



To: All Customers **From:** Secondary Marketing
Date: 05/13/21 **Memo#:** 21065
Subject: **Jumbo One Close Construction LLPA Update**

Starting with new locks as of Friday, May 14, 2021, Flagstar Bank is updating the following LLPA on the *Jumbo One-Close Construction*, [Doc. #5724](#). The LLPA is worsening from +1.00 to -0.800.

Additional Adjustments Jumbo One-Close Construction 30Y Fixed	Old	New
One-Close Const	+1.000	-0.080

We have also compiled a list of common questions that are asked following a pricing announcement

FREQUENTLY ASKED QUESTIONS	
QUESTION	ANSWER
What if a loan was locked prior to the effective date of these new LLPA's, but then I allow the lock to expire later and relock? Will these new LLPA's apply?	The LLPA's are based on pricing date, when an expired loan is priced to the current market the new adjustments will apply. The new LLPA's will not apply for locks extended prior to expiration date or when original pricing date is worst case for the relock.
If I take advantage of a float down option either before or after lock expiration, will these new LLPA's apply?	Yes, in the case of a float down, the new LLPA's will apply whether done prior to or after lock expiration.