



LANESBOROUGH

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LANESBOROUGH REAL ESTATE INVESTMENT TRUST Press Release

LANESBOROUGH REIT ANNOUNCES SPECIAL DISTRIBUTION FOR 2010 PAYABLE IN THE FORM OF ADDITIONAL UNITS

Winnipeg, Manitoba, November 17, 2010 – Lanesborough Real Estate Investment Trust (“LREIT”) (TSX: LRT.UN) announced today that a special “non-cash” distribution in the estimated amount of \$0.49 per trust unit (\$8,814,286.11 in total) has been declared payable on December 31, 2010 to the Unitholders of record on December 31, 2010. The amount of the special distribution is equal to LREIT’s capital gains for 2010 and will prevent LREIT from having taxable income under the Income Tax Act for the 2010 taxation year.

There being no cash available for the payment of the special distribution, payment of the whole amount shall be made, in accordance with paragraph 9.3 of LREIT’s Declaration of Trust, by the issuance of additional trust units based on the closing market price of the units on December 31, 2010. Immediately following the special distribution, the number of outstanding trust units will be consolidated so that each Unitholder will hold exactly the same number of trust units after the consolidation as each Unitholder held immediately prior to the special distribution.

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.F (Series F Convertible Debentures), LRT.DB.G (Series G Convertible Debentures), LRT.NT (Second Mortgage Bonds) and LRT.WT (Warrants). The objective of LREIT is to provide Unitholders with stable cash distributions from investment in a geographically diversified Canadian portfolio of quality real estate properties. For further information on LREIT, please visit our website at www.lreit.com.

FOR FURTHER INFORMATION PLEASE CONTACT:

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