

# The Seven Habits of Highly Successful House Corporations

## #1- Operate Like a Business

- Incorporate
- Alumni leadership
- Property management
- House rules
- Meet as a Board quarterly
- Recruit new volunteers every few years
- Follow a five year plan
- Resources available on your website
- Beat your competition – Will you be competitive 10-15 years from now?
- Open communication
- Have fun!

## #2- Execute a Master Lease & Individual Leases

- Officers sign for chapter use each year in March or April (house rules and budget discussed)
- Chapter secures signed leases by all renters no later than April

## #3- Research, Charge Market Rents, and Collect It

- Research apartment, dorm, and other fraternity and sorority house prices every 1-2 years
- Ensure that the chapter understands why you have set rent at the level you have
- Set the rent and collect 100% of it
- Bill up front and if they do not pay it off charge higher rent and have a signed contract

## #4- Establish a Maintenance Reserve Fund

- Budget to put away no less than 5%-10% of your annual revenues
- Have a life-use review of your facility completed so you can set a budget
- Consider an undergraduate building fee

## #5- Reduce the Debt and Fundraise

- Do not let your debt get out of control
- Rule of thumb for long-term debt is \$5000 to \$10,000 per bed
- Every 20-25 years you should complete a major campaign

## #6- Fill the House

- Do whatever it takes to keep the house at least 90% full
- Have the chapter use a point system for move-in/move-out priority

## #7- Develop a Sense of Ownership in the Undergraduates

- Have the officers at all board meetings
- Have the officers help the House Corporation set the rent and make the rules
- Have fun with the undergraduates with an annual meeting trip

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