FORM 51-102F3

Material Change Report

Item 1 Name and Address of Company

Retrocom Mid-Market Real Estate Investment Trust ("**Retrocom**")
135 Queens Plate Drive
Suite 400
Toronto, Ontario
M9W 6V1

Item 2 Date of Material Change

May 27, 2005

Item 3 News Release

A press release was issued through CCN Matthews and posted on SEDAR on May 30, 2005.

Item 4 Summary of Material Change

Further to a news release dated May 30, 2005, Retrocom announced that it has entered into an agreement with RioCan Real Estate Investment Trust ("**RioCan**") to purchase seven enclosed mid-market shopping centres for a purchase price of $182 million.

As part of the agreement, Retrocom will assume the existing mortgages on these properties in the amount of approximately $90 million and will issue to RioCan a secured convertible debenture in the amount of $30 million for a term of three years at an interest rate of 4.5% per annum. The balance of the purchase price will be paid in cash to be raised by Retrocom primarily through an equity offering.

Item 5 Full Description of Material Change

See attached News Release - Schedule A.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable

Item 7 Omitted Information

No significant facts remain confidential in, and no information has been omitted from, this report.

Item 8 **Executive Officer**

For further information please contact:
Michael Steplock,
President & CEO
Retrocom Mid-Market Real Estate Investment Trust
(416) 745-5775

Item 9 **Date of Report**

June 6, 2005

SCHEDULE A

RETROCOM MID-MARKET REAL ESTATE INVESTMENT TRUST ANNOUNCES AGREEMENT TO PURCHASE $182 MILLION ENCLOSED MALL PORTFOLIO OF 7 PROPERTIES FROM RIOCAN REAL ESTATE INVESTMENT TRUST

Toronto, Ontario, May 30, 2005 – (TSX: RMM.UN) - Retrocom Mid-Market Real Estate Investment Trust ("Retrocom") today announced that it has entered into an agreement with RioCan Real Estate Investment Trust ("RioCan") to purchase seven enclosed mid-market shopping centres for a purchase price of $182 million. The transaction is expected to close in July 2005.

The seven properties, totaling over 1.8 million square feet, in this enclosed shopping centre portfolio are:

1. South Hill Mall, Prince Albert, Saskatchewan
2. Southland Mall, Regina, Saskatchewan
3. Town N Country Mall, Moose Jaw, Saskatchewan
4. Elgin Mall, St. Thomas, Ontario
5. Mountainview Mall, Midland, Ontario
6. Orangeville Mall, Orangeville, Ontario
7. Plaza LaSarre, LaSarre, Quebec

As part of the agreement, Retrocom will assume the existing mortgages in the approximate amount of $90 million and will issue to RioCan a secured convertible debenture in the amount of $30 million for a term of three years at an interest rate of 4.5%. The balance of the purchase price will be paid in cash to be raised by Retrocom primarily through an equity offering.

This transaction is conditional upon (i) satisfactory due diligence by Retrocom, which is substantially complete, (ii) approval for the issuance of securities in connection with the transaction by the unitholders of Retrocom at its annual and special meeting on June 24, 2005 and (iii) regulatory approvals. Closing of the sale will be within 20 days of Retrocom obtaining unitholder approval in connection with the transaction.

RioCan will perform all property management and leasing functions for the portfolio for a period of three years after completion of the sale.

"This transaction, being our most significant since our initial public offering last year, enables Retrocom to significantly grow its portfolio of mid-market properties, further diversify its asset base, enhance economies of scale and improve its lease and debt maturity profiles", said Mr. Michael Steplock, President and Chief Executive Officer of Retrocom.

Retrocom expects that this transaction will increase its total assets, net operating income and equity market capitalization by more than 70%, 64% and 65%, respectively.

Retrocom's property portfolio will be increased from 36 to 43 properties totaling 5.79 million square feet. After completion of the transaction, the property composition of Retrocom's portfolio will consist of:

Property Type	Number	Leasable Area (SF)	% of Leasable Area
Retail	39	5,170,596	89%
Office	2	115,117	2%
Light Industrial	2	508,832	9%
Total	**43**	**5,794,545**	**100%**

About Retrocom
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.

About RioCan
RioCan's purpose is to deliver to its unitholders stable and reliable cash distributions, which continuously increase over time. RioCan is Canada's largest real estate investment trust with total assets of approximately $4.1 billion. It has ownership interests in a portfolio of 187 retail properties across Canada containing an aggregate of 46 million square feet, including partners' and shadow anchors' interests.

For further information contact:
Retrocom Mid-Market REIT
Michael Steplock
President & CEO
(416) 745-5775