ANNUAL REPORT ON UNIVERSITY EMPLOYEE HOUSING ASSISTANCE PROGRAMS

Fiscal Year Ended June 30, 1998

Annual Report on University Employee Housing Assistance Programs

1997-98

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Introduction

This Annual Report on University Employee Housing Assistance Programs provides an overview of the accomplishments and progress of the University in addressing the housing needs of its faculty and other designated employee classes. The program components as well as the individual program policies and funding levels have changed significantly since the program began in 1979. However, the guiding principle has remained the same, to provide financial and programmatic tools to assist in the recruitment and retention of key faculty members and other designated employees in order to maintain the University's position of preeminence in the academic community. The program must achieve this goal in the face of competition from other nationally-recognized institutions of higher education for many academic and administrative positions. The program must also address the continued fact of a large differential between the higher housing costs at the University's campuses and laboratories when compared to costs of housing at comparable institutions across the country.

With the continued growth of the State's economy and the University's enrollment over the past year, the utilization of the University's housing assistance programs has continued to increase as well. The number of Mortgage Origination Program (MOP) loans made during fiscal year 1997-98 was 181, an increase of 17% over the prior year. The dollar volume of funded MOP loans increased by 30%, from $40.5 million in fiscal 1996-97 to $52.7 million in fiscal 1997-98. Given the relative stability of the MOP interest rate over the past several years, the level of loan activity should remain near the levels of the past two years.

The management and program development responsibility for these programs has been delegated to the Office of Loan Programs. This Office plans, develops, and administers housing assistance programs for members of the Academic Senate, senior managers, and other designated classes of employees, and provides policy oversight for the Emergency Loan Fund (a non-housing loan program for all employees). The housing and loan-related operations of the Office are self-supporting. These program components include MOP, the University's major first deed-of-trust lending program, as well as three tax-exempt bond financed single-family loan portfolios and a Mortgage Credit Certificate Program. In addition to the direct administration of the above-referenced programs, the Office has policy and coordination responsibility regarding for-sale housing built on University-owned land at six campuses and the Supplemental Home Loan Program, which provides primary and secondary financing to assist in home purchases (the Office provides all origination and servicing administration for six of the campuses for this loan program). The Office also manages a relationship with a major conventional lender to provide favorable financing terms to all University employees for the acquisition and refinancing of housing at all University locations.

Program Policy Summary

Key policy components of the University's housing assistance programs include the:

- provision of a predictable source of mortgage financing for recruitment and retention of key faculty members and senior managers at each campus and laboratory;
- provision of financing at short-term rates with qualification standards more liberal than those provided by conventional lenders, coupled with reduced down-payment requirements and no points or origination fees;
- utilization of existing University land and acquisition of additional land, where feasible, to develop for-sale and/or rental housing units to create long-term affordable housing in proximity to work within a broad range of design and pricing;
- continuation of supplements to University and conventional financing via the Supplemental Home Loan Program and Salary Differential Housing Allowance Program; and
- development of programs of a one-time or short-term nature that supplement and/or complement existing University programs.

Program highlights and the annual Mortgage Origination Program Status Report follow. Also included are appendices providing descriptions of each currently active program component along with cumulative summaries and statistics of all University-wide employee housing assistance through June 30, 1998. The final appendix consists of financial statements and Deloitte & Touche LLP independent auditors' reports for programs utilizing bond indebtedness.

1997-98 Year in Review

As noted previously, utilization of university lending assistance programs remained at high levels during 1997-98. Fiscal 1997-98 was a record year for MOP both in number of loans (181) and dollar volume ($52.7 million). In fact, utilization of each of the three active financial assistance programs increased over the prior year. More specifically, the number of MOP loans increased by 17%, the number of Supplemental Home Loan Program loans increased by 27%, and the number of Housing Allowances was up by 11%. Overall the annual dollar volume of these programs increased by $20.1 million or 30.6% over the prior year. This fiscal year was the first one in six years without a net loss of loan principal for MOP; indeed MOP experienced a net gain of $27,100 based upon the sale of one property for more than it's prior year written down value.

The period covered by this report also saw the continuation of sales of units in the Berkeley campus University Terrace faculty/staff for-sale housing development, with 67 units sold and the final 8 units in escrow as of June 30, 1998. The Irvine campus Housing Authority also sold 29 of its 46 units in phase VII of its very successful ongoing development on campus. The North American Mortgage Company (NAMC) Home Loan Program provided nearly the same volume of loans as in the prior fiscal year.

The following table displays a summary of the magnitude of use of housing related financial assistance programs during the 1997-98 fiscal year.

Financial Assistance Programs: Fiscal Year 1997-98

Program	Number of Loans or Assistance	Dollar Value of Assistance	Average Amount
Mortgage Origination Program	181	$52,653,474	$290,903
Supplemental Home Loan Program	38	7,655,940	201,472
Salary Differential Housing Allowance Program	113	1,998,875	17,689
NAMC Home Loan Program	133	23,621,702	177,607
Totals	465	$85,929,991	N/A

1997-98 Mortgage Origination Program Status Report

The Mortgage Origination Program (MOP), established by The Regents in July 1984, utilizes funds from the unrestricted portion of the University's Short-Term Investment Pool (STIP) to make 30-year variable interest rate first deed-of-trust loans to eligible Academic Senate members and members of the Senior Management Group. The President is required to report annually on the program performance and include information regarding origination volume, portfolio balance, and rate-of-return calculations for the program.

1997-98 Program Status

As of June 30, 1998 the Office had funded 1,614 loans in an aggregate amount of $376.9 million. The average original loan amount for all these loans was $233,531, with an aggregate loan-to-value ratio of the portfolio, based upon the total of all funded loans as compared to the total initial appraised value of the homes purchased under MOP, of 73.5%. As of June 30, 1998 there were 1,040 loans outstanding and the aggregate portfolio principal balance was $237,473,003, representing 10.3% of the $2.301 billion average daily balance of the legally available cash balances in the unrestricted portion of STIP as of June 30, 1998.

When the MOP program was established in July 1984, it was determined that any cumulative shortfalls in earnings by the MOP portfolio would be repaid to STIP from the Faculty Housing Programs Reserve. A comparison of MOP earnings vs. STIP earnings is completed each month, accompanied by transfers of the overage/shortfall in earnings between STIP and the Faculty Housing Programs Reserve. For the period July 1, 1997 through June 30, 1998, the cumulative MOP portfolio rate of return out- performed the STIP rate of return, resulting in a net transfer to the Faculty Housing Programs Reserve from STIP of $237,072 for the fiscal year.

1984-1998 Mortgage Origination Program Loan Volume and Trends

The primary goal of the Mortgage Origination Program (MOP) is to provide a predictable source of mortgage financing for recruitment and retention of key academic and administrative personnel. This review assesses the extent to which MOP has fulfilled and continues to fulfill this goal. The charts which follow summarize recruitment and lending data for the first fourteen fiscal years of the program.

Chart 1 tracks faculty recruitment by rank, while Chart 2 displays funded MOP loans for faculty by rank. Chart 3 illustrates the percentage of MOP loans made to borrowers requiring financing that is either not readily obtainable in the conventional mortgage market or is more expensive to obtain. A comparison of Charts 1 and 2 reveals the degree to which fiscal year MOP lending volumes track the University's overall faculty recruitment volume. There is a definite lag in the response of lending volume to changing recruitment levels in the years preceding 1989-90. Part of this lag can be attributed to the start-up of the program in fiscal-year 1984-85. During the first two years of the program, loan volume increased as the program became operational and better publicized. Loan volume then leveled off for two years, and peaked in 1989-90. This peak coincided with the peak in faculty recruitment levels. Also of interest is that strong home sales activity and the rapid rise in California housing prices peaked during this same 1989-90 period. In the fiscal years thereafter, both the number of faculty recruited and MOP loans funded decreased each successive year through the 1993-94 fiscal year.

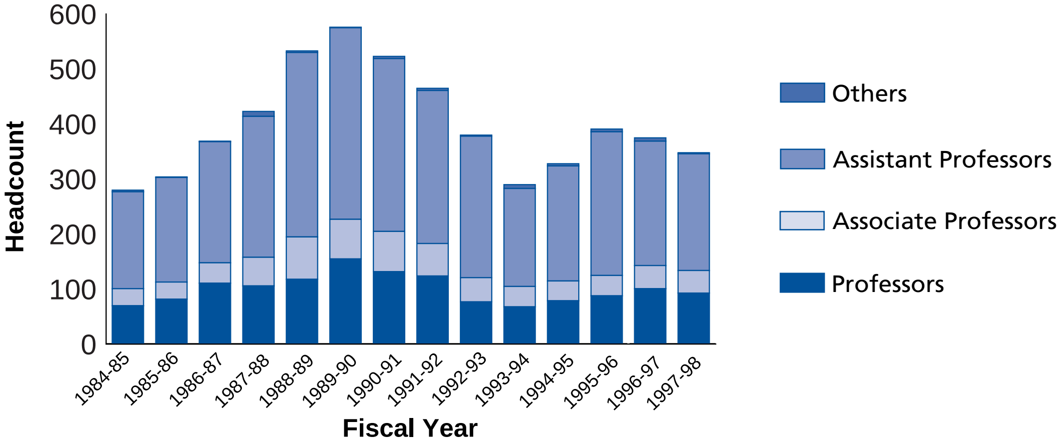
Following the steep drop-off in MOP lending in fiscal year 1992-93, which continued into 1993-94, MOP lending activity increased dramatically during the 1994-95 and 1995-96 fiscal years in response to increased recruitment and a more stable residential real estate climate. During the two most recent fiscal years, loan activity has increased significantly again against a backdrop of stable interest rates and an appreciating real estate market. There has been a moderate decline in overall levels of faculty recruitment for the past three years. However, fiscal 1997-98 proved to be a record year for MOP lending activity, with the greatest annual number and dollar volume of MOP loans funded since program inception.

As displayed in Chart 3, a high percentage of MOP loans continue to be underwritten at debt-to-income ratios in excess of those utilized by conventional lenders, and/or with loan-to-value ratios in excess of 80%. The Program also continues to make a high percentage of jumbo loans (loans in excess of the conventional secondary market limits set by FNMA and FHLMC), which are normally priced with higher interest rates by conventional lenders. This data supports the need for the MOP program, which provides more flexible underwriting criteria than is available elsewhere.

Based upon the above program utilization data, MOP continues to fulfill its long-term goal of providing a stable and predictable resource for assisting campuses in the recruitment and retention process. As originally anticipated, the volume of Program utilization fluctuates in response to changes in faculty recruitment levels and movements in the conventional mortgage market. However, as the data demonstrate, those faculty who would not otherwise be able to purchase a home using conventional financing benefit from MOP under all types of economic and lending conditions.

1985–1998 Mortgage Origination Program Loan Volume and Trends

Chart 1: Appointments within the Professorial Series and Equivalent Ranks, and Lecturers with Security of Employment and Potential Security of Employment



Source: Annual Academic Statistical Report, Academic Affairs

Chart 2: MOP Loans Funded for Members of the Academic Senate

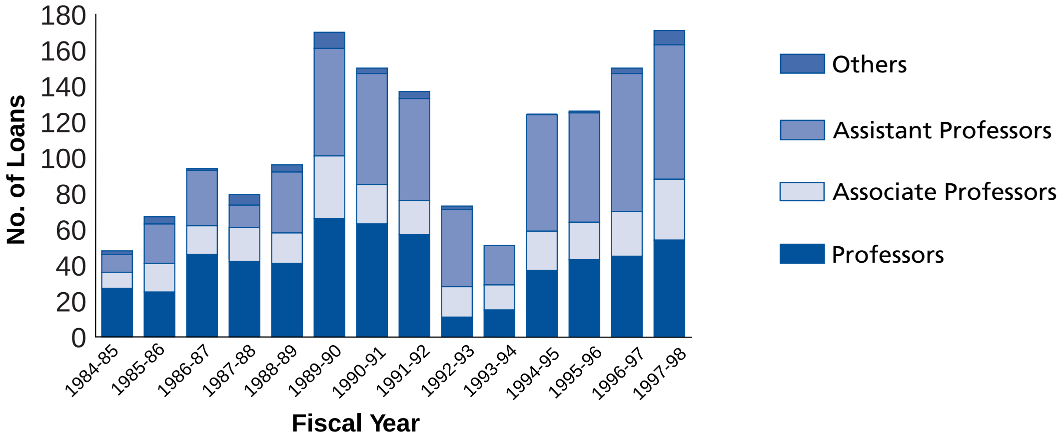
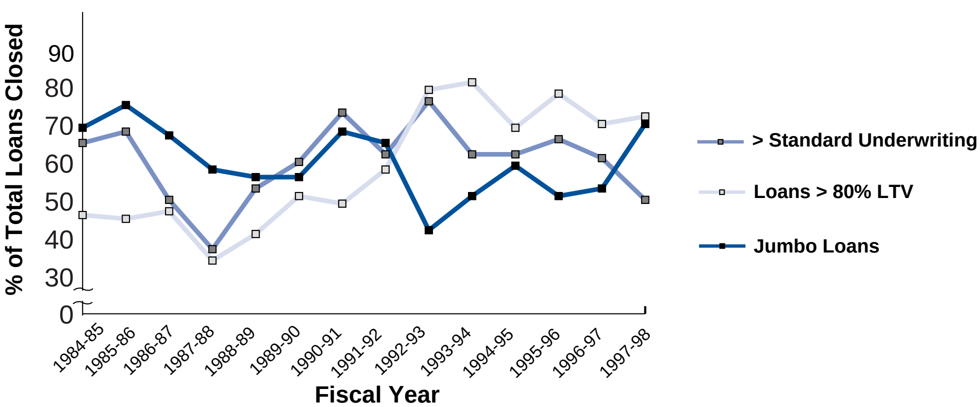
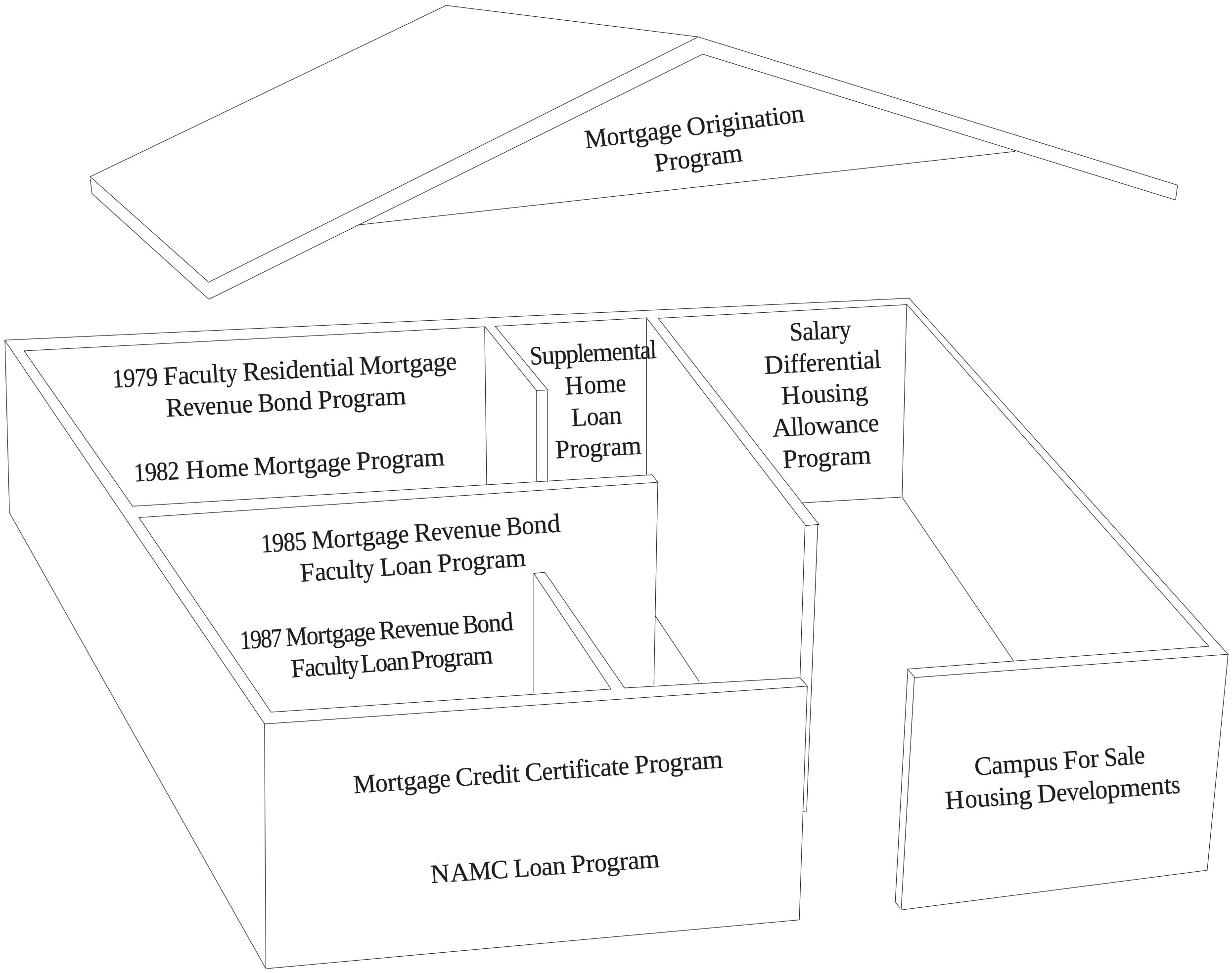


Chart 3: MOP Loan Characteristics



Appendix A: Summary of Housing Assistance Programs



Appendix A: Summary of Housing Assistance Programs

Summary Table of Financial Assistance Programs (Cumulative as of June 30, 1998)

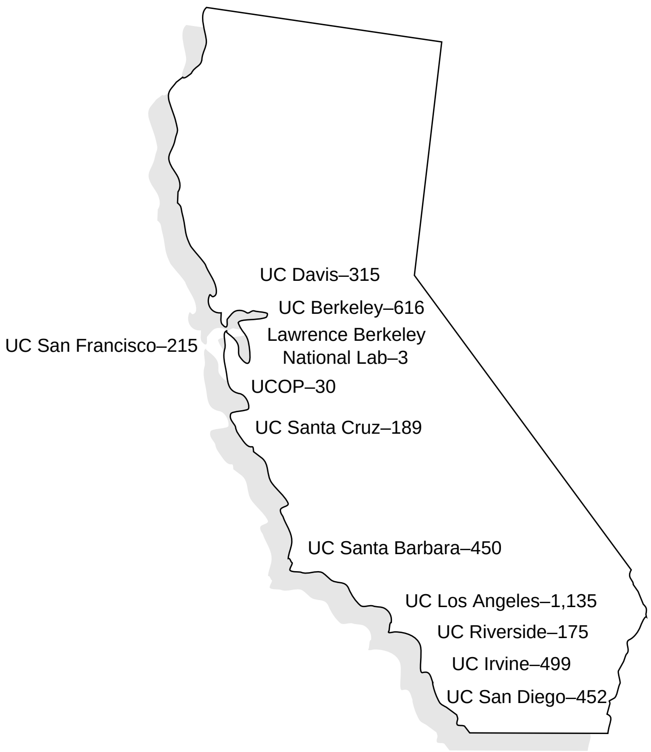
Program	Number of Loans/ Assistance	Dollar Value	Average Amount	Recruitment	Retention
Active Program Components					
Mortgage Origination Program	1,614	$ 376,919,059	$233,531	1,278	336
Supplemental Home Loan Program	584	41,762,268	71,511	442	142
Salary Differential Housing Allowance Program	1,081	15,578,985	14,412	1,002	79
NAMC Home Loan Program	4,601	647,127,702	140,649	N/A	N/A
Subtotal	7,880	$1,081,388,014	N/A	2,722	557
Inactive Program Components					
1979 Faculty Residential Mortgage Revenue Bond Program	196	21,391,550	109,141	158	38
1982 Home Mortgage Program	119	15,158,100	127,379	69	50
1985 Mortgage Revenue Bond Faculty Loan Program	163	17,545,389	107,640	52	111
1987 Mortgage Revenue Bond Faculty Loan Program	168	20,772,990	123,649	104	64
Mortgage Credit Certificate Program	51	1,384,087*	27,139*	38	13
Wells Fargo Bank Home Loan Program					
First deed-of-trust mortgages	81	19,111,894	235,949	14	67
Second mortgages/equity lines	22	1,803,000	81,955	0	22
Subtotal	800	95,782,923**	N/A	435	365
Totals	8,680	$1,177,170,937**	N/A	3,157***	922***

* *Figures do not represent the dollar value of the mortgage loans obtained to purchase the home, but rather the value of the mortgage credit certificates, which can range from 10% to 50% of the loan amount, with an average of 23.2%.*

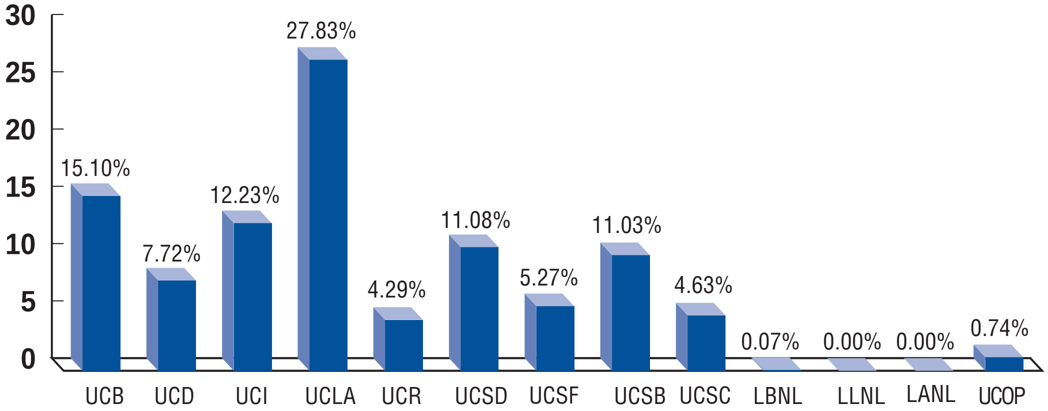
** *Figure does not include the value of mortgage credit certificates.*

****Figures do not include NAMC loans.*

Total Number of University Loans/Assistance by Location
As of June 30, 1998



Percentage of Total Number of University Loans/Assistance by Location
As of June 30, 1998



Appendix B: Program Descriptions and Statistical Information—Active Programs

This Appendix presents a brief description and summary of the results and distribution of the resources of the university housing assistance programs that are currently providing assistance.

I. Home Ownership Financial Assistance

There are four financial assistance programs that are currently offered to assist faculty members and senior managers in financing new or existing residences. The following information provides a summary of the program parameters and scope as well as statistical data concerning the recipients of assistance under each program.

A. Mortgage Origination Program.

The Mortgage Origination Program (MOP) was authorized by The Regents in July 1984 and utilizes funds from the unrestricted portion of the University's Short-Term Investment Pool (STIP) to make first deed-of-trust loans to eligible employees. The program provides up to 30-year variable interest rate loans at up to 90% of value, with the initial rate equal to the most recently available four-quarter average rate of return of STIP, plus a servicing fee of one-quarter of one percent. The maximum annual adjustment of the interest rate for a loan, upward or downward, is one percent. The program has had cumulative allocations of $509 million through June 1998. The Regents have also authorized the Campus Foundations to supplement central allocations through special restricted deposits in STIP for additional loans at each campus.

MOP offers more flexibility to borrowers than conventional lending programs. Monthly mortgage payments may be as high as 40% of gross income as compared to a 28% to 30% ratio for all monthly housing expenses used by most conventional lenders. The program charges no fees to the applicants for processing the loans. These fees normally range from 1.0% to 2.0% of the loan amount via conventional lenders. For loans of $250,000 or less, the participant has the option to have a portion or all of the usual and customary closing costs, as well as designated recurring costs such as first-year insurance premiums, financed as part of the loan, in which case the loan may be approved at up to 92% of value.

The eligible population for this program is full-time University appointees who are members of the Academic Senate, or who hold equivalent academic titles, and members of the Senior Management Group. The program is further limited to appointees who do not currently own, and have not, within the 12-month period preceding the funding of the loan, owned a principal place of residence within a reasonable distance of the campus. The eligible participant must hold at least 50% ownership interest in the residence, and except in the event of retirement or disability, the loan must be repaid in full within six months of termination of employment with the University. In the event of the death of a participant, the surviving spouse or eligible child may continue to receive the benefits of the loan as long as the survivor continues to occupy the home as the primary residence and meet all other program requirements. The loans are not assumable and, generally, loans cannot be made for refinancing purposes.

As of June 30, 1998 there were 1,040 loans outstanding and the aggregate portfolio principal balance was $237.5 million. MOP experienced its first default in December 1992. From 1992-93 through 1994-95, principal losses were recorded on the University general ledger when the property was sold by the University and the actual loss was known. Since 1995-96, properties acquired by the University have been written down to market value upon acquisition by the University, resulting in losses being recognized in the same fiscal year that the foreclosure or other acquiring action takes place.

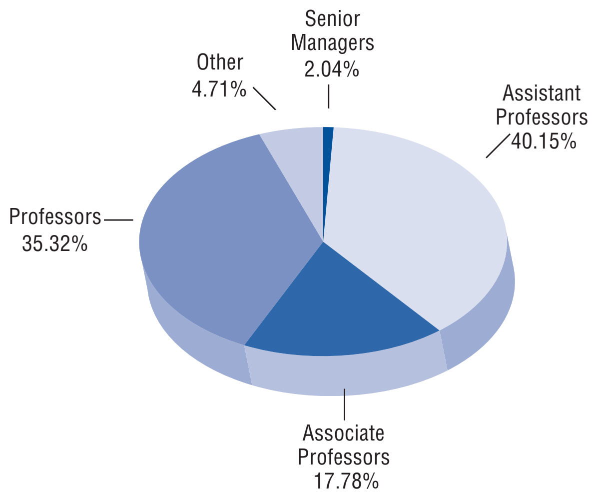
As of June 30, 1998, the aggregate principal loss due to foreclosures, deeds-in-lieu of foreclosure, and approved short-sale transactions was $1,043,953, or 0.28% of the total of $376,919,059 in loans funded as of that date. In fiscal year 1997-98, MOP realized a net gain of $27,100, based upon sales of previously written-down property at higher than the anticipated amount. An annual risk analysis of the MOP portfolio projects a greatly reduced risk of losses in the coming fiscal year, due primarily to the price recovery in residential real estate throughout California over the past year. Most of the remaining projected losses relate to loans made in Los Angeles county between 1989 and 1993, the area of the state that experienced the greatest price inflation during the last half of the 1980's and the sharpest price declines subsequent to 1990. It is interesting to note that the MOP portfolio has historically out-performed the delinquency and foreclosure experience of private California mortgage lenders as reported by the Mortgage Bankers Association. In a review of statistics starting in the fourth quarter of 1992, the University's percentage of loans 30 or more days past due has been approximately one-fifth that of the general California experience, while the percentage of MOP loans in foreclosure has run about one-tenth that of the general California mortgage market experience.

The following table displays a statistical summary of the Mortgage Origination Program since its inception.

Table I.A: Mortgage Origination Program Statistics by Location (As of June 30, 1998)

Location	Number of Loans	Dollar Value of Loans	Average Loan Amount	Recruitment	Retention
Berkeley	268	$59,117,070	$220,586	207	61
Davis	162	25,819,154	159,378	139	23
Irvine	211	40,350,420	191,234	180	31
Los Angeles	398	119,372,950	299,932	277	121
Riverside	76	15,582,490	205,033	72	4
San Diego	169	37,008,450	218,985	156	13
San Francisco	91	27,491,525	302,105	58	33
Santa Barbara	127	27,651,125	217,725	109	18
Santa Cruz	92	17,460,575	189,789	69	23
Office of the President	19	6,685,300	351,858	11	8
Lawrence Berkeley	1	380,000	380,000	0	1
Totals/Average	1,614	$376,919,059	$233,531	1,278	336

Distribution of Number of MOP Loans by Employment Classification



B. Supplemental Home Loan Program.

This program, established in March 1993, replaced the Short-Term Housing Loan Program and provides primary and secondary mortgage financing. Campuses were allocated $2,000,000 in 1982, to be repaid together with 6% simple interest no later than June 30, 2010. Each campus and laboratory is authorized to augment these funds and make mortgage loans from other funds available to the chancellor or director. Campuses and laboratories have flexibility in determining the type of loan to be made including the term, interest rate, and method of repayment. The underwriting guidelines are similar to those used by the Mortgage Origination Program. This program is jointly administered by the Office of Loan Programs and each location.

The eligible population for the program is full-time University appointees who are members of the Academic Senate or who hold equivalent titles, members of the Senior Management Group, and Acting Assistant Professors. The President is authorized to make exceptions to the above categories based upon the essential recruitment and retention needs and goals of the University. In the case of loans funded under the terms of a gift, an exception to this eligible population guideline may be made to comply with the terms of the gift. In general these loans are payable in full within six months of termination of employment with the University, with the same exceptions as for the Mortgage Origination Program.

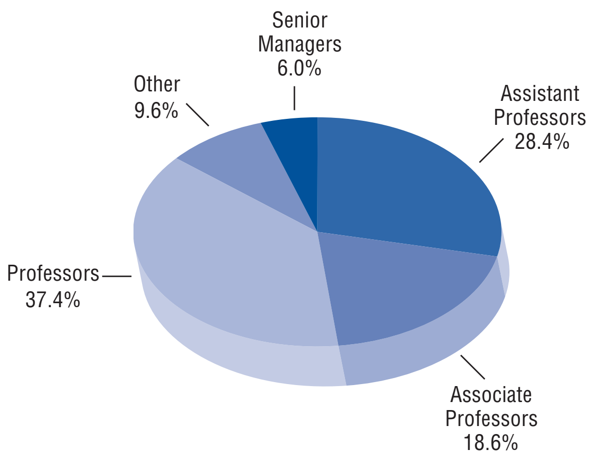
As of June 30, 1998, the total principal loss under the Program, due to foreclosures, deeds-in-lieu of foreclosure, and approved short-sale transactions, was $629,784, or 1.5% of the total of $41,762,268 in loans funded as of that date. The vast majority of these losses ($517,719) occurred in fiscal year 1994-95, with $72,465 in principal losses occurring in fiscal 1997-98.

The following table displays a statistical summary of the Supplemental Home Loan Program since its inception.

Table I.B: Supplemental Home Loan Program Statistics by Location (As of June 30, 1998)

Location	Initial Allocation	Number of Loans	Dollar Value of Loans	Average Loan Amount	Recruitment	Retention
Berkeley	$ 324,000	180	$ 9,412,990	$52,294	128	52
Davis	200,000	43	1,127,476	26,220	34	9
Irvine	180,000	34	1,721,775	50,640	32	2
Los Angeles	480,000	193	21,079,655	109,221	139	54
Riverside	104,000	22	410,269	18,649	19	3
San Diego	228,000	7	396,000	56,571	5	2
San Francisco	220,000	65	5,697,642	87,656	52	13
Santa Barbara	164,000	27	603,462	22,350	21	6
Santa Cruz	100,000	7	139,700	19,957	7	0
Office of the President	0	6	1,173,300	195,550	5	1
Totals/Average	$2,000,000	584	$41,762,269	$71,511	442	142

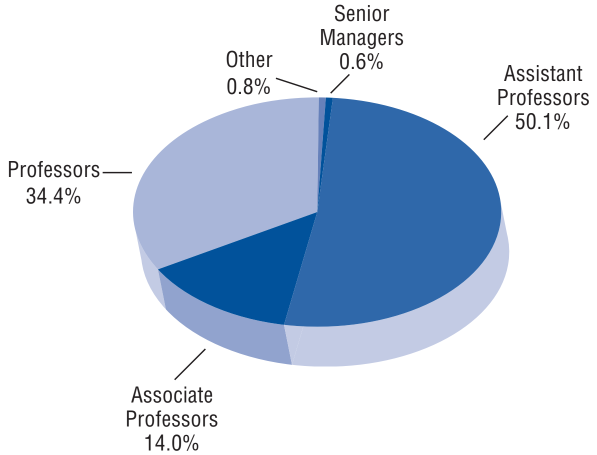
Distribution of Number of Supplemental Home Loan Program Loans by Employment Classification



C. Salary Differential Housing Allowance Program.

This program was authorized in 1982 and is funded from appropriate campus resources designated by the Chancellors. The program authorizes the granting of special housing allowances to assist with down payments, mortgage payments, and other housing related costs. The assistance may be paid in one lump sum or over a period not to exceed five years in equal, unequal, or declining balance amounts. The maximum assistance amount is indexed based upon salary increases for faculty and for this reporting period was $29,417. There is no required repayment of amounts disbursed under this program. The eligible population for the program is full-time University appointees who are members of the Academic Senate or who hold equivalent titles and Acting Assistant Professors. The program is further limited to those persons within two years of their appointment to an eligible rank who did not own their principal residence within a reasonable distance of campus on or after their appointment date.

Distribution of Number of Salary Differential Housing Allowance Awards by Employment Classification



The following table displays a statistical summary of the Salary Differential Housing Allowance Program since its inception.

Table I.C: Salary Differential Housing Allowance Program Statistics by Location (As of June 30, 1998)

Location	Number of Allowances	Dollar Value Value of Allowances	Average Allowance Amount	Recruitment	Retention
Berkeley	57	$939,172	$16,477	46	11
Davis	9	94,457	10,495	7	2
Irvine	138	1,975,203	14,313	133	5
Los Angeles	437	7,023,092	16,071	392	45
Riverside	33	587,539	17,804	31	2
San Diego	176	2,542,200	14,444	171	5
San Francisco	6	136,866	22,811	6	0
Santa Barbara	223	2,264,456	10,155	214	9
Santa Cruz	2	16,000	8,000	2	0
Totals/Average	1,081	$15,578,985	$14,412	1,002	79

D. North American Mortgage Company Home Loan Program.

In July 1987, The University entered into an agreement with North American Mortgage Company (NAMC) to provide a variety of mortgage loan products to supplement the University's housing assistance programs. The NAMC mortgage loan products, which include first and second deed-of-trust mortgage loans, are offered at reduced fees to all University employees. These loan products may be used both for home purchases and for refinancing existing debt.

While not able to provide detailed information regarding number and dollar volume of loans by campus location, NAMC is able to provide the aggregate lending activity data displayed in Table I.D. below. It is interesting to note that 2,632 loans , or nearly 57% of all NAMC loans, were originated in the 1992-93 fiscal year when market rates dropped dramatically, resulting in a landslide of home loan refinance activity in California. The ease of access to this program for University employees resulted in the saving of approximately $1.8 million in loan fees, based upon the 0.5% discount on loan origination fees for the $371,184,000 of loans made that year.

Table I.D: NAMC Home Loan Program (As of June 30, 1998)

Time Period	Number of Loans	Dollar Value of Loans	Average Loan Amount
July 1, 1987 to June 30, 1995	4,178	$580,639,740	$138,976
July 1, 1995 to June 30, 1996	149	22,873,360	153,513
July 1, 1996 to June 30, 1997	141	19,992,900	141,794
July 1, 1997 to June 30, 1998	133	23,621,702	177,607
Totals/Average	4,601	$647,127,702	$140,649

II. Home Ownership—For-Sale Housing Production

The Berkeley, Davis, Irvine, Los Angeles, Santa Barbara, and Santa Cruz campuses have developed for-sale housing on land owned by the University and leased to the purchaser of a unit. The development process, removal of marketing risk, and the ground rent structure assist in providing housing at sales prices below those of conventional market units. All units have resale restrictions that control price and determine eligibility for new buyers, and thus maintain the developments as long-term affordable housing resources.

Berkeley Campus

- University Terrace. Construction for this condominium project was completed in the summer of 1994. This development consists of 75 living units on 4 acres of land and is comprised of 2 and 3 bedroom townhomes and flats. Prices range between approximately $110,000 and $195,000. As of June 30, 1998, 67 units had been sold and the final 8 units were in escrow scheduled to close in July and August.

Davis Campus

- Aggie Village. This development consists of 21 single-family homes and 16 split-lot townhomes built on 4.5 acres of land owned by the campus adjacent to downtown Davis. Seventeen of the single-family homes have detached cottages, which can be used as studios or as guest houses. As of June 30, 1998, all of the homes had been sold. The average sales price for the single-family homes was $208,950. The average sales price for the townhomes was $156,750.

Irvine Campus

- University Hills. The unit mix on this 135-acre site includes 544 condominiums, townhouses, single-family attached and detached, semi-custom single-family detached, plus 13 custom homes. Current prices of the non-custom homes range from approximately $97,500 to $400,000.

Los Angeles Campus

- Colina Glen. This development consists of 58 townhouses on an 8-acre site located approximately 5 miles north of the campus. The site was purchased by The Regents from the Los Angeles Unified School District. The units were completed in 1986, ranging in price from $157,000 to $254,000.
- Village Terrace. Construction of 32 condominium units located immediately adjacent to the campus began in Spring 1987, and was completed in Summer 1990. Prices ranged from $147,000 to $289,000.
- Park Wilshire. The Los Angeles Campus administers 20 units of this 156-unit condominium development under the city's inclusionary ordinance for sale only to University faculty. The units were completed in late Fall 1990. Prices ranged from $95,500 to $299,000.
- Westchester Bluffs. This development consists of 86 large 3-4 bedroom single-family homes. Due to the substantial eroding of the real estate market, the prices of these homes were no longer attractive to the intended Faculty community. Despite extensive marketing efforts, the response from the campus community fell short of projections, necessitating the expansion of the eligible pool of potential buyers. In January 1994, The Regents approved the expansion of the eligibility pool to include members of the general public and elimination of resale restrictions. All the remaining homes were sold on a sealed-bid basis with minimum bid prices beginning from $409,990 to $609,990, with all sales completed as of June 30, 1997.

Santa Barbara Campus

- West Campus Point. This development provides 65 townhouses on an 11.5-acre campus site. The units were completed in 1986, ranging in price from $122,000 to $150,000.

Santa Cruz Campus

- Cardiff Terrace. This development originally provided 50 townhouses and 11 custom home sites on a 7-acre site adjacent to previously developed faculty rental housing. The townhouses were completed in 1987, ranging in price from $78,000 to $140,000. Nineteen townhouses were added to the project in 1992, ranging in price from $129,000 to $182,000.

The following table displays a statistical summary of the for-sale housing developments that have been completed.

Table II.A: For-Sale Housing Developments Statistics by Location (As of June 30, 1998)

Location	Total Units	Total Units Unsold*	Units Sold Retention	Units Sold Recruitment
Berkeley				
University Terrace	75	8	46	21
Davis				
Aggie Village	37	0	16	21
Irvine				
University Hills				
Phase I	94	0	70	24
Phase II	103	8	67	28
Phase III	102	3	64	35
Phase IV	88	3	29	56
Phase V	44	2	18	24
Phase VI	67	1	24	42
Phase VII	46	17	9	20
Campus Totals	544	34	281	229
Los Angeles				
Colina Glen	58	0	17	41
Village Terrace	32	21	1	10
Park Wilshire	20	14	1	5
Westchester Bluffs	86	0	14**	0**
Campus Totals	196	35	33	56
Santa Barbara				
West Campus Point	65	0	2	63
Santa Cruz				
Cardiff Terrace	80	0	40	40
Totals	997	77	418	430

* *Units either not sold for the first time or units that have been repurchased by the University for resale or rental to assist in recruitment or retention.*

** *Units sold to general public not included.*

III. Rental Housing Assistance

In 1997-98 there were approximately 607 faculty rental units at eight of the campuses. All were financed as part of the University of California Housing System (UCHS) or as Campus Housing Facilities. Although all of the day-to-day operations are decentralized, the capital debt incurred by financing UCHS facilities is managed centrally by the Office of the President. Financing for Campus Housing Facilities has been provided by a combination of State funds, gifts, Regents loans, and conventional loans. Unlike the UCHS, the financial management of Campus Housing Facilities at each campus is independent from those facilities at other campuses.

Faculty rental units range in size from studios to three-bedrooms. The fees for the faculty apartments range from $630 to $1,630 per month. Differences in the range of rents between campuses are generally the result of campus location and local market conditions; scope of services offered; age and physical configuration of facilities; and amount of existing debt attributable to housing projects. In 1997-98, of the total 607 rental units, 470 were UCHS facilities and 137 were Campus Housing Facilities.

IV. Employee Emergency Loan Fund

In September 1970, The Regents approved the establishment of an emergency loan fund for employees. The purpose of the fund is to provide loans to University employees who have an immediate need for funds as the result of an emergency and have no other source of money available within the time necessary to act, or who have a dire personal financial hardship and cannot obtain a loan from a credit union or comparable lending institution. The Employee Emergency Loan Fund is not intended to compete with local credit unions or other lending institutions; it is intended to fill the needs of University employees that are not being met by those sources.

This loan fund provides loans of up to $5,000 to be repaid within 36 months, at an interest rate equal to the current STIP rate.

The following table displays a statistical summary of the financial assistance provided by the Employee Emergency Loan Fund beginning on July 1, 1991.

Table IV.A: Employee Emergency Loan Fund Statistics by Location (As of June 30, 1998)

Location	Number of Loans	Dollar Value of Loans	Average Loan Amount
Berkeley	139	$373,625	$2,688
Davis	815	924,007	1,134
Irvine	51	35,232	691
Los Angeles	460	1,804,500	3,923
Riverside	177	111,137	628
San Diego	622	296,662	477
San Francisco	240	229,452	956
Santa Barbara	917	660,216	720
Santa Cruz	379	364,443	962
Office of the President	4	11,650	2,913
Lawrence Berkeley	8	5,350	669
Lawrence Livermore	4	3,350	838
Los Alamos	0	0	0
Totals/Average	3,816	$4,819,624	$1,263