



Genworth®
Financial

MORTGAGE INSURANCE BECOMES TAX DEDUCTIBLE FOR HOMEOWNERS

Genworth Mortgage Insurance

It's true! Congress has just passed the long-awaited legislation that will make mortgage insurance payments tax deductible on new mortgage originations beginning January 1, 2007. With this bill, our legislators have taken a huge step toward making the dream of homeownership more attainable for those who need help most — lower-income, first time and emerging market buyers.

The new legislation allows homebuyers with adjusted household incomes of \$110,000 or less to deduct the cost of the MI premium¹ from their income on their federal tax returns. This savings will help make homeownership more achievable for those buyers.

For example, it could mean an estimated \$400² to a qualified borrower purchasing a \$166,667 home with monthly borrower-paid MI and zero down payment. Additionally, their monthly mortgage payment may decrease more quickly, through MI cancellation.

And for consumers comparing loans with mortgage insurance to riskier “combo” loans, the security and simplicity of an insured loan is the smart choice because MI is:

COMPETITIVE — A mortgage with MI is now as affordable or cheaper than most combos.

CANCELABLE — MI can be canceled, further reducing the monthly payment. Second mortgages must be paid in full.

PREDICTABLE — MI payments are not rate-sensitive like many exotic or combination loans.

TAX DEDUCTIBLE — Mortgage insurance is now tax deductible!

To learn more about tax deductibility and how a loan with mortgage insurance benefits your borrower's monthly mortgage payment, contact your Genworth Account Representative or call the ActionCenter® at 800 444.5664 today.

©2006 Genworth Financial, Inc.
All rights reserved.

¹The MI premium is fully deductible at \$100,000, and phases out for annual earnings between \$100,000 and \$110,000.

²Based on \$166,667 mortgage at 100% LTV for a borrower in the 25% tax bracket with full deductibility. Tax implications may vary – consult a tax professional for advice on tax deductibility.