



LANESBOROUGH

Real estate investment trust

2600 Seven Evergreen Place

Winnipeg, Manitoba

R3L 2T3

Tel. 204.475.9090

Fax. 204.475.5505

LANESBOROUGH REAL ESTATE INVESTMENT TRUST Press Release

LANESBOROUGH REIT COMPLETES ACQUISITION OF ALBERTA APARTMENT PROPERTY

Winnipeg, Manitoba, February 2, 2006 – Lanesborough Real Estate Investment Trust (“LREIT”) (TSX Venture: LRT.UN) announced today that it has completed the previously announced acquisition of a 93-suite multi-family apartment property in Sherwood Park, Alberta. The property, known as Broadview Meadows, is located on the corner of Woodbridge Way and Broadmoor Boulevard in a residential neighbourhood of Sherwood Park, approximately ten kilometers east of Edmonton.

The purchase price of \$6.79 Million, subject to the usual closing adjustments, represents a projected 7% capitalization rate and was funded entirely in cash on an interim basis. LREIT is in the process of finalizing the terms of a first mortgage loan in the amount of \$5.55 Million. The first mortgage loan will bear interest at an estimated rate of 5.25%, for a ten-year term and will have a 30-year amortization.

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:

[Arni Thorsteinson](#), Chief Executive Officer, or [Gino Romagnoli](#), Investor Relations

Tel: (204) 475-9090, Fax: (204) 452-5505, Email: info@lreit.com

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 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.