

PRESS RELEASE

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RETROCOM MID-MARKET REIT ANNOUNCES YEAR END RESULTS

Toronto, Ontario – March 30, 2005 – (TSX – RMM.UN) - Retrocom Mid-Market Real Estate Investment Trust (REIT) announced today its period end financial results for the period from the date of the completion of its initial public offering on March 22, 2004 to December 31, 2004. The REIT commenced operations on March 22, 2004 following completion of its initial public offering, did not hold any material assets prior to March 22, 2004 and is considered to have begun operations on that date.

Distributable income in the period was \$9.93 million or \$0.79 per unit (diluted). The REIT declared \$9.65 million or \$0.77 per unit in cash distributions for the period. As at December 31, 2004, there were 12.59 million units issued and outstanding on a fully diluted basis. Distributable income and per unit amounts were impacted in 2004 by a number of one-time startup costs and annual expenses including the incurring of professional fees for annual securities regulation compliance during the post-initial public offering period and the issuance of approximately 1.1 million units in April 2004 pursuant to the exercise of an underwriter's over allotment option related to its IPO. These funds had not been fully deployed in income producing properties until the end of December 2004.

Consolidated gross revenue for the period was approximately \$33.25 million. Operating expenses were \$14.20 million while general, administrative and trust expenses were \$1.72 million. The REIT generated a net loss of \$5.92 million (\$0.49 per unit) after debt service of 7.01 million and depreciation and amortization of \$16.24 million for the period. The net loss is primarily the result of depreciation and amortization (non cash items) that were high due to new accounting policies. These policies were adopted by all Canadian real estate companies prospectively effective January 1, 2004 and required the REIT to depreciate its assets at a much quicker rate than similar entities which held real estate prior to that time.

The REIT's EBITDA (defined as earnings before interest, incomes taxes, depreciation and amortization,) was \$17.20 million, which is in line with the forecast. EBITDA is not a recognized measure under GAAP. However, management believes EBITDA is a useful supplemental measure to net earnings as it provides investors with an indication of cash available for distribution prior to debt service, capital expenditures and depreciation and amortization.

Cash provided by operating activities in the period amounted to \$10.46 million. Funds from operations provided \$9.57 million, and \$.89 million was provided by the change in working capital items. Cash from financing activities provided \$155.37 million and consisted primarily of net proceeds from the REIT's initial public offering of \$105.39 million and proceeds from debt financing of \$51.22 million. Investing activities utilized cash of \$164.82 million which included the acquisition of assets in the REIT's initial public offering of \$153.53 million.

Financial Highlights (financial statements attached):

2004 Year-to-date Results

	in \$000's	in \$000's	in \$000's
	2004 YTD Actual (1) (Audited)	Pro-rated Prospectus Forecast (2) (unaudited)	Variance to Pro-rated Forecast (unaudited)
Rental Revenue and Other Income	\$ 33,121	\$ 33,126	\$ (5)
Expenses			
Operating	14,202	14,465	263
Trust Expenses	1,724	1,199	(525)
	<u>15,926</u>	<u>15,664</u>	<u>(262)</u>
Income before Interest, depreciation & amortization	\$ 17,195	\$ 17,462	\$ (267)
Add Gain on disposal of IPP	131	-	131
Less Interest Depreciation & amortization	(7,013)	(6,925)	(88)
	<u>(16,237)</u>	<u>(9,014)</u>	<u>(7,223)</u>
(Loss)	\$ (5,924)	\$ 1,523	\$ (7,447)
Add Back:			
Depreciation & amortization	\$ 16,051	\$ 8,902	\$ 7,149
Gain on disposal of IPP			
Amortization of fair value	(131)	-	(131)
Adjustment of debt	(68)	(62)	(6)
Distributable Income (3)	\$ 9,928	\$ 10,363	\$ (435)
Distributable Income per Unit:			
Basic	\$ 0.82	\$ 0.94	
Fully Diluted	\$ 0.79	\$ 0.90	
Total payout to Unitholders	\$ 9,648	\$ 8,912	
Payout Ratio	97%	86%	
Weighted average units outstanding			
Basic	12,086,663	11,069,000	
Fully Diluted	12,499,163	11,481,500	

Notes:

1. Based on the actual financial statements for the period from March 22, 2004 to December 31, 2004.
2. Based on the forecast included in the Prospectus pro-rated for the period of operations of the Trust from March 22, 2004 to December 31, 2004. These figures have been prepared by management and are unaudited.
3. Distributable Income is not a measure recognized under GAAP and does not have a standardized meaning prescribed by GAAP. Distributable Income is presented to reflect the ability of the Trust to earn income and to make distributions of cash to unitholders and therefore is considered a measure of cash available for distribution. Distributable Income as computed by the Trust may differ from similar computations as reported by other real estate investment trusts and accordingly may not be comparable to distributable income reported by other such issuers. Generally, Distributable Income differs from Net Income, a GAAP measure, in that for any period, Net Income is adjusted for depreciation and amortization and other non-cash operating expenses and non-recurring items.

Retrocom Mid-Market REIT is an Ontario unincorporated open-end real estate investment trust that 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, 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.

Certain statements contained in this news release may include forward-looking information with respect to Retrocom Mid-Market Real Estate Investment Trust's operations and future financial results. Such statements are based on current expectations, are subject to a number of uncertainties and risks, and actual results may differ materially from those contained in such statements. These uncertainties and risks include, but are not limited to, availability of resources, competitive pressures, changes in market activity and regulatory requirements. 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.

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FOR MORE INFORMATION:

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