



Wellesley College

TO: Eligible Faculty Members

FROM: Ben Hammond, Vice President for Finance and Administration and Treasurer
Debby Kuenstner, Chief Investment Officer

DATE: July 1, 2015

SUBJECT: Revised Faculty Mortgage Program Now Fully Open

As you know, effective January 1, 2015, the College made available a new mortgage program for new loans made to eligible faculty members. This program was designed with input from faculty, including members of the Faculty Benefits Committee, and was approved by the College's Board of Trustees. The College piloted the new program this spring to ensure that the application process is smooth before opening the program more widely. Beginning on **July 1**, the program is now open to all eligible borrowers. The attached plan document outlines the terms of the new program, and an FAQ addresses questions that have arisen about program specifics.

Feedback on the changes to mortgage terms has been generally quite positive. New and existing borrowers have been especially pleased by the elimination of the shared home price appreciation feature of the old program and the added flexibility of multiple first mortgage options. Our new relationship with TIAA Direct made both of those changes possible.

Pilot program participants have voiced concern about the increased lead time to arrange mortgage financing compared to the old program. In the past, as sole lender, the College was able to close mortgages more quickly than commercial lenders. The typical application for TIAA Direct is longer, but no longer than that of other mortgage lenders. We have worked hard to ensure that information hand-offs between TIAA Direct and the College do not slow the process. Faculty members who would like to take advantage of the faculty mortgage program are strongly advised to set up a time to speak to TIAA Direct and to obtain pre-approval from TIAA for a College mortgage before they begin house hunting, and definitely before making an offer to purchase any property.

Detailed information is available on the program at <http://www.wellesley.edu/finance/mortgage>. Please contact Melissa Fletcher, AVP for Finance and Controller, to initiate the process. She will qualify you to work directly with TIAA Direct and their representative will arrange a call with you. TIAA Direct representatives understand the College's program and can answer any questions you may have about it or the process.