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ALLIED AND RIOCAN TO ACQUIRE DIAMOND CORP.'S INTEREST IN COMMERCIAL COMPONENT OF THE WELL

Toronto, October 5, 2017 -- Allied Properties REIT (TSX:AP.UN) and RioCan REIT (TSX:REI.UN) today announced that they have entered into a binding agreement to acquire Diamond Corp.'s undivided 20% interest in the office and retail components of The Well (the "Commercial Component") for a purchase price of up to \$42 million. On completion of the acquisition, which is scheduled to close later today, each of Allied and RioCan will own an undivided 50% interest in the Commercial Component and will pursue the construction and ultimate operation of the Commercial Component as equal partners. Diamond Corp. will remain as an advisor and co-owner of the residential component of The Well pending closing of the sale of same, as noted below, but has determined that it is appropriate at this time to sell its interest in the Commercial Component to RioCan and Allied, who are in the business of holding long-term commercial assets.

The Well

Allied, RioCan and Diamond (the "Original JV") acquired 7.67 acres on the northwest corner of Front Street West and Spadina Avenue (the "Site") in late 2012 and early 2013 for an aggregate purchase price of \$170 million. The Original JV received zoning approval for over three million square feet of mixed-use density on the Site, with the City's Design Review Panel referring to the proposal as enlightened urbanism. Last year, the Original JV entered into a binding agreement to sell approximately 1.43 million square feet of residential density (the "Residential Component") to Tridel Builders Inc. and Woodbourne Canada Partners III (CA) LP for approximately \$180 million, retaining the Commercial Component in its entirety. The sale of the Residential Component is scheduled to close upon requisite land severances being granted and upon completion of the underground parking structure and building podiums. RioCan will remain a 50% co-owner of one of the rental buildings representing approximately 400,000 square feet of residential rental density through a separate joint venture with Woodbourne. This is expected to occur in 2020.

The buildings on the Site have now been demolished, and the excavation of the Site and construction of the entire underground parking and loading structure has commenced. Tridel and Woodbourne will participate in this and other phases of the construction and pay for their share of the underground parking spaces required for the Residential Component in accordance with an agreed formula. With the addition of Tridel and Woodbourne to the development process, the intention is to complete the entire development during one continuous construction period rather than in a phased approach.

The Commercial Component will be divided between office and retail density in a ratio of approximately two to one, with Allied managing the office space and RioCan the retail space. As long-term owner-operators with confidence in the future of Downtown Toronto generally and The Well specifically, Allied and RioCan believe pursuing the development of the Commercial Component as equal partners is in the best interest of their respective unitholders, especially in light of the risk reduction and potential return enhancement achieved through the sale of the Residential Component.

"Diamond Corp. has been an invaluable participant in the initial stages of the development and will remain so as an advisor and co-owner of the residential component," said Michael Emory, President & CEO of Allied. "As we enter the construction phase, it's beneficial for Diamond Corp. to redeploy the capital it committed to the commercial component and for Allied and RioCan to continue as equal partners with a view to long-term ownership and operation, just as we're doing with the three other urban development projects we're pursuing jointly, the most notable being King Portland Centre, the office component of which is now 93% pre-leased."

"RioCan would like to thank Diamond Corp. for its contributions to The Well thus far. Diamond Corp.'s team has been instrumental in the development of the project's concept as well as guiding The Well through the planning and zoning process. Together we have been able to seize this opportunity and create tremendous value at this site," said Edward Sonshine, CEO of RioCan. "The Well is a reflection of the group's entrepreneurial approach to development, built on a strong understanding of what communities are and can be in the future. We are excited to begin the construction phase with Allied with a shared vision for this landmark mixed-use community in the heart of the Toronto's downtown west neighbourhood. The development of The Well will create a truly unique community that will be a local destination point for retailers, shoppers and community members and contribute to Toronto's overall urban landscape."

Stephen Diamond, CEO of Diamond Corp. said that "We are proud to have been associated with Allied and RioCan since 2012 in the creation of The Well and look forward to continuing to work with our partners to see The Well come to life. The Well will truly be a significant City building legacy for RioCan, Allied and Diamond Corp."

Cautionary Statements - Allied Properties REIT

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.

Cautionary Statements - RioCan REIT

This news release contains forward-looking information within the meaning of applicable Canadian securities laws. This information includes, but is not limited to, statements made with respect to the development at The Well, RioCan's development program and other statements concerning RioCan's objectives, its strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events. Such forward-looking information reflects management's current beliefs and is based on information currently available to management. All forward-looking information in this News Release is qualified by these cautionary statements.

Forward-looking information is not a guarantee of future events or performance and, by its nature, is based on RioCan's current estimates and assumptions, which are subject to numerous risks and uncertainties, including those described under "Risks and Uncertainties" in RioCan's Management's Discussion and Analysis for the period ended June 30, 2017 ("MD&A") and the Trust's most recent Annual Information Form, which could cause actual events or results to differ materially from the forward-looking information contained in this News Release. Those risks and uncertainties include, but are not limited to, those related to: liquidity and general market conditions; tenant concentrations and related risk of bankruptcy or restructuring (and the terms of any bankruptcy or restructuring proceeding), defaults, including the failure to fulfill contractual obligations by the tenant or a related party thereof; retailer competition; access to debt and equity capital; interest rate and financing risk; joint ventures and partnerships; the relative illiquidity of real property; development risk associated with construction commitments, project costs and related approvals; environmental matters; , and property management. Although the forward looking information contained in this News Release is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Certain statements included in this News Release may be considered "financial outlook" for purposes of applicable securities

laws, and such financial outlook may not be appropriate for purposes other than this News Release.

The Income Tax Act (Canada) contains provisions which potentially impose tax on publicly traded trusts (the SIFT Provisions). However, the SIFT Provisions do not impose tax on a publicly traded trust which qualifies as a REIT. RioCan currently qualifies as a real estate investment trust for Canadian tax purposes and intends to qualify for future years. Should this not occur, certain statements contained in this News Release may need to be modified.

Except as required by applicable law, RioCan undertakes no obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

About Allied

Allied 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.

About RioCan

RioCan is Canada's largest real estate investment trust with a total enterprise value of approximately \$13.9 billion as at June 30, 2017. RioCan owns and manages Canada's largest portfolio of retail focused and mixed-use transit-oriented properties with ownership interests in a portfolio of 299 Canadian properties, including 15 properties under development, containing an aggregate net leasable area of 45 million square feet. For the past 25 years, we have shaped the future, sensibly cultivated growth, and taken our stakeholders and partners wherever they needed to go. Currently, we have more than 6,350 retail tenants and approximately 660 employees with a presence from coast to coast. We deliver real vision, solid ground. For more information, visit www.riocan.com.

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