



LANESBOROUGH

Real estate investment trust
2600 Seven Evergreen Place
Winnipeg, Manitoba
R3L 2T3
Tel. 204.475.9090
Fax. 204.475.5505

LANESBOROUGH REAL ESTATE INVESTMENT TRUST Press Release

LANESBOROUGH REAL ESTATE INVESTMENT TRUST COMPLETES SALE OF YELLOWKNIFE PROPERTY

Winnipeg, Manitoba, January 6, 2014 – Lanesborough Real Estate Investment Trust (TSX: LRT.UN) (“**LREIT**”) announced today that it has completed the previously announced sale of the property known as Nova Court located at 476 Range Lake Road in Yellowknife, Northwest Territories (the "**Property**"). The Property was sold for \$21.68 million and resulted in net proceeds to LREIT of approximately \$13.64 million, after expenses, closing adjustments and the assumption by the purchaser of approximately \$8.06 million of first mortgage debt.

The Property was purchased by LREIT in March 2007 for \$15 million

The proceeds are being used to prepay \$10 million principal amount of the 9% second mortgage bonds due December 24, 2015 (TSX: LRT.NT.A) and for the repayment of other debt and/or working capital purposes.

The purchaser of the Property is Temple Hotels Inc., a hotel investment company which owns and operates 26 hotel properties.

ABOUT LREIT

LREIT is a real estate investment trust, which is listed on the Toronto Stock Exchange under the symbols LRT.UN (Trust Units), LRT.DB.G (Series G Convertible Debentures), LRT.NT.A (Second Mortgage Bonds due December 24, 2015), LRT.WT (Warrants expiring March 9, 2015) and LRT.WT.A (Warrants expiring December 23, 2015). For further information on LREIT, please visit our website at www.lreit.com.

FOR FURTHER INFORMATION PLEASE CONTACT:

[Arni Thorsteinson](#), Chief Executive Officer, or [Gino Romagnoli](#), Investor Relations

Tel: (204) 475-9090, Fax: (204) 452-5505, Email: info@lreit.com

The TSX has not reviewed or approved the contents of this press release and does not accept responsibility for the adequacy or accuracy of this press release.

This press release contains certain statements regarding the proposed transaction described herein that could be considered as forward-looking information. The forward-looking information is subject to certain risks and uncertainties, which could result in actual results differing materially from the forward-looking statements. There can be no certainty that the transaction will be completed within the timeline set forth herein or all at.