ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST
ANNOUNCES STRONG FOURTH-QUARTER AND YEAR-END RESULTS FOR 2008

Toronto, March 10, 2009 -- Allied Properties REIT (TSX:AP.UN) today announced results for the fourth quarter and year ended December 31, 2008. The financial results for the fourth quarter are summarized below and compared to the same quarter in 2007:

(In thousands except for per unit and % amounts)	Q4 2008	Q4 2007	Change	% Change
Net income	3,296	975	2,321	238.1%
Funds from operations ("FFO")	13,023	10,551	2,472	23.4%
FFO per unit (diluted)	$0.42	$0.42	$0.00	0.0%
FFO pay-out ratio	78.7%	74.6%	4.1%	
Adjusted FFO ("AFFO")	10,603	9,383	1,220	13.0%
AFFO per unit (diluted)	$0.34	$0.37	($0.03)	(8.1%)
AFFO pay-out ratio	96.7%	83.8%	12.9%	

The financial results for 2008 are summarized below and compared to 2007:

(In thousands except for per unit and % amounts)	2008	2007	Change	% Change
Net income	12,512	5,810	6,702	115.4%
FFO	49,818	39,350	10,468	26.6%
FFO per unit (diluted)	$1.68	$1.66	$0.02	1.2%
FFO pay-out ratio	77.6%	75.6%	2.0%	
AFFO	44,660	35,323	9,337	26.4%
AFFO per unit (diluted)	$1.51	$1.49	$0.02	1.3%
AFFO pay-out ratio	86.6%	84.3%	2.3%	

"We continued to strengthen our urban-office franchise in 2008," said Michael Emory, President & CEO. "We expanded our portfolios in Toronto and Montreal, improved our financial performance measures despite having de-levered our business and bolstered our balance sheet in a very timely way given the current economic environment."

Allied completed $152 million in acquisitions in 2008, bringing its portfolio to 81 predominantly Class I office properties with 5.6 million square feet of leasable area. As in prior years, Allied's portfolio expansion was part of a focused consolidation strategy that has enabled it to become the leading provider of Class I office space in each of its target markets.

Allied maintained a high level of leased area through 2008, finishing the year at 97.3%. Despite de-levering its business over the course of the year, Allied increased its FFO and AFFO per unit and maintained FFO and AFFO pay-out ratios well below the average for Canadian REITs.

Allied raised over $120 million in equity in 2008 and secured another $60 million in first-mortgage financing, reducing its debt ratio by year-end to a conservative 49.4% and leaving it in a strong liquidity position. Aside from $3 million drawn on its $70 million line of credit, Allied had no variable rate debt at the end of the year. On its mortgage debt, Allied had a weighted-average interest rate of 5.6%. Finally, Allied had a very moderate mortgage maturity schedule going forward, with approximately $15 million in mortgages maturing in 2009 (3% of its total mortgage debt), $6 million in 2010 (1%) and $15 million in 2011 (3%).

Allied's Trustees review distribution levels upon receipt of audited financial statements for each completed fiscal year. Following the most recent review, the Trustees decided to maintain monthly cash distributions at the current level of $0.11 per unit ($1.32 per unit annualized). At this distribution level, Allied expects to maintain conservative FFO and AFFO pay-out ratios, ones that will remain well below the average for Canadian REITs.

"Although a moderate slowdown in demand for office space in our target markets is apparent, we expect our property portfolio to continue to perform well in 2009, in large part because of our exceptional market penetration, significantly lower operating costs and highly sought-after building attributes," said Mr. Emory. "Our management team is dedicated to remaining within our normal range of leased area of 96% to 99%."

FFO and AFFO are not financial measures defined by Canadian GAAP. Please see Allied's MD&A for a description of these measures and their reconciliation to net income or cash flow from operations, as presented in Allied's consolidated financial statements for the year ended December 31, 2008. These statements, together with accompanying notes and MD&A, have been filed with SEDAR, www.sedar.com, and are also available on Allied's web-site, www.alliedpropertiesreit.com.

This press release may contain forward-looking statements with respect to Allied, 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. Allied's actual results and performance 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 Allied's Annual Information Form which is available at www.sedar.com. The cautionary statements qualify all forward-looking statements attributable to Allied and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release, and Allied 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. Its objectives 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