

**University of California Office of the President**  
Office of Loan Programs  
1111 Franklin Street  
Oakland, CA 94607-5200

# ANNUAL REPORT

FY 2023-2024

*Annual Report on the University of California Housing Assistance Program*

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# LETTER FROM THE DIRECTOR

## Letter from the Director

### ***Strategic Highlights***

The Office of Loan Programs administers the University of California Employee Housing Assistance Program (Program) on behalf of the University of California Home Loan Program Corporation (Corporation). Eligible participants are members of the Academic Senate and Senior Management Group at the University of California's ten campuses, five medical schools, the Lawrence Berkeley National Laboratory (LBNL), the Office of the President (UCOP), UC Law-San Francisco, and the Division of Agriculture and Natural Resources (ANR).

This report provides a summary of the Program results for the fiscal year ended June 30, 2024, including the total dollar amount of loans funded by the Corporation. Also included are the outstanding balances of Corporation loans at year-end, and the outstanding balance of loans that were funded prior to the formation of the Corporation.

This report also provides summary statistics for loans to Senior Management Group employees.

### ***Operating Highlights***

The Program offers first and second deed of trust loans through the Mortgage Origination Program (MOP) and the Supplemental Home Loan Program (SHLP) and their components.

MOP loans are first deed of trust mortgage loans funded using an allocation from the University's Short-Term Investment Pool (STIP). Allocations are approved by the President of the University of California.

SHLP loans are primarily second deed of trust mortgage loans and are funded from resources available at the campus locations. Centrally-Funded SHLP loans are funded from a designated central allocation. A full description of all available loan products is provided in Appendix A.

### ***Financial Highlights***

For the fiscal year ended June 30, 2024, the Office of Loan Programs funded 515 MOP loans totaling \$533.0 million and 185 SHLP loans totaling \$21.6 million. A total of nine MOP loans and four SHLP loans were issued to Senior Management Group employees. The outstanding MOP portfolio balance of all active loans, including loans that have been sold to outside investors, was \$1.8 billion as of June 30, 2024.

**Jennifer Mays**  
**Director – Office of Loan Programs**

# LOAN VOLUME STATISTICS

## Loan Volume Statistics – Mortgage Origination Program

During fiscal year 2023-2024, the total MOP loan volume was comprised of 515 loans with an aggregate dollar amount of \$533.0 million. The table below displays a breakdown of the number and dollar volume of loans by location. Compared to the prior fiscal year, the total number of loans funded increased from 300 to 515, with a corresponding increase in the total dollar volume funded from \$295.6 million to \$533.0 million. Loan volume increased primarily due to high interest rates with outside lenders during the fiscal year making the program more desirable and the increased cost of housing near the University's campuses.

Loans are designated as either recruitment or retention. Generally, recruitment loans are issued to applicants within four years of their University appointment. Each campus also has the option to offer a MOP loan for the purpose of retention. Although a formal offer letter from another institution is not required to substantiate the retention purpose, the campus is responsible for noting whether the loan is for the purpose of recruitment or retention.

The low down payment requirement, lack of lender fees, favorable underwriting terms, and no required Private Mortgage Insurance contribute to the attractiveness of the MOP loan as a recruitment and retention tool, even during periods when outside interest rates are comparable to the MOP rate.

### *Mortgage Origination Program Statistics by Location – Fiscal Year 2023-2024*

LOCATION	NUMBER OF LOANS	\$ AMOUNT OF LOANS	AVERAGE LOAN AMT	RECRUITMENT	RETENTION
Berkeley	62	78,569,300	1,267,247	53	9
Davis	70	53,451,250	763,589	63	7
Irvine	53	53,435,300	1,008,213	42	11
Los Angeles	39	41,640,500	1,067,705	20	19
Merced	9	4,198,200	466,467	7	2
Riverside	38	29,991,000	789,237	34	4
San Diego	69	72,623,000	1,052,507	65	4
San Francisco	64	99,515,750	1,554,934	55	9
Santa Barbara	55	45,578,800	828,705	49	6
Santa Cruz	43	38,571,550	897,013	19	24
UC Law-SF	3	3,922,650	1,307,550	1	2
LBNL	6	5,996,500	999,417	2	4
UCOP	4	5,551,000	1,387,750	4	0
Totals/Average	515	\$533,044,800	\$1,035,038	414	101

# LOAN VOLUME STATISTICS

## Loan Volume Statistics – Supplemental Home Loan Program

During the fiscal year, 185 SHLP loans were funded, with an aggregate dollar amount of \$21.6 million. Compared to the prior fiscal year, the number of loans funded increased from 75 to 185 loans, with a corresponding increase in the total dollar volume funded from \$7.6 million to \$21.6 million. The increase in loan volume and dollar volume corresponds to the increase in MOP loans, as SHLP loans are generally in second position behind a MOP loan. It is also due to the ZIP (Zero Interest) loan product which was rolled out in July 2022. As shown in the tables below, of the 185 SHLP loans funded, 47 were Centrally Funded-SHLP loans and 112 were ZIP loans. The locations that did not fund any SHLP loans during the fiscal year are not included in the tables.

### *Supplemental Home Loan Program Statistics by Location*

#### *Loans Funded Using Location Resources*

##### *Fiscal Year 2023-2024*

LOCATION	NUMBER OF LOANS	\$ AMOUNT OF LOANS	AVERAGE LOAN AMT	RECRUITMENT	RETENTION
Davis	2	\$62,000	\$31,000	2	0
Los Angeles	5	3,720,000	744,000	3	2
San Francisco	15	3,292,100	219,473	14	1
Santa Cruz	4	83,700	20,925	1	3
Totals/Average	26	\$7,157,800	\$275,300	20	6

### *Supplemental Home Loan Program Statistics by Location*

#### *ZIP Loans Funded Using Location Resources*

##### *Fiscal Year 2023-2024*

LOCATION	NUMBER OF LOANS	\$ AMOUNT OF LOANS	AVERAGE LOAN AMT	RECRUITMENT	RETENTION
Berkeley	29	\$3,446,700	\$118,852	27	2
Davis	6	760,000	126,667	6	0
Irvine	9	710,100	78,900	9	0
Los Angeles	9	1,140,000	126,667	5	4
San Diego	25	3,299,900	131,996	24	1
Santa Barbara	24	2,100,100	87,504	22	2
Santa Cruz	10	1,146,200	114,620	7	3
Totals/Average	112	\$12,603,000	\$112,527	100	12

# LOAN VOLUME STATISTICS

*Supplemental Home Loan Program Statistics by Location*  
*Centrally Funded Loans*  
*Fiscal Year 2023-2024*

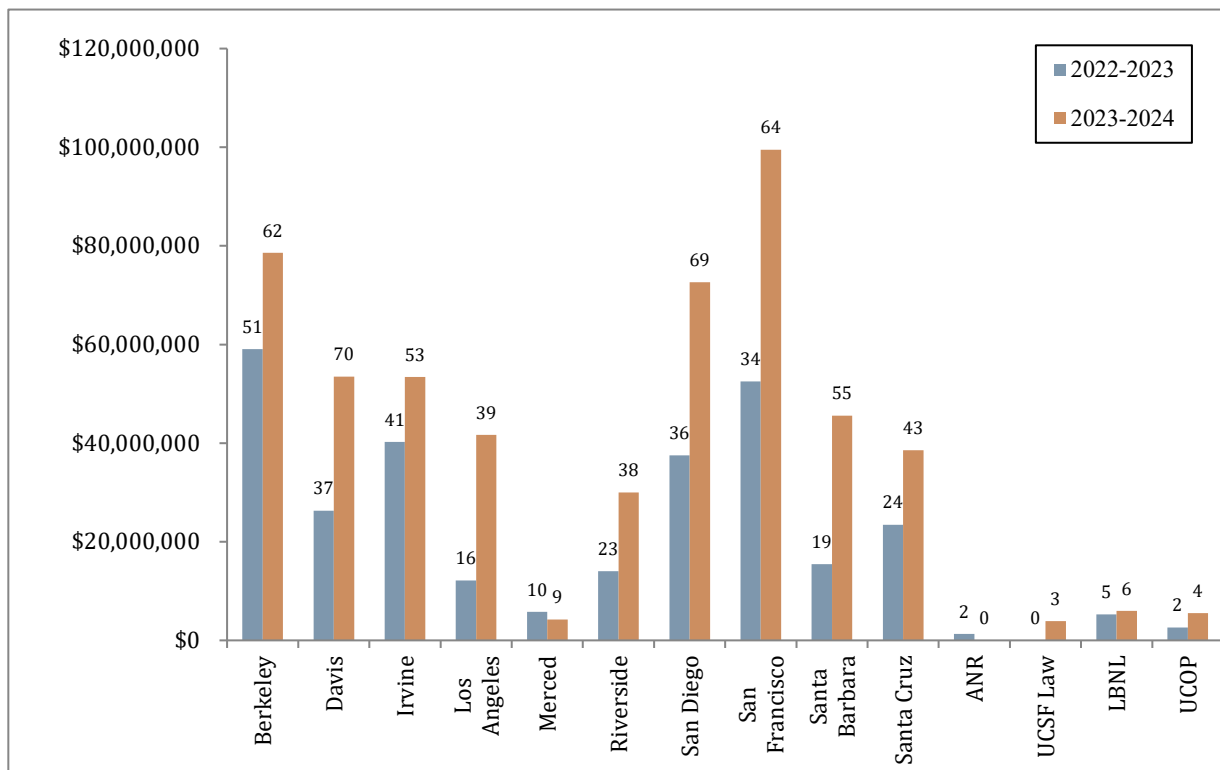
LOCATION	NUMBER OF LOANS	\$ AMOUNT OF LOANS	AVERAGE LOAN AMT	RECRUITMENT	RETENTION
Berkeley	6	\$329,750	\$54,958	6	0
Davis	3	59,850	19,950	3	0
Irvine	9	262,000	29,111	6	3
Los Angeles	4	169,550	42,388	3	1
Merced	2	40,700	20,350	2	0
Riverside	12	525,950	43,829	12	0
San Diego	6	195,000	32,500	5	1
San Francisco	1	39,000	39,000	1	0
Santa Barbara	3	128,350	42,783	2	1
UCOP	1	75,000	75,000	1	0
Totals/Average	47	\$1,825,150	\$38,833	41	6

# MORTGAGE ORIGINATION PROGRAM

## Mortgage Origination Program - Activity Levels by Location

The chart below displays a comparison of the number and dollar amount of MOP loans funded by location for the past two fiscal years.

*Number and Dollar Volume of MOP Loans  
Comparison of 2022-2023 and 2023-2024 Totals by Location*

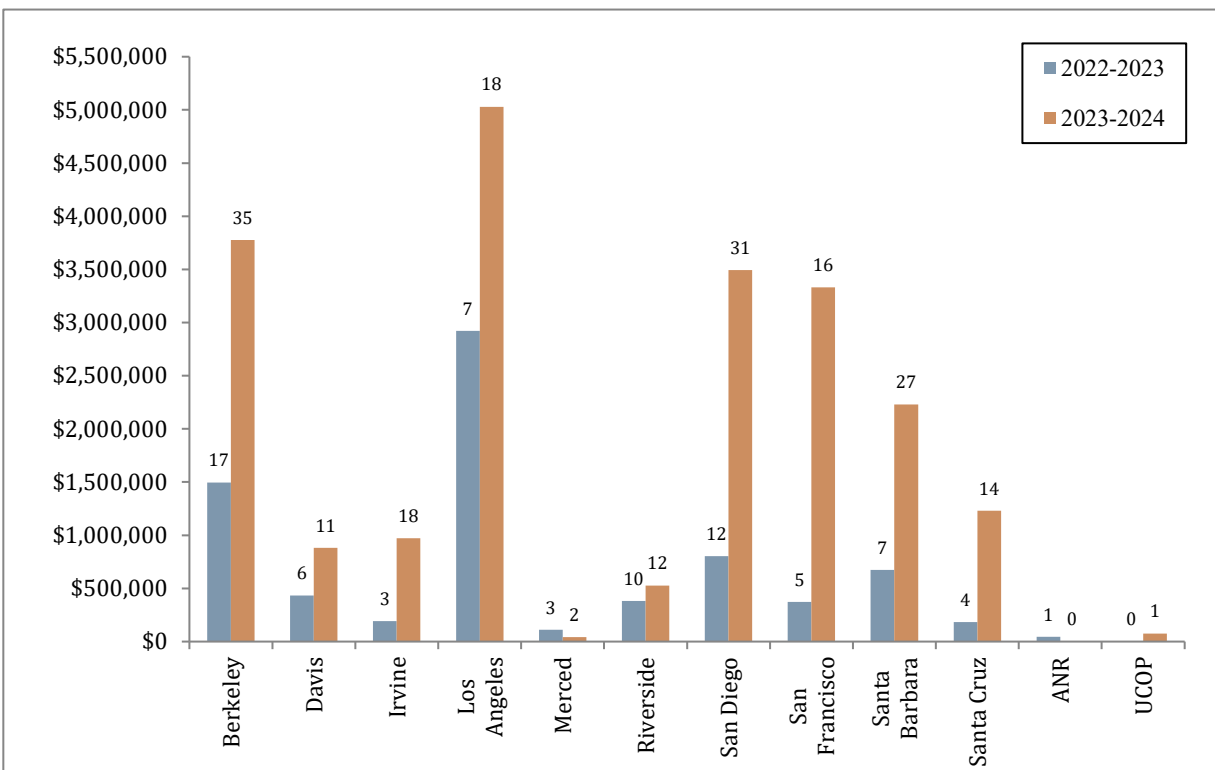


# SUPPLEMENTAL HOME LOAN PROGRAM

## Supplemental Home Loan Program - Activity Levels by Location

The chart below displays a comparison of the number and dollar amount of SHLP loans funded by location for the past two fiscal years.

*Number and Dollar Volume of SHLP Loans  
Comparison of 2022-2023 and 2023-2024 Totals by Location*





# SENIOR MANAGEMENT GROUP STATISTICS

## Senior Management Group Statistics

The majority of MOP and SHLP loans are issued to academic senate faculty, but Senior Management Group employees are also eligible for Program participation. Of the 515 MOP loans funded in 2023-2024, nine were issued to Senior Management Group employees. The table below displays the statistics for the locations that provided loans to Senior Management Group employees.

### *MOP Loans to Senior Management Group Employees*

LOCATION	NUMBER OF LOANS	\$ AMOUNT OF LOANS	RECRUITMENT	RETENTION
Davis	2	\$1,833,000	2	0
Irvine	1	752,850	1	0
Los Angeles	1	2,358,900	0	1
Merced	1	706,500	0	1
San Francisco	2	4,500,400	2	0
UCOP	2	2,976,000	2	0
Totals	9	\$13,127,650	7	2

There were four SHLP loans issued to Senior Management Group employees in 2023-2024. Two loans were centrally funded SHLP loans, one loan was a campus-funded SHLP loan, and one loan was a ZIP loan.

### *SHLP Loans to Senior Management Group Employees*

LOCATION	NUMBER OF LOANS	\$ AMOUNT OF LOANS	RECRUITMENT	RETENTION
Davis	1	\$150,000	1	0
Irvine	1	35,000	1	0
San Francisco	1	2,370,000	1	0
UCOP	1	75,000	1	0
Totals	4	\$2,630,000	4	0

# CUMULATIVE PROGRAM DATA

## Loan Portfolio Statistics

### ***Mortgage Origination Program***

From Program inception in June 1984 through June 30, 2024, a total of 8,622 MOP loans have been funded, with an aggregate dollar amount of \$4.8 billion. The outstanding portfolio as of June 30, 2024, consists of 3,086 loans with a principal balance of \$1.8 billion. Of these loans, 1,783 remain as holdings of STIP and have an aggregate principal balance of \$1.4 billion. The remainder of the loan portfolio has been sold to outside investors and consists of 1,303 loans with an aggregate principal balance of \$405.5 million.

### ***Supplemental Home Loan Program***

From Program inception in March 1993 through June 30, 2024, a total of 1,589 SHLP loans have been funded using fund sources available at the campus location, with an aggregate dollar amount of \$171.1 million.

From inception of the CF-SHLP program in November 2015, a total of 283 CF-SHLP loans have been funded, with an aggregate dollar amount of \$9.4 million.

From inception of the ZIP program in July 2022, a total of 139 ZIP loans have been funded, with an aggregate dollar amount of \$15.9 million. Below is a table that details the number of ZIP Loans funded by title.

#### ***ZIP Loans Funded by Title***

TITLE	NUMBER OF LOANS
ASSISTANT	67
ASSOCIATE	31
PROFESSOR	30
OTHER	9
SMG	2
Totals	139

# CUMULATIVE PROGRAM DATA

The outstanding portfolio of all SHLP loans as of June 30, 2024, consists of 466 loans with a principal balance of \$48.1 million. Of these loans, 457 remain as University investments and have an aggregate principal balance of \$47.2 million. The remainder of the portfolio has been sold to outside investors and consists of 9 loans with an aggregate principal balance of \$930,290

## Mortgage Origination Program Portfolio Loan Sales

In order to increase STIP liquidity and to make additional funds available for new MOP loans, the University periodically sells pools of loans to outside investors. In fiscal year 2023-2024, the University did not have any loan sales. In the current rate environment, a loan sale will be difficult due to a variety of factors, including the low MOP rate compared to industry rates. Loans that are sold to outside investors continue to be serviced by OLP.

## Mortgage Origination Program Earnings Analysis

On a monthly basis, OLP calculates the amount of interest due to STIP based on the outstanding portfolio balance of University owned loans. Interest is generally calculated and paid on the same basis as other advances or loans made from STIP. Any excess earnings are retained in the Reserve. The funds in the Reserve are utilized to cover any MOP loan losses, and for other approved University initiatives.

In fiscal year 2023-2024, the Reserve was used to cover \$12.4 million of interest due to STIP. This was due to the interest received on MOP loans over the fiscal year being less than the advance rate owed to STIP, resulting in using the reserve to cover the difference.

MOP experienced no loan losses during the fiscal year. There were two borrowers with active payment forbearance status during the fiscal year. Accrued interest on the MOP loans was added to the principal balance to be amortized over the remaining term of the loan. As of June 30, 2024, no borrowers remained in a forbearance period. No loan losses were realized as a result of the forbearances.

# APPENDIX A

## AVAILABLE LOAN PRODUCTS

### A.1 Mortgage Origination Program

The Mortgage Origination Program utilizes approved allocations from STIP to issue first deed of trust mortgage loans to eligible participants. MOP loans, also referred to as Standard MOP loans, are 1-year adjustable interest rate loans with loan-to-value ratios of up to 90.0% and repayment periods of up to 30 years. Loans with maturities up to 40 years are available, but offering a loan with a term greater than 30 years requires approval by the Chancellor, LBNL Director or other authorized individual. Each location makes the determination whether to offer loans with terms greater than 30 years.

The MOP interest rate is defined as the most recently available four-quarter average earnings rate of STIP, plus an administrative fee of one-quarter of one percent (0.25%). MOP has had cumulative allocations of \$5.1 billion through June 2024.

MOP loans funded on or after January 1, 2014 have an interest rate cap of 10.0% above the initial loan interest rate. Effective August 1, 2019, the minimum MOP interest rate is 3.25% for newly-funded loans.

### A.2 Graduated Payment Mortgage Origination Program

The Graduated Payment MOP (GP-MOP) is a loan that provides a lower interest rate to the borrower during the initial years of the loan. The initial rate paid by the borrower is a set percentage less than the MOP Rate. This percentage, known as the Interest Rate Differential, changes each year, so that the difference between the Borrower Rate and the Standard Rate gradually decreases. The minimum Borrower Rate is 3.25%. After a pre-determined number of years, the borrower will pay the Standard MOP rate. The location reimburses STIP for any shortfall in earnings resulting from the lower interest rate paid by the borrower.

Of the 515 MOP loans funded in fiscal year 2023-2024, no GP-MOP loans were funded.

# APPENDIX A

## AVAILABLE LOAN PRODUCTS

### **A.3 5/1 Mortgage Origination Program**

The 5/1 Mortgage Origination Program (5/1-MOP) loan is a fully-amortizing mortgage loan that offers a fixed interest rate and payment for the first five years of the loan, after which the loan converts to a Standard MOP loan for the remaining loan term. Of the 515 MOP loans funded in fiscal year 2023-2024, three 5/1-MOP loans were funded. The 5/1 MOP loans were less attractive likely due to the 5/1 MOP rate being considerably higher than the Standard MOP rate for the past few fiscal years. The 5/1 MOP rate ranged from a low of 5.10% in February 2024 to a high of 6.45% in October 2023 and was at a rate of 5.40% by the end of the fiscal year. The minimum 5/1 MOP rate is 3.25%.

### **A.4 Supplemental Home Loan Program**

The Supplemental Home Loan Program (SHLP) provides a first, second, or third deed of trust mortgage loan. SHLP loans are funded from authorized location sources, or from the centrally-funded pool described in Section A.5. State funds cannot be used as a funding source.

### **A.5 Centrally-Funded Supplemental Home Loan Program**

The CF-SHLP loans are funded from the Faculty Housing Programs Reserve Fund. An initial allocation of \$5.5 million was approved in November 2015. An additional \$5 million allocation was approved with an effective date of July 1, 2019. An additional \$5.5 million allocation was approved with an effective date of July 15, 2022. CF-SHLP has had cumulative allocations of \$16 million through June 2024.

# APPENDIX A

## AVAILABLE LOAN PRODUCTS

### A.6 Zero Interest Supplemental Home Loan Program (ZIP)

In January 2022, the Regents approved a zero interest Supplemental Home Loan Program, also known as the ZIP Loan, as an additional resource for down payment assistance. The ZIP loan was implemented on July 15, 2022, and is included in this report beginning fiscal year 2022-2023.

The ZIP loan provides secured subordinate financing with no monthly principal payments, a zero percent interest rate and a forgivable feature. At the end of the loan term, the outstanding principal balance (original principal balance, less any forgiven amounts) is fully due and payable. ZIP loans are funded from authorized location sources. State funds cannot be used as a funding source.

Current Program parameters provide for an additional approval process to address unusual recruitment or retention needs. The tables below summarize loans funded that required additional approval during fiscal year 2023-2024, and cumulatively since program inception.

# APPENDIX B

## LOANS REQUIRING ADDITIONAL APPROVAL

### *MOP Loans Requiring Additional Approval Fiscal Year 2023-2024*

CATEGORY	NUMBER OF LOANS	\$ AMOUNT OF LOANS	AVERAGE LOAN AMOUNT	RECRUITMENT	RETENTION
Non-Standard Title					
Davis	2	1,311,000	655,500	2	0
Irvine	4	4,906,950	1,226,738	1	3
LBNL	6	3,656,500	609,417	2	4
Santa Barbara	1	1,500,000	1,500,000	1	0
Santa Cruz	1	880,000	880,000	0	1
UCOP	2	2,575,000	12,875,00	2	0
Totals	16	14,829,450	926,841	8	8

# APPENDIX B

## LOANS REQUIRING ADDITIONAL APPROVAL

*MOP Loans Requiring Additional Approval*  
*Cumulative Statistics: June 1984 – June 2024*

CATEGORY	NUMBER OF LOANS	\$ AMOUNT OF LOANS	AVERAGE LOAN AMOUNT	RECRUITMENT	RETENTION
Maximum Loan Amount	12	\$19,246,500	\$1,603,875	9	3
Non-Standard GP-MOP Terms	15	\$14,897,650	\$993,177	10	5
Non-Standard Title	101	\$80,157,180	\$793,635	72	29
Position Requiring Regents Approval	39	\$30,992,300	\$794,674	35	4



# APPENDIX B

## LOANS REQUIRING ADDITIONAL APPROVAL

### *SHLP Loans Requiring Additional Approval*

#### *Fiscal Year 2023-2024*

CATEGORY	NUMBER OF LOANS	\$ AMOUNT OF LOANS	AVERAGE LOAN AMOUNT	RECRUITMENT	RETENTION
Non-Standard Title					
Davis	1	\$100,000	\$100,000	1	0
Irvine	1	30,000	30,000	0	1
Totals	2	130,000	65,000	1	1

### *SHLP Loans Requiring Additional Approval*

#### *Cumulative Statistics: June 1984 – June 2024*

CATEGORY	NUMBER OF LOANS	\$ AMOUNT OF LOANS	AVERAGE LOAN AMOUNT	RECRUITMENT	RETENTION
Maximum Loan Amount	3	\$390,750	\$130,250	3	0
Non-Standard Title	54	\$14,839,392	\$285,373	37	17
Position Requiring Regents Approval	7	\$5,081,200	\$725,886	7	0

# APPENDIX C

## UNIVERSITY OF CALIFORNIA

### HOME LOAN PROGRAM CORPORATION

#### CUMULATIVE STATISTICS – THROUGH 6/30/2024

The University of California Home Loan Program Corporation (Corporation) was formed to perform the residential lending activities associated with the University's Housing Assistance Program.

From the establishment of the Corporation in February 2014 through June 30, 2024, 2,871 MOP loans have been funded with an aggregate dollar amount of \$2.3 billion. The outstanding principal balance of Corporation MOP loans is \$1.4 billion as of June 30, 2024.

During the same period, 608 SHLP loans have been funded with an aggregate dollar amount of \$59.5 million. The outstanding principal balance of SHLP loans originated by the Corporation is \$42.5 million as of June 30, 2024.

# APPENDIX C

## UNIVERSITY OF CALIFORNIA

### HOME LOAN PROGRAM CORPORATION

#### CUMULATIVE STATISTICS – THROUGH 6/30/2024

#### *Mortgage Origination Program Statistics by Location – Corporation Loans*

Location	Number of Loans	Dollar Amount of Loans	Average Loan Amount	Recruitment	Retention
Berkeley	358	\$354,066,200	\$989,012	292	66
Davis	386	234,413,880	607,290	317	69
Irvine	409	254,621,800	622,547	360	49
Los Angeles	282	274,290,700	972,662	164	118
Merced	103	37,175,200	360,924	95	8
Riverside	236	129,952,900	550,648	213	23
San Diego	368	292,930,050	796,006	349	19
San Francisco	244	317,964,750	1,303,134	214	30
Santa Barbara	219	176,821,250	807,403	177	42
Santa Cruz	217	158,937,700	732,432	136	81
LBNL	19	19,107,950	1,005,682	5	14
UCOP*	30	30,925,500	1,030,850	23	7
Totals/Average	2,871	\$2,281,207,880	\$794,569	2,345	526

*\*Includes ANR and UC Law-San Francisco loans*

# APPENDIX C

## UNIVERSITY OF CALIFORNIA

### HOME LOAN PROGRAM CORPORATION

#### CUMULATIVE STATISTICS – THROUGH 6/30/2024

#### *Supplemental Home Loan Program Statistics by Location – Corporation Loans*

Location	Number of Loans	Dollar Amount of Loans	Average Loan Amount	Recruitment	Retention
Berkeley	90	\$8,670,600	96,340	81	9
Davis	59	2,292,990	38,864	50	9
Irvine	86	2,709,850	31,510	80	6
Los Angeles	56	22,409,200	400,164	27	29
Merced	14	317,150	22,654	13	1
Riverside	66	2,068,825	31,346	64	2
San Diego	102	5,957,400	58,406	96	6
San Francisco	55	9,649,600	175,447	48	7
Santa Barbara	35	2,953,200	84,377	31	4
Santa Cruz	42	2,325,700	55,374	27	15
ANR	1	45,000	45,000	1	0
UCOP*	2	133,750	66,875	2	0
Totals/Average	608	\$59,533,265	\$97,917	520	88

*\*Includes ANR and UC Law-San Francisco loans*