

ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST
DISTRIBUTION REINVESTMENT PLAN – FREQUENTLY ASKED
QUESTIONS

The Distribution Reinvestment Plan (the “Plan”) adopted by Allied Properties Real Estate Investment Trust (the “REIT”) permits eligible investors (“Participants”) to enroll in the Plan and have all distributions they receive from their investment in the REIT used to purchase additional units in the REIT (“Additional Plan Units”). The text of the Plan is available at *[set weblink]*.

The following are common questions and answers concerning the Plan. Please note that the answers provided are in summary form only and more detailed and complete information is available from the Plan itself.

1. What is the Plan?

The Plan is an arrangement that permits Participants to elect to have all distributions they receive from their investment in the REIT automatically used to purchase Additional Plan Units. Participants who enroll in the Plan will receive Additional Plan Units based on 105% of the distributions to which they would otherwise be entitled.

The price at which Additional Plan Units will be purchased with Participants’ distributions, including the 5% premium, will be the weighted average closing price of units of the REIT (the “Units”) on the Toronto Stock Exchange for the five trading days immediately preceding the relevant distribution payment date. A Participant may terminate participation in the Plan at anytime by following the instructions for termination set out in the Plan.

The Plan is administered by CIBC Mellon Trust Company of Canada (“CIBC Mellon”), which acts as agent for all Participants.

2. What are some of the advantages of participating in the Plan?

Some of the advantages of participating in the Plan are as follows:

- Participants may purchase Additional Plan Units with the distributions received by them from the REIT with no additional capital contribution;
- no commissions, services charges or brokerage fees are payable to the REIT or to CIBC Mellon by Participants; and
- in addition to the distributions that a Participant would otherwise be entitled, Participants will receive a distribution premium equal to 5% of their distributions, which will be payable in Additional Plan Units.

3. Who may “participate” in the Plan?

Any holder of units in the REIT (a “Unitholder”) who is a resident of Canada may enroll in the Plan at anytime. Unitholders who are resident outside of Canada are not permitted to participate in the Plan.

Unitholders (“Beneficial Holders”) that hold Units through a securities broker/dealer, bank or trust company (“CDS Participants”) and that desire to participate in the Plan may do so through their CDS Participant. Beneficial Holders who participate in the Plan through their CDS Participant will not be recognized by the REIT or CIBC Mellon as Participants. Beneficial Holders, however, can exercise the rights of a Participant through their CDS Participant. Currently, the only eligible Participant is the Canadian Depository for Securities Limited (“CDS”) as all Unitholders hold Units through a CDS Participant.

4. How does a Unitholder become a Participant in the Plan?

How a Unitholder becomes a Participant in the Plan depends on whether or not the Unitholder is a Beneficial Holder or a registered holder (a “Registered Holder”).

Beneficial Holders: Beneficial Holders may participate in the Plan by (i) advising their CDS Participant of their desire to participate in the Plan and directing them to take all necessary actions to permit participation in the Plan; and (ii) completing *Form A – Certificate of Beneficial Ownership [set weblink]* and returning it to the REIT.

Registered Holders: Registered Holders may participate in the Plan by completing *Form B – Authorization for Registered Unitholder [set weblink]* and returning it to CIBC Mellon at the address provided therein.

5. When does participation in the Plan start once a Unitholder has taken the necessary steps to become a Participant and how is the Plan administered?

Beneficial Holders: The rules of CDS dictate commencement in the Plan for Beneficial Holders. Such rules govern when CDS Participants must provide notice to CDS with respect to Beneficial Holders’ participation in the Plan. Beneficial Holders should consult their CDS Participant with respect to their entitlement to statements regarding Additional Plan Units issued under the Plan and with respect to information concerning their investment for tax reporting purposes.

Registered Holders: Participation in the Plan will commence with effect on the next distribution record date set by the REIT, provided that *Form B – Authorization for Registered Unitholder* has been received by CIBC Mellon five

days prior to such date. In the event that CIBC Mellon does not receive *Form B – Authorization for Registered Unitholder* five business days prior to such date, participation will commence on the next following distribution record date.

6. How does a Participant terminate participation in the Plan?

Beneficial Holders: A Beneficial Holder may terminate participation at any time by providing written notice to his or her CDS Participant. The CDS Participant will then give notice to CDS in accordance with the rules and regulations of CDS. A Beneficial Holder who has terminated participation in the Plan will be credited with any Additional Plan Units held for the Participant's account in accordance with the operating policies of such CDS Participant.

Registered Holders: A Registered Holder may terminate participation at any time by providing written notice to CIBC Mellon. If CIBC Mellon receives notice at least five business days prior to a distribution record date, termination will have effect for the corresponding distribution payment date. If notice is received less than five business days before a distribution record date, the distribution made on the corresponding distribution payment date will be invested in Additional Plan Units and the termination will be effective only after the distribution payment date. The Participant will be credited with all whole Additional Plan Units held for the Participant's account by CIBC Mellon and will be compensated by CIBC Mellon for any fractional Additional Plan Units in an amount proportionate to the closing price of the Units on the Toronto Stock Exchange on the trading day prior to the effective date of termination.

7. Can the REIT amend, suspend or terminate the Plan?

The REIT reserves the right to amend, suspend or terminate the Plan at any time, subject to the approval of the Toronto Stock Exchange, but such action shall have no retroactive effect that would prejudice the interest of Participants. All Participants will be sent written notice of any such amendment, suspension or termination. The REIT, in conjunction with CIBC Mellon, may also from time to time adopt rules and regulations to facilitate the administration of the Plan. In addition, the REIT may limit the number of Units issuable under the Plan.

8. What are the income tax consequences of the Plan?

Participants are urged to consult their tax advisors as to their particular tax position.

9. Who should be contacted for additional information about the Plan?

Should you have any additional questions or require additional information about the Plan, please contact:

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