



ALLIED

**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST ANNOUNCES
CLOSING OF 50% INTEREST IN 19 DUNCAN STREET, TORONTO**

Toronto, February 10, 2015 -- Allied Properties REIT (TSX:AP.UN) announced today that it has closed the previously announced acquisition of an undivided 50% interest in 19 Duncan Street in Toronto (the "Property"), with Westbank Corp. owning the balance. Allied provided acquisition financing to the joint venture formed by Allied and Westbank for the acquisition and development of the Property (the "Duncan & Adelaide JV").

Located on the southeast corner of Adelaide Street West and Duncan Street, the Property is comprised of a Class I building with 61,911 square feet of GLA and 36 surface parking spaces.

The Duncan & Adelaide JV plans to retain and restore a large portion of the existing Class I building and to integrate it with a new structure that will include retail space, office space on at least five floors above grade and rental apartments on the floors above the office space. Westbank will be the development manager for the Duncan & Adelaide JV. Allied will manage the office component of the project on completion, and Westbank will manage the residential component.

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.

Established in 1992, with over \$25 billion of projects completed or under development, Westbank is active across Canada and the United States with luxury residential, rental apartments, affordable housing, office, retail, and hotels. The main focus of the practice is large mixed-use projects with particular emphasis on architectural and design excellence and sustainability. We have over six million square feet of LEED Platinum projects under development. The goal of the firm is to create a body of work that is improving the communities we practice in while incorporating a high degree of artistry. westbankcorp.com

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