



ALLIED

**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST ANNOUNCES  
ACQUISITION OF STRATEGIC INFILL PROPERTIES IN QUEBEC CITY AND CALGARY**

**Toronto, May 22, 2013** -- Allied Properties REIT (TSX:AP.UN) announced today that it has entered into agreements to purchase the following properties for \$9 million:

<b>Address</b>	<b>Total GLA</b>	<b>Office GLA</b>	<b>Retail GLA</b>	<b>Parking Spaces</b>
605 St. Joseph Street E. & 600 Charest Boulevard E., Quebec City	31,185	22,365	8,820	0
617 - 11 <sup>th</sup> Avenue S.W., Calgary	9,020	2,950	6,070	14
	40,205	25,315	14,890	14

"In addition to being immediately accretive on an unlevered basis, each property is adjacent to one or more of our existing properties," said Michael Emory, President & CEO. "The acquisitions will also enable us to increase our growing pool of unlevered properties."

**The Quebec City Property**

Located on the east side of Chapelle Street and extending from the corner with St. Joseph to the corner with Charest, this property is comprised of 31,185 square feet of GLA, all of which is leased to tenants consistent in character and quality with Allied's tenant base. It is adjacent to Allied's property at 633 St. Joseph and just across the street from its property at 622 St. Joseph. Built in 1875, the building was redeveloped for its current use in early part of the last decade.

**The Calgary Property**

Located on the south side of 11th Avenue S.W., this property is comprised of 9,020 square feet of GLA, all of which is leased to tenants consistent in character and quality with Allied's tenant base, and 14 surface parking spaces. It is between Allied's properties at 613 and 625 11th Avenue S.W. and one property over from its property at 603-603 11<sup>th</sup> Avenue S.W., affording 376 feet of uninterrupted frontage on the north side of an important block in Calgary's Warehouse District. Built in the 1970s, the building was renovated and upgraded in 2010.

**Closing and Financing**

The acquisitions are expected to close in June and August of 2013, subject to customary conditions. The purchase price for the properties

represents a capitalization rate of 7.9% applied to the current annual net operating income ("NOI"). The properties will be free and clear of mortgage financing for closing. Allied does not intend to place mortgage financing on the properties in the near term.

### **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](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.

"Capitalization rate" is not a measure recognized under International Financial Reporting Standards ("IFRS") and does not have any standardized meaning prescribed by IFRS. Capitalization rate is presented in this press release because management of Allied believes that this non-IFRS measure is relevant in interpreting the purchase price of the properties being acquired. Capitalization rate, as computed by Allied, may differ from similar computations as reported by other similar organizations and, accordingly, may not be comparable to capitalization rate reported by such organizations.

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*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:**

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