

## **Toronto, Ottawa Condo Markets Remain Strong Yet Accessible Opportunities for First-Time Homebuyers**

Cranes will dot the skies of Toronto this year

**TORONTO** (March 26, 2008) – Condos will continue to offer solid opportunities for first-time homebuyers trying to enter the market and looking for accessible, affordable housing, according to new data released today by Genworth Financial Canada, a subsidiary of Genworth Financial, Inc. (NYSE:GNW).

Genworth's *Winter 2008 Metropolitan Condominium Outlook* reports that local condo resale prices in Ontario's two largest cities, Toronto and Ottawa, will post average annual increases of 3.2 per cent and 3 per cent respectively from 2008 to 2012.

Toronto's average condo price will rise from \$236,351 in 2008 to \$268,488 by 2012, while Ottawa's condo prices are expected to climb from \$188,276 in 2008 to \$215,231 by 2012.

In Toronto, the average price of a condo jumped 7.6 per cent in 2007, but price appreciation is forecast to slow to 2.9 per cent this year before rising more rapidly toward the end of the decade, providing a strong opportunity for first-time buyers this year.

"Condominiums continue to fill the demand for relatively affordable housing that is accessible to first-time buyers, particularly in Toronto," said Peter Vukanovich, president of Genworth Financial Canada. "With prices of detached homes forecast to exceed \$459,000 on average throughout the province – and in most Toronto neighbourhoods well above \$500,000 – condos remain attractive options and provide a good homeownership entry point in Ontario's two largest cities."

Cranes will dot the skies over Toronto this year. Condo starts are forecast to increase by 28.3 per cent to 11,883 units, leading the country and overtaking 2007 leader Vancouver, where 8,688 units are projected for 2008.

The Toronto surge follows a decline in starts of more than 30 per cent last year to 9,261 units. That 'see-saw' market effect will even out through 2012, with condo

starts in the city forecast to increase by 8.8 per cent annually over the next four years, peaking at more than 16,600 units in 2012.

Ottawa condo starts will remain virtually flat this year at a projected 1,057 units, and are forecast to remain at about 1,000 starts per year through 2012.

The Genworth report, produced with the Conference Board of Canada, concludes that “recently elevated volumes suggest condos are becoming entrenched in most communities,” and that certainly is the case in Toronto and Ottawa.

“The Toronto and Ottawa condo markets remain a good opportunity for first-time homebuyers. The slower rate of price appreciation in 2008 will benefit first-time buyers looking to get into the market, and the availability of innovative mortgage solutions makes that first-time purchase more accessible and affordable than ever,” said Vukanovich.

“This report underscores the solid value condominiums in Toronto and Ottawa offer to first-time homebuyers looking to get a foothold in Canada’s robust housing market. A condo offers an affordable opportunity to begin to build equity in a home of your own,” said Jim Murphy, President and CEO of the Canadian Association of Accredited Mortgage Professionals (CAAMP).

The *Winter 2008 Metropolitan Condominium Outlook* reviewed resale condo markets in Quebec City, Montreal, Ottawa, Toronto, Calgary, Edmonton, Vancouver and Victoria. All eight markets registered moderate price growth in 2007 and are forecast to continue to have moderate growth this year and through 2012.

#### Average Resale Condo Price by City: Forecast

City	2007 Forecast	2008 Forecast	2009 Forecast	2010 Forecast	2011 Forecast	2012 Forecast
	<i>Percentage Increase</i>	<i>Percentage Increase</i>	<i>Percentage Increase</i>	<i>Percentage Increase</i>	<i>Percentage Increase</i>	<i>Percentage Increase</i>
Quebec City	\$130,133	\$134,872	\$139,485	\$144,898	\$149,623	\$154,304
	4.7	3.6	3.4	3.9	3.3	3.1

Montreal	\$175,555 2.9	\$182,700 4.1	\$189,571 3.8	\$195,040 2.9	\$199,785 2.4	\$203,591 1.9
Ottawa	\$185,377 5.7	\$188,276 1.6	\$194,778 3.5	\$201,372 3.4	\$208,266 3.4	\$215,231 3.3
Toronto	\$229,708 7.6	\$236,351 2.9	\$242,254 2.5	\$250,623 3.5	\$259,507 3.5	\$268,488 3.5
Calgary	\$275,633 22.2	\$286,896 4.1	\$295,248 2.9	\$303,768 2.9	\$312,129 2.8	\$320,728 2.8
Edmonton	\$235,881 43.2	\$250,873 6.4	\$255,193 1.7	\$260,748 2.2	\$267,116 2.4	\$274,333 2.7
Vancouver	\$328,158 11.9	\$346,713 5.7	\$355,184 2.4	\$366,348 3.1	\$377,932 3.2	\$389,344 3.0
Victoria	\$272,061 9.4	\$282,619 3.9	\$289,399 2.4	\$297,065 2.6	\$305,641 2.9	\$314,298 2.8

**Sources:** The Conference Board of Canada; Canada Mortgage and Housing Corporation; Canadian Real Estate Association. **Note:** For Montreal, Ottawa, Toronto and Vancouver, resale apartments classified as condos were included; for Calgary and Edmonton, data includes condos that are single-detached units, semi-detached units, townhouse/row units, and apartments that are classified as condos.

The full *Winter 2008 Metropolitan Condominium Outlook* 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 and 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](http://www.genworth.ca) or through mortgage lenders.

#### **About Genworth Financial**

Genworth Financial, Inc. (NYSE:GNW) is a leading public Fortune 500 global financial security company. Genworth has more than \$114 billion in assets and employs approximately 7,000 people in 25 countries. Its products and services help meet the investment, protection, retirement and lifestyle needs of over 15 million customers. Genworth operates through three segments: Retirement and Protection, International and U.S. Mortgage Insurance. Its products and services are offered through financial intermediaries, advisors, independent distributors and sales specialists. Genworth Financial, which traces its roots back to 1871, became a public company in 2004 and is headquartered in Richmond, Virginia. For more information, visit [Genworth.com](http://Genworth.com).

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