

Underwriting Guidelines Overview

BLUE PROGRAM

February 15, 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

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 AZ, CA, CO, DC, FL, IL, MI, NJ, SC, TN, TX, UT, WA
Texas 50a6 to be rolled out soon

Products Closed End Seconds. HELOCs not available at this time

Seasoning > 6 month seasoning

DTI Max 50 DTI

Channel Broker only, no correspondent

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