

For Immediate Release – July 27, 2006

**Carfinco Income Fund**

**TSX: CFN.UN**

**Carfinco Enters Into Strategic Agreement with DealerAccess Canada**

EDMONTON, ALBERTA /CNW/ - Carfinco Income Fund, Canada's leading specialty finance income fund, today announced that it has entered into an agreement to offer its vehicle financing services through DealerAccess Canada, a leading provider of online financing technology for the automotive industry. The new relationship will expand Carfinco's exposure to automotive dealerships, resulting in increased applications submitted to the Fund for vehicle financing.

"Carfinco has experienced a surge in loan originations in the second quarter of 2006, with a 5.4% increase in finance receivables during April and May," said Tracy Graf, President and CEO of Carfinco. "This agreement with DealerAccess helps advance our strategy of increasing loan originations by providing our vehicle financing services to more dealerships."

"We are excited about the addition of Carfinco as the newest lender on our industry-leading network," said David Trinder, President and CEO of DealerAccess Canada. "Changes in the automotive industry have created a rising demand for specialty lenders such as Carfinco. DealerAccess's specialty finance functionality is extremely innovative and is a significant differentiator from our competitors. This partnership will further enhance the value proposition we deliver to dealers by providing even more financing options for their customers".

**About Carfinco Income Fund**

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".

**About DealerAccess Canada Inc.**

DealerAccess Canada Inc., an affiliate of DealerTrack, Inc. ([www.DealerTrack.com](http://www.DealerTrack.com)), is a leading technology solution provider to the automotive finance sector in Canada. Their innovative portal enables dealers to connect through the Internet to multiple lending institutions that provide loans and leases to car buyers at the point-of-sale.

DealerAccess currently offers financing from 24 national and regional lenders. More information on DealerAccess Canada Inc. can be found at [www.DealerAccess.com](http://www.DealerAccess.com).

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:

**Carfinco**

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