



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

Toronto, August 7, 2008 -- Allied Properties REIT (TSX:AP.UN) today announced results for the second quarter and the six-month period ended June 30, 2008. On a fully diluted, per-unit basis, Adjusted Funds From Operations ("AFFO") for the quarter were up 8.2% and for the six-month period 10.5%. The REIT's AFFO pay-out ratio for the quarter was 86.0% and for the six-month period 81.0%.

The REIT maintained a high level of leased area through the six-month period, finishing at 97.3%. It also increased same-asset net operating income ("NOI") by 3%, completed \$76 million in acquisitions and announced another \$76 million in acquisitions along with a \$61 million public offering (all of which closed recently). The REIT's debt ratio at the end of the period was 52.7%.

"In the first half of the year, we took very deliberate advantage of our investment and operating expertise, as well as our access to capital," said Michael Emory, President and CEO. "I believe this is evident in our financial results and in the continued strength of our balance sheet."

Summary of Financial Results

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

(In thousands except for per unit and % amounts)	Q2 2008	Q2 2007	Change	% Change
Distributable Income ("DI")	11,693	10,211	1,482	14.5%
DI per unit (diluted)	\$0.415	\$0.416	(\$0.001)	(0.2%)
DI pay-out ratio	79.1%	77.6%	1.5%	
Funds From Operation ("FFO")	11,512	10,192	1,320	13.0%
FFO per unit (diluted)	\$0.409	\$0.416	(\$0.007)	(1.7%)
FFO pay-out ratio	80.3%	77.7%	2.6%	
AFFO	10,759	8,648	2,111	24.4%
AFFO per unit (diluted)	\$0.382	\$0.353	\$0.029	8.2%
AFFO pay-out ratio	86.0%	91.6%	(5.6%)	

The financial results for the six-month period are summarized below and compared to the same period in 2007:

(In thousands except for per unit and % amounts)	H1 2008	H1 2007	Change	% Change
DI	23,612	17,698	5,914	33.4%
DI per unit (diluted)	\$0.841	\$0.792	\$0.049	6.2%
DI pay-out ratio	77.1%	79.3%	(2.2%)	
FFO	23,346	18,376	4,970	27.0%
FFO per unit (diluted)	\$0.832	\$0.822	\$0.010	1.2%
FFO pay-out ratio	77.9%	76.4%	1.5%	
AFFO	22,457	16,178	6,279	38.8%
AFFO per unit (diluted)	\$0.800	\$0.724	\$0.076	10.5%
AFFO pay-out ratio	81.0%	86.7%	(5.7%)	

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 June 30, 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.

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FOR FURTHER INFORMATION, PLEASE CONTACT:

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