



Employee Home Loan Benefit Program

Program Purpose and Goals

- Strengthen North Portland neighborhoods by stimulating economic growth and stability.
- Assist in meeting state and city clean air mandates by decreasing commuting and parking on campus by encouraging alternative transportation methods for trips to campus.
- Assist in meeting University Transportation Demand Management Plan (TDMP) goals for improved air quality, reduced parking requirements and healthier lifestyles for employees.
- Positively reinforce the University's commitment to sustainable environmental practices with efforts to reduce carbon footprint.
- Support employee recruitment and retention efforts.
- Assist employees looking to obtain a home in an eligible North Portland neighborhood while establishing and supporting a local community presence.

Program Terms and Conditions

1. The Home Loan Benefit is available to full-time, benefited employees who have completed 90 days of continuous full time employment.
2. The Home Loan Benefit can be used by a benefited employee once during active employment at the University of Portland.
3. Only one employee can use the Home Loan Benefit per each home purchase.
4. Eligible properties include homes purchased within the boundaries set by the [Home Loan Map](#) and have a seller's agreement with an agreed upon purchase price of the home that is \$550,000 or less. No exceptions can be made. *The purchase price threshold is to be evaluated every 2 years by University Leadership.*
5. The intention of the Home Loan Benefit is to provide employees with an opportunity to assist with home ownership within the boundaries of the Home Loan Map and within the \$550,000 agreed upon selling price as a first-time home purchase in North Portland. Therefore, current or newly hired employees who already own a home within the boundary of the Home Loan Map are not eligible to participate in this program.
6. As an incentive to reduce the number of trips from an employee's home to campus via a motorized vehicle, the amount of the funds distributed are greater based on the closer proximity to campus. Loan amounts by the zones identified on the Home Loan Map are as follows.
 - a. Zone 1 = \$18,000
 - b. Zone 2 = \$15,000
 - c. Zone 3 = \$12,000
7. Employees are encouraged to support the following transportation goals when participating in the Home Loan Benefit by using alternative methods of transportation (i.e. walk, bicycle or public transportation):
 - a. Zone 1 = 1/2 to 2/3 trips via alternative methods
 - b. Zone 2 = 1/3 to 1/2 trips via alternative methods
 - c. Zone 3 = 1/4 to 1/3 trips via alternative methods
8. Loan funds can be used towards a down payment or home improvement. Upon an approved Home Loan Benefit Application, signed loan documents (Loan Agreement, Promissory Note and Subordinate Deed) and receipt of supporting documentation as noted in a and b below, the University will distribute funds in the full loan amount. Based on the option chosen by the employee, supporting documentation will be required before funds can be distributed.
 - a. If funds are used for a down payment, the Home Loan Benefit Application must be submitted at least two weeks before closing. Wire transfer information must be provided before the funds can be distributed to lender for down payment at closing.

- b. If funds are used for home improvement, the latest that a Home Loan Benefit application can be submitted is 60 days after closing. Closing documents must be provided before the funds can be distributed into the employee's direct deposit account.
- 9. The Home Loan will be forgiven over a seven-year, consecutive period as long as primary residence remains and active employment with the University of Portland continues. The loan amount will be amortized on a straight-line monthly basis over the seven-year period, 84 months.
- 10. This is a taxable benefit that will be applied as taxable earnings to employee paychecks over the seven-year forgiveness period at the same amortization rate as the forgiveness amounts. In addition, any taxable interest that is applicable due to IRS requirements will be applied to the benefit over the same timeframe.
- 11. Employees who purchase homes and receive the Home Loan Benefit must have the purchased home remain their primary residence during the seven-year forgiveness period.
- 12. In the event the property is sold, no longer occupied as the primary residence, or employment is terminated within the seven-year forgiveness period, the unforgiven amount is owed back to the University of Portland. Terms of repayment will be worked out with the Controller's Office in accordance with the Loan Agreement. The subordinate deed on the property will be released upon receipt of this payment.