

For Immediate Release

INREIT Real Estate Investment Trust Announces Dividend and Distribution

Company Release – 1/21/2004

MINOT, NORTH DAKOTA – INREIT Real Estate Investment Trust (INREIT) announced today its Board of Trustees approved a fourth quarter 2003 dividend of \$0.15 per share to shareholders of record as of December 31, 2003. This dividend is payable on January 21, 2004.

INREIT's Board of Trustees, acting as general partner of INREIT Properties, LLLP, also approved a distribution of \$0.15 per unit to Limited Partnership unitholders of record as of December 31, 2003. This distribution is also payable on January 21, 2004.

This is the 3rd consecutive quarterly dividend, and distribution, paid by INREIT and equates to a 6.0% annual yield for shareholders given INREIT's current share price.

ABOUT INREIT REAL ESTATE INVESTMENT TRUST

INREIT Real Estate Investment Trust is a registered, but unincorporated business trust formed in North Dakota to invest in a diversified portfolio primarily of commercial properties (such as retail, office and medical) and multi-family dwellings (such as apartment buildings and senior assisted or independent living centers). As of September 30, 2003 INREIT reported more than \$10 million in total assets. INREIT operates as an Umbrella Partnership Real Estate Investment Trust, and holds all of its assets through INREIT Properties, LLLP, which INREIT controls as general partner. For more company information, visit the INREIT Real Estate Investment Trust's website at www.inreit.com or www.sec.gov.

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