



6151 Corporate Drive
Troy, Michigan 48098-2639
Phone: (248) 312-2000
www.flagstar.com

July 17, 2013

Via Facsimile ((517) 373-7794) and U.S. Mail

Ms. Stephanie L. Beckhorn
Manager, WIA Section
Workforce Development Agency
201 N. Washington Square
Lansing, MI 48913

Dear Ms. Beckhorn:

We are writing to give you notice that there will be an employment loss, as defined by the Worker Adjustment and Retraining Notification Act ("WARN Act"), at its facility located at 320-340 E. Big Beaver Road, Troy, MI 48083. This employment loss is expected to be permanent.

Flagstar has made the difficult decision to outsource its non-core default servicing business, which represents less than 4 percent of its overall servicing book, to a recognized specialty servicer that specializes in this area. This is part of Flagstar's ongoing strategy to deliver improving performance while maintaining its commitment to its national mortgage business and community banking in Michigan. In the long run, we hope that this decision will lead to further growth of our performing servicing business and the creation of employment opportunities in the area.

This action will result in the layoff of 299 employees. Attached is a listing of job positions and the number of individuals who will be affected by the employment loss. Flagstar Bank does not have a job bumping system, that is, employees will not be able to displace more junior employees out of their job positions as a result of employment loss.

The work and jobs will be phased out over several months during 2013. The expected date of the first separation is September 17, 2013. The following outlines the anticipated schedule for job losses:

Number of Affected Individuals	Expected Separation Date
264	September 17, 2013 to October 1, 2013
35	November 17, 2013 to December 2, 2013

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All layoffs are expected to be completed by December 2, 2013. All employees subject to the layoffs have been notified of their separation dates.

There is no union representing any of the employees affected by the mass layoff.

For further information regarding this matter, please contact Laura Anger, Executive Vice President of Human Resources, Flagstar Bank, 5151 Corporate Drive, Troy, MI 48098 ((248) 312-6280).

Sincerely,

A handwritten signature in cursive script that reads "Laura Anger". The signature is written in black ink and is positioned above the typed name.

Laura Anger

Enclosure

Affected Job Classifications	Number of Employees Per Classification
Project Manager 1	1
Loan Administration Manager	11
Loan Administration Processor	43
Loan Administration Team Lead	28
Sr Loan Administration Assistant	35
Loan Administration Asst Manager	3
Training Instructor 1	5
Quality Control Audit Assistant	3
Loan Administration Analyst	81
Loan Administration Assistant	47
Loan Administration Specialist	11
Loan Administration Associate	14
Sr Risk Analyst	1
Collector 3	4
Collector 1	2
Administrative Assistant	2
Loan Administration Sr Manager	1
Business Analyst 3	3
Business Analyst 2	1
Training Instructor 2	2
Business Procedure Writer	1