

For Immediate Release

## WALTON WESTPHALIA DEVELOPMENT CORPORATION REPORTS FISCAL YEAR-END AND Q4 2013 RESULTS

**Calgary – April 30, 2014:** Walton Westphalia Development Corporation (the “**Corporation**”) announced today its results for the fiscal year ended December 31, 2013, and for the fourth quarter of 2013.

“During 2013, Walton Westphalia Development Corporation broke ground on the project and initiated agreements with home builders to construct 348 townhomes for in Phase I. We expect model townhomes to be open on the property by the end of 2014,” said Bill Doherty, the Corporation’s CEO. “Through its project manager, the Corporation is engaged in ongoing conversations with several major commercial and retail tenants for the property.”

### Highlights for 2013

- Lot purchase agreements were executed with NVR, Inc., Mid-Atlantic Builders and Haverford Homes for the purchase of all 348 townhome lots in Phase 1 of the development;
- The Umbrella Architecture Detailed Site Plan was approved by the Planning Board in September 2013, and was subsequently approved by the District Council, subject to some conditions, in February 2014. The Plan allows builders to directly apply for building permits without the need for a further detailed site plan for their specific building architecture. The Corporation anticipates receiving final approval in May 2014;
- A Conceptual Site Plan Reconsideration to revise a condition to allow up to 10% of the townhouse units to be front-lane garage units was approved by the Planning Board in October 2013. The Plan was subsequently approved by the District Council in February 2014; and
- The Detailed Site Plan for the Townhouse Area in Phase 1 was approved by the Planning Board in October 2013. This plan was subsequently approved by the District Council in February 2014.

Despite actively marketing the property, management anticipates office revenue to be delayed for two years. Off-site improvements that are required for the commercial space will also be delayed. Furthermore, the project’s net rentable area for retail tenants may be reduced, due to a number of factors, including parking requirements for a major grocer and anchor tenant.

As a result of construction delays caused by the wettest winter in a decade, downward revenue revisions for the retail and hotel sites, the extension of the estimated sale dates for the office sites, high office vacancy rates and the impact of the U.S. Government’s budget sequestration on the market, the time frame for completing the project is anticipated to exceed the seven-year time horizon and the projected internal rate of return is expected to be revised downwards, from that disclosed in the prospectus. However, management has assessed that there is no impact on net realizable value and no provision is required.

Management is exploring strategies to maximize the financial return. In this regard, management will report to investors no later than the release of the Q3 2014 financial results once the strategies have been implemented and their impacts, if any, are quantified.

The preliminary development plan that has been prepared includes three phases over an estimated seven-year time horizon. When completed, it is anticipated that the project will provide approximately 66 single family homes, 779 townhomes, 884 rental apartments, 400,000 square feet of retail space, 2,240,000 square feet of office space and 600 hotel rooms.

#### Year-end and Fourth Quarter Financial Results

During the year ended December 31, 2013, the Corporation recognized revenues of \$nil, cost of sales of \$nil, other income of \$20,468, other expenses of \$859,201, other items of \$42,988, an unrealized foreign exchange gain of \$1,210,119 for a net income before tax of \$328,398, and comprehensive income of \$564,342. Revenue and cost of sales decreased in 2013 compared to 2012 due to the land sale to Walton Westphalia Europe, LP (“**WWE**”) that occurred in 2012. Comprehensive income increased from a loss in 2012 to income in 2013 due to the strengthening of the U.S. dollar in comparison to the Canadian dollar. This resulted in a translation gain recognized in other comprehensive income.

#### Additional Information

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 of Companies.

The Walton Group of Companies (“**Walton**”) is a family-owned, multinational real estate investment, planning, and development group concentrating on the research, acquisition, administration, planning and development of strategically located land in major North American growth corridors.

Walton has been in business for over 30 years and takes a long-term approach to land planning and development. Walton’s industry-leading expertise in real estate investment, land planning and development uniquely positions Walton to responsibly transition land into sustainable communities where people live, work and play.

Its communities are comprehensively designed in collaboration with local residents for the benefit of community stakeholders. Its goal is to build communities that will stand the test of time: hometowns for present and future generations.

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 audited financial statements for the year ended December 31, 2013, and related notes, prepared in accordance with International Financial Reporting Standards.*