



LANESBOROUGH

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LANESBOROUGH REAL ESTATE INVESTMENT TRUST Press Release

LANESBOROUGH REIT INCREASES REVOLVING LOAN FACILITY

Winnipeg, Manitoba, September 2, 2009 – Lanesborough Real Estate Investment Trust (“LREIT”) (TSX: LRT.UN) announced today that its revolving loan commitment from 2668921 Manitoba Ltd. (“2668921”) has been increased from \$2.7 Million to \$5 Million. Advances under the revolving loan commitment will continue to be secured by a third mortgage charge on the Riverside Terrace property in Saskatoon, Saskatchewan, will bear interest at 7.5% and are repayable on June 30, 2010.

The increase in the revolving loan commitment was approved by the independent trustees of LREIT. Arni Thorsteinson, the Chief Executive Officer and a trustee of LREIT, is also the President of Shelter Canadian Properties Limited and its parent company, 2668921. Accordingly, Mr. Thorsteinson abstained from voting on the approval of this matter.

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 and LRT.DB.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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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.