

For Immediate Release
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LIBERTY PROPERTY TRUST ANNOUNCES TAX TREATMENT OF 2004 DIVIDENDS

Malvern, PA – Liberty Property Trust (NYSE:LRY) announced today the final tax treatment (Form 1099) for its 2004 common dividend distributions. Shareholders are encouraged to consult with their personal tax advisors as to their specific tax treatment of Liberty Property Trust distributions. The table below summarizes the income tax treatment of the company's total distributions of \$2.425 per common share (CUSIP No. 531172104):

Common share distributions:

Record Date	Payable Date	Cash Distribution Per Share	Ordinary Taxable Dividend	Long Term Capital Gain (15% Rate Gain)	Unrecaptured Section 1250 Gain (25% Rate Gain)	Return of Capital
1/1/2004	1/15/2004	\$0.605	\$0.5564	\$0	\$0	\$0.0486
4/1/2004	4/15/2004	\$0.605	\$0.5564	\$0	\$0	\$0.0486
7/1/2004	7/15/2004	\$0.605	\$0.5564	\$0	\$0	\$0.0486
10/1/2004	10/15/2004	\$0.610	\$0.4484	\$0.0803	\$0.0323	\$0.0490
Totals		\$2.425	\$2.1176	\$0.0803	\$0.0323	\$0.1948

Classification of Dividends: The above table setting forth 2004 dividends includes four quarterly dividends, none of which are eligible for treatment as "qualified dividend income." The fourth quarter 2004 distribution made to holders of record as of January 1, 2005 for the common shares are considered 2005 distributions for federal income tax purposes.

Liberty Property Trust (NYSE:LRY) is a leading real estate company dedicated to enhancing people's lives through extraordinary work environments. Liberty's 61 million square foot portfolio of office and industrial properties offers exceptional locations, flexible design, thoughtful amenities, superior service, and state-of-the-art technology to the company's 2,100 tenants. Liberty continuously increases the value of this portfolio through expert property management, marketing and development. Additional information about the company is available through our web site at www.libertyproperty.com.

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