

Market Commentary

The difference in yields between 2- and 30-year Treasuries was near the highest on record as the U.S. prepares to sell \$13 billion of bonds amid signs the global recovery is gaining momentum.

Economic Calendar: Week of March 8, 2010

	<u>March 8</u>	<u>March 9</u>	<u>March 10</u>	<u>March 11</u>	<u>March 12</u>
<u>7:00 ET</u>			<i>Bank Reserve Settlement</i>	<i>Weekly & 52-Wk Bill Settlement</i>	
<u>8:00 ET</u>	Kevin Warsh Speaks (8:35)	ICSC-Goldman Store Sales (7:45) Redbook (8:55)	MBA Purchase Applications	Jobless Claims & International Trade (8:30)	Retail Sales (8:30)
<u>9:00 ET</u>		Charles Evans Speaks (9:30)			Consumer Sentiment (9:55)
<u>10:00 ET</u>			Wholesale Trade EIA Petroleum Status Rep (10:30)	Quarterly Services EIA Natural Gas Report (10:30)	Business Inventories
<u>11:00 ET</u>	4-Wk Bill Annc 3 & 6-Mo Bill Auction (11:30)	4 & 52-Wk Bill Auction (11:30)		3 & 6-Mo Bill Annc	
<u>1:00 ET</u>		3-Yr Note Auction	10-Yr Note Auction	30-Yr Bond Auction	
<u>2:00 ET</u>			Treasury Budget		
<u>4:00 ET</u>				Fed Balance Sheet (4:30) Money Supply (4:30)	

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Lock Desk Information

- Lock Desk hours are 10:30 am - 6:00 pm CT. All requests must be submitted by 6:00 pm CT.
- Lock online with Reunion Direct at www.reunionwholesale.com
- Extension and Re-Lock Requests: lockdesk@reunionmortgage.com

Lock Information

Lock Terms	Price	Expiration	Lock Extensions	Price
20-days (Purchase & Refi)	-	March 30, 2010	2-days	0.100
25-days (Purchase & Refi)	0.075	April 5, 2010	5-days	0.150
30-days (Purchase & Refi)	0.150	April 9, 2010	10-days	0.200
35-days (Purchase only)	0.225	April 14, 2010	15-days	0.300
40-days (Purchase only)	0.300	April 19, 2010		
45-days (Purchase only)	0.375	April 26, 2010		
Advance Lock Delivery Expiration:		March 21, 2010		

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)

Market Indicators

1 Yr LIBOR Index	0.858%
10 yr Treasury Note	3.740%
CMT	0.370%
FNMA 4.5 Apr	100.828
FNMA 30 yr Rate	4.659%

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

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

GFE Reminders

"Our origination charge" (Block 1)	Lender Fees: \$695.00 Attorney Doc Review Fees: \$100.00 Add'l Attorney Doc Review Fee for TX 50 (a)(6): \$100.00 Broker Origination Fees
"Your credit or charge" (Block 2)	Base Price + Loan Level Price Adjustments
"Required services that we select" (Block 3)	Flood Cert : \$10.00 Tax Service (conv only): \$80.00

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

Visit our online Pricing Wizard

at www.reunionwholesale.com

Rates subject to change without notice. Information intended for approved Reunion Mortgage brokers only. Not intended to satisfy required public disclosures.

Complete File Turn Times

Purchase	4 days
Refi	7 days
FHA	7 days
Conditions	2 days
Quality Control	48 hours
Docs	24 hours
Funding	48 hours

Preferred Partner files are always first in Underwriting and Condition review.

Branch Contact Information

Submissions
newloan@reunionmortgage.com
 866.923.3327 Fax

Conditions
dallasuw@reunionmortgage.com
 866.393.0592 Fax

Closing
dallasclosing@reunionmortgage.com
 866.393.0590 Fax

• Turn times are based on business days.

• Underwriting turn times begin upon the receipt of a complete file with an acceptable GFE before 3:00 PM.

Questions? Call your Account Executive or local branch at 214.393.0581

Conforming ARM Programs

7/1L		5/1L		3/1L	
4.500	-2.295	4.000	-1.867	4.250	-1.364
4.375	-2.003	3.875	-1.639	4.125	-1.148
4.250	-1.705	3.750	-1.280	4.000	-0.919
4.125	-1.369	3.625	-0.978	3.875	-0.764
4.000	-0.959	3.500	-0.660	3.750	-0.612
3.875	-0.617	3.375	-0.268	3.625	-0.347
3.750	-0.202				
C71L		C51L		C31L	

5/1L High Balance	
4.125	-1.185
4.000	-0.917
3.875	-0.644
3.750	-0.307
3.625	-0.028
3.500	0.335
CJ51L	

- All base pricing assumes a 20-day lock
- Maximum credit 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
Loan Amount ≤ \$99,999	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	1.250	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	
6.375	-0.847	5.500	-1.280
6.250	-0.691	5.375	-1.123
6.125	-0.535	5.250	-0.967
6.000	-0.300	5.125	-0.811
5.875	-0.066	5.000	-0.608
5.750	0.231	4.875	-0.405
5.625	0.528	4.750	-0.155
5.500	0.903	4.625	0.095
J30		J51L	

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

Jumbo Fixed & ARM Price Adjustments	LTV ≤ 60	60.01-65	65.01-70	70.01-75	75.01-80
Loan Amount ≤ \$649,999	0.000	0.000	0.000	0.000	0.250
Cash-Out Refinance	0.000	0.250	0.375	0.375	0.500
2 Units	0.500	0.500	0.500	0.500	0.500
3-4 Units	1.000	1.000	1.000	N/A	N/A
Condo	0.500	0.500	0.500	0.500	0.500
Escrow Waiver	0.250	0.250	0.250	0.250	0.250

- All base pricing assumes a 20-day lock
- Maximum credit after adjustments is -1.000
- Investor Approval required prior to locking

FHA Fixed & ARM Programs

GN I 30 Yr		GN II 30 Yr		30 Yr High Balance		GN I BuyDown*	
5.000	-2.554	5.250	-3.192	5.375	-2.984	5.375	-0.966
4.500	0.398	5.125	-2.782	5.250	-2.504	5.250	-0.661
		5.000	-2.414	5.125	-1.782	5.125	0.986
		4.875	-1.829	5.000	-1.554	5.000	1.311
		4.750	-1.201	4.875	-0.829	4.875	1.625
		4.625	0.053	4.750	-0.227	4.750	2.048
		4.500	0.482	4.625	1.053		
		4.375	1.153	4.500	1.398		
F30		F30II		FJ30		F30BD21	

GN I 15 Yr		15 Yr High Balance		3/1T		3/1T High Balance	
4.875	-3.245	5.000	-2.239	4.500	-2.252	4.500	-1.352
4.750	-3.167	4.875	-2.039	4.375	-1.929	4.375	-1.029
4.625	-2.544	4.750	-1.811	4.250	-2.001	4.250	-1.101
4.500	-2.645	4.625	-1.095	4.125	-1.733	4.125	-0.833
4.375	-1.760	4.500	-1.118	4.000	-1.660	4.000	-0.760
4.250	-1.340	4.375	-0.311	3.875	-1.322	3.875	-0.422
		4.250	0.110				
F15		FJ15		F31T		FJ31T	

- All base pricing assumes a 20-day lock
- Maximum credit after adjustments is -3.000
- * Borrower paid buydown included in base price

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 & ARM State Adjusters								
State	F30	F30II	FJ30	F30BD21	F15	FJ15	F31T	FJ31T
TX	-0.430	-0.430	-0.430	-0.430	-0.350	-0.350	-0.250	-0.300
CO	-0.130	-0.130	-0.130	-0.130	0.000	0.000	0.000	0.000
MO	-0.270	-0.270	-0.270	-0.270	-0.100	-0.100	-0.100	-0.150
OK	-0.270	-0.270	-0.270	-0.270	-0.200	-0.200	-0.070	-0.120
For additional State Adjusters, visit our website								

FHA Lender ID: 16862-0000-5

FHA Fixed & ARM Price Adjustments	
Loan Amount Adjustments	
≤ \$49,999	1.000
\$50,000 to \$99,999	0.400
\$100,000 to \$149,999	0.100
\$150,000 to \$349,999	0.000
≥ \$350,000	0.100
FICO Adjustments	
FICO Score ≥ 720 (Not Applicable to FJ30, FJ15, FJ31T)	-0.125
FICO Score 660 - 719	0.000
FICO Score 640 - 659	0.250
Streamline Refinances	0.500

VA Fixed Programs

VA I 30 Yr		VA II 30 Yr	
5.000	-1.898	5.250	-2.737
4.500	1.054	5.125	-2.126
		5.000	-1.758
		4.875	-1.173
		4.750	-0.544
		4.625	0.710
		4.500	1.139
		4.375	1.809
V30		V30II	

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

VA Fixed State Adjusters		
State	V30	V30II
TX	-0.430	-0.430
CO	-0.130	-0.130
MO	-0.270	-0.270
OK	-0.270	-0.270
For additional State Adjusters, visit our website		

VA Lender ID: 901913-00-00

VA Fixed Price Adjustments	
Loan Amount Adjustments	
\$50,000 to \$99,999	0.400
\$100,000 to \$149,999	0.100
\$150,000 to \$349,999	0.000
≥ \$350,000	0.100
FICO Adjustments	
FICO Score ≥ 720	-0.125
FICO Score 660 - 719	0.000
FICO Score 640 - 659	0.250