

**SANTA CLARA UNIVERSITY
OFFICE OF THE PROVOST
HOUSING ASSISTANCE PROGRAMS
TENURED AND TENURE-TRACK FACULTY**

INTRODUCTION

The high cost of housing in the local area poses a challenge for Santa Clara University in its efforts to recruit and retain highly qualified faculty. Recognizing the importance of affordable housing, the University has established two housing assistance programs for tenured and tenure-track faculty: [1] a rental assistance program and [2] a purchase assistance program.

The rental assistance program is intended to ease the transition into the local housing market for tenure-track faculty during their probationary period and for newly hired tenured faculty during the first year of their appointment by providing monthly rental assistance in the form of supplemental pay.

The purchase assistance program is intended to enhance the affordability of a single-family residence in the local area for tenured and tenure-track faculty. The program provides assistance with the mortgage and closing costs associated with the purchase of a primary personal residence.

RENTAL ASSISTANCE PROGRAM

Eligible Faculty

Tenure-track faculty are eligible for the rental assistance program beginning with the first year of their appointment. Tenure-track faculty are eligible to continue in the rental assistance program through the academic year following their tenure decision as long as they continue employment in good standing with the University in at least the rank of their initial appointment.

Newly hired tenured faculty are eligible for the rental assistance program during the first year of their appointment if they are relocating from a distance greater than 50 miles from the University and outside the counties in which support is provided.

Residence and Geographical Qualifications

Faculty who own a personal residence or other real estate (including participants who purchase real estate) are not eligible for the rental assistance program. Rental assistance is provided to eligible faculty of the University for the rental of a primary personal residence within Santa Clara, Santa Cruz, San Mateo, San Francisco, and Alameda counties. Rental assistance is provided to eligible faculty of the Jesuit School of Theology for the rental of a primary personal residence within Alameda, Contra Costa, Solano, San Francisco, Marin, San Mateo, and Santa Clara counties.

Amount of Rental Assistance

Eligible faculty shall receive rental assistance in the form of supplemental pay in the amount of \$844 per month (\$422 per pay period). Participants receive rental assistance coinciding with the terms of their appointment from September through August (August to July for faculty of the Schools of JST and Law). Rental assistance is subject to all applicable taxes and withholding.

PURCHASE ASSISTANCE PROGRAM

Eligible Faculty

Tenured and tenure-track faculty are eligible for the purchase assistance program beginning with the first year of their appointment. Tenured and tenure-track faculty are eligible to continue in the purchase assistance program as long as they continue employment in good standing with the University in at least the rank of their initial appointment.

To be eligible for the purchase assistance program, the faculty member must be a first-time home buyer or must be a new employee who is relocating from a distance greater than 50 miles from the University and outside the counties in which support is provided. Faculty who own a personal residence or other real estate are not eligible for the purchase assistance program unless the other property will be sold.

The maximum amount of purchase support provided by the University for any residence shall be the benefit available to one faculty member.

Amount of Support

The purchase assistance program is intended to enhance the faculty member's ability to purchase a single-family home, condominium, or other single-family dwelling unit that will be used as the faculty member's primary residence. Support under the purchase assistance program is provided as supplemental pay in the amount of \$120,000 that is paid out in equal semi-monthly installments over a 10-year period. In addition, a one time supplemental payment of \$4,000 is provided to assist with closing costs.

Income and Asset Qualification

To be eligible for the purchase assistance program, the annual household income of the faculty member cannot exceed \$325,000 at the time of application. Household income includes the participant's University salary, income from a spouse or partner, income from any co-owners or co-borrowers, and any other income normally reported for income tax purposes by the faculty member, spouse or partner, and any co-owners or co-borrowers.

To be eligible for the purchase assistance program, the undesignated assets of the faculty member, spouse or partner, and any other co-owners or co-borrowers cannot exceed \$150,000 at the time of application. Undesignated assets exclude qualifying retirement plans, educational savings plans, cash value of life insurance policies, vehicles for personal use, and personal property. Assets to be used for the down payment of the personal residence are not counted toward the limitation on undesignated assets. Asset qualification requirements will be evaluated on a case-by-case basis depending on the individual circumstances of the faculty member.

Residence and Geographical Qualification

Purchase support is provided to eligible faculty for a single-family home, condominium, or other single-family dwelling unit that will be used as the faculty member's primary residence. Vacation homes, investment properties, and multiple-family dwellings are not qualifying residences. Support will not be provided for a home which is replacing a residence already owned that will not be sold (e.g., a current home to be used as a rental income property in the future by the participant). Support will not be provided to purchase a replacement residence unless the faculty member is relocating from a distance greater than 50 miles from the University and outside the counties in which support is provided.

Purchase support is provided to eligible faculty of Santa Clara University for the purchase of a primary personal residence within Santa Clara, Santa Cruz, San Mateo, San Francisco, and Alameda counties. Purchase support is provided to eligible faculty of the Jesuit School of Theology for the purchase of a primary personal residence within Alameda, Contra Costa, Solano, San Francisco, Marin, San Mateo, and Santa Clara counties.

Certification of Eligibility for Program

To apply for this program, the faculty member must submit a completed application to the Office of the Provost. Within 5-7 business days, the faculty member will receive confirmation of whether s/he is eligible.

Lender

Participants in the purchase assistance program seek out and work with a lender of their choice to qualify for and secure a 30-year, fixed rate first mortgage. Applicant needs to meet all of the lender's criteria, e.g., the borrower's projected payments to service all long-term debt must not exceed a certain fraction of the borrower's household income. In addition, the lender will require the purchaser to make a minimum down payment as a percentage of the purchase price of the residence.

Once escrow has closed, the faculty member who has been certified as eligible for the program provides a copy of the closing costs to the Office of the Provost to begin receiving purchase assistance supplemental pay.

INCOME TAX IMPLICATIONS

The University's rental assistance contributions are treated as supplemental income disbursed through the University's semi-monthly payroll to the participant. All such University compensation is reported to the Internal Revenue Service and is subject to all applicable income taxes and withholding.

The University's purchase assistance contributions are treated as supplemental income disbursed through the University's semi-monthly payroll to the participant. All such University compensation is reported to the Internal Revenue Service and is subject to all applicable income taxes and withholding.

Program participants are strongly encouraged to consult their tax advisor with respect to the income tax implications of the support received through the University's Housing Assistance Programs.

DISCLAIMER

This document is a description of Santa Clara University's Housing Assistance Programs for tenured and tenure-track faculty. Nothing in the foregoing description of the Housing Assistance Programs for tenured and tenure-track faculty should be construed as an offer or commitment of any kind to make any type of rental or purchase support available. Both the rental assistance and purchase assistance programs are subject to change, termination, or discontinuation at any time without notice by the University.

*Revised October 2011, Board of Trustees
Updated March 2015, Office of the Provost
Updated September 2015, Office of the Provost
Updated July 2017, Office of the Provost
Updated August 2018, Office of the Provost
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Santa Clara University*