

## GENWORTH FINANCIAL CANADA SEES GOOD OPPORTUNITIES FOR FIRST-TIME HOMEBUYERS ACROSS CANADA

***Latest Housing Outlook shows market will be more stable over next 5 years***

**TORONTO, June 21, 2007** – Price growth will remain strong and be more stable across Canada’s housing market in 2007, 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 continued homebuyer demand in 2007 will result in price increases across Canada in 2007 averaging 6.3 per cent for new homes, with a national average price forecast of \$378,161. Resale home price increases are also forecast to average 6.3 per cent, to an average of \$293,475 nationally. 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.

“With the rapid pace of price increases over the last three years, affordability has been stretched in some communities, but now we’re seeing what looks like more manageable growth over the next half-decade,” said Peter Vukanovich, president of Genworth Financial Canada. “It’s still a great housing market. Increased affordability translates into better opportunities for first-time homebuyers to begin building equity in their own home.”

The rates of price increases of both new and resale homes across Canada are down from 2006, when the nation saw new home prices increase 9.7 per cent and resale home prices jump 11.1 per cent (fuelled largely by Alberta). Through 2011, Canada’s new home price increases are forecast to average 3.4 per cent annually and resale home increases 4.7 per cent annually, demonstrating more stability in the housing market over the long term.

The report also analyzes data from eight cities in Canada – Quebec City, Montreal, Ottawa, Toronto, Calgary, Edmonton, Vancouver and Victoria – to look at new and resale home price increases forecast in 2007 and beyond.

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](http://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](http://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](http://www.genworth.com).

**Media Contact:**

Sherri Leclair  
905.287.5408 or  
[sherri.leclair@genworth.com](mailto:sherri.leclair@genworth.com)