



UCSF Home Loan Program Overview

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

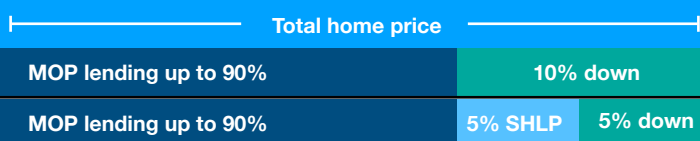
The Supplemental Home Loan Programs

What is a Supplemental Home Loan Program (SHLP) loan?

The Supplemental Home Loan Program (SHLP) works with the Mortgage Origination Program (MOP) and is designed to assist junior faculty in the purchase of a first home by decreasing the down payment required for the purchase. This program is designed to assist junior faculty candidates who may be able to afford a higher monthly mortgage payment with their new appointment but do not have the resources available for the 10% down payment. The SHLP is a second mortgage and increases the monthly mortgage payment. A Supplemental Home Loan Program does not affect the down payment requirement for combined financing above MOP program limit or any external financing.

How does this work?

With the new position, a new recruit may have the income to support a home loan, but not the savings for the full down payment required. They can borrow up to 90% of the home value under the MOP, and up to an additional 5% under the SHLP, for a total of 95% in financing and 5% down from their own resources.



For example, a new recruit finds a condo for \$1 million. Under the MOP, they can borrow up to \$900,000 (90%), and put \$100,000 down (10%). But they don't have \$100,000. However, they do have \$50,000 in savings. If the department has the funds available, they can offer a Supplemental Home Loan Program loan of \$50,000 and the candidate can borrow 90% under the MOP, 5% under the SHLP, and put down the remaining 5% (\$50,000) themselves. They will have principle and interest payments on both loans, increasing the monthly amount deducted from their paycheck. This increases the total debt and monthly payments but enables the purchase.

Three kinds of Supplemental Home Loan Program loans

- Supplemental Home Loan Program ([SHLP](#))
- Centrally-Funded Supplemental Home Loan Program ([CF-SHLP](#))
- Zero Interest Supplemental Home Loan Program with forgivable feature ([ZIP-SHLP](#))

ZIP-SHLP loans are complex and have additional benefits and risks to borrowers and to the campus. Please refer to the ZIP Program Overview for more information.

Eligibility

The Supplemental Home Loan Program is supplemental to the Mortgage Origination Program (MOP) and has the same eligibility criteria. (An appointment to a Ladder Rank, In Residence, or Clinical X title within the first two years of the appointment.)

Standard Campus SHLP Terms

- \$75,000 loan amount (up to 5% LTV)
- 2.75% minimum rate (actual rate may be higher)*
- 15-year term

At the minimum this adds \$509 to the monthly payment. Departments may adjust loan amount, term, and rate within program restrictions. (Actual rate may be higher.)

Do I want a SHLP loan?

This depends on your financial situation. If you can cover the down payment, you may be better off with only one mortgage and contributing more equity into the transaction and lowering your monthly payments. If the down payment is the barrier to home ownership, home ownership is important to you, and you can cover a higher monthly debt payment, a SHLP loan may be right for you.

What if my department can't afford a SHLP loan?

For candidates whose circumstances would be assisted by a SHLP, but funding is not available, departments can request a special Centrally-Funded SHLP (CF-SHLP) from a limited pool on a first-come first serve basis.

- \$75,000 loan limit, or 5%, whichever is lower
- 2.75% minimum rate (fixed)
- 15-year term (maximum)

*The interest rate for loans approved 05/01/24 through 07/31/24 will be 4.40%.

How do I request a Supplemental Home Loan Program loan?

Candidates may ask their department manager if SHLP support is available. When the department completes the MOP/SHLP Allocation Request Form, it should include the SHLP request and indicate the loan amount, preferred term, rate, and the account number from which the funding will be transferred. Additional documentation is required depending on the type of transaction.