



**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST  
ANNOUNCES JUNE DISTRIBUTION  
AND TEMPORARY SUSPENSION OF ISSUANCE OF UNITS UNDER DRIP**

**Toronto, June 18, 2007** - Allied Properties REIT (TSX:AP.UN) announced today that the Trustees of the REIT have declared a distribution of \$0.105 per unit for the month of June, 2007, representing \$1.26 per unit on an annualized basis. The distribution will be payable on July 16, 2007, to unitholders of record as at June 29, 2007. The REIT also announced today that it has temporarily suspended the issuance of units under its Distribution Reinvestment Plan ("DRIP").

While confident that it will qualify for the REIT exemption set out in Bill C-52, the REIT recognizes that there is considerable uncertainty surrounding the interpretation of the relevant provisions of the Bill. In light of this uncertainty, the REIT has temporarily suspended the issuance of units under the DRIP in order to remain within the "normal growth" guidelines. The REIT expects to be in a position to resume the issuance of units under the DRIP no later than January of 2008.

The REIT remains fully committed to the acquisition targets it has established for 2007 and is confident that it can achieve those targets within the "normal growth" guidelines.

*Allied Properties REIT is a leading provider of Class I office space in Canada, with portfolio assets in the urban areas of Toronto, Montreal, Winnipeg and Quebec City. 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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