newrez WHOLESALE

Closed-end seconds are now available in Tennessee

Help your Tennessee borrowers tap their equity while keeping their first mortgage right where it is.

One licensing quirk to plan for

Tennessee sets a rate threshold for these loans. If the note rate goes above it, the loan has to be made under a different license, and **that license only allows a 15-year term.**

	At or below		Above
Primary residence or second home Measured against APOR	Standard term options	APOR + 4% threshold	Term moves to 15 years
Investment property Measured against Prime	Standard term options	Prime + 4% threshold	Term moves to 15 years

The threshold moves

APOR and Prime change over time, so a loan that clears the test today can cross it later, even at closing.

If it triggers, we adjust

We'll move the term to 15 years and handle the compliance check on our end each time it comes up.

Talk terms early

If a rate sits close to the line, let your borrower know a 15-year term is a possibility from the start.

More states to come. Stay tuned.

Questions about a Tennessee second?
Reach out to your Newrez Wholesale Account Executive.

EQUAL HOUSING OPPORTUNITY

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