

CHOICE HOME EQUITY LINE OF CREDIT (CHELOC)

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PNC Language Resources

Please see [PNC.com/Language](https://www.pnc.com/Language) for additional information on Language Support available.

CHOICE HOME EQUITY LINE OF CREDIT

A Choice Home Equity Line of Credit can be used to renovate your home, refinance your mortgage, or consolidate your debts by using the equity in your home.



Main Features

If you apply and are approved for a PNC CHELOC, the following information will be applicable to your account:

- **Mortgage.** PNC will place a lien (also called a “mortgage”) on your property in the amount of your maximum credit limit. The mortgage document you will sign is an agreement between you and PNC that allows you to borrow money secured by your home. **It gives PNC the right to take your property if you fail to repay the money you have borrowed.**
- **Term.** The term of the CHELOC includes two phases.
 - The first phase is the Draw period, during which you can take advances from the CHELOC up to the amount of your maximum credit limit. You can take advances on the CHELOC by visiting a branch, using the access checks provided, or through other access methods PNC may provide. During the Draw period, as you repay the outstanding principal balance, we will make that credit available to you to continue to use during the Draw period.
 - After the Draw period ends, the CHELOC will enter the second phase, which is the Repayment period. During the Repayment period you are not able to take additional advances.
- **Maximum Credit Limit.** Your account will have a credit limit, which is the maximum amount of credit PNC establishes for you. You can draw on your account up to the maximum credit during the Draw period.
- **Annual Percentage Rate (APR).** An annual percentage rate is a measure of the cost of borrowing money. The APR reflects the daily periodic interest rate, expressed as a yearly rate. The APR on the CHELOC does not include costs other than interest.
- **Variable Rate.** The APR applicable to your CHELOC is variable and is based on the Wall Street Journal Prime Rate plus a margin. The APR can change on a monthly basis, based on changes to the Prime Rate. The rate will never exceed 24% or be less than 2.25%.
- **Fixed Rate Parts.** During the Draw period, you may be able to lock all or a portion of your outstanding principal balance into a Fixed Rate Part in an amount of at least \$5,000, for a term of 5-30 years. Once a Fixed Rate part is established, the APR applicable to that part will no longer vary. You will incur a balance transfer fee each time you establish a Fixed Rate Part.
- **Monthly Billing Statements.** You will receive a monthly billing statement with important information about your account. You should read each statement carefully. It will include your loan balance, the minimum payment due, the date the minimum payment is due and other important information about your account.
- **Monthly Payments.** You will be required to make monthly payments on your CHELOC. The monthly payments will be calculated based on the amount of principal outstanding plus interest that has accrued over the billing cycle. You must make the required monthly payment by the due date on your billing statement to avoid a late payment fee.
- **Rate Discounts.** You may be eligible for a discount on your interest rate if you arrange for your payments to be automatically deducted from an eligible PNC deposit account.
- **Closing Costs.** To open an account, you must pay certain fees to third parties. The fees vary by state and by line size. PNC will pay certain third-party fees for you, if you agree to reimburse us for those fees if you close your account within three years of the date you open it. (Not applicable in Texas)

(continued)

- **Annual Fee.** You will incur an annual fee for each year your account is open during the draw period. (Not applicable in Texas)
- **Other Fees.** PNC may impose other fees if you fail to satisfy the terms of your account, including a late fee if you send your payment after the due date or an overlimit fee if you cause your account to go over the credit limit. Applicable fees are disclosed in your account agreement and account opening disclosures.
- **Right to Cancel.** Federal law requires a 3-day waiting period after account opening before proceeds can be made available to you if the CHELOC is secured by your primary residence. During this time, you have the right to cancel the CHELOC with no obligation.
- PNC may report your payment activity to credit reporting agencies as required by law.

How to Find a HUD-Approved Housing Counselor Who Is Fluent in Your Preferred Language

- You can find a list of HUD-approved Housing Counselors in your area at <http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm>.
- Enter your zip code and select your preferred language from the dropdown menu.
- Or call HUD at 800-569-4287 for help in finding a counselor.

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