



News Release

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CNL INCOME PROPERTIES ACQUIRES SUGARLOAF/USA AND SUNDAY RIVER RESORTS IN MAINE

*--Boyne USA to operate resorts--
-- Two Maine ski resorts bring lifestyle REIT's ski portfolio to 10 properties --*

(ORLANDO, Fla.) August 8, 2007 – CNL Income Properties Inc., a real estate investment trust (REIT) focused on lifestyle properties, announced today its acquisition of the assets of Sugarloaf/USA in Carrabassett, Maine, and Sunday River in Bethel, Maine. In a simultaneous, related transaction, Boyne USA Resorts acquired the stock of the American Skiing Company subsidiaries owning the resorts and sold the assets to CNL. CNL leased the resorts back to Boyne USA Resorts, one of the largest operators of destination resorts and day-ski areas.

“These are key New England ski resorts, which are an excellent addition to our lifestyle real estate portfolio,” said Byron Carlock, president and CEO of CNL Income Properties. “With our capital and Boyne USA’s experience, we believe these properties have potential to improve on their long-standing tradition of being among the most popular ski destinations in Maine.”

“CNL Income Properties offers long-term capital to significant operators, such as Boyne USA Resorts, which allows them to operate and run the business they know so well at even higher levels of efficiency and innovation,” Carlock said.

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With a 2,820-foot vertical drop, Sugarloaf/USA is the third largest ski resort in the Northeast in terms of vertical drop. Sugarloaf/USA is the 11th largest ski resort in New England (in terms of skier visits) with approximately 352,000 skier visits during the 2005-2006 ski season. SKI Magazine has consistently ranked Sugarloaf/USA in the top five Eastern resorts overall, and is a perennial top five terrain, service and family programs favorite. Sugarloaf/USA is consistently ranked as a top five overall resort in the East by Skiing Magazine.

Based on skier visits, Sunday River is the fourth largest ski resort in New England with an average of 505,000 skier visits per year over the last five years. As one of Maine's leading year-round resorts, it also offers golf, hiking and other various summer amenities. SKI Magazine has consistently ranked Sunday River nationally in the top 10 for both grooming and lifts; MSNBC recently named Sunday River a Top 10 Best Bets nationwide for early season snow and crowned the resort "Snowmaking Champion of New England."

"We have great respect and enthusiasm for this region, these fine properties and their surrounding communities," said Stephen Kircher, president of Boyne USA Resorts' eastern operations. "Adding Sunday River and Sugarloaf/USA, two of the Northeast's most popular ski mountains--with fantastic four season resort potential, to the Boyne USA family of resorts is a natural fit for us. With CNL Income Properties as our capital partner in driving these resorts forward, we couldn't be more excited about their futures. As well, the loyal customers of these two resorts should rest assured we will be honorable stewards of these properties for many decades to come."

In addition to Sunday River and Sugarloaf/USA, CNL Income Properties also owns, and Boyne USA Resorts operates, Brighton Ski Resort (Brighton, Utah) and Cypress Mountain (British Columbia, Canada).

CNL Income Properties' ski portfolio also includes:

- Bretton Wood Mountain Resort (Bretton Woods, N.H.)
- Loon® Mountain (Lincoln, N.H.)
- Mountain High Ski Resort (Wrightwood, Calif.)
- Northstar-at-Tahoe™ Resort (Lake Tahoe, Calif.)
- Sierra-at-Tahoe® Resort (South Lake Tahoe, Calif.)
- Summit-at-Snoqualmie Resort (Snoqualmie Pass, Wash.)

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About CNL Income Properties Inc.

CNL Income Properties Inc. is a real estate investment trust that owns a portfolio of 71 properties in the United States and Canada in the lifestyle and recreation sectors. Headquartered in Orlando, Fla., CNL Income Properties specializes in the acquisition of golf courses, ski resorts, marinas, campgrounds, merchandise marts, destination retail and entertainment centers and attractions. For more information, visit www.cnl.com.

About Boyne USA Resorts

Boyne USA Resorts is the owner/operator of geographically diverse four-season destination resorts and day-ski areas located near major metropolitan areas. The business has been overseen by the Kircher family since 1947 and is the largest family run four-season resort company in North America. The founder, Everett Kircher, is recognized within the ski community as a pioneer and visionary who possessed a deep passion for winter sports and the outdoors and in leading Boyne USA's team, his children are carrying on this tradition. Along with operating Brighton, UT, Cypress Mountain, B.C. and Gatlinburg Sky Lift, TN, Boyne USA Resorts owns Big Sky Resort in Montana, Crystal Mountain in Washington, and Michigan's premier active lifestyle resorts – Boyne Mountain and Boyne Highlands and the distinguished lakeside destination - The Inn at Bay Harbor – A Renaissance Golf Resort, including Bay Harbor Golf Club and Crooked Tree Golf Club. For more information, visit www.boyneusaresorts.com

Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of the federal securities laws. All statements, other than statements of historical facts, including, among others, statements regarding CNL Income Properties' future financial position, business strategy, projected levels of growth, projected costs and projected financing needs, are forward-looking statements. Those statements include statements regarding the intent, belief or current expectations of the CNL Income Properties' management team, as well as the assumptions on which such statements are based, and generally are identified by the use of words such as "may," "will," "seeks," "anticipates," "believes," "estimates," "expects," "plans," "intends," "should" or similar expressions. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that actual results may differ materially from those contemplated by such forward-looking statements. Many of these factors are beyond the company's ability to control or predict. Such factors include, but are not limited to, competition in the company's markets, equity raise and the ability to obtain financing for transactions, negotiation of final documentation, the company's ability to attract a significant number of guests from its target markets, the impact of mineral rights and other reservations on the company's properties, the company's ability to develop and integrate new ski resorts or further develop existing resorts on a timely or cost-efficient basis, the company's ability to manage growth, potential accidents or injuries at its properties, the possibility of future regulatory changes or intervention, its ability to achieve or sustain profitability, downturns in its industry segments, extreme weather conditions, increases in operating costs and other expense items and costs, uninsured losses or losses in excess of the company's insurance coverage, and the company's ability to protect its intellectual property and the value of its brands.

Management believes these forward-looking statements are reasonable; however, undue reliance should not be placed on any forward-looking statements, which are based on current expectations. All written and oral forward-looking statements attributable to CNL Income Properties or persons acting on its behalf are qualified in their entirety by these cautionary statements. Further, forward-looking statements speak only as of the date they are made, and the company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time unless otherwise required by law.

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