

# Navigate your home-buying experience with confidence.

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Access what you need to know about your first mortgage, from applying to closing.



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Borrower must satisfy pre-approval conditions outlined in commitment letter. Final loan approval and amount are subject to verification of loan data, property appraisal and underwriting conditions.

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EQUAL HOUSING  
LENDER

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# Getting started

Buying your first home can seem complicated. That's why our guide helps you understand every step of the process, from budgeting to closing on your first mortgage. We'll help you prepare for what to expect so you can focus on the excitement of buying your first home.



## **Keep an eye out for this icon:**

Click it to get more information on our website.

We've got tools and technology to help you take the next step toward your new home at [pnc.com/homeinsight](https://pnc.com/homeinsight).

- Generate home affordability scenarios and search for homes within your budget.
- Start your preliminary pre-approval online to find out what you may be qualified to borrow.
- Once you've found a home, start your application online.
- Upload documents and track your status through closing.

# Getting **started**

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## **OWNING A HOME PAYS OFF**

Home ownership means more responsibilities, but also potential benefits for your family and your finances.

### **For example:**

- Your home **may appreciate in value**.
- You can **build equity** to use for home improvement loans, education and other unexpected expenses.
- **Your home is your own** – you can do what you like with it to reflect your lifestyle.
- You may **save money at tax time** by deducting mortgage interest and property taxes.<sup>1</sup>

<sup>1</sup> Consult a tax advisor regarding the deductibility of interest.

# The mortgage **process**

## KNOW WHAT YOU CAN AFFORD

To help you get started, keep these basics in mind:

- Your home price generally should be no more than 2.5 to 3 times your annual income.
- Monthly debts usually should not be more than 36% of your gross monthly income.
- You can calculate your monthly housing budget by taking your total income, then subtracting:
  - » Fixed expenses (car payment)
  - » Variable expenses (credit cards or utilities)
  - » Monthly savings

The result is the money you could have available to budget for housing.

Gain further visibility into your finances with [PNC Home Insight® Planner](#). Determine the mortgage payment that you can truly afford based on your unique budget and lifestyle. Then use Planner to view homes within your price range.



**TRY HOME INSIGHT PLANNER**

# The mortgage process

## A CONVENIENT FIRST STEP

A preliminary pre-approval is a great way to learn what you may qualify for and can assist you in the pre-approval process. With our online portal, you can start your preliminary pre-approval from the comfort of your own home.



[GET STARTED](#)

## The perks of a PNC pre-approval<sup>1</sup>

- Confidence: Know you can rely on a firm lending commitment.
- Reliability: Show sellers and agents that you're a serious buyer.
- Speed: Streamline your home search by looking at homes in your price range.
- Predictability: Budget around your estimated monthly payments.



[LEARN MORE](#)

<sup>1</sup> Borrower must satisfy pre-approval conditions outlined in the commitment letter. Final loan approval and amount are subject to verification of loan data, property appraisal and underwriting conditions.

# The mortgage process

## SHOP FOR A HOME

If you're pre-approved, it's time to contact a real estate agent who can show you homes in your price range.

You can also search for homes within your budget with [PNC Home Insight Planner](#). Then, save the homes you would like to view later or share with your family, friends or real estate agent.

 [TRY HOME INSIGHT PLANNER](#)

## CONSIDER MORTGAGE OPTIONS

We provide mortgages to fit your situation, including:

- **Fixed-Rate Mortgage:** interest rate never changes
- **Adjustable-Rate Mortgage (ARM)<sup>1</sup>:** lower starting rate that may increase or decrease over time
  - » PNC ARMs have rate adjustment caps

 [WHICH IS BETTER: FIXED OR ADJUSTABLE?](#)

- **FHA Loans** for expanded eligibility and low down payments
- **Veterans Affairs Mortgages** for U.S. military service members
- **Affordable lending products** that offer low down payment options<sup>2</sup>

 [WHICH LOAN IS RIGHT FOR ME?](#)

<sup>1</sup> For Adjustable Rate Mortgage loans (ARMs), rates may increase after settlement.

<sup>2</sup> A PNC Mortgage Loan Officer can help determine your eligibility for this offer. To qualify, borrower's household income must be at or below 80% of the median household income for the metropolitan area (MSA) or the financed property must be located in a low- or moderate-income census tract as designated by the FFIEC.

# The mortgage **process**

## KNOW THE COSTS

There are three main costs you'll need to consider and prepare for:

- Your **down payment** – generally 3% or more of the sale price.



[HOW MUCH SHOULD I PUT DOWN FOR A NEW HOME?](#)

- Your **monthly payment and interest rate** – knowing current rates will help you more accurately estimate your future monthly payments.



[WHAT ARE THE CURRENT RATES?](#)

- **Closing costs** – these include a variety of fees and other expenses.



[WHAT WILL MY CLOSING COSTS BE?](#)

Use the calculators above as a starting point to determine potential costs. Then, when you start your application online with PNC, you'll be able to view your rate, estimated monthly payments and closing costs before you commit to completing the application.



[GET STARTED](#)



# The mortgage **process**

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Other costs to consider include:

- Taxes and insurance
- Utilities
- Repairs and maintenance
- Homeowner association dues or assessments

While these costs will vary from home to home, you'll want to know what they are before making a final offer.

Don't forget, [Home Insight Planner](#) can help you adjust categorized expenses to find an affordable home payment that fits your needs.

# The mortgage **process**

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## **START YOUR APPLICATION ONLINE**

Once you've found a home and your offer is accepted, you can begin your application online.

When you start your application online with PNC, you can:

- View rates, estimated closing costs and monthly payments upfront.
- Save your application and resume where you left off.
- Save time and paper by electronically verifying your income, assets and employment.
- Electronically review and sign disclosures.
- Upload documents and track your status through closing.

You'll be connected with a PNC Mortgage Loan Officer who can help answer your questions and assist you at any time during your home-buying journey.

 [GET STARTED](#)

# The mortgage **process**

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## **HOME INSPECTION, APPRAISAL AND TITLE SEARCH**

Once the seller accepts your offer, you may want to hire a certified home inspector who can verify there are no structural problems, code violations or other potential concerns.

In addition, the lender will order a third-party appraisal to determine what the home is worth. Prior to closing, the lender or seller will also order a title search to:

- Discover any other claims on the property.
- Make sure you can get a clear title to your new home.

# The mortgage **process**

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## **CLOSE THE SALE**

At last – you’re ready to finalize the sale!

During the closing, you’ll meet with all parties involved in the sale to make it official by signing documents and paying your closing costs, which may include:

- Attorney, credit report and/or processing fees
- Title search and insurance
- Appraisal and inspection fees
- Discount Points – A fee paid to the lender to obtain a lower interest rate
  - » Each point typically represents 1% of the loan amount
- Other costs, depending on your particular loan

# Affordable lending

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## **SPECIAL MORTGAGE OPTIONS FOR UNIQUE LENDING SITUATIONS**

If you've always wanted to buy your own home, but were unsure if you could qualify for a mortgage, PNC has programs that can help.

Speaking to a PNC Mortgage Loan Officer can help you understand your best options among several special loan programs that feature:

- Low- to moderate-income lending guidelines
- Limited down payment requirements
- Flexibility for those with a less-than-ideal credit history
- Down payment assistance

# Affordable lending

## PNC COMMUNITY MORTGAGE

Our PNC Community Mortgage<sup>1</sup> is designed to make home ownership easier and more affordable. This program is exclusive to PNC and features:

- **Low, flexible down payments** – You can buy a home with as little as 3% down, and only \$500 of the down payment must be your own cash. The rest can come from family members or through down payment assistance programs from local governments or nonprofit organizations.
- **Lower monthly payments** – When making a down payment of less than 20%, private mortgage insurance (PMI) is a common requirement. But, because a PNC Community Mortgage does not require PMI, you avoid this added expense.

<sup>1</sup> PNC Community Mortgage is offered to borrowers who are financing a property located in a low- to moderate-income census tract or whose household income is 80% or less than the median household income for the Metropolitan Statistical Area (MSA). Consult a PNC Mortgage Loan Officer to determine eligibility and get full details.

# Affordable Lending

## GOVERNMENT LOAN OPTIONS

PNC participates in several federal loan programs that can help make buying a home a reality:

- Federal Housing Administration (FHA) loans:
  - » Feature a low down payment
  - » Offer more flexible qualification criteria than conventional loans
- Veterans Affairs (VA) loans:
  - » Available to veterans, active-duty service personnel, reservists, National Guard members and their spouses
  - » Guaranteed by the U.S. Department of Veterans Affairs
  - » Low or even NO down payment required

## PNC HOMEOWNERSHIP GRANT

**You may qualify for a grant from PNC,<sup>1</sup>** which you can use toward closing costs or to help fund an escrow account to cover property taxes, insurance or other expenses that may need to be prepaid. Unlike a loan, a grant never needs to be paid back.

<sup>1</sup> A PNC grant is available in select markets only.

# Affordable **lending**

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## **PRIVATE MORTGAGE INSURANCE (PMI) OPTIONS**

PMI is a special insurance policy that allows borrowers the flexibility to make down payments smaller than 20%. It protects your lender in case of default on the payments. If your mortgage requires PMI, PNC gives you the option to pay the PMI premium in a single lump sum at closing or as part of your monthly mortgage payment.



# Continue your relationship with PNC

## CONGRATULATIONS!

We hope you enjoy your new home. To help you make the most of it and to keep your financial house in order, PNC continues to provide you with ongoing services that include:

- **Establishing an escrow account** for paying property taxes and insurance
- **Producing your annual mortgage statement** for tax purposes
- **Mortgage refinancing** if and when rates go down

In addition, we offer you a variety of products<sup>1</sup> and financial services that may help with your everyday expenses, your future financial plans and other aspects of your life, such as:

- **Checking and savings accounts**
- **Credit cards**
- **Auto loans**
- **Home equity lines of credit**
- **Personal loans and lines of credit**

At PNC, we're always here to help you reach your financial goals and dreams.

Refinancing at a longer repayment term may lower your mortgage payment, but may also increase the total interest paid over the life of the loan. Refinancing at a shorter repayment term may increase your mortgage payment, but may lower the total interest paid over the life of the loan. Contact us to discuss the option that best meets your needs.

<sup>1</sup> Credit is subject to approval.

# Home-buying help is always here

## OUR ONLINE TOOLS HELP MAKE YOUR HOME-BUYING EXPERIENCE EASIER.

[PNC Home Insight](#)<sup>®</sup> includes a variety of tools to help you through the home-buying experience.

Home Insight Planner allows you to determine a mortgage payment you can afford, based on your actual budget and lifestyle. Then shop for homes in your price range.

Once you've found the perfect home, our digital tools allow you to view rates, estimated closing costs and monthly payments. Then you can conveniently start your application online.

[Learn more at pnc.com/homeinsight.](https://pnc.com/homeinsight)

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