



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

Toronto, September 2, 2010 -- Allied Properties REIT (TSX:AP.UN) announced today that it has closed the acquisition of the Lougheed Building in downtown Calgary, a Class I office property with 86,478 square feet of gross leasable area.

"We're delighted to have established a solid foothold in this vibrant Canadian city," said Michael Emory, President & CEO. "We see the acquisition of the Lougheed Building as an important step in continuing our expansion into western Canada and moving our urban office platform ever closer to a national scale."

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, Kitchener-Waterloo and Calgary. 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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