



## LANESBOROUGH

REAL ESTATE INVESTMENT TRUST

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### LANESBOROUGH REAL ESTATE INVESTMENT TRUST

#### Press Release

#### **LREIT ANNOUNCES PRICING OF PREVIOUSLY ANNOUNCED \$17,000,000 PRIVATE PLACEMENT**

Winnipeg, Manitoba – December 20, 2004 – Lanesborough Real Estate Investment Trust (“LREIT”) (TSX Venture: LRT.UN) announced today that it has priced the previously announced private placement of approximately \$17,000,000, including an Agents’ Option to raise up to an additional \$8,000,000, for aggregate gross proceeds of up to \$25,000,000. LREIT previously announced the offering on November 2, 2004.

The offering will consist of approximately 3,400,000 trust units (the “Units”) at \$5.00 per Unit. Westwind Partners Inc. (the “Lead Agent”) has agreed to offer the Units on a best efforts basis. Closing of the offering is expected to occur on or about December 30, 2004, with the closing of the “overallotment option” to occur 30 days thereafter.

LREIT intends to use the net proceeds from the sale of the Units to fund equity commitments associated with the purchase of multi-family apartment properties and for general purposes.

The completion of the private placement is subject to, among other things, the execution of an Agency Agreement between the Lead Agent and LREIT, and approval of all appropriate regulatory authorities, including the TSX Venture Exchange.

Subject to applicable securities law, the Units sold pursuant to the private placement should be subject to resale restrictions for a period of four months.

LREIT is a real estate investment trust, which is listed on the TSX Venture 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. For further information on LREIT, please visit our website at [www.lreit.com](http://www.lreit.com).

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

FOR FURTHER INFORMATION PLEASE CONTACT:

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*The TSX Venture Exchange 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.*