

**INTRODUCING: FAMILY ASSISTANCE LMI**

**Genworth offers lenders a new way for families to assist home buyers**

**Embargoed until 1 December 2021**: Genworth has today launched Family Assistance, a new product designed for lenders to help families better support home buyers struggling to enter the property market.

In a market first, Genworth will reduce the LMI premium paid by a lender by 15% when the cost of LMI is funded by a home buyer’s family member and paid upfront at the time of loan settlement. This reduction is available for both owner-occupied and investment loans.

By making this upfront LMI payment to the lender, families can help a loved one overcome the time barrier to saving a 20% deposit.

Pauline Blight-Johnston, Genworth Chief Executive Officer, said, “Saving to enter the property market has become increasingly difficult. In Sydney for example, it can take up to 12 years on average to save the 20% deposit for a unit. As a result, we’re seeing a growing trend of first home buyers turning to their parents for financial assistance.’

Genworth’s First Home Buyer Report 2021 detailed that almost one in four (22.9%) of recent first home buyers relied on financial assistance from parents to purchase their home.

This assistance, which may be in the form of a gift, a loan or acting as guarantor, can result in potential risk to the family member or have emotional implications for everyone involved. Genworth’s research shows that two in three (66.5%) of recent first home buyers felt guilty about asking for assistance, as it could put their parents or family at greater financial risk.

Family Assistance offers an affordable way for families to help multiple children enter the housing market, overcoming the complexities and limitations of acting as guarantor.

Pauline Blight-Johnston said, “Genworth is committed to helping more Australians realise their dream of home ownership and we realise that this dream touches the lives of entire families.”

“We are pleased to be offering a new avenue for families who are looking to reduce potential risk as they support the next generation of home buyers.”

**-ENDS-**

**About Family Assistance**

To download Family Assistance resources, go to; [www.genworth.com.au](https://www.genworth.com.au/brokers/resources/marketing-resource-centre/)

**About the Genworth First Home Buyer Report**

* The findings of a survey (commissioned by Genworth and undertaken by CoreData) during the period April 2021 to May 2021
* 2,077 Prospective First Home Buyers and 1,008 Recent First Home Buyers across Australia, including all capital cities and regional areas
* Desktop research and analysis undertaken by CoreData.

To download a copy of the Genworth First Home Buyer Report (August 2021) go to: <https://www.genworth.com.au/products/research-and-insights/news>.

**ENDS**

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**About Genworth**

Genworth Mortgage Insurance Australia Limited (Genworth), is a leading Lenders Mortgage Insurance (LMI) provider in Australia. With over 50 years of expertise in the Australian residential mortgage market, Genworth issued 76,557 insurance policies in 2020 that secured home loans valued at $31.6 billion.

LMI facilitates residential mortgage lending by transferring risk from lenders to LMI providers, predominantly for high loan-to-value ratio loans. We work with our lender customers, regulators and policy leaders to promote a stronger and more sustainable housing market in Australia.