



FOR: FIRSTSERVICE CORPORATION

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FOR IMMEDIATE RELEASE

FIRSTSERVICE ACQUIRES SERVICE AMERICA

Residential Property Management platform enhances service offering

Adds Florida's Largest Provider of Home Service Contracts for Major-Appliance & Heating/Air-Conditioning Systems

TORONTO, Ontario, Oct 31, 2006 – FirstService Corporation (NASDAQ: FSRV; TSX: FSV) today announced that it has expanded its Residential Property Management division by acquiring an 80% interest in Florida's largest provider of home service contracts for major-appliances and heating & air-conditioning systems. Chris Heaney, President & Chief Executive Officer of Service America and his senior management team will retain the balance of the equity and continue running all day-to-day operations. During the last twelve months, Service America generated approximately \$30 million in revenues. Terms of the transaction were not disclosed.

“The addition of Service America to our portfolio of services provides us with a leadership position in another essential service required by our large and growing customer base,” said Gene Gomberg, CEO of FirstService’s Residential Property Management division. “Service America is a well known and respected consumer brand in Florida led by an impressive management team who will retain a significant interest in the business. We look forward to working closely with Service America and assisting them in accelerating their future growth”

Founded in 1973 and based in Fort Lauderdale, Florida, Service America contracts with over

65,000 individual homeowners annually through its operations in South and Central Florida. The company's trained technicians have served homeowners for 30 plus years providing contracted support for air conditioning systems and major appliances.

"We are excited to be joining FirstService's highly successful residential property management division. Their proven track record of growing businesses and unique model of partnering with management teams is what made the difference," said Chris Heaney, President & Chief Executive Officer of Service America. "FirstService is the leading player in residential property management in Florida and across the U.S., serving over 200,000 homeowners in South and Central Florida alone. We look forward to working with our new partners to grow our operations, both in Florida and within other markets where FirstService provides residential property management services."

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\$1.2 billion in annualized revenues and more than 13,000 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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