



**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST ANNOUNCES
CLOSING OF PUBLIC EQUITY OFFERING**

Toronto, April 18, 2005 -- Allied Properties REIT (TSX:AP.UN) announced today that it has closed its previously announced offering of 2,150,000 units at a price of \$14.00 per unit for gross proceeds of \$30.1 million. The units were qualified by a short form prospectus dated April 11, 2005, and were underwritten by a syndicate led by Scotia Capital Inc.

The REIT intends to use a portion of the net proceeds of the offering to fund the acquisition of the Balfour Building, which is expected to close later today, and intends to use the balance for general corporate purposes.

Allied Properties REIT owns a portfolio of predominantly Class I office properties in downtown Toronto and downtown Montreal. 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:

Michael R. Emory
President and Chief Executive Officer
(416) 977-9002
memory@alliedpropertiesreit.com