



**ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST ANNOUNCES
CONTINUED EXPANSION IN WESTERN CANADA, EXPANSION INTO OTTAWA
AND DISPOSITION OF NON-CORE ASSET IN TORONTO**

Toronto, November 10, 2011 -- Allied Properties REIT (TSX:AP.UN) announced today that it has entered into agreements to purchase the following properties for \$112 million:

Address	Total GLA	Office GLA	Retail GLA	Parking Spaces
Leeson and Lineham Block, Calgary	30,770	25,594	5,176	4
Westcoast Building, Calgary	19,499	19,499	0	9
The Chambers, Ottawa	211,110	196,328	15,951	144
Total	261,379	241,421	21,127	157

Allied also announced that it has entered into an agreement to sell 67 Richmond Street West in Toronto for \$13.5 million.

With the acquisitions announced today, Allied has completed or announced 23 acquisitions in 2011 for \$461 million. "On closing of these acquisitions, we'll have established five new target markets in a short period of time," said Michael Emory, President & CEO. "While adhering to our investment and operating focus, we've propelled our urban office portfolio to a national scale and significantly boosted our annual AFFO per unit in the process."

Calgary Acquisitions

Located on the Stephen Avenue Mall, immediately west of Fashion Central, which Allied acquired earlier this year, the Leeson and Lineham Block (209 - 8th Avenue S.W.) is a restored heritage property comprised of 30,770 square feet of GLA and four surface parking spaces. It is fully leased to tenants consistent in character and quality with Allied's tenant base. Built in 1910 as one of several business blocks, the property was extensively restored and renovated between 1998 and 2000. It is on the Inventory of Evaluated Historic Resources maintained by the City of Calgary.

Located on the 11th Avenue S.W., in close proximity to the Roberts Block, which Allied acquired earlier this year, the Westcoast Building (522 - 11th Avenue S.W.) is a restored heritage property comprised of 19,499 square feet of GLA and nine surface parking spaces. It is fully leased to tenants consistent in character and quality with our tenant base. Built in 1912 as a warehouse, the property was extensively restored and renovated in the 1980s. It is on the Inventory of Evaluated Historic Resources maintained by the City of Calgary.

Ottawa Acquisition

Located on the southwest corner of Sparks and Elgin, just west of Confederation Square and a half-block south of the Parliament Buildings, The Chambers (40-46 Elgin Street) is comprised of four contiguous structures, three of which are heritage buildings and the fourth of which is a 14-storey office building. Similar to what Allied envisages with respect to its large-scale intensification project at QRC West, the property is comprised of 211,110 square feet of GLA and 144 underground parking spaces. It is 96.5% leased to investment-grade tenants, including the National Capital Commission (70% of the GLA) and Shaw Communications. The leases have a weighted average lease term in excess of 6.7 years. The heritage components of the property--The Scottish-Ontario Chambers, The Central Chambers and The Bell Block--were constructed between 1867 and 1891, renovated extensively in 1994 and are designated under the Ontario Heritage Act. The newer component of the property was constructed in 1994.

Toronto Disposition

Located on the south side of Richmond Street, just west of the intersection with Bay Street, 67 Richmond Street West is comprised of 50,122 square feet of GLA and is fully leased. It has no strategic significance in the context of Allied's portfolio. On disposition at the sale price, the property will have afforded a very high internal rate of return to Allied's unitholders over a six-year period.

Closings and Financing

The disposition is expected to close in December of 2011, and the acquisitions are expected to close by the end of February, 2012, in all cases subject to customary conditions. The purchase price for the three properties to be acquired represents a capitalization rate of approximately 6.7% applied to the annual net operating income ("NOI") in year one. On closing, the Leeson and Lineham Block will be subject to a first mortgage financing in the approximate principal amount of \$5.24 million, having a term expiring in July of 2013, bearing interest at 4.25% per year and payable in blended instalments of principal and interest based on a 25-year amortization period. The Chambers will be subject to a first mortgage in the principal amount of \$52.4 million, having a term expiring in September of 2018, bearing interest at an effective rate of 3.8% per year and payable in blended instalments of principal and interest based on a 20-year amortization period. The remaining property will be free and clear on closing. Allied will fund the acquisitions with proceeds from recently completed first mortgage financings.

Cautionary Statements

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. The actual results and performance of Allied 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 Allied's Annual Information Form, which is available at www.sedar.com. These cautionary statements qualify all forward-looking statements attributable to Allied and persons acting on Allied'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.

"Capitalization rate" is not a measure recognized under International Financial Reporting Standards ("IFRS") and does not have any standardized meaning prescribed by IFRS. Capitalization rate is presented in this press release because management of Allied believes that this non-IFRS measure is relevant in interpreting the purchase price of the properties being acquired. Capitalization rate, as computed by Allied, may differ from similar computations as reported by other similar organizations and, accordingly, may not be comparable to capitalization rate reported by such organizations.

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Allied Properties REIT is a leading owner, manager and developer of urban office environments that enrich experience and enhance profitability for business tenants operating in Canada's major cities. 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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