

## **Five Key Questions to Ask When Selecting a Reverse Mortgage Lender**

Irvine, CA – [August 21, 2007] – With the introduction of several new product and pricing options, there has never been a better time for seniors to consider a reverse mortgage. In the first half of 2007, the industry has seen a flurry of new, lower priced products that offer greater benefits to the consumer as well as a range of new providers who have announced plans to, or have already, entered the market. This is great news for senior homeowners who have begun considering reverse mortgages – but it can also cause great confusion when choosing the right lender or in choosing the product that will best suit the senior's needs.

So much rapid change over a short period of time can make choosing a lender and determining the best product a daunting task. However, Financial Freedom, the nation's largest provider of reverse mortgages, has identified five important questions that prospective borrowers should ask lenders when discussing reverse mortgages.

1. Are you a member of the National Reverse Mortgage Lenders Association (NRMLA)?

Not all lenders are created equal. NRMLA is the industry's trade group that requires members to follow a best practices model and code of conduct when working with seniors seeking information about reverse mortgages. Even though reverse mortgages have numerous built-in consumer safeguards to protect seniors, it's a good idea to select lending organizations with a national presence.

2. Do you offer access to the full range of Home Equity Conversion Mortgages (HECM) and Jumbo reverse mortgages?

With a range of new products and providers, it can be difficult for consumers to determine if their lender is providing information on the full menu of product options available. Be sure your lender is knowledgeable about the range of HECM pricing options as well as HECM Advantage™ exclusively from Financial Freedom, which may provide the best option for the HUD product. Among jumbo loans, there is a range of product and pricing options that enable borrowers to tailor the loan to their needs. In either case, if a lender is not providing a wide range of options, the borrower may not be seeing and thus, considering the best choices.

3. Can I see the full breakdown of costs, fees, and the amortization schedule for all these products?

Every lender should be able to provide a complete breakdown of costs and fees for every reverse mortgage option. Lenders should also be ready, willing and able to take the time to explain all facets of reverse mortgages.

4. Do you have suitability protocols to ensure I'm getting the best reverse mortgage for me and that I have the opportunity to make an informed decision?

More established lenders will have processes to make sure that borrowers understand their choices and that the appropriate loan product is matched to the seniors' situation. For example, Financial Freedom was the first lender to require independent counseling for all reverse mortgage products it offers, including proprietary reverse mortgage products.

5. How long have you worked with reverse mortgages?

The decline in forward mortgage production and the sub-prime collapse over the last year has driven brokers and lenders into the reverse mortgage arena seeking new products to sell. As a result, many new and inexperienced lenders have entered the reverse mortgage market. While greater focus on reverse mortgages is a positive for seniors and the industry, consumers need to be selective and work with lenders who have an established history and thorough understanding of reverse mortgages, as well as the unique needs of seniors. Financial Freedom has been enhancing the lives of seniors by providing financial security and independence for over ten years.

### **About Financial Freedom**

Financial Freedom Senior Funding Corporation, a subsidiary of IndyMac Bank, F.S.B., headquartered in Irvine, California, is the largest originator of reverse mortgages in the United States. Financial Freedom originated over **\$5 billion** in loan fundings on **\$15.2 billion** in home value in reverse mortgages in **2006** and is now the largest servicer of reverse mortgages with a servicing portfolio of over **130,000** loans.

Financial Freedom developed the industry's first reverse mortgage software, the Reverse Mortgage Analyzer, to help 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](http://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](http://www.reversemortgage.org).

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IndyMac Bancorp, Inc. (NYSE: IMB) (Indymac<sup>®</sup>) is the holding company for IndyMac Bank, F.S.B. (Indymac Bank<sup>®</sup>), the 7<sup>th</sup> largest savings and loan and the 2<sup>nd</sup> largest independent mortgage lender in the nation. Indymac Bank, operating as a hybrid thrift/mortgage banker, provides cost-efficient financing for the acquisition, development, and improvement of single-family homes. Indymac also provides financing secured by single-family homes and other banking products to facilitate consumers' personal financial goals.

With an increased focus on building customer relationships and a valuable consumer franchise, Indymac is committed to becoming a top five mortgage lender in the U.S. by 2011, with a long-term goal of providing returns on equity of 15 percent or greater. The company is dedicated to continually raising expectations and conducting itself with the highest level of ethics.

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>.

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