



**ALLIED PROPERTIES REIT EXPRESSES SUPPORT FOR THE CITY OF MONTRÉAL'S
DECISION TO INITIATE THE QUARTIER BONAVENTURE PROJECT**

Montreal, August 12, 2010 -- Allied Properties REIT (TSX:AP.UN) welcomes the announcement made today by the Mayor of Montreal, Mr. Gérald Tremblay, and the Chairman of the Board of Société du Havre de Montréal, Mrs. Isabelle Hudon, with respect to the initiation of the Quartier Bonaventure project in the Autumn of 2010. The project is a \$200 million infrastructure investment aimed at replacing the elevated Bonaventure Expressway with an urban boulevard at grade that incorporates green space and re-establishes the linkages between Old Montréal and Griffintown to improve access to the downtown area via public transit.

"The final plan for the project successfully addresses the interests of all affected constituents and includes a significant and cost-effective improvement to public transportation in the area," said Michael Emory, President & CEO. "From our perspective, the project brings further vitality to the area around Cité Multimédia and will support our overriding objective of providing urban office environments that enrich experience and enhance profitability for business tenants."

Cité Multimédia is an urban office campus with Class I attributes, nearly one million square feet of rentable area and large floor plates. It serves a wide range of prominent business tenants in Montréal. The Quartier Bonaventure is the area surrounding Cité Multimédia and is a key component of a larger "innovation" community that includes world-class Montréal universities, such as ÉTS and McGill.

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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