



Municipal Software

FOR IMMEDIATE RELEASE

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THE CITY OF YUCAIPA, CA SELECTS MUNICIPAL SOFTWARE TO AUTOMATE THEIR COMMUNITY DEVELOPMENT PROCESSES

Victoria, BC, July 25, 2007– Municipal Software (TSX:V:MSZ) announced today that the City of Yucaipa, CA has selected the CityView PreBUILTS™ - Property Information, Permits and Inspections, Planning and Code Enforcement – to automate and track their Community Development and Public Works Departments’ permitting, land development and code compliance activities. Municipal Software will also provide all related implementation services and training.

The City’s current Community Development system is primarily paper-based and as a result, tracking down information like the current status of permits can take several hours each week. The City looked to Municipal Software to provide a flexible, out-of-the-box product that would centralize their information such that it would be readily accessible by all departments. CityView will provide them with the tools to help their staff work more efficiently and enable them to provide information more quickly and easily to constituents.

CityView also allows Yucaipa to capture their workflows and integrate them across departments to ensure that all Community Development processes – building permit issuance, community planning and code enforcement - are consistent and repeatable.

Iain McLean, CEO and President of Municipal Software said, “After a comprehensive review of the solutions available, Yucaipa determined that CityView provided the best overall value. Our ability to meet a tight implementation schedule and provide a solution with the flexibility to grow as the City grows ensures that Yucaipa will meet the increased constituent demand for reliable and efficient services.”



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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this press release.

About Yucaipa, CA

Yucaipa is a mature, well-established community nestled in the foothills of the San Bernardino Mountains. Long known as one of the premier residential communities of the Inland Empire, residents enjoy a comprehensive approach to community safety that has produced one of the lowest rates of crime for comparable sized cities anywhere in the State.

With a population growth rate of 16.5% between 2000 and 2006 and a projected growth of 16.4% between 2006 and 2014, Yucaipa provides one of the greatest untapped economic development opportunities in the Southern California region.

About Municipal Software Corporation

Municipal Software Corporation (TSX-V:MSZ) provides easily installed, packaged software solutions that manage the everyday business processes of local governments. The solutions are based on 25 years of experience with a product platform that easily adapts to the changing practices of clients. Branded under the CityView name, the company provides a number of out of the box solutions automating practices in Property Information, Permits and Inspections, Planning, Code Enforcement, Licensing and Cashiering. CityView Application Builder is a set of application development tools that allows the client to develop unique applications to match specific needs. The company recently launched web-based services under the Local Government Manager™ name for jurisdictions looking for the convenience and cost effectiveness of a hosted application. Municipal Software offers a complete range of services from training and customer support of its suite of products to custom development for unique applications.

For further information about Municipal Software and CityView, please contact Iain McLean, CEO, at 1.800.665.5647 ext 243 or visit www.MunicipalSoftware.com.