



PUBLIC DISCLOSURE

October 20, 2014

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Flagstar Bank, F.S.B.
Charter Number 708412

5151 Corporate Drive
Troy, MI 48098-2639

Office of the Comptroller of the Currency

Midsized Bank Supervision
1 South Wacker Drive, Suite 2000
Chicago, IL 60606

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

Table of Contents

OVERALL CRA RATING 2

DEFINITIONS AND COMMON ABBREVIATIONS 4

DESCRIPTION OF INSTITUTION..... 8

SCOPE OF THE EVALUATION..... 9

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW 11

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS..... 12

 LENDING TEST 12

 INVESTMENT TEST 22

 SERVICE TEST 23

APPENDIX A: SCOPE OF EXAMINATION 1

APPENDIX B: MARKET PROFILES FOR FULL-SCOPE AREAS 1

APPENDIX C: TABLES OF PERFORMANCE DATA 1

General Information and Overall CRA Rating

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority, when examining financial institutions subject to its supervision, to assess the institution’s record of meeting the credit needs of its entire community, including low- and moderate-income (LMI) neighborhoods, consistent with the safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution’s record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of **Flagstar Bank, F.S.B.** issued by the OCC, the institution’s supervisory agency, for the evaluation period starting July 1, 2010 and ending October 20, 2014. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 195.

Institution’s CRA Rating: This institution is rated **Satisfactory**.

The following table indicates the performance level of **Flagstar Bank, F.S.B.** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Flagstar Bank, F.S.B. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory			X
Low Satisfactory	X	X	
Needs to Improve			
Substantial Noncompliance			

* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors considered in this rating include:

- The OCC considered fair lending or other illegal credit practices in rating the bank’s performance. The CRA performance rating was not lowered as a result of these findings. We considered the nature, extent, and strength of the evidence of the practices; the extent to which institution had policies and procedures in place to prevent the practices; and the extent to which the institution has taken or has committed to take corrective action, including voluntary corrective action resulting from self-assessment; and other relevant information.
- The level of lending activity in the AAs is excellent. Flagstar’s lending activity is excellent in the Warren MD, the Detroit MD, and the Jackson MSA. Performance in each of the limited-scope areas is consistent with the full scope AAs.

- The geographic distribution of loans is adequate overall. Flagstar's record of lending in low- and moderate-income geographies is adequate in the Warren MD and the Detroit MD, and good in the Jackson MSA. Performance in each of the limited-scope areas is at least adequate, and in some cases stronger.
- The borrower distribution of loans is adequate overall. Flagstar's record of lending to low- and moderate-income borrowers and businesses of different sizes is adequate in the Warren and Detroit MDs, and excellent in the Jackson MSA. Performance in each of the limited-scope areas is at least adequate, and in some cases stronger.
- Flagstar's community development lending has a neutral impact on the lending test rating overall. The excellent performance in the Detroit MD assessment area offset weaker retail lending performance in the AA. Community development lending is good in the Jackson MSA and adequate in the Warren MD. We also considered the bank's diminished capacity for community investment during the evaluation period due to its financial condition.
- Flagstar's qualified investment activity is adequate overall. While performance is excellent in the Detroit MD assessment area, it is poor in the Warren and Jackson AAs. In drawing overall investment test conclusions, we considered positively the bank's excellent responsiveness to Detroit and an extensive degree of activity in statewide investments. In addition, we considered the bank's diminished capacity for qualified investment activity due to its financial condition during the evaluation period. Collectively, these factors significantly impact the overall investment test rating. Investment performance in the limited-scope areas does not significantly impact the investment test rating.
- Delivery systems are accessible to essentially all areas and individuals of different income levels, including the low- and moderate-income segments of the communities. Branches are reasonably accessible in the Warren and Detroit AAs, and readily accessible throughout the community in Jackson assessment area. Branch openings and closures had minimal impact on accessibility. Performance in the limited-scope areas does not significantly impact the service test rating.
- A good level of community development services are provided. Flagstar employees reported over 8,000 hours of time spent providing community development services during the evaluation period.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Census Tract (CT) – 2000 Census: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Census Tract (CT) – 2010 Census: Small, relatively permanent statistical subdivisions of a county delineated by local participants as part of the U.S. Census Bureau's Participant Statistical Areas Program. The primary purpose of CTs is to provide a stable set of geographic units for the presentation of decennial census data. CTs generally have between 1,500 and 8,000 people, with an optimum size of 4,000 people.

Community Development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business,

or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Median Family Income (MFI) – 2000 Census: The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of

geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Median Family Income (MFI) – 2010 Census: The median income derived from the United States Census Bureau's American Community Survey data every 5 years and used to determine the income level category of geographies. Also, it is the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level of individuals within a geography. For any given geography, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division (MD): As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

Metropolitan Statistical Area (MSA): An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Tier One Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income: Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

Description of Institution

Flagstar Bank, F.S.B. (Flagstar or bank) is an intrastate federally chartered savings bank headquartered in Troy, Michigan. With assets of \$9.9 billion as of June 30, 2014, Flagstar is the largest banking institution headquartered in the state, with 106 branches and 109 deposit-taking ATMs serving portions of southern and central Michigan. As a national mortgage lender, Flagstar is one of the largest home mortgage originators and servicers in the country. The bank operates home mortgage loan centers across the country and has a network of more than 1,000 mortgage brokers and correspondents. While Flagstar is primarily a home mortgage lender, the bank also offers a wide range of retail banking products and services to individuals and businesses through its branch network. Consumer loans, credit cards, business loans, cash management, and merchant services are offered.

Flagstar is a subsidiary of Flagstar Bancorp, Inc., a \$10 billion one-bank holding company also headquartered in Troy, Michigan. Other holding company subsidiaries include an insurance agency and trust preferred financing entities. A bank subsidiary facilitates asset backed securitization activities. None of the holding company or bank subsidiaries have activities that materially impact Flagstar's capacity for community investment.

During the evaluation period Flagstar consolidated its community banking footprint by divesting its retail banking operations located in Indiana and Georgia. Retail banking operations are currently focusing on serving the bank's Michigan communities.

Flagstar's total assets exceeded \$10 billion for most of the evaluation period. As of June 30, 2014, Flagstar had total assets of \$9.9 billion, total loans of \$6.6 billion, and Tier One capital of \$1.2 billion. Approximately 83.9 percent of the bank's loan portfolio was comprised of real estate loans, of which the predominant portion (90.5 percent) was secured by one-to-four family residential real estate. Loans to non-depository financial institutions comprised 10.6 percent, and commercial and industrial loans comprised 4.9 percent of the total loan portfolio. According to June 30, 2014 FDIC deposit information, Flagstar ranked seventh of 151 institutions in total statewide deposits with a 3.9 percent share of the insured deposit market.

Flagstar operated under regulatory enforcement actions during the evaluation period that, in part, limited the bank's ability to offer new products and services without regulatory approval. The bank's financial condition throughout the evaluation period impacted the bank's capacity for community investment, including involvement in tax-credit related initiatives. The bank received a Satisfactory rating in its previous CRA examination dated October 21, 2010.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period is July 1, 2010 through October 20, 2014. We analyzed home mortgage lending data and CRA data (small loans to businesses and farms) from July 1, 2010 through December 31, 2013. CD loans, qualified investments, branching activities, and CD services from July 1, 2010 through October 20, 2014 were considered.

Analyses of HMDA data for 2010 and 2011 are based on 2000 U.S. Census data. Analyses of 2012 and 2013 HMDA are based on 2010 U.S. Census data. This is consistent with how financial institutions were required to file loan data, and consistent with the manner in which aggregate peer data was generated. Accordingly, we analyzed 2010-2011 lending activity separately from 2012-2013 activity. Activity for each period is presented in separate tables within appendix C.

Flagstar did not originate or purchase any small loans to farms during the evaluation period.

Data Integrity

The public information filed by the bank for home mortgage loans and small loans to businesses and farms was tested for accuracy. We also reviewed CD loans, qualified investments, and CD services to ensure that they meet the regulatory definition of CD.

Selection of Areas for Full-Scope Review

Flagstar has 14 AAs with offices located in 12 MSAs plus four non-MSA counties. The bank's primary AAs are within the Detroit-Livonia-Warren MSA, which has been divided into two Metropolitan Divisions. Performance within the Warren-Farmington Hills-Troy Metropolitan Division (Warren MD) and the Detroit-Livonia-Dearborn Metropolitan Division (Detroit MD) were evaluated separately. Refer to appendix A for the county composition of the AAs.

The Warren MD, Detroit MD, and Jackson MSA AAs were selected for full-scope reviews as they represent the bank's most significant deposit markets. Collectively, these areas accounted for 80.1 percent of total bank deposits, 66.0 percent of branch offices, and 68.0 percent of reported loans during the evaluation period. Please refer to the market profiles in appendix B for detailed demographics and other performance context information for the AAs that received full-scope reviews.

Ratings

Flagstar's overall CRA rating is based primarily on those areas that received full-scope reviews. The lending test is weighted more heavily than the investment and service tests.

The Lending Test rating was determined by blending conclusions from analyses of the 2010-2011 time period and the 2012-2013 time period. We placed greater emphasis on the bank's performance from the 2012-2013 period, based on the volume of lending activity, length of time of each period, and gradual improvement in the economy and lending opportunities

following the recession. We placed greater emphasis on home mortgage lending than small business activity due to the substantially greater volume of the number of home mortgage loans.

In performing our analysis, we emphasized the comparison of Flagstar's performance to aggregate industry lending data and rankings to similarly situated institutions, over demographic comparators. Demographic data provided context to assess the adequacy of the bank's and industry's lending performance. The individual home mortgage loan types were analyzed separately, with weighting based on loan volume. The greatest emphasis was placed on home refinance loans followed by home purchase loans. Home improvement loans and multifamily lending received considerably less weight. Flagstar did not originate or purchase any loans to small farm borrowers during the evaluation period.

Inside/Outside Ratio

This ratio is a bank-wide calculation and is not calculated by individual AA. Analysis is limited to bank originations and purchases and does not include any affiliate data.

Other

In drawing conclusions relative to the bank's performance, we took into consideration community information obtained by the OCC and the bank, and met with members of the local community in each of the full-scope AAs. Refer to the market profiles in appendix B for community information, including identified needs.

Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §25.28(c) or §195.28(c), respectively, in determining a national bank's or Federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC identified the following public information regarding non-compliance with the statutes and regulations prohibiting discriminatory or other illegal credit practices with respect to this institution:

- Evidence of noncompliance with the loss mitigation provisions of the Real Estate Settlement Procedures Act and the prohibition against deceptive acts or practices under the Consumer Financial Protection Act. In a consent order with the CFPB, the bank agreed to pay \$27.5 million in redress to approximately 6,500 affected consumers and take various other corrective actions, as well as pay a \$10 million civil penalty. For further information on this matter, see CFPB Consent Order 2014-CFPB-0014, filed September 29, 2014.

The OCC also found evidence of violations of the Servicemembers Civil Relief Act involving the bank's improper foreclosure actions on mortgage loans held by servicemembers and its failure to provide full interest rate reductions on loans to eligible servicemembers. The bank is taking remedial action to identify and pay restitution to affected borrowers covering the six-year period of January 1, 2008 through January 1, 2014. The bank implemented appropriate corrective actions in 2013 and early 2014 to strengthen policies, procedures, and controls prospectively.

The OCC does not have additional public information regarding non-compliance with statutes and regulations prohibiting discriminatory or other illegal credit practices with respect to this institution. In determining this institution's overall CRA rating, the OCC has considered information that was made available to the OCC on a confidential basis during its consultations.

The CRA performance rating was not lowered as a result of these findings. We considered the nature, extent, and strength of the evidence of the practices; the extent to which institution had policies and procedures in place to prevent the practices; and the extent to which the institution has taken or has committed to take corrective action, including voluntary corrective action resulting from self-assessment; and other relevant information.

The OCC will consider any evidence of discriminatory or other illegal credit practices relative to this institution that other regulators may provide to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information provided concerns activities that occurred during the evaluation period addressed in this performance evaluation.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Warren MD is adequate, and good in the Detroit MD and Jackson MSA.

Lending Activity

Refer to Tables 1 Lending Volume, in appendix C for the facts and data used to evaluate the bank's lending activity.

The bank's overall lending activity in is excellent. In each of the full-scope AAs Flagstar's share of the home mortgage market is excellent in relation to its share of the deposit market. Strong competition exists, including from several national, regional, and local lenders in the bank's AAs. Furthermore, weak economic conditions existed during the evaluation period, as described in the market profiles in appendix B. In performing our analysis, greater emphasis was placed on the comparison of Flagstar's rankings to similarly situated institutions. Additionally, greater emphasis was placed on the bank's home refinance lending followed by home purchase.

Warren MD

Flagstar's lending activity in the Warren MD is excellent. The bank's 2013 share of the home mortgage lending market in the AA was excellent in comparison to its share of the deposit market when considering the large number of institutions in the market.

As of June 30, 2014, Flagstar had a deposit market share of 7.74 percent and ranked fifth among 40 depository institutions.

For home purchase lending, there are 368 lenders in the AA and Flagstar ranked third with a 5.06 percent market share. The top five lenders in held a combined market share of 37.70 percent. Individual market shares of these banks ranged from 3.55 to 15.34 percent.

For home improvement lending, the bank ranked ninth with a 3.09 percent market share among 147 lenders in the AA. The top five banks dominated the market with a combined market share of 36.68 percent. Individual market shares of these banks ranged from 4.71 to 13.54 percent.

For home refinance lending, Flagstar ranked seventh among 422 lenders with a 3.87 percent market share. The top five lenders in held a combined market share of 45.47 percent. Individual market shares of these banks ranged from 7.55 to 12.13 percent.

For small loans to businesses, Flagstar ranked twenty-eighth among 97 lenders with a 0.20 percent market share. The top five banks dominated the market with a combined market share of 59.10 percent. Individual market shares of these banks ranged from 6.54 to 25.36 percent.

Detroit MD

Flagstar's lending activity in the Detroit MD is excellent. The bank's 2013 share of the home mortgage lending market in the AA was excellent in comparison to its share of the deposit market when considering the large number of institutions in the market.

As of June 30, 2014, Flagstar had a deposit market share of 1.59 percent and ranked sixth among 26 depository institutions.

For home purchase lending there are 276 lenders in the AA reflecting strong competition. Flagstar ranked third in home purchase lending with a 5.04 percent market share. The top five lenders in held a combined market share of 38.78 percent. Individual market shares of these banks ranged from 4.46 to 15.73 percent.

For home improvement lending there are 100 lenders in the AA reflecting strong competition. Flagstar ranked fifteenth in home purchase lending with a 1.51 percent market share. The top five lenders in held a combined market share of 40.42 percent. Individual market shares of these banks ranged from 4.69 to 14.16 percent.

For home refinance lending, Flagstar ranked eighth among 309 lenders with a 3.14 percent market share. The top five lenders in held a combined market share of 51.04 percent. Individual market shares of these banks ranged from 7.42 to 14.22 percent.

For small loans to businesses, Flagstar ranked thirty-second among 74 lenders with a 0.17 percent market share. The top five banks dominated the market with a combined market share of 55.05 percent. Individual market shares of these banks ranged from 7.09 to 20.63 percent.

Jackson MSA

Flagstar's lending activity in the Jackson MD is excellent. The bank's 2013 share of the home mortgage lending market in the AA was excellent in comparison to its share of the deposit market when considering the large number of institutions in the market.

As of June 30, 2014, Flagstar had a deposit market share of 26.96 percent and ranked first among 12 depository institutions.

For home purchase lending there are 128 lenders in the AA reflecting strong competition. Flagstar ranked seventh in home purchase lending with a 4.46 percent market share. The top five lenders in held a combined market share of 42.70 percent. Individual market shares of these banks ranged from 7.04 to 12.39 percent.

For home improvement lending there are 46 lenders in the AA reflecting strong competition. Flagstar ranked twenty-second in home purchase lending with a 0.56 percent market share. The top five lenders in held a combined market share of 71.23 percent. Individual market shares of these banks ranged from 3.63 to 29.61 percent.

For home refinance lending, Flagstar ranked seventh among 159 lenders with a 4.56 percent market share. The top five lenders in held a combined market share of 43.87 percent. Individual market shares of these banks ranged from 5.62 to 13.09 percent.

For small loans to businesses, Flagstar ranked nineteenth among 47 lenders with a 0.88 percent market share. The top five banks dominated the market with a combined market share of 56 percent. Individual market shares of these banks ranged from 7.29 to 13.26 percent.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending is adequate. Performance in the Warren MD and the Detroit MD is adequate, and in the Jackson MSA good. As previously noted, when performing our analysis we placed more emphasis on the bank's home mortgage performance than loans to small businesses and farms. Within home mortgages, refinance performance received the most emphasis based on volume, with secondary emphasis placed on home purchase performance. Home improvement performance carried little weight as a result of limited volume. Additionally, greater emphasis was given to the bank's performance from the 2012-2013 time period compared to the 2010-2011 period.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans is adequate. Refer to Tables 2, 3, 4 and 5 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Warren MD

The overall geographic distribution of home mortgage loans in the Warren MD is adequate.

The overall geographic distribution of home purchase loans is good. The bank's distribution during the evaluation period in low- and moderate-income geographies substantially equaled or exceeded the aggregate lending distribution in both the 2012-2013 and 2010-2011 time periods. The percentage of loans in low- and moderate-income geographies was well below the percentage of owner-occupied units in these geographies during both portions of the evaluation period.

The overall geographic distribution of home improvement loans is very poor. The bank's distribution during the evaluation period, in low- and moderate-income geographies was significantly below both the aggregate lending distribution and the percentage of owner-occupied units in both the 2012-2013 and 2010-2011 time periods.

The overall geographic distribution of home refinance loans is adequate. The bank's distribution from 2012 through 2013 in low- and moderate-income geographies was slightly below the aggregate lending distribution; and equalled this distribution in 2010 through 2011. The percentage of loans in low- and moderate-income geographies was significantly below the percentage of owner-occupied units in these geographies during the evaluation period.

The bank's level of multifamily lending activity was too low for quantitative analysis. Three multifamily loans, of 13 originated, were in moderate-income census tracts, with none in low-income tracts.

Detroit MD

The overall geographic distribution of home mortgage loans in the Detroit MD is adequate.

The overall geographic distribution of home purchase loans is adequate. The bank's distribution from 2012 through 2013 in low- and moderate-income geographies was below the aggregate lending distribution; and was slightly below this distribution from 2010 through 2011. The percentage of loans in low- and moderate-income geographies was significantly below the percentage of owner-occupied units in these geographies during the evaluation period.

The overall geographic distribution of home improvement loans is very poor. The bank made no home improvement loans in low- or moderate-income geographies in 2012 through 2013. The bank made one of 12 loans in 2010 through 2011 in a moderate-income census tract, but none in low-income tracts. The distribution of loans in LMI geographies was significantly below the proportion of aggregate industry loans in LMI geographies.

The overall geographic distribution of home refinance loans is adequate. The bank's distribution from 2012 through 2013 in low- and moderate-income geographies was below the aggregate lending distribution; and below the aggregate distribution in 2010 through 2011. The percentage of loans in low- and moderate-income geographies was significantly below the percentage of owner-occupied units in these geographies during the evaluation period.

The bank's originated one multifamily loan in the AA. The loan was in a low-income census tract.

Jackson MSA

The overall geographic distribution of home mortgage loans in the Jackson MSA is good.

The overall geographic distribution of home purchase loans is good. The bank's distribution from 2012 through 2013 was below the aggregate lending distribution in low-income geographies and above in moderate-income geographies. The bank's performance in low- and moderate-income geographies exceeds the aggregate distribution in 2010 through 2011. The percentage of loans in low- and moderate-income geographies was well below the percentage of owner-occupied units in these geographies from 2012 through 2013; however, it was near to the percentage of owner occupied units in these geographies from 2010 through 2011.

The overall geographic distribution of home improvement loans is poor. The number of home improvement loans was too low for quantitative analysis. The bank only one of sixteen home improvement loans in a moderate-income census tract, and none in low-income tracts.

The overall geographic distribution of home refinance loans is good. The bank's distribution during the evaluation period in low- and moderate-income geographies exceeds the aggregate lending distribution in all categories except low-income geographies in 2012 through 2013. That distribution was slightly below the aggregate. The percentage of loans in low- and

moderate-income geographies was well below the percentage of owner-occupied units in these geographies from 2012 through 2013; however, it was near to the percentage of owner occupied units in these geographies from 2010 through 2011.

The bank's originated one multifamily loan in the AA. The loan was in a middle-income census tract.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses is adequate. Refer to Table 6 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Warren MD

The overall geographic distribution of small loans to businesses is excellent. The bank's distribution during the evaluation period in low- and moderate-income geographies equaled or significantly exceeded the aggregate lending distribution. The percentage of loans made in low- and moderate-income geographies exceeded the percentage of businesses in those areas during the evaluation period.

Detroit MD

The overall geographic distribution of small loans to businesses is poor. The bank's distribution from 2012 through 2013 in low- and moderate-income geographies was below the aggregate lending distribution. The percentage of loans made in low- and moderate-income geographies was well below the percentage of businesses in those areas from 2012 through 2013. The bank made two of six loans in 2010 through 2011 in moderate-income census tracts, but none in low-income tracts. The distribution of loans in LMI geographies equaled or exceeded the proportion of aggregate industry loans in LMI geographies.

Jackson MSA

The overall geographic distribution of small loans to businesses is poor. The bank's distribution from 2012 through 2013 in low- and moderate-income geographies was well below the aggregate lending distribution. The percentage of loans in 2012 through 2013 was well below, and below, the percentage of businesses in low- and moderate-income geographies, respectively. The bank made one of nine loans in 2010 through 2011 in low-income census tracts, but none in moderate -income tracts.

Lending Gap Analysis

We reviewed summary reports to analyze Flagstar's home mortgage and small business lending activity over the evaluation period to identify gaps in the geographic distribution of loans. We did not identify any unexplained gaps.

Inside/Outside Ratio

During the evaluation period a small minority (6.9 percent) of all loans were originated or purchased within the bank's AAs. As a national mortgage lender, the bank primarily funds those nationwide lending activities by selling its loans in the secondary market. As of June 30, 2014, the bank held \$6.9 billion dollars in deposits. Over the evaluation period, Flagstar originated \$6.2 billion in HMDA and CRA reportable loans, which represents a substantial portion of deposits. Because of the significant volume of loans in the AAs, the low percentage of AA lending represents an adequate percentage of loans made in the AAs assessment. The percentages in numbers of loans made inside the AAs by loan type for the combined forty-two month period are as follows: home refinance loans (5.8 percent); home purchase loans (9.4 percent); home improvement loans (9.5 percent), and small loans to businesses (87.1 percent).

Distribution of Loans by Income Level of the Borrower

Overall, the bank's distribution of loans to individuals of different income levels and businesses of different sizes is adequate. Performance was adequate in the Warren MD and the Detroit MD, and excellent in the Jackson MSA. We placed more emphasis on the bank's home mortgage performance than loans to small businesses due to volume and business focus. Within home mortgages, refinance performance received the most emphasis based on volume, with secondary emphasis placed on home purchase performance. Home improvement performance carried little weight. Greater emphasis was given to the bank's performance from the 2012-2013 time period compared to the 2010-2011 period.

Home Mortgage Loans

The overall borrower distribution of home mortgage lending is adequate. Refer to Tables 8, 9 and 10 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Warren MD

The overall borrower distribution of home mortgage loans in the Warren MD is adequate.

The overall borrower distribution of home purchase loans is excellent. The bank's distribution during the evaluation period to low- and moderate-income borrowers exceeds the aggregate lending distribution. The percentage of loans in 2012 through 2013 to low-income borrowers was near to the percentage of low-income families; and exceeds the percentage of low-income families from 2010 through 2012.

The overall borrower distribution of home improvement loans is poor. The bank's distribution during the evaluation period to low- and moderate-income borrowers was well below the aggregate lending distribution. The percentage of loans to low- and moderate-income borrowers is well below the percentage of low- and moderate-income families during the evaluation period.

The overall borrower distribution of home refinance loans is adequate. The bank's distribution to low- and moderate-income borrowers was well below the aggregate lending distribution in

2012 through 2013, and below in 2010 through 2011. The percentage of bank and industry loans to low-income borrowers was well below the percentage of low-income families during the evaluation period. Low-income borrowers were disproportionately impacted by significant property devaluations that affected areas where lower-income families commonly reside and impede the ability to refinance.

Detroit MD

The overall borrower distribution of home mortgage loans in the Detroit MD is adequate. The relationship of median housing value compared to income levels for low-income families, and the disproportion impact of below poverty level populations among low-income families adversely impacted lending opportunities for both the bank and industry.

The overall borrower distribution of home purchase loans is good. The bank's distribution in 2012 through 2013 to low- and moderate-income borrowers substantially met the aggregate lending distribution; and to moderate-income borrowers in 2010 through 2011 exceeded the aggregate distribution. The percentage of loans to low- and moderate-income borrowers was well below the percentage of low- but significantly exceeded moderate-income families during the evaluation period.

The overall borrower distribution of home improvement loans is poor. The bank's distribution from 2012 through 2013 to low- and moderate-income borrowers was well below the aggregate lending distribution. The percentage of loans to low- and moderate-income borrowers was well below the percentage of low- and moderate-income families from 2012 through 2013. The bank made two of six loans in 2010 through 2011 to moderate-income borrowers, but none to low-income borrowers.

The overall borrower distribution of home refinance loans is adequate. The bank's distribution from 2012 through 2013 to low- and moderate-income borrowers was below the aggregate lending distribution; but exceeded the aggregate distribution in 2010 through 2011. The percentage of bank and industry loans to low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families from 2012 through 2013, and well below the percentage of those families from 2010 through 2011. Lower-income borrowers were disproportionately impacted by significant property devaluations that affected areas where lower-income families commonly reside and impede the ability to refinance.

Jackson MSA

The overall borrower distribution of home mortgage loans in the Jackson MSA is excellent.

The overall borrower distribution of home purchase loans is excellent. The bank's distribution during the evaluation period in low- and moderate-income geographies exceeds the aggregate lending distribution. The percentage of loans to low- and moderate-income borrowers exceeds the percentage of low- and moderate-income families from 2012 through 2013; and was near to the percentage of those families from 2010 through 2011.

Although volume was low, the overall borrower distribution of home improvement loans is adequate. The bank made one of 10 loans in 2010 through 2013 to a low-income borrower, and three to moderate-income borrowers.

The overall borrower distribution of home refinance loans is excellent. The bank's distribution in low- and moderate-income geographies from 2012 through 2013 exceeds the aggregate lending distribution and exceeded this distribution from 2010 through 2011. The percentage of loans to low-income borrowers was near to the percentage of low-income families from 2012 through 2013 and below the percentage of those families from 2010 through 2011.

Small Loans to Businesses

The overall borrower distribution of small loans to businesses is adequate. Refer to Table 11 in the state of Michigan section of appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses with gross annual revenue of \$1 million or less.

Warren MD

The overall borrower distribution of small loans to businesses is adequate. The bank's distribution of small loans to businesses in 2012 through 2013 was somewhat below the aggregate lending distribution. The bank's distribution of small loans to businesses in 2010 through 2011 exceeded the aggregate lending distribution. The percentage of bank and industry small loans to businesses was well below the percentage of small businesses in 2012 through 2013 and below the percentage of those businesses from 2010 through 2011.

Detroit MD

The overall borrower distribution of small loans to businesses is good. The bank's distribution of small loans to businesses from 2012 through 2013 exceeds the aggregate lending distribution. The percentage of bank and industry small loans to businesses was below the percentage of small businesses from 2012 through 2013. Although the number of bank small business loans from 2010 through 2011 was minimal, three of seven loans made were to small businesses.

Jackson MSA

The overall borrower distribution of small loans to businesses is good. The bank's distribution of small loans to businesses from 2012 through 2013 exceeds the aggregate lending distribution. The percentage of bank and industry small loans to businesses was well below the percentage of small businesses from 2012 through 2013. Although the number of bank small business loans from 2010 through 2011 was minimal, eight of nine loans made were to small businesses.

Community Development Lending

Refer to Table 1 Lending Volume in appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Flagstar's level of community development lending is excellent in the Detroit MD, good in the Jackson MSA and adequate in the Warren MD. CD lending offset poor retail lending performance in the Detroit MD, but, overall, had a neutral impact on the bank's lending test performance. In drawing conclusions, consideration was given to Flagstar's capacity for CD lending. Flagstar operated under regulatory enforcement actions during the evaluation period, and its financial condition impacted the bank's capacity for community investment.

Warren MD

Flagstar's level of CD lending in the Warren MD is adequate, and has a neutral impact on its overall lending performance in the AA. Flagstar originated four loans totaling \$5.8 million in qualified CD loans in the AA. This volume represents 0.77 percent of allocated Tier One Capital. As an example, Flagstar originated two working capital loans totaling \$3.2 million to a business located in a low-income community in Pontiac, MI. The loan allowed the company to purchase new equipment and maintain jobs in the area for low- and moderate-income individuals. These efforts helped to stabilize the community.

Detroit MD

Flagstar's level of CD lending in the Detroit MD was excellent. Flagstar originated 15 loans totaling \$32.9 million in qualified CD loans in the AA. This volume represents 26.02 percent of allocated Tier One Capital. As an example, Flagstar originated a \$7 million loan for the redevelopment and remodeling of a large apartment building in a low-income community targeted for redevelopment by a non-profit organization representing downtown Detroit. The project shows the efforts of the organization to revitalize the area.

Jackson MSA

Flagstar's level of CD lending in the Jackson MSA was good. Flagstar originated two loans totaling \$3.5 million in qualified CD loans in the AA. This volume represents 4.94 percent of allocated Tier One Capital. As an example, Flagstar originated a \$3.4 million bridge loan for the purchase of an apartment building providing affordable housing.

Product Innovation and Flexibility

Flagstar offers several flexible lending products to serve the AA's credit needs. The bank made 160 of these types of loans during the evaluation period totaling \$19.5 million. This level of activity had a neutral impact on the bank's lending test rating. The programs are summarized below:

The Michigan State Housing Development Authority (MSHDA) is an agency of the State of Michigan that promotes home ownership for low-and moderate-income residents of Michigan. Loans made under the MSHDA programs are closed and originated by participating financial institutions and subsequently delivered back to MSHDA. Below market interest rates and flexible underwriting requirements are features of this program. The Bank also participates in MSHDA's Down Payment Assistance Program, which enables borrowers obtain a second mortgage to assist with their down payment, closing costs, and prepaid expenses. The loan is a non-amortizing, zero interest rate loan that is due upon sale or refinance.

The Guaranteed Rural Housing Program provides special financing for residential properties located in rural areas to borrowers with income levels below maximum guidelines, which primarily includes low and moderate-income borrowers. Loans are guaranteed by the Department of Agriculture's Rural Housing Service. This program permits loan to value ratios as high as 102 percent and debt-to income ratios as high as 41 percent.

The Fannie Mae Community Home Buyer Program has a low down payment (five percent) requirement. While loans are available to home buyers who earn no more than 100 percent of the area median income, some Flagstar customers had income levels that did not exceed 80 percent of the area median income. The maximum term is 30 years for a fixed rate mortgage with maximum ratios of 43 percent with no front end debt-to-income ratios, and up to 97 percent loan-to-value. Home Buyer education may be required. Subsidized subordinate financing (up to 105 percent) is available (for those who qualify) with a Community Second Mortgage.

The Bank also offers other affordable housing loan programs, which vary from time to time. During the evaluation period, the bank offered Fannie Mae EZ Access loans which supports expansion in underserved markets, allowing consumers who may have minor credit problems and limited funds for down payment to access lower cost mortgage financing.

Flagstar also offers Federal and State Government loans as a way to help address the needs of borrowers, some of which having incomes that do not exceed 80 percent of the area's median income levels. The bank originated FHA and VA first mortgage loans for a maximum term of 30 years on single-family, owner-occupied dwellings. The Federal Housing Administration insures FHA loans, and VA loans are guaranteed in part by the Veteran's Administration.

The Michigan Mortgage Credit Certificate (MCC) program provides an income tax credit to qualified buyers. These certificates are attractive to low- and moderate- income borrowers who wish to purchase a home with a modest down payment.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Holland, Kalamazoo, and Monroe MSAs, and Michigan Non-MSA AAs was consistent with the bank's overall "Low Satisfactory" performance under the lending test.

In the Ann Arbor, Battle Creek, Flint, Grand Rapids, Lansing, Niles, and Saginaw MSAs, performance was stronger than the bank's overall "Low Satisfactory" performance under the lending test. The Ann Arbor, Flint, and Lansing MSAs reflected stronger geographic and borrower distribution performance. The Battle Creek MSA reflected stronger geographic distribution performance. The Grand Rapids, Niles, and Saginaw MSAs reflected stronger borrower distribution performance. CD performance had a neutral impact on the lending test in each of the limited scope AAs. The stronger performance in the limited scope AAs did not have a material impact on the lending test rating, as these areas represent small segments of the bank's activities. Refer to Table 1 through 11 in appendix C for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Flagstar's performance under the investment test is rated "Low Satisfactory." Based on full-scope reviews, Flagstar's performance in the Detroit MD AA is excellent, while performance in the Warren and Jackson AAs is poor. In drawing overall Investment Test conclusions, we considered Flagstar's excellent performance in the Detroit MD given the bank's activities were particularly responsive to an AA that has considerable need for community development. We also considered Flagstar's extensive statewide investments not directly attributed to any AA. Furthermore, we considered the bank's diminished capacity for qualified investment activity due to its financial condition during the evaluation period. Collectively, these factors resulted in a conclusion that investment activity was adequate.

A significant majority of Flagstar's investments and grants include government sponsored mortgage-backed securities, low-income housing tax credits, and municipal bonds, all of which were highly responsive to identified affordable housing, community services, and economic development needs in the state. Overall, Flagstar made grants totaling \$2.6 million to support low- and moderate-income families and individuals through participation in Federal Home Loan Bank programs such as the Affordable Housing Program, Neighborhood Stabilization Assistance Program, Home Ownership Program, and the Neighborhood Impact Program. Refer to Table 14 in appendix C for the facts and data used to evaluate the bank's level of qualified investments.

Warren MD

Qualified investment activity in the Warren MD is poor. Flagstar's qualified investment activity during the evaluation period was comprised of 78 grants totaling \$475,000, representing less than one percent of allocated Tier One Capital. The investments, although not complex or innovative, reflected an adequate responsiveness to community needs. The majority of grants supported affordable housing, social services for low- and moderate-income individuals, and economic development activities. One example of responsive activity was the provision of grants totaling \$12,500 to an organization that serves low- and moderate-income individuals and families throughout Macomb County by providing temporary emergency support services. Shelter, meals, shower facilities, transportation and, laundry services are some of the services provided. The organization also helps transition families and individuals back into the community. Bank funds were also used to support financial literacy programs and shelter needs.

Detroit MD

Qualified investment activity in the Detroit MD is excellent. During the evaluation period, Flagstar made 229 investments totaling \$41.2 million, representing nearly 32.5 percent of allocated Tier One Capital. The bank's investments reflected excellent responsiveness to community needs.

Investments included participations in Delinquent Tax Anticipation Notes for Wayne County that totaled \$40 million funded during this evaluation period. Counties are allowed to create a revolving fund for the purpose of financing uncollected taxes from previous year, and to issue

notes to fund the account. All tax collections, fees, investment income, and penalties must be deposited directly into the revolving fund. Bond records reflect that 56 percent of the funds support Detroit and Detroit schools. Detroit is comprised of 72 percent low- and moderate-income census tracts, with 70 percent of the city's budget supporting area revitalization.

Other qualified investments for the Detroit MD included 176 grants for \$795,000 made to community organizations providing much needed community development services for low- and moderate-income individuals. The bank also funded 21 grants for affordable housing needs totaling \$250,000, 29 grants for \$115,000 extended for economic development needs, and one grant for \$19,000 to support revitalization/stabilization efforts in the area.

Jackson MSA

Qualified investment activity in the Jackson MSA is poor. During the evaluation period Flagstar provided 19 grants totaling \$67,000 which represents less than one percent of allocated Tier I Capital. Grants primarily supported affordable housing initiatives, with social service and economic development needs also addressed. The investments, although not complex or innovative, reflect an adequate responsiveness to community needs. One example of the bank's investment activity was a \$5,000 grant made to a non-profit organization to support the implementation of programs that included homebuyer education and counseling.

Statewide Activity

Flagstar had significant qualified investment activity throughout the state, including the bank's AAs, but not associated with any particular AA. The bank made 13 investments totaling \$11.8 million, including 9 GNMA mortgage backed securities for \$9.3 million that supported affordable multifamily housing within the state.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Ann Arbor, Battle Creek, Flint, Grand Rapids, Holland, Kalamazoo, Lansing, Monroe, Niles, and Saginaw MSAs, and the Michigan Non-MSA AAs is weaker than the bank's overall "Low Satisfactory" performance under the Investment Test. The bank engaged in relatively low levels of qualified investments in each of the limited-scope areas. However, the weaker performance in the limited scope AAs did not have a material impact on the Investment Test rating, given the level of the statewide investments, which included the bank's AAs, but were not attributed to specific AAs. Refer to Table 14 in appendix C for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated "High Satisfactory." Based on full-scope reviews, the bank's overall retail and CD service performance in the Warren, Detroit and Jackson AAs is good.

Retail Banking Services

Refer to Table 15 in appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Warren MD

Flagstar's branch distribution is good in the Warren MD. Branches are accessible to geographies and individuals of different income levels in the AA. The bank operates 46 offices in the area. The percentages of offices located in low-income and moderate-income tracts are equivalent to the percentages of the population that reside in those respective portions of the AA. Branch openings and closings have generally not adversely affected the overall accessibility of the bank's delivery systems. There were three branch openings and seven closings during the evaluation period. Two branches were closed in moderate-income census tracts that reduced the proportion of branches slightly below the proportion of population in those tracts. As a result, the level of service to those areas remained good. Branch services and hours are tailored to the AA, particularly to low- and moderate-income individuals. Traditional service delivery methods are complemented with several alternative delivery processes, including online banking and bill pay, automated teller machines, telephone customer service, and 24-hour automated telephone banking. No significant emphasis was placed on these alternative delivery systems as information was not available to determine their effectiveness in helping to meet the needs of low- and moderate-income geographies or low- and moderate-income individuals.

Detroit MD

Flagstar's branch distribution is adequate in the Detroit MD. Branches are reasonably accessible to geographies and individuals of different income levels in the AA. The bank operates 16 offices in the area. The percentages of offices located in low-income and moderate-income tracts are somewhat lower than the percentages of the population that reside in those respective portions of the AA. Branch openings and closings have not adversely impacted the overall accessibility of the bank's delivery systems, particularly in LMI areas. There was one branch opening and one closing during the evaluation period, both located in middle-income census tracts. Branch services and hours are tailored to the AA, particularly to low- and moderate-income individuals. Traditional service delivery methods are complemented with several alternative delivery processes, including online banking and bill pay, automated teller machines, telephone customer service, and 24-hour automated telephone banking. No significant emphasis was placed on these alternative delivery systems as information was not available to determine their effectiveness in helping to meet the needs of low- and moderate-income geographies or low- and moderate-income individuals.

Jackson MSA

Flagstar's branch distribution is excellent in the Jackson MSA. Branches are readily accessible to geographies and individuals of different income levels in the AA. The bank operates eight offices in the area. The percentage of offices located in low- and moderate-income census tracts exceeds the percentage of the area's population located in those neighborhoods. No branches were opened or closed in the AA during the evaluation period. Branch services and hours are tailored to the AA, particularly to low- and moderate-income individuals. Traditional

service delivery methods are complemented with several alternative delivery processes, including online banking and bill pay, automated teller machines, telephone customer service, and 24-hour automated telephone banking. No significant emphasis was placed on these alternative delivery systems as information was not available to determine their effectiveness in helping to meet the needs of low- and moderate-income geographies or low- and moderate-income individuals.

Community Development Services

Flagstar employees provided a good level of technical assistance on financial, business and lending-related matters to various community development and community service organizations serving the AAs. Flagstar personnel were active in supporting and conducting homebuyer educational seminars, financial literacy seminars, and working with numerous organizations to provide technical assistance on financial, business, and lending-related matters to low- and moderate-income individuals and families. Flagstar employees reported a total of more than 8,000 hours of community development services during the review period, including more than 6,000 hours in the full-scope AAs.

Warren MD

The bank's level of community development services activity is good in the Warren MD. In this AA, 87 Flagstar employees provided 3,424 hours of community services to 91 organizations during the evaluation period. Some of the most impactful services are summarized below.

- Flagstar employees provided 1,476 hours in activities supporting Federal Home Loan Bank of Indianapolis (FHLBI) programs. Efforts were primarily associated with the FHLBI's Home Ownership Programs, which help first time low- and moderate-income homebuyers with down payment and closing costs and improves their eligibility for mortgage financing Neighborhood Impact Program which assists existing low- and moderate-income homeowners rehabilitate their homes. Bank employees reviewed and processed grant requests, completed audits and filed retention agreements for grant applicants, and worked with area non-profits to reach out to qualified applicants.
- One Flagstar employee provided 169 hours in the leadership role of president of an organization that focuses on identifying and meeting the credit needs of low- and moderate-income people and communities. The organization also provides workshops and conferences to support community development initiatives.
- Flagstar employees provided 205 hours primarily participating in a tax assistance program which assists low-income individuals and families in the in the preparation of income tax returns.

Detroit MD

The bank's level of community development service activity is excellent in the Detroit MD. In this AA, 113 Flagstar employees provided 2,192 hours of community services to 125 organizations during the evaluation period. Some of the most impactful services are summarized below:

- Flagstar employees provided 243 hours in activities supporting Federal Home Loan Bank of Indianapolis (FHLBI) programs. Efforts were primarily associated with the FHLBI's Home Ownership Programs, which help first time low- and moderate-income homebuyers with down payment and closing costs and improves their eligibility for mortgage financing Neighborhood Impact Program which assists existing low- and moderate-income homeowners rehabilitate their homes. Bank employees reviewed and processed grant requests, completed audits and filed retention agreements for grant applicants, and worked with area non-profits to reach out to qualified applicants.
- Flagstar employees provided 515 hours to support an organization's activities for low- and moderate-income students in the Detroit MD. The program is dedicated to educating students about workforce readiness, entrepreneurship, and financial literacy through experiential, hands-on programs.
- An employee provided 122 hours in a leadership role as a member of a Community Development Financial Institution. The organization supports the community by helping to create affordable housing, jobs, and commercial spaces.

Jackson MD

The bank's level of community development service activity is good in the Jackson MSA. In this AA, 42 Flagstar employees provided 644 hours of community services to 35 organizations during the evaluation period. Some of the most impactful services are summarized below.

- Flagstar employees provided 206 hours in leadership roles as members of the board of directors and committees of an organization that builds affordable housing units affordable by low-income families. Bank employees were active in the applicant evaluation process.
- Flagstar employees provided 162 hours of services to support an organization's programs to provide affordable housing in a low-income area of Jackson. One employee served as treasurer.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Ann Arbor and Kalamazoo MSAs is consistent with the bank's overall "High Satisfactory" performance under the Service Test. Performance in the Grand Rapids and Lansing MSAs is weaker than the bank's overall performance, due to minimal presence in LMI areas. There were no low and few moderate income tracts in the Holland MSA and the Michigan Non-MSA AA, limiting opportunity to branch in those areas. The performance in Battle Creek, Flint, Monroe, Niles, and Saginaw MSAs could not be assessed because the bank only operates one or two branches in each of those areas. Less emphasis was placed on performance in the limited scope AAs under the service test rating, because of the limited branch presence and absence of branch openings and closures. Refer to Table 15 in appendix C for the facts and data that support these conclusions.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed	Lending Test (excludes CD Loans): 7/1/2010 to 12/31/2013 Investment and Service Tests and CD Loans: 7/1/2010 to 10/20/2014	
Financial Institution	Products Reviewed	
Flagstar Bank, F.S.B. Troy, Michigan	Home Purchase, Home Improvement, Home Refinance, Small Business loans. Community Development loans, investments, and services	
Affiliate(s)	Affiliate Relationship	Affiliate(s)
None	Not applicable	None
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information: AA Counties
Detroit-Livonia-Dearborn, MI MD (19804)	Full-Scope	Wayne
Warren-Farmington Hills-Troy, MI MD (47644)	Full-Scope	Livingston, Macomb, Oakland
Jackson, MI MSA (27100)	Full-Scope	Jackson
Ann Arbor, MI MSA (11460)	Limited-Scope	Washtenaw
Battle Creek, MI MSA (12980)	Limited-Scope	Calhoun
Flint, MI MSA (22420)	Limited-Scope	Genesee County, MI
Grand Rapids-Wyoming, MI MSA (24340)	Limited-Scope	Kent
Holland-Grand Haven, MI MSA (26100)	Limited-Scope	Ottawa
Kalamazoo-Portage, MI MSA (28020)	Limited-Scope	Kalamazoo, Van Buren
Lansing - East Lansing, MI MSA (29620)	Limited-Scope	Eaton, Ingham
Michigan Non-MSA	Limited-Scope	Allegan, Branch, Hillsdale, St. Joseph
Monroe, MI MSA (33780)	Limited-Scope	Monroe
Niles - Benton Harbor, MI MSA (35660)	Limited-Scope	Berrien
Saginaw-Saginaw Twp. North, MI MSA (40980)	Limited-Scope	Saginaw

Appendix B: Market Profiles for Full-Scope Areas

Warren-Troy-Farmington Hills, MI MD (47664) – 2000 Census

Demographic Information for Full-Scope Area: Warren MD AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	595	2.02	18.66	50.92	28.07	0.34
Population by Geography	2,139,256	1.73	18.59	51.65	28.01	0.02
Owner-Occupied Housing by Geography	644,909	0.79	17.10	52.51	29.60	0.00
Businesses by Geography	238,405	1.75	15.53	50.34	32.24	0.14
Farms by Geography	5,105	1.68	14.59	58.37	25.35	0.00
Family Distribution by Income Level	572,420	17.64	18.11	23.75	40.50	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	204,622	3.19	28.72	53.26	14.83	0.00
Median Family Income = \$67,923 HUD Adjusted Median Family Income for 2011 = \$73,800 Households Below the Poverty Level = 5%					Median Housing Value = \$168,443 Unemployment Rate (MD 12/2011 Seasonally Adjusted) = 9.3%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Sources: 2000 US Census, 2011 HUD updated MFI, Bureau of Labor Statistics

Warren-Troy-Farmington Hills, MI MD (47664) – 2010 Census

Demographic Information for Full-Scope Area: Warren MD AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	616	5.19	19.48	43.99	30.36	0.97
Population by Geography	2,224,307	4.17	18.76	44.80	32.26	0.01
Owner-Occupied Housing by Geography	678,551	2.51	17.27	46.35	33.87	0.00
Businesses by Geography	203,762	4.32	18.10	40.77	36.42	0.39
Farms by Geography	5,055	3.13	15.63	49.91	31.08	0.26
Family Distribution by Income Level	590,833	19.60	17.68	21.21	41.50	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	220,269	7.44	28.40	45.91	18.25	0.00
Median Family Income = \$75,314 FFIEC Adjusted Median Family Income 2013 = \$72,400 Households Below the Poverty Level = 9%					Median Housing Value = \$193,553 Unemployment Rate (MD 9/2014 Seasonally Adjusted) = 7.2%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Sources: 2010 US Census, 2013 FFIEC updated MFI, Bureau of Labor Statistics

Demographic Information

The Warren MD AA consists of a portion of the Warren-Troy-Farmington Hills, MI MD (47664), and is also a portion of the Detroit-Warren-Dearborn, MI MSA (19820). The AA, comprised of Livingston, Macomb, and Oakland counties, meets the requirements of the CRA regulation and does not arbitrarily exclude low- or moderate-income geographies.

This is Flagstar's primary AA, representing 63.95 percent of the bank's deposits and 42.15 percent of reported loans within all AAs during the evaluation period. The area serves as the headquarters for the bank and holding company. June 30, 2014 FDIC deposit data reflects that Flagstar had \$4.4 billion in deposits representing a 7.74 percent market share of the area's insured deposits and a ranking of fifth. Flagstar operates 46 branches and 49 full-service ATMs in the AA. Competition is strong. According to peer aggregate mortgage data, over 350 lenders originated home mortgage loans in the AA during 2014. There were 40 FDIC insured financial institutions operating 654 branches in the AA according to June 30, 2014 FDIC deposit information. Flagstar's main competitors include Comerica Bank, Bank of America, N.A., PNC Bank, N.A., and JP Morgan Chase Bank, N.A.

The AA is primarily metropolitan with most of the population residing in large and medium size cities. Oakland County has the second largest population in the state, following Wayne County, and has the highest per capita income and median family income in the state. Troy is the largest city in Oakland County. The city of Warren (Macomb County) is the third largest city in the state.

Based on the 2010 census the AA's population was 2.2 million, reflecting an increase of approximately 4.0 percent since the 2000 census. Income levels increased between the census periods, as median family income increased from \$67,923 in 2000 to \$75,314 in 2010. But during the evaluation period, adjusted median family income levels decreased from \$73,800 in 2011 to \$72,400 in 2013. Household poverty rates nearly doubled between the census periods, from 5 percent in 2000 to 9 percent in 2010. Approximately 19.60 percent of families were low-income in 2010, compared to 17.64 percent in 2000. During that same period the percentage of families who were moderate-income decreased slightly from 18.11 percent to 17.76 percent. Within low- and moderate-income neighborhoods, the percentages of households below the poverty level increased during the evaluation..

Employment and Economic Factors

The top industries in the AA are services, retail trade, and construction. The area is anchored by the auto industry with the medical industry and financial institutions rounding out the top employers, which include General Motors Corp., Chrysler Group LLC, Beaumont Health System, St. John Providence Health System, and Detroit Arsenal.

Unemployment rates were high during the evaluation period, but reflected a decreasing trend. U.S. Bureau of Labor Statistics data reflected the December 2011 seasonally adjusted unemployment rate for the MD was 9.3 percent, while the September 2014 level was 7.2 percent. The statewide seasonally adjusted unemployment rate for Michigan was 9.4 percent in December 2011 and 6.7 percent in September 2014.

Housing

Owner-occupied housing units represent a large portion of all segments of the community, reflecting the potential for home mortgage lending. Based on 2000 census data, 645 thousand of all housing units, or 74 percent, are owner-occupied, with 22 percent being occupied rental units. The 2010 census reflected that the number of housing units had increased, but the percentage that were owner-occupied decreased slightly to 71 percent. The median value of housing increased from \$168,443 in 2000 to \$193,553 in 2010.

Only 5.01 percent of all housing units and 2.51 of owner-occupied housing units are located in low-income portions of the AA. Of the occupied housing units in low-income neighborhoods, approximately 43 percent are owner-occupied while 57 percent are rental units. Nearly 21 percent of the area's housing units are located in moderate-income neighborhoods, with 66 percent of the occupied units being owner-occupied and 34 percent rental occupied. Approximately 45 percent of all housing units are located in middle-income tracts, and 29 percent in upper-income tracts. Owner-occupied housing is dominant in both of these segments of the community. Over 78 percent of middle-income neighborhood units and nearly 89 percent of upper-income neighborhood units are owner-occupied.

Community Contacts

In conjunction with this evaluation we contacted four community organizations, including a community action agency, a human services agency, a human development commission, and an affordable housing organization.

High unemployment led to increased foreclosures and vacant properties, and the need for utility assistance. Quality employment providing a living wage is a primary need. Mortgages for low- and moderate-income borrowers and low/no cost deposit accounts are credit needs. While the cost of living is relatively low, a large percentage of low- and moderate-income individuals are working poor that are underwater in the equity of their homes, or are renting. Coupled with no or poor credit and limited availability of flexible and tailored loan products offered by financial institutions, borrowing is difficult.

There are opportunities for less stringent underwriting for mortgages, low- and no-cost deposit accounts, and construction financing for nonprofits. Financial institutions could partner with housing organizations to purchase mortgages generated by the organizations. There are opportunities for investment in loan funds and funding financial literacy and homeownership counseling. Additional support is needed by serving instructors and board members of local organizations, as well as serving in advisory roles to assist local organizations in developing programs to address identified needs.

Detroit-Dearborn-Livonia, MI MD (19804) – 2000 Census

Demographic Information for Full-Scope Area: Detroit MD AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	620	11.45	30.65	30.81	25.81	1.29
Population by Geography	2,061,162	7.80	30.49	33.77	27.85	0.09
Owner-Occupied Housing by Geography	511,936	3.81	22.11	38.26	35.82	0.00
Businesses by Geography	138,796	5.34	21.67	35.29	37.30	0.40
Farms by Geography	2,263	3.36	16.79	41.45	38.31	0.09
Family Distribution by Income Level	514,979	23.09	16.60	19.31	41.01	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	204,384	12.63	42.64	31.52	13.22	0.00
Median Family Income = \$48,792 HUD Adjusted Median Family Income for 2011 = \$50,500 Households Below the Poverty Level = 15%					Median Housing Value = \$102,841 Unemployment Rate = 11.8% (MD 12/2011 Seasonally Adjusted)	

(*) The NA category consists of geographies that have not been assigned an income classification.
Sources: 2000 US Census, 2011 HUD updated MFI, Bureau of Labor Statistics

Detroit-Dearborn-Livonia, MI MD (19804) – 2010 Census

Demographic Information for Full-Scope Area: Detroit MD AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	611	17.51	28.48	23.57	28.81	1.64
Population by Geography	1,820,584	12.53	27.09	25.88	34.50	0.01
Owner-Occupied Housing by Geography	464,603	7.40	21.84	28.50	42.24	0.01
Businesses by Geography	116,764	11.18	20.71	27.02	40.60	0.49
Farms by Geography	2,073	6.66	19.05	26.53	47.66	0.10
Family Distribution by Income Level	441,506	24.56	15.84	17.67	41.92	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	178,391	21.04	38.60	23.72	16.64	0.00
Median Family Income = \$52,946 FFIEC Adjusted Median Family Income 2013 = \$52,300 Households Below the Poverty Level = 19%					Median Housing Value = \$124,506 Unemployment Rate = 9.7% (MD 9/2014 Seasonally Adjusted)	

(*) The NA category consists of geographies that have not been assigned an income classification.
Sources: 2010 US Census, 2013 FFIEC updated MFI, Bureau of Labor Statistics

Demographic Information

The Detroit MD AA is the Detroit-Dearborn-Livonia, MI MD (19804) consisting of Wayne County, Michigan. This area is also a portion of the Detroit-Warren-Dearborn, MI MSA (19820). The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low- or moderate-income geographies.

This is one of Flagstar's largest AAs, representing 10.64 percent of the bank's deposits and 15.02 percent of reported loans within all AAs during the evaluation period. June 30, 2014 FDIC deposit data reflects that Flagstar had \$729.7 million in deposits representing a 1.59 percent market share of the area's insured deposits and a ranking of seventh. Flagstar operates 16 branches and 15 full-service ATMs in the AA. As of June 30, 2014, there were 26 FDIC insured financial institutions located in the AA with 362 offices. Flagstar's main competitors include JP Morgan Chase Bank, N.A., Comerica Bank, Bank of America, N.A., PNC Bank, N.A., Citizens Bank, N.A., and Fifth Third Bank. JP Morgan Chase Bank, N.A. and PNC Bank, N.A. have the largest share of the deposit market at 48.46 percent and 30.06 percent respectively.

The AA is comprised of urban and metropolitan areas, and includes the city of Detroit. Detroit is the largest city in the state, while Wayne County is the most populous in the state. The AA's population base declined by nearly 12 percent between census periods, from 2.06 million in 2000 to 1.82 million in 2010. Income levels increased modestly between the census periods, as median family income increased from \$48,792 in 2000 to \$52,946 in 2010. During the evaluation period adjusted median family income levels increased from \$50,500 in 2011 to \$52,300 in 2013. Household poverty rates have been high, and increased between the census periods, moving from 15 percent in 2000 to 19 percent in 2010. Approximately 24.56 percent of families were low-income in 2010, compared to 23.09 percent in 2000. During that same period the percentage of families who were moderate-income decreased slightly from 16.60 percent to 15.84 percent.

Employment and Economic Factors

Ford Motor Company, headquartered in Dearborn, and General Motors Corporation headquartered in Detroit, are the two largest employers in the state of Michigan. Detroit has been impacted by economic and leadership problems. The city's previous mayor was convicted of racketeering and other charges in 2013. The city of Detroit filed for Chapter 9 bankruptcy in July 2013, becoming the largest municipal bankruptcy case in U.S. history. Detroit was declared bankrupt in December 2013, and eventually emerged from bankruptcy in December 2014.

Unemployment rates were high during the evaluation period, but reflected a decreasing trend. U.S. Bureau of Labor Statistics data reflected the December 2011 seasonally adjusted unemployment rate for the MD was 11.8 percent, while the September 2014 level was 9.7 percent. The statewide seasonally adjusted unemployment rate for Michigan was 9.4 percent in December 2011 and 6.7 percent in September 2014.

Housing

Owner-occupied housing units reflect a majority portion of housing units in the community, reflecting the potential for home mortgage lending. But a sizeable portion of the housing stock is vacant and uninhabitable, especially within the city of Detroit. There are thousands of vacant homes, abandoned homes targeted for demolition, and vacant residential lots. Based on 2000 census data, approximately 512 thousand of all housing units, or 62 percent, are owner-occupied, with 31.05 percent being occupied rental units. The 2010 census reflected that the number of housing units had not materially changed, but the percentage that were owner-occupied decreased to 56 percent. The median value of housing increased from \$102,841 in 2000 to \$124,506 in 2010.

Approximately 15 percent of all housing units and 7 percent of owner-occupied housing units are located in low-income neighborhoods. Of the occupied housing units in low-income neighborhoods, approximately 13 percent are owner-occupied while 87 percent are rental units. Approximately 28 percent of the area's housing units are located in moderate-income neighborhoods, with 56 percent of the occupied units being owner-occupied and 44 percent rental occupied. Approximately 26 percent of all housing units are located in middle-income tracts, and 31 percent in upper-income tracts. Owner-occupied housing is dominant in both of these segments of the community. Over 71 percent of middle-income neighborhood units and nearly 83 percent of upper-income neighborhood units are owner-occupied.

Community Contacts

In conjunction with this evaluation, we contacted four community organizations that are working towards revitalizing and protecting Detroit and its inhabitants. Contacts included a private non-profit citizen-based organization that works to help assure equal housing opportunities throughout the metropolitan Detroit area; a consortium of seven neighborhood organizations and four business associations that focus on revitalizing the east side of Detroit; a nonprofit human services agency; and an organization that serves as a catalyst for transforming Detroit neighborhoods and serves as a trade association for nonprofit community-based development organizations in Detroit.

According to the contacts, community needs stem from the need for quality employment. Community group constituents are underemployed or unemployed. Those that are underemployed tend to be service workers. There are fewer blue collar jobs and employment that does not require advanced education or training. Primary and secondary educational opportunities are poor which in turn produces uneducated adults. Financial literacy is low.

Most clients are under-banked or unbanked, as there are few or no bank branches in their neighborhoods. Instead, local residents are faced with turning to payday lenders and other predatory-type non-financial institutions. There is a need for home repair loans, but homes are so undervalued that bank loans are very difficult to obtain. Similarly, home mortgages are hard to obtain because of the small loan amounts. Contacts also emphasized that while homes may be considered "affordable" given the low value of properties, the city of Detroit has dramatically depopulated, leaving a small tax base to fund city services. There are opportunities for creative financing to address specific lending needs in home repair, home equity, and mortgage lending in general. There are also opportunities to invest in community groups to further their missions and projects.

Jackson, MI MSA (27100) – 2000 Census

Demographic Information for Full-Scope Area: Jackson MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	37	5.41	21.62	62.16	8.11	2.70
Population by Geography	158,422	2.43	14.06	72.73	8.89	1.90
Owner-Occupied Housing by Geography	44,502	0.59	11.63	77.08	10.69	0.00
Businesses by Geography	13,009	5.98	12.05	72.89	8.98	0.10
Farms by Geography	634	0.95	3.47	90.85	4.73	0.00
Family Distribution by Income Level	41,166	17.84	19.18	24.66	38.32	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	15,241	3.66	21.25	70.55	4.54	0.00
Median Family Income = \$50,961 HUD Adjusted Median Family Income for 2011 = \$60,800 Households Below the Poverty Level = 9%					Median Housing Value = \$99,554 Unemployment Rate = 9.0% (MSA 12/2011 Seasonally Adjusted)	

(*) The NA category consists of geographies that have not been assigned an income classification.
Sources: 2000 US Census, 2011 HUD updated MFI, Bureau of Labor Statistics

Jackson, MI MSA (27100) – 2010 Census

Demographic Information for Full-Scope Area: Jackson MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	38	18.42	13.16	42.11	23.68	2.63
Population by Geography	160,248	9.91	11.04	50.42	24.40	4.23
Owner-Occupied Housing by Geography	46,049	6.37	10.04	54.72	28.87	0.00
Businesses by Geography	10,661	15.20	14.00	45.71	24.92	0.16
Farms by Geography	623	1.77	3.21	59.55	35.47	0.00
Family Distribution by Income Level	41,508	20.69	18.28	21.31	39.72	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	16,176	16.75	16.09	51.07	16.09	0.00
Median Family Income = \$56,314 FFIEC Adjusted Median Family Income 2013 = \$56,500 Households Below the Poverty Level = 14%					Median Housing Value = \$130,873 Unemployment Rate = 6.2% (MSA 9/2014 Seasonally Adjusted)	

(*) The NA category consists of geographies that have not been assigned an income classification.
Sources: 2010 US Census, 2013 FFIEC updated MFI, Bureau of Labor Statistics

Demographic Information

This AA consists of Jackson County, which is also the Jackson, MI MSA (27100). The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low- or moderate-income geographies.

As of June 30, 2014 the bank had \$413.7 million in deposits from in this AA, representing 6.03 percent of the bank's total deposits. During the evaluation period 13.74 percent of the bank's reported loans were from the area. While this is a moderate-size AA for Flagstar, the bank is ranked first in deposits with a 26.96 percent share of the insured deposit market. Flagstar operates eight branches and nine full service ATMs in this AA, and one of the bank's operations centers is located in Jackson. There were 12 insured financial institutions operating 44 offices in the AA according to June 30, 2014 FDIC data. Flagstar's main competitors include Comerica Bank and FirstMerit Bank, N.A. Comerica has the second largest market share at 25.18 percent with FirstMerit third at with 21.40 percent.

The AA is a combination of urban and rural areas, with the city of Jackson the main focal point. Jackson is the largest city in the county and serves as the county seat.

Based on 2010 census the AA's population was 160,248, reflecting a slight 1.15 percent increase from the 2000 census. Income levels increased between the census periods, as median family income increased from \$50,961 in 2000 to \$56,314 in 2010. But, during the evaluation period adjusted median family income levels decreased from \$60,800 in 2011 to \$56,500 in 2013. Household poverty rates increased from 9 percent in 2000 to 14 percent in 2010. Approximately 20.69 percent of families were low-income in 2010 compared to 17.84 percent in 2000. During that same period the percentage of families who were moderate-income decreased slightly from 19.18 percent to 18.28 percent.

Employment and Economic Factors

Major employers in this AA are healthcare, energy, and corrections related and include Allegiance Health, Consumer Energy Co., Michigan Department of Corrections, Great lakes home Health and Hospice, and Meijer, Inc. The city of Jackson alone has a large number of corrections related jobs as the several corrections facilities are located in the city.

Unemployment rates were high during the evaluation period, but reflected a decreasing trend. U.S. Bureau of Labor Statistics data reflected the December 2011 seasonally adjusted unemployment rate for the MSA was 9.0 percent, while the September 2014 level was 6.2 percent. The statewide seasonally adjusted unemployment rate for Michigan was 9.4 percent in December 2011 and 6.7 percent in September 2014.

Housing

Owner-occupied housing units represent a large portion of all segments of the community, reflecting the potential for home mortgage lending. Based on 2000 census data, 44.5 thousand of all housing units, or nearly 71 percent, are owner-occupied, with 22 percent being occupied rental units. The 2010 census reflected that the number of housing units had increased, but the percentage that were owner-occupied decreased slightly to 67 percent. The median value of housing increased from \$99,554 in 2000 to \$130,873 in 2010.

Approximately 11.25 percent of all housing units and 6.37 percent of owner-occupied housing units are located in low-income portions of the AA. Of the occupied housing units in low-income neighborhoods, approximately 44 percent are owner-occupied while 56 percent are rental units. Approximately 12.5 percent of the area's housing units are located in moderate-income neighborhoods, with 61 percent of the occupied units being owner-occupied and 39 percent rental occupied. Approximately 51 percent of all housing units are located in middle-income tracts, and 24 percent in upper-income tracts. Owner-occupied housing is dominant in both of these segments of the community. Nearly 71 percent of middle-income neighborhood units and nearly 79 percent of upper-income neighborhood units are owner-occupied.

Community Contact

In conjunction with this evaluation, we contacted a local community organization working to provide affordable housing for the area. The contact reported there are opportunities to provide general operating support to help the organization reach the needs of the community it serves.

Appendix C: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and

upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings -
Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Institution ID: FLAGSTAR BANK

Table 1. Lending Volume

LENDING VOLUME Geography: MICHIGAN Evaluation Period: JULY 1, 2010 TO DECEMBER 31, 2011												
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Detroit MD	18.44	2,562	358,574	7	1,530	0	0	0	0	2,569	360,104	10.64
Jackson MSA	3.78	517	54,484	9	495	0	0	0	0	526	54,979	6.03
Warren MD	42.04	5,810	1,000,275	46	13,206	0	0	2	2,628	5,858	1,013,481	63.95
Limited Review:												
Ann Arbor MSA	9.88	1,375	273,812	1	50	0	0	0	0	1,376	273,862	3.81
Battle Creek MSA	0.58	81	9,822	0	0	0	0	0	0	81	9,822	0.49
Flint MSA	1.72	238	27,583	2	608	0	0	0	0	240	28,191	1.46
Grand Rapids MSA	8.98	1,245	160,563	6	979	0	0	1	424	1,252	161,966	2.99
Holland MSA	2.66	361	51,856	9	306	0	0	0	0	370	52,162	1.92
Kalamazoo MSA	1.34	186	27,084	0	0	0	0	0	0	186	27,084	1.45
Lansing MSA	4.95	689	83,115	1	50	0	0	0	0	690	83,165	3.19
Michigan Non MSA	1.97	275	33,533	0	0	0	0	0	0	275	33,533	2.55
Monroe MSA	1.42	198	26,692	0	0	0	0	0	0	198	26,692	0.47
Niles MSA	1.21	167	24,733	1	1	0	0	0	0	168	24,734	0.47
Saginaw MSA	1.02	142	14,175	0	0	0	0	0	0	142	14,175	0.58

* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from July 1, 2010 to December 31, 2011.

*** Deposit Data as of June 30, 2014. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: FLAGSTAR BANK

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE Geography: MICHIGAN Evaluation Period: JULY 1, 2010 TO DECEMBER 31, 2011														
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income [*]			
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	1,521	22.51	3.81	0.26	22.11	3.35	38.26	30.57	35.82	65.81	0.75	3.79	30.10	65.36
Jackson MSA	256	3.79	0.59	1.17	11.63	8.59	77.08	77.34	10.69	12.89	0.29	6.84	79.71	13.16
Warren MD	2,718	40.22	0.79	0.07	17.10	9.46	52.51	56.36	29.60	34.11	0.10	9.27	54.28	36.35
Limited Review:														
Ann Arbor MSA	520	7.69	2.07	1.92	13.42	8.46	55.60	58.08	28.90	31.54	2.42	6.62	59.59	31.37
Battle Creek MSA	34	0.50	1.18	0.00	19.41	8.82	52.71	47.06	26.70	44.12	0.18	10.28	49.02	40.51
Flint MSA	147	2.18	7.56	1.36	15.95	8.84	42.80	38.78	33.69	51.02	0.68	3.76	42.46	53.10
Grand Rapids MSA	584	8.64	1.21	0.17	13.74	10.10	54.48	57.02	30.58	32.71	0.46	9.82	51.34	38.37
Holland MSA	121	1.79	0.00	0.00	4.67	1.65	91.47	97.52	3.87	0.83	0.00	4.59	92.27	3.14
Kalamazoo MSA	56	0.83	1.66	0.00	17.36	8.93	54.68	53.57	26.30	37.50	0.25	10.32	50.79	38.64
Lansing MSA	391	5.79	2.08	1.79	16.26	16.37	57.79	59.34	23.87	22.51	1.26	13.22	59.16	26.36
Michigan Non MSA	120	1.78	0.00	0.00	4.22	4.17	81.55	68.33	14.23	27.50	0.00	2.74	75.95	21.30
Monroe MSA	115	1.70	0.58	0.00	1.35	0.87	94.57	93.04	3.51	6.09	0.00	1.07	95.44	3.49
Niles MSA	88	1.30	2.31	0.00	6.82	1.14	67.25	76.14	23.62	22.73	1.27	3.05	68.36	27.32
Saginaw MSA	87	1.29	8.48	1.15	8.97	5.75	58.66	60.92	23.89	32.18	1.12	2.60	55.29	40.99

^{*} Based on 2011 Peer Mortgage Data (USPR)

^{**} Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

^{****} Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: FLAGSTAR BANK

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT Geography: MICHIGAN Evaluation Period: JULY 1, 2010 TO DECEMBER 31, 2011														
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	12	11.54	3.81	0.00	22.11	8.33	38.26	8.33	35.82	83.33	2.46	20.80	36.48	40.27
Jackson MSA	12	11.54	0.59	0.00	11.63	0.00	77.08	91.67	10.69	8.33	0.40	9.88	77.87	11.86
Warren MD	37	35.58	0.79	0.00	17.10	2.70	52.51	35.14	29.60	62.16	0.21	14.28	51.80	33.71
Limited Review:														
Ann Arbor MSA	19	18.27	2.07	0.00	13.42	10.53	55.60	47.37	28.90	42.11	2.12	8.13	58.66	31.10
Battle Creek MSA	2	1.92	1.18	0.00	19.41	0.00	52.71	50.00	26.70	50.00	0.69	11.81	57.64	29.86
Flint MSA	3	2.88	7.56	0.00	15.95	0.00	42.80	33.33	33.69	66.67	3.71	7.89	45.71	42.69
Grand Rapids MSA	3	2.88	1.21	0.00	13.74	0.00	54.48	33.33	30.58	66.67	1.87	8.79	53.83	35.51
Holland MSA	2	1.92	0.00	0.00	4.67	0.00	91.47	100.00	3.87	0.00	0.00	1.74	94.19	4.07
Kalamazoo MSA	0	0.00	1.66	0.00	17.36	0.00	54.68	0.00	26.30	0.00	0.31	18.50	52.35	28.84
Lansing MSA	6	5.77	2.08	0.00	16.26	0.00	57.79	66.67	23.87	33.33	1.49	14.19	63.53	20.79
Michigan Non MSA	3	2.88	0.00	0.00	4.22	0.00	81.55	100.00	14.23	0.00	0.00	5.01	82.59	12.40
Monroe MSA	1	0.96	0.58	0.00	1.35	0.00	94.57	100.00	3.51	0.00	0.00	0.86	97.41	1.72
Niles MSA	1	0.96	2.31	0.00	6.82	0.00	67.25	100.00	23.62	0.00	0.57	3.97	68.56	26.91
Saginaw MSA	3	2.88	8.48	0.00	8.97	0.00	58.66	100.00	23.89	0.00	4.64	8.21	57.14	30.00

* Based on 2011 Peer Mortgage Data (USPR)

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: FLAGSTAR BANK

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: MICHIGAN Evaluation Period: JULY 1, 2010 TO DECEMBER 31, 2011														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	1,024	14.70	3.81	0.29	22.11	2.64	38.26	20.21	35.82	76.86	0.34	3.06	18.17	78.43
Jackson MSA	249	3.58	0.59	0.80	11.63	6.43	77.08	75.90	10.69	16.87	0.19	4.52	80.05	15.24
Warren MD	3,042	43.68	0.79	0.07	17.10	5.00	52.51	41.58	29.60	53.35	0.07	4.87	43.72	51.35
Limited Review:														
Ann Arbor MSA	836	12.00	2.07	2.03	13.42	4.43	55.60	47.97	28.90	45.57	1.44	4.23	48.54	45.78
Battle Creek MSA	45	0.65	1.18	0.00	19.41	11.11	52.71	53.33	26.70	35.56	0.21	6.70	54.25	38.84
Flint MSA	88	1.26	7.56	1.14	15.95	3.41	42.80	30.68	33.69	64.77	0.66	3.00	35.01	61.33
Grand Rapids MSA	658	9.45	1.21	0.15	13.74	9.27	54.48	49.85	30.58	40.73	0.22	5.89	44.67	49.22
Holland MSA	238	3.42	0.00	0.00	4.67	2.52	91.47	94.54	3.87	2.94	0.00	3.01	92.82	4.17
Kalamazoo MSA	130	1.87	1.66	0.00	17.36	10.77	54.68	60.00	26.30	29.23	0.27	9.77	49.45	40.51
Lansing MSA	291	4.18	2.08	1.37	16.26	14.78	57.79	58.08	23.87	25.77	1.10	7.60	55.29	36.01
Michigan Non MSA	152	2.18	0.00	0.00	4.22	2.63	81.55	74.34	14.23	23.03	0.00	2.73	74.88	22.39
Monroe MSA	82	1.18	0.58	1.22	1.35	0.00	94.57	93.90	3.51	4.88	0.14	0.45	94.42	4.99
Niles MSA	78	1.12	2.31	0.00	6.82	1.28	67.25	73.08	23.62	25.64	0.48	2.23	66.72	30.57
Saginaw MSA	52	0.75	8.48	0.00	8.97	1.92	58.66	55.77	23.89	42.31	0.56	1.72	50.99	46.74

* Based on 2011 Peer Mortgage Data (USPR)

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: FLAGSTAR BANK

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: MICHIGAN Evaluation Period: JULY 1, 2010 TO DECEMBER 31, 2011															
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid
Full Review:															
Detroit MD	0	0.00	13.15	0.00	27.75	0.00	35.30	0.00	23.80	0.00	3.57	17.86	53.57	25.00	
Jackson MSA	0	0.00	12.03	0.00	17.18	0.00	58.69	0.00	12.09	0.00	20.00	0.00	80.00	0.00	
Warren MD	11	91.67	5.18	0.00	26.09	9.09	56.40	81.82	12.33	9.09	4.55	27.27	54.55	13.64	
Limited Review:															
Ann Arbor MSA	0	0.00	22.08	0.00	30.13	0.00	39.91	0.00	7.88	0.00	20.00	20.00	60.00	0.00	
Battle Creek MSA	0	0.00	2.84	0.00	30.70	0.00	45.79	0.00	20.66	0.00	0.00	0.00	33.33	66.67	
Flint MSA	0	0.00	11.66	0.00	12.88	0.00	56.68	0.00	18.78	0.00	0.00	11.11	55.56	33.33	
Grand Rapids MSA	0	0.00	0.84	0.00	19.49	0.00	67.89	0.00	11.78	0.00	0.00	33.33	62.96	3.70	
Holland MSA	0	0.00	0.00	0.00	4.25	0.00	94.68	0.00	1.07	0.00	0.00	0.00	100.00	0.00	
Kalamazoo MSA	0	0.00	9.30	0.00	23.27	0.00	56.64	0.00	10.79	0.00	14.29	23.81	28.57	33.33	
Lansing MSA	1	8.33	15.20	0.00	20.20	0.00	45.84	0.00	18.76	100.00	5.88	21.57	62.75	9.80	
Michigan Non MSA	0	0.00	0.00	0.00	7.14	0.00	88.58	0.00	4.28	0.00	0.00	9.09	90.91	0.00	
Monroe MSA	0	0.00	0.17	0.00	6.67	0.00	93.16	0.00	0.00	0.00	0.00	12.50	87.50	0.00	
Niles MSA	0	0.00	14.41	0.00	15.61	0.00	52.34	0.00	17.64	0.00	0.00	0.00	87.50	12.50	
Saginaw MSA	0	0.00	12.33	0.00	8.96	0.00	42.71	0.00	36.00	0.00	0.00	0.00	40.00	60.00	

* Based on 2011 Peer Mortgage Data (USPR)

** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Institution ID: FLAGSTAR BANK

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: MICHIGAN Evaluation Period: JULY 1, 2010 TO DECEMBER 31, 2011														
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Business S***	% BANK Loans	% of Business S***	% BANK Loans	% of Business S***	% BANK Loans	% of Business S***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	6	7.41	5.34	0.00	21.67	33.33	35.29	16.67	37.30	50.00	3.86	15.49	34.77	45.88
Jackson MSA	9	11.11	5.98	11.11	12.05	0.00	72.89	77.78	8.98	11.11	4.93	12.91	72.66	9.51
Warren MD	46	56.79	1.75	2.17	15.53	21.74	50.34	56.52	32.24	19.57	2.18	14.47	46.82	36.53
Limited Review:														
Ann Arbor MSA	1	1.23	9.43	0.00	11.99	0.00	52.34	100.00	26.24	0.00	8.15	10.63	51.56	29.67
Battle Creek MSA	0	0.00	2.25	0.00	18.43	0.00	52.12	0.00	25.42	0.00	2.08	18.04	50.76	29.13
Flint MSA	2	2.47	8.82	0.00	11.95	0.00	45.05	100.00	34.17	0.00	6.69	7.58	46.13	39.60
Grand Rapids MSA	6	7.41	2.21	0.00	15.47	0.00	47.96	66.67	34.37	33.33	2.50	14.54	44.66	38.30
Holland MSA	9	11.11	0.00	0.00	7.17	0.00	89.93	100.00	2.90	0.00	0.00	6.83	91.00	2.16
Kalamazoo MSA	0	0.00	2.03	0.00	20.49	0.00	52.59	0.00	24.89	0.00	2.09	20.73	50.40	26.78
Lansing MSA	1	1.23	4.43	0.00	18.41	0.00	50.65	100.00	23.95	0.00	4.67	17.49	46.65	31.19
Michigan Non MSA	0	0.00	0.00	0.00	3.86	0.00	81.71	0.00	14.35	0.00	0.00	3.51	72.55	23.94
Monroe MSA	0	0.00	0.64	0.00	2.24	0.00	94.35	0.00	2.77	0.00	0.19	1.39	95.82	2.60
Niles MSA	1	1.23	5.21	0.00	8.86	0.00	63.07	0.00	22.85	100.00	4.46	7.21	60.24	28.09
Saginaw MSA	0	0.00	6.67	0.00	9.69	0.00	55.99	0.00	27.65	0.00	5.00	9.35	56.05	29.61

* Based on 2011 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2011).

Institution ID: FLAGSTAR BANK

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: MICHIGAN Evaluation Period: JULY 1, 2010 TO DECEMBER 31, 2011														
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data [*]			
	#	% of Total ^{**}	% Families ^{**}	% BANK Loans ^{****}	% Families ¹	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	1,021	22.05	23.09	7.24	16.60	24.80	19.31	26.54	41.01	41.42	8.45	23.35	24.56	43.64
Jackson MSA	164	3.54	17.84	24.22	19.18	32.03	24.66	21.09	38.32	22.66	22.33	27.79	22.17	27.71
Warren MD	1,875	40.49	17.64	16.44	18.11	30.91	23.75	24.58	40.50	28.07	17.78	26.88	23.34	32.00
Limited Review:														
Ann Arbor MSA	345	7.45	19.62	18.01	18.04	33.18	22.71	25.59	39.63	23.22	16.52	27.67	23.31	32.51
Battle Creek MSA	16	0.35	19.31	0.00	18.76	42.86	22.55	14.29	39.38	42.86	8.47	23.95	24.48	43.10
Flint MSA	95	2.05	22.10	11.67	17.07	35.00	20.46	26.67	40.37	26.67	16.79	31.29	26.66	25.26
Grand Rapids MSA	433	9.35	17.35	18.85	18.20	34.02	24.08	26.23	40.37	20.90	16.59	27.73	22.92	32.77
Holland MSA	86	1.86	14.28	19.57	19.85	34.78	29.77	15.22	36.09	30.43	17.69	31.10	23.29	27.93
Kalamazoo MSA	42	0.91	19.20	13.04	18.77	34.78	23.27	21.74	38.75	30.43	12.88	26.19	23.77	37.15
Lansing MSA	273	5.90	19.86	20.49	18.96	40.49	23.27	21.46	37.91	17.56	20.77	32.83	23.51	22.89
Michigan Non MSA	85	1.84	15.28	12.07	17.48	39.66	24.23	25.86	43.01	22.41	11.27	28.49	22.42	37.82
Monroe MSA	81	1.75	17.78	20.00	19.03	36.67	25.15	23.33	38.05	20.00	16.96	30.27	27.27	25.51
Niles MSA	56	1.21	20.21	26.32	17.87	26.32	21.98	31.58	39.93	15.79	12.35	21.43	20.16	46.06
Saginaw MSA	59	1.27	21.61	29.27	17.36	24.39	20.27	29.27	40.76	17.07	16.45	27.75	25.02	30.79

^{*} Based on 2011 Peer Mortgage Data (USPR)

^{**} Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

^{***} Percentage of Families is based on the 2000 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 30.4% of loans originated and purchased by BANK.

¹ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: FLAGSTAR BANK

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: MICHIGAN Evaluation Period: JULY 1, 2010 TO DECEMBER 31, 2011														
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data [*]			
	#	% of Total ^{**}	% Families ^{**}	% BANK Loans ^{****}	% Families ₂	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	8	14.55	23.09	16.67	16.60	0.00	19.31	16.67	41.01	66.67	15.05	22.37	25.59	36.99
Jackson MSA	6	10.91	17.84	16.67	19.18	50.00	24.66	16.67	38.32	16.67	18.07	26.10	28.11	27.71
Warren MD	21	38.18	17.64	11.11	18.11	5.56	23.75	38.89	40.50	44.44	15.65	25.67	24.33	34.35
Limited Review:														
Ann Arbor MSA	10	18.18	19.62	12.50	18.04	12.50	22.71	12.50	39.63	62.50	13.55	18.32	23.81	44.32
Battle Creek MSA	1	1.82	19.31	0.00	18.76	0.00	22.55	0.00	39.38	100.00	11.89	23.78	21.68	42.66
Flint MSA	1	1.82	22.10	0.00	17.07	100.00	20.46	0.00	40.37	0.00	14.70	29.16	30.84	25.30
Grand Rapids MSA	1	1.82	17.35	0.00	18.20	0.00	24.08	0.00	40.37	100.00	15.93	18.43	24.57	41.07
Holland MSA	1	1.82	14.28	0.00	19.85	0.00	29.77	100.00	36.09	0.00	11.38	22.75	31.14	34.73
Kalamazoo MSA	0	0.00	19.20	0.00	18.77	0.00	23.27	0.00	38.75	0.00	11.82	22.36	27.80	38.02
Lansing MSA	2	3.64	19.86	0.00	18.96	0.00	23.27	50.00	37.91	50.00	15.42	27.97	27.12	29.49
Michigan Non MSA	1	1.82	15.28	0.00	17.48	100.00	24.23	0.00	43.01	0.00	9.37	25.07	26.45	39.12
Monroe MSA	0	0.00	17.78	0.00	19.03	0.00	25.15	0.00	38.05	0.00	10.71	23.21	33.04	33.04
Niles MSA	1	1.82	20.21	0.00	17.87	0.00	21.98	0.00	39.93	0.00	8.88	22.19	25.74	43.20
Saginaw MSA	2	3.64	21.61	0.00	17.36	0.00	20.27	0.00	40.76	100.00	20.59	23.16	24.63	31.62

^{*} Based on 2011 Peer Mortgage Data (USPR)

^{**} Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

^{***} Percentage of Families is based on the 2000 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 14.5% of loans originated and purchased by BANK.

² Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: FLAGSTAR BANK

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: MICHIGAN Evaluation Period: JULY 1, 2010 TO DECEMBER 31, 2011														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families ³	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	577	14.80	23.09	3.53	16.60	8.97	19.31	15.71	41.01	71.79	3.02	8.35	15.25	73.38
Jackson MSA	119	3.05	17.84	3.49	19.18	30.23	24.66	38.37	38.32	27.91	8.92	17.65	26.13	47.31
Warren MD	1,769	45.37	17.64	6.69	18.11	13.96	23.75	25.81	40.50	53.54	7.29	14.14	23.29	55.29
Limited Review:														
Ann Arbor MSA	459	11.77	19.62	8.57	18.04	17.62	22.71	26.19	39.63	47.62	6.88	15.74	25.34	52.04
Battle Creek MSA	25	0.64	19.31	0.00	18.76	25.00	22.55	37.50	39.38	37.50	5.60	12.40	22.71	59.29
Flint MSA	59	1.51	22.10	14.81	17.07	11.11	20.46	14.81	40.37	59.26	7.41	19.51	26.59	46.49
Grand Rapids MSA	358	9.18	17.35	5.44	18.20	19.73	24.08	31.29	40.37	43.54	6.48	16.79	24.88	51.85
Holland MSA	123	3.15	14.28	10.29	19.85	23.53	29.77	29.41	36.09	36.76	8.69	21.75	28.03	41.54
Kalamazoo MSA	72	1.85	19.20	0.00	18.77	28.57	23.27	21.43	38.75	50.00	7.51	15.75	24.76	51.99
Lansing MSA	154	3.95	19.86	12.70	18.96	33.33	23.27	23.81	37.91	30.16	8.82	19.85	26.36	44.97
Michigan Non MSA	81	2.08	15.28	5.13	17.48	25.64	24.23	23.08	43.01	46.15	6.12	15.75	24.10	54.04
Monroe MSA	35	0.90	17.78	8.00	19.03	4.00	25.15	48.00	38.05	40.00	6.89	17.21	29.76	46.14
Niles MSA	42	1.08	20.21	0.00	17.87	16.67	21.98	25.00	39.93	58.33	7.64	14.41	20.15	57.80
Saginaw MSA	26	0.67	21.61	10.00	17.36	20.00	20.27	30.00	40.76	40.00	7.61	16.48	26.74	49.17

* Based on 2011 Peer Mortgage Data (USPR)

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2000 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 46.6% of loans originated and purchased by BANK.

³ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: FLAGSTAR BANK

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: MICHIGAN Evaluation Period: JULY 1, 2010 TO DECEMBER 31, 2011									
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Detroit MD	7	8.54	67.41	42.86	57.14	14.29	28.57	19,272	39.45%
Jackson MSA	9	10.98	67.51	88.89	88.89	0.00	11.11	1,467	37.29%
Warren MD	46	56.10	69.49	52.17	34.78	23.91	41.30	45,696	36.04%
Limited Review:									
Ann Arbor MSA	1	1.22	68.40	100.00	100.00	0.00	0.00	5,622	39.68%
Battle Creek MSA	0	0.00	66.14	0.00	0.00	0.00	0.00	1,301	38.89%
Flint MSA	2	2.44	72.95	0.00	0.00	50.00	50.00	4,466	34.03%
Grand Rapids MSA	6	7.32	66.85	66.67	50.00	0.00	50.00	9,895	39.93%
Holland MSA	9	10.98	71.09	100.00	88.89	11.11	0.00	4,096	44.60%
Kalamazoo MSA	0	0.00	67.18	0.00	0.00	0.00	0.00	3,806	44.04%
Lansing MSA	1	1.22	67.27	100.00	100.00	0.00	0.00	4,029	42.34%
Michigan Non MSA	0	0.00	71.22	0.00	0.00	0.00	0.00	3,379	46.85%
Monroe MSA	0	0.00	69.20	0.00	0.00	0.00	0.00	1,609	54.69%
Niles MSA	1	1.22	69.61	100.00	100.00	0.00	0.00	2,056	45.53%
Saginaw MSA	0	0.00	70.45	0.00	0.00	0.00	0.00	1,883	38.24%

* Based on 2011 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2011).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

Institution ID: FLAGSTAR BANK

Table 1. Lending Volume

LENDING VOLUME Geography: MICHIGAN Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013												
Assessment Area (2013):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
Full Review:												
Detroit MD	18.15	4,302	686,876	57	14,961	0	0	15	32,931	4,374	734,768	10.64
Jackson MSA	2.42	557	66,886	24	4,913	0	0	2	3,545	583	75,344	6.03
Warren MD	49.53	11,743	2,089,522	151	46,269	0	0	2	3,200	11,896	2,138,991	63.95
Limited Review:												
Ann Arbor MSA	9.95	2,385	478,232	4	1,038	0	0	0	0	2,389	479,270	3.81
Battle Creek MSA	0.38	90	10,461	1	500	0	0	0	0	91	10,961	0.49
Flint MSA	2.71	640	78,307	10	2,151	0	0	0	0	650	80,458	1.46
Grand Rapids MSA	5.78	1,380	192,374	9	725	0	0	0	0	1,389	193,099	2.99
Holland MSA	1.82	435	66,432	3	29	0	0	0	0	438	66,461	1.92
Kalamazoo MSA	1.00	238	38,168	1	750	0	0	0	0	239	38,918	1.45
Lansing MSA	4.13	973	119,779	20	3,796	0	0	0	0	993	123,575	3.19
Michigan Non-MSA	1.31	308	39,844	6	886	0	0	0	0	314	40,730	2.55
Monroe MSA	1.36	324	48,147	2	910	0	0	1	150	327	49,207	0.47
Niles MSA	0.54	128	20,350	2	125	0	0	0	0	130	20,475	0.47
Saginaw MSA	0.92	221	25,061	1	803	0	0	0	0	222	25,864	0.58
Statewide								1	1,470	1	1,470	N.A.

* Loan Data as of December 31, 2013. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from January 01, 2012 to October 20, 2014.

*** Deposit Data as of June 30, 2014. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: FLAGSTAR BANK

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE Geography: MICHIGAN Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013														
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	1,865	20.69	7.41	0.91	21.84	3.65	28.51	20.32	42.25	75.12	1.33	4.92	25.09	68.66
Jackson MSA	189	2.10	6.37	1.06	10.04	8.47	54.72	59.26	28.87	31.22	2.21	6.52	57.23	34.05
Warren MD	4,218	46.80	2.51	0.62	17.27	11.83	46.35	45.78	33.88	41.77	0.75	12.15	46.63	40.47
Limited Review:														
Ann Arbor MSA	830	9.21	3.99	1.57	14.89	12.05	51.87	49.64	29.26	36.75	2.01	11.68	54.46	31.85
Battle Creek MSA	22	0.24	4.91	4.55	22.42	31.82	38.92	36.36	33.75	27.27	1.28	18.22	37.27	43.22
Flint MSA	281	3.12	6.65	1.78	19.66	5.69	39.72	41.99	33.97	50.53	1.33	7.32	42.77	48.59
Grand Rapids MSA	548	6.08	3.12	0.73	16.44	12.77	44.03	46.17	36.40	40.33	1.91	13.84	43.99	40.26
Holland MSA	116	1.29	0.00	0.00	10.89	4.31	73.24	75.00	15.87	20.69	0.00	9.88	74.29	15.82
Kalamazoo MSA	55	0.61	3.62	1.82	13.53	3.64	56.20	50.91	26.66	43.64	1.81	11.13	52.39	34.67
Lansing MSA	511	5.67	4.40	2.94	18.11	15.85	51.56	52.05	25.94	29.16	2.60	14.41	53.84	29.15
Michigan Non MSA	99	1.10	0.00	0.00	3.88	1.01	75.03	67.68	21.10	31.31	0.00	2.39	69.23	28.38
Monroe MSA	124	1.38	0.62	0.00	8.57	4.84	73.90	70.97	16.91	24.19	0.00	8.31	73.60	18.09
Niles MSA	50	0.55	4.11	0.00	11.74	8.00	47.96	38.00	36.19	54.00	1.29	9.51	43.88	45.32
Saginaw MSA	105	1.16	5.59	0.00	15.55	17.14	43.70	44.76	35.16	38.10	0.78	8.66	40.23	50.33

* Based on 2013 Peer Mortgage Data -- US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: FLAGSTAR BANK

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT Geography: MICHIGAN Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013														
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income [*]			
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	32	12.75	7.41	0.00	21.84	0.00	28.51	3.13	42.25	96.88	5.56	19.36	26.07	49.01
Jackson MSA	4	1.59	6.37	0.00	10.04	25.00	54.72	25.00	28.87	50.00	4.20	10.64	51.26	33.89
Warren MD	152	60.56	2.51	0.00	17.27	1.97	46.35	34.21	33.88	63.82	1.17	13.48	44.69	40.66
Limited Review:														
Ann Arbor MSA	30	11.95	3.99	3.33	14.89	0.00	51.87	50.00	29.26	46.67	2.00	7.11	51.78	39.11
Battle Creek MSA	2	0.80	4.91	0.00	22.42	0.00	38.92	50.00	33.75	50.00	2.79	18.73	42.23	36.25
Flint MSA	3	1.20	6.65	0.00	19.66	0.00	39.72	33.33	33.97	66.67	4.58	17.29	38.54	39.58
Grand Rapids MSA	10	3.98	3.12	0.00	16.44	0.00	44.03	20.00	36.40	80.00	2.64	13.57	42.59	41.21
Holland MSA	4	1.59	0.00	0.00	10.89	0.00	73.24	75.00	15.87	25.00	0.00	10.38	71.31	18.31
Kalamazoo MSA	1	0.40	3.62	0.00	13.53	0.00	56.20	100.00	26.66	0.00	2.58	12.45	53.00	31.97
Lansing MSA	7	2.79	4.40	0.00	18.11	28.57	51.56	57.14	25.94	14.29	4.04	18.05	52.35	25.56
Michigan Non MSA	3	1.20	0.00	0.00	3.88	0.00	75.03	66.67	21.10	33.33	0.00	2.27	69.32	28.41
Monroe MSA	2	0.80	0.62	0.00	8.57	0.00	73.90	50.00	16.91	50.00	0.51	4.10	76.92	18.46
Niles MSA	0	0.00	4.11	0.00	11.74	0.00	47.96	0.00	36.19	0.00	2.02	7.44	44.34	46.20
Saginaw MSA	1	0.40	5.59	0.00	15.55	0.00	43.70	0.00	35.16	100.00	4.08	13.83	49.89	32.20

^{*} Based on 2013 Peer Mortgage Data -- US and PR

^{**} Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

^{****} Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: FLAGSTAR BANK

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: MICHIGAN Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	2,404	16.63	7.41	0.42	21.84	2.70	28.51	15.77	42.25	81.11	1.65	5.98	24.07	68.30
Jackson MSA	363	2.51	6.37	2.20	10.04	5.23	54.72	62.81	28.87	29.75	2.47	6.08	56.05	35.40
Warren MD	7,371	50.99	2.51	0.54	17.27	7.10	46.35	38.94	33.88	53.43	0.94	10.92	43.93	44.20
Limited Review:														
Ann Arbor MSA	1,525	10.55	3.99	0.92	14.89	8.07	51.87	48.98	29.26	42.03	2.07	10.42	50.82	36.69
Battle Creek MSA	66	0.46	4.91	4.55	22.42	18.18	38.92	40.91	33.75	36.36	2.20	14.39	39.21	44.20
Flint MSA	355	2.46	6.65	0.56	19.66	5.07	39.72	31.27	33.97	63.10	0.78	7.95	40.09	51.18
Grand Rapids MSA	822	5.69	3.12	1.22	16.44	10.58	44.03	43.67	36.40	44.53	1.85	12.74	40.60	44.82
Holland MSA	315	2.18	0.00	0.00	10.89	6.98	73.24	72.70	15.87	20.32	0.00	9.30	72.24	18.45
Kalamazoo MSA	182	1.26	3.62	1.10	13.53	8.24	56.20	49.45	26.66	41.21	1.57	10.65	52.72	35.06
Lansing MSA	455	3.15	4.40	3.30	18.11	15.60	51.56	49.01	25.94	32.09	2.79	14.73	51.10	31.38
Michigan Non MSA	206	1.43	0.00	0.00	3.88	1.46	75.03	62.62	21.10	35.92	0.00	2.76	66.44	30.80
Monroe MSA	198	1.37	0.62	0.00	8.57	6.06	73.90	73.74	16.91	20.20	0.28	7.28	72.89	19.54
Niles MSA	78	0.54	4.11	1.28	11.74	6.41	47.96	42.31	36.19	50.00	1.05	7.62	49.19	42.15
Saginaw MSA	115	0.80	5.59	0.00	15.55	4.35	43.70	50.43	35.16	45.22	0.55	7.42	43.28	48.75

* Based on 2013 Peer Mortgage Data -- US and PR

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: FLAGSTAR BANK

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: MICHIGAN Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013														
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans***	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	1	25.00	23.13	100.00	25.99	0.00	26.86	0.00	24.03	0.00	16.90	25.35	18.31	39.44
Jackson MSA	1	25.00	25.53	0.00	27.06	0.00	37.37	100.00	10.03	0.00	0.00	16.67	83.33	0.00
Warren MD	2	50.00	12.21	0.00	28.31	100.00	45.37	0.00	14.11	0.00	13.98	26.88	45.16	13.98
Limited Review:														
Ann Arbor MSA	0	0.00	20.11	0.00	30.30	0.00	36.45	0.00	13.14	0.00	14.00	12.00	56.00	18.00
Battle Creek MSA	0	0.00	9.69	0.00	30.47	0.00	42.94	0.00	16.90	0.00	0.00	0.00	33.33	66.67
Flint MSA	0	0.00	9.26	0.00	26.90	0.00	41.72	0.00	22.12	0.00	0.00	11.76	47.06	41.18
Grand Rapids MSA	0	0.00	7.00	0.00	29.42	0.00	51.85	0.00	11.73	0.00	13.33	42.22	35.56	8.89
Holland MSA	0	0.00	0.00	0.00	33.14	0.00	64.65	0.00	2.21	0.00	0.00	46.15	53.85	0.00
Kalamazoo MSA	0	0.00	8.93	0.00	25.81	0.00	51.98	0.00	13.28	0.00	18.92	32.43	48.65	0.00
Lansing MSA	0	0.00	8.53	0.00	30.62	0.00	40.86	0.00	19.99	0.00	6.45	29.03	51.61	12.90
Michigan Non MSA	0	0.00	0.00	0.00	6.91	0.00	83.51	0.00	9.58	0.00	0.00	0.00	86.36	13.64
Monroe MSA	0	0.00	0.56	0.00	32.49	0.00	59.42	0.00	7.53	0.00	0.00	17.65	70.59	11.76
Niles MSA	0	0.00	18.72	0.00	22.27	0.00	29.41	0.00	29.60	0.00	0.00	0.00	75.00	25.00
Saginaw MSA	0	0.00	12.58	0.00	22.19	0.00	24.87	0.00	40.36	0.00	0.00	35.71	21.43	42.86

* Based on 2013 Peer Mortgage Data -- US and PR

** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Institution ID: FLAGSTAR BANK

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: MICHIGAN Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013														
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income [†]			
	#	% of Total ^{**}	% of Businesses ^{***}	% BANK Loans	% of Businesses ^{***}	% BANK Loans	% of Businesses ^{***}	% BANK Loans	% of Businesses ^{***}	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	57	19.72	11.18	3.51	20.71	14.04	27.02	15.79	40.60	66.67	8.07	16.84	24.90	50.19
Jackson MSA	24	8.30	15.20	4.17	14.00	12.50	45.71	66.67	24.92	16.67	16.72	16.20	40.34	26.74
Warren MD	149	51.56	4.32	8.05	18.10	32.21	40.77	38.93	36.42	20.81	4.01	17.91	38.87	39.22
Limited Review:														
Ann Arbor MSA	4	1.38	4.81	0.00	12.56	0.00	49.39	50.00	31.59	50.00	3.57	11.92	51.89	32.62
Battle Creek MSA	1	0.35	8.49	100.00	22.12	0.00	38.97	0.00	30.42	0.00	10.92	25.50	34.78	28.80
Flint MSA	10	3.46	9.63	0.00	17.35	0.00	41.86	100.00	30.86	0.00	7.45	12.76	45.15	34.64
Grand Rapids MSA	9	3.11	5.70	11.11	17.63	22.22	39.31	22.22	37.36	44.44	5.75	17.75	35.69	40.81
Holland MSA	3	1.04	0.00	0.00	15.94	0.00	70.75	100.00	13.31	0.00	0.00	14.98	72.04	12.98
Kalamazoo MSA	1	0.35	5.59	0.00	18.25	0.00	52.48	0.00	23.69	100.00	5.27	18.20	51.38	25.16
Lansing MSA	20	6.92	4.57	0.00	25.94	65.00	41.53	15.00	25.65	20.00	5.08	26.62	38.81	29.49
Michigan Non MSA	6	2.08	0.00	0.00	6.31	0.00	71.04	83.33	22.65	16.67	0.00	8.09	60.73	31.19
Monroe MSA	2	0.69	0.67	0.00	11.66	0.00	71.10	100.00	16.56	0.00	0.41	10.40	73.19	16.00
Niles MSA	2	0.69	9.74	0.00	10.57	0.00	43.27	0.00	36.42	100.00	9.57	9.09	38.98	42.37
Saginaw MSA	1	0.35	6.18	0.00	15.19	0.00	42.36	0.00	36.26	100.00	4.05	13.11	41.13	41.71

[†] Based on 2013 Peer Small Business Data -- US and PR

^{**} Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

^{***} Source Data - Dun and Bradstreet (2013).

Institution ID: FLAGSTAR BANK

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: MICHIGAN Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013														
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families ⁴	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	1,865	20.69	24.56	6.42	15.84	17.26	17.67	26.42	41.92	49.91	6.95	20.43	25.65	46.98
Jackson MSA	189	2.10	20.69	15.03	18.28	32.68	21.31	24.84	39.72	27.45	10.90	26.39	29.18	33.52
Warren MD	4,218	46.80	19.60	15.11	17.68	23.39	21.21	26.90	41.50	34.59	13.60	22.95	26.10	37.35
Limited Review:														
Ann Arbor MSA	830	9.21	21.69	14.13	16.89	21.00	21.43	28.26	39.99	36.61	12.33	23.79	25.16	38.72
Battle Creek MSA	22	0.24	20.99	12.50	18.07	31.25	20.52	12.50	40.42	43.75	11.83	25.62	25.89	36.65
Flint MSA	281	3.12	22.11	11.39	17.17	25.74	19.80	27.43	40.92	35.44	9.11	26.67	28.06	36.17
Grand Rapids MSA	548	6.08	20.44	13.69	17.22	33.77	20.92	24.06	41.42	28.48	12.48	28.01	23.47	36.04
Holland MSA	116	1.29	16.37	11.46	20.11	31.25	24.86	23.96	38.66	33.33	13.43	29.46	25.17	31.94
Kalamazoo MSA	55	0.61	22.68	9.52	16.42	11.90	20.50	38.10	40.40	40.48	13.27	24.52	22.41	39.81
Lansing MSA	511	5.67	21.68	17.33	17.98	31.11	21.37	28.44	38.97	23.11	14.92	29.72	26.87	28.49
Michigan Non MSA	99	1.10	16.95	12.05	17.81	30.12	23.78	25.30	41.47	32.53	6.94	24.01	27.12	41.92
Monroe MSA	124	1.38	18.60	12.26	19.27	32.08	22.93	27.36	39.20	28.30	10.13	27.27	30.54	32.07
Niles MSA	50	0.55	21.66	12.90	18.24	22.58	19.92	19.35	40.18	45.16	7.86	17.96	20.20	53.99
Saginaw MSA	105	1.16	21.86	23.46	16.90	29.63	20.65	20.99	40.60	25.93	14.65	24.32	28.16	32.87

* Based on 2013 Peer Mortgage Data -- US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 13.4% of loans originated and purchased by BANK.

⁴ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: FLAGSTAR BANK

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: MICHIGAN Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013														
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families ⁵	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	32	12.75	24.56	6.25	15.84	9.38	17.67	18.75	41.92	65.63	10.90	22.27	23.29	43.54
Jackson MSA	4	1.59	20.69	0.00	18.28	0.00	21.31	50.00	39.72	50.00	15.86	21.81	27.20	35.13
Warren MD	152	60.56	19.60	6.94	17.68	13.19	21.21	20.83	41.50	59.03	13.60	20.91	24.16	41.33
Limited Review:														
Ann Arbor MSA	30	11.95	21.69	6.90	16.89	6.90	21.43	37.93	39.99	48.28	12.07	19.13	19.59	49.20
Battle Creek MSA	2	0.80	20.99	0.00	18.07	0.00	20.52	0.00	40.42	100.00	12.85	19.68	26.91	40.56
Flint MSA	3	1.20	22.11	0.00	17.17	0.00	19.80	0.00	40.92	100.00	11.21	25.43	27.80	35.56
Grand Rapids MSA	10	3.98	20.44	0.00	17.22	12.50	20.92	25.00	41.42	62.50	9.40	21.24	26.64	42.73
Holland MSA	4	1.59	16.37	25.00	20.11	0.00	24.86	50.00	38.66	25.00	8.52	20.74	33.81	36.93
Kalamazoo MSA	1	0.40	22.68	0.00	16.42	0.00	20.50	100.00	40.40	0.00	12.61	17.48	25.66	44.25
Lansing MSA	7	2.79	21.68	14.29	17.98	14.29	21.37	14.29	38.97	57.14	12.49	24.88	30.56	32.07
Michigan Non MSA	3	1.20	16.95	0.00	17.81	0.00	23.78	33.33	41.47	66.67	8.31	23.04	27.55	41.09
Monroe MSA	2	0.80	18.60	0.00	19.27	100.00	22.93	0.00	39.20	0.00	10.22	26.34	25.27	38.17
Niles MSA	0	0.00	21.66	0.00	18.24	0.00	19.92	0.00	40.18	0.00	9.81	18.49	23.95	47.75
Saginaw MSA	1	0.40	21.86	0.00	16.90	0.00	20.65	0.00	40.60	100.00	19.22	25.86	24.03	30.89

* Based on 2013 Peer Mortgage Data -- US and PR

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 5.6% of loans originated and purchased by BANK.

⁵ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: FLAGSTAR BANK

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: MICHIGAN Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families ⁶	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Detroit MD	2,404	16.63	24.56	1.50	15.84	6.55	17.67	15.48	41.92	76.47	5.79	11.16	20.93	62.11
Jackson MSA	363	2.51	20.69	14.17	18.28	22.05	21.31	27.95	39.72	35.83	8.53	17.61	26.14	47.72
Warren MD	7,371	50.99	19.60	5.99	17.68	13.69	21.21	24.98	41.50	55.34	9.98	16.44	25.22	48.36
Limited Review:														
Ann Arbor MSA	1,525	10.55	21.69	5.03	16.89	17.77	21.43	26.89	39.99	50.31	10.42	17.19	26.16	46.23
Battle Creek MSA	66	0.46	20.99	0.00	18.07	26.47	20.52	17.65	40.42	55.88	7.47	19.06	22.94	50.54
Flint MSA	356	2.46	22.11	4.44	17.17	14.11	19.80	27.82	40.92	53.63	7.13	15.45	23.72	53.69
Grand Rapids MSA	822	5.69	20.44	3.81	17.22	18.39	20.92	27.35	41.42	50.45	7.94	19.20	26.38	46.48
Holland MSA	315	2.18	16.37	6.49	20.11	20.54	24.86	36.76	38.66	36.22	8.74	23.02	28.14	40.10
Kalamazoo MSA	182	1.26	22.68	7.48	16.42	13.08	20.50	20.56	40.40	58.88	9.30	17.15	25.46	48.09
Lansing MSA	455	3.15	21.68	9.16	17.98	20.72	21.37	26.29	38.97	43.82	9.50	21.82	28.19	40.49
Michigan Non MSA	206	1.43	16.95	6.35	17.81	15.87	23.78	31.75	41.47	46.03	6.14	16.99	24.91	51.96
Monroe MSA	198	1.37	18.60	3.73	19.27	16.42	22.93	32.84	39.20	47.01	7.93	18.39	29.83	43.85
Niles MSA	78	0.54	21.66	6.52	18.24	10.87	19.92	19.57	40.18	63.04	7.65	14.18	20.12	58.05
Saginaw MSA	115	0.80	21.86	9.46	16.90	17.57	20.65	20.27	40.60	52.70	9.36	18.92	25.53	46.19

* Based on 2013 Peer Mortgage Data -- US and PR

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 24.4% of loans originated and purchased by BANK.

⁶ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: FLAGSTAR BANK

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: MICHIGAN Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Detroit MD	57	19.59	73.94	47.37	43.86	19.30	36.84	18,651	7,829
Jackson MSA	24	8.25	73.71	37.50	58.33	25.00	16.67	1,553	558
Warren MD	151	51.89	75.26	36.42	31.13	26.49	42.38	42,760	18,414
Limited Review:									
Ann Arbor MSA	4	1.37	74.03	75.00	75.00	0.00	25.00	5,858	2,761
Battle Creek MSA	1	0.34	73.99	0.00	0.00	0.00	100.00	1,359	476
Flint MSA	10	3.44	77.15	20.00	60.00	10.00	30.00	3,596	1,241
Grand Rapids MSA	9	3.09	72.54	55.56	77.78	22.22	0.00	10,037	3,949
Holland MSA	3	1.03	76.30	100.00	100.00	0.00	0.00	4,193	1,855
Kalamazoo MSA	1	0.34	74.10	0.00	0.00	0.00	100.00	3,910	1,663
Lansing MSA	20	6.87	72.63	25.00	50.00	35.00	15.00	3,989	1,716
Michigan Non MSA	6	2.06	76.29	83.33	83.33	0.00	16.67	2,999	1,291
Monroe MSA	2	0.69	74.96	0.00	50.00	0.00	50.00	1,499	782
Niles MSA	2	0.69	75.26	100.00	100.00	0.00	0.00	1,903	802
Saginaw MSA	1	0.34	74.09	100.00	0.00	0.00	100.00	1,920	726

* Based on 2013 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2013).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

Institution ID: FLAGSTAR BANK

Table 14. Qualified Investments

QUALIFIED INVESTMENTS Geography: MICHIGAN Evaluation Period: July 1, 2010 to October 20, 2014									
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Detroit MD	0	0	229	41,179	229	41,179	76.41	0	0
Jackson MSA	0	0	19	67	19	67	0.12	0	0
Warren MD	0	0	78	475	78	475	0.88	0	0
Limited Review:									
Ann Arbor MSA	0	0	22	72	22	72	0.13	0	0
Battle Creek MSA	0	0	0	0	0	0	0.00	0	0
Flint MSA	0	0	17	54	17	54	0.10	0	0
Grand Rapids MSA	0	0	33	118	33	118	0.22	0	0
Holland MSA	0	0	1	2	1	2	0.01	0	0
Kalamazoo MSA	0	0	0	0	0	0	0.00	0	0
Lansing MSA	0	0	36	101	36	101	0.19	0	0
Michigan Non-MSA	0	0	4	6	4	6	0.01	0	0
Monroe MSA	0	0	17	35	17	35	0.05	0	0
Niles MSA	0	0	2	4	2	4	0.01	0	0
Saginaw MSA	0	0	7	15	7	15	0.03	0	0
Statewide	0	0	13	11,767	13	11,767	21.83	3	6,498

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Institution ID: FLAGSTAR BANK

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: MICHIGAN Evaluation Period: JULY 1, 2010 TO OCTOBER 20, 2014																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)*				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Detroit MD	10.64	16	15.09	6.25	12.50	25.00	56.25	1	1	0	0	0	0	11.62	27.52	26.83	34.04
Jackson MSA	6.03	8	7.55	37.50	12.50	37.50	12.50	0	0	0	0	0	0	11.23	10.37	51.99	21.62
Warren MD	63.95	46	43.40	4.35	17.39	36.96	39.13	3	7	0	-2	-3	+1	3.85	19.35	44.67	32.14
Limited Review:																	
Ann Arbor MSA	3.81	5	4.72	20.00	20.00	40.00	20.00	0	0	0	0	0	0	8.66	16.19	47.43	24.10
Battle Creek MSA	0.49	1	0.94	0.00	0.00	0.00	100.0	0	0	0	0	0	0	4.69	26.26	40.25	28.80
Flint MSA	1.46	2	1.89	0.00	0.00	50.00	50.00	0	0	0	0	0	0	10.20	21.27	37.56	30.97
Grand Rapids MSA	2.99	7	6.60	0.00	0.00	71.43	28.57	2	0	0	0	0	-1	6.46	18.83	41.70	33.01
Holland MSA	1.92	4	3.77	0.00	0.00	100.0	0.00	0	0	0	0	0	0	0.00	5.36	94.64	0.00
Kalamazoo MSA	1.45	3	2.83	0.00	33.33	66.67	0.00	0	0	0	0	0	0	9.73	18.83	45.65	25.79
Lansing MSA	3.19	5	4.72	0.00	0.00	40.00	60.00	0	0	0	0	0	0	7.75	26.73	35.27	29.13
Michigan Non-MSA	2.55	6	5.66	0.00	0.00	83.33	16.67	0	1	0	0	-1	0	0.00	4.04	78.24	17.72
Monroe MSA	0.47	1	0.94	0.00	0.00	0.00	100.0	0	0	0	0	0	0	0.96	10.81	72.72	15.51
Niles MSA	0.47	1	0.94	0.00	0.00	0.00	100.0	0	0	0	0	0	0	8.58	13.81	45.16	32.45
Saginaw MSA	0.58	1	0.94	0.00	0.00	100.0	0.00	0	0	0	0	0	0	8.35	19.21	39.45	32.99

*One branch, in the Warren-Troy-Farmington Hills MD is located in a census tract with an "unknown" tract income level

