ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST
ANNOUNCES 20% GROWTH IN AFFO PER UNIT IN 2007
AND FIFTH CONSECUTIVE ANNUAL DISTRIBUTION INCREASE

Toronto, March 7, 2008 -- Allied Properties REIT (TSX:AP.UN) today announced results for the fourth quarter and year ended December 31, 2007. On a fully diluted, per-unit basis, Distributable Income ("DI"), Funds From Operations ("FFO") and Adjusted Funds From Operations ("AFFO") were up in 2007 by 17%, 8% and 20%, respectively. The REIT's DI, FFO and AFFO payout ratios for the year were at 76%, 76% and 84%, respectively.

The REIT also announced that its Trustees have approved a 5% increase in monthly cash distributions from $0.105 per unit ($1.26 per unit annualized) to $0.11 per unit ($1.32 per unit annualized) effective March, 2008. The increased distribution will be payable on April 15, 2008, to unitholders of record on March 31, 2008.

"We brought our business to a new level in 2007," said Michael Emory, President and CEO. "This enabled us to achieve top-tier payout ratios and to announce today the largest of our five consecutive annual distribution increases."

The financial results for the fourth quarter are summarized below and compared to the same quarter in 2006:

(In thousands except for per unit and % amounts)	Q4 2007	Q4 2006	Change	% Change
DI	10,626	6,562	4,064	61.9%
DI per unit (diluted)	$0.423	$0.349	$0.074	21.2%
DI pay-out ratio	74.0%	86.8%	(12.8%)	
FFO	10,551	7,125	3,426	48.1%
FFO per unit (diluted)	$0.420	$0.379	$0.041	10.8%
FFO pay-out ratio	74.6%	79.9%	(5.3%)	
AFFO	9,383	5,928	3,455	58.3%
AFFO per unit (diluted)	$0.373	$0.315	$0.058	18.4%
AFFO pay-out ratio	83.8%	96.1%	(12.3%)	

The financial results for 2007 are summarized below and compared to the 2006:

(In thousands except for per unit and % amounts)	2007	2006	Change	% Change
DI	39,258	23,982	15,276	63.7%
DI per unit (diluted)	$1.653	$1.414	$0.239	16.9%
DI pay-out ratio	75.8%	85.3%	(9.5%)	
FFO	39,350	25,911	13,439	51.9%
FFO per unit (diluted)	$1.656	$1.527	$0.129	8.4%
FFO pay-out ratio	75.6%	79.0%	(3.4%)	
AFFO	35,323	21,024	14,299	68.0%
AFFO per unit (diluted)	$1.487	$1.239	$0.248	20.0%
AFFO pay-out ratio	84.3%	97.3%	(13.0%)	

In 2007, the REIT increased its leased area to 97.9% of total GLA (not including Properties Under Development), increased same-asset net operating income ("NOI") by 7.1% and completed $312 million in accretive acquisitions, all of which drove record per-unit growth in

DI, FFO and AFFO during the year. The REIT also reduced the weighted average interest rate on its mortgages to 5.6% and brought the weighted average term of its mortgages to seven years. The REIT's debt ratio was 55.2% on December 31, 2007, and declined to 50.5% following the closing on January 3, 2008, of the offering of 2,900,000 units at a price of $20.75 per unit for gross proceeds of $60 Million.

"We entered 2008 with a very strong balance sheet," added Mr. Emory. "This will enable us to continue the systematic consolidation of our target markets and to accelerate the pace of our development and intensification activities."

DI, FFO, AFFO and NOI are not financial measures defined by Canadian GAAP. Please see the REIT's MD&A for a description of these measures and their reconciliation to net income or cash flow from operations, as presented in the consolidated financial statements of the REIT for the year ended December 31, 2007. These statements, together with accompanying notes and MD&A, have been filed with SEDAR, www.sedar.com, and are also available on the REIT's web-site, www.alliedpropertiesreit.com.

This press release may contain forward-looking statements with respect to the REIT, its operations, strategy, financial performance and condition. These statements generally can be identified by use of forward looking words such as "may", "will", "expect", "estimate", "anticipate", intends", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of the REIT discussed herein could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, changes in government regulations and the factors described under "Risk Factors" in the Annual Information Form of the REIT which is available at www.sedar.com. The cautionary statements qualify all forward-looking statements attributable to the REIT and persons acting on their behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release and the REIT has no obligation to update such statements.

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, Quebec City and Kitchener. 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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