

AutoCanada Income Fund Grants Consents For Opening of New Toyota Dealership

Edmonton, Alberta (February 7, 2007) AutoCanada Income Fund (“AutoCanada” or the “Fund” TSX: ACQ.UN), Canada’s only publicly traded franchised automobile dealership business, announced today that it has granted consents to permit Patrick Priestner to open a new Toyota automobile dealership.

The Fund’s action follows its previously announced strategic intent to enhance its relationships with a wider range of manufacturers in order to develop its long-term growth prospects.

The new dealership, “Sherwood Park Toyota”, consists of a 55,000-square foot showroom, sales and repair facility building containing 22 service bays located on six acres of land in a suburb of Edmonton.

Mr. Priestner is the majority shareholder of Canada One Auto Group Ltd. (“Canada One”) which owns 46% of AutoCanada Income Fund on a fully diluted basis. He is also Chief Executive Officer of the Fund. Although discussions between Toyota Canada and Mr. Priestner began prior to the Fund’s Initial Public Offering in May 2006, consents are required under the terms of the non-competition agreements entered into between AutoCanada and Canada One and its shareholders at the time of the Fund’s IPO.

The consents were granted after review by the Trustees and independent directors of AutoCanada and their financial advisors. The Trustees and independent directors determined that the consents were in the best interests of the Fund’s unitholders since they allowed AutoCanada to build its relationship with a leading automobile manufacturer at a time when there was little immediate prospect of Toyota entering into a franchise agreement that would allow AutoCanada to directly own a Toyota dealership.

About AutoCanada

AutoCanada is Canada’s only publicly traded entity with interests exclusively in the operation of franchised automobile dealerships. Through its 54% interest in AutoCanada LP, it operates 16 franchised automobile dealerships in six provinces and has over 800 employees. It currently sells various new vehicle brands, including Chrysler, Dodge, Jeep®, Subaru, and Hyundai. In 2005, its franchised automobile dealerships sold approximately 19,000 vehicles and processed approximately 204,000 service and collision repair orders in 223 service bays, generating revenue of approximately \$628 million.

About Canada One Auto Group Ltd.

Canada One Auto Group Ltd. is a private company controlled by Patrick Priestner. On May 11, 2006 AutoCanada Income Fund acquired the business assets of Canada One Auto Group Ltd as disclosed in its prospectus that was filed on May 3, 2006. Canada One holds a 46% interest in the Fund on a fully diluted basis.

Additional information about AutoCanada Income Fund is available at www.sedar.com and the Fund's website at www.autocan.ca.

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