

Faculty Housing Assistance Program

Authority: State Statute allows the University to make loans to full-time faculty if secured by equity interest in Colorado real estate under a faculty housing assistance plan. The Board of Regents initially approved the program in April, 2001. It has been modified 6 times since then.

Problem: Campuses were having difficulty attracting, recruiting, and retaining new faculty because of the high real estate prices.

Solution: Provide down payment support and eliminate Private Mortgage Insurance. The Faculty Housing Assistance Program (FHAP) was created in 2001. It focused on faculty who were recently hired into tenure/tenure-track positions. The program favored new faculty members with the greatest financial needs. The down payments support the purchase of faculty members' primary Colorado residences. Competitive faculty recruiting and retention remain the primary goals.

Background: University of Colorado Foundation was the primary funding source from 2001 through 2003. In late 2003, the Treasurer of the University requested Regent approval for FHAP funding from University of Colorado sources.

U of C Federal Credit Union (later changed name to Elevations Credit Union) was chosen in a competitive bid process as sole lending institution for the program. That lender continues to provide first mortgage funding and administrative assistance.

Current structure: Committee consisting of University of Colorado System Administration, University of Colorado Foundation and faculty representatives meet annually to discuss program and determine changes, if any, and to provide feedback to Elevations Credit Union.

Interested faculty apply via online application, reviewed by Treasurer Eldhart as received, appointment confirmed at the campus level, participant notified. They can choose from shared appreciation loans funded by the University of Colorado or loans guaranteed by the University of Colorado Foundation. They are required to qualify for first mortgages through Elevations Credit Union and have 9 months from date of approval to close on loan.

Loan Programs:

Program Offers Second Mortgages, Lesser of 25% of Purchase Price or \$80,000. Applicants may qualify for guaranteed loans of \$40,000 or less in certain circumstances.

- Thirty-Year Shared Appreciation Loan, No Monthly Payments, Imputed Interest
- Twenty-Year Guaranteed Loan, Interest Only Floating Rate: Prime -0.5%, Possible Imputed Interest

FHAP totals from January, 2004 to present

Loan totals by campus

Anschutz Medical Campus	24
UC Boulder	171
Denver Campus	40
UC Colorado Springs	23
Totals	258

Dollars invested from each funding source since January, 2004

University of Colorado Treasury Pool	\$13,350,756
University of Colorado Foundation guaranteed	\$3,771,203

Follow-up questions: University of Colorado Treasurer's Office phone (303) 837-2182

<http://www.cu.edu/treasurer/faculty-housing-assistance-program>