

Allied Announces Successful Consent Solicitation and Cancellation of Debentureholder Meeting for Series D-I Debentures

TORONTO, MAY 29, 2023

Allied Properties REIT (“Allied”) (TSX:AP.UN) announced today that it has solicited consents and proxies from holders (“Debentureholders”) of its 3.636% Series C Senior Unsecured Debentures due April 21, 2025 (“Series C Debentures”), 3.394% Series D Senior Unsecured Debentures due August 15, 2029 (“Series D Debentures”), 3.113% Series E Senior Unsecured Debentures due April 8, 2027 (“Series E Debentures”), 3.117% Series F Senior Unsecured Debentures due February 21, 2030 (“Series F Debentures”), 3.131% Series G Senior Unsecured Debentures due May 15, 2028 (“Series G Debentures”), 1.726% Series H Senior Unsecured Debentures due February 12, 2026 (“Series H Debentures”) and 3.095% Series I Senior Unsecured Debentures due February 6, 2032 (“Series I Debentures” and, together with the Series C Debentures, Series D Debentures, Series E Debentures, Series F Debentures, Series G Debentures and Series H Debentures, collectively, the “Debentures” and each, a “Series”) in order to approve the proposed amendments (the “Debenture Amendments”) to the trust indenture governing the Debentures between Allied and Computershare Trust Company of Canada, as debenture trustee (the “Debenture Trustee”), dated as of May 13, 2015 (as amended or supplemented from time to time, the “Indenture”).

Debentureholders representing over 66 2/3% of the aggregate principal amount of each of the Series D Debentures, Series E Debentures, Series F Debentures, Series G Debentures, Series H Debentures and Series I Debentures have provided consent in favour of an extraordinary resolution approving the Debenture Amendments. The meeting of Debentureholders scheduled for June 1, 2023, will be cancelled with respect to all such Series.

A meeting of holders of the Series C Debentures will be held at the offices of Aird & Berlis LLP, 181 Bay Street, Suite 1800, Brookfield Place, Toronto ON M5J 2T9, on Thursday, June 1, 2023, at 10:00 a.m. (Eastern time) (the “Meeting”), at which the holders of Series C Debentures will be asked to consider and, if deemed appropriate, to adopt an extraordinary resolution approving the Debenture Amendments.

The Debenture Amendments are described in Allied’s consent and proxy solicitation statement dated May 5, 2023 (the “Solicitation Statement”), which was delivered to Debentureholders of record as of the close of business on May 1, 2023, and is available at www.sedar.com.

The Debenture Amendments were proposed in connection with Allied’s planned conversion from a “closed-end” trust to an “open-end” trust and certain amendments to Allied’s amended and restated declaration of trust dated May 3, 2022 (the “Declaration of Trust”), as set out in the Solicitation Statement and the management information circular of Allied dated March 21, 2023, which is available at www.sedar.com.

In compliance with the conditions contained in the Indenture, and subject to approval of the Debenture Amendments by the holders of the Series C Debentures at the Meeting, Allied and the Debenture Trustee intend to execute and deliver a supplemental indenture to give effect to the Debenture Amendments (the “Supplemental Indenture”), at which time the Debenture Amendments will become effective and binding on all Debentureholders.

Allied has applied for an advance income tax ruling (the “Tax Ruling”) from the Canada Revenue Agency (“CRA”) to confirm that no material adverse tax consequences would arise to either Allied or its unitholders as a result of the conversion of Allied to an open-end trust and certain other amendments to the Declaration of Trust. In addition to the approval of unitholders obtained on May 2, 2023, the proposed conversion to an open-end trust is conditional on Allied having received a satisfactory Tax Ruling from CRA. The Debenture Amendments will not be implemented unless Allied receives a satisfactory Tax Ruling from CRA and resolves to complete its conversion to an open-end trust.

Subject to the satisfaction or waiver of certain payment conditions described in the Solicitation Statement, Allied will pay a consent fee of \$0.10 for each \$1,000 principal amount of Debentures (the “Consent Fee”) to each eligible Debentureholder who responded to the consent solicitation and provided timely and valid consent and voting instructions. The Consent Fee will not be paid unless Allied and the Debenture Trustee enter into the Supplemental Indenture to give effect to the Debenture Amendments.

CAUTIONARY STATEMENTS

This press release may contain forward-looking statements with respect to (i) Allied, (ii) its operations, strategy, financial performance and condition, (iii) the Meeting, (iv) the conversion of Allied from a closed-end trust to an open-end trust and (v) the implementation of the Debenture Amendments. 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. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market conditions, competition, changes in government regulations and the factors described under “Risk Factors” in Allied’s most recent 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.

ABOUT ALLIED

Allied is a leading operator of distinctive urban workspace in Canada’s major cities and network-dense UDC space in Toronto. Allied’s mission is to provide knowledge-based organizations with workspace and UDC space that is sustainable and conducive to human wellness, creativity, connectivity and diversity. Allied’s vision is to make a continuous contribution to cities and culture that elevates and inspires the humanity in all people.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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