

Market Commentary

Treasury two-year note yields fell to a month low after the U.S. unemployment rate rose to a 26-year high of 10.2 percent, reinforcing expectations the Federal Reserve will keep rates low for an extended period.

Economic Calendar: Week of November 2, 2009

| | November 2 | November 3 | November 4 | November 5 | November 6 |
|----------|--|---------------------------------|--|--|-----------------------------|
| 7:00 ET | | ICSC-Goldman Store Sales (7:45) | MBA Purchase Applications Challenger Job-Cut Report (7:30) | | |
| 8:00 ET | | Redbook (8:55) | ADP Employment Report (8:15) | Jobless Claims & Productivity and Costs (8:30) | Employment Situation (8:30) |
| 9:00 ET | | | Treasury Refunding Annc 30-Yr Bond Annc | EIA Natural Gas Report (10:30) | Wholesale Trade |
| 10:00 ET | ISM Mfg Index Pending Home Sales Index Daniel Tarullo Speaks (10:30) | Factory Orders | ISM NonMfg Index EIA Petroleum Status Report (10:30) | EIA Natural Gas Report (10:30) | Wholesale Trade |
| 11:00 ET | 4-Wk Bill Annc | | 3-Yr Note Annc 10-Yr Note Annc | 3 & 6-Mo Bill Annc | |
| 1:00 ET | 3 & 6-Mo Bill Auction | 4-Wk Bill Auction | | | |
| 2:00 ET | | | FOMC Meeting Annc (2:15) | | |
| 4:00 ET | | | | Fed Balance Sheet (4:30) | Money Supply (4:30) |

Contents

| | |
|--|--------|
| Conforming Fixed Programs | Page 2 |
| Conforming ARM Programs and Jumbo Fixed & ARM Programs | Page 3 |
| FHA Fixed and ARM Programs | Page 4 |

Lock Desk Information

- Lock Desk hours are 10:30 am - 6:00 pm CDT. All requests must be submitted by 6:00 pm CDT.
- 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) | - | November 25, 2009 | November 11, 2009 |
| 25-days (Purchase & Refi) | 0.075 | November 30, 2009 | November 11, 2009 |
| 30-days (Purchase & Refi) | 0.150 | December 7, 2009 | November 16, 2009 |
| 35-days (Purchase only) | 0.225 | December 10, 2009 | November 16, 2009 |
| 40-days (Purchase only) | 0.300 | December 15, 2009 | November 16, 2009 |
| 45-days (Purchase only) | 0.375 | December 21, 2009 | November 16, 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) |

Market Indicators

| | |
|---------------------|---------|
| 1 Yr LIBOR Index | 1.170% |
| 10 yr Treasury Note | 3.490% |
| CMT | 0.360% |
| FNMA 4.5 Nov | 101.234 |
| FNMA 30 yr Rate | 4.728% |

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

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

| | Preferred Partner | True Partner | Other |
|------------------------|-------------------|--------------|-------|
| Purchase | 9 | 9 | 11 |
| Refi | 10 | 11 | 11 |
| FHA | 10 | 11 | 11 |
| Conditions | 1 | 1 | 1 |
| Quality Control | | 24 | hours |
| Docs | | 24 | hours |
| Funding | | 48 | hours |

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 before 3:00 PM.
- Preferred Partner files are always first in Underwriting and Condition review.

Questions? Call your Account Executive or local branch at 214.393.0581

Conforming Fixed Programs

| 30 Yr | | 30 Yr High Balance | | 30 Yr BuyDown* | |
|------------|--------|--------------------|--------|----------------|--------|
| 5.375 | -3.229 | 6.000 | -2.853 | 5.500 | -3.356 |
| 5.250 | -2.518 | 5.875 | -2.623 | 5.375 | -2.980 |
| 5.125 | -1.704 | 5.750 | -2.366 | 5.250 | -2.338 |
| 5.000 | -1.265 | 5.625 | -2.089 | 5.125 | -1.451 |
| 4.875 | -0.887 | 5.500 | -1.831 | 5.000 | -1.081 |
| 4.750 | -0.068 | 5.375 | -1.480 | 4.875 | -0.606 |
| 4.625 | 0.625 | 5.250 | -0.965 | 4.750 | 0.155 |
| 4.500 | 1.021 | 5.125 | -0.339 | 4.625 | 0.800 |
| 4.375 | 1.458 | 5.000 | 0.306 | 4.500 | 1.254 |
| | | 4.875 | 0.968 | | |
| | | 4.750 | 1.642 | | |
| C30 | | CJ30 | | C30BD21 | |

| 20 Yr | | 15 Yr | | 10 Yr | |
|------------|--------|------------|--------|------------|--------|
| 5.625 | -3.216 | 5.000 | -3.561 | 4.875 | -3.273 |
| 5.500 | -3.022 | 4.875 | -3.253 | 4.750 | -3.023 |
| 5.375 | -2.796 | 4.750 | -2.685 | 4.625 | -2.617 |
| 5.250 | -2.331 | 4.625 | -1.978 | 4.500 | -2.212 |
| 5.125 | -1.844 | 4.500 | -1.638 | 4.375 | -1.738 |
| 5.000 | -1.368 | 4.375 | -1.257 | 4.250 | -0.995 |
| 4.875 | -0.936 | 4.250 | -0.470 | 4.125 | -0.251 |
| 4.750 | -0.328 | 4.125 | 0.499 | 4.000 | 0.502 |
| 4.625 | 0.315 | 4.000 | 0.864 | 3.875 | 1.310 |
| 4.500 | 0.539 | 3.875 | 1.317 | | |
| 4.375 | 1.109 | | | | |
| C20 | | C15 | | C10 | |

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

* Borrower paid buydown not included in base price

| Conforming Fixed State Adjusters | | | | | | |
|----------------------------------|--------|--------|---------|--------|--------|--------|
| State | C30 | CJ30 | C30BD21 | C20 | C15 | C10 |
| TX | -0.180 | -0.250 | -0.180 | -0.180 | -0.200 | -0.200 |
| CO | 0.160 | -0.125 | 0.160 | 0.160 | 0.020 | 0.020 |
| MO | 0.140 | -0.250 | 0.140 | 0.140 | -0.060 | -0.060 |
| OK | 0.330 | -0.125 | 0.330 | 0.330 | -0.050 | -0.050 |
| TN | 0.350 | -0.125 | 0.350 | 0.350 | -0.010 | -0.010 |

For additional State Adjusters, visit our website.

| Conforming Fixed 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 (Not Applicable to C15, C10) | | | | | | | | |
| FICO Score ≥ 740 | -0.250 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| FICO Score 720 - 739 | -0.250 | 0.000 | 0.000 | 0.000 | 0.250 | 0.000 | 0.000 | 0.000 |
| FICO Score 700 - 719 | -0.250 | 0.500 | 0.500 | 0.500 | 0.750 | 0.500 | 0.500 | 0.500 |
| FICO Score 680 - 699 | 0.000 | 0.500 | 0.500 | 1.000 | 1.500 | 1.000 | 0.750 | 0.750 |
| 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 | 3.500 | 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 | N/A | 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 (Not Applicable to C15, C10) | 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 |
| CJ30 Adjustments (Cumulative with Agency Adj) | | | | | | | | |
| Cash-Out Refinance | 1.000 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Conforming ARM Programs

| 7/1L | | 5/1L | | 3/1L | |
|--------------|--------|--------------|--------|--------------|--------|
| 4.625 | -2.428 | 4.125 | -2.431 | 4.250 | -2.412 |
| 4.500 | -2.014 | 4.000 | -2.088 | 4.125 | -2.161 |
| 4.375 | -1.607 | 3.875 | -2.055 | 4.000 | -1.916 |
| 4.250 | -1.375 | 3.750 | -1.910 | 3.875 | -1.799 |
| 4.125 | -0.962 | | | 3.750 | -1.554 |
| 4.000 | -0.548 | | | | |
| 3.875 | -0.311 | | | | |
| C71L | | C51L | | C31L | |

| 5/1L High Balance | |
|-------------------|--------|
| 4.375 | -1.554 |
| 4.250 | -1.210 |
| 4.125 | -0.931 |
| 4.000 | -0.636 |

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 | |
|--------------|--------|--------------|--------|
| 6.625 | -1.278 | 5.750 | -1.274 |
| 6.500 | -1.121 | 5.625 | -1.118 |
| 6.375 | -0.965 | 5.500 | -0.962 |
| 6.250 | -0.809 | 5.375 | -0.805 |
| 6.125 | -0.575 | 5.250 | -0.649 |
| 6.000 | -0.340 | 5.125 | -0.477 |
| 5.875 | -0.059 | 5.000 | -0.305 |
| 5.750 | 0.222 | 4.875 | -0.102 |
| 5.625 | 0.597 | 4.750 | 0.101 |
| 5.500 | 0.972 | 4.625 | 0.351 |
| 5.375 | 1.394 | 4.500 | 0.601 |
| 5.250 | 1.816 | 4.375 | 0.913 |
| 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* | |
|------------|--------|--------------|--------|--------------------|--------|----------------|--------|
| 5.500 | -3.724 | 5.375 | -3.165 | 5.500 | -2.149 | 5.500 | -3.399 |
| 5.000 | -1.383 | 5.250 | -2.842 | 5.375 | -1.978 | 5.000 | -0.889 |
| 4.500 | 1.252 | 5.125 | -1.335 | 5.250 | -1.633 | 4.500 | 2.042 |
| | | 5.000 | -1.139 | 5.125 | -0.443 | | |
| | | 4.875 | -0.504 | 5.000 | 0.019 | | |
| F30 | | 4.750 | -0.083 | 4.875 | 0.380 | F30BD21 | |
| | | 4.625 | 1.388 | 4.750 | 0.837 | | |
| | | 4.500 | 1.729 | 4.625 | 2.549 | | |
| | | F30II | | FJ30 | | | |

| GN I 15 Yr | 15 Yr High Balance |
|------------|--------------------|
| 5.000 | -3.161 |
| 4.500 | -1.611 |
| 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 | -1.363 |
| 4.375 | -1.113 |
| 4.250 | -0.783 |
| 4.125 | -0.605 |
| 4.000 | -0.426 |
| 3.875 | -0.163 |
| 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 |
| TX | -0.360 | -0.360 | -0.410 | -0.360 | -0.240 | -0.290 |
| CO | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| MO | -0.090 | -0.090 | -0.140 | -0.090 | -0.090 | -0.140 |
| OK | -0.140 | -0.140 | -0.190 | -0.140 | -0.060 | -0.110 |
| TN | -0.110 | -0.110 | -0.160 | -0.110 | -0.020 | -0.070 |

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 |
| TX | -0.250 | -0.300 |
| CO | 0.000 | 0.000 |
| MO | -0.100 | -0.150 |
| OK | -0.070 | -0.120 |
| TN | -0.030 | -0.080 |

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 FJ31) | -0.125 |
| FICO Score 660 - 699 | 0.000 |
| FICO Score 640 - 659 | 0.250 |
| Streamline Refinances | 0.500 |