ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST
ANNOUNCES STRONG SECOND-QUARTER RESULTS

Toronto, August 10, 2009 -- Allied Properties REIT (TSX:AP.UN) today announced results for its second quarter ended June 30, 2009. "Our second-quarter results represent further confirmation of the durability of Class I office space in an economic downturn," said Michael Emory, President & CEO. "Our leasing results were solid, our FFO and AFFO per unit grew by 7.3% and 5.3%, respectively, our pay-out ratios remained conservative and our liquidity position remained strong."

Financial and Operating Results

The financial results for the quarter are summarized below and compared to the same quarter in 2008:

(In thousands except for per unit and % amounts)	**Q2 2009**	**Q2 2008**	**Change**	**%Change**
Net income	$3,950	$2,561	$1,389	54.2%
Net income per unit (diluted)	$0.13	$0.09	$0.04	44.4%
Funds from operations ("FFO")	$13,928	$11,512	$2,416	21.0%
FFO per unit (diluted)	$0.44	$0.41	$0.03	7.3%
FFO pay-out ratio	74.0%	80.3%	(6.3%)	
Adjusted FFO ("AFFO")	$12,632	$10,759	$1,873	17.4%
AFFO per unit (diluted)	$0.40	$0.38	$0.02	5.1%
AFFO pay-out ratio	81.6%	86.0%	(4.4%)	
Debt ratio	49.3%	52.7%	(3.4%)	

Allied maintained a high level of leased area, finishing the second quarter at 96.3%, down from 97.2% at the end of the first quarter. A large portion of the decline was a consequence of 96 Spadina Avenue in Toronto having been transitioned from a property under development to a rental property for accounting purposes on May 1, as planned. Allied achieved substantial completion of the redevelopment of this property in just over one year and expects to lease most of the remaining 22,446 square feet of available space by year-end.

Demand for office and retail space in Allied's target markets remained encouraging in the second quarter. Allied leased 14,102 square feet of storefront retail space at 522 King Street West in Toronto to a high-end food store for a term of 15 years at rental rates equal to and rising above prior in-place rents over the term. It also completed another large-scale renewal at Cité Multimédia in Montréal (25,051 square feet) at rental rates equal to in-place rents and an early replacement of a large tenant at 469 King Street West in Toronto (29,246 square feet) at rental rates above in-place rents. Finally, Allied experienced a decrease in the already minimal levels of space available for sub-lease in its portfolio.

Finally, Allied finished the second quarter in a strong liquidity position, with a conservative debt ratio of 49.3%. Aside from $28 million drawn on its $70 million line of credit, it had no variable rate debt at the end of the quarter. In July, Allied placed a $5.2

million first mortgage on 4446 Saint-Laurent Boulevard in Montréal, enabling it to reduce the amount drawn on its line of credit to just under $23 million. Allied has no mortgages maturing in the remainder of 2009, $7 million in mortgages maturing in 2010 and $15 million in mortgages maturing in 2011.

The financial results for the six-month period ended June 30, 2009, are summarized below and compared to the same period in 2008:

(In thousands except for per unit and % amounts)	H1 2009	H1 2008	Change	%Change
Net income	$7,826	$5,506	$2,320	42.1%
Net income per unit (diluted)	$0.25	$0.20	$0.05	25.0%
Funds from operations ("FFO")	$27,857	$23,346	$4,511	19.3%
FFO per unit (diluted)	$0.89	$0.83	$0.06	7.2%
FFO pay-out ratio	74.0%	77.9%	(3.9%)	
Adjusted FFO ("AFFO")	$24,902	$22,457	2,445	10.9%
AFFO per unit (diluted)	$0.79	$0.80	($0.01)	(1.2%)
AFFP pay-out ratio	82.7%	81.0%	1.7%	
Debt ratio	49.3%	52.7%	(3.4%)	

Cautionary Statements

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 six-month period and quarter ended June 30, 2009. 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, Montréal, Winnipeg, Québec City and Kitchener-Waterloo. Its objectives 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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