MORTGAGE PROGRAMS
The loan officer will assist eligible University faculty and staff who wish to purchase property in the Hyde Park/Kenwood, Woodlawn, and Jackson Park /Highlands communities. The geographical boundaries are from 43rd Street to 63rd Street and from Cottage Grove to the Lake. The University provides the loan programs listed below:

1. **2ND MORTGAGE** – is used to assist faculty and staff members with their home purchase. The University’s second mortgage is used in conjunction with a first mortgage of 75% to 80% of the purchase price. The loan is financed over 20 years at a fixed interest rate. The monthly payments are payroll deducted.

2. **CO-OP LOAN** – is used to assist faculty and staff members with their purchase of a co-op. Cash requirements by each co-op board differ considerably; therefore, buyers should confirm the requirements with the board before applying for the Co-op Loan. The loan is financed over 20 years at a fixed interest rate. The monthly payments are payroll deducted.

Loans will be disbursed at the closing of the first mortgage. Loan proceeds will not be distributed before the official employment date.

**Process** The faculty and staff applicant will complete a detailed application for participation in the Second and Co-op Mortgage Program which is processed by the loan officer of Facilities Services; an analysis of the loan is forwarded to the Administrative Loan Committee for approval.

**Loan Terms** The University requires an assignment of a Homeowner’s Insurance Policy in the amount of its loan in addition to the first mortgage indebtedness; also an assignment of a Life Insurance Policy on the life of the borrower in an amount adequate to cover the University second or co-op loan.

*Loans may not be made for the purpose of obtaining income property or to aid in the financing of secondary or recreation homes.*

**Guidelines** The University requires that not more than 28% of gross income is spent on housing and not more than 32% on overall debt.

The second mortgage and co-op loan balance is payable within 180 days of the time the borrower terminates employment with the University.

3. **EMPLOYER-ASSISTED HOUSING PROGRAM (EAH PROGRAM)** - is available for full-time, benefits eligible faculty and staff members. The EAH Program is a 5-year forgivable loan of $7,500 that is used to assist with the purchase of a property. The purchase of a co-op is not permitted. **The EAH Program has maximum income limits based on the household size and geographical boundary restrictions which included the above mentioned communities as well as North Kenwood, Oakland, Washington Park, and portions of Grand Boulevard, Greater Grand Crossing, and South Shore.**

Guidelines of the programs are subject to change without prior notice.