

FOR IMMEDIATE RELEASE

Contact:

Frank Piemonte
River Communications
914.686.5599
fpiemonte@riverinc.com

Financial Freedom Expands Product Suite with New Margin Options on HECM Libor Reverse Mortgage

Nation's Largest Lender Adds HECM Libor 75 & 85

Irvine, CA – January 10, 2008 - Financial Freedom, a subsidiary of IndyMac Bank F.S.B. (Indymac Bank[®]) and the nation's largest lender of reverse mortgages, announced today the addition of two new HECM LIBOR margin options to its broad product suite, HECM Monthly Libor 75 and HECM Monthly LIBOR 85. Financial Freedom launched HECM LIBOR Monthly 65, the industry's first London Interbank Offered Rate (LIBOR) indexed Home Equity Conversion Mortgage (HECM), in October of 2007. The company began taking applications for HECM Monthly 75 and HECM Monthly 85 on December 28, 2007.

The interest rate for these products is calculated based on the One-Month LIBOR index plus the margin and provides borrowers with all the features and benefits of other HECM reverse mortgages.

“We are focused on continually developing new products that offer seniors a range of options to meet their financial planning needs,” said Michelle Minier, CEO of Financial Freedom. “In today's rate environment these additional margin options on HECM Monthly LIBOR reverse mortgages will give borrowers the option to realize a somewhat higher cash benefit, a larger monthly payment, and, in some cases, a reduced origination fee at an interest cost that is slightly higher than the HECM Monthly LIBOR 65, but, based on historical index values, is lower than the industry-dominant CMT-based HECM product.”

Financial Freedom offers a range of HECM and proprietary reverse mortgages including HECM Monthly CMT 100, HECM Annual, and HECM Fixed. Financial Freedom's proprietary Cash Account Advantage, the industry's most popular jumbo reverse mortgage, available since 2000, which also calculates its interest rate based on a LIBOR index.

In July, the U.S. Department of Housing and Urban Development, which regulates and insures HECM reverse mortgages, approved the One-Month and One-Year London

Interbank Offered Rate as acceptable indices for calculating the interest rate on federally-insured reverse mortgages, in addition to the U.S. Treasury index that is used now.

In addition to offering benefits to seniors, LIBOR-based products hold great appeal to secondary market investors. As most investors have LIBOR-based funding costs, and thus seek LIBOR-based investments, the secondary market for LIBOR-based HECM should be broader and more reliable than that for Treasury-based HECM. The secondary market for the latter has been heavily disrupted during the current credit crunch.

About Financial Freedom

Financial Freedom Senior Funding Corporation, a subsidiary of IndyMac Bank, F.S.B., headquartered in Irvine, California, is the largest originator/lender of reverse mortgages in the United States. Financial Freedom originated over **\$4.7 billion** in loan fundings on **\$12.8 billion** in home value in reverse mortgages in **2007** and is now the largest servicer of reverse mortgages with a servicing portfolio of over **145,000** loans.

Financial Freedom developed the Reverse Mortgage Analyzer, the industry's first reverse mortgage software that helps lenders compare the benefits between the HECM, Fannie Mae and the Cash Account products. The Reverse Mortgage Analyzer has been a powerful tool since 1997 and is the industry standard with more than 28,000 registered users. In addition, this RMA software application has been used to train counselors.

Financial Freedom is also founding member of the National Reverse Mortgage Lenders Association. NRMLA is a nonprofit trade association, based in Washington, DC, whose mission is to support the continued evolution of reverse mortgages as an important financial option for senior homeowners while educating both its members and consumers about the varied applications of this unique loan. For more information, visit the Financial Freedom Web site at www.financialfreedom.com.

Members sign a Code of Conduct pledging to abide by guidelines that assure fair, ethical, and respectful practices in offering and making reverse mortgages to seniors. For more information, visit the NRMLA Web site at www.reversemortgage.org.

©2007 Registered trade/service marks are property of Financial Freedom Senior Funding Corporation, A Subsidiary of IndyMac Bank, F.S.B.

©2007 Financial Freedom Senior Funding Corporation

About Indymac Bank

IndyMac Bank, F.S.B. (Indymac Bank®), the 7th largest savings and loan in the nation, is the principal subsidiary of IndyMac Bancorp, Inc. (NYSE:IMB) (“Indymac®” or the “Company”). Indymac Bank, operating as a hybrid thrift/mortgage banker, provides fair and competitive home financing products. All of the assets and operations of IndyMac are held or conducted within the federally-insured, thrift depository institution, Indymac Bank, whose primary funding consists of bank deposits, Federal Home Loan Bank advances, long term debt and equity. Indymac Bank's home mortgage products consist

primarily of single family, first lien mortgages, 90% of which are saleable to the GSEs (Fannie Mae, Freddie Mac, or Ginnie Mae) today. In addition, Indymac offers jumbo, full-documentation home loans (loans that exceed the current GSE loan size limits) and home equity lines of credit to prime credit quality borrowers. The prime home equity loans are subject to a maximum 90% CLTV. Indymac does not offer any subprime loans which are not saleable to the GSEs. Indymac Bank also provides FDIC-insured retail banking products to facilitate consumers' personal financial goals.

For more information about Indymac and its affiliates, or to subscribe to the Company's Email Alert feature for notification of Company news and events, please visit <http://about.indymacbank.com/investors>. To visit Indymac's corporate blog, please visit <http://www.theimbreport.com>

#