



NEWS RELEASE

FOR IMMEDIATE RELEASE

Fairway Investment Grade Income Fund Files Preliminary Prospectus

TORONTO (February 7, 2005) – Fairway Advisors Inc. ("Fairway"), manager of the Fairway Investment Grade Income Fund (the "Fund"), is pleased to announce that it has filed a preliminary prospectus with the securities commissions of all Canadian provinces for an initial public offering of units of the Fund. Upon final receipt, units will be available at a cost of \$10 per unit with a minimum investment of \$2,500 (250 units) from registered investment dealers across Canada.

The Fund is designed to provide investors with a stable income stream through the active management of a portfolio consisting primarily of investment grade corporate bonds and investment grade hybrid preferred securities of principally United States and Canadian issuers (the "Investment Grade Portfolio"). The allocation of the assets of the Investment Grade Portfolio between corporate bonds and hybrid preferred securities is initially expected to be in the proportion of 25% and 75% respectively, and will be managed by MFC Global Investment Management (Canada) ("MFC Global"), the institutional investment arm of Manulife Financial Corporation and one of North America's largest and most experienced corporate bond managers, and by John Hancock Advisers, LLC ("John Hancock"), an affiliate of MFC Global and an industry leader in preferred securities fund management. The portfolio managers will also employ a combination of interest rate risk management strategies intended to mitigate the impact of significant interest rate increases which could otherwise decrease the value of the Investment Grade Portfolio, while permitting it to benefit from declining interest rates.

Units of the Fund have received a rating of P-2f from Standard and Poor's.

The Fund's investment objectives are to: i) provide unitholders with a stable stream of monthly distributions, with an indicative distribution for the first twelve months of \$0.05 per units (\$0.60 per annum to yield 6.0% on the subscription price of \$10.00 per unit); ii) mitigate the impact of significant interest rate increases on the value of the Investment Grade Portfolio; and iii) preserve and enhance the net asset value per Fund unit.

CIBC World Markets Inc. and TD Securities Inc. are co-lead agents for the Fund along with a syndicate of investment dealers.

Fairway is a professional financial services firm established by leading veterans of Canada's investment industry. Fairway is dedicated to providing Canadian investors with high-quality, traditional and alternative investment products to meet their investing needs. Fairway is a wholly-owned subsidiary of Fairway Capital Management Corp., an investment holding company.

Andrew McKay, Chief Executive Officer, Fairway Capital Management Corp. (416) 601-2422, or Paul Perrow, President, Fairway Capital Management Corp. (416) 601-2449.