



**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST
ANNOUNCES FIRST-QUARTER RESULTS FOR 2008**

Toronto, May 14, 2008 -- Allied Properties REIT (TSX:AP.UN) today announced results for the first quarter ended March 31, 2008. On a fully diluted, per-unit basis, Distributable Income ("DI"), Funds From Operations ("FFO") and Adjusted Funds From Operations ("AFFO") were up from the comparable quarter by 14.8%, 4.2% and 12.1%, respectively. The REIT's DI, FFO and AFFO payout ratios for the quarter were 75.0%, 75.6% and 76.5%, respectively.

"By every measure, the first quarter was a good one," said Michael Emory, President and CEO. "Our financial results were solid, our leasing activity was strong, we made several strategic acquisitions and our access to mortgage financing was more than sufficient to meet our needs."

Summary of Financial Results

The financial results for the first quarter are summarized below and compared to the same quarter in 2007:

(In thousands except for per unit and % amounts)	Q1 2008	Q1 2007	Change	% Change
DI	11,919	7,487	4,432	59.2%
DI per unit (diluted)	\$0.426	\$0.371	\$0.055	14.8%
DI pay-out ratio	75.0%	81.6%	(6.6%)	
FFO	11,834	8,184	3,650	44.6%
FFO per unit (diluted)	\$0.423	\$0.406	\$0.017	4.2%
FFO pay-out ratio	75.6%	74.6	1.0%	
AFFO	11,698	7,530	4,168	55.4%
AFFO per unit (diluted)	\$0.418	\$0.373	\$0.045	12.1%
AFFO pay-out ratio	76.5%	81.1%	(4.6%)	

In the first quarter, the REIT maintained a high level of leased area (97.6% at quarter-end), increased same-asset net operating income ("NOI") by 0.6% and completed \$50 million in acquisitions, all of which drove per-unit growth in DI, FFO and AFFO during the quarter. The REIT's debt ratio was 51.3% at the end of the quarter.

Cautionary Statements

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 quarter ended March 31, 2008. 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.

Allied Properties REIT is the leading owner and manager of Class I office properties 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.

-30-

FOR FURTHER INFORMATION, PLEASE CONTACT:

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