

PRESS RELEASE

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**RETROCOM MID-MARKET REIT ANNOUNCES INTERNALIZATION OF
MANAGEMENT AND APPOINTMENT OF INTERIM CHIEF EXECUTIVE OFFICER**

Toronto, Ontario – February 7, 2006– (TSX: “RMM.UN”) - Retrocom Mid-Market Real Estate Investment Trust (the “REIT”) announced today that it is taking steps to internalize its asset management functions. Mr. Michael Steplock, Chief Executive Officer, today advised the REIT that he is retiring as an officer and trustee of the REIT.

Mr. Walter Davies, a trustee of the REIT since its initial public offering, has agreed to assume on an interim basis the responsibilities of Chief Executive Officer of the REIT. “We intend to internalize management by way of an orderly transition of staff, office space and related resources that will be required by the REIT,” said Mr. Davies.

Mr. Davies, Chief Executive Officer of Davies Smith Developments Inc., is a highly experienced real estate specialist who has spent over 40 years in real estate, the last 26 years being in Canada in senior management positions in real estate consulting and management. Prior to forming Davies Smith Developments in the mid 1990s, he formed and was President of the Drivers Jonas North American operations which became one of the largest real estate consulting organizations in Canada and the U.S., with offices in a number of Canadian and U.S. cities. Mr. Davies is a Fellow of the Royal Institute of Chartered Surveyors.

“In connection with our special committee’s ongoing review, with the assistance of its financial advisors at TD Securities Inc., of strategies available to the REIT in its efforts to enhance the value of the REIT’s units, we believe that the internalization of asset management functions, when combined with other strategies that we are continuing to assess, will lead to an enhancement of the REIT’s value,” said Patrick Lavelle, Chairman of the Board of Trustees and Chair of the special committee.

Mr. Steplock advised the REIT that “he had enjoyed the challenges of bringing the REIT to market and in managing its first two years of operation.”

“We would like to acknowledge the contributions that Michael Steplock has made to the REIT, including leading the REIT’s initial public offering in March 2004,” said Patrick Lavelle. “We wish him well in the future”, he added.

The REIT also announced today that Mr. David Fiume will be employed directly by the REIT and will continue as its Vice-President Finance and Chief Financial Officer.

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 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. Further information can be found at <http://www.retrocomreit.ca>.

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, economic, competitive and commercial real estate conditions. 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 <http://www.sedar.com/>.

INFORMATION:

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