

# Session 6: Best Practices for Operating Your Academic Workforce Housing Program

Thursday May 2, 2024

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## SUMMARY OF FACULTY STAFF HOUSING PROGRAM OPTIONS

### MONTHLY MORTGAGE SUBSIDY:

- Monthly subsidies are for assistance in meeting mortgage payments. Repayment of this subsidy is not required.
  - Monthly mortgage subsidy payments are paid via paycheck and taxed as income at the time of payment.
  - Monthly subsidy payments may cease prior to the end of the specified term whenever the subject home is sold or the loan is repaid.
  - Monthly subsidies are terminated whenever the participant ceases to be a full-time employee of the University or becomes ineligible.
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## MONTHLY RENTAL SUBSIDY:

- Monthly subsidies are for assistance in meeting rental payments. Repayment of this subsidy is not required.
  - Monthly rental subsidy payments are paid via paycheck and taxed as income at the time of payment.
  - Rental subsidy payments may cease prior to the end of the specified term whenever the subject property is no longer rented by the employee.
  - Rental subsidies are terminated whenever the participant ceases to be a full-time employee of the University or becomes ineligible.
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## SHORT-TERM LOAN:

- The short-term loan assists the participant in obtaining favorable primary financing by offering a USC second trust deed mortgage.
  - Short-term loans are secured against the property by a second trust deed.
  - The loan is amortized over thirty years and is payable in full in fifteen years or less; there is a balloon payment equal to the outstanding unpaid loan balance due at the end of the term.
  - Loans are due on the earliest of the following dates: (i) when the property is sold; (ii) when the property ceases to be the borrower's principal residence; (iii) when the borrower ceases to meet the title/grade requirements or terminates employment; (iv) upon demand of the university; (v) upon the occurrence of other circumstances set forth in the Promissory Note; or (vi) up to fifteen years after the loan date.
  - USC second trust deed loan rates are set by University policy. Rates below the *Applicable Federal Rate*, which is set by the IRS monthly, may have income tax consequences to the borrower.
  - If the employee is not relocating more than 50 miles, and does not take advantage of the loan within 12 months of relocating, there will be additional income tax consequences to the borrower.
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## FORGIVABLE LOAN:

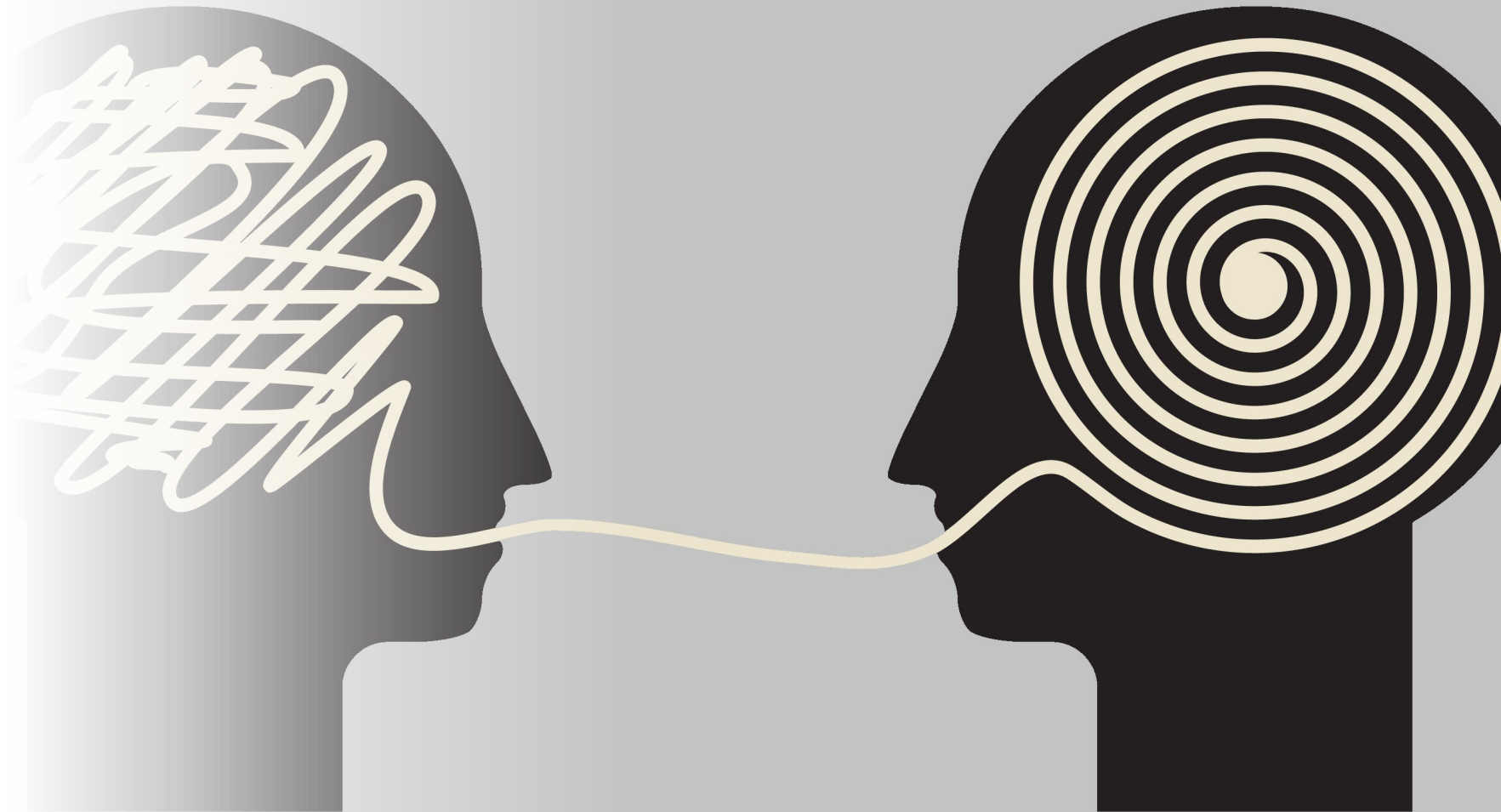
- The forgivable loan may be structured to be immediately forgiven, incurring an immediate income tax liability.
  - The forgivable loan also may be structured as a 0% no payment short-term loan secured by a second trust deed that is forgiven over a period of time. In this instance, the employee will be imputed income each year in the amount forgiven that year and taxed on that imputed income.
  - The total loan amount provided by USC is prohibited from exceeding 50% of the purchase price of the property.
  - Rates below the *Applicable Federal Rate*, which is set by the IRS monthly, may have additional income tax consequences to the borrower.
  - If the employee is not relocating more than 50 miles, and does not take advantage of the loan within 12 months of relocating, there will be additional income tax consequences to the borrower.
  - Loan forgiveness is terminated whenever the participant ceases to be a full-time employee or becomes ineligible, and the remainder of the loan then becomes due and payable.
  - The property is required to be owner occupied as your primary residence. The property type is limited to single family homes, condominium, and townhomes. Multi-unit properties are prohibited.
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## Session 6: Best Practices for Operating Your Academic Workforce Housing Program

### **Empowering Employees**

*“Many academic employees are not fully aware of all the resources available to them that could help in high-priced housing markets. Providing intentional, mandatory education on these resources could be a valuable process to ensure that employees have a deeper understanding of their benefits.”* — **The Housing Advantage: University Redefines Spaces to Secure Top Talent, College Services Magazine, Spring 2024, by Victor Van Zandt and Andy Lachman, Ph.D., CASP**

- **KNOWLEDGE IS POWER**
- **GET GRAPHIC**
- **WORK WITH UNIVERSITY HR**
- **WORK WITH COMMUNITY RESOURCES**



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 **Direct Sale 69: NEW Single Family Home For Sale**

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## Planning Processes

Department External  
Reviews +

Faculty Salary Setting

Faculty Housing  
Resources

## Faculty Housing Resources

Questions about the H&S Faculty Housing process, generally, should be directed to [Lynette Williams](#). Any requests for exceptions are reviewed by [Ellie Maldonado](#).



### Faculty Rental Assistance →

The Faculty Rental Assistance Program of the School of Humanities and Sciences was established to address growing concerns about the impact of an increasingly competitive and expensive rental housing market on H&S faculty.



### Faculty Housing →

Faculty Staff Housing, a division of the Office of the Provost, provides a variety of programs and information to help eligible Stanford faculty and staff make the transition into a new home as smooth as possible.



### Meeting Request Process →

Faculty Housing, How to request a meeting?

## Purchasing a Resale Home in University Hills

ICHA Sales Office  
☎ 949-824-7345  
✉ Sales@icha.uci.edu

### 1. Join the Resale Waitlist

Currently there is a high demand for homes in University Hills, especially the larger single family detached homes. While ICHA cannot guarantee a home, applicants can maximize their opportunity to purchase in University Hills by selecting a broad list of home series numbers as preferences on their application, rather than individual floor plans (to include as many model types as possible). Home series may be found on the website at <https://icha.uci.edu/sale-page/>. Please email [sales@icha.uci.edu](mailto:sales@icha.uci.edu) with your list of housing preferences at your earliest convenience.

*Approximately 20-30 resale homes become available every year. Unfortunately, we are not able to project a timeframe for the availability of resale homes. The reason is because we don't know when existing homeowners will decide to sell their homes. And Once offered for sale, we don't know which applicants may decide to purchase those homes.*

*It is recommended that applicants be open to all offers or opportunities for a home. Please be sure to speak to the ICHA Sales Department before rejecting any opportunities. If you pass on a home, it will not affect your position on the waitlist; however, consideration is given during the annual review of the definition of Newly Recruited Senate Faculty, whether there have been offers to purchase. [Click here](#) for more information about the Resale Home Waitlist.*

### 2. Notification of an Opportunity

Based on an applicants preferences, ICHA will invite groups of 50 in order on the waitlist to an open house to view the home. Applicants are asked to notify the team if they are interested in the home and plan to attend the open house. If they are interested in the home, but not available to attend the open house, we request that an applicant notify ICHA if they are interested in the home should we reach their name and we will coordinate a showing.

### 3. Decision

After the open house, ICHA begins notifying interested applicants (either attended the open house or e-mailed ICHA that they are interested) in the order on the resale waitlist. Once offered a home, the applicant has 24 hours to decide if they would like to proceed to the next step in the purchase process or pass on the home. The ICHA team is available to answer questions about the process, next steps, and discuss any questions or concerns. If the applicant accepts to proceed, ICHA will prepare a Buyer Information Sheet with additional information about the home and schedule a one hour Zoom call with the applicant within the next business day.



## University Hills Exchange Sales Process

*A homeowner whose needs have changed may desire to exchange homes with another homeowner within University Hills. Exchanges will be considered by the Provost's Office on a case-by-case basis subject to specific conditions detailed below.*

ICHA Sales Office  
☎ 949-824-7345  
✉ Sales@icha.uci.edu  
[icha.uci.edu](http://icha.uci.edu)



### Exchange Process

Parties to the exchange must be in the same **Priority Category** (Senate Faculty, Academic Staff, General Staff).

Once interested parties have identified one another, contact the ICHA Sales Office.

The Sales Office will inform the Provost Office of the exchange and request approval.

Once approved, homes enter the sales process. Exchanges require two transactions per party: **sale** of the current home and **purchase** of the exchange home. Parties are responsible for closing costs on both transactions.

### Exchange Conditions

- Both homes are bought and sold "as is" at the Maximum Resale Price (MRP).
- Both parties pay all customary closing costs, including but not limited to shared appreciation, escrow and title costs.
- Both parties must use an ICHA facilitator for all transactions.

[icha.uci.edu/find-housing/for-sale-housing](http://icha.uci.edu/find-housing/for-sale-housing)



## OFFICE OF WORK/LIFE SERVICES



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[School and Child Care  
Search Service](#)



[Work/Life Presentation and  
Workshop Request](#)



[Faculty Sublets](#)

# UCI Faculty Housing

Home Mortgage Origination Program (MOP) UC Supplemental Loan Programs **Resources**

## UCI Faculty Home

The University of California offers affordable housing for its faculty and senior managers. Contact [UCI's home](#)





### UCI Resources

[Irvine Campus Housing Authority \(ICHA\)](#)

### UCOP Resources

[UC Office of Loan Programs](#)  
[Overview of the UC Loan Process](#)  
[Loan Terminology Glossary](#)

### UCOP Resources - MOP

[UC MOP Calculator](#)  
[UC Standard MOP Brochure](#)   
[UC Standard MOP Historical Interest Rate](#)   
[UC 5/1 MOP Brochure](#)   
[UC 5/1 MOP Historical Interest Rate](#) 

### UCOP Resources - SHLP

[UC SHLP Brochure](#) 

## Home Loan Programs

Learn more about UCI faculty housing resources.



### Mortgage Origination Program (MOP)

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.



### Supplemental Home Loan Program (SHLP)

SHLP provides secondary mortgage financing with fixed and adjustable-rate options.



### Zero Interest Program (ZIP)

ZIP home loans provides a supplemental, secondary mortgage loan with no monthly payments and zero percent interest with a forgiveness feature to assist with the purchase of a primary residence.

Serves UCSB faculty & staff  
Provides information about:

- Santa Barbara Housing Trust  
Fund down payment assistance
- Closing cost discounts
- Homebuying workshops



## Housing Benefits

### How It Works

Coastal Housing Partnership operates as a housing benefits provider for local companies. Annual company membership fees cover our operational costs so that we can provide their employees with housing benefits at no charge to you through our network of local real estate professionals. Our dedicated network comprises more than 300 real estate agents, lenders, residential developers, landlords, home inspection companies, and moving services. They voluntarily give back to our community by offering savings to the employees of our member companies. Coastal Housing savings come from our network partners. In order to take advantage of the savings, you must

12:00 - 1:15: Lunch