

April 1, 2010

MEMO

TO: Deans

FROM: David S. Kliger
Campus Provost and Executive Vice Chancellor

RE: Faculty Home Financing Programs

At the request of the Committee on Faculty Welfare, I write with a short reminder of the housing programs available for faculty, and to encourage that you continue to make full use of these programs in recruitment and retention efforts. Please distribute this memo to Chairs and other divisional officers as appropriate.

Briefly, there are four housing programs:

Recruitment allowance: Up to \$50,000 can be made available; funding is split between the Division and the campus on a negotiated basis. The allowance is considered taxable income to the faculty member. The amount is negotiable up to a maximum that is set by academic personnel policy. The maximum is \$58K, and deans have authority to approve housing allowances up to \$100,000 by exception. The maximum that is available from the Center is \$50K, which is subject to the campus start-up procedures for the split between the center and the division. Please note that the LIO-SHLP and the Faculty Recruitment Allowance are mutually exclusive (a faculty member cannot receive both).

MOP (Mortgage Origination Program) loans: As Dean, you may authorize a MOP loan allocation for a faculty member who meets the program's qualifications. MOP loans funds are allocated from UCOP to the campuses periodically (approximately every two years). In general, campuses receive a certain amount of funds for each new Senate hire they are projecting for the allocation period.

SHLP (Supplemental Home Loan Program): This is a secondary home loan program to assist eligible faculty members with their purchase of a home. It is used mainly to reduce the cash down payment required from the faculty and was initially funded by a loan from OP.

LIO-SHLP (Low-Interest Option SHLP): This program is similar to the SHLP except that the interest rate is lower than for a standard SHLP loan. Faculty's use of either the SHLP or the LIO-SHLP will have no effect on your division's resources. However, the LIO-SHLP is funded entirely by campus funds at the discretion of the EVC. The fund has been supplemented by funds from the old SHLP program and additional funding from the EVC. Currently as new loans are granted, funding is added to the LIO-SHLP by the EVC. The goal is for this program to eventually become self-sustaining through a combination of the loan repayments and a share of the net proceeds from housing sales. It is expected that eventually the program will repay the funding it has received from the EVC.

Information on these programs can be found at <http://www.ucop.edu/olp/>. I also encourage you to contact our Academic Personnel Office, the Faculty Relocation Assistance Program/Dual Career Services (FRAP/DCS), and/or the Faculty and Staff Housing Office for answers to any questions you have about the housing assistance available to faculty.