



FOR: FIRSTSERVICE CORPORATION

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FOR IMMEDIATE RELEASE

**FIRSTSERVICE ACQUIRES HANDYMAN CONNECTION
FRANCHISE SYSTEM**

North America's leading home repair and remodeling service provider enhances industry leading portfolio of consumer brands

TORONTO, Ontario, July 19, 2006 – FirstService Corporation (NASDAQ: FSRV; TSX: FSV) today announced that it has expanded its property improvement services platform with the acquisition of North America's leading home repair and remodeling service franchiser, Handyman Connection. The terms of the transaction were not disclosed.

Founded in 1990 and based in Cincinnati, Ohio, Handyman Connection, operates more than 100 franchises in the United States and Canada, providing small to medium-sized home improvements, repairs and remodeling services to residential customers. With more than \$75 million in system wide sales in 2005, Handyman Connection has consistently been ranked as the top handyman services provider within the North American home improvement sector, which generates more than \$200 billion in annual revenues. Handyman Connection delivers its services through licensed and insured professional craftsman, which handle a variety of home projects including bath, basement and kitchen remodeling, garage finishing, carpentry, ceramic tile, drywall, electrical, plumbing and more. More information is available at: www.handymanconnection.com

“Handyman Connection’s experienced craftsman provide a full range of services to homeowners who lack the time, tools or talent to tackle home repairs and adds to our full suite of services to consumers,” said Steven Rogers, President and CEO of The Franchise Company. “Handyman Connection’s strong reputation and industry leading business model is an excellent addition to our growing family of property service franchise systems and 1,800 franchise partners generating more than \$1 billion in customer level revenues each year.”

“FirstService has a proven track record of partnering with successful management teams to help them take their business to new levels of performance,” said Jay Hennick, Founder and Chief Executive Officer of FirstService. “Handyman Connection will benefit significantly from our extensive franchise expertise and well established operating model to accelerate their growth in the future. We intend to continue investing in well-managed royalty generating property service franchise organizations in this strong and growing industry segment.”

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 in commercial real estate; The Continental Group in residential property management; Consumer brands California Closets, Paul Davis Restoration, Pillar to Post Home Inspections, Certa Pro Painters and Handyman Connection, 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.

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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