



Chesswood Income Fund Announces Results for Q3 2007

TORONTO, November 14, 2007 – Chesswood Income Fund (the “Fund”) (TSX:CHW.UN) announced today its results for the third quarter of 2007, ended September 30, 2007. As the Fund commenced operations on May 10, 2006, comparative information is only for a 226-day period and has not been presented.

The Fund’s results for the third quarter of 2007 reflect an elevation in charge-offs in its U.S portfolio. In conjunction with this elevation, Chesswood recorded a non-cash goodwill impairment in this quarter of \$10.5 million, resulting in a Net Loss Before Non-Controlling Interest for the third quarter and nine months of \$7.9 million and \$1.3 million respectively. Net income before non-controlling interest for the three and nine months ended September 30, 2007, prior to the impairment charge, was \$2.6 million and \$9.2 million, respectively.

“We continue to remain disciplined in the face of loose credit standards and pricing that does not reflect, in our opinion, the risk profile of the market,” said Barry Shafran, CEO of the Fund. “This discipline means that we will not likely generate the growth we would like in the near term, while this cycle runs its course. As we have discussed in prior quarters, chasing volume in this environment is extremely risky.”

“Notwithstanding the market environment, we are always working toward broadening our broker base and the products we can offer as well as improving our collections and recovery processes, while we watch for new opportunities that we believe this business cycle will generate, as a correction unfolds,” added Shafran.

Financial Highlights For The Fund

(in CDN \$000's, except Per Unit Amounts)

| | Three Mths Ended September 30, 2007 | Nine Mths Ended September 30, 2007 |
|--|--|---|
| Revenues | \$21,840 | \$65,930 |
| Adjusted EBITDA | \$2,657 | \$9,067 |
| Distributable Cash | \$2,246 | \$7,025 |
| Distributions ⁽¹⁾ | \$2,220 | \$6,960 |
| Distributions Per Unit | \$0.2874 | \$0.8622 |
| Distributions Per Unit Per Month | \$0.0958 | \$0.0958 |
| Net income before goodwill impairment and non-controlling interest | \$2,585 | \$9,194 |
| Net Loss before Non-controlling Interest | (\$7,927) | (\$1,318) |

(1) - includes dividends on 1,478,537 Class B and C shares of Chesswood US Acquisition Co Ltd. and distributions on 7,040,558 Fund units.

Non GAAP Measures

References to Adjusted EBITDA and Distributable Cash are not recognized measures under Canadian GAAP and do not have standard meanings under Canadian GAAP. Accordingly, these measures may not be comparable to similar measures presented by other issuers.

Please refer to Chesswood's Management Discussion and Analysis for the period ended September 30, 2007 for additional information concerning these measures and a reconciliation of these measures to the Fund's consolidated net income for the period.

About Chesswood Income Fund

The Fund is a financial services trust with operating businesses in both Canada and the U.S.

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For more information visit www.ChesswoodFund.com.

Contacts:

Barry Shafran
Chesswood Income Fund
416-386-3099
bshafran@chesswoodfund.com

Catharine Marion (media only)
Environics Communications Inc.
416-969-2809
cmarion@environicspr.com

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