



LANESBOROUGH

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Press Release

LREIT ANNOUNCES ACQUISITION OF LIGHT INDUSTRIAL PROPERTY IN ALBERTA

Winnipeg, May 27, 2003 – Lanesborough Real Estate Investment Trust (LREIT) announced today that it has conditionally completed the acquisition of a light industrial property in Airdrie, Alberta. Airdrie is located just north of Calgary on the Calgary-Edmonton corridor. The property consists of a 39,936 square foot building situated on a 2.06 acre site. The acquisition also includes a vacant adjacent site of 1.896 acres, providing the opportunity for future expansion. The property is 100% leased to a single tenant, [MAAX Inc.](#), with the lease expiring on December 31, 2008. MAAX is the largest manufacturer of bathroom products and fixtures in Canada and the sixth largest in the United States.

In the Toronto Dominion Bank April 22, 2003 report on Alberta, the Calgary-Edmonton corridor is referred to as “the only Canadian urban centre to amass U.S. level of wealth while preserving a Canadian-style quality of life”. According to the report, the corridor enjoys a per capita income of \$40,000 U.S., which is 10% richer than the U.S. metropolitan average and 40% higher than the Canadian average.

The purchase price is \$1.6 million and will be funded through cash and first mortgage financing. The acquisition is scheduled to close on June 30, 2003, subject to the removal of conditions by LREIT on June 20, 2003. The completion of this accretive acquisition will increase LREIT’s portfolio to two properties, comprising approximately 134,300 square feet.

LREIT is a real estate investment trust, which has been listed on the TSX Venture Exchange under the symbol “LRT.UN” since September 9, 2002. LREIT’s objective is to provide Unitholders with stable and growing cash distributions from investment in a geographically diversified Canadian portfolio of quality properties with strong tenants. For further information on LREIT, please visit our website at www.lreit.com.

The TSX Venture Exchange has not reviewed or approved the contents of this press release.

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