

FLAGSTAR BANCORP INC  
Form 4  
October 30, 2009

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
MP Thrift Investments L.P.

2. Issuer Name and Ticker or Trading Symbol  
FLAGSTAR BANCORP INC [FBC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
CORPORATION SERVICE COMPANY, 2711 CENTERVILLE ROAD, SUITE 400

3. Date of Earliest Transaction (Month/Day/Year)  
05/26/2009

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

(Street)  
WILMINGTON, DE 19808

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**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)
				(A) or (D)	Price		
				Code	V	Amount	
Common Stock	05/26/2009		C(1)	312,000,000	A	(\$)	375,000,000 D (2) (3)
Common Stock	05/26/2009		C(1)	31,250,000	A	(\$)	375,000,000 D (2) (3)
Common Stock	05/26/2009		C(1)	31,250,000	A	(\$)	375,000,000 D (2) (3)

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

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SEC 1474 (9-02)

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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 of Number of Shares
Convertible Participating Voting Preferred Stock Series B	(1)	05/26/2009		C	250,000	(1) (1)	(1) (1)	Common Stock	312,500 (1)
Convertible Participating Voting Preferred Stock Series B	(1)	05/26/2009		C	25,000	(1) (1)	(1) (1)	Common Stock	31,250 (1)
Convertible Participating Voting Preferred Stock Series B	(1)	05/26/2009		C	25,000	(1) (1)	(1) (1)	Common Stock	31,250 (1)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MP Thrift Investments L.P. CORPORATION SERVICE COMPANY 2711 CENTERVILLE ROAD, SUITE 400 WILMINGTON, DE 19808		X		

## Signatures

/s/ Robert H. Weiss, General Counsel  
10/30/2009

\_\_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).

On May 26, 2009, the stockholders of Flagstar Bancorp, Inc. (the "Issuer") approved the conversion of the Issuer's Convertible Participating Voting Preferred Stock Series B ("Series B Preferred Stock") into common stock of the Issuer ("Common Stock"). Upon such approval, the 250,000 shares of Series B Preferred Stock acquired by MP Thrift Investments L.P. ("MP Thrift") on January 30, 2009, (1) the 25,000 shares of Series B Preferred Stock acquired MP Thrift on February 17, 2009, and the 25,000 shares of Series B Preferred Stock acquired by MP Thrift on February 27, 2009, automatically converted into an aggregate of 375,000,000 shares of Common Stock. Each share of Series B Preferred Stock was convertible into such number of shares of Common Stock equal to the \$1,000 divided by the applicable conversion price of \$0.80 per share.

MP Thrift was the direct owner of 300,000 shares of Series B Preferred Stock and became direct owner of the 375,000,000 shares of Common Stock upon conversion. MP Thrift is a limited partnership organized under the laws of Delaware formed for the purpose of making an investment in the Issuer. MPGOP III Thrift AV-I L.P. ("MPGOP") is a Delaware limited partnership and MPGOP (Cayman) III Thrift AV-I L.P. ("MPGOP Cayman") is a Cayman Islands exempted limited partnership (together, the "New Fund"), holding 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. (2)

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 (3) MP LLC. MP (Thrift) LLC ("MPT") is a limited liability company organized under the laws of Delaware. 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.

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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