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ALLIED

ALLIED ANNOUNCES CLOSING OF \$153.3 MILLION PRIVATE PLACEMENT OF UNITS

Toronto, September 4, 2020 -- Allied Properties Real Estate Investment Trust (TSX:AP.UN) ("Allied") announced today that it has closed its previously announced private placement of 4,143,108 units. The units were issued from treasury at a price of \$37.00 per unit for gross proceeds of \$153.3 million.

Allied will use the net proceeds of the offering to fund its development program into 2021. In doing so, Allied will maintain its industry-leading debt metrics within target ranges, most importantly its net debt as a multiple of annualized adjusted EBITDA. Allied expects its development program to generate substantial amounts of new recurring rental revenue in 2021, 2022 and beyond.

The units have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the units in the United States or in any jurisdiction in which such offer, sale or solicitation would be unlawful.

About Allied

Allied is a leading owner, manager and developer of (i) distinctive urban workspace in Canada's major cities and (ii) network-dense urban data centres in Toronto that form Canada's hub for global connectivity. Allied's business is providing knowledge-based organizations with distinctive urban environments for creativity and connectivity.

Cautionary Statements

Net debt and EBITDA are not financial measures defined by International Financial Reporting Standards. Please see Allied's MD&A for a description of these measures, as presented in Allied's unaudited condensed consolidated financial statements for the quarter ended June 30, 2020. These statements, together with accompanying notes and MD&A, have been filed with SEDAR, www.sedar.com, and are also available on Allied's website, www.alliedreit.com.

This press release may contain forward-looking statements with respect to (i) Allied, (ii) its operations, strategy, financial performance and condition, (iii) its development costs in 2020 and 2021, (iv) the financial performance of its development program in 2021, 2022 and beyond, (v) its net debt as a multiple of annualized adjusted EBITDA following

the closing of the offering, and (vi) its expected new recurring rental revenue. 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 and have the expected impact on earnings. 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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