

PRESS RELEASE

FOR IMMEDIATE RELEASE

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Toronto, May 26, 2005 – (TSX – RMM.UN) – Retrocom Mid-Market REIT is pleased to announce that it has entered into a firm commitment to refinance one of its largest properties, Millwoods Mainstreet Mall in Edmonton, Alberta. The new financing of \$18,900,000 will be used to replace the existing mortgage which has matured. The REIT has also secured new financing on its Gardiners Road property in Kingston, Ontario for \$1,750,000.

As stated in Management's Discussion and Analysis from the first quarter of 2005, proceeds from these refinancings will be used to pay down the REIT's operating facility by approximately \$8,100,000. The terms of these commitments will help to reduce the overall cost of borrowing to the REIT and provide for increased borrowing capacity on the REIT's operating facility.

Chris Geddes, the REIT's CFO, commented "We are pleased to have refinanced these properties on attractive terms, allowing us to improve our liquidity and reduce our overall cost of debt. Based upon the outstanding balance on the properties and after paydown of the operating line, we expect to realize significant annualized interest savings."

About Retrocom Mid-Market REIT

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.

FOR MORE INFORMATION:

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