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RETROCOM MID-MARKET REIT ANNOUNCES QUARTERLY FINANCIAL RESULTS

Toronto, Ontario – August 14, 2007 – (TSX: RMM.UN) - Retrocom Mid-Market Real Estate Investment Trust (the “REIT”) announced today its financial results for the three and six months ended June 30, 2007.

Financial Highlights

- In the quarter-ended June 30, 2007, the REIT closed the sale of two properties, Woodbine Place and Driftwood Mall, resulting in a gain on disposition of approximately \$8.8 million on gross proceeds of approximately \$31.1 million.
- The REIT reported a total gain of \$21.6 million for the period-to-date on the sale of nine properties.
- A conditional agreement for gross proceeds of approximately \$13 million was entered into with a purchaser in July 2007 for six properties located in Kingston, Ontario, all classified as non-core by Management. This agreement is conditional on financing and final due diligence.
- Subsequent to the second quarter, the REIT completed its repositioning efforts at Qwanlin Mall, Yukon, where the mall was redeveloped to increase occupancy to 100% and reduce common area expenses.
- The occupancy rate for the second quarter of 2007 decreased slightly to 91.2% from 91.6% reported in the first quarter of 2006. Management expects that the REIT will experience short-term fluctuations in occupancy while properties are repositioned and major leasing plans are achieved.
- Net Operating Income was \$7.2 million for the second quarter and \$13.8 million period-to-date, up from \$6.8 million and \$13.7 million reported for the same periods last year. This is primarily due to the positive impact of an increase in ownership (from 50% to 100%) of Staples and Lansdowne Plazas in the first quarter of 2007.
- Secured operating line decreased by \$20 million from \$29.7 million at December 31, 2006 to \$9.7 million on June 30, 2007 as proceeds from the sale transactions were used to reduce the REIT's exposure to short-term financing. As of June 30, 2007, the Trust could draw on the line to a maximum limit of \$10 million, subject to certain security provisions.
- Trust expenses decreased \$0.5 million for the quarter and \$1.5 million period-to-date from comparative periods in 2006 due to significant transaction fees incurred in 2006 and a reduction in asset management fees following the Trust's decision to internalize its asset management function in Q1 2006.
- As a result of applying the proceeds of sales to reduce debt, the REIT has decreased its leverage ratio from 63.3% in the fourth quarter of 2006, to 62.7% in the first quarter of 2007, and to 59.1% in the second quarter of 2007. This previously stated goal to reduce debt is expected to allow the REIT flexibility to reinvest in the portfolio through Management's aggressive leasing strategy and repositioning plans. Based on the Trust's

current financial position, should it exercise full debt to gross book value borrowing potential, approximately \$129 million could be made available to fund further acquisitions.

- Distributions paid to Unitholders in the second quarter of 2007 were 96% of Distributable Income and 107% period-to-date, compared to 99% and 94% in the same periods last year. The Distributable income payout ratio was positively impacted by increased operating income from continuing properties and a decrease in distributions per unit to \$0.60 from \$0.82 which became effective in December 2006.

	Actual three months ended June 30, 2007 (unaudited) (\$000's)	Actual three months ended June 30, 2006 * (unaudited) (\$000's)	Actual six months ended June 30, 2007 (unaudited) (\$000's)	Actual six months ended June 30, 2006 * (unaudited) (\$000's)
Rental Revenue and Other Income	\$13,993	\$12,868	\$27,439	\$26,327
Property Operating Expenses	\$6,817	\$6,117	\$13,676	\$12,661
Net Operating Income	\$7,176	\$6,751	\$13,763	\$13,666
Trust Expenses	\$861	\$1,351	\$1,854	\$3,338
Income before Interest, Depreciation & Amortization	\$6,315	\$5,400	\$11,909	\$10,328
Interest	\$3,326	\$3,277	\$6,972	\$6,494
Depreciation and Amortization	\$4,755	\$4,847	\$9,357	\$9,626
Loss Before Discontinued Operations	(\$1,766)	(\$2,724)	(\$4,420)	(\$5,792)
Income (Loss) from Discontinued Operations	\$8,950	(\$3,910)	\$22,397	(\$4,259)
Net Income (Loss) for the Period and Comprehensive Income (Loss)	\$7,184	(\$6,634)	\$17,977	(\$10,051)
Loss Per Unit (Before Discontinued Operations)	(\$0.10)	(\$0.15)	(\$0.24)	(\$0.31)
Distributable Income**	\$2,892	\$3,697	\$5,212	\$7,749
Distributable Income per Unit:				
Basic	\$0.16	\$0.20	\$0.28	\$0.42
Fully Diluted	\$0.12	\$0.15	\$0.21	\$0.32
Distributable Income Payout Ratio	0.96	0.99	1.07	0.94
Funds From Operations**	\$3,215	\$3,248	\$5,878	\$6,075
Funds From Operations :				
Basic	\$0.17	\$0.18	\$0.32	\$0.33
Fully Diluted	\$0.13	\$0.13	\$0.24	\$0.25
Funds From Operations Payout Ratio	0.86	1.12	0.95	1.20

Full Financial Results will be available on SEDAR (www.sedar.com) as well as the Investors Relations section of the REIT's website (http://www.rmmreit.com/investor_finance.htm).

*Previously reported results have been reclassified for discontinued operations.

** The reconciliations of Distributable Income and Funds From Operations to Loss for the Year are included in the REIT's MD&A

The REIT's management considers Distributable Income and Funds From Operations to be an indicative measure in evaluating the REIT's performance. The table above, however, includes non-GAAP information that should not be construed as an alternative to net earnings or cash flows from operations

and may not be comparable to similar measures presented by other issuers as there is no standardized meaning prescribed by GAAP.

Operating Strategy Highlights

“Although the occupancy rate has dropped as expected this quarter, mainly as a result of surrender by an anchor tenant of 25,000 feet, the REIT’s leasing plan is showing many positive signs”, David Fiume, Chief Executive Officer, stated. Overall in 2007, the REIT has signed renewals for approximately 115 existing tenancies representing 439,410 square feet of existing tenancies, at a weighted average net rent of \$9.94 per square foot, an increase of \$0.53 per square foot over net rent of \$9.41 paid by the same tenants under the expiring lease. In addition, 36 new tenancies were signed this year, representing 90,963 square feet, while 26 tenants confirmed the surrender of 130,846 square feet of leased space (including over 73,000 square feet of anchor space). The weighted average net rent for new tenants was \$16.30 per square foot, and \$8.91 for vacating tenants. This difference is primarily due to the greater amount of square footage attributable to anchor tenant space at lower lease rates becoming vacant, while higher yielding CRU space was filled. Period-to-date rental increases from signed renewals and new tenancies have resulted in a \$0.97 increase in weighted average net rent to \$9.68 from \$8.71 per square foot.

The REIT continues to implement its internal restructuring plan, which to date encompasses a number of property dispositions, acquisitions, refinancings and an aggressive leasing strategy, with a focus on improving efficiencies and taking advantage of opportunities in the marketplace as well as within the REIT portfolio. “We are encouraged by the increase in the net rent per foot for new tenants and renewals and continue to work on larger leasing transactions and repositioning” said David Fiume.

Investor Conference Call

A conference call to discuss the results will be held **Wednesday August 15, 2007, at 11:00 AM EST** and will be followed by a question and answer period. The phone numbers for those who wish to participate in the question and answer period are as follows:

Live Conference Access information:
Local Access: 416-915-9608
Toll-Free Access: 1-866-214-7077

Replay :
Local Access: 416-915-1028
Toll-Free Access: 1-866-244-4494

About Retrocom Mid-Market REIT

Retrocom Mid-Market REIT is an Ontario unincorporated open-end real estate investment trust which focuses on owning and acquiring mid-market retail properties in primary and secondary cities across Canada with the objective of producing a geographically diversified portfolio of properties with stable and growing cash flows.

This document may contain forward-looking statements, which although based on Management’s best estimates as well as the current operating environment are subject to risks and uncertainties. As such, terms such as “anticipate”, “believe”, “expect”, “plan” or other similar words should be taken as forward-looking statements. As a result of these potential

uncertainties, any future results could differ materially from the predictions listed herein. Although Retrocom makes every effort to meet our predictions as listed in this document, we are unable to control certain circumstances such as economic, competitive or commercial real estate conditions.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, which may be made only by means of a prospectus, nor shall there be any sale of the Units in any state, province or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under securities laws of any such state, province or other jurisdiction. The Units of the Retrocom Mid-Market REIT have not been, and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered, sold or delivered in the United States absent registration or an application for exemption from the registration requirements of U.S. securities laws.

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