



**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST ANNOUNCES
CLOSING OF CLASS I OFFICE ACQUISITION IN MONTRÉAL**

Toronto, May 17, 2010 -- Allied Properties REIT (TSX:AP.UN) announced today that it has closed the acquisition of 645 Wellington Street in Montréal, a Class I office property located just east of Cité Multimédia and comprised of 140,060 square feet of gross leasable area.

Allied Properties REIT is a leading owner, manager and developer of urban office environments that enrich experience and enhance profitability for business tenants operating from 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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FOR FURTHER INFORMATION, PLEASE CONTACT:

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