



LANESBOROUGH

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LANESBOROUGH REAL ESTATE INVESTMENT TRUST Press Release

LREIT COMPLETES THE ACQUISITION OF AN APARTMENT PROPERTY IN SPRUCE GROVE, ALBERTA

Winnipeg, Manitoba, July 15, 2004 – Lanesborough Real Estate Investment Trust (“LREIT”) (TSX Venture: LRT.UN) announced today that it has completed the previously announced acquisition of a 102 suite multi-family apartment property, known as Nova Ridge Estates, in Spruce Grove, Alberta. Spruce Grove, located 11 kilometres west of Edmonton, is one of the fastest growing communities in Western Canada. Nova Ridge Estates consists of two newly constructed four-storey buildings, each containing 51 suites. There are a total of 38 one bedroom and 64 two bedroom suites. The purchase price of \$8.8 Million (subject to the usual closing adjustments) was funded by the assumption of a \$5.98 Million first mortgage loan and the balance in cash.

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:

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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.