

## **FOR IMMEDIATE RELEASE**

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### **More Seniors Consider Their Homes in Retirement Funding Plans, Finds Survey**

-- Young Seniors Carrying a Surprising Amount of Debt into Retirement --

Irvine, CA – [September 5, 2007] – According to the 2007 Financial Freedom Senior Sentiment Survey, more seniors may seek to use their homes to finance retirement. This is the fourth annual survey from Financial Freedom, a Subsidiary of IndyMac Bank F.S.B. (Indymac Bank<sup>®</sup>), and the nation's largest originator of reverse mortgages. The study explores seniors' attitudes on a range of issues including retirement. Results show a significant drop in the number of seniors who indicated they planned to pass their homes on to their children and an increase in the number of those who would potentially use their home as part of their retirement funding strategy.

In the 2006 Financial Freedom Senior Sentiment Survey, 42% of the seniors polled, selected the response; "*Leave it to my heirs...*" when asked about future plans for their homes. In this year's survey, only 25% indicated this option as "very likely" or "somewhat likely". In contrast, 54% of seniors responded that they would keep access to their homes as a retirement asset until they are forced to make a decision.

"When you realize that the home is most Americans' largest asset, it's impossible to ignore the power of the home to assist in funding retirement regardless of the strategy," said Michelle Minier, CEO of Financial Freedom. "Clearly, a growing number of seniors are beginning to consider retirement funding strategies that incorporate their home."

Depending on their future situations, selling the home is the most popular strategy, with 12% of seniors indicating they already plan to sell it and 38% of seniors indicating they will sell if they have limited financial choices. Fewer seniors would leverage their homes, with 13% of seniors indicating they would use a reverse mortgage, or other home equity loan to access the wealth tied up in their homes.

### **Confidence in Retirement Income**

The majority of seniors (83%) indicated that they were confident, or at least somewhat confident in their retirement income. However, only 56% were confident when asked about their greatest concerns for retirement years, 83% said "remaining healthy" followed by 18% who said "having enough money."

## Strategies for Saving, Funding Retirement

Despite strong confidence, when asked to choose from a list of specific strategies they might employ to fund retirement, 37% of seniors said they would work either part time (33%) or full time (4%), 14% said they would sell their home and move into a smaller one, and 9% said they would sell their belongings. Taking out a reverse mortgage rounded out the top five answers, garnering 6% of the responses.

## Debt in Retirement

While seniors ranked *avoiding debt* as their top saving strategy during retirement, a surprising 27% expect to have debt in retirement and 40% expect to have mortgage debt. Seniors revealed some startling trends:

### *Non-mortgage Debt*

- 59% of seniors with debt have at least \$15,000 and 12% have more than \$100,000;
- 17% never expect to pay it off;
- Health care expenses topped the list of sources of debt, followed by auto loans and home repairs;
- Men tend to be more in debt than women.

### *Mortgage Debt*

- 63% owe at least \$50,000;
- 31% owe more than \$100,000;
- 56% expect it will take 10 years or more to pay it off;
- 11% never expect to pay it off.

The Financial Freedom Senior Sentiment Survey measured the opinions of “young seniors” aged, 62-75 on a variety of topics from retirement planning to family affairs to general quality of life issues. For a copy of the complete study, please contact Frank Piemonte of River Communications at [fpiemonte@riverinc.com](mailto:fpiemonte@riverinc.com) or by calling 914-686-5599.

## 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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### **About Indymac**

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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