

Market Commentary

Treasury two-year note yields fell to the lowest level this year on concern the rally in risk assets has outpaced growth prospects and as Federal Reserve officials signaled interest rates will stay low.

Economic Calendar: Week of November 16, 2009

	November 16	November 17	November 18	November 19	November 20
			<i>Bank Reserve Settlement</i>	<i>Weekly & 52-Wk Bill Settlement</i>	<i>Charles Plosser Speaks</i>
<u>7:00 ET</u>		ICSC-Goldman Store Sales (7:45)	MBA Purchase Applications		
<u>8:00 ET</u>	Retail Sales (8:30) Empire State Mfg Survey (8:30)	Producer Price Index (8:30) Redbook (8:55)	Consumer Price Index & Housing Starts (8:30)	Jobless Claims (8:30)	
<u>9:00 ET</u>		Treasure Int'l Capital Industrial Production (9:15)			
<u>10:00 ET</u>	Business Inventories: Jeffrey Lacker Speaks	EIA Petroleum Status Report (10:30)	EIA Natural Gas Report (10:30)	Leading Indicators Philadelphia Fed Survey	
<u>11:00 ET</u>	4-Wk Bill Annnc 3 & 6-Mo Bill Auction (11:30)	4 & 52-Wk Bill Auction (11:30)		3 & 6-Mo Bill Annnc 2, 5 & 7-Yr Note Annnc	
<u>12:00 ET</u>	Ben Bernanke Speaks				
<u>1:00 ET</u>		Housing Market Index			
<u>4:00 ET</u>				Fed Balance Sheet (4:30) Money Supply (4:30)	

Market Indicators

1 Yr LIBOR Index	1.034%
10 yr Treasury Note	3.330%
CMT	0.290%
FNMA 4.5 Dec	101.781
FNMA 30 yr Rate	4.517%

Average Prime Offer Rates (Fixed)
<http://www.ffiec.gov/ratespread/YieldTableFixed.CSV>

Average Prime Offer Rates (ARMs)
<http://www.ffiec.gov/ratespread/YieldTableAdjustable.CSV>

Now available
GNII rates on FJ30!
 See page 4

Aggressive pricing on the
5/1 LIBOR ARM!
 See page 3

Find the right product and price for your borrower quickly and easily!

Visit our online Pricing Wizard

at www.reunionwholesale.com

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Lock Desk Information

- Lock Desk hours are 8:30 am - 4:00 pm PDT. All requests must be submitted by 4:00 pm PDT.
- Lock online with Reunion Direct at www.reunionwholesale.com
- Extension and Re-Lock Requests: lockdesk@reunionmortgage.com

Lock Information

Lock Terms	Price	Expiration	Advance Lock Delivery Expiration
20-days (Purchase & Refi)	-	December 9, 2009	November 25, 2009
25-days (Purchase & Refi)	0.075	December 14, 2009	November 25, 2009
30-days (Purchase & Refi)	0.150	December 21, 2009	November 30, 2009
35-days (Purchase only)	0.225	December 24, 2009	November 30, 2009
40-days (Purchase only)	0.300	December 29, 2009	November 30, 2009
45-days (Purchase only)	0.375	January 4, 2010	November 30, 2009

Lock Extensions

Lock extensions are based on Partner tiers. For eligibility and pricing please refer to the Broker Lock Policy at:
<http://www.reunionmortgage.com/pdfs/Broker%20Lock%20Policy.pdf>

Partner Benefits Adjustments

Preferred Partners:	0.125 improvement of price (applied at the time of lock)
Future Partners:	0.125 increase on cost (applied at the time of lock)

Complete File Turn Times

	Preferred Partner	True Partner	Other
Purchase	6	8	8
Refi	6	9	9
FHA	6	9	9
Conditions	1	1	1
Docs		24	hours
Quality Control		24	hours
Funding		48	hours

Branch Contact Information

Submissions
newloan@reunionmortgage.com
 866.923.3327 Fax

Conditions
milpitasuw@reunionmortgage.com
 408.941.8322 Fax

Closing
milpitasclosing@reunionmortgage.com
 408.941.8321 Fax

- Turn times are based on business days.
- Underwriting turn times begin upon the receipt of a complete file before 3:00 PM.
- Preferred Partner files are always first in Underwriting and Condition review.

Questions? Call your Account Executive or local branch at 408.941.8333

Conforming ARM Programs

7/1L		5/1L		3/1L	
4.625	-1.875	4.125	-1.699	4.250	-1.816
4.500	-1.460	4.000	-1.530	4.125	-1.673
4.375	-1.052	3.875	-1.400	4.000	-1.416
4.250	-0.822	3.750	-1.300	3.875	-1.283
4.125	-0.409	3.625	-1.304	3.750	-1.048
4.000	0.005	3.500	-1.035		
3.875	0.240				
C71L		C51L		C31L	

5/1L High Balance	
4.375	-0.843
4.250	-0.704
4.125	-0.564
4.000	-0.393
3.875	-0.269
3.750	-0.096
CJ51L	

- All base pricing assumes a 20-day lock
- Maximum Rebate after adjustments is -3.000

ARM Information		
Product	Margin	Caps
C71L	2.250	5/2/5
C51L	2.250	5/2/5
C31L	2.250	2/2/6
CJ51L	2.250	5/2/5
See Index Values on pg.1		

Conforming ARM Price Adjustments	LTV ≤ 60	60.01-65	65.01-70	70.01-75	75.01-80	80.01-85	85.01-90	90.01-95
Small Loans < \$100,000	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
FICO Adjustments								
FICO Score ≥ 740	-0.250	0.000	0.000	0.000	0.000	0.000	0.000	0.250
FICO Score 720 - 739	-0.250	0.000	0.000	0.000	0.250	0.000	0.000	0.250
FICO Score 700 - 719	-0.250	0.500	0.500	0.500	0.750	0.500	0.500	0.750
FICO Score 680 - 699	0.000	0.500	0.500	1.000	1.500	1.000	0.750	1.000
FICO Score 660 - 679	0.000	1.000	1.000	2.000	2.500	N/A	N/A	N/A
FICO Score 640 - 659	0.500	1.250	1.250	2.500	3.000	N/A	N/A	N/A
FICO Score 620 - 639	0.500	1.500	1.500	3.000	3.000	N/A	N/A	N/A
Cash-Out Refinance								
FICO Score ≥ 740	0.000	0.250	0.250	0.250	0.500	N/A	N/A	N/A
FICO Score 700 - 739	0.000	0.625	0.625	0.625	0.750	N/A	N/A	N/A
FICO Score 680 - 699	0.000	0.750	0.750	0.750	1.375	N/A	N/A	N/A
FICO Score 660 - 679	0.250	0.750	0.750	0.750	N/A	N/A	N/A	N/A
FICO Score 620 - 659	0.250	1.250	1.250	N/A	N/A	N/A	N/A	N/A
Non-Owner	1.750	1.750	1.750	1.750	3.000	N/A	N/A	N/A
2 Units	1.000	1.000	1.000	1.000	1.000	N/A	N/A	N/A
3-4 Units	1.000	1.000	1.000	1.000	N/A	N/A	N/A	N/A
Condo	0.000	0.000	0.000	0.000	0.750	0.750	0.750	0.750
Subordinate Financing								
CLTV 75.01 - 90% (FICO <720)	0.000	0.000	0.000	0.000	0.250	0.250	0.250	N/A
CLTV 90.01 - 95% (FICO ≥ 720)	0.000	0.000	0.250	0.250	0.250	0.250	0.250	0.250
CLTV 90.01 - 95% (FICO < 720)	0.000	0.000	0.500	0.500	0.500	0.500	0.500	0.500
Escrow Waiver	0.250	0.250	0.250	0.250	0.250	0.250	0.250	N/A
CJ51L Adjustments (Cumulative with Agency Adj)								
Cash-Out Refinance	1.000	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Jumbo Fixed & ARM Programs

30 Yr		5/1L	
6.500	-0.874	5.625	-0.955
6.375	-0.717	5.500	-0.798
6.250	-0.561	5.375	-0.642
6.125	-0.405	5.250	-0.486
6.000	-0.249	5.125	-0.330
5.875	-0.014	5.000	-0.173
5.750	0.220	4.875	-0.002
5.625	0.517	4.750	0.170
5.500	0.814	4.625	0.373
5.375	1.189	4.500	0.577
5.250	1.564	4.375	0.827
5.125	2.001	4.250	1.077
J30		J51L	

ARM Information		
Product	Margin	Caps
J51L	2.250	5/2/5
See Index Values on pg.1		

Jumbo Fixed & ARM Price Adjustments	
2 Units	0.500
Condo	0.750
Escrow Waiver	0.250

- All base pricing assumes a 20-day lock
- Max rebate after adj: -1.000

FHA Fixed Programs

GN I 30 Yr		GN II 30 Yr		30 Yr High Balance		GN I BuyDown*	
5.000	-1.709	5.250	-2.225	5.500	-2.631	5.000	-1.036
4.500	0.830	5.125	-1.665	5.375	-2.436	4.500	1.665
4.000	4.344	5.000	-1.349	5.250	-2.122	4.000	4.901
		4.875	-0.991	5.125	-0.939		
		4.750	-0.606	5.000	-0.514		
F30		4.625	0.841	4.875	-0.186	F30BD21	
		4.500	1.321	4.750	0.244		
		4.375	1.741	4.625	1.954		
		F30II		FJ30			

GN I 15 Yr	15 Yr High Balance
5.000	-3.069
4.500	-1.811
F15	FJ15

- All base pricing assumes a 20-day lock
- Maximum Rebate after adjustments is -4.000

* Borrower paid buydown not included in base price

FHA ARM Programs

3/1T		3/1T High Balance	
4.500	-1.086	4.500	-0.086
4.375	-0.972	4.375	0.028
4.250	-1.086	4.250	-0.086
4.125	-0.965	4.125	0.035
4.000	-0.906	4.000	0.094
3.875	-0.736	3.875	0.264
F31T		FJ31T	

- All base pricing assumes a 20-day lock
- Maximum Rebate after adjustments is -4.000

ARM Information		
Product	Margin	Caps
F31T	2.000	1/1/5
FJ31T	2.000	1/1/5
See Index Values on pg.1		

FHA Fixed State Adjusters						
State	F30	F30II	FJ30	F30BD21	F15	FJ15
CA	0.000	0.000	0.000	0.000	0.000	0.000
AZ	0.030	0.030	0.030	0.030	0.030	0.030
HI	0.050	0.050	0.050	0.050	-0.060	-0.060
ID	0.050	0.050	0.050	0.050	-0.060	-0.060
MT	-0.090	-0.090	-0.140	-0.090	-0.090	-0.140
NV	-0.140	-0.140	-0.140	-0.140	-0.020	-0.020
OR	0.060	0.060	0.060	0.060	-0.010	-0.010
UT	0.220	0.220	0.220	0.220	0.050	0.050

For additional State Adjusters, visit our website.

FHA Lender ID: 16862-0000-5

FHA Fixed Price Adjustments	
Loan Amt ≤ \$29,999	0.750
\$30,000 to \$49,999	0.625
\$50,000 to \$69,999	0.375
\$70,000 to \$99,999	0.125
FICO Adjustments	
FICO Score ≥ 700 (Not Applicable to FJ30, FJ15)	-0.125
FICO Score 660 - 699	0.000
FICO Score 640 - 659	0.250
Streamline Refinances	0.500

FHA ARM State Adjusters		
State	F31T	FJ31T
CA	0.000	0.000
AZ	0.020	0.020
HI	-0.060	-0.060
ID	-0.060	-0.060
MT	-0.100	-0.150
NV	-0.020	-0.020
OR	-0.020	-0.020
UT	0.040	0.040

For additional State Adjusters, visit our website.

FHA Lender ID:
16862-0000-5

FHA ARM Price Adjustments	
Loan Amt ≤ \$29,999	0.750
\$30,000 to \$49,999	0.625
\$50,000 to \$69,999	0.375
\$70,000 to \$99,999	0.125
FICO Adjustments	
FICO Score ≥ 700 (Not Applicable to FJ31T)	-0.125
FICO Score 660 - 699	0.000
FICO Score 640 - 659	0.250
Streamline Refinances	0.500