

ALLIED

ALLIED TO ACQUIRE CLASS I OFFICE PROPERTY IN TORONTO'S LIBERTY VILLAGE

Toronto, March 8, 2016 -- Allied Properties Real Estate Investment Trust ("Allied") (TSX:AP.UN) has entered into an agreement to acquire 30, 64 and 70 Jefferson Avenue in Toronto's Liberty Village (the "Property") for \$31 million. The purchase is expected to close on March 29, 2016, subject to customary conditions. The Property will be free and clear of mortgage financing on closing and will afford an annual unlevered yield of approximately 6.5%.

Allied does not intend to place mortgage financing on the Property in the near term. On closing of the acquisition, the Property will become part of Allied's growing pool of unencumbered properties, which reached \$1.6 billion at the end of 2015 and has since increased as a result of the repayment of mortgage financing as it came due.

Located in Liberty Village between Jefferson and Pardee Avenues, the Property is comprised of 78,820 square feet of GLA and 120 surface parking spaces. The Property is directly across the street from Allied's other three properties in Liberty Village, The Castle, 32 Atlantic and 47 Jefferson. The site is 2.6 acres, and the buildings are leased in their entirety to ZoomerMedia.

"This is a good, stabilized in-fill acquisition with long-term intensification potential," said Michael Emory, Allied's President & CEO. "It's also strategically located in relation to our existing Liberty Village portfolio, which has performed well over many years now."

About Allied

Allied 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 refer to Allied's website at www.alliedreit.com.

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.

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