred by the Corporation for the first quarter of 2013 were consistent with management’s expectations for the period.

**Highlights for the First Quarter**

During the first quarter of 2013, the Corporation:

- Obtained signed letters of intent with three builders to construct homes on all of the lots in Phase 1.
- Selected a real estate company to represent the Corporation in the sale of the multi-family apartment site in Phase 1.
- Continued to review the hotel site in Phase 1 with a potential lodging group. Subsequently, in April a formal offer was received from the group and is under review.
- Continued to participate along with other companies in the Walton Group of Companies in relation to the potential site for a new headquarters facility for the Federal Bureau of Investigation. The submission is in competition to a number of proposals submitted by other organizations.
- A term sheet was executed with an arm’s length institutional lender in the amount of \$39,000,000 and the commitment was subsequently approved by the bank’s loan committee in March.
- Subsequently, the Corporation announced in May that its U.S. subsidiary, Walton Westphalia Development (USA), LLC, entered into a loan agreement with one or more lenders affiliated with Walton Asset Management LP, to borrow \$3,500,000 to cover pre-development costs incurred prior to obtaining arm’s length construction loans that the Corporation and the U.S. subsidiary will put in place for Phase 1 construction of the Westphalia property

Given that the project remains on track both financially and from a timing perspective, management believes that the project remains on track for achieving its investment objectives.

**Additional Information**

Launched in March 2012, the Corporation was formed to provide investors with the opportunity to participate in the acquisition and development of the 310-acre Westphalia Property located in Prince George’s County, Maryland, U.S. The Westphalia Property is approximately 21.7 kilometres from the U.S.

Capitol Hill in Washington D.C., which is the site of the White House, the National Mall and the U.S. Capitol Building.

The Corporation is managed by Walton Asset Management L.P. and the development of the property is managed by Walton Development & Management (USA), Inc., both of which are members of the Walton Group.

Walton is a multinational group of real estate investment and development companies headquartered in Calgary, Alberta, Canada. As one of North America's leading land-based real estate investment and development firms, our expertise is in the research, acquisition, management and development of strategically located land in major growth corridors throughout Canada and the U.S. Walton currently manages over 74,000 acres, laying the foundation for communities where people can live, work and play, and creating wealth for our clients around the globe. Since 1979, Walton has returned over \$1.4 billion CAD\* in client distributions.

For more information about Walton Westphalia Development Corporation, please visit [www.sedar.com](http://www.sedar.com). For more information about Walton, visit [www.Walton.com](http://www.Walton.com).

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*Except as otherwise noted, all amounts are in Canadian dollars, and are based on unaudited financial statements for the three-months ended March 31, 2013, and related notes, prepared in accordance with International Financial Reporting Standards.*

*\*As of March 31, 2013, the amount returned is unaudited and consists of:*

- Exit proceeds on sales of pre-development land*
- Distributions, interest and principal repayment on development projects*
- Interest and principal repayment on corporate bonds*