

LGY ACQUISITION LP ACQUIRES 94.5% OF LEGACY HOTELS REIT

For immediate release

Toronto, Ontario, September 13, 2007 – LGY Acquisition LP (the "Offeror") and Legacy Hotels Real Estate Investment Trust ("Legacy REIT") (TSX: LGY.UN) announced today that approximately 118.1 million trust units of Legacy REIT have been validly deposited to the Offeror's previously announced offer to acquire all Legacy REIT trust units not already owned by the Offeror for \$12.60 cash per trust unit (the "Offer"). At the expiry time of the Offer, all conditions of the Offer had been satisfied or waived by the Offeror. The Offeror has agreed to take up and accept for payment all trust units deposited, which represent approximately 94.5% of the issued and outstanding trust units, before markets open on September 17, 2007 and expects to pay for all such units on September 18, 2007. The Offer expired at 8:00 p.m. (Toronto time) on September 13, 2007. The take-up of the trust units by the Offeror on September 17, 2007 will allow all depositing unitholders to receive the benefit of the *pro rata* distribution of \$0.06882 per trust unit declared by Legacy REIT to holders of record as of September 14, 2007. As announced by Legacy REIT on September 5, 2007, that *pro rata* distribution will be paid on or about September 18, 2007.

Once the Offeror acquires the deposited units on September 18, 2007, it will own sufficient trust units to effect an amendment to the Declaration of Trust of Legacy REIT, as described in the Offer, which would permit it to cause Legacy REIT to redeem the trust units held by non-tendering Unitholders of Legacy REIT immediately on giving the appropriate redemption notice to such non-tendering Unitholders. The Offeror intends to effect such amendments, cause Legacy REIT to deliver the appropriate redemption notice and pay for such trust units on September 18, 2007.

About the Offeror

The Offeror is a limited partnership formed by InnVest Real Estate Investment Trust (TSX: INN.UN) and Cadbridge Investors LP (a limited partnership formed by Cadim, a division of the Caisse de dépôt et placement du Québec, and an affiliate of Westmont Hospitality Management Limited).

About Legacy Hotels Real Estate Investment Trust

Legacy REIT is the largest Canadian lodging real estate investment trust, focused on the ownership of luxury and first-class hotels. With a presence across Canada and in two top U.S. markets, Legacy REIT's portfolio of 25 hotels provides geographical diversification across major urban centres. The portfolio includes landmark properties such as Fairmont Le Château Frontenac, The Fairmont Royal York, The Fairmont Empress and The Fairmont Olympic Hotel, Seattle. Legacy REIT's trust units trade on the Toronto Stock Exchange under the symbol LGY.UN.

About the Caisse de dépôt et placement du Québec and Cadim

The Caisse de dépôt et placement du Québec is a financial institution that manages funds primarily for public and private pension and insurance plans. As at December 31, 2006, it held \$143.5 billion of net assets. One of the leading institutional fund managers in Canada, the Caisse invests in the main financial markets as well as in private equity and real estate. For more information: www.lacaisse.com.

Cadim, a division of the Caisse de dépôt et placement du Québec and a member of the Caisse's Real Estate Group, is a global real estate investment manager. Cadim invests in a diversified range of equity and financing products through a network of affiliates and prominent partners in the United States, Europe and Asia. Cadim is an opportunistic investor whose success relies on its capacity to close large-scale transactions and to take advantage of key leverage opportunities. As at December 31, 2006, total assets under management totalled \$36.3 billion. For more information: www.lacaisse.com/cadim.

About Westmont Hospitality Group

Westmont is one of the largest private owners of hotels in the world, owning and/or managing over 400 hotels globally with operations in North America, Europe and Asia.

About InnVest Real Estate Investment Trust

InnVest Real Estate Investment Trust holds Canada's largest hotel portfolio together with an interest in Choice Hotels Canada Inc., the largest franchisor of hotels in Canada. The hotel portfolio currently comprises 136 hotel properties with over 15,000 guest rooms, operated under internationally recognized franchise brands. InnVest's trust units and outstanding convertible debentures trade on the Toronto Stock Exchange under the symbols INN.UN, INN.DB.A, INN.DB.B and INN.DB.C, respectively.

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The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which this announcement is released, published or distributed should inform themselves about and observe such restrictions.