



**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST  
ANNOUNCES AGREEMENT TO ACQUIRE CLASS I OFFICE PROPERTY IN TORONTO**

**Toronto, April 14, 2004** -- Allied Properties REIT (TSX:AP.UN) today announced that it has entered into an agreement to purchase 50 Wellington Street East, a 32,193 square foot, Class I office building located in the REIT's target market in downtown Toronto. The property is fully leased to tenants consistent in character and quality with the REIT's existing tenant base. The acquisition is conditional upon completion of customary due diligence and is expected to close on or about May 1, 2004.

"50 Wellington East will compliment our properties in the vibrant St. Lawrence Market area and increase our ability to serve office tenants in the important Downtown East sub-market", said Michael Emory, President and CEO. "We expect the acquisition to be immediately accretive to Distributable Income and to afford us an opportunity to enhance net operating income by bringing the average rental rate per square foot closer to market levels".

The purchase price for the property of \$5.25 million will be funded initially through mortgage financing in the approximate principal amount of \$1.9 million and the utilization of the REIT's acquisition credit facility. The interest rate on the mortgage financing will be approximately 5.9%. The going-in yield on the acquisition is expected to be approximately 9% on an un-levered basis.

*Allied Properties REIT is a leading office property owner in the areas immediately to the east and west of Toronto's downtown core. With over 1.1 million square feet of space, the REIT's portfolio of 18 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.*

This news release contains forward-looking statements relating to the REIT's operations and the environment in which the REIT operates, which are based on expectations, estimates, forecasts and projections. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Therefore, actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. The REIT undertakes no obligation to publicly update any such statement, to reflect new information or the occurrence of future events or circumstances.

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**FOR FURTHER INFORMATION, PLEASE CONTACT:**

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