



PRESS RELEASE

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FNCB offers tips every homebuyer should know

June is National Homeownership Month

With housing prices and mortgage interest rates at record lows, now is a good time to explore buying a home.

First National Community Bank (FNCB), the largest community bank in Northeastern Pennsylvania, offers a number of mortgage products to fit many borrowers' needs, including fixed rate, adjustable rate, new construction mortgages as well as a first time homebuyer program.

"Buying a home is the single largest investment that most people will make in their lifetime," said Lisa Kinney, Senior Vice President, Retail Lending Officer. "So it is important to take an honest look at your budget first to make sure you are fully prepared to buy a home."

Today, there are more obstacles to getting a mortgage, including higher credit score standards and closer reviews of applications. Preparation is key to navigating today's market. As part of National Homeownership Month, FNCB offers these tips to help households prepare for buying a home.

- **Review your finances.** A thorough analysis of your financial situation is central to the decision to buy. Calculate all of your monthly expenses, in addition to your potential mortgage payment, homeowner's insurance, taxes and condo fees, if applicable. Factor in other obligations like car payments, credit card debt and living expenses. Budget for home maintenance costs as well. Aim to keep the mortgage payment and all other obligations below 40 percent of your monthly income and stay within your budget when considering homes.
- **Check your credit score.** Your credit history is an important factor when applying for a loan. Most lenders rely on the Fair Isaac Corporation (FICO) credit score when reviewing your loan application. The score reflects how well you manage your debt and is calculated using data from your credit report. A lower credit score will result in a higher interest rate on your loan. If your score is too low, you may not be approved for a loan at that time. There are a number of steps you can take to improve your credit score, including paying your bills on time, only opening lines of credit you need and keeping your credit card balances below half of your available credit. To learn more and get information about improving your credit score, visit www.myfico.com.
- **Organize your finances before you go to the bank.** Getting a loan requires verification documentation including, but not limited to, pay stubs, tax returns and financial statements that are less than 60 days old. Provide copies of additional monthly payments such as car loans, credit cards and student loans. You should also bring any additional information you think would assist your banker positively evaluate your financial situation.
- **Factor in closing costs.** Once you have found a home within your budget and agreed on a purchase price, there will be costs associated with closing the sale. These costs can vary and will depend on the purchase price and whether a real estate attorney or title/escrow company will be involved in the transaction. By law, lenders are required to give you a written estimate of closing costs within three days of accepting your loan application.

For more information on FNCB's mortgage loan products, call 1-877-TRY-FNCB, click www.fncb.com or visit one of 21 conveniently located community offices.

ABOUT FNCB

Founded in 1910, FNCB supports its mission: Simply a better bank™ with an endless commitment to the communities we serve. With 21 branches throughout Lackawanna, Luzerne Monroe and Wayne counties, FNCB is the largest community bank in Northeastern Pennsylvania leading the way in personal, small business and commercial banking solutions. For more information, visit www.fncb.com.

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