

**The Consumers' Waterheater Income Fund
Completes Acquisition of Stratacon Inc.**

Acquisition Provides Additional Stability and Growth

TORONTO - August 15, 2008 – The Consumers' Waterheater Income Fund (the "Fund") (TSX:CWI.UN) announced today that a wholly-owned subsidiary of the Fund has completed the previously announced acquisition of all of the outstanding shares in Stratacon Inc. ("Stratacon") for an initial cash investment of \$21 million and the assumption of approximately \$7.2 million of net outstanding debt obligations of Stratacon.

Stratacon is a leading Canadian sub-metering company. It is engaged principally in providing the equipment and services to allow "smart" sub-metering and remote measurement of electricity, heat and water consumption in individual units in apartment buildings, condominiums and commercial properties. The equipment and services are provided under long-term contracts with its customers. At July 31, 2008, Stratacon's fiscal year end, there were approximately 34,600 suites/units under contract and 24,500 suites installed. About half of the installed suites are being billed to Stratacon's residents receiving metering services.

About The Consumers' Waterheater Income Fund

The Fund owns a portfolio of approximately 1.4 million installed water heaters and other assets, rented primarily to residential customers in Ontario.

Additional information regarding the Fund, including its current Annual Information Form dated March 28, 2008, is available at www.sedar.com.

About Stratacon

For background on Stratacon, please visit www.stratacon.ca.

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