

Junior Lien Guidelines

BLUE



September 16, 2024

Higher Loan Balances, Higher CLTVs, Investor Properties, and Bank Statement income options

Contact us at lending@buttonfinance.com to get started or select Blue program in our price lock portal:

<https://modelportal.buttonfinance.com/>

\$100k to \$350k Loan Balance

FICO	Max CLTV					
	Primary Residence		Second Home		Investor Property	
	Full Doc	Bank Statement	Full Doc	Bank Statement	Full Doc	Bank Statement
660-679	80%	70%	70%	60%	70%	60%
680-699	85%	75%	75%	65%	75%	65%
700-719	90%	80%	80%	70%	80%	70%
720-739	90%	85%	80%	75%	80%	75%
740+	90%	85%	80%	75%	80%	75%

\$351k to \$500k Loan Balance

FICO	Max CLTV					
	Primary Residence		Second Home		Investor Property	
	Full Doc	Bank Statement	Full Doc	Bank Statement	Full Doc	Bank Statement
660-679	70%	60%	60%	50%	60%	50%
680-699	75%	65%	65%	55%	65%	55%
700-719	80%	70%	70%	60%	70%	60%
720-739	80%	75%	70%	65%	70%	65%
740+	80%	75%	70%	65%	75%	65%

Maximum CLTV for Piggyback loans is based off first Lien Terms and Conditions

Property type Considerations	Max 70 CLTV for Condo - Warrantable and 2-4 unit properties Max 65 CLTV for Condotel
Appraisal Requirements	Loans will most likely require full appraisals due to HPML considerations
Mortgage History	Minimum 12 months housing history required. No mortgage lates for any borrower over the last 12 months.
States	AL, AZ, CA, CO, DC, FL, GA, IA, IL, KS, MD, MI, NC, NE, NJ, OR, PA, SC, TN, TX, UT, WA, WY Texas - Minimum \$200k loan balance at application
Products	Closed End Seconds. HELOCs not available at this time
Seasoning	> 6 month seasoning
DTI	Max 50 DTI
Channel	Broker only, no correspondent
Ineligible Properties	Rural properties - 2nd home and investment Agricultural or Commercially zoned >10 acres
Ineligible Borrowers	No Wells Fargo employees without an exception

Bank Statement Loans Documentation Requirements

Bank Statement Documentation

- At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership)
- Asset Depletion allowed with Bank Statement documentation

Combined Personal & Business - Bank Statement

- Standard expense factors apply: 50% expense factor
 - Minimum expense factor with 3rd party prepared P&L or letter is 20%
 - If business operates < standard expense factor, P&L or expense letter from CPA, EA, CTEC NEEDED

Separated Personal & Business - Bank Statement

- Personal used to qualify, 2 months business to show business cash flows in order to utilize 100% of business related deposits in personal account