



WESTFIELD RESIDENTIAL PARTNERS VII

Apartment development portfolio in Phoenix, Arizona

Partnership Originated in November 2007

Three Locations in Metropolitan Phoenix

High Quality Class "A" Projects

\$88,800,000 Total Current Capitalization

West Town Court • Valley Club at Desert Ridge • Castellina • Westfield Commons

The Partnership invested in a joint venture to develop three Class A apartment projects and one retail development project in Phoenix, Arizona. The developer and joint venture partner is a wholly-owned affiliate of the Greystone Group. Greystone was founded in 1978 by Walter Eeds and has developed over sixty new luxury multifamily communities.

The Partnership broke ground in the spring of 2008 on West Town Court, a 274 unit apartment development located in the southwestern quadrant of Phoenix. This site has superior access to Interstate 10 and the 101 Loop - two of the city's main vehicular arteries. West Town Court was completed in 2009 and is now stabilized. The Partnership plans to sell the property within the next year to capitalize on the favorable capital market.

In 2008 the partnership completed all of the entitlement and predevelopment work on the other two multifamily projects. Building permits were ready to be pulled and the Partnership was actively negotiating with a life insurance company on a transaction to provide capital to complete the construction of these two projects. However; due to the dramatic downturn in the Phoenix economy and apartment market fundamentals, the Partnership suspended development of the two projects.

The multifamily market has materially improved and the

Partnership plans to commence construction of the first phase of Valley Club at Desert Ridge in early 2012. The project is the largest of the planned developments in this portfolio with approximately 732 units on a 26 acre site. The first phase (344 units) is being slightly modified from the original plan and is now progressing through the city and HOA entitlement process. Valley Club is located just north of the Loop 101 in Phoenix and adjacent to the CityNorth mixed-use project. The amenity package will be extensive and feature a large health club and is envisioned to be one of the highest quality multifamily projects in the Phoenix metropolitan market.

Castellina is located in the northwest Phoenix metro area in the city of Surprise, adjacent to the main entrance of the 7,000 residences Sun City Grand community. The planned project will consist of approximately 324 units, a clubhouse, 24-hour fitness center and a resort style pool. The project is fully designed and permit-ready with much of the infrastructure completed. Commencement of construction is undetermined at this time.

Westfield Commons is a 19 acre retail parcel contiguous to the Castellina apartment project in Surprise. The development fronts Bell Road which is a major commercial corridor. A total of five pad sites have been sold with roughly 12 acres of developable land remaining.



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