



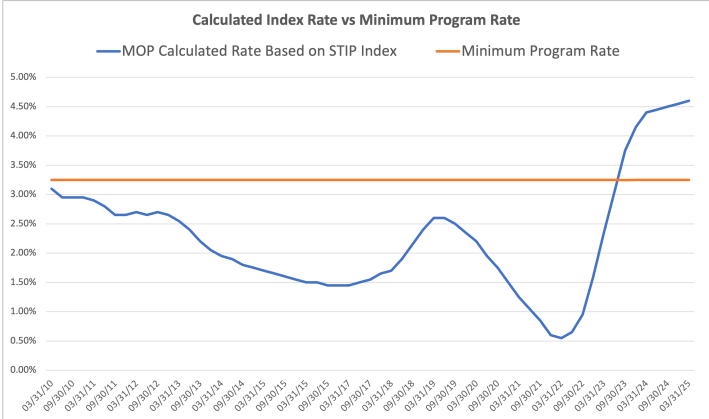
University of California
San Francisco

Office of Faculty and
Academic Affairs

UCSF Home Loan Program Overview

<http://tiny.ucsf.edu/homeloanprograms>

The Mortgage Origination Program

What is the Mortgage Origination Program (MOP)?	Who is eligible?																																																			
The Mortgage Origination Program assists qualifying new faculty in purchasing their first home in the Bay Area by providing a below-market rate mortgage with 10% down.	MOP support can be offered to aid the recruitment of new faculty appointed at the Assistant rank to a Ladder Rank, In Residence, or Clinical X title. Candidates may not currently own nor have owned in the past 12 months a primary residence in the Bay Area. Appointments to Health Sciences Clinical or Adjunct Professor titles are not eligible. Senior titles are possible by dean's exception																																																			
Why is this great?	What's the timing?																																																			
<ul style="list-style-type: none">• \$1.5 million maximum loan amount• 3.25% minimum program rate, variable• 90% Loan-to-Value Ratio (i.e. 10% down)• 48% maximum Combined Debt-Income Ratio• 30-year term• No fees• No prepayment penalties• No mortgage insurance	Eligible recruits may start the process before the eligible appointment is fully approved or effective, and have three years from their appointment date to request participation in the program. Once the department requests a MOP allocation reservation, candidates have one year from that date to use the MOP allocation to buy a home.																																																			
What's the deal with the variable rate?																																																				
Funding for the Program is allocated from the UC Short Term Investment Pool (STIP), and as such the MOP rate is indexed to the STIP return rate. The Standard MOP rate is variable and is calculated quarterly, with a minimum rate of 3.25%. For decades, the effective MOP rate remained at the minimum rate. The current quarter's rate is always published by the Office of Loan Programs . The rate for new loans is applied at loan commitment. The rate for active loans rates is adjusted annually on the anniversary of the loan, and cannot be adjusted up or down by more than 1.0% at any adjustment period, and can never rise to more than 10% over the initial rate.	 <table><caption>Calculated Index Rate vs Minimum Program Rate</caption><tr><th>Date</th><th>MOP Calculated Rate Based on STIP Index</th><th>Minimum Program Rate</th></tr><tr><td>03/13/10</td><td>3.00%</td><td>3.25%</td></tr><tr><td>03/13/11</td><td>2.75%</td><td>3.25%</td></tr><tr><td>03/13/12</td><td>2.50%</td><td>3.25%</td></tr><tr><td>03/13/13</td><td>2.75%</td><td>3.25%</td></tr><tr><td>03/13/14</td><td>2.25%</td><td>3.25%</td></tr><tr><td>03/13/15</td><td>1.75%</td><td>3.25%</td></tr><tr><td>03/13/16</td><td>1.50%</td><td>3.25%</td></tr><tr><td>03/13/17</td><td>1.25%</td><td>3.25%</td></tr><tr><td>03/13/18</td><td>1.50%</td><td>3.25%</td></tr><tr><td>03/13/19</td><td>2.50%</td><td>3.25%</td></tr><tr><td>03/13/20</td><td>2.00%</td><td>3.25%</td></tr><tr><td>03/13/21</td><td>1.00%</td><td>3.25%</td></tr><tr><td>03/13/22</td><td>0.50%</td><td>3.25%</td></tr><tr><td>03/13/23</td><td>1.00%</td><td>3.25%</td></tr><tr><td>03/13/24</td><td>4.00%</td><td>3.25%</td></tr><tr><td>03/13/25</td><td>4.50%</td><td>3.25%</td></tr></table>	Date	MOP Calculated Rate Based on STIP Index	Minimum Program Rate	03/13/10	3.00%	3.25%	03/13/11	2.75%	3.25%	03/13/12	2.50%	3.25%	03/13/13	2.75%	3.25%	03/13/14	2.25%	3.25%	03/13/15	1.75%	3.25%	03/13/16	1.50%	3.25%	03/13/17	1.25%	3.25%	03/13/18	1.50%	3.25%	03/13/19	2.50%	3.25%	03/13/20	2.00%	3.25%	03/13/21	1.00%	3.25%	03/13/22	0.50%	3.25%	03/13/23	1.00%	3.25%	03/13/24	4.00%	3.25%	03/13/25	4.50%	3.25%
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The 5/1 fixed-rate option	Eligible Properties																																																			
The 5/1 MOP features an initial (higher) fixed interest rate for the first 5 years of the loan, after which the loan converts to the Standard MOP rate for the remaining term. The 5/1 MOP fixed rate is based on the 5-year Treasury Bond Yield using the JULI value spread. The minimum 5/1 MOP Initial Interest Rate is 3.25% with actual rates posted weekly online .	MOP loans must be used to purchase single-family dwellings, either a house or condominium. MOP loans cannot be used to purchase multi-family, Tenancy-In-Common (TIC), or income-generating properties. MOP loans cannot be used for construction, renovation, or refinance. The property must be borrower's primary residence.																																																			
How much can I afford?																																																				
Use the MOP Qualifying Calculator to try different financing scenarios. Note that the loan amount may not exceed 90% of the purchase price.																																																				
The Supplemental Home Loan Program (SHLP)																																																				
There are supplemental home loan program options which offer a second mortgage to increase the combined loan-to-value ratio up to 95%. These programs aim to assist those who can afford a higher monthly payment but do not have the savings for the full down payment. While MOP loans are funded by the University of California, Supplemental loans are funded by the department. Some central funding is available for limited loans. See tiny.ucsf.edu/supplemental .																																																				
The Mortgage Origination Program is a pre-approval program and candidates must be issued a pre-approval certificate before placing offers in order to utilize University financing.																																																				