



**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST  
ANNOUNCES COMPLETION OF PRIVATE PLACEMENT**

**Toronto, December 18, 2003** -- Allied Properties REIT (TSX:AP.UN) today announced that it has completed its previously announced private placement of 900,000 trust units at a price of \$11.15 per unit for gross proceeds of approximately \$10 million. Scotia Capital acted as agent for the offering. The proceeds of the private placement will be used to fund the equity component of the previously announced acquisition of 905 King Street West, an office building located in the REIT's target market in downtown Toronto, and to reduce bank indebtedness. The acquisition of 905 King Street West is expected to be completed on December 19, 2003.

*Allied Properties REIT is a leading office property owner in the areas immediately to the east and west of Toronto's downtown core. With 872,000 square feet of space, the REIT's portfolio of 15 predominantly Class I buildings accommodates a diversified base of business tenants. The objectives of the REIT are to provide stable and growing cash distributions to its Unitholders and to maximize Unitholder value through the effective management and accretive growth of its portfolio.*

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**FOR FURTHER INFORMATION, PLEASE CONTACT:**

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