

Buyers 55 and Over Continue To Support Vancouver and Victoria Condo Markets

Genworth Report: Boomers downsizing for retirement choose condos

VANCOUVER (September 12, 2007) – The growing number of residents who are 55 and over will provide a solid demographic underpinning to the health of condo markets in British Columbia’s two largest cities, 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 forecasts condominium prices in Vancouver and Victoria will post average annual increases of about about 3.8 per cent and 3.5 per cent, respectively, from 2008 to 2011. Vancouver’s average resale condo price is forecast to rise from \$314,471 in 2007 to \$365,491 by 2011, while in Victoria resale condo prices are expected to climb from \$264,471 in 2007 to \$302,603 in 2011.

Victoria, at 30 per cent, boasts the highest percentage of boomers per capita of the eight cities covered in the report, while this segment makes up nearly one quarter of Vancouver’s population.

“These cities historically have attracted individuals over age 55. With their favourable climates and natural beauty, both are desirable places to retire,” said Peter Vukanovich, president Genworth Financial Canada.” In the past decade alone, Victoria’s over 55 population has risen nearly 22 percent, while Vancouver had a dramatic 37 percent increase. This target demographic for condominium apartments will help maintain demand in the region and ensure steady price growth.”

Census figures release in July by Statistics Canada show the number of Canadians aged 55 to 64, many of whom are approaching retirement, is at a record high of 3.7 million.

In British Columbia, developers are responding to the aging population and keeping condo starts in line with demand. Starts will cool this year and next in both cities, as rising inventories of new units accumulate. In the short term, starts will dip, as builders will attempt to lower their inventories of unsold units, then trend upward gradually through 2011.

“There’s no doubt that boomers have played, and will continue to play, a significant role in the B.C. condo market,” said Neil Chrystal, President of Vancouver based Polygon Homes, one of British Columbia’s leading condo developers. “It’s a lifestyle choice for boomers who are downsizing and who have so many options to enjoy the great outdoors in retirement rather than spending their time on maintenance and upkeep of homes.”

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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For additional information or to arrange interviews:

Sherri Leclair

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