

ALLIED

ALLIED ANNOUNCES SALE OF NON-CORE ASSETS IN WESTERN CANADA

Toronto, November 29, 2017 -- Allied Properties REIT (TSX:AP.UN) today announced that it has entered into an agreement to sell its portfolio of five properties in Winnipeg and that it has sold the Metals Building in Edmonton for aggregate proceeds of \$30 million. The Winnipeg portfolio is comprised of 343,083 square feet of GLA. As at September 30, 2017, it was 79.2% leased and represented approximately 0.4% of Allied's net rental income. The Metals Building is comprised of 22,503 square feet of GLA. As at September 30, 2017, it was 30.9% leased and made no contribution to Allied's net rental income.

"We remain committed to selling our small number of non-core assets, and these sales represent progress in that regard," said Michael Emory, President & CEO. "In addition to enabling us to redeploy capital profitably, exiting the Winnipeg market and disposing of the Metals Building will streamline our operations in Western Canada. We don't intend to exit the Edmonton market, however, as our Boardwalk & Revillon Building is a premiere Class I property with significant value-add potential in Downtown Edmonton's burgeoning ICE District."

The sale of the Metals Building closed on October 27, 2017, and the sale of the Winnipeg portfolio is scheduled to close on December 18, 2017. CBRE represented Allied in connection with the sale of the Metals Building, and Colliers International represented Allied in connection with the sale of the Winnipeg portfolio.

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.

About Allied

Allied is a leading owner, manager and developer of distinctive urban workspace 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.

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