

UNIVERSITY  
OF  
CALIFORNIA

Home Loan  
Program  
Corporation



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 work location.

MOP provides first deed of trust loans with a one-year adjustable rate based upon an internal University index. The maximum repayment term is 30 years.

MOP is administered by the University of California Home Loan Program Corporation (UCHLP), located in Oakland, California. Questions regarding the Mortgage Origination Program should be directed to the Campus/Lab Housing Programs Representative or UCHLP.

# ELIGIBILITY REQUIREMENTS

Full-time University Appointees who are:

- members of the Academic Senate or hold an equivalent Title
- Senior Management Group employees
- eligible members of UC Hastings College of the Law

Each campus determines participation from the above group based on recruitment or retention needs

Property must be within a reasonable distance of participant's work location

Participant must not have owned a primary residence within the prior 12 months near work location

Only for a single family residence (5 acreage limit) or a condominium

Loan may not be used for construction financing

Monthly payments are collected by payroll deduction

Loans are not assumable

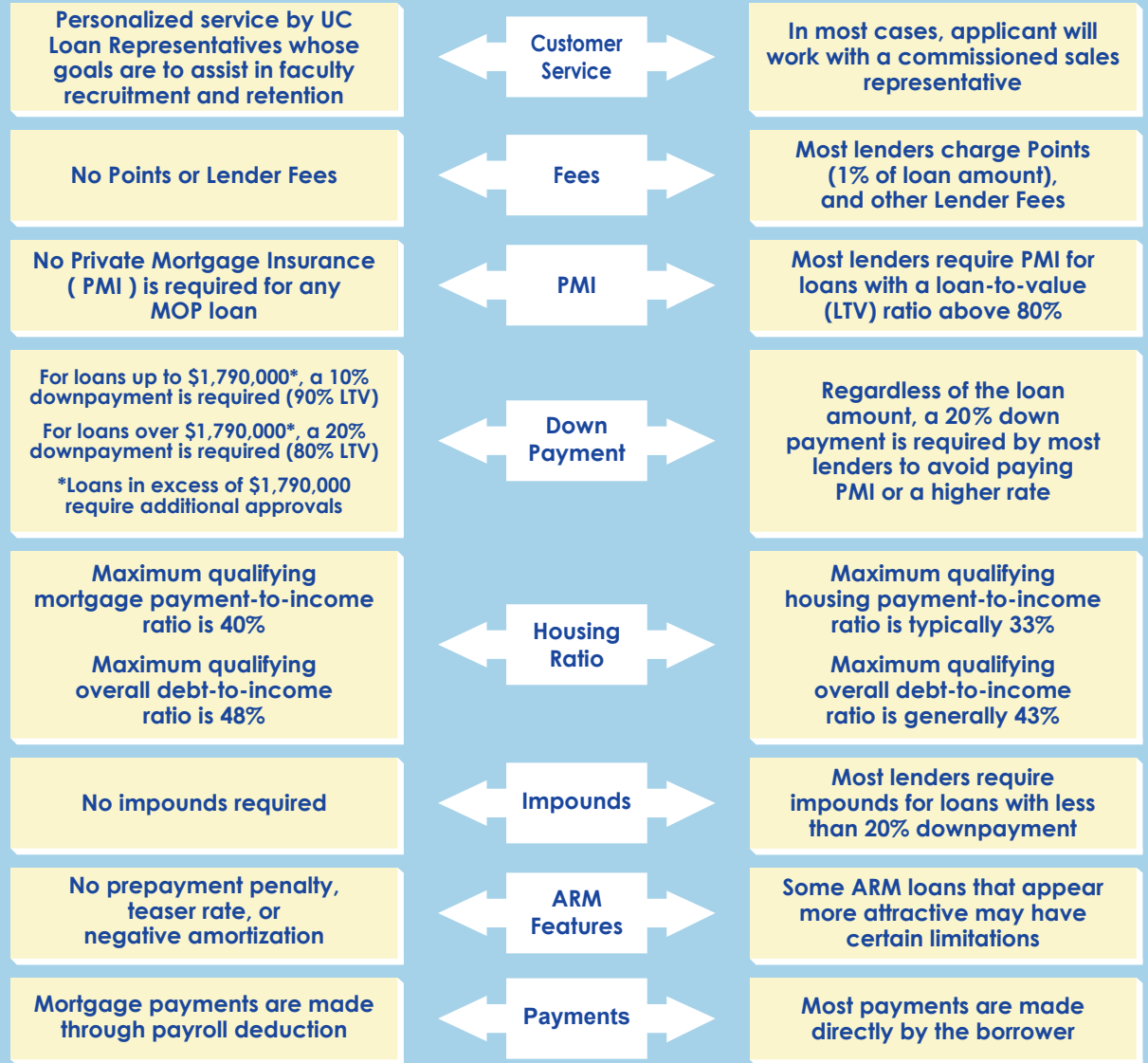
Property must be the principal place of residence for the primary participant for the term of the loan

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

# Why Choose MOP?

## MOP Loans

## Conventional Loans



**NOTE:** There is no one mortgage type which is uniformly advantageous for all borrowers. Potential applicants may want to explore other mortgage options to compare the respective features of available programs.

# 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 earnings rate of STIP is calculated quarterly. The earnings rate for the most recently available four quarters is averaged and an administrative fee of .25 is added. The minimum Standard Rate is 3.25% for new loans approved on or after August 1, 2019.

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. There is an interest rate cap of 10% over the starting rate, for loans made after January 1, 2014.

**NOTE:** The initial interest rate for each individual loan will be the Program rate in effect at the time of loan commitment.

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

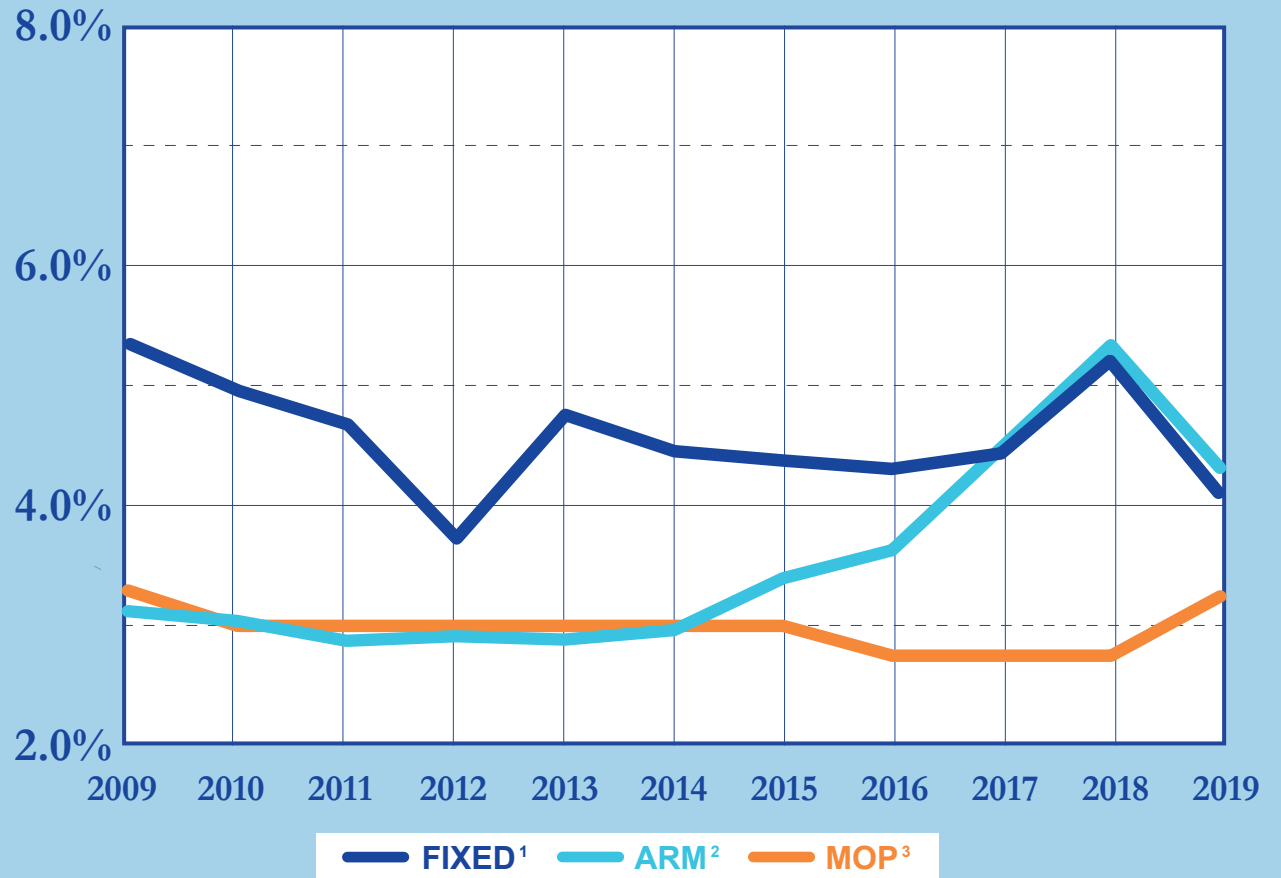
## BORROWER SURVEY RESPONSES (97.3% very satisfied)

*"I felt very fortunate to have received a UC Home Loan. The program allowed us to take advantage of this great opportunity. Without it, we may not have taken this position in California."*

*"The loan process was a great experience for us. The staff made it clear, easy to understand and very quick. Thank you!"*

*"[Campus Representative] and [OLP Representative] were both very responsive and helpful throughout the process. Our sellers had multiple bids for the house, and one of the main reasons they chose us over the others was because our realtor convinced them how reliable and fast the UC MOP loan is. Thank you!"*

## 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 earnings rate of the University's Short Term Investment Pool (STIP), plus an administrative fee of .25%, subject to the applicable minimum interest rate.

Since 2008, the MOP Note Rate has been under 5%

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.



## University of California Home Loan Program Corporation Office of Loan Programs

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[www.ucop.edu/loan-programs](http://www.ucop.edu/loan-programs)

### Our Website Features:

Current and Historical MOP Rates

Program Contact Listing • Program Brochure • Annual Report

Other Tools/Resources: View My Loan Access • FAQ Page

Consumer Information Page • Campus Housing Links • Calculators • Glossary

#### NONDISCRIMINATION STATEMENT

The University of California prohibits discrimination against or harassment of any person employed by or seeking employment with the University on the basis of race, color, national origin, religion, sex, physical or mental disability, medical condition (cancer-related), ancestry, marital status, age, sexual orientation, citizenship, or status as a Vietnam-era veteran or special disabled veteran.

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 - Chief Operating Officer at (510) 987-9029 (for staff employee-related matters).



Equal Housing  
Opportunity