



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

Toronto, September 20, 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 September, 2007, representing \$1.26 per unit on an annualized basis. The distribution will be payable on October 15, 2007, to unitholders of record as at September 28, 2007.

As previously announced, the REIT has temporarily suspended the issuance of units under its Distribution Reinvestment Plan ("DRIP"). The REIT expects to resume the issuance of units under the DRIP no later than January of 2008.

Allied Properties REIT is the 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.

-30-

For further information:

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