

UNIVERSITY  
OF  
CALIFORNIA



MORTGAGE  
ORIGINATION  
PROGRAM

HOME LOANS  
Especially for UC Faculty



# PROGRAM OVERVIEW

The Mortgage Origination Program (MOP) was developed by the University of California to support the recruitment and retention of faculty and Senior Managers by assisting them in the purchase of a principal residence near their campus.

MOP provides first deed of trust loans with a one-year adjustable rate based upon an internal University index. The standard repayment term is 30 years; however, borrowers may request a shorter term, or a longer term of up to 40 years.

MOP is administered by the University's Office of Loan Programs (OLP), located in Oakland, California. Please contact your Campus Housing Programs Representative or OLP if you have questions regarding the Mortgage Origination Program.

# ELIGIBILITY REQUIREMENTS

Full-time University Appointees who are:

- members of the Academic Senate or hold an equivalent title
- members of the Senior Management Group

Each campus (or Lab) determines participation based on recruitment or retention needs

Property must be the principal place of residence for primary borrower within reasonable distance of campus

The borrower must not have owned a primary residence within the prior 12 months near campus

Only for a single family residence or a condominium

Loan may not be used for construction financing

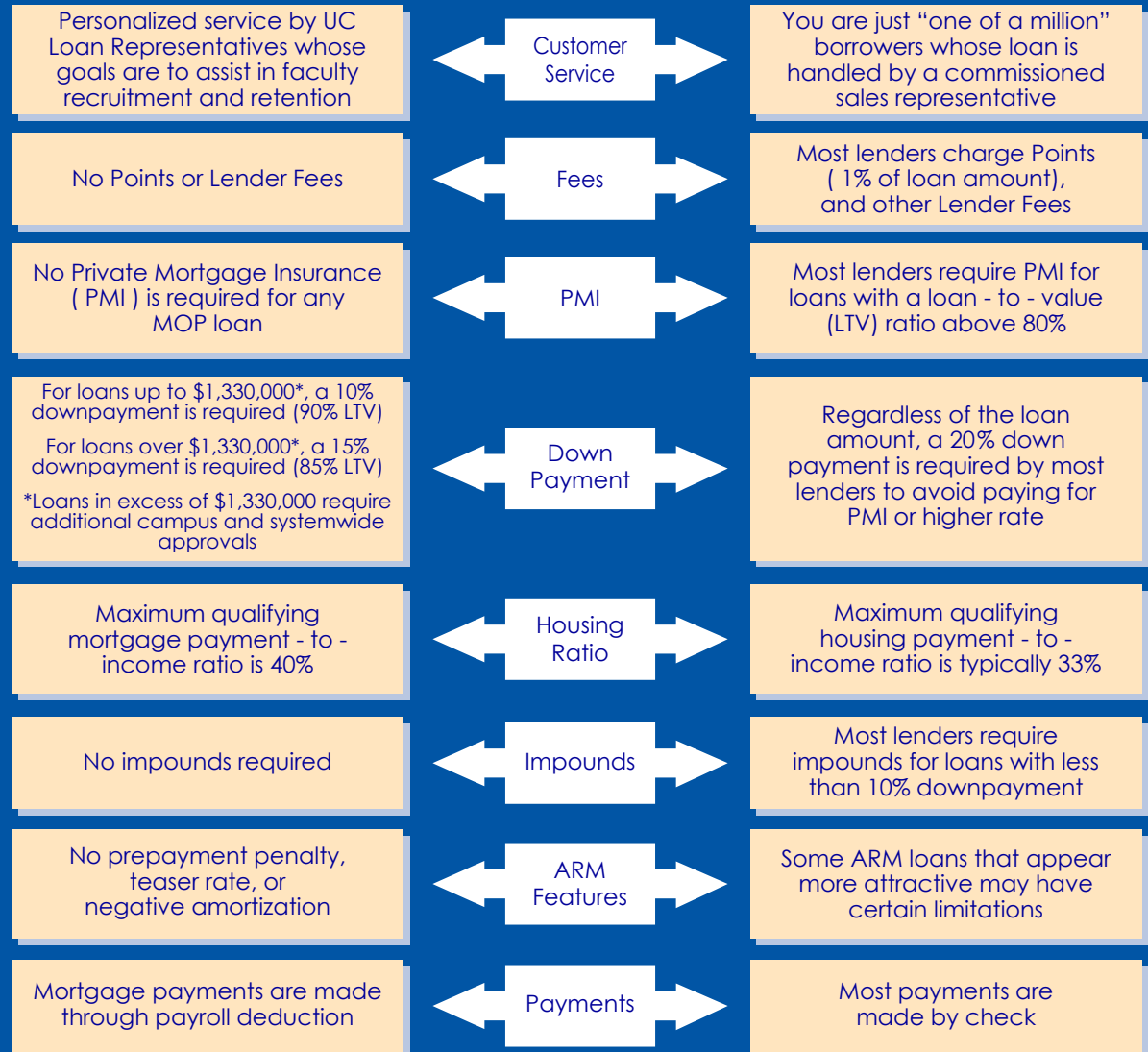
Repayment in full is required six months after separation from the University (unless for retirement or disability)

Loans are non-assumable

# Why Choose MOP?

## MOP Loans

## Conventional Loans



# HOW IS THE MOP INTEREST RATE DETERMINED?

The University maintains a working capital account (Short Term Investment Pool, or STIP) that is invested in a broad spectrum of investments with a maximum maturity of five years.

To determine the interest rate for MOP loans, the rate of return of STIP is calculated quarterly. The rate of return for the most recently available four quarters is averaged and an administrative fee of .25 is added.

This rate is used for new MOP loans as well as MOP loans due for their annual rate adjustment. The maximum annual rate adjustment for each loan is 1% (up or down) from the current rate.

As shown on the chart to the right, loan rates for the MOP program have traditionally fluctuated less than most indices used by private lenders.

## BORROWER SURVEY RESPONSES (95% very satisfied)

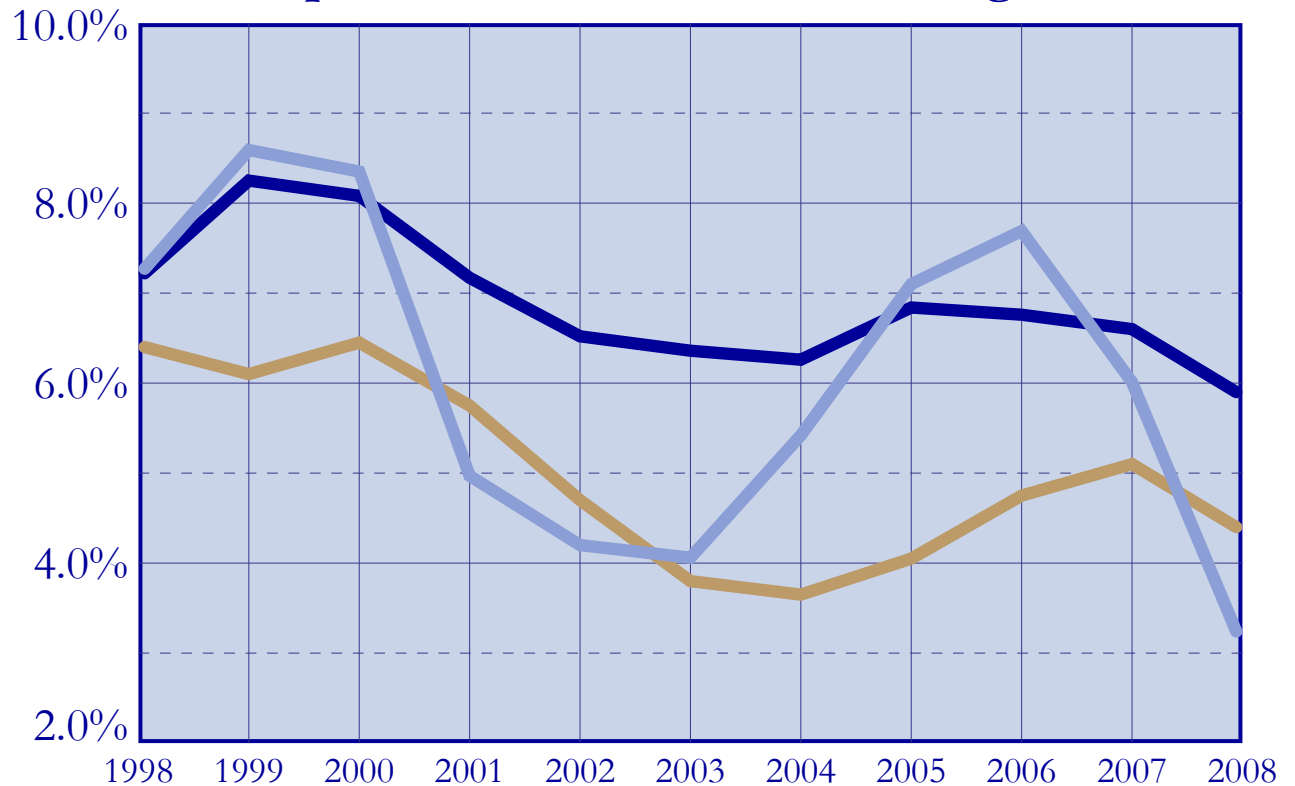
*"The staff at the Oakland office were fantastic: responsive to all my questions/requests; knowledgeable about the program; happy to spend time explaining the process/loan to me."*

*"We had an excellent experience with this program, and are very glad it exists, since median home values in our new CA community are approximately double those of our old location. Thanks much!"*

*"The entire loan process was extremely professional and expeditious. We appreciated the courteous and responsive staff who patiently answered our questions. This was particularly important given this was our first time purchase."*

*"I am extremely satisfied with my experience of the loan application process and am grateful to the University for having a mortgage program that made buying a home in California more affordable."*

## Mortgage Origination Program Interest Rate Compared to Conventional Lending Rates \*



\* Rates for December each year

1. The fixed rate is the U.S. average of conventional 1st home loan mortgages for new home purchases (source: Federal Housing Finance Board).
2. The ARM rate is the T-Bill rate, defined as the monthly average rate on the U.S. Treasury securities, adjusted to a constant maturity of one year, plus a 2.75% margin. The ARM rate shown does not reflect any teaser rate.
3. The MOP Note rate is equal to the four quarter average of the rate of return of the University's Short Term Investment Pool plus an administrative fee.

Since 2001, the MOP Note Rate has been under 6%

NOTE: This Program brochure is a general description of the Program and if there is a conflict between the Program brochure and the official Program policies, the Program policies will prevail.



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Our Website Features:

On-Line Application • Current and Historical MOP Rates  
Program Contact Listing • Newsletter • Program Brochure • Annual Report  
Other Tools/Resources: View My Loan Access • FAQ Page  
Consumer Information Page • Campus Housing Links • Calculators • Glossary  
**Visit us at [www.ucop.edu/olp/](http://www.ucop.edu/olp/)**

NONDISCRIMINATION STATEMENT

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The University of California is an affirmative action/equal opportunity employer. The University undertakes affirmative action to assure equal employment opportunity for underutilized minorities and women, for persons with disabilities, and for Vietnam-era veterans and special disabled veterans. University policy is intended to be consistent with the provisions of applicable State and Federal law.

Inquiries regarding the University's equal opportunity policies may be directed to: Provost and Executive Vice President-Academic Affairs (510) 987-9020 (for academic employee-related matters) or to the Executive Vice President-Business Operations at (510) 987-9029 (for staff employee-related matters).

