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ALLIED

ALLIED PROPERTIES REIT ANNOUNCES COMPLETION OF \$200 MILLION OFFERING OF 3.636% SERIES C SENIOR UNSECURED DEBENTURES

Toronto, April 21, 2017 -- Allied Properties REIT (TSX:AP.UN) ("**Allied**") announced today that it has completed its previously announced issuance of \$200 million aggregate principal amount of series C senior unsecured debentures (the "**Debentures**"). The Debentures bear interest at a rate of 3.636% per annum and mature on April 21, 2025. The Debentures were offered on an agency basis by a syndicate of agents co-led by BMO Capital Markets and Scotia Capital Inc. DBRS Limited provided Allied with a credit rating of "BBB" (low) with a "Stable" trend relating to the Debentures.

Allied intends to use the net proceeds from the offering: (a) to repay amounts drawn on Allied's unsecured revolving operating facility used for general capital funding related to Allied's capital improvements, acquisitions and intensification projects; and (b) for general working capital purposes.

The offering was made pursuant to a prospectus supplement dated April 18, 2017 to Allied's base shelf prospectus dated December 15, 2016.

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. Allied's actual results and performance 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. The cautionary statements qualify all forward-looking statements attributable to Allied and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release, and Allied has no obligation to update such statements.

Allied Properties REIT 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.

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