ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST ANNOUNCES CONTINUED STRONG OPERATIONS AND FINANCIAL RESULTS FOR THIRD QUARTER

Toronto, November 10, 2009 -- Allied Properties REIT (TSX:AP.UN) today announced results for its third quarter ended September 30, 2009. "In the third quarter, we saw a continuation of the generally positive operating trends evident in the prior two quarters, which enabled us to achieve AFFO per unit 8.1% above the same quarter last year" said Michael Emory, President & CEO. "We also announced the acquisition of 151 Front Street West in Toronto, a Class I property that will further strengthen our financial and operating performance measures going forward."

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)	Q3 2009	Q3 2008	Change	%Change
Net income	3,789	3,710	79	2.1%
Net income per unit (diluted)	$0.12	$0.12	$0.00	0.0%
Funds from operations ("FFO")	13,480	13,449	31	0.2%
FFO per unit (diluted)	$0.43	$0.43	$0.00	0.0%
FFO pay-out ratio	76.6%	76.0%	0.6%	
Adjusted FFO ("AFFO")	12,401	11,600	801	6.9%
AFFO per unit (diluted)	$0.40	$0.37	$0.03	8.1%
AFFO pay-out ratio	83.2%	88.1%	(4.9%)	
Debt ratio	49.4%	49.7%	(0.3%)	

Allied renewed or replaced 88.4% of the leases that matured in the first nine months of 2009, in most cases at rental rates above in-place rents. It finished the third quarter with leased area at 96.2%

Allied finished the third quarter in a strong liquidity position, with a conservative debt ratio of 49.4%. Aside from $28 million drawn on its $70 million line of credit, it had no variable rate debt at the end of the quarter. 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 nine-month period ended September 30, 2009, are summarized below and compared to the same period in 2008:

(In thousands except for per unit and % amounts)	**Nine-Month Period 2009**	**Nine-Month Period 2008**	**Change**	**%Change**
Net income	11,615	9,216	2,399	26.0%
Net income per unit (diluted)	$0.37	$0.32	$0.05	15.6%
Funds from operations ("FFO")	41,337	36,795	4,542	12.3%
FFO per unit (diluted)	$1.32	$1.27	$0.05	3.9%
FFO pay-out ratio	74.8%	77.2%	(2.4%)	
Adjusted FFO ("AFFO")	37,303	34,057	3,246	9.5%
AFFO per unit (diluted)	$1.19	$1.17	$0.02	1.7%
AFFO pay-out ratio	82.9%	83.4%	(0.5%)	
Debt ratio	49.4%	49.7%	(0.3%)	

Early Renewal in Montreal

Following the end of the third quarter, Desjardins agreed to renew its lease of 192,157 square feet at 425 Viger Avenue West for a term of five years to December 31, 2017, at net rental rates above in-place rents. At the option of Desjardins, which is exercisable prior to the end of the renewal term, Allied will construct approximately 50,000 square feet of additional space at the property, taking advantage of surplus land acquired in 2006 and 2007. Upon occupancy of the additional space, Desjardins will enter into a new lease for approximately 242,157 square feet of space at the property for a term of 20 years at net rental rates above in-place rents and with escalations every five years.

Development

1500 Notre Dame Avenue in Winnipeg was acquired as part of the Silpit Portfolio in 2006 and became a property under development in 2007. Allied completed the redevelopment of the property in October of last year, bringing the all-in cost to $3.9 million. Following the end of the third quarter, the property was appraised at $5.9 million, which enabled Allied to arrange $3.5 million in first mortgage financing for a term of five years at an annual interest rate of approximately 5.85%. The financing is expected to close later in 2009.

Allied leased another floor at 47 Fraser Avenue in Toronto, bringing the leased area in that property to 67%, and initiated the lease-up of 47A Fraser with the lease of a floor following the end of the third quarter. Substantial lease-up for these two properties is targeted for mid-2010, at which time they'll become rental properties for accounting purposes.

Allied completed the renovation at 544 King Street West in Toronto in the third quarter and initiated the leasing program with a view to achieving lease-up by mid-2010. Allied will revisit its initial development plans for the property in approximately five years time.

Allied also made progress with its large-scale intensification project at 134 Peter Street in Toronto. It announced today the acquisition of 375-381 Queen Street West. Located on the southwest corner of the intersection of Queen and Peter Streets, just north of 134 Peter Street, this Class I property is comprised of 32,557 square feet of gross leasable area and 4,381 square feet of surplus land and has 89 feet of frontage on Queen Street and 142 feet of frontage on Peter Street. Allied plans to incorporate the surplus land into the intensification project by creating dedicated parking spaces using parking-stacker technology. Allied also plans to incorporate the building into the project and to create additional office space by building onto and out from the building. Although it will be incorporated into the intensification project, 375-381 Queen Street West provides a going-in yield of 7.4% and will be a rental property for accounting purposes.

Acquisition in Toronto

In the third quarter, Allied announced the acquisition of 151 Front Street West for $192 million and a concurrent issuance, on a bought-deal basis, of 7.6 million units from treasury at a price of $16.50 per unit for gross proceeds of approximately $125 million. The offering closed on October 2, 2009, and the acquisition closed on October 28, 2009.

151 Front Street West is a Class I office property with 325,772 square feet of gross leasable area ("GLA"), 56 surface parking spaces and 750,000 square feet of approved intensification potential. With this property, the Toronto component of Allied's portfolio represents 56% of the total GLA, the Montreal component 35%, the Winnipeg component 7% and the Quebec City component 3%.

The property fits within Allied's investment and operating focus, much like its property at 905 King Street West in Toronto and portions of Cité Multimédia in Montreal, which also provide specialized facilities for telecommunications, networking and computer equipment. Because of expected increases in demand for space in the property, Allied believes it can augment the net operating income over time. Allied also believes ownership of the property will strengthen the competitive position of its 56 other office properties in Downtown Toronto. "Just as the acquisition of underground parking spaces enables us to provide better parking to our tenants," said Mr. Emory, "the acquisition of the property will enable us to offer superior computer-location facilities and internet connectivity to our tenants, something that will become another differentiating factor for the Allied portfolio."

Allied expects the property will be meaningfully accretive to its AFFO per unit and will enable it to continue the ongoing reduction in its AFFO pay-out ratio, which was 82.9% for the first nine months of 2009. The concurrent offering reduced Allied's debt ratio to approximately 47.8% and enabled it to repay in full the amount drawn on its line of credit.

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 nine-month period and quarter ended September 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, including that the transactions contemplated herein are completed. 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.

-30-

FOR FURTHER INFORMATION, PLEASE CONTACT:
Michael R. Emory
President and Chief Executive Officer
(416) 977-9002
memory@alliedpropertiesreit.com