



To: All Customers **From:** Credit Risk
Date: 05/13/21 **Memo#:** 21062
Subject: **Government Manually Underwritten Transactions**

Flagstar Bank is pleased to announce, effective for loans locked on or after Friday, May 14, 2021, manually underwritten government loans are being reinstated.

Loans receiving an AUS Refer response or required to be manually downgraded will be eligible provided they meet all manual underwriting criteria of the FHA, VA or USDA handbook, as appropriate, including any additional Flagstar Bank overlays.

| FHA, VA and USDA Product Update | |
|--|----------------------------------|
| FHA 1-2 Unit/PUD/Condo | Eligible for manual underwriting |
| VA 1-2 Unit/PUD/Condo | Eligible for manual underwriting |
| USDA 1 Unit/PUD/Condo | Eligible for manual underwriting |

LOANS INELIGIBLE TO BE MANUALLY UNDERWRITTEN

- No credit scores, non-traditional or alternative credit loans are not eligible
- 3-4 Units are not eligible

Please refer to [Government Underwriting Guidelines](#) for the above updates.

If you have any questions on the contents on this memo, please email governmentUW@flagstar.com or call the Underwriting Support Desk at (866) 945-9872.