



FOR: FIRSTSERVICE CORPORATION

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FOR IMMEDIATE RELEASE

**FIRSTSERVICE ANNOUNCES
NORMAL COURSE ISSUER BID FOR PREFERRED SHARES**

TORONTO, CANADA, August 31, 2007 – FirstService Corporation (TSX: FSV and FSV.PR.U; Nasdaq: FSRV) ("FirstService") announced today that the Toronto Stock Exchange (the "TSX") has accepted a notice filed by FirstService of its intention to make a normal course issuer bid (the "NCIB") with respect to its outstanding 7% cumulative preference shares, series 1 (the "Preferred Shares"). A similar notice has also been filed with the Ontario Securities Commission.

The notices provide that FirstService may, during the period commencing September 4, 2007 and ending June 6, 2008, purchase through the facilities of the TSX, for cancellation, up to 524,750 Preferred Shares in total, being approximately 10% of the "public float". The price which FirstService will pay for any such shares will be the market price at the time of acquisition. The actual number of Preferred Shares which may be purchased pursuant to the NCIB and the timing of any such purchases will be determined by senior management of FirstService.

As of August 22, 2007 there were 28,509,900 subordinate voting shares, 1,325,694 multiple voting shares and 5,979,118 Preferred Shares of FirstService outstanding.

FirstService believes that its Preferred Shares may from time to time trade in a price range that does not adequately reflect the value of such shares. As a result, depending upon future price movements and other factors, FirstService believes that its outstanding Preferred Shares may represent an attractive investment to FirstService.

During the twelve month period preceding this release, FirstService has not purchased for cancellation any Preferred Shares. FirstService currently has an approved normal course issuer bid with respect to its subordinate voting shares as disclosed in its press release of May 29, 2007.

ABOUT FIRSTSERVICE

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, The Wentworth Group and The Merit Companies in residential property management; Consumer brands California Closets, Paul Davis Restoration, Pillar to Post Home Inspections and Certa Pro Painters in property improvement; and Intercon Security and SST in integrated security.

FirstService is a diversified property services company with more than US \$1.6 billion in annualized revenues and over 16,000 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.