



To: All Customers **From:** Flagstar Lending
Date: 10/24/19 **Memo #:** 19110
Subject: **Jumbo Advantage Product Updates**

Effective Friday, October 25, 2019 Flagstar Bank is pleased to announce enhancements to the Jumbo Advantage products.

- Maximum loan amount for primary residence 3-4 unit purchase and rate/term refinance transactions increased from \$1,500,000 to \$2,000,000
- Cash-out transaction on primary residence 3-4 units is now permitted
- Maximum loan amounts for investment property purchase, rate/term refinance, and cash out refinance transactions increased from \$1,000,000 to \$1,500,000

The 15-year Fixed and 10/1 ARM products will be discontinued. Loans must be registered and locked no later than Friday, November 8, 2019. Broker transactions must be closed and funded by Tuesday, December 31, 2019. Correspondent transactions must be delivered and purchased by Tuesday, December 31, 2019.

PRIMARY RESIDENCE – PURCHASE AND RATE/TERM REFINANCE				
Property Type	Maximum LTV	Maximum CLTV/HCLTV	Maximum Loan Amount	Minimum Credit Score
1-2 UNITS	90%	90%	\$1,000,000	680
PUD	80%	80%	\$1,500,000	661
CONDO	75%	75%	\$2,000,000	680
1-4 UNITS	70%	70%	\$2,000,000	661

PRIMARY RESIDENCE – CASH-OUT REFINANCE					
Property Type	Maximum LTV	Maximum CLTV/HCLTV	Maximum Cash Back	Maximum Loan Amount	Minimum Credit Score
1-2 UNITS	80%	80%	\$250,000	\$1,000,000	680
PUD	70%	70%	\$250,000	\$1,000,000	661
CONDO	60%	60%	\$500,000	\$1,500,000	661
3-4 Units	60%	60%	\$250,000	\$1,500,000	661

INVESTMENT – PURCHASE				
Property Type	Maximum LTV	Maximum CLTV/HCLTV	Maximum Loan Amount	Minimum Credit Score
1-4 UNITS PUD CONDO	75%	75%	\$1,500,000	680



INVESTMENT – RATE/TERM REFINANCE				
Property Type	Maximum LTV	Maximum CLTV/HCLTV	Maximum Loan Amount	Minimum Credit Score
1-4 UNITS PUD CONDO	70%	70%	\$1,500,000	680

INVESTMENT – CASH-OUT REFINANCE					
Property Type	Maximum LTV	Maximum CLTV/HCLTV	Maximum Cash Back	Maximum Loan Amount	Minimum Credit Score
1-4 UNITS PUD CONDO	60%	60%	\$250,000	\$1,500,000	680

Product Name	Loan Term	ARM Disclosure
Jumbo Advantage 30-Year Fixed	30 years	n/a
Jumbo Advantage 5/1 LIBOR ARM		5/1, 7/1 & 10/1 LIBOR ARM Disclosure (2/2/5 Caps), Doc. #3382
Jumbo Advantage 7/1 LIBOR ARM		

All products will share the following LLPA matrix effective Friday, October 25, 2019.

Jumbo Advantage Price Adjustments										
FICO	0-65%	65.01-70%	70.01-75%	75.01-80%	80.01-85%	85.01-90%	Escrow Waiver -0.250 (all channels)			
661-679	-1.750	-1.750	-1.750	-1.750	N/A	N/A				
680-699	-1.000	-1.000	-1.000	-1.000	-1.500	-2.500	ARM Margin = 3.5, Caps = 2/2/5			
700-719	0.000	0.000	0.000	0.000	-0.500	-1.500	Max Net Premium ≤\$1M			
720-739	0.000	0.000	0.000	0.000	-0.500	-1.500	30 YR	15 YR	10/1	7/1, 5/1
740+	0.000	0.000	0.000	0.000	-0.500	-1.500	102.250	102.000	101.625	101.500
							Max Net Premium >\$1M			
Other	0-65%	65.01-70%	70.01-75%	75.01-80%	80.01-85%	85.01-90%	30 YR	15 YR	10/1	7/1, 5/1
2nd Home	-0.500	-0.500	-0.500	-0.500	N/A	N/A	101.750	101.625	101.500	101.375
2-4 Units	-0.250	-0.250	-0.250	-0.250	N/A	N/A				
Cash-out	-0.750	-0.750	-0.750	-0.750	N/A	N/A				
Investment	-1.750	-1.750	-1.750	N/A	N/A	N/A				

For the complete product description please see *Jumbo Advantage*, Doc. #5427.