



LANESBOROUGH

REAL ESTATE INVESTMENT TRUST

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LANESBOROUGH REAL ESTATE INVESTMENT TRUST

Press Release

LREIT ANNOUNCES THE COMPLETION OF ITS \$5,000,000 INSTITUTIONAL TRUST UNIT FINANCING

Winnipeg, Manitoba, December 23, 2003 – Lanesborough Real Estate Investment Trust (“LREIT”) (TSX Venture: LRT.UN) announced today that it has closed its private placement of 1,250,000 trust units (“Units”) at a price of \$4.00 per Unit, which resulted in gross proceeds to LREIT of \$5,000,000. [Westwind Partners Inc.](#) acted as agent in connection with the private placement and was paid a fee of 7% of the gross proceeds of the Unit offering.

The net proceeds from the private placement of Units will be used for the purchase of real estate properties (as yet unidentified) and for general purposes.

The Units sold pursuant to the private placements may not be resold for a period of four months pursuant to applicable securities law and stock exchange requirements.

LREIT is continuing its previously announced offering of 10,000 Series C Convertible Debentures (the “Debentures”) by way of private placements for additional anticipated total gross proceeds of \$10,000,000. Westwind is also acting as the agent in connection with the Debenture financing and will be paid a fee of 5% of the gross proceeds of the Debenture offering.

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 real estate properties. For further information, please visit our website at www.lreit.com.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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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.