



LANESBOROUGH

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LANESBOROUGH REAL ESTATE INVESTMENT TRUST Press Release

LANESBOROUGH REIT ANNOUNCES NORMAL COURSE ISSUER BID

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Winnipeg, Manitoba – January 16, 2008. Lanesborough Real Estate Investment Trust (“LREIT”) (TSX: LRT.UN) announced today that the Toronto Stock Exchange (the “Exchange”) has approved its notice of intention to make a normal course issuer bid for its trust units (“Units”) as appropriate opportunities arise from time to time. LREIT’s normal course issuer bid will be made in accordance with the policies of the Exchange. LREIT may purchase its Units during the period from January 21, 2008 to January 20, 2009.

Pursuant to the notice, LREIT intends to acquire over the next 12 months up to 876,494 Units, representing 5% of the issued and outstanding Units. There were 17,529,894 Units outstanding as of January 10, 2008. Purchases will be made at market prices through the facilities of the Exchange. The average daily trading volume of the Units for the most recently completed six calendar months was 134,427 Units. Any tendered Units taken up and paid for by LREIT will be cancelled. LREIT believes that the ongoing purchase by LREIT of certain of its outstanding Units is an appropriate use of LREIT’s resources at this time due to the disparity between the market price and what LREIT believes to be the underlying value of the Units. LREIT believes that purchases of Units pursuant to the normal course issuer bid will benefit all remaining Unitholders by increasing their proportionate equity interest and voting interest in LREIT and affording liquidity to anyone who desires to sell their Units.

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 17,529,894 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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The Toronto Stock Exchange does not accept responsibility for the adequacy or accuracy of this press release.