

Tips for sellers and buyers

Do your homework by checking the latest home value prices (available online at www.zillow.com or www.domania.com).¹⁴

Sellers

- Have your home inspected so that you know about any problems before listing on the market
- Choose an agent based on performance, not price
- Listen to and consider all offers, and don't panic
- Be "show-ready" by making necessary repairs and cosmetic touches, ridding the house of clutter, and arranging furniture to show off rooms to their best advantage

Buyers

- Don't rush into a purchase; be flexible
- Let steady interest rates and prices work in your favor
- Bid low if the home is right but the price is a little high
- Monitor interest rate fluctuations using Indymac Bank's Rate Watch to lock your loan at the best possible time (see front page)
- Make sure your financing is pre-approved before you shop



It's important to understand the features associated with the new loan option you select, and how it may impact your specific financial situation. Before deciding to accept a prepayment penalty, make sure you understand its benefit in terms of rate or fees, as compared to the substantial cost if the loan is paid off before the penalty term expires. 1 The Best Price Guarantee and On-Time Closing Guarantee are subject to certain conditions and restrictions. For terms, please call 1.888.202.9413 or visit www.indymachls.com. 2 All rates and fees shown in this chart are based on a borrower with minimum credit- and debt-ratio qualifications for the refinancing of an owner-occupied, single-family residence, with an 80% loan-to-value ratio, a \$400,000 loan amount, and the assumption that no impound/escrow account is required. For this comparison we took the lump sum quoted and subtracted customary third-party fees to calculate lender costs. The Indymac Bank Home Lending competitor rate survey is provided for information purposes only. Indymac Bank is not responsible for errors or omissions on the sites involved in this survey. Indymac Bank does not warrant or guarantee the accuracy of information presented on this website. We are not responsible for any inaccuracies, errors or omissions, including errors involving the mortgage rates, closing costs and other fees for any lender involved. Our rates shown are for a 45-day lock period. A 45-day lock period is not quoted on all websites. In order to equalize the comparison, we have added .25% to .50% to lenders quoting 10- to 15-day locks and .125% to .25% to lenders quoting 25- to 30-day locks. These are the customary differences between the stated lock periods. Some lenders quote rates in nonstandard increments, such as 5.990%. For ease of comparison, these note rates are rounded to the nearest eighth. Indymac Bank Home Lending specifically disclaims any responsibility for the contents of the lenders' web sites or their loan policies and procedures. Each lender involved has its own credit standards. There is no guarantee that you will be able to obtain a mortgage loan from any of the lenders we survey. This survey is not intended to offer or promise to make a specific mortgage loan. 3 Citibank is a registered trademark of Citicorp. 4 Ditech.com is a registered trademark of ditech.com or its affiliates. 5 Wells Fargo is a registered trademark of Wells Fargo Bank, N.A. 6 Chase is a registered trademark of J.P. Morgan Chase and Co. or one of its subsidiaries. 7 Source: usatoday.com, 1/24/07. 8 Beginning in 2009, the maximum contribution amount will be indexed for cost-of-living adjustments (COLA) in \$500 increments. 9 Consult your financial advisor for details. 10 Not available in all states. 11 Check with your financial advisor to confirm if consolidating short-term debt into a long-term obligation is right for you. 12 Best available pricing is Prime minus 0.75%. Current Annual Percentage Rate (APR) as low as 7.50%. APR is accurate as of 3/01/07 and is subject to change without notice. Not all applicants will qualify for this rate. This is a variable rate credit line, with a maximum interest rate of 18% APR. Subject to underwriting approval. There is an annual fee of \$75.00, which is waived for the first year and a termination fee of \$500 if the equity line is closed in the first three years. Call for details. It is important to know that with Home Equity Lines of Credit, your payment and rate may increase significantly over time. If you choose to make interest only payments, your loan balance will not decrease, which may adversely impact equity buildup. 13 Certain terms, conditions and limitations may apply. 14 Please note that Indymac is not affiliated with these websites and that this information is provided as a courtesy to you. While these websites may provide you an estimated value, it is important to know that they may not take into consideration site condition or other local factors that affect the market value of the property. Indymac may require an appraisal completed by a licensed real estate appraiser that provides the market value of the property. 15 The offer of \$500 off closing costs applies only to existing Indymac Bank mortgage customers who originate a new first mortgage through the Indymac Bank Home Loan Servicing Group. This offer does not apply to home equity loans or streamlined programs like Mod Xpress[®] and Indymac Xpress[®].

Make the housing market work for you in 2007.

In 2006, the U.S. housing market experienced slower sales and price weakness, with some of the slowdown expected to carry over into 2007. Yet despite the trend, the fact that interest rates are still at near-historic lows, combined with more affordable home pricing, has begun to attract buyers back into the market.

It is predicted that, in most markets, home prices will remain steady, but homes are expected to take longer to sell and may require

extended negotiations between sellers and buyers. So be prepared and learn how to take advantage of the current market.

Whether you're buying, selling or refinancing, Indymac is one of the most competitive mortgage lenders in the business. You deserve to be in the home of your dreams—in any market—and we want to be your partner. Call us at **1.888.202.9417** and let us know how we can help with your home finance plans today.

Indymac Bank is one of the nation's top ten mortgage lenders, with numerous time- and money-saving strategies:

- **\$500 Closing Cost Reduction¹⁵**
We'll apply \$500 toward your closing costs on any new first mortgage.
- **On-Time Closing Guarantee¹**
We promise that your loan will close on time or we'll pay you \$100 if it's our fault.
- **Best Price Guarantee¹**
We'll beat the rate and fees quoted by any competing lender for a first mortgage with the same terms or we'll pay you \$300.



Tax Time 2007

The Advantage of a Proven Partnership.[®]

12653 HLS 0307 A

Inside this issue:

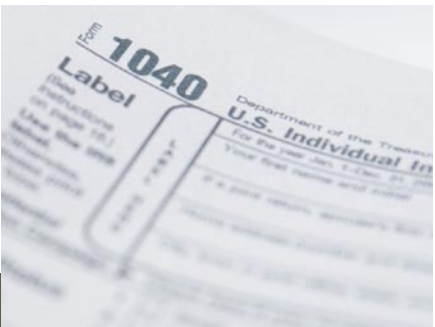
Tax tips
Four tax advantages especially for homeowners. ► p2

IRAs
A smart, money-saving tool for retirement. ► p2

DynamicLineSM
Indymac's Home Equity Line of Credit gives you the power to dream. ► p3

Online enrollment
A simple sign-up can bring your loan information to your fingertips. ► p3

2007 housing market forecast
How to make the most of the new year's market trends. ► p4



In the market for a new mortgage? Understand the Indymac difference.

It's 2007 and the mortgage rate outlook remains strong so far...meaning big savings for homeowners looking to purchase or considering a refinance. Indymac Home Lending can help you find the **right loan right now** so you can save thousands of dollars in the future.

In addition to being one of the nation's most competitively priced mortgage lenders, Indymac[®] offers its mortgage customers preferred pricing and value. Just take a look at our comparison chart: we've analyzed data from the nation's top mortgage lenders to show you each lender's cost for the identical rate, creating one of the most comprehensive, apples-to-apples comparisons around. You can also access this information on our website. And online tools like Rate Watch help you keep daily—even hourly—tabs on changing rates, so you can have the very

latest information when you make your loan selection.

Rate Watch enables you to stay informed with up-to-the-minute market rates. Simply answer questions about your desired loan for updates, and you'll have the option to lock in your rate when it becomes available.

We're more than a lender, we're your partner.

From our Best Price and On-Time Closing Guarantees¹ to cutting-edge online tools, our customers are sure to get the best deal available. Add our experienced loan consultants who will guide you through your loan decision, and you have a partner who will help make securing your mortgage a positive and valuable experience.

To compare rates, review financing options or get full details regarding our Best Price Guarantee, go to www.indymachls.com, or call one of our experienced loan consultants at **1.888.202.9413**.

30-Year Fixed Rate Mortgage Comparison (loan amount: \$400,000)²

Lender	Rate	APR	Points (%)	Points (\$)	Lender Fees	Lender Cost	With us you save...
Indymac	5.875%	6.028%	1.169%	\$4,676	\$995	\$5,671	N/A
Citibank ³	5.875%	6.176%	2.750%	\$11,000	\$1,090	\$12,090	\$6,419
Ditech ⁴	5.875%	6.075%	1.500%	\$6,000	\$975	\$6,975	\$1,304
Wells Fargo ⁵	5.875%	6.134%	1.375%	\$5,500	\$1,385	\$6,885	\$1,214
Chase ⁶	5.875%	5.920%	1.375%	\$5,500	\$450	\$5,950	\$279



Good news:
In 2007 filers get two
extra days!

- Since April 15, 2007, falls on a Sunday, and Monday is a holiday in Washington, DC, you have until midnight on Tuesday, April 17, to get your tax forms filed.⁷
- Need more time to file? Individuals can get an automatic 6-month extension by using form 4868, but only if your request is filed by April 17, 2007.⁷

► Although you are not required to submit your estimated tax payment when filing your extension, if you do not pay the amount you owe by the regular due date you will owe interest and may also be charged penalties.

Tax secrets every homeowner should know

As the new year unfolds, homeowners should use all the tools at their disposal to help reduce their tax liability and protect their financial health. For starters, there are four primary tax advantages available to mortgage holders:

- 1 You may be able to deduct your mortgage interest, as well as all or part of the interest incurred through cash-out refinancing or through a home equity loan or line of credit.
- 2 On a home purchase, you may be able to deduct the points you paid to reduce your interest rate in the year you paid them.

(Points paid to lower your interest rate when refinancing can also be deducted, but only over the life of the loan.)

- 3 You may be able to deduct your local property taxes.
- 4 When your home is sold, capital gains (of up to \$250,000 for individuals and \$500,000 for married couples) are exempt from taxation.

Since conditions and exceptions apply, we recommend that you consult your financial advisor to see how this information relates to your individual situation.

IRAs: the smart, flexible *and* deductible retirement tool

IRAs (Individual Retirement Accounts) are personal savings plans that may provide income tax advantages to individuals saving money for retirement needs. Indymac offers IRAs at some of the highest and most competitive rates in the nation, and they're FDIC-insured.

Contributions to a traditional IRA account are generally made pre-tax and offer tax-deferred earnings. IRA withdrawals are subject to tax in the year of distribution. Roth IRAs, like traditional IRAs, allow up to \$4,000 in contributions per year, yet contributions are after-tax, and Roth IRA earnings can be tax-free when left in the Roth Plan for at least five years. Traditional and Roth IRA accounts in aggregate are also FDIC-insured up to \$250,000.

While many investors rely primarily upon such employer-sponsored plans as a 401K, IRAs are also a great option for anyone changing employment and looking to roll over their current 401K balance.

Please consult with your tax advisor for IRA eligibility and additional information.

Indymac makes opening an IRA easy, with only a \$1,000 minimum deposit requirement, flexible terms and online access.

You'll need to open your IRA on or before April 17, 2007, the deadline for Federal taxes this year.⁷ For more information or to open your IRA account today, simply visit us at www.indymac.com or call **1.800.572.5792**. Retirement will be here sooner than you think. Let Indymac help you make the most of it.

Important information for IRA investors:

Standard limits for regular contributions remained the same (\$4,000 per person) for 2006. The "catch-up" contribution (available to those individuals aged 50 or older) has increased to \$1,000.

Contributions Chart


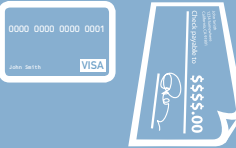

Year	Amount
2002–2004	\$3,000 (\$6,000 for married couples)
2005–2007	\$4,000 (\$8,000 for married couples)
2008 and beyond ⁸	\$5,000 (\$10,000 for married couples)

Indymac's **DynamicLine** gives you the power to dream – big or small.

Indymac Bank's **DynamicLine**SM Home Equity Line of Credit is just what today's homeowner is looking for in a home equity line. With competitive rates and the added advantage of tax-deductibility,⁹ **DynamicLine** is designed to give homeowners like you a powerful, convenient and flexible financial tool that allows you to draw upon your home's equity to fulfill all of your financial goals—large or small.

DynamicLine offers access to your account via checks and/or Visa credit card,¹⁰ as well as online account information, making it one of the easiest and most convenient home equity line accounts around.

For more information on **DynamicLine** and to apply, just call us today at **1.888.871.7212**.

		
Apply	Use	Benefit
It's simple to apply; just call 1.888.871.7212.	You can use DynamicLine for everything from home improvements to debt consolidation, ¹¹ or even everyday purchases. And now, when you access 50% or more of your line at closing, you'll instantly reduce your interest rate over the life of the loan. ¹²	Take advantage of no application fee, possible tax-deductibility, ⁹ and a potentially higher credit limit and lower interest rate than other forms of credit. Plus, receive additional Visa [®] protection ¹³ with your DynamicLine credit card. ¹⁰

Let your home help at tax time.

Short of raiding your kids' college fund or cutting back on savings, paying income or property taxes can present a challenge to anyone's pocketbook. With **DynamicLine**, you can pay taxes conveniently, and the

interest is potentially tax-deductible⁹ next year. Now there's a win-win both you and your wallet can feel good about.

Online access to your mortgage information is just a click away.

Did you know that you can have convenient, 24/7 online access to your mortgage information? With a simple sign-up, you can view your mortgage information, monthly statements or make a payment online whenever you want.

As an added bonus, you can register for e-mail alerts, and Indymac will automatically let you know when critical transactions occur on your account, such as payment postings or when property taxes and insurance premiums are paid from your escrow account.

To register online, just follow these simple instructions:

- Go to www.indymacbank.com
- Click on Log In to My Mortgage
- Click on My Mortgage Login
- Click on Register User ID/Password
- Follow the registration instructions and click "submit"

Tell us what you think!

Now that *Home Matters* has officially kicked off, we'd like to hear your thoughts about how we're doing. Send us your comments at **HomeMatters@indymacbank.com** and let us know what articles interest you the most, along with any ideas you have for further issues. We're here to be of service, and your opinion matters most!

