

ALLIED

ALLIED PROPERTIES REIT ANNOUNCES RENEWAL OF NORMAL COURSE ISSUER BID

Toronto, December 19, 2016 - Allied Properties REIT (TSX:AP.UN) ("**Allied**") announced today that it has received approval from the Toronto Stock Exchange ("TSX") for the renewal of its normal course issuer bid ("NCIB") which will enable it to purchase up to 8,306,955 of its 84,731,533 issued and outstanding units ("Units") as at December 7, 2016, representing approximately 10% of its public float of 83,069,554 Units as at that date.

Allied intends to commence the NCIB on December 22, 2016. The NCIB will expire on December 21, 2017 or such earlier date as Allied completes its purchases pursuant to the NCIB. All purchases under the NCIB will be made on the open market through the facilities of the TSX or alternate trading systems in Canada at market prices prevailing at the time of purchase. In accordance with TSX rules, any daily repurchases will be limited to a maximum of 42,499 Units, representing 25% of the average daily trading volume of the Units on the TSX for the six months ended November 30, 2016 (being 169,999 Units). Any Units that are repurchased will either be cancelled or delivered to participants under Allied's restricted unit plan or to employees pursuant to Allied's employee programs.

Under its normal course issuer bid that commenced on December 22, 2016, Allied has repurchased 147,244 Units at a weighted average price of \$35.06 per Unit.

The primary purpose of the NCIB is to purchase units to fulfil Allied's commitments to employees under its restricted unit plan and other employee programs.

From time to time, when Allied does not possess material non-public information about itself or its securities, it may enter into a pre-defined plan with its broker to allow for the repurchase of Units at times when Allied ordinarily would not be active in the market due to its own internal trading blackout periods, insider trading rules or otherwise. Any such plans entered into with Allied's broker will be adopted in accordance with applicable Canadian securities laws.

Cautionary Statements

This press release may contain forward-looking statements with respect to Allied, its operations, strategy, financial performance and condition. These statements generally can be identified by use of forward looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of Allied discussed herein could differ materially from those expressed

or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations, including that the transactions contemplated herein are completed. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, changes in government regulations and the factors described under "Risk Factors" in Allied's Annual Information Form, which is available at www.sedar.com. These cautionary statements qualify all forward-looking statements attributable to Allied and persons acting on Allied's behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release and the parties have no obligation to update such statements.

Allied Properties REIT is a leading owner, manager and developer of urban office environments that enrich experience and enhance profitability for business tenants operating in Canada's major cities. Its objectives are to provide stable and growing cash distributions to unitholders and to maximize unitholder value through effective management and accretive portfolio growth.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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