



LANESBOROUGH

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LANESBOROUGH REAL ESTATE INVESTMENT TRUST Press Release

LANESBOROUGH REIT ANNOUNCES THE ACQUISITION OF ADDITIONAL FORT MCMURRAY APARTMENT PROPERTY – TOTAL FORT MCMURRAY PORTFOLIO NOW TOTALS 1,167 APARTMENT AND TOWNHOUSE UNITS

Winnipeg, Manitoba, April 21, 2008 – Lanesborough Real Estate Investment Trust (“LREIT”) (TSX: LRT.UN) announced today that it has agreed to acquire a 66-suite luxury apartment property, located at 118 Millennium Drive in the Timberlea area of Fort McMurray, Alberta, for \$30 Million, subject to the usual closing adjustments. The property, known as Siena Apartments, consists of a four-storey apartment building, with a 93-stall underground parkade and is comprised of six one-bedroom and 60 two-bedroom suites. All of the suites are fully furnished and have individual condominium title.

The property is 100% leased to a major oil sands operating company until May 1, 2012. The lease agreement provides the tenant with an option to extend the lease in 2012 for an additional five years at the current market rents at that time.

The purchase price of \$30 Million represents an estimated average capitalization rate of 7.5% over the term of the lease. The acquisition will be financed with a new first mortgage loan in the estimated amount of \$21 Million, a vendor take-back mortgage loan of \$4 Million and the balance in cash. The first mortgage loan will bear interest at an estimated rate of 5.5% for a five-year term and will have a 20-year amortization. The vendor take-back mortgage loan will be a 5% interest only mortgage and will be due on July 1, 2010. The acquisition will close on July 2, 2008.

LREIT will also have a right of first refusal to acquire Phase II of Siena Apartments, which is currently under construction. Phase II will consist of 58-suites, which will also be 100% leased to a major oil sands operating company on a net rent basis for a five-year term.

LREIT is a real estate investment trust, which is listed on the Toronto Stock Exchange under the symbol LRT.UN. 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. There are currently 17,590,954 trust units outstanding. For further information on LREIT, please visit our website at www.lreit.com.

FOR FURTHER INFORMATION PLEASE CONTACT:

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This press release contains certain statements 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.

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.