

FOR IMMEDIATE RELEASE

US SUBSIDIARY OF WALTON WESTPHALIA DEVELOPMENT CORPORATION TO BORROW UP TO US\$3,500,000 FROM WALTON AFFILIATES

Calgary – May 16, 2013: Walton Westphalia Development Corporation (the "**Corporation**") announced today that its board of directors approved its US subsidiary, Walton Westphalia Development (USA), LLC (the "**US Sub**"), entering into a loan agreement (the "**Loan**") with one or more lenders affiliated with Walton Asset Management LP, to borrow funds to cover pre-development costs that are expected to be incurred prior to obtaining arm's length construction loans that the Corporation and the US Sub will put in place for Phase 1 construction of the Westphalia property (the "**Construction Loans**").

The Loan will be an unsecured demand loan for up to US\$3,500,000 at 10.5% annual interest, payable monthly, and is anticipated to be fully repaid from the proceeds of the Construction Loans. The maturity date of the Loan will be 36 months. The Loan may be repaid by the Corporation prior to the due date without bonus or penalty.

The Loans are "related-party transactions" under Canadian Securities Regulators Multilateral Instrument 61-101 ("**MI 61-101**"). The Corporation is exempt from the formal valuation requirements contained in MI 61-101 pursuant to Section 5.5(b) thereof because its securities are not listed on a stock exchange. The Corporation is exempt from the minority approval requirements contained in MI 61-101 because the board of directors of the Corporation has determined that, pursuant to Section 5.7(1)(f) of MI 61-101, the Loan is on reasonable commercial terms that are not less advantageous to the Corporation than if the Loans were obtained from a party dealing at arm's length with the Corporation.

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.A. The Westphalia property is approximately 21.7 kilometres from Capitol Hill in Washington D.C., which is the site of the White House, the National Mall and the 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, its 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. For more information about Walton, visit www.Walton.com.

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**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*

This news release, required by Canadian laws, does not constitute an offer of securities, and is not for distribution or dissemination outside Canada. This news release contains forward looking information, and actual future results may differ from what is disclosed in this news release. The risks, uncertainties and other factors that could influence results are described in the February 2012 prospectus of the Corporation (including under the heading "Cautionary Statements") and other documents of the Corporation filed with Canadian securities regulatory authorities and available online at www.sedar.com. The forward-looking statements contained in this document are made as at the date of this news release and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.