

The right mortgage, right now.

Nowadays, with more mortgage choices than ever before, selecting the right one for your personal needs and goals can be confusing. Whether you’re concerned about rising interest rates, looking for a way to reduce your monthly bill payments¹ or need extra cash, Indymac has a variety of financing options to suit your desires.

Because we’re one of the nation’s largest home lenders, we can offer customers a variety of smart mortgage options, competitive rates, fast turnaround times and extraordinary customer service.

Your benefits include:

- **\$500 closing costs reduction — We’ll apply \$500 toward your closing costs on any new first mortgage.**¹¹
- **Best Price Guarantee — We’ll beat the rate and fees quoted by any competing lender for a first mortgage with the same terms offered by us, or pay you \$300.**¹²
- **On-Time Closing Guarantee — We promise your loan will close on time or we’ll pay you \$100 if it’s our fault.**¹²

Whatever the make or model of your mortgage, Indymac can help put you in the driver’s seat. **To learn more about your options, call 1.800.419.5180 or visit us online at www.indymachls.com.**



1 Please consult your financial advisor for advice on paying short-term debt with your mortgage loan. 2 Check with your financial advisor to confirm deductibility of interest. 3 First mortgage example assumes a 6.5% interest rate and a 30-year term. Auto loan example assumes a 7% interest rate and a 5-year term. Credit card payment example assumes an 18% interest rate with a minimum payment of 2% of the balance. 4 This product is a 30-year, adjustable-rate mortgage with an initial 5-year fixed-rate and 10-year interest-only period. 5 Rates and terms are accurate as of 10/12/06 and are subject to change without notice. Not all applicants will qualify for the rates shown. The total fees for this loan will be in a range of 3% to 6% of the loan amount, but any fees to close an Indymac loan may be financed into the loan. For ARM loans, your interest rate and APR may increase after loan consummation, which could affect payment savings. 6 Interest-only monthly payment is for the first 10 years of the loan term. After the first 5 years the interest-only payment will adjust every 12 months and then, after the first 10 years, the payment will become fully amortized, paying both principal and interest for the remaining term. Paying interest only will not reduce the outstanding balance of your loan and will increase the overall cost of the loan. 7 Annual Percentage Yield (APY) of 5.25% is based on \$25,000 minimum balance; 4.45% APY for balances between \$1,000 and \$24,999; 0% for balances below \$1,000. Rates subject to change. \$1,000 minimum deposit to open account. New money only. This is a limited transaction account. You may make a total of six (6) transfers or pre-authorized withdrawals per monthly cycle statement period. Fees may reduce earnings. For complete details, refer to our “Terms and Conditions” and “Account Terms and Fee Schedule” brochures. Competitive rates accurate as of 10/16/2006. You may open this as a retirement account. ATM access is only available for consumers and sole proprietorships. 8 When signed up for free online banking service. 9 Indymac Bank pays customary bank closing costs — you are responsible for any applicable county or state taxes. 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. Hazard insurance, in the amount acceptable to Indymac, must be maintained on the property at all times. 10 Rates and terms are accurate as of 10/12/06 and are subject to change without notice. Not all applicants will qualify for the rate shown. Interest rate and APR are based on the *Wall Street Journal* Prime (index) plus a margin and may increase after loan consummation. Maximum APR is 18% (16% may apply in North Carolina). 11 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 lines of credit or to streamlined programs like Mod Xpress[®] and Indymac Xpress[®]. 12 The *Best Price Guarantee* and *On-Time Closing Guarantee* are subject to certain conditions and restrictions. For terms, please call 1.800.419.5180 or visit www.indymacbank.com.

Double-check before you do-it-yourself.

Thinking about doing some home repairs or projects on your own? Before you do, take a look at a recent Bankrate.com poll of experts and their 10 most common do-it-yourself mistakes:

- 1. Not taking out the required permits.** If you’re not sure about permits, call your city’s Building Permit Office.
- 2. Starting a job without the necessary tools and supplies.** Plan your job in advance and create a list of needed materials.
- 3. Inadequate preparation of the job site.** Review the logistics of your project ahead of time and plan prep time into the schedule.
- 4. Skimping on materials.** Avoid having to re-do the work or pay a professional to correct what could have been prevented by using quality materials.
- 5. Using the wrong paint.** For example, using indoor paint on outdoor decks or flat-finished paint on walls is a recipe for repainting. If you’re not sure what kind of paint to buy, ask a professional.

6. Improper preparation of walls for painting. It takes time, but if you properly clean, scrape and patch your walls before you paint, the results are both noticeable and long lasting.

7. Unsafe job conditions. Always use proper safety equipment and take the time for safety.

8. Inaccuracy. The old adage, “measure twice, cut once,” is very good advice for do-it-yourselfers.

9. Working beyond your limits. Everyone has their limits and it’s wise to know your own. If you’re not familiar with electrical work, for example, hire an electrician.

10. Failure to learn how to do the basics of a big project ahead of time. Practice on smaller projects or help more knowledgeable friends perform the same improvement before embarking on big improvements on your own.

Source: Bankrate.com



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The Advantage of a Proven Partnership.SM

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A welcome message from Tony Ebers



It’s a pleasure to write to you as part of the first edition of our new quarterly newsletter. A lot is happening at Indymac Bank[®] that I’d like to share with you, particularly in the home finance area.

Thanks to customers like you, Indymac Bank has been experiencing an unparalleled level of success recently. Since 2004 we have leaped ten spots to become the ninth-largest mortgage lender in the country and are on pace to meet our goal of becoming the sixth-largest by the end of the decade. We are also the eighth-largest savings and loan in the U.S.

What does this mean for you? It means your home loan is in capable hands and that you can feel secure about your home financing future. In addition, our growth and success provide opportunities to achieve or enhance your immediate and long-term financial goals by taking advantage of our superior products and services.

It’s no secret that the housing market is experiencing change. Part of the goal of this newsletter is to keep you informed of how to take advantage of our lending expertise in navigating through today’s mortgage product market. We also think you’ll find our homeowner tips equally interesting and helpful.

The fact that Indymac Bank is a performance-driven company — motivated by a set of core values that were created by our employees — means our focus will always be on the value and benefits we bring to you, our customer.

Our ultimate goal, of course, is to provide you the very highest level of service combined with competitive rates and products that support your financing and savings goals.

Thank you for entrusting your home mortgage needs to us, and I hope you enjoy Home Matters.

Tony Ebers
CEO, Indymac Consumer Bank



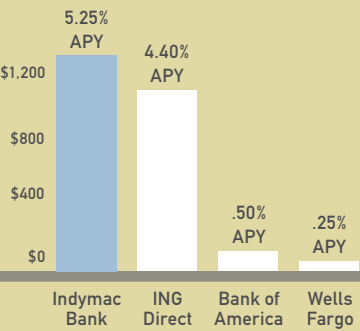
Credit cards – then and now

- ▶ Thirty years ago, many people did not have a credit card. If they did, the average card holder had only one card – and it had a fixed rate.
- ▶ In 2006, the average American adult has four or five credit cards.
- ▶ Thirty years ago, you couldn’t use a credit card to buy groceries, purchase movie tickets or pay for a doctor’s visit.
- ▶ In 2006, the average American adult uses a credit card to pay in one out of every four transactions.

Source: Bankrate.com and MSN Money at msn.com.

Account features

- Anytime access to funds
- Competitive rates
- Convenient 24/7 online access
- Open with as little as \$1,000
- ATM access
- FDIC-insured



Concerned about rising interest rates? Want to consolidate debt? Need cash?

Interest rates are on the rise, and if you’re like most homeowners, you’ve seen your credit card, car loan or mortgage payments going up. Adding to the burden, many people use consumer credit to make ends meet or to pay for unexpected expenses.

When reviewing your balances, it may be hard to even remember where all the money went – dinners out, shopping, vacations – not to mention possible late charges and over-the-limit fees. Pile the interest of today’s cards on top, and you’ll see where the big balances are coming from.

Since most consumer credit, like auto loans and credit cards, carry interest rates higher than that of a home mortgage, it may be a good time to consider using the equity you’ve built up in your home to consolidate your personal debt.¹ You’ll get the added convenience of one

easy payment, the possibility of 100% tax-deductibility,² and you may save thousands of dollars in the process.

- Debt consolidation benefits**
- **Cost savings**
 - **Tax-deductibility²**
 - **One convenient monthly payment**

The chart below provides an example of the payment savings you could potentially realize through a Debt Consolidation Loan – even with an additional \$15,000 cash-out.

If you’re ready to use your equity to erase your bills, our Loan Consultants will conduct a *free* debt-consolidation analysis and find the right loan terms and rates to meet your financial goals. **For more information, call us today at 1.866.817.3368 or visit us online at www.indymachls.com.**

Before debt consolidation			After: Homeowner saves \$787.40 per month!		
	Balance	Monthly Payment ³			
1st mortgage	\$200,000	\$1,264.14	New loan amount	\$257,000.00 ⁴	
Credit card debt	\$17,000	\$340.00	Interest rate	6.125% (APR 7.165%) ⁵	
Auto loan	\$25,000	\$495.03	New payment	\$1,311.77 ⁶	
Total	\$242,000	\$2,099.17	Savings per month (example only)	\$787.40	
			Savings per year (example only)	\$9,448.80	

Tired of mediocre interest yields? Earn up to 20 times more with an Indymac e-Money Market account!

Most financial experts recommend that people have a liquid emergency fund that covers three to six months of living expenses. A money market account is a popular low-risk option that meets this need.

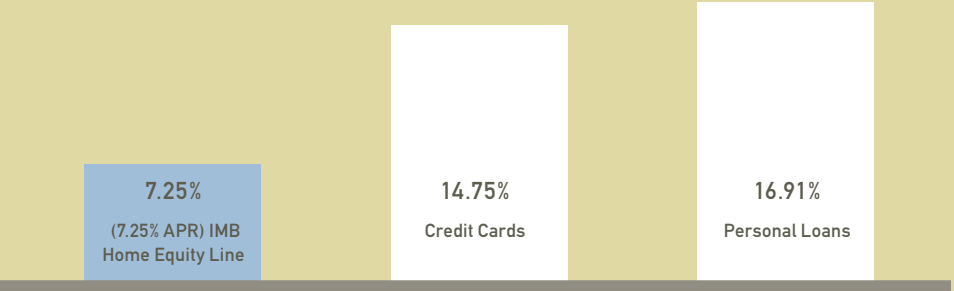
Money market accounts are a great place to grow your “emergency money.” Offering the best of both worlds, a money market account is like a savings account that pays market rates.

So why invest your money at Indymac? Open an Indymac e-Money Market account and earn 5.25% APY⁷, one of

the highest money market rates in the country. In fact, Indymac Bank’s e-Money Market rates are up to 20 times that of our competition. The e-Money Market account offers you a competitive high-yield savings option while allowing you access to your money. And, since this account is available online⁸, you have the convenience of accessing your account balance and information 24 hours a day.

Make the most of your money and open an Indymac e-Money Market account today. Call us at 1.800.572.5792 or visit us online at www.indymacbank.com for more details.

Interest rate comparison



The personal loan and credit card rates shown are average rates offered by other financial institutions and are intended to demonstrate typical rates for these types of loan products. Rates and terms are accurate as of 10/12/06.

Your home, your castle – How about your own personal bank?

When is your home like your personal bank? When you can use your growing home equity for whatever surprises life throws your way. In other words, when you open a Home Equity Line of Credit from Indymac Bank.

It’s easy to establish – just a quick call to one of our experienced loan consultants gets the process started. We’ll even waive any application fees or bank-related closing costs.⁹

Once the account is open, you take control of your own personal bank. In fact, it’s almost like having an ATM in your kitchen, because you access what you need, when you need it. You only pay interest on the amount you use. And the interest rate is typically lower than unsecured credit cards and personal loans (see chart). Indymac rates are as low as Prime minus 0.75%¹⁰.

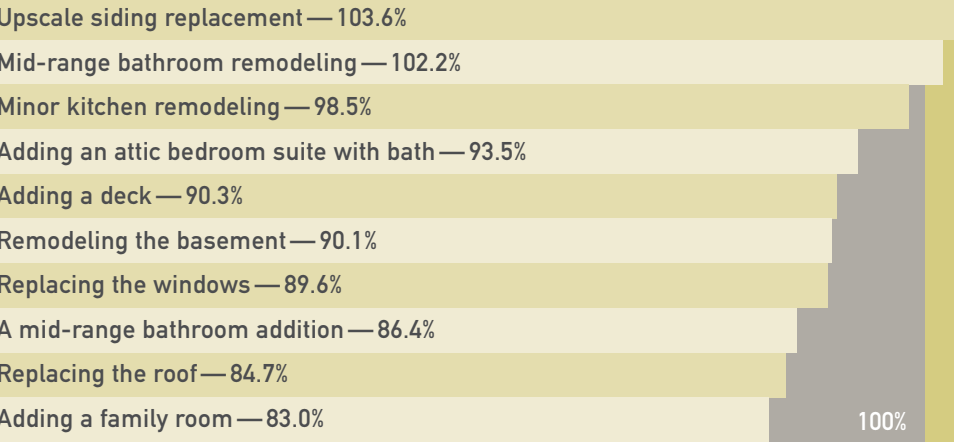
As an added bonus, interest payments

on a home equity line may be up to 100% tax-deductible.²

- Just think what you can do with the power of your own bank:**
- **Fund home improvements such as remodeling, redecorating and landscaping.**
 - **Consolidate debt by paying off costly consumer credit such as credit cards and personal loans.¹**
 - **Finance major purchases.**
 - **Pay major repair bills, emergency medical bills and even tax bills.**
 - **Meet the ever-increasing costs of higher education.**

We’re eager to show you how the borrowing power of your home’s equity can put you in control. **Give us a call today at 1.866.817.3367 or visit us online at www.indymachls.com to get started.**

Looking to add home value? Here are the top ten improvements to make:



Percentage of cost recouped by the owner, on average. (Information provided by Bankrate.com.)

