



Housing Business Plan

When looking to finance a chapter house it is important to have a clear and organized plan. Your plan will show the financial institutions that your housing corporation is not only serious, but you have taken the time to assess your situation from multiple vantage points. In short it gives you the best chance possible to secure a loan for your new chapter house.

Below is the information needed to craft a business plan:

I. **Financial Information**

- 1) Projected income
 - i. Rent
- 2) Projected expenses
 - i. Property taxes, Gas (if applicable), Electricity, Trash, Water/sewer, Cable, Insurance, Telephone, Routine maintenance, and etc.
- 3) Current budget showing income and expenses
- 4) Verification of all assets
- 5) At least 2 years of bank statements (more if possible)
- 6) Potential earnings
- 7) Past earnings
- 8) Appraisal of current home (if refinancing)
- 9) Cost of other housing options on campus (campus housing, other fraternities, and off campus housing)
- 10) Realistic estimate of alumni capital campaign (commitments)
- 11) Down Payment: This does depend on the lender, likely a minimum of 10% would be required. However more money down usually results in a better rate.

II. **Housing Corporation**

- 1) Tax Identification Number
- 2) Articles of Incorporation
- 3) Certificate of Existence
- 4) Corporation Bylaws
- 5) List of members, occupations, and relevant talents

III. **Construction or Remodel**

- 1) Sample floor plans and Elevations from an state approved architect
- 2) Builders name
- 3) Quoted Costs
- 4) Land Location

IV. **Existing Real Estate**

- 1) Location of House
- 2) Asking price
- 3) Cost of repairs or improvements needed (that seller will not cover)
- 4) Appraisal of the property, the bank will do their own, but it may help them see the overall picture.

V. **Current Chapter information**

- 1) Date of charter, Last 5 years of membership numbers, Grade point averages, Chapter awards and recognition, Charity or community involvement, etc.

VI. **College/University information**

- 1) Location
- 2) Enrolment size
- 3) Number and percentage of men living in fraternity houses
- 4) Population trends in Greek housing

Being thorough will not only gives you the best chance to secure a loan; it will also allow you assess where you are at as a chapter and if buying the house is the correct decision. Resist temptation to leave portions of the business plan out if it is undesirable, the decision to buy a house carries a lot of weight and it is important that you are certain that this is the best direction that the chapter needs.