



Lakeview Hotel Real Estate
Investment Trust

**LAKEVIEW HOTEL REAL ESTATE INVESTMENT TRUST
Press Release**

HOTEL ACQUISITION – BROOKS, ALBERTA

Winnipeg, Manitoba, May 16, 2007 - Lakeview Hotel Real Estate Investment Trust (“Lakeview REIT”) is pleased to announce that it has completed the acquisition of its 14th hotel, the 78 room Holiday Inn Express Hotel & Suites in Brooks, Alberta. This 78 room limited-service facility built in 2000 features an indoor pool and whirlpool, a fitness room, business centre, meeting room and a complimentary continental breakfast area. Brooks is located on the Trans Canada Highway approximately half way between Medicine Hat and Calgary. The primary demand generator for lodging in Brooks is the commercial sector with oil and gas being the central driver of economic growth. Major employers in Brooks include EnCana, Champion Drilling, ConocoPhillips and Lakeside Packers.

Upon acquisition the hotel was immediately converted to a Lakeview Inn & Suites, further adding to the concentration of Lakeview Inn & Suite hotels in Alberta and north-east British Columbia. There are now eleven hotels in that region operating as Lakeview Inns & Suites.

Lakeview REIT is pleased to confirm its regular monthly distribution. The Trustees of Lakeview REIT have declared a distribution of \$0.0367 per trust unit payable on June 29th, 2007, to Unitholders of record on May 31st, 2007. There are currently 19,070,581 Class A Units and Exchangeable Units issued and outstanding.

Lakeview REIT is a real estate investment trust, which is listed on the TSX Venture Exchange under the symbol “LHR.UN”. Lakeview REIT receives income from ownership, management and licensing of hotel properties. Lakeview REIT’s objective is to provide Unitholders with stable and growing cash distributions through an investment in an expanding portfolio of hotel

properties across Canada. For further information on Lakeview REIT please visit our website www.lakeviewreit.com.

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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 its contents.