

I have a hard time believing this new requirement for a Mortgage Broker to disclose on the Good Faith Estimate and or Truth in Lending Agreement is anything but a thinly veiled attempt to put us smaller players (Mortgage Brokers) out of business once and for all supported and financed by the Mortgage Bankers. Study after study including a recent one by Yale University shows that us Mortgage Brokers not only do a better job for the consumer but are better able to match their needs to a bank that would give them the best rate or chance for approval given their circumstances.

I say this for the following reason:

We already disclose on the Good Faith Estimate and the HUD-1 Settlement Statement what we earn....something that Mortgage Banks do not even though they make the same monies only they call it a Servicing Release Premium. Additionally **they (Mortgage Banks) never use the Servicing Release Premium (SRP) for the benefit of the client as we do and please let me give you one specific example.** My next door neighbor and friend is a Veteran that was put in a non VA loan when he purchased his home. It was financed by a Mortgage Bank that did not offer VA financing and convinced him it was better to go with their loan as he wouldn't have to pay a VA funding fee. They didn't want to tell him the truth and have him walk. He is a disabled veteran so he is exempt from this VA funding fee of 2% of the sales price that would of been added to the loan ut of coarse they didn't tell him that. The loan that they slammed him into is whats called an 80/20 in the industry. He has a first mortgage for 80% of the value of the home at a 7% interest rate for the first 2 years then it converts into an adjustable rate mortgage that can adjust up or down .500% every six months and a **5 year prepayment penalty of 6 months interest payments if he pays it off early** (VA at the time was running at 5.500% as it is today) I am attaching a copy of one of my many lender's rate sheets for you to verify this fact. His second mortgage is at the considerable higher rate of 10.99% and it is a fixed rate with no prepayment penalty. His loan just indexed this month jumping the first mortgage payment to 7.500% and being on a fixed income.....he cant afford it. Now I could refinance that prepayment penalty into the loan which works out to about \$8,400.00 along with the loan cost of about another \$6,000.00 and give my friend and neighbor a mortgage interest rate on a VA 30 year fixed rate loan of 5.500% for 30 years, **but I will of eaten up over \$14,400 o his equity to fix his mistake of not coming to see someone like me in the first place** rather than the Mortgage Bank he went to that still is not approved to do VA or FHA financing! What I chose to do instead is show him how by taking a slightly higher rate of 6.500%, we could use the **YIELD SPREAD PREMIUM** of 2.851% (see page 4 of the rate sheet attached) and use that to pay not only the pay the prepayment penalty of \$8,400 but also \$251.00 of his loan costs. This has resulted in his payment being less than if he would of taken the 5.500% and financed the prepayment penalty! **Why are you taking this ability to help the consumer away from us if you haven't succumbed to the pressure from the Mortgage Banker's lobbyist?**

**In addition, this new supposedly simplified Good Faith Estimate that is a 5 page monstrosity (I have seen it). It would be very easy for Mortgage Baker's to skew the facts and confuse the borrower into thinking they would be paying more using our**

**(Mortgage Brokers) services than by using a Mortgage Bankers services when the opposite is try as pointed out in the recent study by Yale University.**

I and other Mortgage brokers will be the first to admit that in the past there were some bad Mortgage Broker's out there but we have purged them from our ranks by implementing stringent back ground checks, licensing, continuing education, and so on. In fact a very curious thing happened when the licensing requirement was implemented in my state of Washington Those individuals with Felonies and Gross Misdemeanors in their past took any and all available Mortgage Banker job that became available to them and if you wish me to I will name individuals by name and what institution they are now working for. Other's became Real Estate Agents but that is fodder for a different time.

The markets whether it is the stock market or the mortgage market will fix it self over time and is self cleansing. The offending individuals have already been purged from our ranks and we need no further legislation.....unless you wish to make licensing, and back ground checks a federal mandate but I know the Mortgage Banker's lobbyist will make sure that never happens. In fact they have been very creative at blaming this whole mortgage debacle on us the Mortgage Broker and I fail to see what we did.....other than sell the loan programs that they created. I mean it was their underwriters that approved the loans we brought to them. It was their employee's that sold these loans to Wall Street.

I thank you for listening to my concerns but after 15 years of faithfully serving my clientele...I am afraid that I will soon see an America where only the big banks do the nations mortgage loans and having been successful in getting rid of us smaller independent Mortgage Broker's that forced them to keep their margins thin as we didn't have the overhead they do, they will be able to charge whatever they want as there will be virtually no competition and this is exactly what they want.

--

Sincerely,

Steven B. Harkness  
A+ Mortgage Inc.  
Net Broker/Senior Loan Originator  
Direct Line (360) 981-8615  
efax (360) 824-6109  
WA License # 510-LO-32294  
[stevharknessmortgage@gmail.com](mailto:stevharknessmortgage@gmail.com)



March 26, 2008
Pricing Effective 10:00 A.M. EST

Broker Price Indication Sheet

5151 Corporate Drive Troy, Michigan 48098

Lock on-line www.wholetale.flagstar.com
Lock-Ins (800) 93-RATES
Lock-Ins Fax (248) 312-LOCK
Main Office (800) 945-7700
Underwriting (800) 447-7181

Expiration Dates:

10 Day 04/07/08
15 Day 04/10/08
30 Day 04/25/08
50 Day 05/15/08
60 Day 05/27/08

Table with 3 columns: Units, Price, Total. Rows for 1, 2, 3, 4 units.



Paperless Office Solutions for Brokers and Correspondents!



Agency Fixed Rates (Doc# 5301)

MAXIMUM NET PREMIUM ON CONFORMING FIXED PROGRAMS IS 103.00 5.99% rate available on Agency 30 Year Fixed only
10Year Price is = to 15Year Price subtract 0.10 20Year price is = to 30Year price plus 0.125 25Year Price is = to 30Year Price

Large table of Agency Fixed Rates with columns for 15 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day, 90 Day, 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day, 90 Day.

Agency Jumbo 15 Year Fixed

Table of Agency Jumbo 15 Year Fixed rates for 15 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day.

Agency Jumbo 30 Year Fixed

Table of Agency Jumbo 30 Year Fixed rates for 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day.

Freddie Mac Jumbo 30 Year Int-Only (10Y I-O Term)

Table of Freddie Mac Jumbo 30 Year Int-Only rates for 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day.

30 Year Interest-Only (10Y I-O Term) (doc #5327)

Table of 30 Year Interest-Only rates for 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day.

Fannie Mae 35 and 40 Year Fixed (doc #5313)

Table of Fannie Mae 35 and 40 Year Fixed rates for 35/40 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day, 90 Day.

30 Year Interest-Only (15Y I-O Term) (doc #5327)

Table of 30 Year Interest-Only rates for 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day.

State Tier Adjustments

Table of State Tier Adjustments for Tiers 1 through 6 across various states.

Conforming Loan Adjustments

Table of Conforming Loan Adjustments for Loan Size, Occupancy, Subordinate Financing, etc.

Additional Conforming Low Doc Adjustments (Doc #5302)

Table of Additional Conforming Low Doc Adjustments for Doc Type, FICO, etc.

Additional SISA Adjustments (Doc #5333)

Table of Additional SISA Adjustments for FICO, etc.

75/25 Option (doc #5323)

Use Agency 30, 15Y or Interest-Only 10/20 pricing subtract 0.50 from price - use Agency Fixed

Freddie Mac Alt 97 (doc #5320)

subtract 0.50 from price - use Agency Fixed

PITI Abatement (doc #5409)

Use 30Y and 15Y Pricing - no adjustment subtract 0.50 from price - use Agency Fixed

Fannie Mae Cooperative (doc #5197)

subtract 0.50 from price - use Agency Fixed

Lender Paid Mortgage Insurance (Only available through Radian, Genworth and MGIC)

Table of Lender Paid Mortgage Insurance rates for Conf. 30, 35, 40Y Fixed & 5/1, 7/1, 10/1 ARMs.

LTV (FNMA Interest-Only)

Table of LTV (FNMA Interest-Only) rates for various LTV percentages.

Adjustments: (For All Products)

Table of Adjustments for 2nd Home, Invest, CO Refi.

Meets Expectations add .05 to price

Needs Improvement subtract .05 from price
Additional Freddie Mac Jumbo adjustments:
R/T Refinance & LTV >75% subtract 0.50 from price
CO Refinance all LTV subtract 1.00 from price

Flagstar Bank will not fund nor purchase a High Cost Home Loan... Escrow waiver, separate fee of .25 charged, contact underwriter for details.

RATES SUBJECT TO CHANGE AT ANY TIME WITHOUT NOTICE



March 26, 2008

Pricing Effective 10:00 A.M. EST

Broker Price Indication Sheet

5151 Corporate Drive Troy, Michigan 48098
Lock on-line www.wholesale.flagstar.com
Lock-ins (800) 93-RATES
Lock-Ins Fax (248) 312-LOCK
Main Office (800) 945-7700
Underwriting (800) 447-7181

Expiration Dates:
10 Day 04/07/08
15 Day 04/10/08
30 Day 04/25/08
50 Day 05/15/08
60 Day 05/27/08

48 Contiguous States & PR
1 unit \$417,000
2 units \$533,850
3 units \$645,300
4 units \$801,950
AK, HI, VI
\$625,500
\$800,775
\$967,950
\$1,202,925

Agency Expanded Approval and A Minus Programs

MAXIMUM NET PREMIUM ON EXPANDED APPROVAL FIXED PROGRAMS IS 103.00

Offsheet Pricing Available in Loantrac and Price Quote

Expanded Approval Level 1 (doc #5326)

Table with columns for 15 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day, 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Contains interest rate data for various terms.

Expanded Approval Level 2 (doc #5326)

Table with columns for 15 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day, 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Contains interest rate data for various terms.

Exp App Level 1 5/1 LIBOR ARM Exp App Level 2 5/1 LIBOR ARM Flex with Sub Fin/Exp App Level 1 (doc #5324)

Table with columns for Maximum Premium is 101.50, 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Contains interest rate data for ARM and Flex programs.

Margin = 3.00% Caps = 2/2/6 Doc #5326 For Offsheet Pricing see Loantrac or Price Quote

Expanded Approval Level 3 and Timely Payment Rewards Programs (doc #5326)

EA L3 and TPR L2 & L3 Now Available to Lock Online. Buyups/Buydowns NOT Available

Table with columns for 30 Year EA Level 3, 30 Year TPR Level 2, 30 Year TPR Level 3, 15 Year EA Level 3, 15 Year TPR Level 2, 15 Year TPR Level 3. Contains interest rate data for EA and TPR programs.

Freddie Mac A-Minus Level 1 (doc #5303)

Table with columns for 7 Year, 10 Day, 30 Day, 50 Day, 15 Year, 10 Day, 30 Day, 50 Day, 60 Day, 30 Year, 10 Day, 30 Day, 50 Day, 60 Day. Contains interest rate data for Freddie Mac A-Minus program.

Level 2 subtract 0.75 from price
Level 3 subtract 1.75 from price
Level 4 subtract 3.0 from price
Level 5 subtract 3.625 from price

State Tier Adjustments

Table with columns for Tier 1+, Tier 1, Tier 2, Tier 3, Tier 4, Tier 5 (no escrow waiver fee), Tier 6. Contains state tier adjustment data.

Conforming Loan Adjustments

Table with columns for Purpose, Tier 1, Tier 2, Tier 3, Tier 4, Tier 5, Tier 6. Contains conforming loan adjustment data.

Table with columns for Loan Size, LTV, Additional Flex/EA and Flex/TPR Product Adjustments, Subordinate Financing, Multi-Unit, Occupancy, NY Transfer Tax, Loans closing in the name of "Flagstar Bank", Credit Score (FHLMC A Minus), Lock Fallout. Contains various adjustment and policy information.

RATES SUBJECT TO CHANGE AT ANY TIME WITHOUT NOTICE





March 26, 2008
Pricing Effective 10:00 A.M. EST

Broker Price Indication Sheet

5151 Corporate Drive Troy, Michigan 48098
Lock on-line www.wholesale.flagstar.com
Lock-Ins (800) 93-RATES
Lock-Ins Fax (248) 312-LOCK
Main Office (800) 945-7700
Underwriting (800) 447-7181

Expiration Dates:
10 Day 04/07/08
15 Day 04/10/08
30 Day 04/25/08
50 Day 05/15/08
60 Day 05/27/08

48 Contiguous States & PR
AK, HI, VI
1 unit \$417,000 \$625,500
2 units \$533,850 \$800,775
3 units \$645,300 \$967,950
4 units \$801,950 \$1,202,925

Flex, MyCommunity, Home Possible and Flagstar Affordable Fixed Products

Maximum Net Premium on Flex Fixed and MyCommunity Products is 103.00. Offsheet Pricing Available in Loantrac and Price Quote

MyCommunity Products include 97, 100, 2-Family and 3/4 Family. Additionally, includes all MyCommunity Solutions Products

Fannie Mae Flex 97 (35% MI) and Flex 100 (35% MI)

Table with columns: 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Rows for various interest rates (5.375 to 6.750).

Flex 97 doc #5321

Flex 100 doc #5324

Flex w/ Sub. Fin. doc #5324

FNMA Flex w/ Subordinate Financing

Table with columns: 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Rows for various interest rates (5.375 to 6.750).

Flex 15Y pricing, see 15Y Fixed (pg 1) and subtract 0.625 from price

For 15Y pricing, see 15Y Agency Fixed (pg 1) and sub 1.125 from price

Flagstar Affordable 30-Year

Table with columns: 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Rows for various interest rates (5.625 to 7.000).

Flagstar Affordable 30-Year Interest-Only

Table with columns: 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Rows for various interest rates (5.625 to 7.000).

Flagstar Affordable 35/40-Year

Table with columns: 35/40 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Rows for various interest rates (6.500 to 7.375).

Flagstar Affordable 40-Year Interest-Only

Table with columns: 40 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Rows for various interest rates (6.875 to 7.500).

Home Possible (doc # 5335)

Pricing based off Agency Fixed on page 1

LTV <= 95% subtract 1.50 from price
LTV 95.01-97% subtract 1.85 from price
LTV > 97% subtract 2.00 from price

MyCommunity 30-Year

Table with columns: 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Rows for various interest rates (5.625 to 7.000).

MyCommunity 30-Year Interest-Only

Table with columns: 30 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Rows for various interest rates (5.625 to 7.000).

MyCommunity 35/40-Year

Table with columns: 35/40 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Rows for various interest rates (6.750 to 7.625).

MyCommunity 40-Year Interest-Only

Table with columns: 40 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Rows for various interest rates (7.125 to 7.750).

MyCommunity 35-Year Interest-Only

Table with columns: 35 Year, 10 Day, 30 Day, 50 Day, 60 Day, 70 Day. Rows for various interest rates (7.125 to 7.750).

Freddie Mac Programs (doc #5334)

Table with columns: 30 Year, 10 Day, 30 Day, 50 Day, 60 Day. Rows for Freddie Mac 80/20 (6.000 to 7.250).

Table with columns: 30 Year, 10 Day, 30 Day, 50 Day, 60 Day. Rows for Freddie Mac 100 30 Year (5.875 to 7.125).

15Y price, see 15Y Agency (pg 1) and subtract 1.875 from price

15Y price, see 15Y Agency (pg 1) and subtract 0.75

State Tier Adjustments

Table with columns: Tier 1+, Tier 1, Tier 2, Tier 3, Tier 4, Tier 5, Tier 6. Rows for various states (TX, FL, NY, GA, MD, NC, NJ, OK, PA, TN, AL, AR, AZ, CT, DE, ID, IN, IA, KS, KY, LA, MI, MS, MO, NE, NH, NM, ND, OH, RI, SC, SD, VA, VT, WA, CA, CO, MA, ME, MT, NV, UT, IL, OR, WI, AK, DC, HI, MN, MN, VI, WV, WY).

Conforming Loan Adjustments

Table with columns: Tier 1+, Tier 1, Tier 2, Tier 3, Tier 4, Tier 5, Tier 6. Rows for various loan types (FNMA Flex 97 (18% MI) add 0.375% to Flex 97 (35% MI) rate, FNMA Flex 100 (25% MI) add 0.375% to Flex 100 (35% MI) rate, Interest-Only (Flex products ONLY), FICO <=880 subtract 1.00 from price (Flex 97, 100), FICO >880 subtract 0.50 from price (Flex 97, 100), Subtract 1.125 from price (Flex w/ sub. Fin.), Credit Score (Flex, Freddie 100 and 80/20), FICO <620 and LTV >70% subtract 2.75 from price, FICO 620-639 and LTV >70% subtract 2.50 from price, FICO 640-659 and LTV >70% subtract 1.75 from price, FICO 660-679 and LTV >70% subtract 1.25 from price, FICO 680-719 and LTV >70% subtract 0.50 from price, FICO <640 and LTV 60.01-70% subtract 0.75 from price, FICO 640-719 and LTV 60.01-70% subtract 0.50 from price, FICO >=700 and LTV <=60% add 0.25 to price, <=680 subtract 0.50 from price (Flex non I-O & Affordable).

Lender Paid Mortgage Insurance (MyCommunity and Home Possible Products)

Table with columns: Loan Size, Tier 1+, Tier 1, Tier 2, Tier 3, Tier 4, Tier 5, Tier 6. Rows for various loan sizes (\$30,000-\$49,999 to \$150,000+).

Purpose

Please check the product description for product eligibility as not all price adj are effective for all products. Available through Radian, RMC, Genworth & MGIC.

Rate/Term Refinance subtract .125 from price
\*\*\*Excludes Flex w/Sub Fin/EA Level1
LTV (2-Family Products only)
>95% LTV add 0.25% to rate

All Subordinate Financing

Comm 97, 2-Family & Flag Afford subtract 0.50 from price
Home Pos FICO <720 subtract 0.75 from price
Home Pos FICO >=720 subtract 0.50 from price

Units (Home Possible 97 ONLY)

2-1 Buydown 30, 35, 40Y Fixed & 5/1, 7/1 ARMs
2-1 Buydown 25Y Fixed
2 Units LTV 95.01-97% subtract 0.50 from price
3-4 Units LTV 90.01-95% subtract 1.00 from price

NY Transfer Tax

subtract .25 from price (NY properties ONLY)

LPIM (Flex 97, 100)

See Adjustments On Page 1

Temporary Buydown (MCM & Flag Affordable)

2-1 subtract 2.75 from price

PTI Abatement (doc #5409)

No adjustment. Applies to MyCommunity 97, 100 and 2-Family ONLY

Loans closing in the name of "Flagstar Bank"

\*\*\*Only loans authorized by Flagstar in the following states. (CA, CT, FL, IA, MA, MD, ME, MI, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV)

Escrow waiver, separate fee of .25 charged, contact underwriter for details. Excludes CA, IL, MN, OR, WI and conforming products in NY

Secondary Stated Income subtract 0.25 from price
EA L1 response subtract 0.25 from price
EA L2 response and manual uw subtract 2.25 from price

Lock Fallout
Meets Expectations add .05 to price
Needs Improvement subtract .05 from price

RATES SUBJECT TO CHANGE AT ANY TIME WITHOUT NOTICE





March 26, 2008  
Pricing Effective 10:00 A.M. EST

**Broker Price Indication Sheet**

5151 Corporate Drive Troy, Michigan 48098		<b>Expiration Dates:</b>		<b>Key Indices</b>		<b>48 Contiguous States &amp; PR</b>		<b>AK, HI, VI</b>	
Lock on-line	www.wholesale.flagstar.com	10 Day	04/07/08	1 Yr CMT	1.520	1 unit	\$417,000	\$625,500	
Lock-ins	(800) 93-RATES	15 Day	04/10/08	6 Month	2.632	2 units	\$533,850	\$800,775	
Lock-ins Fax	(248) 312-LOCK	30 Day	04/25/08	LIBOR		3 units	\$645,300	\$967,950	
Main Office	(800) 945-7700	50 Day	05/15/08	1 Year	2.528	4 units	\$801,950	\$1,202,925	
Underwriting	(800) 447-7181	60 Day	05/27/08	LIBOR					

**Agency ARM and Balloon Products**

Maximum Net Premium on Conforming ARMs is 101.5 for refinances, 101.75 for purchases

Offsheet Pricing Available in Loantrac and Price Quote ARMs - 90 Day Lock subtract 0.525 from 50 day price

FNMA 3/1, 5/1 LIBOR ARMs (Std) & Low Doc & Int-Only & PITI Abatement & Home Possible									
3/1	30 Day	50 Day	70 Day	Doc #5331	5/1	30 Day	50 Day	70 Day	Doc #5331
4.750	99.380	99.255	98.905	Margin = 2.25%	5.125	98.789	98.664	98.314	Margin = 2.25%
4.875	99.617	99.492	99.142	Caps = 2/2/6	5.250	99.123	98.998	98.648	Caps = 2/2/6
5.000	99.845	99.720	99.370		5.375	99.446	99.321	98.971	
5.125	100.067	99.942	99.592	Loc Doc:	5.500	99.761	99.636	99.286	Loc Doc:
5.250	100.285	100.160	99.810	Doc #5302	5.625	100.070	99.945	99.595	Doc #5302
5.375	100.502	100.377	100.027	Margin = 2.50%	5.750	100.371	100.246	99.896	Margin = 2.50%
5.500	100.717	100.592	100.242	I-O Margin = 2.625%	5.875	100.663	100.538	100.188	I-O Margin = 2.625%
5.625	100.928	100.803	100.453		6.000	100.941	100.816	100.466	
5.750	101.133	101.008	100.658	Interest-Only:	6.125	101.203	101.078	100.728	Interest-Only:
5.875	101.329	101.204	100.854	Doc #5327	6.250	101.448	101.323	100.973	Doc #5327
6.000	101.513	101.388	101.038	Margin = 2.375%	6.375	101.675	101.550	101.200	Margin = 2.375%
6.125	101.685	101.560	101.210		6.500	101.885	101.760	101.410	Caps = 5/2/5
6.250	101.844	101.719	101.369		6.625	102.078	101.953	101.603	

HOME 5/6 LIBOR ARM (doc #5411) FNMA 7/1 LIBOR(Std) & PITI Abatement & Home Possible Agency Jumbo 5/1 LIBOR ARM & Int-Only												
5/6	30 Day	50 Day	70 Day	7/1	30 Day	50 Day	70 Day	5/1	30 Day	50 Day	70 Day	doc
6.250	100.070	99.945	99.595	6.000	100.361	100.236	99.886	5.875	97.913	97.788	97.438	#5331
6.375	100.371	100.246	99.896	6.125	100.682	100.557	100.207	6.000	98.191	98.066	97.716	#5338
6.500	100.663	100.538	100.188	6.250	100.984	100.859	100.509	6.125	98.453	98.328	97.978	Margin
6.625	100.941	100.816	100.466	6.375	101.265	101.140	100.790	6.250	98.698	98.573	98.223	Margin
6.750	101.203	101.078	100.728	6.500	101.526	101.401	101.051	6.375	98.925	98.800	98.450	Caps
6.875	101.448	101.323	100.973	6.625	101.768	101.643	101.293	6.500	99.135	99.010	98.660	Caps
Margin = 2.25%	Caps = 5/1/5			6.750	101.991	101.866	101.516	6.625	99.328	99.203	98.853	5/2/5

Fannie Mae Flex 97, 100 3/1 LIBOR ARM FN Flex w/sub fin 3/1 (doc #5324) Flagstar Affordable 5/1 (doc #5336)													
3/1	30 Day	50 Day	70 Day	3/1 ARM	3/1	30 Day	50 Day	70 Day	5/1	30 Day	50 Day	70 Day	5/1 ARM
5.250	99.380	99.255	98.905	Margin	5.250	99.380	99.255	98.905	5.750	99.761	99.636	99.286	Margin
5.375	99.617	99.492	99.142	2.875	5.375	99.617	99.492	99.142	5.875	100.070	99.945	99.595	2.875
5.500	99.845	99.720	99.370	Caps	5.500	99.845	99.720	99.370	6.000	100.371	100.246	99.896	
5.625	100.067	99.942	99.592	2/2/6	5.625	100.067	99.942	99.592	6.125	100.663	100.538	100.188	
5.750	100.285	100.160	99.810		5.750	100.285	100.160	99.810	6.250	100.941	100.816	100.466	
5.875	100.502	100.377	100.027	Flex 100	5.875	100.502	100.377	100.027	6.375	101.203	101.078	100.728	Caps
6.000	100.717	100.592	100.242	doc #5324	6.000	100.717	100.592	100.242	6.500	101.448	101.323	100.973	2/2/5

Fannie Mae Flex 97, 100 & I-O 5/1 ARM FN Flex w/sub fin & I-O 5/1 (doc #5324) Flagstar Affordable 7/1 (doc #5336)													
5/1	30 Day	50 Day	70 Day	5/1 ARM	5/1	30 Day	50 Day	70 Day	7/1	30 Day	50 Day	70 Day	5/1 ARM
5.625	98.789	98.664	98.314	Margin	5.625	98.789	98.664	98.314	6.250	100.361	100.236	99.886	Margin
5.750	99.123	98.998	98.648	2.875	5.750	99.123	98.998	98.648	6.375	100.682	100.557	100.207	2.875
5.875	99.446	99.321	98.971	Caps	5.875	99.446	99.321	98.971	6.500	100.984	100.859	100.509	
6.000	99.761	99.636	99.286	2/2/6	6.000	99.761	99.636	99.286	6.625	101.265	101.140	100.790	
6.125	100.070	99.945	99.595	5/2/5	6.125	100.070	99.945	99.595	6.750	101.526	101.401	101.051	
6.250	100.371	100.246	99.896	Flex 97	6.250	100.371	100.246	99.896	6.875	101.768	101.643	101.293	Caps
6.375	100.663	100.538	100.188	doc #5321	6.375	100.663	100.538	100.188	7.000	101.991	101.866	101.516	5/2/5

Freddie Mac 3/1, 5/1, 7/1, 10/1 CMT ARMs (Doc #5309) & Interest-Only (Doc #5332) MyCommunity 5/1 (doc #5326)													
3/1	30 Day	50 Day	70 Day	3/1 ARM	7/1	30 Day	50 Day	70 Day	5/1	30 Day	50 Day	70 Day	5/1 ARM
4.875	99.386	99.261	98.911	Margin	5.500	98.609	98.484	98.134	5.875	98.820	98.695	98.345	Margin
5.000	99.614	99.489	99.139	2.75	5.625	98.977	98.852	98.502	6.000	99.121	98.996	98.646	2.875
5.125	99.835	99.710	99.360	I-O Margin	5.750	99.335	99.210	98.860	6.125	99.413	99.288	98.938	
5.250	100.054	99.929	99.579	2.875	5.875	99.682	99.557	99.207	6.250	99.691	99.566	99.216	
5.375	100.271	100.146	99.796		6.000	100.017	99.892	99.542	6.375	99.953	99.828	99.478	
5.500	100.486	100.361	100.011	Caps	6.125	100.338	100.213	99.863	6.500	100.198	100.073	99.723	Caps
5.625	100.697	100.572	100.222	2/2/6	6.250	100.640	100.515	100.165	6.625	100.425	100.300	99.950	2/2/5

Freddie Mac Home Possible 5/1 and 7/1 LIBOR ARMs (doc #5335)													
5/1	30 Day	50 Day	70 Day	5/1 ARM	10/1	30 Day	50 Day	70 Day	7/1	30 Day	50 Day	70 Day	5/1 ARM
5.250	98.810	98.685	98.335	Margin	5.750	98.534	98.409	98.059	6.250	99.111	98.986	98.636	Margin
5.375	99.134	98.909	98.659	2.75	5.875	98.961	98.836	98.486	6.375	99.432	99.307	98.957	2.875
5.500	99.448	99.323	98.973	I-O Margin	6.000	99.371	99.246	98.896	6.500	99.734	99.609	99.259	
5.625	99.757	99.632	99.282	2.875	6.125	99.762	99.637	99.287	6.625	100.015	99.890	99.540	
5.750	100.059	99.934	99.584	Caps 2/2/6	6.250	100.132	100.007	99.657	6.750	100.276	100.151	99.801	
5.875	100.350	100.225	99.875	I-O Caps	6.375	100.479	100.354	100.004	6.875	100.518	100.393	100.043	Caps
6.000	100.628	100.503	100.153	5/2/5	6.500	100.803	100.678	100.328	7.000	100.741	100.616	100.266	5/2/5

Pricing is based off Fannie Mae Standard 5/1 and 7/1 LIBOR ARMs Margin: 2.25% Caps 5/1: 2/2/5 Caps 7/1: 5/2/5  
LTV <= 95% subtract 1.50 from price LTV 95.01-97% subtract 1.85 from price LTV > 97% subtract 2.00 from price

1 Year T-Bill Non-Conv. ARM				Conforming Balloons				Fannie Mae 5/1 LIBOR ARM (Special)				
Doc#	Margin: 2.750%	5 Year	10 Day	30 Day	7 Year	10 Day	30 Day	5/1	30 Day	50 Day	70 Day	
5306	15 Day	6.250	99.530	99.434	6.750	99.375	99.252	5.500	99.679	99.554	99.204	
4.625	98.275	98.150	6.375	99.938	99.835	6.875	99.605	99.475	5.625	99.977	99.852	99.502
4.750	98.525	98.400	6.500	100.346	100.236	7.000	99.836	99.699	5.750	100.269	100.144	99.794
4.875	98.775	98.650	6.625	100.754	100.637	7.125	99.926	99.782	5.875	100.556	100.431	100.081
5.000	98.900	98.775	6.750	101.017	100.893	7.250	100.013	99.862	6.000	100.838	100.713	100.363
5.125	99.025	98.900	6.875	101.100	100.970	7.375	100.071	99.913	6.125	101.112	100.987	100.637
5.250	99.150	99.025	7.000	101.183	101.046	7.500	100.179	100.014	6.250	101.374	101.249	100.899
5.375	99.315	99.190	7.125	101.265	101.122	7.625	100.287	100.115	6.375	101.621	101.496	101.146

1Y T-Bill Conv Price - Same as Non-Convertible Price. Margin = 2.875% 5Y Balloon doc #5304 7Y Balloon doc #5305 Margin = 2.25% doc #5330 Call Lock-ins for additional pricing for lock days Caps = 5/2/5

State Tier Adjustments							Conforming Loan Adjustments			
Tier 1+	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	Purpose	Rate/Term Refinance	CO Refinance	FICO/LTV
TX	FL, NY	GA, MD, NC, NJ, OK, PA, TN	AL, AR, AZ, CT, DE, ID, IN, IA, KS, KY, LA, MI, MS, MO,	NE, NH, NM, ND, OH, RI, SC, SD, VA, VT, WA	CA, CO, MA, ME, MT, NV, UT	IL, OR, WI				

Loan Size	Tier 1+	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	Subordinate Financing
\$30,000-\$49,999	-0.625	-0.725	-0.825	-0.875	-0.925	-1.000	-1.025	



March 26, 2008
Pricing Effective 10:00 A.M. EST

Broker Price Indication Sheet

5151 Corporate Drive Troy, Michigan 48098
Lock-Ins (800) 93-RATES
Lock-Ins Fax (248) 312-LOCK
Main Office (800) 945-7700
Underwriting (800) 447-7181

Expiration Dates: 15 Day 04/10/08 30 Day 04/25/08 60 Day 05/27/08

Government Fixed and Adjustable Rates (doc #9810)

Table with columns for Rate, 15 Day, 30 Day, 60 Day, FHA 15 & 30 Year Fixed, FHA Secure 30 Year Fixed, and FHA/VA Fixed Program Adjustments.

Government Adjustable Rates

Table with columns for 1Y ARM, 3/1 ARM, 15 Days, 30 Day, 60 Day, Caps, Margin, and Max Net Premium.

FHA/VA ARM Program Adjustments: NY subtract .25, Texas improve price by .125, FHA Loan Limits >\$362,790 under Economic Stimulus Act subtract 2.25 from price, Lock Fallout Meets Expectations add 0.05 to price

FHA 1Y loans that disburse January 16, 2008 - April 15, 2008, change date is July 1, 2009
FHA 3Y loans that disburse January 16, 2008 - April 15, 2008, change date is July 1, 2011
FHA 5Y loans that disburse January 16, 2008 - April 15, 2008, change date is July 1, 2013

Jumbo Fixed and ARMs (doc #5401)

Table with columns for Rate, 15 Day, 30 Day, 30 Year Fixed, 15 Year Fixed, 5/1 LIBOR ARM, 7/1 LIBOR ARM, 10/1 LIBOR ARM, and ARM Info.

Jumbo ARM Program Adjustments table with columns for LTV, ARM FICO Score Adjusters, Other ARM Adjustments, and All Jumbo Adjustments.

Jumbo Fixed Program Adjustments table with columns for FICO Score Adjusters, LTV, Loan Amounts, Second Home, 2-Units, 3-4 Units, Condo, Cash-Out Refinance, Interest-Only, Subordinate Financing, and Asset Based Stated LTV >75%.

Escrow waiver, separate fee of .25 charged, contact underwriter for details. Excludes CA, IL, MN, OR, WI and conforming products in NY. Loans closing in the name of "Flagstar Bank" subtract .05 from price (see page 1 adj. for applicable states)

Flagstar Bank will not fund nor purchase a High Cost Home Loan (as that term is defined in Sec. 32 of Reg. Z. or in applicable State or local predatory lending laws). Flagstar Bank is not privy to negotiations with individual borrowers. It is the responsibility of the broker/correspondent to discern the appropriateness of the loan program chosen with regard to the individual borrower's needs and circumstances. Please refer to our High Cost Home Loan Policy, Doc. 4612 for further information.

RATES SUBJECT TO CHANGE AT ANY TIME WITHOUT NOTICE





March 26, 2008  
Pricing Effective 10:00 A.M. EST

**Broker Price Indication Sheet**

5151 Corporate Drive Troy, Michigan 48098  
 Lock-Ins (248) 312-LOAN Main Office (800) 945-7700  
 Lock-Ins Fax (248) 312-LOCK Underwriting (800) 447-7181

Expiration Dates: 15 Day 04/10/08 30 Day 04/25/08 50 Day 05/15/08

**30 Due In 15 Simultaneous Second Mortgage Rates (doc #5551)**

Rates Displayed Apply to Both Prepay and No-Prepay Options. Price Above 101.00 Requires Prepay Option

Max premium paid with prepay penalty is 103.00 Max premium paid no prepay penalty is 101.00 All Locks are 30 Days

Loan Amounts \$100,000 - \$500,000							Adjustments:
Credit Score	<= 80% CLTV			80.01-85.00% CLTV			10,15 or 20Y Fixed subtract 0.125% from rate 5 Year Fixed subtract 0.25% from rate Loan Size > \$250,000 add 0.25% to rate Stand-Alone add 0.50% to rate Second Homes add 0.25% to rate Condos add 0.50% to rate
	100.00	101.00	102.00	100.00	101.00	102.00	
740+	7.650%	8.025%	8.525%	7.850%	8.225%	8.725%	NY Properties subtract 0.25 from price
700-739	7.800%	8.175%	8.675%	8.150%	8.525%	9.025%	Closing in FSB Name subtract 0.05 from price
680-699	8.100%	8.475%	8.975%	8.850%	9.225%	9.725%	Lock Fallout Meets Expectations add .05 to price
660-679	8.750%	9.125%	9.625%	N/A	N/A	N/A	Lock Fallout Needs Improvement subtract .05 from price
Loan Amounts \$50,000 - \$99,999							Prepayment Penalty Not Allowed in States: AK, CO, IA, ID, KS, MA, MD, ME, MN, NC, NJ, NM, NY, PA (loan size <=\$50K) PR, RI, SC, UT, VT, WV, WY, VI
Credit Score	<= 80% CLTV			80.01-85.00% CLTV			
	100.00	101.00	102.00	100.00	101.00	102.00	Maximum Interest Rate: (by state) Kansas = 12.00% Texas = less than 12.00% All Other States = 14.00%
740+	7.750%	8.125%	8.625%	7.900%	8.275%	8.775%	
700-739	7.900%	8.275%	8.775%	8.200%	8.575%	9.075%	
680-699	8.300%	8.675%	9.175%	9.150%	9.525%	10.025%	
660-679	8.900%	9.275%	9.775%	N/A	N/A	N/A	
Loan Amounts \$25,000 - \$49,999							Buyup to 103.00 @ 2:1 from 102.00 Buydown to 97.75 @ 3:1 from 100.00
Credit Score	<= 80% CLTV			80.01-85.00% CLTV			
	100.00	101.00	102.00	100.00	101.00	102.00	
740+	8.500%	8.875%	9.375%	8.700%	9.075%	9.575%	
700-739	8.650%	9.025%	9.525%	8.900%	9.275%	9.775%	
680-699	9.100%	9.475%	9.975%	9.500%	9.875%	10.375%	
660-679	9.850%	10.225%	10.725%	N/A	N/A	N/A	
Loan Amounts \$10,000 - \$24,999							Buyup to 103.00 @ 2:1 from 102.00 Buydown to 97.75 @ 3:1 from 100.00
Credit Score	<= 80% CLTV			80.01-85.00% CLTV			
	100.00	101.00	102.00	100.00	101.00	102.00	
740+	8.900%	9.275%	9.775%	9.300%	9.675%	10.175%	
700-739	9.150%	9.525%	10.025%	9.500%	9.875%	10.375%	
680-699	9.700%	10.075%	10.575%	10.500%	10.875%	11.375%	
660-679	10.450%	10.825%	11.325%	N/A	N/A	N/A	

**Construction Programs**

Contact Your Account Executive regarding participation in  
Flagstar Bank's Construction Lending Programs

**Interim 9-Month Two-Time Close (doc #5720)**

FICO	Rate	Price	Margin	30 Day Lock Period	FICO	Rate	Price	Margin	SIVA - Add 0.50% to rate and margin Life cap = 6.00% Floor Rate = 4.00% Index = Prime Rate No periodic caps
740+	3.750	100.000	-1.50%		30 Day Lock Period	700-719	4.750	100.000	
	4.750	100.250	-0.50%	700-719		5.750	100.250	0.50%	
	5.750	100.500	0.50%	700-719		6.750	100.500	1.50%	
720-739	4.250	100.000	-1.00%	30 Day Lock Period	660-699	5.250	100.000	0.00%	SIVA - Add 0.50% to rate and margin Life cap = 6.00% Floor Rate = 4.00% Index = Prime Rate No periodic caps
	5.250	100.250	0.00%		660-699	6.250	100.250	1.00%	
	6.250	100.500	1.00%		660-699	7.250	100.500	2.00%	

**Conforming Construction 4-Month (doc #5718)**

30-Year	30 Day	15-Year	30 Day	In addition, use applicable Conforming Adjustments on page 2 of rate sheets Construction Rate = Add 0.75% to perm rate Max price of 101.0
5.500	98.244	4.875	98.151	
5.625	99.098	5.000	98.591	
5.750	99.680	5.125	99.294	
5.875	100.011	5.250	99.667	
6.000	100.075	5.375	99.977	
6.125	100.831	5.500	100.066	
6.240	101.273	5.625	100.610	
6.250	101.307	5.750	100.827	
6.375	101.379	5.875	101.000	

**Agency Short-Term A Minus**

30-Year	10 Day	15-Year	10 Day
6.750	100.789	6.500	100.604
6.875	100.909	6.625	100.741
7.000	100.949	6.750	100.872
7.125	101.253	6.875	100.939
7.250	101.738	7.000	101.384

**Conforming Construction 30 Year Fixed (doc #5718)**

6-Month	30 Day	9-Month	30 Day	12-Month	30 Day
5.625	98.244	5.750	98.244	5.875	98.244
5.750	99.098	5.875	99.098	6.000	99.098
5.875	99.680	6.000	99.680	6.125	99.680
6.000	100.011	6.125	100.011	6.250	100.011
6.125	100.075	6.250	100.075	6.375	100.075
6.250	100.831	6.375	100.831	6.500	100.831
6.365	101.273	6.490	101.273	6.615	101.273
6.375	101.307	6.500	101.307	6.625	101.307
6.500	101.379	6.625	101.379	6.750	101.379
6.625	101.438	6.750	101.438	6.875	101.438
6.750	102.100	6.875	102.100	7.000	102.100

**Homestyle Renovation (doc #5719)**

15-Year	10 Day	30 Day	50 Day	70 Day
4.625	98.122	98.115	98.108	97.901
4.750	98.582	98.568	98.554	98.341
4.875	99.306	99.285	99.265	99.044
5.000	99.699	99.672	99.644	99.417
5.125	100.030	99.995	99.961	99.727
5.250	100.140	100.098	100.057	99.816
5.375	100.704	100.656	100.608	100.360
5.500	100.941	100.886	100.831	100.577
5.625	101.135	101.073	101.012	100.750

**Conforming Construction 15 Year Fixed (doc #5718)**

6-Month	30 Day	9-Month	30 Day	12-Month	30 Day
5.000	98.151	5.125	98.151	5.250	98.151
5.125	98.591	5.250	98.591	5.375	98.591
5.250	99.294	5.375	99.294	5.500	99.294
5.375	99.667	5.500	99.667	5.625	99.667
5.500	99.977	5.625	99.977	5.750	99.977
5.625	100.066	5.750	100.066	5.875	100.066
5.750	100.610	5.875	100.610	6.000	100.610
5.875	100.827	6.000	100.827	6.125	100.827
6.000	101.000	6.125	101.000	6.250	101.000
6.125	101.068	6.250	101.068	6.375	101.068
6.250	101.578	6.375	101.578	6.500	101.578
6.375	101.747	6.500	101.747	6.625	101.747

30-Year	10 Day	30 Day	50 Day	70 Day
5.250	98.317	98.276	98.235	97.994
5.375	99.192	99.144	99.096	98.848
5.500	99.795	99.740	99.685	99.430
5.625	100.146	100.085	100.023	99.761
5.750	100.231	100.162	100.094	99.825
5.875	101.007	100.932	100.857	100.581
5.990	101.468	101.387	101.305	101.023
6.000	101.504	101.421	101.339	101.057
6.125	101.597	101.508	101.418	101.129

In addition, use applicable Conforming Adjustments on page 1 of rate sheets. Max Premium is 101.0  
EA Option: add 0.625% to RATE and subtract 0.75 from price. Purchase loans subtract 0.125 from price

**Builder Pre-Sold (doc #5731)**

Interest Rate = Prime Rate - 1.00% at 100.00  
Margin = -1.00% Floor Rate = 4.00%  
Index = Prime Rate 30 Day Lock Period

All Construction: Lock Fallout Meets Expectations add .05 to price & Lock Fallout Needs Improvement subtract .05 from price

**RATES SUBJECT TO CHANGE AT ANY TIME WITHOUT NOTICE**