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**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST
ANNOUNCES DECEMBER DISTRIBUTION**

Toronto, December 18, 2003 –Allied Properties REIT (TSX:AP.UN) today announced that the trustees of the REIT have declared a distribution of \$0.09166 per unit for the month of December 2003, representing \$1.10 per unit on an annualized basis. The distribution will be payable on or about December 31, 2003 to unitholders of record on December 31, 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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