

ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST WHISTLEBLOWER POLICY

General

The Code of Business Conduct (“Code”) of Allied Properties Real Estate Investment Trust (the “REIT”) requires employees, officers and trustees of the REIT to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. In addition, the REIT strives to maintain financial records and prepare financial statements and reports which comply with all applicable accounting principles and laws. As employees and representatives of the REIT, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations. Unlawful activity of any kind is prohibited.

Purpose

The goal of this Whistleblower Policy (the “Policy”) is to discourage illegal activity and business conduct that damages the REIT’s good name, business interests, and its relationship with unitholders, tenants and the community at large. This Policy provides an avenue for employees to raise concerns regarding breaches of the Code and questionable accounting or auditing matters and provides reassurance that they will be protected from reprisals or victimization for whistleblowing in good faith.

Reporting Responsibility

It is the responsibility of all employees, officers and trustees of the REIT to report any violations or suspected violations of the Code and any concerns regarding accounting, financial statement disclosure, internal accounting or disclosure controls or auditing matters (a “Complaint”) in accordance with this Policy.

No Retaliation

No employee, officer or trustee of the REIT who in good faith makes a Complaint shall suffer harassment, retaliation or adverse employment consequences. An employee that retaliates against someone who has made a Complaint in good faith is subject to discipline up to and including termination of employment.

Reporting Violations

This Policy is intended to encourage and enable employees and others to raise serious concerns within the REIT rather than seeking resolution outside the REIT. The REIT has an open door policy and encourages employees to share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee’s supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or you are not satisfied with

your supervisor's response, you are encouraged to speak with anyone in management whom you are comfortable approaching.

For suspected fraud or securities law violations, or when you are not satisfied or uncomfortable with following the REIT's open door policy, individuals should contact the REIT's Compliance Officer directly.

Supervisors and managers are required to report all Complaints to the REIT Compliance Officer who has specific and exclusive responsibility to investigate all Complaints. A sample Complaint Form is attached hereto as Exhibit A, which is recommended for use by the person receiving the Complaint.

Compliance Officer

The REIT's Compliance Officer is responsible for investigating all reported Complaints. The Compliance Officer is Gordon Cunningham, Chair of the REIT. The direct telephone line for the Compliance Officer is (416) 962-2008 and his email is grcunningham@mac.com. If you are not comfortable speaking with the Compliance Officer or the Compliance Officer is unavailable and the matter is urgent, you may contact the Chair of the Audit Committee, Gerald Connor, at (416) 929-1090. The Compliance Officer may delegate the investigation to management or others as appropriate.

Accounting and Auditing Matters

The Compliance Officer has direct access to the Audit Committee at any time and is required to report to the Audit Committee at least annually on his or her compliance activity.

The Audit Committee shall address all reported Complaints. The Compliance Officer shall immediately notify the Audit Committee of any Complaint and work with the Audit Committee until the matter is resolved.

Acting in Good Faith

Anyone filing a Complaint must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code or constitutes a questionable accounting or auditing matter. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offence.

Confidentiality

The REIT will treat all Complaints as confidential and privileged to the fullest extent permitted by law. The REIT will exercise particular care to keep confidential the identity of any person making a Complaint under this procedure until a formal investigation is launched. Thereafter, the identity of the person making the Complaint may be kept confidential, if requested, unless such confidentiality is incompatible with a fair

investigation, unless there is an overriding reason for identifying or otherwise disclosing the identity of the person or unless such disclosure is required by law. In this instance, the person making the Complaint will be so informed in advance of his or her being identified with the Complaint. Where disciplinary proceedings are invoked against any individual following a Complaint, the REIT will normally require the name of the person making the Complaint to be disclosed to the person subject to such proceedings.

The REIT encourages individuals to put their name to any Complaint they make, but any person may also make anonymous Complaints. In responding to an anonymous Complaint, the REIT will pay due regard to fairness to any individual named in the Complaint, the seriousness of the issue raised, the credibility of the information or allegations in the Complaint and the prospects of an effective investigation and discovery of evidence.

Investigations will be conducted as quickly as possible, taking into account the nature and complexity of the Complaint and the issues raised therein.

Complaints may be submitted on a confidential basis by the complainant or may be submitted anonymously. Complaints will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

This Policy encourages employees to put their names to allegations because appropriate follow-up questions and investigation may not be possible unless the source of the information is identified. Reported violations or suspected violations expressed anonymously will be investigated, but consideration will be given to the following factors: 1) the seriousness of the issue; 2) the creditability of the concern; and 3) the likelihood of confirming the allegation from a reliable source.

Handling of Complaints

The Compliance Officer will notify the sender and acknowledge receipt of a Complaint, if it has not been filed anonymously, within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

Effective Date

This Policy is in effect as of January 1, 2004.

The REIT reserves the right to modify or amend this Policy at any time as it may deem necessary.

EXHIBIT A
COMPLAINT FORM

Case Number: _____ Name: _____
Tel: _____ E-mail: _____
Department: _____ Supervisor: _____

For the purposes of this form, "Caller" means the person making the Complaint under the REIT's Whistleblower Policy.

Type of Violation: Legal Accounting/Auditing Breach of Code Retaliation

Date Caller became aware of potential violation: _____

Violation is: Ongoing Completed Unclear whether ongoing or completed

Department suspected of violation: _____

Individual(s) suspected of violation: _____

Describe all of the relevant facts of the violation:

How did Caller become aware of the violation?

Steps taken by Caller prior to contact:

Who, if anyone, may be harmed or affected by the violation?

If violation is legal, estimate amount of loss to the REIT as a result of violation:

Actual: _____ Potential: _____

If the violation relates to accounting/auditing matter, estimate the amount of the misreporting and indicate the affected category (or categories) of misreporting:

Amount _____

Category: Assets Liabilities Expenses
 Revenues Valuation Equity

Provide any suggestions for remedying the violation:

Do you wish to be contacted by the investigation officers regarding the status of the investigation? Yes No