



LANESBOROUGH

REAL ESTATE INVESTMENT TRUST

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LANESBOROUGH REAL ESTATE INVESTMENT TRUST Press Release

LREIT ANNOUNCES ACQUISITION OF SHOPPING CENTRE IN WINNIPEG

Winnipeg, December 10, 2003 – Lanesborough Real Estate Investment Trust (LREIT) announced today that it has conditionally completed the acquisition of an enclosed neighbourhood shopping centre in Winnipeg, Manitoba known as McIvor Mall. The property consists of 65,283 square feet of leasable space situated on a 4.9 acre site. McIvor Mall features a mix of local and national service and product providers. The anchor tenants of the property, Federated Co-Op and Pharma Plus Drugmart, account for approximately 46% of the leasable space and have leases extending until 2018 and 2014, respectively.

The purchase price is \$6.7 million, subject to the usual closing adjustments, and will be funded through cash and first mortgage financing. The acquisition is expected to close on February 1, 2004, subject to LREIT removing its conditions by January 9, 2004. The completion of this accretive acquisition will increase property portfolio of LREIT to four properties, comprising approximately 215,500 square feet.

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 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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