



ALLIED

**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST ANNOUNCES
ACQUISITION OF REDEVELOPMENT PROPERTY IN TORONTO'S DOWNTOWN WEST**

Toronto, March 17, 2015 -- Allied Properties REIT (TSX:AP.UN) today announced that it has entered into an agreement to purchase 180 John Street in Toronto for \$8.25 million. The purchase is expected to close on April 15, 2015, subject to customary conditions.

The Property

Located on the west side of John Street, north of Queen Street West and across the street from Allied's property at 179 John Street, the property is comprised of 36,173 square feet of GLA and two surface parking spaces. The site is rectangular in shape with 8,712 square feet of area and 80 feet of frontage on John. The building was built as a paper box manufacturing facility in 1916 and was used as such until 1931. It has since been used for assorted retail, light industrial and office uses.

Allied plans to redevelop the building for office use above grade and retail use at grade. The Property will be free and clear of mortgage financing on closing and will be carried as a Property Under Development until completed.

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. Allied's actual results and performance 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 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, construction delays, changes in government regulations and the factors described under "Risk Factors" in the Allied's Annual Information Form which is available at www.sedar.com. The cautionary statements qualify all forward-looking statements attributable to Allied and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release, and Allied has 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:

Michael R. Emory
President and Chief Executive Officer
416) 977-9002
memory@alliedreit.com

Cecilia C. Williams
Vice President and Chief Financial Officer
(416) 977-9002
cwilliams@alliedreit.com