

## Lanesborough reports loss in Q3

**Tuesday, November 30th, 2004**

LANESBOROUGH Real Estate Investment Trust posted triple-digit gains in operating income for its recently completed third quarter, but increased amortization charges left it in the red.

The Winnipeg-based trust reported in a press release yesterday a net loss of \$444,577 for the quarter ended Sept. 30, down from a profit of \$128,332 for the year-earlier quarter. Its operating income of \$1.4 million was nearly triple the \$495,772 earned a year ago, but that was more than offset by an amortization expense of \$679,928 and financing expenses of \$573,205.

For the first nine months of the year, Lanesborough reported a loss of \$797,836 compared to net income of \$151,837 for the January to September period in 2003. This year's results also included an amortization expense of \$897,217.

The growth in operating income is a function of the company's expansion into the multi-family residential property sector. A year ago, the trust's portfolio consisted of three commercial properties. So far in 2004, it has acquired six additional properties for \$49 million and the multi-family units now account for 65 per cent of the portfolio based on acquisition costs.

The distributable income of Lanesborough for the third quarter was \$296,749, a more than 83 per cent gain from \$161,312 a year ago. The company said in a release the increase reflects the increased cash flow from the trust's expanded operations.

There was no trading of Lanesborough units (LRT.UN/TSX Venture Exchange) yesterday. Their previous close was \$5.49.

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