

PRESS RELEASE

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**RETROCOM MID-MARKET REIT ANNOUNCES CLOSING OF \$55 MILLION OF
PROPERTY ACQUISITIONS**

Toronto, Ontario – July 9, 2008 – (TSX – RMM.UN) - Retrocom Mid-Market Real Estate Investment Trust (the “REIT” or “Retrocom”) announced today that it has closed the REIT’s previously announced acquisition of four properties for a purchase price of approximately \$55 million from a vendor group (the “Vendors”) led by Mr. Mitchell Goldhar, owner of SmartCentres Inc. The purchase price, which represents a 9% capitalization rate on estimated 2008 net operating income for the four properties, was satisfied by the assumption of existing mortgage debt in the amount of approximately \$8.9 million and the issuance to the Vendors of 9,110,268 Class B units of Retrocom Limited Partnership (the “Class B Units”) at a price of \$5.00 per unit and an equivalent number of special voting units of the REIT (the “Special Voting Units”). The Class B Units are exchangeable on a one-for-one basis for trust units of the REIT and the Special Voting Units carry the same voting rights as trust units of the REIT. As a result of the transaction, Mitchell Goldhar has voting control over approximately 38% of the votes attached to all of the securities of the REIT.

The four properties, totaling approximately 522,915 square feet of gross leasable area, are strategically located in the major metropolitan market of the Greater Toronto Area (“GTA”). These properties currently have an occupancy rate of approximately 98% and have a number of high quality tenants. The properties are located at 1480/1490 Dundas Street East, Mississauga, 1224 Dundas Street East, Mississauga, 750/760 Birchmount Road, Toronto, and 1100/1140/1170 Burnhamthorpe Road West, Mississauga.

David Fiume, President and CEO of the REIT, said “We believe these four properties are an excellent addition to the REIT’s portfolio giving the REIT its first presence in the GTA. We are looking forward to our new relationship with a prominent real estate team which will enhance our management and development expertise.”

In addition to the purchase price paid to the Vendors, the REIT issued to SmartCentres Management Inc. (“SCM”), a company owned by Mr. Goldhar, warrants to purchase, at any time during the 5-year period after closing, 1.5 million units of the REIT at an exercise price of \$5.50 per unit (the “Warrants”).

Effective upon closing of the acquisition, Edward Dato, Richard Michaeloff, and Ernest Spraggs, representatives of Mr. Goldhar, were appointed to the board of trustees of Retrocom. Additional biographical information in respect of each of Mr. Dato, Mr. Michaeloff and Mr. Spraggs is available in the management information circular of the REIT dated June 2, 2008, which can be

accessed on the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Furthermore, in connection with the acquisition, the Toronto-Dominion Bank established a credit facility in the amount of \$33.5 million in favour of the REIT, which was used by the REIT to repay the 4.5% non-callable convertible debenture in the principal amount of \$30 million issued to RioCan Real Estate Investment Trust on July 26, 2005 and due on July 26, 2008.

Prior to the closing of the acquisition, Mr. Goldhar beneficially owned 1,329,700 units of the REIT. The general partner of each of the Vendors is indirectly controlled by Mr. Goldhar. Mr. Goldhar has also been granted an irrevocable proxy to exercise the voting rights carried by the Special Voting Units. As a result of the transaction, assuming that the Class B Units and Warrants are exchanged or exercised in full, Mr. Goldhar, together with entities controlled by, or acting jointly or in concert with, Mr. Goldhar, will beneficially own or exercise control or direction over an aggregate of 11,939,968 units of the REIT, representing approximately 40% of the then issued and outstanding units of the REIT.

Mr. Goldhar has no present intention of acquiring any additional units of the REIT or securities convertible or exchangeable into units of the REIT other than pursuant to the foregoing.

A report under National Instrument 62-103 further detailing Mr. Goldhar's holdings in the Retrocom will be filed within two business days on SEDAR at www.sedar.com. A copy may also be obtained by contacting Richard Michaeloff at SmartCentres Inc. at (905) 760-6200.

Retrocom Mid-Market REIT is an Ontario unincorporated open-end real estate investment trust which focuses on owning and acquiring mid-market commercial 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 press release shall not constitute an offer to sell or the solicitation of an offer to buy Units of the REIT, 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 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.

This press release contains forward-looking statements. The statements that are not historical facts contained in this press release are forward-looking statements that involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the REIT to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this press release. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to: the approval by unitholders of the REIT as well as the projected benefits to be derived from the transaction. While the REIT anticipates that subsequent events and developments may cause the REIT's views to change, the REIT specifically disclaims any obligation to update these forward-looking statements. These forward-looking statements should not be relied upon as representing the REIT's views as of any date subsequent to the date of this press release. Although the REIT has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to

be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the REIT. Further information can be found in the disclosure documents filed by Retrocom Mid-Market Real Estate Investment Trust with the securities regulatory authorities, available at www.sedar.com.

FOR MORE INFORMATION:

David Fiume
Chief Executive Officer
Retrocom Mid-Market REIT
Tel: (416) 741-7999
Fax: (416) 741-7993