



**To:** All Customers **From:** Secondary Marketing  
**Date:** 09/30/21 **Memo#:** 21135  
**Subject:** Agency Investment LLPA Improvements

Flagstar Bank is pleased to announce starting with new locks as of Friday, October 1, 2021, we are improving the following Agency Investment Property loan level price adjustments.

**AGENCY INVESTMENT PROPERTY**

**Previous**

Investment Property FICO < 680				Investment Property FICO >= 680		
LTV	Fixed 30yr	< Fixed 30yr	ARM	Fixed 30yr	< Fixed 30yr	ARM
≤75%	-2.125	-2.125	-2.125	-2.125	-2.125	-2.125
75.01-80%	-3.375	-3.375	-3.375	-3.375	-3.375	-3.375
>80%	-4.125	-4.125	-4.125	-4.125	-4.125	-4.125

**New**

Investment Property FICO < 680				Investment Property FICO >= 680		
LTV	Fixed 30yr	< Fixed 30yr	ARM	Fixed 30yr	< Fixed 30yr	ARM
≤65%	-2.125	-2.125	-2.125	-1.875	-2.125	-2.125
65.01-75%	-2.125	-2.125	-2.125	-2.000	-2.125	-2.125
75.01-80%	-3.375	-3.375	-3.375	-3.250	-3.375	-3.375
>80%	-4.125	-4.125	-4.125	-4.125	-4.125	-4.125

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.
Are jumbo or jumbo express loans impacted by these changes?	No, jumbo loans are not considered "agency". Only Fannie Mae and Freddie Mac loans are impacted.