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FOR IMMEDIATE RELEASE

**FIRSTSERVICE ANNOUNCES ACQUISITION AND FURTHER
EXPANDS COMMERCIAL REAL ESTATE OFFERINGS**

**Acquires North America's 5th largest Mortgage Banking and Loan
Administration Leader, Cohen Financial**

Updates Outlook

TORONTO, Ontario, June 8, 2006 – FirstService Corporation (NASDAQ: FSRV; TSX: FSV) today announced that it has expanded its Commercial Real Estate Services platform by acquiring a majority interest in mortgage banking and loan administration leader, Cohen Financial. Jack Cohen, Chief Executive Officer, and his senior management team will retain the balance of the equity. The terms of the transaction were not disclosed.

Founded in 1978 and based in Chicago, Illinois, Cohen Financial is the 5th largest originator

of commercial real estate loans in the United States, providing commercial mortgage banking, loan administration and advisory services to both users and providers of capital. Cohen Financial originated more than \$5 billion in commercial real estate loans in 2005 and administers a \$5 billion commercial loan portfolio. Cohen Financial has 10 offices across the United States.

“The addition of Cohen Financial is another important step in our strategy to provide a full suite of services to our clients in commercial real estate,” said Doug Frye, President and CEO of Colliers Macaulay Nicolls (“Colliers CMN”) and Chairman of Colliers International. “Cohen Financial’s strong reputation and commercial mortgage and real estate investment banking expertise represent a tremendous addition to our growing commercial real estate operations and another opportunity to leverage our extensive broker network while offering a broader portfolio of services and knowledge to our clients.”

“FirstService is the perfect partner for Cohen Financial,” said Jack Cohen, Chief Executive Officer of Cohen Financial. “With FirstService’s enviable track record of success, investment grade status and significant investment in Colliers International, we are confident Cohen Financial will accelerate its growth, both internally and through acquisition, while maintaining its distinctive entrepreneurial culture. This partnership is a win-win for everyone involved.”

“Today’s acquisition represents a further investment in FirstService’s growing global real estate services platform as well as an important strategic business initiative,” said Jay Hennick, Founder and Chief Executive Officer of FirstService. “Partnering with superb management teams, like Cohen Financial, in specialty areas that will allow us to leverage our business, has been the cornerstone to our success. We intend to continue investing for long-term growth in this strong and growing industry segment.”

Updated Financial Outlook

Based on the completion of the Cohen Financial acquisition, FirstService is updating the outlook for fiscal 2007 previously issued on May 24, 2006.

Fiscal year ending March 31, 2007 (1)

(in millions of US dollars, except per share amounts)	Outlook dated May 24, 2006	Updated Outlook
Revenues	\$1,145 - \$1,220	\$1,175 - \$1,250
EBITDA (2)	\$100 - \$109	\$103 - \$112
Adjusted diluted earnings per share (3)	\$1.15 - \$1.25	\$1.17 - \$1.27

Notes

1. The outlook assumes: (i) no further acquisitions or divestitures completed during the outlook period (ii) exclusion of expected impact of one-time cumulative effect adjustments upon adoption of SFAS 123(R) on April 1, 2006 and (iii) current economic conditions in the markets in which the Company operates remaining unchanged and in particular the market for commercial real estate services. Actual results may differ materially. The Company undertakes no obligation to continue to update this information.

2. EBITDA is defined as net earnings before minority interest share of earnings, income taxes, interest, depreciation and amortization. EBITDA is not a recognized measure of financial performance under generally accepted accounting principles (GAAP), and should not be considered as a substitute for operating earnings, net earnings or cash flows from operating activities, as determined in accordance with GAAP.
3. Diluted earnings per share is adjusted for the impact of accelerated amortization of short-lived intangible assets acquired in connection with commercial real estate acquisitions completed during the past year.

About FirstService Corporation

FirstService is a leader in the rapidly growing property services sector, providing services in the following areas: commercial real estate; residential property management; property improvement; and integrated security services. Market-leading brands include Colliers International and Cohen Financial in commercial real estate; The Continental Group in residential property management; California Closets, Paul Davis Restoration, Pillar to Post Home Inspections, and Certa Pro Painters in property improvement; and Intercon Security and Security Services & Technologies in integrated security.

FirstService is a diversified property services company with more than US\$1 billion in annualized revenues and more than 12,000 employees worldwide. More information about FirstService is available at www.firstservice.com.

About Cohen Financial

Cohen Financial (www.cohenfinancial.com) is the 5th largest originator of commercial real estate loans in America, providing a variety of commercial mortgage banking and loan administration services to both users and providers of capital. With 10 offices across the United States, Cohen Financial originated more than \$5 billion in commercial real estate loans in 2005 and administers and services a \$5 billion commercial loan portfolio.

About Colliers CMN & Colliers International

Colliers CMN (www.colliersmn.com) is a leading international real estate services company that provides a full range of services to commercial real estate users, owners and investors worldwide. With annualized revenues in excess of US\$550 million, Colliers CMN is the largest member of the Colliers International global network, one of the top three commercial real estate service organizations in the world with annual revenues of US\$1.4 billion. The Colliers International global network has 241 offices in 54 countries worldwide (130 in the Americas, 65 in Europe, Middle East and Africa and 46 in Greater Asia).

FORWARD-LOOKING STATEMENTS

Certain statements included in this release constitute "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of FirstService, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the

following: general economic and business conditions, which will, among other things, impact demand for the FirstService's services, service industry conditions and capacity; the ability of FirstService to implement its business strategy, including FirstService's ability to acquire suitable acquisition candidates on acceptable terms and successfully integrate newly acquired businesses with its existing businesses; changes in or the failure to comply with government regulations (especially safety and environmental laws and regulations); and other factors which are described in FirstService's filings with the U.S. Securities and Exchange Commission and the Canadian regulatory authorities.

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