



LEGACY  
HOTELS

REAL ESTATE INVESTMENT TRUST OFFICE OF INTERNATIONAL  
CORPORATE FINANCE

File No. 82-34729  
RECEIVED

2004 MAY -7 A 9:30

May 5, 2004

Securities and Exchange Commission  
Division of Corporation Finance  
Office of International Corporate Finance  
Judiciary Plaza  
450 Fifth Street N.W.  
Washington, D.C. 20549



Re: Information Furnished Pursuant to Rule 12g3-2(b)(1)(iii) under the  
Securities Exchange Act of 1934, as Amended

Ladies and Gentlemen:

Legacy Hotels Real Estate Investment Trust (the "Trust") established an exemption from the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), pursuant to Rule 12g3-2(b) under the Exchange Act on April 29, 2003. In connection with such exemption, each of the following additional documents, communications or information is furnished pursuant to Rule 12g3-2(b)(1)(iii):

**Material Change Report dated May 5, 2004**

The Trust is providing the enclosed documents, communications and information, and will provide future documents, communications and information, in reliance upon (1) Rule 12g3-2(b)(4) to the effect that such information and documents are not deemed to be "filed" with the Commission or otherwise subject to the liabilities of Section 18 of the Exchange Act and (2) Rule 12g3-2(b)(5) to the effect that the furnishing of such documents, communications and information shall not constitute an admission for any purpose that the Trust is subject to the Exchange Act.

PROCESSED

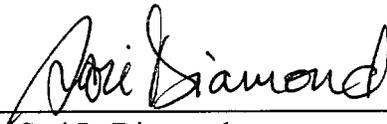
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Securities and Exchange Commission  
May 5, 2004  
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If you have any questions in connection with this submission, please communicate with our United States counsel, Robert P. Freeman, Esq., of Sidley Austin Brown & Wood, who may be contacted at 312/853-6099.

Very truly yours,  
LEGACY HOTELS REAL ESTATE  
INVESTMENT TRUST

By:   
Sari L. Diamond  
Secretary

Enclosure

cc: Robert P. Freeman, Esq.

**LEGACY HOTELS REAL ESTATE INVESTMENT TRUST**  
**MATERIAL CHANGE REPORT**

**1. Name and Address of Company**

Legacy Hotels Real Estate Investment Trust  
Canadian Pacific Tower  
100 Wellington Street West  
Suite 1600  
Toronto, Ontario  
M5K 1B7

**2. Date of Material Change**

April 27, 2004

**3. News Release**

A press release reporting the material change described in this report was issued on April 27, 2004. The press release was distributed in Canada through Canada NewsWire.

**4. Summary of Material Change**

On April 27, 2004, Legacy Hotels Real Estate Investment Trust ("Legacy" or the "Trust") (TSX: LGY.UN) announced that Fairmont Hotels & Resorts Inc. ("FHR") (NYSE/TSX: FHR) has advised the Trust that it may, subject to favourable market conditions, reduce its Legacy investment during 2004, pursuant to one or several transactions. FHR is Legacy's largest unitholder with an approximate 35% equity interest in the Trust.

**5. Full Description of Material Change**

See press release dated April 27, 2004 attached as Schedule "A".

**6. Reliance on subsection 7.1 (2) or (3) of National Instrument 51-102**

Not applicable.

**7. Omitted Information**

Not applicable.

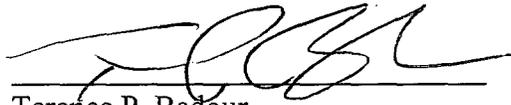
**8. Executive Officer**

The executive officer of Legacy who is knowledgeable about this material change is:

Terence P. Badour  
Executive Vice President and General Counsel  
Telephone: 416.874.2850

**9. Date of Report**

May 5, 2004

A handwritten signature in black ink, appearing to read 'T. Badour', written over a horizontal line.

Terence P. Badour  
Executive Vice President and General  
Counsel



# LEGACY HOTELS

REAL ESTATE INVESTMENT TRUST

For immediate release

## LEGACY HOTELS REAL ESTATE INVESTMENT TRUST ANNOUNCEMENT

**TORONTO, April 27, 2004** - Legacy Hotels Real Estate Investment Trust ("Legacy" or the "Trust") (TSX: LGY.UN) today announced that Fairmont Hotels & Resorts Inc. ("FHR" or the "Company") (NYSE/TSX: FHR) has advised the Trust that it may, subject to favourable market conditions, reduce its Legacy investment during 2004, pursuant to one or several transactions. FHR is Legacy's largest unitholder with an approximate 35% equity interest in the Trust.

Today, in FHR's first quarter 2004 earnings release, the Company discussed its investment in Legacy:

"In 1997, FHR was instrumental in the creation of Legacy. Since that time, the Company has held an approximate one-third interest in the equity of the Trust and Legacy and the Company have had a mutually beneficial strategic relationship during which time Legacy has acquired 15 hotels from FHR from inception until 2001 and is currently the largest third party owner of Fairmont properties.

To date, FHR has accounted for its investment in Legacy on an equity basis. Pursuant to recent changes in accounting rules that came into effect in 2004 under U.S. GAAP and which will come into effect in 2005 under Canadian GAAP, FHR will likely be required to consolidate within its financial statements Legacy's financial results. FHR believes that consolidating Legacy would complicate investors' ability to assess FHR's financial performance. Based on the Company's analysis to date, were FHR to reduce its equity investment in Legacy to less than 25%, the Company could continue to equity account for its Legacy holding without consolidation.

Accordingly, FHR may, subject to favourable market conditions, reduce its investment in the Trust during 2004, pursuant to one or several transactions. FHR believes that the mutual benefits of their relationship would remain substantially unchanged notwithstanding a reduction in its equity interest."

Commenting on the announcement, Neil J. Labatte, Legacy's President and Chief Executive Officer said, "As the largest owner of Fairmont and Delta properties, we also believe that the mutually beneficial relationship between ourselves and FHR will continue regardless of a reduction in FHR's equity position in the Trust." Added Mr. Labatte, "It is my objective to continue to add internal management capabilities to Legacy, as appropriate, while continuing to take advantage of the expertise provided by FHR through the existing Advisory agreement."

### About Legacy Hotels Real Estate Investment Trust

Legacy is Canada's premier hotel real estate investment trust with 24 luxury and first-class hotels and resorts with over 10,000 guestrooms located in Canada and the United States. The portfolio includes landmark properties such as Fairmont Le Château Frontenac, The Fairmont Royal York, The Fairmont Empress and The Fairmont Olympic Hotel, Seattle.

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Contact: Chantal Nappert  
Investor Relations  
Tel: (416) 874-2765  
Email: [investor@legacyhotels.ca](mailto:investor@legacyhotels.ca)  
Website: [www.legacyhotels.ca](http://www.legacyhotels.ca)