



For Immediate Release – December 20, 2005

CARFINCO INCOME FUND
TSX: CFN.UN

Carfinco Income Fund Announces Unit Distribution Details of One-Time Year-End Distribution

EDMONTON, ALBERTA /CNW/ - Carfinco Income Fund ("**Carfinco**" or the "**Fund**") today released the details of a one-time unit distribution, which was originally announced on December 8 of this year. The details are being announced today as the calculations required in determining the precise nature of the distribution could not be completed until after the close of business on December 19.

Unitholders will receive a one-time year-end trust unit distribution of 0.0119 (119/10,000) units per unit held, for a value of \$0.036 per unit. The Board of Trustees has concluded that it is in the best interests of the unitholders to pay them the cash equivalent of any fractional units that they would otherwise be entitled to under the distribution. This distribution is in addition to the total cash distribution of \$0.032 per unit announced earlier this month and brings Carfinco's total distributions to \$0.285 per unit for 2005, compared with \$0.191 last year.

The distribution is based on the weighted average closing trading price of the units during the ten business days immediately preceding the record date of December 20, 2005, which is \$3.032, and a distribution value of \$0.036 per unit. The distribution is payable on December 30, 2005 to unitholders of record on December 20, 2005. The ex-distribution date was December 16, 2005.

The cash and units to be distributed are based on an estimate by the Board of Trustees of the year-end taxable income of the Fund. These results are subject to change as a result of the reviews conducted by the Fund's auditors, audit committee and the Board of Trustees. Also, the unit distribution is subject to TSX acceptance.

Actual and estimated cash and unit distributions for 2005 are as follows:

Fiscal 2005	Cash Distribution Per Unit Held	Unit Distribution Value Per Unit Held
First Quarter	\$ 0.040	\$ 0.000
Second Quarter	\$ 0.063	\$ 0.000
Third Quarter	\$ 0.066	\$ 0.000
Fourth Quarter	\$ 0.072	\$ 0.000
<u>One Time Year End Distribution</u>	<u>\$ 0.008</u>	<u>\$ 0.036</u>
TOTAL DISTRIBUTIONS FOR FISCAL 2005	\$ 0.249	\$ 0.036

Also, on December 12, 2005, the Fund issued \$500,000 in subordinated debentures, which bear an interest rate at 14% per annum and have a maturity date of December 30, 2007. The subordinated debt is non-convertible, unsecured and redeemable, in whole or part, by the Fund during the term of the debentures, at the option of the Fund.

Carfinco Income Fund
300, 4245 - 97 Street, Edmonton, Alberta, T6E 5Y7
Phone: (780) 413-7549 • Toll Free: 1-888-486-4356
Fax: (780) 450-1134 • Toll Free: 1-888-486-7456
E-mail: carfinco@carfinco.com • Web site: www.carfinco.com



A growth-oriented income trust, Carfinco focuses on providing consumer car loans to borrowers unable to obtain financing through traditional lending sources. A network of select independent and franchise dealerships offer Carfinco's payment plan to their customers who must, along with the vehicle, meet Carfinco's stringent credit criteria.

The units of the Fund trade on the Toronto Stock Exchange under the symbol "CFN.UN".

Caution Regarding Forward-Looking Statements - This news release contains certain forward-looking statements, including statements regarding the business and anticipated financial performance of the Fund. These statements are subject to a number of risks and uncertainties. Actual results may differ materially from results contemplated by the forward-looking statements. When relying on forward-looking statements to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and should not place undue reliance on such forward-looking statements. The Fund does not undertake to update any forward-looking statements, oral or written, made by itself or on its behalf.

For further information, please contact:

	Mr. Tracy A. Graf	Mr. David Prussky
	CEO & Trustee of Carfinco Income Fund	Trustee of Carfinco Income Fund
Telephone:	1-888-486-4356	(416) 865-0123
Facsimile:	1-888-486-7456	(416) 865-9550
E-mail:	tgraf@carfinco.com	dprussky@patica.ca