

**RIOCAN AND ALLIED ANNOUNCE RESULTS OF CONDO MARKETING PROGRAM  
AT KING PORTLAND CENTRE IN TORONTO'S DOWNTOWN WEST**

**Toronto, October 17, 2017** -- RioCan REIT (TSX:REI.UN) and Allied Properties REIT (TSX:AP.UN) today announced that the residential condominium units at King Portland Centre are substantially sold out, subject to customary closing conditions and rights of rescission. RioCan and Allied expect the profitability of these units to exceed initial expectations.

King Portland Centre is located at the northwest corner of King Street West and Portland Avenue in the heart of Toronto's King West neighbourhood. In addition to the strength of its location, the development is unique, in that it will incorporate a restored heritage structure, 602-604 King West, with a substantial new mixed-use structure. The combined structures (at 100%) will be comprised of the following:

- i. approximately 59,000 square feet of office and retail GLA in the heritage structure, which is fully occupied;
- ii. approximately 256,000 square feet of additional office GLA in the new structure, which is 93% pre-leased to Shopify and Indigo and under construction;
- iii. approximately 13,000 square feet of incremental retail GLA in the new structure with frontage on King West; and
- iv. approximately 133 residential condominium units in the new structure with frontage on Adelaide West.

Having obtained registration with Tarion Warranty Corporation, RioCan and Allied offered the condominium units for sale on October 14, 2017. They expect purchasers to take possession in early 2019.

"The strong response to the sales launch of Kingly this past weekend affirmed the decision by RioCan and Allied to convert the project from rental to condominium. Our ability to effectively execute on the sale of the 133 condominium units in such a short time frame at favourable pricing illustrates the importance of good strategy, design and location. The higher than expected sales proceeds from Kingly have added to the economic success of King Portland Centre, and have further proven the capabilities of the joint venture between RioCan and Allied," said Edward Sonshine, CEO of RioCan.

Each of Allied and RioCan owns an undivided 50% interest in King Portland Centre, and on completion Allied will manage the commercial component. Completion of the development is scheduled for early 2019.

### **Cautionary Statements - Allied Properties REIT**

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](http://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.

### **Cautionary Statements - RioCan REIT**

This news release contains forward-looking information within the meaning of applicable Canadian securities laws. This information includes, but is not limited to, statements made with respect to the development at King Portland Centre, RioCan's development program and other statements concerning RioCan's objectives, its strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events or expectations that are not historical facts. Forward-looking information generally can be identified by the use of forward-looking terminology such as "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "plan", or similar expressions suggesting future outcomes or events. Such forward-looking information reflects management's current beliefs and is based on information currently available to management. All forward-looking information in this News Release is qualified by these cautionary statements.

Forward-looking information is not a guarantee of future events or performance and, by its nature, is based on RioCan's current estimates and assumptions, which are subject to numerous risks and uncertainties, as described under "Risks and Uncertainties" in RioCan's Management's Discussion and Analysis for the period ended June 30, 2017 ("MD&A") and the Trust's most recent Annual Information Form, and including that the transactions contemplated herein are completed, which could cause actual events or results to differ materially from the forward-looking information contained in this News Release. Although the forward looking information contained in this News Release is based upon what management believes are reasonable assumptions, there can be no assurance that

actual results will be consistent with these forward-looking statements. Certain statements included in this News Release may be considered "financial outlook" for purposes of applicable securities laws, and such financial outlook may not be appropriate for purposes other than this News Release.

Except as required by applicable law, RioCan undertakes no obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

### **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.

### **About RioCan**

RioCan is Canada's largest real estate investment trust with a total enterprise value of approximately \$13.9 billion as at June 30, 2017. RioCan owns, manages and develops retail-focused, increasingly mixed-use properties located in prime, high-density transit-oriented areas where Canadians want to shop, live and work. Our portfolio is comprised of 299 properties, including 15 development properties, with an aggregate net leasable area of approximately 45 million square feet. To learn more about how we deliver real vision on solid ground, visit [www.riocan.com](http://www.riocan.com).

### **FOR FURTHER INFORMATION, PLEASE CONTACT:**

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