

UCSF SPECIFIC ELIGIBILITY, PROGRAM PARAMETERS, AND PROCEDURES FOR THE SUPPLEMENTAL HOME LOAN PROGRAM (SHLP)

The Supplemental Home Loan Program (SHLP) works in conjunction with the Mortgage Origination Program (MOP). This program is designed to assist junior faculty in the purchase of a first home by decreasing the down payment required for the home 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 full down payment. The SHLP is a second mortgage and increases the monthly mortgage payment.

FUNDING FOR A SHLP LOAN IS PROVIDED BY THE INDIVIDUAL CAMPUS DEPARTMENT.

Some campus funding is available through the Centrally-Funded Supplemental Home Loan Program, see below.

Eligibility

- Eligibility for nomination to the Program is restricted to new full-time recruits into a Ladder Rank, In Residence, or Clinical X title at the Assistant rank who do not, and have not in the past 12 months, owned a primary residence near campus (defined as San Francisco or one of the four adjacent counties). Deans may approve nominations for MOP support for essential recruitments at the Associate rank by exception based on recruitment priorities.
- The UCOP allocation for funding Mortgage Origination Program loans is limited, and priority is given to junior faculty recruited at the Assistant rank. Departments or schools may apply their own resources to fund a primary, MOP-like loan using the SHLP instrument for the recruitment of Senate titles at the Associate and Full Professor ranks. For those cases, the standard MOP criteria apply, and requests should include a SHLP funding COA on the request form.
- Adjunct and Health Sciences Clinical Professors are not eligible for this program; however, the chancellor has the authority to offer exceptional MOP participation to essential recruits into a Health Sciences Clinical Professor title if the funding is provided by UCSF Health.

Parameters

- Supplemental Home Loan Program loans are requested *supplemental* to a Mortgage Origination Program (MOP) allocation reservation request.
- The final loan amount, not to exceed the amount of the approved allocation, is based on evaluation of the participant's loan application and appraisal of the property to be purchased.
- The program participant must have an eligible appointment within 180 days of loan funding.
- The standard UCSF SHLP is \$75,000 at 2.75% fixed interest rate for a period of 15 years; this results in an additional monthly payment of about \$509. *Actual SHLP rates may not be lower than the MOP index rate and may be higher at the time of funding. The current MOP index rate for the quarter is published at <https://www.ucop.edu/loan-programs>. Financing may be estimated using the UC MOP Calculator at <http://mopqual.ucop.edu/main.php>.*
- The maximum SHLP a department may offer is \$2.37 million, and must be funded by the department. SHLP amounts over \$75,000 are non-standard but allowable.
- The department may set a higher rate and adjust the term of the SHLP loan as long as it does not exceed program parameters. The SHLP rate may not be lower than the current MOP index rate.
- MOP or SHLP loans can be used for single-family homes or condominiums, and cannot be used for Tenants-In-Common (TICs) or income-generating properties.

While the MOP has a 90% loan-to-value-ratio, adding a second SHLP loan to the MOP may result in a combined loan-to-value ratio of 95%, reducing the required cash down payment to as low as 5.0% as long as the combined loan amount does not exceed \$2.37 million.

Procedures

- The department chair or department manager must request a SHLP allocation for a faculty member or recruit using the [MOP-SHLP Allocation Request Form](#) (available from

<http://tiny.ucsf.edu/homeloanprograms>). The request should indicate the maximum loan amount, the SHLP rate, SHLP loan term in years, **and the departmental account (COA) from which the funds will be transferred.** This is part of the MOP request to the dean's office.

- If the proposed participant is not yet in their eligible title, the MOP/SHLP request must be accompanied by a copy of the fully-engaged offer letter and an Every Expectation Letter (see <http://tiny.ucsf.edu/advancemop>). The offer letter must contain appointment begin date, annual salary, and academic title. An approved Search Process Report (SPR) or waiver must be on file.
- If the dean's office approves the MOP/SHLP Allocation Request, it will be submitted to the home loan program manager in the Office of Faculty and Academic Affairs. If the proposed participant meets the eligibility criteria and funds are available the MOP allocation will be approved with the Supplemental Home Loan Program loan support included.
- The campus home loan program manager will notify the proposed participant of an approved MOP allocation with the supplemental SHLP support, and will forward campus eligibility documents to the Office of Loan Programs (OLP) at UCOP.
- The Office of Loan Programs will notify the candidate of the allocation reservation via e-mail and provides a secure web link to the UC Consumer Connect mortgage application system (this takes 24-48 hours).
- **The participant should not enter into a purchase agreement until they have received a Pre-Approval Certificate from the Office of Loan Programs.**
- The participant must contact their assigned underwriter once a final purchase contract is completed. The required escrow period is 30 days.
- At the time of funding, the campus home loan program manager will direct the department to transfer the amount of the SHLP allocation to an account administered by the UCSF accounting office.
- After loan closing, the accounting office will ensure the transfer of funds to UCOP. The department will be credited with loan payments and interest on an annual basis, less the 0.25% servicing fee.

The Centrally-Funded Supplemental Home Loan Program (CF-SHLP)

In 2016, the Office of Loan Programs announced limited support for a Centrally-Funded Supplemental Home Loan Program (CF-SHLP). This is to assist departments who do not have the resources to fund individual SHLP loans. **The SHLP and CF-SHLP do not benefit everyone, but can provide essential assistance to those borrowing less than the maximum under the MOP program and need like to borrow additional funds to cover part of the down payment.** Candidates and recruiters should discuss this option during recruitment as it may enable a home purchase. Departments and candidates are free to contact home loan program manager Wilson Hardcastle at 415-476-2016 to see if this program is right for them.

CF-SHLP loans are funded from the campus allocation on a first come, first serve basis. Eligibility and qualifying criteria are the same as the Supplemental Home Loan Program. Requests for participation in the CF-SHLP program follow the same process for MOP and SHLP requests, and should be coordinated with the campus home loan program manager in the Office of Faculty and Academic Affairs.

Centrally-Funded Supplemental Home Loan Program Parameters:

- Maximum loan amount shall be \$75,000 or 5.0% of the purchase price, whichever is lower.
- The CF-SHLP maximum loan term is 15 years.
- CF-SHLP loans have a fixed interest rate equal MOP index rate at the time of commitment. This rate is published at <https://www.ucop.edu/loan-programs>. The minimum program rate is 2.75%.

More information is available on the SHLP information page at <http://tiny.ucsf.edu/supplemental>.

Questions regarding the Supplemental Home Loan Program should be directed to the Campus Home Loan Program Manager, Wilson Hardcastle, at 476-2016 or wilson.hardcastle@ucsf.edu.