



PRESS RELEASE

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**Whitestone REIT Announces New, 20,000-SF Lease for
University of Phoenix at its Windsor Park Centre in San Antonio, Texas**
Initiates Redevelopment Project at Windsor Park Centre

Houston, TX, July 13, 2010 – Whitestone REIT™, a Community Center Properties™ public, non-traded REIT, today announced that the University of Phoenix has signed a lease for 20,000 square feet of space at Windsor Park Centre in San Antonio, Texas.

The lease will initiate Whitestone REIT's redevelopment plan for the property, transforming it from a strip center into an upscale Community Center. The plan includes new architectural and landscaping features and a redesigned parking and street plan to accommodate additional parking for University of Phoenix students and other customers being serviced at the center.

Windsor Park Centre, owned and managed by Whitestone REIT, currently consists of approximately 200,000 square feet of gross leasable area and fronts northbound Interstate 35 at Walzem Road in the City of Windcrest. The site is easily accessed with newly constructed exit/entrance ramps directly in front of the property servicing northbound Interstate 35. The Community Center includes, with University of Phoenix, co-tenants Michaels, Cavender's Boot City, Office Depot and PetSmart.

University of Phoenix, the largest private university in North America, helps students earn their associate's, bachelor's, master's and doctoral degrees from more than 200 locations across the United States as well as online throughout the world. Through flexible schedules, challenging courses and interactive learning, students achieve personal and career aspirations without putting their lives on hold.

The University has served the San Antonio area for six years at its campus, located at 8200 IH-10 West, and has helped thousands of residents earn their advanced degrees and achieve their professional goals. The Windsor Park Learning Center, which will be located at 8600 Four Winds Drive, is the University's second location in the area and is projected to open later this year.

"The new Windsor Park Learning Center is in a growing area that provides our students with another convenient place to help them become future community and business leaders without compromising their lifestyle," said Wally Hedgecock, University of Phoenix – San Antonio Vice President and Campus Director. "University of Phoenix is committed to student success and we are thrilled to offer another accessible location for students to meet their teammates or school counselors, study, take advantage of the many resources available or simply take a break."



Dan Nixon, Senior Vice President of Leasing and Richard Vaughan, Vice President of Leasing and Development, both of Whitestone REIT, together with Larry Mendez, Senior Vice President, Charlie Weil and Kendall Clement of Transwestern (San Antonio), represented Whitestone as landlord, while Michael Griffin of Transwestern (Dallas) represented the University of Phoenix.

“Windsor Park Centre tenants serve residents in the surrounding local neighborhood and, with the addition of University of Phoenix, an expanded community. Our other tenants, some of whom are smaller retail service oriented, support the broader needs of the community. Our decision to transform the end-cap space into the new University of Phoenix location is consistent with our unique strategy of Creating Community Centered Properties™ on the site to serve the needs of the community—and our focus on Driving Traffic, Driving Value™ for our shareholders,” said James C. Mastandrea, Whitestone’s Chairman and Chief Executive Officer. “The resulting transformed Community will add significant sales and real estate tax revenues for the City of Windcrest, and add value for our shareholders.”

About University of Phoenix

University of Phoenix is constantly innovating to help students balance education and life in a rapidly changing world. Through flexible schedules, challenging courses and interactive learning, students achieve personal and career aspirations without putting their lives on hold. As of May 31, 2010, 476,500 students were enrolled at University of Phoenix, the largest private university in North America. University of Phoenix serves a diverse student population, offering associate’s, bachelor’s, master’s, and doctoral degree programs from campuses and learning centers across the U.S. as well as online throughout the world.

About Whitestone REIT

Whitestone REIT is a fully integrated real estate company that owns, operates and re-develops Community Centered Properties™, which are visibly located value-added commercial properties in established or developing culturally diverse neighborhoods. Whitestone markets, leases and manages its properties to match tenants with the shared needs of surrounding neighborhoods. The Company has filed a Registration Statement on Form S-11 with the Securities and Exchange Commission for the offer and sale of a yet unspecified number of common shares. The registration statement states that the Company intends to list the common shares on the New York Stock Exchange – Amex with the symbol “WSR.” Headquartered in Houston, Texas and founded in 1998, the Company is internally managed with a portfolio of commercial properties in Texas, Arizona, and Illinois. For additional information about the Company, please visit www.whitestonereit.com. The Investor Section of the Company’s website has links to SEC filings, news releases, financial reports and investor newsletters.

Forward-Looking Statements

Statements included herein that state the Company’s or management’s intentions, hopes, beliefs, expectations or predictions of the future are “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995, which by their nature, involve known and unknown risks and uncertainties. The Company’s actual results, performance or achievements could differ materially from those expressed or implied by these statements. Reference is made to the Company’s regulatory filings with the Securities and Exchange Commission for information or factors that may impact the Company’s performance.

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