



**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST ANNOUNCES  
CLOSING OF \$41 MILLION PUBLIC EQUITY OFFERING**

**Toronto, December 1, 2006** -- Allied Properties REIT (TSX:AP.UN) announced today that it has closed the previously announced offering of two million units at a price of \$20.50 per unit for gross proceeds of \$41 million. The units were qualified by a short form prospectus dated November 21, 2006, and were underwritten by a syndicate led by Scotia Capital Inc.

The REIT intends to use the net proceeds of the offering to fund a portion of the purchase price for the acquisitions in Montreal, Toronto and Winnipeg that were announced concurrently with the announcement of the offering. The acquisitions are scheduled to close today.

*Allied Properties REIT is a leading owner and manager of Class I office properties in Canada, with portfolio assets in the urban areas of Montreal, Quebec City, Toronto and Winnipeg. The objectives of the REIT are to provide stable and growing cash distributions to unitholders and to maximize unitholder value through effective management and accretive portfolio growth.*

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**FOR FURTHER INFORMATION, PLEASE CONTACT:**

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