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**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST ANNOUNCES  
\$75 MILLION PUBLIC EQUITY OFFERING**

**Toronto, February 22, 2011** -- Allied Properties REIT (TSX:AP.UN) announced today that it has entered into an agreement with a syndicate of underwriters led by Scotia Capital Inc. to issue to the public, on a bought-deal basis, 3,410,000 units from treasury at a price of \$22.00 per unit for gross proceeds of \$75,020,000. Allied has also granted the underwriters an option to purchase up to an additional 511,500 units on the same terms and conditions, exercisable at any time, in whole or in part, for a period of 30 days following the closing of the offering. The issue will be offered in all provinces of Canada. The units being offered have not been, and will not be, registered under the U.S. Securities Act of 1933 and state securities laws. Closing of the offering is expected to occur on or about March 14, 2011, and is subject to regulatory approvals. The REIT intends to use the net proceeds of the offering to fund future acquisitions and for general trust purposes.

"We're pursuing acquisitions in Vancouver, Calgary, Toronto and Montreal," said Michael Emory, President & CEO. "In light of our acquisition targets for 2011, we believe it's prudent to raise some of the equity we'll require ahead of time."

This press release may contain forward-looking statements with respect to the REIT, 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. The actual results and performance of the REIT 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 Annual Information Form of the REIT which is available at [www.sedar.com](http://www.sedar.com). These cautionary statements qualify all forward-looking statements attributable to the REIT and persons acting on the REIT's behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release and the parties have no obligation to update such statements.

*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, Calgary and Vancouver. 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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