



LANESBOROUGH

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LANESBOROUGH REAL ESTATE INVESTMENT TRUST Press Release

LANESBOROUGH REIT ANNOUNCES SALE OF BRITISH COLUMBIA PROPERTY

Winnipeg, Manitoba, November 2, 2009 – Lanesborough Real Estate Investment Trust (“LREIT”) (TSX: LRT.UN) announced today that it has entered into an unconditional agreement to sell a 183-suite apartment property in Surrey, British Columbia, known as Greenwood Gardens for \$13,817,000. LREIT will provide second mortgage financing to the purchaser in the amount of \$6.55 Million for an 18-month term, bearing interest at 3% for the first six months and 6% thereafter. Net of the second mortgage, the sale is expected to result in net cash to LREIT of approximately \$2 Million, after expenses, closing adjustments and the assumption by the purchaser of approximately \$5.2 Million of first mortgage debt. The property was acquired by LREIT in April 2004 for \$10.95 Million.

The sale is scheduled to close on December 1, 2009. LREIT will use the net cash from the sale to repay other higher cost interim mortgage debt and for general working capital purposes

Pursuant to LREIT’s previously announced plans to divest assets and reduce debt, additional property sales are under conditional contract or sale listings and are expected to close during the next four months.

ABOUT LREIT

LREIT is a real estate investment trust, which is listed on the Toronto Stock Exchange under the symbols LRT.UN (Trust Units), LRT.DB.F (Series F Convertible Debentures) and LRT.DB.G (Series G Convertible Debentures). 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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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 Toronto Stock 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