



## LANESBOROUGH

REAL ESTATE INVESTMENT TRUST

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### LANESBOROUGH REAL ESTATE INVESTMENT TRUST

#### Press Release

Winnipeg, September 19, 2002 – Lanesborough Real Estate Investment Trust (LREIT) today announced that the independent Trustees have approved a \$1,150,000 investment in a second mortgage loan, secured by a 103,000 square foot Class A office building in Oshawa, Ontario. The recently completed office building was developed and is beneficially owned by 2668921 Manitoba Ltd., the parent company of Shelter Canadian Properties Limited. The building is located adjacent to the Canadian Head Office of General Motors and is 100% leased to MINACS Worldwide Inc., a customer relationship management (CRM) services company that employs 4,000 people in 22 locations in Canada, the U.S. and Europe and is a major service provider to General Motors.

The second mortgage loan will bear interest at 10% and will have a seven-month term from the date of funding. The mortgage loan will be funded by the remaining net proceeds available from the \$4.3 Million financing completed by LREIT in August 2002. As part of the loan transaction, LREIT will be granted a seven-month option to acquire a 50% interest in the MINACS building for consideration of \$1,850,000, with a provision for \$500,000 to be satisfied by the issuance of 100,000 LREIT trust units at a deemed price of \$5.00 per unit.

The closing of the second mortgage loan advance, and the terms of the seven-month option, are subject to receipt of all required regulatory approvals, including approval of the TSX Venture Exchange. Arni Thorsteinson, the Chief Executive Officer and a Trustee of LREIT, is also the President of 2668921 Manitoba Ltd. and Shelter Canadian Properties Limited. Accordingly, Mr., Thorsteinson abstained from voting on the approval of this matter.

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 owns the real property known as Kenaston Place and Kenaston Village Mall, located in Winnipeg, Manitoba. LREIT's objective is to provide Unitholders with stable cash distributions from investment in a national portfolio of retail, residential, industrial and office properties located across Canada.

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

For further information: [Arni Thorsteinson](#), Chief Executive Officer, (204) 475-9090.