



LANESBOROUGH
REAL ESTATE INVESTMENT TRUST

2600 Seven Evergreen Place
Winnipeg, Manitoba R3L 2T3
Tel. 204.475.9090
Fax. 204.452.5505

LANESBOROUGH REAL ESTATE INVESTMENT TRUST
Press Release

LREIT COMPLETES THE ACQUISITION OF TWO APARTMENT PROPERTIES

Winnipeg, Manitoba, February 7, 2005 – Lanesborough Real Estate Investment Trust (“LREIT”) (TSX Venture: LRT.UN) announced today that it has completed the previously announced acquisitions of two multi-family apartment properties.

Borden Estates, which is located in Prince Albert, Saskatchewan, consists of 144 suites in six three-storey buildings, each containing 24 suites. The purchase price of \$5.315 Million (subject to the usual closing costs) was funded by the assumption of a first mortgage loan in the approximate amount of \$4 Million and the balance in cash. The first mortgage loan bears interest at 4.64% and matures January 1, 2009.

Highland Tower, which is located in Thompson, Manitoba, consists of 95 suites in a ten-storey, concrete block building. The purchase price of \$1.35 Million (subject to the usual closing costs) was funded entirely in cash. LREIT intends to complete a comprehensive renovation program commencing in 2005.

The acquisition reflects LREIT’s ongoing strategy of concentrating on multi-family apartment properties for future property acquisitions.

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.

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 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.