

Boomers Supporting National Condo Markets

Genworth Report: Buyers over 55, changing lifestyles,
will keep market growing through 2011

TORONTO (September 12, 2007) – Demand from baby boomers over age 55, many downsizing from “empty nest” homes, will support steady price growth in eight urban condominium markets across Canada, according to new data released today by Genworth Financial Canada, a subsidiary of Genworth Financial, Inc. (NYSE:GNW).

Genworth’s *Summer 2007 Metropolitan Condominium Outlook* report finds the condo market demand easing slightly nationally, although new construction and resale activity remain high by historical standards. Victoria, Calgary, Edmonton and Ottawa all had record starts last year.

With the exception of Edmonton, condo starts will be down across the country this year, as builders look to clear inventory before expanding into new construction. The slowdown will further support price levels for existing condos, as will demand from boomers over age 55. All markets will see price increases in 2007, ranging from 4.4 per cent in Toronto to 36.4 per cent in Edmonton.

“The record number of baby boomers will help maintain demand for condos in markets across the country, keeping price growth steady. That will benefit first-time homebuyers, who otherwise might worry about their investment in a future condo downturn,” said Peter Vukanovich, president, Genworth Financial Canada.

The Genworth report concludes that “the increasing population share of those 55 and over in all major urban areas provides a solid demographic underpinning that is critical to the condo market’s longer term health.”

Census figures released in July by Statistics Canada show the number of people aged 55 to 64, many of whom are approaching retirement, is at a record high of 3.7 million. For example, boomers age 55 to 64 now account for 30.1 per cent of the Greater Toronto Area population, and 30 per cent of the Montreal population.

“Condos have traditionally been the entry point for first-time homebuyers and we continue to see that in major urban centres. But we’re also seeing a clear trend among downsizing baby boomers who are looking for convenience, security and the ability to enjoy their retirement living in a condo where they can walk to restaurants and shopping, transit, and enjoy a new lifestyle,” said Bob Finnigan, President of the Building Industry and Land Development Association (BILD).

The *Summer 2007 Metropolitan Condominium Outlook* reviewed resale condo markets in Quebec City, Montreal, Ottawa, Toronto, Calgary, Edmonton, Vancouver and Victoria. All eight markets registered price growth in 2006 and are forecast to continue to grow this year and through 2011.

Average Resale Condo Price by City: Forecast

City	2007 Forecast Percentage Increase	2008 Forecast Percentage Increase	2009 Forecast Percentage Increase	2010 Forecast Percentage Increase	2011 Forecast Percentage Increase
Quebec City	\$132,470 6.5	\$135,218 2.1	\$139,210 3.0	\$143,645 3.2	\$148,131 3.1
Montreal	\$179,358 5.2	\$184,875 3.1	\$191,316 3.5	\$198,250 3.6	\$205,351 3.6
Ottawa	\$185,272 5.6	\$189,616 2.3	\$196,100 3.4	\$202,378 3.2	\$208,926 3.2
Toronto	\$222,893 4.4	\$229,205 2.8	\$236,270 3.1	\$244,973 3.7	\$254,049 3.7
Calgary	\$270,169 19.8	\$293,335 8.6	\$306,722 4.6	\$315,684 2.9	\$322,838 2.3
Edmonton	\$224,621 36.4	\$234,878 4.6	\$248,795 5.9	\$257,958 3.7	\$263,586 2.2
Vancouver	\$314,471 7.2	\$327,163 4.0	\$341,116 4.3	\$352,800 3.4	\$365,491 3.6
Victoria	\$264,471 6.3	\$273,908 3.6	\$285,071 4.1	\$293,790 3.1	\$302,603 3.0

Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation; Canadian Real Estate Association.

The Genworth report also noted that condos are becoming a more attractive option for first-time homebuyers, given the rising price of new detached homes in Canada. As reported by Genworth's *Summer 2007 Metropolitan Housing Outlook*, new homes are forecast to average \$378,000 in Canada this year, a six per cent annual increase.

"We work with our lender partners and mortgage professionals to provide low-down payment mortgages for these first-time buyers," said Vukanovich. "The affordable monthly payments allow them to become homeowners and start building equity sooner."

The full *Summer 2007 Metropolitan Condominium Outlook* is available at www.genworth.ca.

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.

Genworth Financial Canada issues reports on Canada's housing market in spring, summer and fall; and on Canada's 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 Canadian 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 offer products that help Canadians realize the dream of homeownership.

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



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