

Payments, Property Tax Increases Top Alberta First-Time Homebuyers' Concerns

TORONTO (February 20, 2008) – High monthly payments and possible increases in property taxes top the list of considerations for Alberta first-time homebuyers, with more than 70 per cent of respondents ranking them as their top two worries about buying a home, according to a new report released today by Genworth Financial Canada, The Homeownership Company, a subsidiary of Genworth Financial, Inc. (NYSE:GNW).

“Albertans are savvy shoppers and they’re looking at the bigger financial picture,” said Genworth President Peter Vukanovich. “Economic factors like monthly payments, rising interest rates and property tax increases are playing a much greater role in homeownership decisions – particularly among the first-time homebuyer segment.”

The report, a comprehensive snapshot of the mindset of first-time homebuyers across Canada, showed that although Albertans’ concerns about a future decline in property values ranked among the lowest of a list of seven subjects buyers were asked about, there was some concern about future housing values given the province’s price increases in recent years, followed by a more recent cooling trend.

More than half (54 per cent) of Alberta respondents surveyed for Genworth’s latest *First-Time Homebuyer’s Monitor* cited a future drop in housing values among things they consider when buying a home. Nationally, only about one third (33 per cent) of first-time buyers say they’re concerned about falling market values.

“With the Alberta housing market being as hot as it was for as long as it was, it is not surprising that there might be a slightly higher level of awareness about price fluctuations among Alberta first-time homebuyers,” Vukanovich said. “The truth of the matter is that price appreciation in Alberta is now returning to a more normal state, where steady moderate growth is expected for the future.”

MORE...

- 2 -

Genworth's winter *First-Time Homebuyer's Monitor* provides a comprehensive snapshot of the preferences and expectations of first-time buyers across Canada. Property taxes, interest rates and high monthly payments were the highest ranked among a list of seven issues first-time buyers were asked about, while concerns that housing values might decline in the future ranked the lowest.

"This report illustrates that overall Canadians continue to have confidence in the strength of the housing market. They take cyclical market fluctuations in stride and are focused on the long term benefits of building equity sooner," he added. "But the good news is that there are innovative mortgage insurance solutions available to help make homeownership more affordable."

"Nationally, more than two thirds (68 per cent) of respondents said that a home is the single most important investment they'll ever make. This shows that Canadian first-time homebuyers continue to believe that buying a home remains one of the most solid personal investments they will make in their lifetimes, and that they understand the importance of achieving the goal of homeownership."

The Genworth survey highlighted some interesting perspectives:

- The most common level of down payment intended was between 5-10 per cent, while 25 years was the most preferred amortization term and a five-year mortgage term remains most popular nationally.
- Nationally, most first-time buyers planned to spend between \$100,000-\$199,000, except in Alberta and the Greater Toronto Area, where respondents cited \$200,000-\$299,000, and British Columbia where first-time buyers expected to pay \$300,000-\$399,000.
- Almost 60 per cent of first-time buyers said they'd get mortgage information from the Internet, including the use of online mortgage calculators to see what monthly payment they could afford.

The full Genworth Financial *First-Time Homebuyer's Monitor* is available at www.genworth.ca.

MORE...

- 3 -

About Genworth Financial Canada:

Genworth Financial Canada, The Homeownership Company, works with lenders, mortgage brokers, real estate agents and builders to make homeownership more affordable and accessible throughout Canada. The company combines global experience in mortgage insurance with technological and service leadership to deliver innovation to the mortgage marketplace.

In addition to releasing two *First-Time Homebuyer's Monitor* reports annually, Genworth Financial Canada also issues reports on Canada's housing market and condo market in winter and summer; all in conjunction with the Conference Board of Canada. Our intention is to educate and provide useful information to consumers, homeowners, future first-time homebuyers and governments. We believe homeowners and homebuyers require up-to-date information about Canada's housing market to make informed decisions about homeownership, for many the most important investment of their lifetime. Genworth Financial Canada also listens to homebuyers about their challenges and concerns, to make us better informed about how we can continue to offer innovative products that help more Canadians realize the dream of homeownership sooner and more affordably.

Additional information about Genworth Financial Canada is available at www.genworth.ca or through mortgage lenders.

- 30 -

MEDIA CONTACT:

Sherri Leclair
Genworth Financial Canada
Marketing/Communications Leader
905 287.5408 or sherri.leclair@genworth.com