

GENWORTH FINANCIAL CANADA REPORT FORECASTS STABILITY FOR ATLANTIC CANADA HOUSING MARKET

Pace of growth in resale prices easing to 3.5 per cent

TORONTO, June 21, 2007 – Buyers looking for resale homes will get some relief from rising prices while the new home market remains steady across Atlantic Canada, according to a report issued today by Genworth Financial Canada, The Homeownership Company, a subsidiary of Genworth Financial, Inc. (NYSE:GNW).

The Summer 2007 Metropolitan Housing Outlook reveals that slightly lower demand in 2007 will reduce the rate of price increases in Atlantic Canada for resale homes, which had averaged 7.4 per cent annually from 2002 to 2005 before easing to 4.5 per cent average price growth last year. The Genworth study, conducted in partnership with the Conference Board of Canada, is based on data from a number of sources, including the Bank of Canada, the Canadian Real Estate Association and Statistics Canada.

In 2007, resale homes are forecast to increase in price by 3.5 per cent, to an average \$153,353, which remains very affordable by national standards. From 2008 through 2011, resale homes in New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland are forecast to increase an average of 3.2 per cent annually.

Atlantic Canada's new home prices are forecast to increase 1.8 per cent in 2007, to an average \$269,377. The region's new home market has been relatively stable, but new home prices did increase 3.2 per cent on average last year. From 2008-2011, average new home prices are forecast to rise 2.3 per cent annually.

“The stability in the new home market, combined with the easing of price pressures in the resale market, means there are good choices available for first-time homebuyers in Atlantic Canada, at a time when realizing the dream of homeownership has never been more accessible,” said Peter Vukanovich, president of Genworth Financial Canada.

Canada at a glance

With pent up demand easing, price increases for new and resale home prices are moderating. National home price averages are forecast to reach \$378,161 (new) and \$293,475 (resale) in 2007.

City	Average price of a new home (2006)	Average price in 2007 (forecast)	Average price in 2008 (forecast)
Montreal	\$270,081	\$279,607	\$288,254
Quebec City	\$183,878	\$188,277	\$193,864
Toronto	\$504,949	\$518,401	\$535,161
Ottawa-Gatineau	\$343,104	\$355,171	\$367,217
Calgary	\$434,763	\$505,571	\$533,352
Edmonton	\$319,637	\$388,694	\$408,126
Vancouver	\$629,595	\$673,706	\$708,759
Victoria	\$465,256	\$470,717	\$489,290

Sources: The Conference Board of Canada; Canadian Real Estate Association; Statistics Canada.

Genworth Financial Canada's homebuyer data shows there is strong demand for longer-term amortizations and low-down payment solutions that make entering the housing market more affordable for first-time homebuyers, as opposed to waiting to build a larger down payment.

"Genworth is committed to introducing innovative products and working with our lender partners to help Canadians buy homes sooner. Extended amortization periods and lower down payment options give buyers flexibility to keep monthly costs affordable when they enter the market," said Vukanovich. "They can then opt to make biweekly payments, increase monthly payments in the future, or make planned lump sum payments."

"The Canadian housing market continues to demonstrate its fundamental soundness. In fact, Canada's housing market is a model of fitness and is forecast to remain strong," said Jim Murphy, President and CEO of the Canadian Association of Accredited Mortgage Professionals (CAAMP).

Note to Editors: A PDF of the full report including an in-depth housing analysis for Canada, the Provinces and eight metropolitan areas 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 Canadian consumers, homeowners and future first-time homebuyers. 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.

About Genworth Financial

Genworth is a leading insurance holding company, serving the lifestyle protection, retirement income, investment and mortgage insurance needs of more than 15 million customers. It has operations in 29 countries. For more information, visit www.genworth.com.

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