



**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST ANNOUNCES
ACQUISITION OF STRATEGIC INFILL PROPERTIES IN TORONTO**

Toronto, March 24, 2014 -- Allied Properties REIT (TSX:AP.UN) announced today that it has entered into agreements to purchase the following properties for \$32.5 million:

Address	Total GLA	Office GLA	Retail GLA	Parking Spaces
241 Spadina Avenue, Toronto	31,197	24,611	6,586	-
32 Atlantic Avenue & 47 Jefferson Avenue, Toronto	57,277	57,277	-	7
	88,465	81,879	6,589	7

"In addition to being immediately accretive, each of these properties is close to one or more of our existing properties," said Michael Emory, President & CEO. "The property in Liberty Village affords a small value-creation opportunity that we expect to execute on rapidly, given the ongoing demand for office space in our Toronto target market."

The Spadina Property

Located on the east side of Spadina Avenue, south of Dundas Street, this property is comprised of 31,197 square feet of GLA, all of which is leased to tenants consistent in character and quality with our tenant base. Built in 1910 for the Consolidated Plate Glass Company, the building was renovated in 2012. Designated under the Ontario Heritage Act, it is a good example of the Edwardian classical style favoured in the early 1900s.

The Liberty Village Property

Located between Atlantic and Jefferson Avenues, south of Liberty Street, this property is comprised of 50,434 square feet of leased GLA, 6,834 square feet of un-leased GLA and seven surface parking spaces. Built in the early 1900s, the buildings were renovated in 2012.

Closing and Financing

The acquisitions are expected to close in April of 2014, subject to customary conditions. The purchase price for the completed properties represents a capitalization rate of approximately 6.5% applied to the current annual net operating income ("NOI"). The properties will be free and clear of mortgage financing immediately prior closing. Allied plans

to place mortgage financing on the properties on or soon after closing and will fund the equity component of the acquisitions with cash-on-hand.

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.

"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.

NOI is not a measure recognized under IFRS and does not have any standardized meaning prescribed by IFRS. NOI 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 property being acquired. NOI, as computed by Allied, may differ from similar computations as reported by other similar organizations and, accordingly, may not be comparable to NOI reported by such organizations.

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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