

MATLIN DAVID J
 Form 4/A
 December 23, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MATLIN DAVID J

(Last) (First) (Middle)

**C/O MP (THRIFT) GLOBAL
 ADVISERS III LLC, 520
 MADISON AVENUE**

(Street)

NEW YORK, NY 10022-4213

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

FLAGSTAR BANCORP INC [FBC]

3. Date of Earliest Transaction
 (Month/Day/Year)

12/22/2010

4. If Amendment, Date Original Filed(Month/Day/Year)
11/03/2010

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
Common Stock	11/02/2010		P	72,307,263 A	\$ 1 356,003,524	I	See footnotes (1) (2) (3) (4) (5)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
See Footnote (6)	(7)	12/23/2010		C	8,884,637 (8)	(9)	(10)	Common Stock	177,692,7

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

MATLIN DAVID J
C/O MP (THRIFT) GLOBAL ADVISERS III LLC
520 MADISON AVENUE
NEW YORK, NY 10022-4213

X

Signatures

/s/ Robert H. Weiss,
Attorney-in-Fact

12/23/2010

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) On November 2, 2010, MP Thrift Investments L.P. ("MP Thrift") purchased 72,307,263 shares of Common Stock of Flagstar Bancorp, Inc. (the "Issuer") and, on the same date, MP Thrift purchased 8,884,637 shares of Mandatorily Convertible Non-Cumulative Perpetual Preferred Stock, Series D ("Convertible Preferred Stock"), both in registered public offerings.

(2) MPGOP III Thrift AV-I L.P. ("MPGOP"), a Delaware limited partnership and MPGOP (Cayman) III Thrift AV-I L.P., a Cayman Islands exempted limited partnership ("MPGOP Cayman", and together with MPGOP, the "New Fund") together hold 100% of the membership interests in MP Thrift. MPGOP has a 77.05% interest in MP Thrift and MPGOP Cayman has a 22.95% interest in MP Thrift. MP (Thrift) Global Partners III LLC ("MP LLC") is a limited liability company organized under the laws of Delaware. The principal business of MP LLC is to serve as general partner of each of MPGOP, MPGOP Cayman, MP Thrift, MP (Thrift) Global Opportunities Partners (Special) III LP ("MPGOPS"), and MP (Thrift) Global Opportunities Investments III LP ("MPGOI"). MP (Thrift) Asset Management LLC ("MPAM") is a limited liability company organized under the laws of Delaware. MPAM is the managing member of MP LLC. MP (Thrift) LLC ("MPT") is a limited liability company organized under the laws of Delaware.

(3) (continued from footnote 2) MPT is the managing member of MPAM. MPGOPS is a limited partnership organized under the laws of Delaware. MPGOPS is the holder of a 100% limited partnership interest in MPGOI. MPGOI is a limited partnership organized under the laws of Delaware. MPGOI is the holder of a 1% limited partnership interest in the New Fund. Along with MPT, MPAM, MP LLC, and MPGOPS, MPGOI comprises the Associates Fund.

(4) David J. Matlin and Mark R. Patterson are each a 50% managing member of MPT. David J. Matlin's principal occupation is acting as Chief Executive Officer of MatlinPatterson Global Advisers LLC ("Matlin Advisers") and Mark R. Patterson's principal occupation is acting as Chairman of Matlin Advisers. Matlin Advisers is a limited liability company organized under the laws of Delaware. The

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principal business of Matlin Advisers is to serve as investment adviser to the various funds. Matlin Advisers also serves as investment adviser to the New Fund. David J. Matlin and Mark R. Patterson are both citizens of the United States of America. David J. Matlin may be deemed to have shared voting and investment control (together with Mark R. Patterson) over the shares of the Issuer held by MP LLC. He also has an indirect pecuniary interest in the New Fund.

- (5) David J. Matlin's exact pecuniary interest therein is not readily determinable because it is subject to several variables, including without limitation, the internal rates of return of the various funds overall and with respect to their indirect investment in the Issuer. He disclaims beneficial ownership of any of the reported securities except to the extent of his pecuniary interest therein.
- (6) Mandatorily Convertible Non-Cumulative Perpetual Preferred Stock, Series D.
- (7) Each share of Convertible Preferred Stock is convertible into 20 Shares of the Issuer's Common Stock for each share of the Convertible Preferred Stock, plus cash in lieu of fractional shares.
- (8) The Issuer held a special meeting of stockholders on December 21, 2010. At the special meeting, stockholders approved the proposal to increase the number of shares of Common Stock issuable by the Issuer from 300,000,000 to 700,000,000. As a result of the stockholder approval, each share of the Issuer's Convertible Preferred Stock outstanding automatically converted into 20 shares of Common Stock as of the close of business on December 22, 2010. After the conversion, the Issuer had approximately 553,270,960 shares of Common Stock outstanding, and MP Thrift was the direct owner of 356,003,524 shares of Common Stock, and the Reporting Persons beneficially owned 64.3% of the Common Stock then outstanding.
- (9) The Convertible Preferred Stock of the Issuer was not convertible until the receipt of approval of such conversion by the stockholders of the Issuer necessary to amend the Certificate of Incorporation to increase the number of authorized shares of Common Stock, and upon receipt of the stockholder approval, the shares of Convertible Preferred Stock would automatically convert into shares of Common Stock of the Issuer. Such stockholder approval was received on December 21, 2010.
- (10) The Mandatorily Convertible Non-Cumulative Perpetual Preferred Stock, Series D has no expiration date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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