

Canadian Pre-development Land Investor FAQ

These FAQs should be read in conjunction with the general FAQs posted on the Monitor's website www.ey.com/ca/wigi

1. Is my equity investment in a Canadian corporation or limited partnership which has an interest in a pre-development land project ("PDL") affected by the CCAA filing?

Investments in PDLs may be made either by acquiring units in the limited partnership ("LP") which owns PDL, or by acquiring shares in a corporation which owns units of the LP. The individual Canadian LPs and corporations through which investors have acquired interests in PDLs ("Canadian PDL Entities"), excluding Walton Ontario Land 1 Corporation and Walton Ontario Land Investment 1 Ltd. (collectively ("Walton Ontario Land"), are independent entities and have not filed for CCAA protection, and therefore are not directly affected by these CCAA proceedings. However, these investments are indirectly affected by the CCAA proceedings in the following ways:

- Canadian PDL Entities which own Canadian land will be impacted because Walton International Group Inc. Canada ("WIGI Canada") and Walton Development and Management Canada ("WDM Canada") have filed for CCAA. WIGI Canada provides administrative services to the Canadian LPs, which services are needed to complete annual administrative duties (i.e., tax filings, financial statements, etc.). WDM Canada completes the concept planning services for the lands owned by the Canadian LPs. These two entities are critical to the success of the Canadian PDL projects. WIGI Canada and WDM Canada are continuing their operations during the proceedings, however there may be delays in the provision of administrative and concept planning services during the restructuring period.
- Canadian LPs which own U.S. land will be impacted because WIGI Canada has filed for CCAA and WIGI Canada provides administrative services for these entities as described above. WIGI Canada will continue its operations during the CCAA proceedings; however, there may be delays with respect to administrative services during the course of the proceedings. Walton Development & Management (USA), Inc. ("WDM USA") is responsible for the concept planning services for the U.S. lands owned by the Canadian LPs, and WDM USA is not a CCAA filing entity. WDM USA intends to continue concept planning activities in the normal course of business.

Attached as Schedule A is a listing of all Canadian PDL limited partnerships not in CCAA. The associated investment corporation are also not in CCAA.

2. Why did Walton Ontario Land 1 Corporation and Walton Ontario Land Investment 1 Ltd. file for CCAA protection and how is my investment affected?

Walton Ontario Land 1 Corporation is the general partner of Walton Ontario Land LP ("WOLLP"). The expenses of WOLLP have until recently been funded from its own expense reserve account however the expense reserve has been exhausted. Walton Ontario Land 1

Corporation, as general partner of WOLLP, has incurred management fees which it cannot pay, and as a result Walton Ontario Land 1 Corporation is insolvent. Walton Ontario Land Investment 1 Ltd. is a subsidiary of WIGI which holds 5% of the limited partnership units in WOLLP. Walton Ontario Land Investment 1 Ltd. owes WIGI in excess of \$1 million which it cannot currently repay, and accordingly it is also insolvent.

The strategy for WOLLP has not yet been finalized, but it is expected to commence a sales and investment solicitation process (the "SISP") to market its property. It is expected that an orderly SISP will allow WOLLP to monetize the property promptly and realize its fair market value. It is anticipated that an orderly monetization will allow payment in full of all outstanding management fees owed by WOLLP and provide as high a return as possible to the investors. WOLLP, by its general partner Walton Ontario Land 1 Corporation, expects to seek approval for the SISP shortly after the initial CCAA application and to complete the SISP by late summer or early fall 2017.

3. Are the concept planning and expense reserves affected for the LP I invested in? Were those funds placed in segregated bank accounts?

The reserves of the LPs are not affected as they are maintained in separate bank accounts owned by the LP. Again, these LPs have not filed for CCAA. Concept planning funds and expense reserve spending is intended to continue in the normal course of business and will be monitored on a project by project basis.

4. What is the long term restructuring plan for WIGI?

It is currently anticipated that most of the Canadian PDLs will be restructured outside of the CCAA proceedings by restructuring the investments into one or more new investment vehicles, such as a large limited partnership or a public entity. The intention is to potentially deliver more liquidity to investors and to diversify their exposure, while at the same time providing more stable funding for ongoing costs. As noted, this restructuring would likely follow the debt restructuring of the CCAA Entities in the CCAA proceedings. The restructuring could take the form of initial public offerings, mergers, amalgamations or plans of arrangement.

In addition to the goal of delivering fair asset value to PDL investors in an efficient and timely way, the anticipated restructuring of the PDLs could also deliver another significant benefit to those investors, namely liquidity. Currently, PDL investments are illiquid given their nature. By giving investors the potential for liquidity, they may have the additional flexibility of exiting the investment on their own desired timetables.

5. Are investments in Canadian undivided interests ("UDI") in PDL affected?

The Canadian UDI syndications have not filed for CCAA. The Canadian UDI syndications are not directly impacted by the CCAA proceedings and their situation is generally similar to that of the LPs, as discussed above, as the projects generally have no debt and the land is owned by the UDI holders.

Canadian UDI syndications may be impacted indirectly because WIGI Canada and WDM Canada have filed for CCAA protection. WIGI Canada administers the Canadian UDI syndication projects and is needed to complete annual administrative duties (i.e., tax filings, CPF budget maintenance, etc.). WDM Canada handles the concept planning for the lands owned by the UDI holders. These two entities are critical to the success of the UDI projects.

Attached as Schedule B is a listing of all Canadian UDI projects not in CCAA.

6. Are mortgages held through Westmount Mortgage Corporation affected?

Westmount Mortgage Corporation has not filed for CCAA, therefore the mortgages administered through this entity are not directly impacted. Because Westmount is an affiliate of WIGI Canada, it is indirectly impacted as WIGI and WDM Canada plan and manage the land syndications against which these mortgages are secured. Although WIGI and WDM Canada have filed for CCAA protection, they are continuing their operations throughout the CCAA proceedings and they are critical to the success of the projects.

For additional questions relating to the CCAA process, please email your questions to wigi.questions@ca.ey.com and the FAQ sheets will be updated accordingly.

Schedule A

Canadian PDL Projects Not in CCAA	
Walton AB Southridge Employee LP	Walton GA Crossroads LP
Walton AB Southridge LP	Walton GA Woodbury Park LP
Walton AB Southridge LP II	Walton GA Yargo Township LP
Walton Alliston Ontario Limited Partnership 2	Walton Georgia Land Acquisition LP
Walton AZ Casa Grande LP	Walton MD Gardner Heights LP
Walton AZ Coolidge Landing LP	Walton MD Gardner Ridge LP
Walton AZ Monte Verde LP	Walton MD Gardner Woods LP
Walton AZ Mystic Vista LP	Walton MD Potomac Crossing LP
Walton AZ Orchard Hills LP	Walton MD Saddle Creek Limited Partnership
Walton AZ Picacho View Limited Partnership 1	Walton NC Concord LP
Walton AZ Picacho View Limited Partnership 2	Walton NC Dutchman's Creek LP
Walton AZ Picacho View Limited Partnership 3	Walton NC Westlake LP
Walton AZ Sawtooth Limited Partnership	Walton Niagara Limited Partnership No. 7
Walton AZ Silver Reef Limited Partnership	Walton Northpoint East Holdings LP
Walton AZ Silver Reef Limited Partnership 2	Walton Ottawa Region Limited Partnership
Walton AZ Silver Reef Limited Partnership 3	Walton Silver Crossing LP
Walton AZ Sunland Ranch Limited Partnership	Walton Simcoe Heights Corporation
Walton AZ Sunland Ranch Limited Partnership 2	Walton Simcoe Heights Corporation 2
Walton AZ Sunland View Limited Partnership	Walton Simcoe Heights Corporation 3
Walton AZ Toltec Limited Partnership	Walton Simcoe Heights Corporation 4
Walton AZ Verona LP	Walton Southern U.S. Land LP
Walton AZ Vista Bonita LP	Walton Southern US Land LP 2
Walton AZ Vista Del Monte Limited Partnership 1	Walton Suburban DC Land LP
Walton AZ Vista Del Monte Limited Partnership 2	Walton Tutela Heights Ontario LP
Walton Brant County Land Limited Partnership 1	Walton TX Amble Way Limited Partnership
Walton Brant County Land Limited Partnership 2	Walton TX Austin Land LP
Walton Brant County Land Limited Partnership 3	Walton TX Cornerstone LP
Walton Brant Land Acquisition Limited Partnership	Walton TX Cottonwood Limited Partnership
Walton CA Highland Falls LP	Walton TX Dallas Kemp Ranch LP1
Walton CA Highland Ridge LP	Walton TX Dallas Kemp Ridge LP
Walton CA Tuscan Hills Limited Partnership	Walton TX Garland Heights Limited Partnership 1
Walton Cactus Springs Limited Partnership	Walton TX Green Meadows Limited Partnership 1
Walton Carolinas LP	Walton TX Martindale LP
Walton DC Region Land L.P. 1	Walton TX Martindale LP 2
Walton FLA Ridgewood Lakes Limited Partnership	Walton TX South Grayson Limited Partnership
Walton FLA Seaton Oaks LP	Walton TX Wagner Fields Limited Partnership
Walton Fletcher Mills LP	Walton U.S. Land Acquisition LP 1
Walton GA Arcade Meadows Limited Partnership 1	Walton VA Alexander's Run Limited Partnership
Walton GA Arcade Meadows Limited Partnership 2	

Note: This listing includes all Canadian PDL limited partnerships not in CCAA. The associated investment corporation are not listed, but are also not in CCAA.

Schedule B

Canadian UDI Projects Not in CCAA
Big Lake 1 & 3
Edgemont Estates 6, 7 & 9
Fairweather Heights 2 & 3
Manning Estates 1 - 3
North Point Residential 16 & 17
Northeast Edmonton 1 - 7 & 9 - 14
Pilot Sound 4, 5, 8 & 9
Riverview 2 & 4
Rockyview 1 & 2
Stony Industrial 1 - 3 & 5
Warner Meadows 1 & 2
Yellowhead Industrial 3