



LANESBOROUGH

REAL ESTATE INVESTMENT TRUST

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LANESBOROUGH REAL ESTATE INVESTMENT TRUST Press Release

LREIT COMPLETES ACQUISITION OF LIGHT INDUSTRIAL PROPERTY IN ONTARIO

Winnipeg, September 4, 2003 – Lanesborough Real Estate Investment Trust (LREIT) announced today that it has completed the previously announced acquisition of a light industrial property in Burlington, Ontario. The property consists of a 16,177 square foot building situated on a 3.15 acre site. The property is 100% leased to a single tenant, Purolator Courier Ltd., Canada's leading overnight courier company. Purolator's lease expires on September 30, 2012.

The purchase price was \$1.2 million (subject to the usual closing adjustments) and was financed through a \$937,500 first mortgage financing and the balance in cash. The first mortgage loan bears interest at 6.47% for a ten year term, with a 25 year amortization. The yield on the property is approximately 10% on an unlevered basis and exceeds 17% on a levered basis.

LREIT is a real estate investment trust, which has been listed on the TSX Venture Exchange under the symbol "LRT.UN" since September 9, 2002. LREIT's objective is to provide Unitholders with stable and growing cash distributions from investment in a geographically diversified Canadian portfolio of quality properties with strong tenants. For further information on LREIT, please visit our website at www.lreit.com.

The TSX Venture Exchange has not reviewed or approved the contents of this press release.

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