



NEWS RELEASE

Ameriprise Financial Launches the Ameriprise Home Ownership Accelerator

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First-of-its-kind home loan designed to help reduce interest costs and pay down mortgages faster

MINNEAPOLIS--(BUSINESS WIRE)-- Ameriprise Bank, FSB, in partnership with CMG Financial Services, Inc., today announced the launch of the Ameriprise Home Ownership Accelerator[®] loan product. This new home financing option replaces a traditional mortgage with a combination of a home equity line of credit and a checking account which together can help a borrower use idle cash to reduce interest costs and pay off the loan balance years early.

The largest source of regular income for most people is their salary, and their largest expense is typically their mortgage payment. The Accelerator works by syncing the two. Homeowners deposit their paychecks into a checking account which is linked to a home equity line of credit. Cash left in the account at the end of each day is swept into the line of credit, driving down the principal balance on their loan and subsequently lowering the amount of interest owed. Homeowners can withdraw money to pay bills and cover everyday expenses, just as they would with a traditional checking account. The more money they leave in the account at the end of each day, the more they will save in interest.

The effect compounds month after month by maintaining positive cash flow and lowering the average daily balance on the loan. As the principal is paid off, the amount of interest owed diminishes. In this way, homeowners can save substantially on interest and pay off their home loans years early.

The Ameriprise Home Ownership Accelerator Simulator (ameriprise.com/accelerator) offers a side-by-side



comparison between the Accelerator and traditional mortgages. Unlike other programs that allow borrowers to make supplemental mortgage payments to pay down their balances faster, the Accelerator provides the flexibility to access their funds as needed by drawing against their line of credit. While relatively new in the United States, this type of lending solution is popular in the United Kingdom and Australia.

“From a consumer’s perspective, this is a new way of thinking about the home borrowing experience,” said Jeff Williams, president of Ameriprise Bank, FSB. “When evaluating a traditional mortgage, borrowers tend to look at two things—the monthly payment and the interest rate—without considering the overall cost. Many would be astonished by how much money they’ll spend on interest over the life of their home loan. With the Accelerator, the equation changes. The homeowner’s idle cash is applied to the principal balance first, lowering the amount of interest they owe. This built-in flexibility puts homeowners in charge so they can pay off loans as quickly and efficiently as possible—all without changing their spending habits.”

The Ameriprise Home Ownership Accelerator is available through select Ameriprise Financial advisors and is ideally suited for clients with positive cash flow, sound credit and strong money management habits. The Accelerator is not available in all states. More information can be found at Ameriprise.com/accelerator.

About Ameriprise Financial

Ameriprise Financial, Inc. is a diversified financial services company serving the comprehensive financial planning needs of the mass affluent and affluent. For more information, visit ameriprise.com.

About Ameriprise Bank, FSB

Ameriprise Bank, FSB, an Equal Housing Lender and Member FDIC, provides deposit, lending and personal trust products to Ameriprise Financial Services, Inc. Ameriprise Bank and Ameriprise Financial Services are subsidiaries of Ameriprise Financial, Inc.

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