



**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST
ANNOUNCES RECEIPT OF UNSOLICITED PROPOSAL
FROM FIRST CAPITAL REALTY INC.**

Toronto February 9, 2009: Allied Properties REIT announced today that it has received from First Capital Realty Inc. an unsolicited proposal to explore business opportunities, which may or may not result in a potential combination of the REIT and First Capital. The Trustees of the REIT intend to meet to consider the matter and will report to Unitholders in due course.

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.

For further information:

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