

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) and is designed to assist junior faculty in the purchase of a first home by decreasing the down payment required for the home purchase for financing below \$1.5 million. 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. A Supplemental Home Loan Program does not assist with the down payment for home loan financing above \$1.5

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

Eligibility

- The proposed participant must be a full-time appointee in an Academic Senate or Senior Management title or Acting Assistant Professor within the first two years of the eligible appointment, unless the MOP and SHLP participation is part of a retention action.

Parameters

- Supplemental Home Loan Program loans are requested supplemental to a Mortgage Origination Program (MOP) loan 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 \$60,000 at 3.25% fixed interest for a period of 10 years; this results in an additional monthly payment of about \$587. The UCSF MOP loan limit is \$1.5 million. In order to benefit from the reduce down payment, combined financing must be below \$1.5 million. Financing may be estimated using the [UC MOP Loan Calculator](#).
- The maximum SHLP a department may offer is \$1.5 million, and must be funded by the department. *SHLP amounts over \$60,000 are considered highly exceptional.*
- To receive the benefit of the SHLP (a lower down payment), the total combined financing must be below \$1.5 million.
- The department may set the rate and term of the SHLP loan as long as it does not exceed program parameters. The minimum SHLP rate is the MOP rate plus 0.5%, currently indicating 3.25%.
- MOP or SHLP loans can be used for single-family homes or condominiums, but 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 5.0% The amount the down payment is reduced depends on the size of the SHLP loan and the amount of the total financing.

Loan Amount	MOP LTV	SHLP CLTV*
Less than or equal to \$1,500,000	90.0%	95.0%
Greater than \$1,50,000	80.0%	90.0%

* Combined loan-to-value ratios

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/homeloans>). 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.**

- The MOP-SHLP allocation request should be forwarded to the Director of Academic Affairs in the appropriate dean's office.
- If the proposed participant is not yet in his/her eligible title, the request must be accompanied by a copy of the fully-engaged offer letter and an Every Expectation Letter (see <http://tiny.ucsf.edu/everyexpectationletter>). 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 in the Office of the Vice Provost Academic Affairs.
- The dean's office will review and provide a signature of approval to the MOP/SHLP Allocation Request and will submit it to the Home Loan Program Manager in the Office of the Vice Provost Academic Affairs. If the proposed participant meets the eligibility criteria, the allocation will be approved.
- The Campus Home Loan Program Manager will notify the proposed participant, the department, and the dean's office of an approved allocation, and will forward campus eligibility documents to the Office of Loan Programs (OLP) at UCOP.
- OLP will provide a secure website address to allow the proposed participant to apply on-line. The MOP and SHLP loans are covered by a single application and underwritten together. The OLP will evaluate the proposed participant's completed loan application and will issue a Pre-Approval Certificate within five business days.
- The UC home loan programs are pre-approval programs and candidates should **not** enter into a purchase agreement before receiving a pre-approval certificate if they would like to utilize University financing.
- The participant must contact his/her assigned OLP underwriter once a final purchase contract is completed. The normally required escrow period is 30 to 45 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/OLP. 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)

As of April 2016, the University of California Office of the President (UCOP) and the Office of Loan Programs (OLP) are supporting a new Centrally-Funded Supplemental Home Loan Program (CF-SHLP) to assist departments who do not have resources to fund Supplemental Home Loan Program loans for essential recruits. Currently, this is being offered as a one-time, one-year allocation. Each of the four schools has been allocated \$125,000 for use under the Centrally-Funded Supplemental Home Loan Program.

Determination of the CF-SHLP recipient candidates will be under the authority of the deans. Eligibility and qualifying criteria are the same as the current Supplemental Home Loan Program. Requests for participation in the CF-SHLP program will follow the current process for MOP and SHLP requests, and should be coordinated with the campus Home Loan Program Manager in the Office of 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.
- The CF-SHLP rate is variable and equal to the MOP rate.

More information is available on the [Home Loan Program Resources Page](#) and at <http://tiny.ucsf.edu/shlp>.

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.