

ANNUAL REPORT ON

UNIVERSITY EMPLOYEE

HOUSING ASSISTANCE

PROGRAMS



Fiscal Year Ended June 30, 2003

**Annual Report
on University Employee
Housing Assistance Programs**

Fiscal Year 2002-03

UNIVERSITY OF CALIFORNIA

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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 inception of the program 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 many comparable institutions across the country.

The management and program development responsibility for these programs has been delegated to the Office of Loan Programs (the Office). The 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 the Mortgage Origination Program (MOP), the University's major first deed-of-trust lending program, the Supplemental Home Loan Program, which provides primary and secondary financing using campus funds to assist in home purchases as well as tax-exempt bond financed single-family loan portfolios. 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. 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, 2003. The final appendix consists of financial statements and a Pricewaterhouse Coopers LLP independent auditors' report for the program utilizing bond indebtedness.

2002-03 Year in Review

During 2002-03, 252 MOP loans were funded, in an aggregate amount of \$110.2 million. This represents a decrease in the number of loans funded of 16.6% as compared to the previous year, and a decrease in the total dollar volume funded of 12.3%. The decrease in loan volume is attributed to the availability of historically low fixed rate loans from traditional lenders during this time period. The lower conventional rates also were the driver behind the historic level of loan payoffs experienced during the fiscal year - 344 loans, totaling \$101.7 million.

As of June 30, 2003, the MOP interest rate of 4.45% represents the 41st consecutive quarter in which the interest rate has been below 7%. The rate has been below 6% for the past 7 quarters. The 4-quarter averaging of the STIP rate of return, which produces the MOP Rate Index, moderates the changes in the MOP interest rate, which are generally slower than for conventional mortgage rates. It is anticipated that the MOP interest rate will continue to remain low for the next few quarters, which will further improve the competitiveness of MOP.

The one-year anniversary of the new Graduated Payment MOP (GP-MOP) occurred in May 2003. This innovative program, recommended by the University's Housing Task Force and approved by The Regents in late 2001, increases affordability for University borrowers by providing a temporary reduction in the interest rate that incrementally returns to the Standard MOP rate over a specified period. During this fiscal year, 35 GP-MOP loans were funded for a total of \$20,024,150 with an average loan size of \$572,119. A web-based resource analysis tool (the GP-MOP Product Analysis Tool) has been developed for use by campus lending staff and the Office to provide program component options, as well as financial and qualification information to prospective borrowers. The GP-MOP Product Analysis Tool, which replaced a stand-alone Excel spreadsheet program, also provides important resource utilization and analysis information to campus decision makers, enabling them to more efficiently allocate limited housing assistance resources.

A second major program, recommended by the University's Housing Task Force and approved by The Regents in March 2002, was implemented this fiscal year to sell portions of the MOP loan portfolio. During 2002-03, there were nine portfolio sales, totaling \$524.4 million, with 1,682 loans sold. The University has retained the servicing for these loans, so there will be no changes in the quality of customer service to the borrowers. It is anticipated that as new loans are funded and closed, periodic sales will continue in order to maintain adequate liquidity for the program and to support the increased levels of allocations that may be necessary to support future growth. Based upon the success of this program and the need by some campuses for liquidity for the campus-funded Supplemental Home Loan Program (SHLP), The Regents approved a program for the sale of SHLP loans in March 2003. The first sale occurred after the close of this fiscal year.

Effective April 1, 2003, MOP participants can secure 90% financing on loans of up to \$827,500. This is an increase from the previous threshold of \$753,500, and resulted from an annual study of changes in housing prices near UC campuses that is completed by the Office of Loan Programs. Under this new rule, a participant could potentially purchase a property for \$919,500 and receive a 90% loan of \$827,500.

The following table displays a summary of the use of housing-related financial assistance programs during the 2002-03 fiscal year.

Financial Assistance Programs: Fiscal Year 2002-03

Program	Number of Loans or Assistance	Dollar Value of Assistance	Average Amount
Mortgage Origination Program	252	\$110,183,030	\$437,234
Supplemental Home Loan Program	33	3,287,400	99,618
Salary Differential Housing Allowance Program	275	9,265,170	33,692
World Savings Home Loan Program	71	13,043,105	183,706
Totals	631	\$135,778,705	n/a

2002-03 Mortgage Origination Program Status Report

The MOP utilizes funds from the unrestricted portion of the University's Short-Term Investment Pool (STIP) to make adjustable interest rate first deed-of-trust loans with terms of up to 40 years 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.

2002-03 Program Status

As of June 30, 2003 the Office had funded 2,794 MOP loans in an aggregate amount of \$ 830 million since inception of the Program. The average original loan amount was \$297,081, 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 75.2%. As of June 30, 2003, the total servicing portfolio consisted of 1,469 loans totaling \$453.7 million. Of these loans, 119 were UC-owned with an aggregate UC-owned portfolio principal balance of \$52,886,220, representing 1.41% of the \$3.750 billion average daily balance of the legally available cash balances in the unrestricted portion of STIP. The balance of the loan portfolio was owned by five outside investors and was being serviced by the Office.

The University has been projecting unprecedented increases in student enrollment through 2012, which would drive substantial increases in annual levels of faculty recruitments. The current budget crisis affecting the state of California may impact the University's ability to support the projected enrollment growth. In addition, the opening of the Merced campus has been postponed for one year to the Fall of 2005. These factors may impact the level of faculty recruitments. However, a majority of the projected loan volume is connected to the replacement of existing faculty due to normal turn over, which, when coupled with the non-salary benefits of MOP, could maintain the demand for MOP loans even if the recruitment levels are lower than original projections.

To meet the ongoing and projected demand, the initial \$30 million that was allocated when the program was established in 1984 has increased to a total allocation of \$1.329 billion, with \$498.7 million remaining as of June 30, 2003. This total allocation includes the addition of \$415 million for the July 2002 through June 2004 time period. These additional funds should allow each location to address near-term needs as well as provide assistance in making commitments for recruitments underway. When MOP was established, 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, 2002 through June 30, 2003, 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 \$1,962,822 for the fiscal year.

1984-2003 Program Objectives and Results

The mission of the Office is to design, deliver, and manage housing assistance programs for recruitment and retention of faculty and senior managers in support of the education, research, and public service missions of the University. For the past 19 years, the MOP has provided the primary University-funded source of first mortgage financing to assist faculty and senior managers in purchasing a home close to the location where they work.

Chart 1 displays the level of faculty recruitments from the inception of the program in fiscal year 1984-85 through the current fiscal year. This chart clearly depicts the cyclical nature of recruitments, which are affected by variations in enrollment growth, faculty turnover and retirement rates, and budgetary restrictions. During the five-year period of 1995-96 through 1999-00, new hire activity was relatively stable, averaging 375 new appointments each year. The number of newly appointed Senate faculty increased to 532 in 2001-02, decreasing slightly to 514 in 2002-03. Chart 2 presents a breakdown by title of MOP loans made to members of the Academic Senate. During the early years of the program, the majority of loans were made to Professors, followed by Assistant Professors. Since fiscal year 1992-93, this mix has changed, with the majority of loans being made to Assistant Professors.

One of the initial assumptions for MOP was that the program would provide financial assistance to approximately 35% of all newly recruited faculty. It was believed that this level of service would be sufficient for the University to successfully recruit the high caliber of faculty needed at its campuses. The average percentage of new recruits served over the 19-year program history has been 27.4%. The percentage served each year has ranged from a low of 10.4% (1984-85) to a high of 49.4% (2001-02). These variations are due primarily to changes in economic conditions including home prices and fluctuations in conventional mortgage rates.

Chart 3 displays advantages offered by the University lending products' more flexible underwriting criteria, which enable a higher percentage of borrowers to receive affordable financing than would otherwise be possible under the more conservative debt-to-income ratios and loan-to-value requirements used by conventional lenders.

Since the offering of the first housing programs in the late 1970's, the University has provided over \$1.9 billion in home loans and other financial assistance related to housing. This assistance includes 3,551 University-provided loans (including 2,794 MOP loans totaling \$830 million), 2,066 housing assistance grants, and 5,773 loans provided by outside lenders. Seven campuses operate 752 units of rental housing for faculty and academic staff. The University also has 1,013 units of for-sale housing available at six of its campuses, which provide a long-term renewable affordable housing resource. These programs are vital tools for recruitment and retention in support of the overall mission of the University.

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

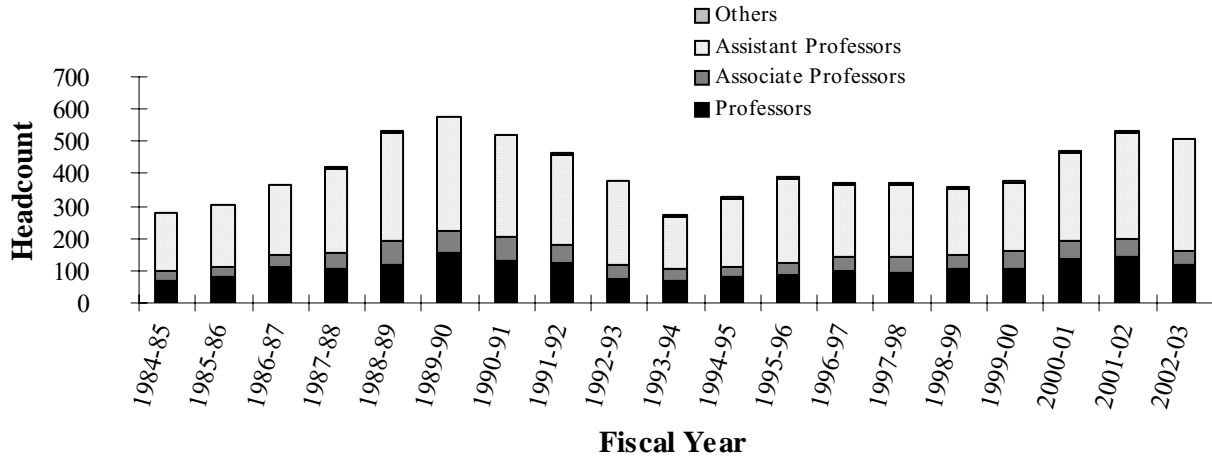


Chart 2: MOP Loans funded for Members of the Academic Senate

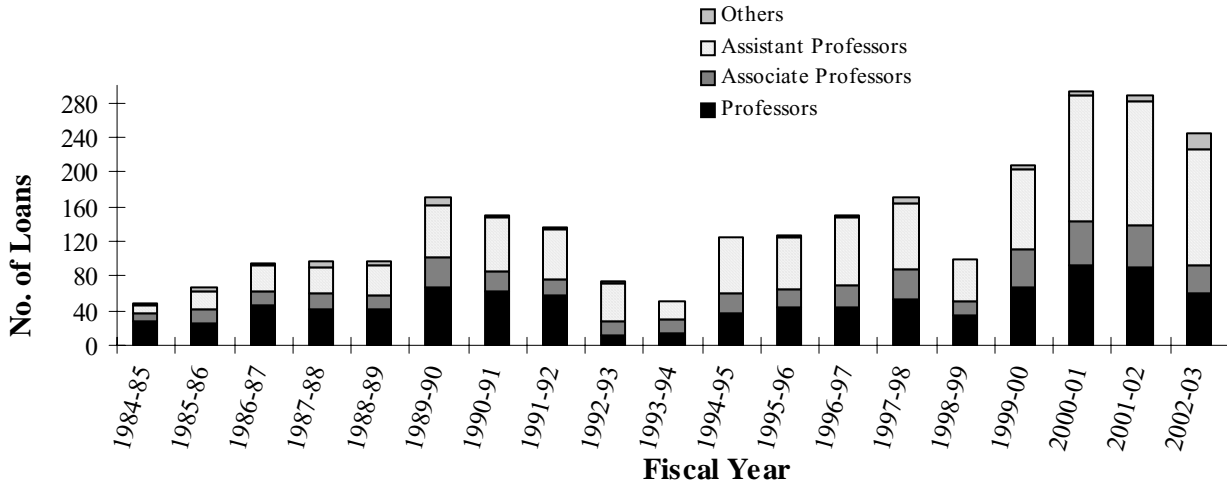
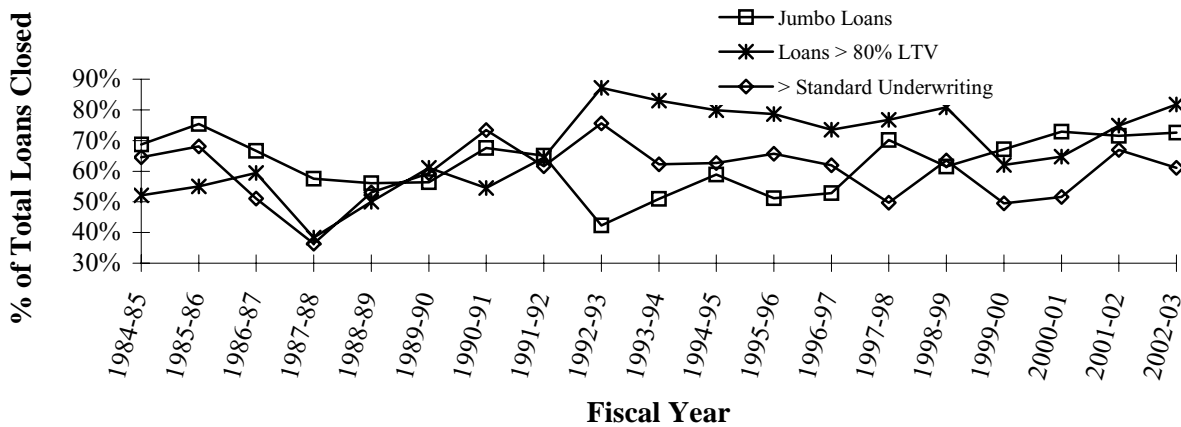
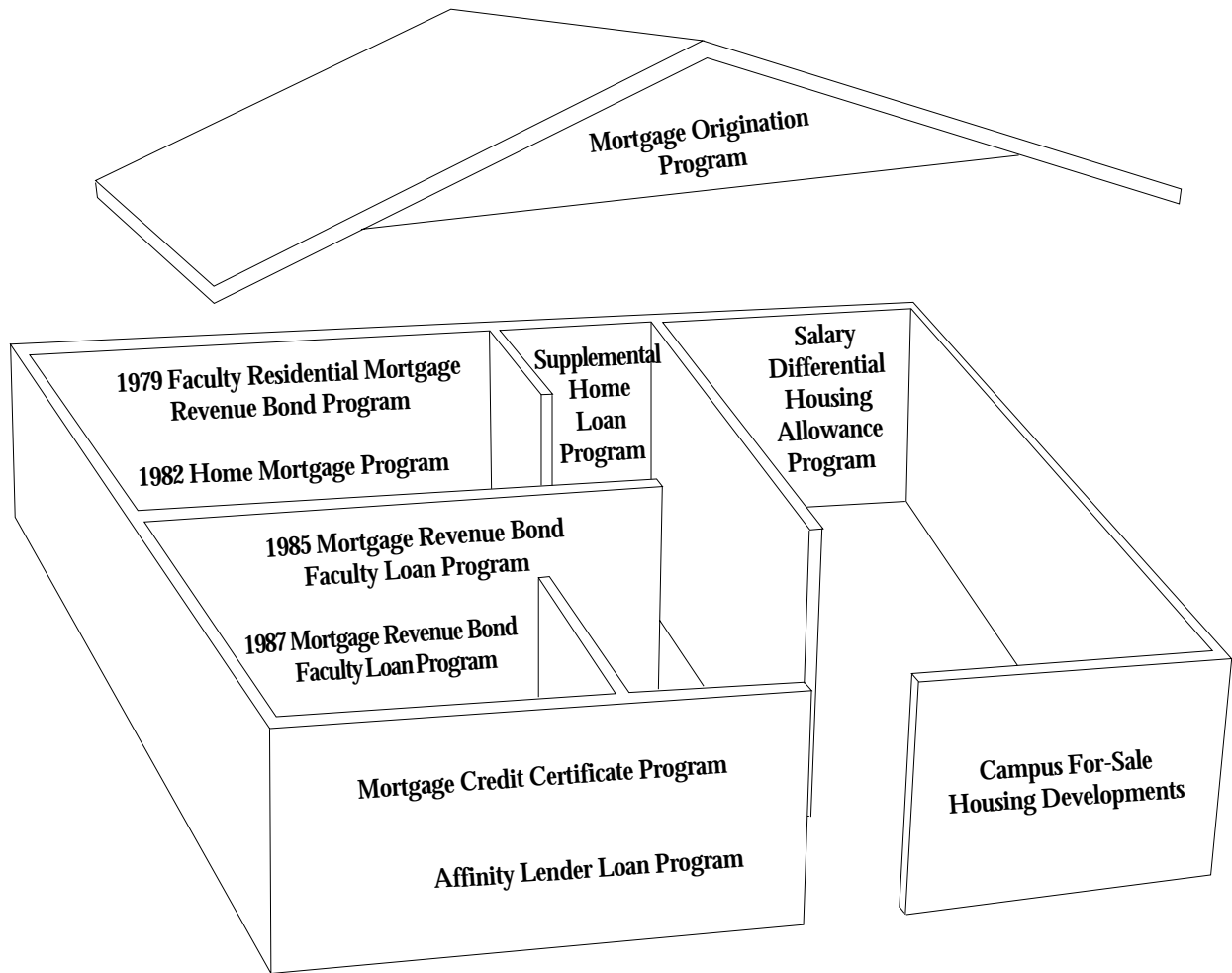


Chart 3: MOP Loan Characteristics



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, 2003)

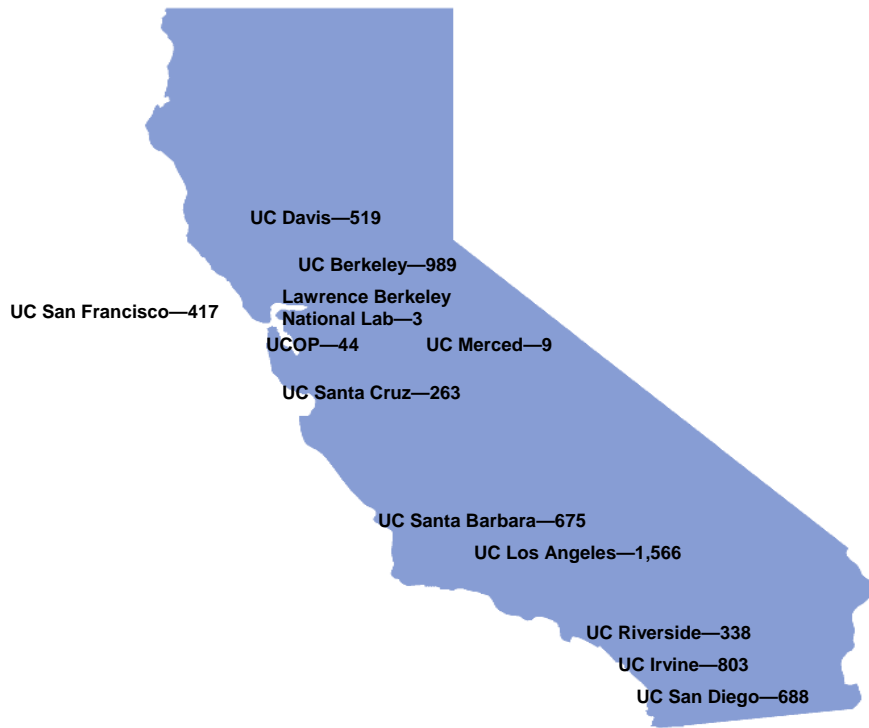
Program	Number of Loans/ Assistance	Dollar Value	Average Amount	Recruitment	Retention
<i>Active Program Components</i>					
Mortgage Origination Program	2794	\$830,044,949	\$297,081	2,236	558
Supplemental Home Loan Program	757	68,959,371	91,095	573	184
Salary Differential Housing Allowance Program	2,066	46,787,304	22,646	1,846	220
World Savings Loan Program	71	13,043,105	183,706	n/a	n/a
Subtotal	5,688	\$958,834,729	n/a	4,655	962
<i>Inactive Program Components</i>					
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 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
NAMC Loan Program	5,662	852,999,976	150,653	n/a	n/a
Subtotal	6,462	948,782,899**	n/a	435	365
Totals	12,150	\$1,907,617,628**	n/a	5,090***	1,327***

* 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%.

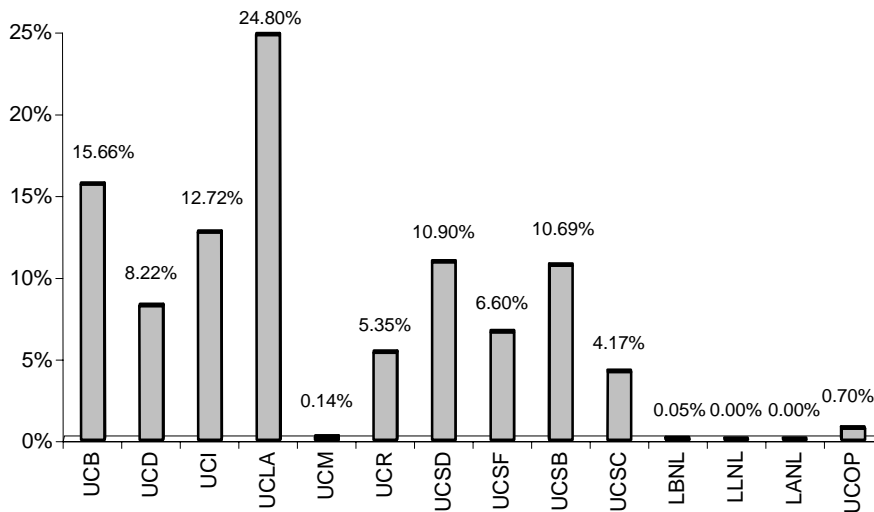
** Figure does not include the value of mortgage credit certificates.

*** Figures do not include NAMC or World Savings loans

Cumulative Total Number of University Loans/Financial Assistance by Location As of June 30, 2003



Cumulative Percentage of University Loans/Financial Assistance by Location As of June 30, 2003



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 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 adjustable interest rate loans at up to 90% of value with terms of up to 40 years. Unlike conventional financing, MOP loans in excess of 80% of value do not require private mortgage insurance. The Standard interest rate is indexed to the most recently available four-quarter average rate of return of STIP, plus an administrative 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 \$1.329 billion through June 2003.

In November 2001, The Regents approved an additional new MOP loan product. The GP-MOP is a graduated payment loan that provides a lower interest rate during the initial years of the loan. The initial rate paid by the Borrower is a pre-determined amount less than the Standard MOP rate, with a minimum interest rate of 3.00%. The rate reduction amount is called the Interest Rate Differential, which declines for a set number of years (Rate Differential Period) by a fixed amount until the Standard MOP Rate is reached. The Rate Differential Period is generally between three and twelve years. During the Rate Differential Period, the campus reimburses STIP for the shortfall in earnings due to the lower Borrower Rate. The GP-MOP provides a lower initial monthly payment, thereby expanding the range of purchase prices affordable to those prospective borrowers who expect their income to rise in subsequent years. At the end of the Rate Differential Period, the GP-MOP component will cease and the loan interest rate will be adjusted in the same manner as a Standard MOP loan. In fiscal year 2002-03, 35 GP-MOP were funded loans for a total amount of \$20,024,150.

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 33% 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 up to \$526,000, 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, members of the Senior Management Group, and Acting Assistant Professors. 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 a 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 surviving domestic partner (or, in the absence of a surviving spouse or surviving domestic partner, a surviving 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, 2003 there were 119 UC-owned loans outstanding and the aggregate UC-owned portfolio principal balance was \$52.9 million. The remainder of the portfolio consisted of 1,350 Investor-owned loans with an aggregate principal balance of \$400.8 million.

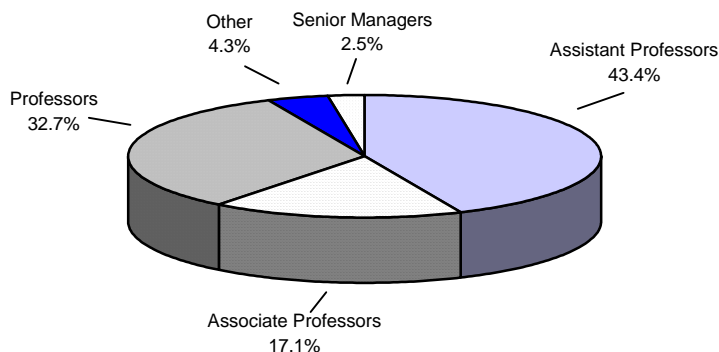
Between 1994 and 1998, MOP realized principal losses due to foreclosures, deeds-in-lieu of foreclosure, and approved short-sale transactions of \$1,041,153. There have been no losses under the program during the past four fiscal years. The current delinquency ratio of the portfolio is zero. An annual risk analysis of the MOP portfolio projects a very small risk of losses in the coming fiscal year, due primarily to the price recovery in residential real estate throughout California.

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, 2003)

Location	Number of Loans	Dollar Value of Loans	Average Loan Amount	Recruitment	Retention
Berkeley	425	\$122,918,570	\$289,220	335	90
Davis	298	63,305,984	212,436	264	34
Irvine	419	100,067,480	238,824	363	56
Los Angeles	574	199,987,000	348,409	382	192
Merced	9	2,888,950	320,994	9	0
Riverside	186	45,068,190	242,302	158	28
San Diego	279	81,052,600	290,511	255	24
San Francisco	191	90,495,725	473,800	143	48
Santa Barbara	225	68,983,525	306,593	196	29
Santa Cruz	150	38,195,025	254,633	106	44
Office of the President	36	16,269,900	451,942	23	13
Lawrence Berkeley National Lab	2	812,000	406,000	2	0
Totals/Average	2,794	\$830,044,949	\$297,081	2,236	558

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 million 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 Laboratory 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 administered by the Office pursuant to an agreement with each location.

The eligible population for the program is comprised of 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.

The Regents approved the sale of SHLP loans in March 2003. As of June 30, 2003, the Office was investigating the possibility of completing a sale of SHLP loans, dependent on the pricing available for the loans.

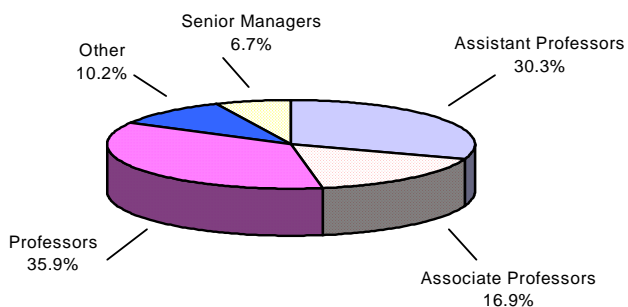
Between 1994 and 1998, principal losses of \$629,784 were realized under the Program, due to foreclosures, deeds-in-lieu of foreclosure, and approved short-sale transactions. There were no principal losses under the program during the past four fiscal years. In fiscal year 2002-03, an interest loss of \$38,281 was realized due to uncollected contingent interest on a Shared Appreciation Mortgage. This loss was covered by the Housing Programs Reserve Fund.

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, 2003)

Location	Initial Allocation	Number of Loans	Dollar Value of Loans	Average Loan Amount	Recruitment	Retention
Berkeley	\$324,000	212	\$13,576,912	\$64,042	155	57
Davis	200,000	61	1,367,576	22,419	49	12
Irvine	180,000	50	2,030,625	40,612	46	4
Los Angeles	480,000	234	36,415,861	155,623	160	74
Merced	0	0	0	0	0	0
Riverside	104,000	46	716,244	15,571	41	5
San Diego	228,000	11	1,130,350	102,759	6	5
San Francisco	220,000	92	10,719,792	116,519	73	19
Santa Barbara	164,000	31	1,159,362	37,399	25	6
Santa Cruz	100,000	11	238,150	21,650	11	0
Office of the President	0	8	1,580,800	197,600	7	1
Lawrence Berkeley National Lab	0	1	23,700	23,700	0	1
Totals/Average	\$2,000,000	757	\$68,959,372	\$91,096	573	184

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



C. Salary Differential Housing Allowance Program.

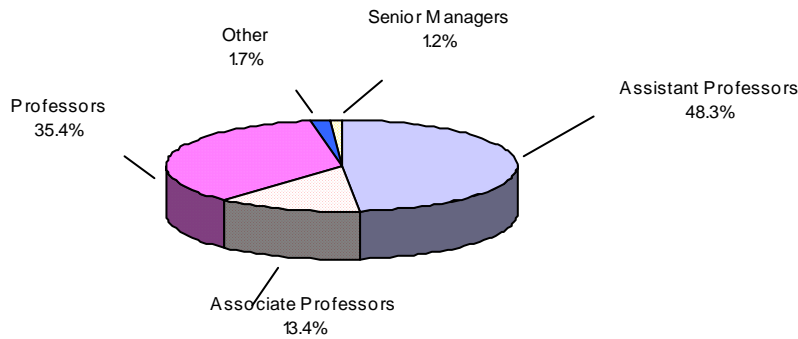
This program was authorized in 1982 and is funded from appropriate campus resources designated by the Chancellors. The program authorizes the granting of special housing allowances to assist with down payments, mortgage payments, and other housing-related costs. The assistance may be paid in one lump sum or over a period not to exceed ten years in equal, unequal, or declining balance amounts. The maximum assistance amount is indexed based upon salary increases for faculty and was increased in October 2001 to \$53,300. Campuses have the ability to establish repayment conditions for the housing allowances, or they can choose not to require 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.

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, 2003)**

Location	Number of Allowances	Dollar Value of Allowances	Average Allowance Amount	Recruitment	Retention
Berkeley	258	\$9,065,364	\$35,137	191	67
Davis	74	1,945,369	26,289	67	7
Irvine	220	4,125,038	18,750	214	6
Los Angeles	662	13,424,404	20,279	579	83
Merced	0	0	0	0	0
Riverside	69	810,114	11,741	59	10
San Diego	311	6,492,228	20,875	301	10
San Francisco	101	5,137,882	50,870	93	8
Santa Barbara	352	5,031,790	14,295	323	29
Santa Cruz	19	755,115	39,742	19	0
Totals/Average	2,066	\$46,787,304	\$22,646	1,846	220

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



D. World Savings Bank Home Loan Program.

In December 2002, the University entered into an agreement with World Savings to provide a variety of mortgage loan products to all University employees in California and New Mexico. In addition to standard secondary market loan products, World Savings has its own internal portfolio variable rate loan product that provides a wide range of repayment options. Through this agreement, World Savings offers discounted loan application fees on loans that may be used for home purchases, refinancing of existing debt, or equity lines of credit. World Savings has provided the aggregate lending activity data displayed in Table I.D. below.

**Table I.D: World Savings Bank Home Loan Program Statistics
(As of June 30, 2003)**

Time Period	Number of Loans	Dollar Value of Loans	Average Loan Amount
July 1, 2002 to June 30, 2003	71	13,043,105	183,706
Totals/Average	71	\$13,043,105	\$183,706

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. Two developments at UCLA, Park Wilshire and Village Terrace, have been removed from Table II.A, as they are currently offered to faculty on a rental basis only.

Berkeley Campus

- University Terrace. Construction for this condominium project was completed in the summer of 1994. This development consists of 75 housing units on 4 acres of land and is comprised of 2 and 3 bedroom townhomes and flats. Original prices ranged between approximately \$110,000 and \$195,000. The initial sales of the units were completed in August 1998.

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 guesthouses. The average original sales price for the single-family homes was \$208,950. The average original sales price for the townhomes was \$156,750.

Irvine Campus

- University Hills. The unit mix on this 152-acre site includes 155 condominiums, 68 townhouses, 462 attached and detached single-family residences, and 13 custom homes. Current prices of the non-custom homes range from approximately \$125,000 to \$500,000.

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. As units become available, UCLA is exercising its option to repurchase them. The units are being used to provide university-owned rental units for faculty.

- Park Wilshire. The Los Angeles Campus administers 20 units of this 156-unit condominium development, under the city's inclusionary ordinance, for sale or rental to University faculty. The units were completed in late Fall 1990. Prices ranged from \$95,500 to \$299,000. As units become available, UCLA is exercising its option to repurchase them. The units are being used to provide university-owned rental units for faculty.

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.
- Hagar Court. The 50 Hagar Court Apartments were built as faculty rentals in 1981. Renovation of these units will be completed in the Fall of 2003 at which time they will be sold to faculty and staff. Prices range from \$202,000 to \$222,500.

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, 2003)**

Location	Total Units Available	Total Units Unsold	Units Sold	
			Retention	Recruitment
Berkeley				
University Terrace	75	0	n/a**	n/a**
Davis				
Aggie Village	37	0	12	25
Irvine				
University Hills				
Phase I	94	0	62	32
Phase II	103	0	72	31
Phase III	102	0	67	35
Phase IV	88	0	31	57
Phase V	44	0	19	25
Phase VI	67	0	23	44
Phase VII	102	0	20	82
Phase VIII	98	6	14	78
Campus Totals	698	6	308	384
Los Angeles				
Colina Glen	58	0	n/a**	n/a**
Santa Barbara				
West Campus Point	65	0	0	65
Santa Cruz				
Cardiff Terrace	80	0	40	40
Totals	1,013	6	360	514

* 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.

** Recruitment/retention data is not tracked on resales of properties.

III. Rental Housing Assistance

In 2002-03, there were 752 faculty rental units at seven of the campuses that 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 \$500 to \$2,924 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 2002-03, of the total 752 rental units, 566 were UCHS facilities and 186 were Campus Housing Facilities.

In addition to these 752 units, there are 40 studio and one-bedroom rental units at UC Irvine that were built using Irvine Campus Housing Authority (ICHA) equity. These units are administered by ICHA, with rents ranging from \$870 to \$1,380. As current owners in the Village Terrace and Park Wilshire for-sale housing developments decide to sell their homes, the UCLA campus is exercising its option to purchase the units for rental to campus faculty and staff. Of the 52 units administered by the University in these two developments, 40 units have been purchased by UCLA and are being rented, with rents ranging from \$1,178 to \$2,924.

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

The following table displays a statistical summary of the financial assistance provided by the Employee Emergency Loan Fund.

**Table IV.A: Employee Emergency Loan Fund Statistics by Location
(As of June 30, 2003)**

Location	Number of Loans	Dollar Value of Loans	Average Loan Amount
Berkeley	170	\$665,313	\$3,914
Davis	1,476	1,991,191	1,349
Irvine	120	87,322	728
Los Angeles	460	1,804,500	3,923
Merced	0	0	0
Riverside	331	225,376	681
San Diego	952	459,022	482
San Francisco	517	492,728	953
Santa Barbara	1,017	751,855	739
Santa Cruz	524	542,189	1,034
Office of the President	9	27,150	3,017
Lawrence Berkeley National Laboratory	8	5,350	669
Lawrence Livermore National Laboratory	5	4,350	870
Los Alamos National Laboratory	53	249,800	4,713
Totals/Average	5,642	\$7,306,146	\$1,295