Think Outside the Box

Some years back when I was a Grand Praetor, one of my chapters badly needed a chapter house but area zoning would not allow for more than four unrelated people living together. Any successful financial model made it clear that they could not afford to have a house under those restrictions. In addition, the chapter was only six years old, had minimal alumni base and no funds.

While driving a few miles off campus one day, I came upon what looked to be a deserted farm house with the land around it gone to wild. There was a sign posted “For Sale by Owner”. I inspected the property. It was two miles from campus, fenced and had two acres with a small pond on it.

The house looked like something from the mid 1800s with an unfinished addition which looked like it was to be a large garage.. I contacted the owner and found that the property was still for sale and included the family home which was completed in 1855. The owner had tried to turn it into a gas station and repair facility but ran out of funds year before leaving it unfinished. The family just wanted to sell it in its unfinished condition. The price for the two acres and house was much lower that one would expect for real estate in that area.

I asked if the sellers would be willing to finance the purchase and subordinate their loan to a construction loan to finish the structure as a residential dwelling. The seller was anxious to move the property and agreed.

I then formed the local alumni from several different chapters into a house corporation. The alumni agreed to commit personal guarantees of a few thousand each and construction began.

I entered into negotiations with the president of the university offering an alcohol-free fraternity house near for his support to back my bid to obtain a zoning variance allowing up to 14 men to live there. The number needed to make the financial model work was 9. I went to chapter and obtained their commitment to fill the house and keep it an alcohol free facility.

The level of excitement was amazing. Hundreds of hours of alumni and undergraduate time were spent clearing the lot, hauling away debris, painting and taking on the tasks that left the builder nothing to do but finish the house. The house allowed for several single rooms, four full bath rooms, a kitchen, a pool room and a chapter room the size of the three car garage.

Everyone involved took great pride in the work which was accomplished in less than one year from the time I saw the "for sale" sign. Provisional approval for the zoning was granted by the county government with the big push from the president of the university. The house was completed without the expenditure of a single dollar from any undergraduate and less than a $1,000 from the alums.

The task of furnishing the house was accomplished by my contacting a local furniture liquidator. His warehouse was bulging at the seams with desks, tables, couches, chairs, lamps and all the other furniture one might want to furnish a fraternity house. I offered to receive his tax deductible donation to our 501(c)(3) corporation and sent the undergrads to his business with trucks to pick it up. The only thing missing were beds and we left that to the undergrads to furnish for themselves.

There we were with a beautiful new house, far and away the finest of any other Greek housing in the area, with the blessing of the university, great publicity on local TV for having an alcohol-free commitment from the students and alumni, and the possibility of selling off half of the land to an interested sorority who wished to build
their dream house right next door. This
sale would pay off the loan on the
chapter house. We were leading the
way to a Greek Village as other land
around us was also for sale. The house
was dedicated and the chapter moved
in, again without any significant funds
having been expended.

This story illustrates that thinking
outside of the box coupled with some
luck can provide some significant
opportunities when alumni put their
minds to it. Opportunity abounds for
those that are paying attention.

By Harvey Silverman IHSV

Alumni Engagement Report
Fall 2018

The Grand Trustee Alumni
Engagement Initiative has completed a
year of engaging thousands of Sigma
Chi alumni around the world. The
results include new alumni chapters,
reactivated chapters, new clubs and
interest groups.

During the past six months we have
focused on chapter town alumni
groups. Since growing an alumni
chapter takes about two years, we are
cultivating “clubs” to mature into
chapters. We are reaching out to House
Corporations to assist with forming
local clubs to bolster alumni support
for the chapter and attract volunteers
for the House Corporation Board.

There are over 1500 communities
capable of having clubs and chapters
including towns in target expansion
campuses. To date, we have identified
600 of these communities and the 18
Grand Trustees are in the process in
contacting the Sigs in those towns.
From this process, we are hoping to
inspire Sigs interested in starting a
group locally and updating email
addresses.

As of now, we have 125 Alumni
Chapters, 7 Associations, 14 Clubs, 25
potential reactivations, 18 chapter town
targets, 44 working targets and 599
target areas for a total of 855 contact
points.

We appreciate the support of Sigma
Chi Headquarters staff, existing alumni
groups, Grand Praetors and other Sigs
who are feeding us leads through their
personal contacts.

Contact bill.robinson@sigmachi.com
with any leads interested in starting a
club or supporting a alumni chapter.

For more Alumni Group resources,
contact your Grand Trustee listed on
Page One of The Sig House.

By Grand Trustee Bill Robinson IHSV

Connecting the Dots

Being a member of an organization like
Sigma Chi that emphasizes “life long
commitment” is an anomaly in a
transient world. Those men that heeded
that call enjoy the fruits of life long
friendships and business relationships
that are the envy of those that didn’t.
This life long benefit doesn’t happen by
accident. Sigma Chi teaches principles
upon which to build mature and healthy
relationships.

However, as life experiences steer
brothers in various directions, fraternal
connections can be strained and broken
by time and distance. The busy-ness of
career and family can crowd out
brotherhood. But for most, these are
only temporary conflicts. As brothers
grow older, many find an urge to
reconnect with fraternal relationships
that were started long ago. Time brings
richer meaning to college experiences
and the friendships planted there.

House corporations are a natural
mechanism to help provide these
connecting points the brothers seek.
While the house corp’s main purpose is
to maintain the chapter house in safe
and livable condition for the actives, it
can’t be done without the support and
contributions from loyal alums. To
ensure the greatest success, every house
corp needs to develop a comprehensive
contact list of all chapter alums. That
contact information should include email
addresses since 90% of the brothers have
them. Communicating by email is
efficient and free.

Sigma Chi Headquarters can assist with
the process by providing the chapter
contacts it has. Checking address
accuracy with www.whitepages.com
should be the next step. WhitePages.com
also provides phone numbers which can be used to garner
email addresses. Getting email
addresses cannot be understated. Paper
newsletters are very expensive to
produce and mail. The same newsletter
can be emailed for free in PDF (Portable
Document Format). Email can save
thousands of dollars that would be better
spent on chapter house renovation or
scholarships. Even if you have to hire
someone to do the database work, it will
pay off big time over the years as fund
raisers are developed and launched.

And one of the side benefits of this
contact information is that it can be posted on the chapter/house corp’s
website so that the brothers can
reconnect with each other. When these
connections are made, they often lead
to a reunion at homecoming and the
chapter house. It’s like playing
“connect the dots”.

By Grand Trustee Rich Thompson IHSV

Rental Agreement Terms

Having a written rental agreement is an
absolute must for every house
corporation that owns and manages
property on behalf of the chapter.
While there are standardized forms
available in every state that conform to
state statutes and federal Fair Housing
standards, it makes sense to customize
a rental agreement for this use which
includes additional terms which relate
to obligations to Sigma Chi and the
host university.

Another issue is a house corporation
may need to have two rental
agreements, one between the house
corp and active chapter and one
between house corporation or active
chapter and individual occupants.
While the two reflect many of the same
conditions (pay rent, maintain the
property, don’t break the rules), the one
entered into with Active Chapter is
signed by the Consul who promises to
enforce the conditions on all residents.
For house corporations that allow
active chapter to collect rent from the
residents and pay a lump sum rent to
house corp, two agreements are
appropriate. If active chapter fails to
enforce the terms of the primary rental
agreement, house corp can rely on the
secondary one to deal directly with the
individuals that are in violation.

Besides the standard clauses that every
Rental Agreement should have, there
are others house corp should consider
adding including:

Hazing Violations. Unfortunately,
hazing raises its ugly head from time to
time. Sigma Chi has strict rules against
it but it is often house corp which is the
first line of defense in detecting and
dealing with it. As we all know, hazing
takes on many forms but as former
Supreme Court Justice Potter Stewart
opined about pornography “I know it
when I see it”.

The house corporation has every right
as a landlord to expect the residents to
comply with fraternity rules which

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often, by the way, mirror civil code. While house corporation alums have the power to suspend and expel a brother from the fraternity, as landlord, hazing can be a cause for eviction.

Substance Abuse. Drinking and other forms of “substance” abuse are common on all college campuses and certainly not limited to Greek housing. Wherever there are young adults, there will be parties and “substances”. House corps generally do not want to play cop on this issue but evicting the worst offenders is instructive to the others that don’t want the same result.

No Pets. While having a dog or cat may be the dream of many brothers, a chapter house is not a good place to make it come true. Once there is one, there are more and the result is always the same: excessive wear and tear on the house and grounds.

No Smoking. For the health and life safety of all residents, having a mandatory No Smoking Policy should be standard. There is simply no way to control second hand smoke which has proven to damage the health of non-smokers, the house itself and dramatically increases the risk of fire. This one is a no brainer.

No Candle Burning. Candles are a frequent source of fire and have no place in chapter houses. Flameless candles are now strongly encouraged even for ritual events.

Require Parents to Co-sign. With few exceptions, most residents do not have the income to qualify for chapter house rent. Most either borrow the money or have their folks pay. Any prudent landlord like the house corp needs to get reasonable assurance that the rent will get paid. If the Rental Agreement requires parents’ signatures, collections will be easier.

GPA Standard. Living in the chapter house is a privilege, not an entitlement. For some, the temptation to party or sleep in may be great so it behooves house corp to enforce a minimum standard GPA to move in. And those that fall below it no longer qualify to live in. The university will usually provide grade reports to assist in this.

Residents Must Have a Sigma Chi Affiliation. Unless the chapter house is built to segregate Actives and Pledges from other residents, it’s best to allow only Sigma Chi actives and pledges as residents. It’s hard enough to enforce standards on the brothers and nigh impossible to do so on non-Sigma Chis.

Firearms Prohibited. No resident needs to keep guns on the property. Those that hunt or target practice should store their guns elsewhere.

Regular Mandatory Cleaning. Sometimes called “House Works”, this is a group effort performed on a weekly schedule. Typically, it is organized and supervised by the House Manager who assigns various tasks like vacuuming, garbage removal, mopping, yard cleanup, etc. To build team spirit, it should be executed by all at the same time, like on Saturday or Sunday when there are fewer scheduling conflicts and every active and pledge member should participate.

Having a written Rental Agreement that reflects standard landlord concerns and those of Sigma Chi will improve communications, set high standards for performance and provide a basis for accountability. Don’t leave chapter house operation to chance. Define the terms of the rental agreement and be prepared. When it comes to enforcement, time is not your friend.

By Grand Trustee Rich Thompson

CCI Corner

Constantine Capital Inc. (CCI) is Sigma Chi’s mortgage lender for qualified house corporations. It can finance a variety of renovation and upgrade projects up to $250,000 such as:

1. Chapter House Purchase
2. Life & Safety Upgrades
3. New Construction
4. Renovation Projects, and
5. Loan Guaranty

CCI’s current requests, approved or closed loans:

Washington State is requesting a $250,000 loan to supplement bank financing for a new chapter house.

Does your house corporation have a chapter house financing needs? Contact Chair Ed Rammrath at Ph 832.483.8676 or erammrath@rammrathealty.com

We’re Here to Help

Board of Grand Trustees is here to assist Sigma Chi house corporations in a myriad of ways. Besides many years of service to Sigma Chi in various capacities such as real estate development, property management, project administration, politics, house corporation renovation, insurance, tax planning, accounting, construction, fund raising, legal, education, financing, risk management and more.

While each Grand Trustee is assigned specific provinces to oversee, this combined expertise is available to all house corporations. The key to tapping this gold mine is to contact your province’s Grand Trustee with a specific request for assistance. If your request is out of your Grand Trustee’s specific area of expertise, other colleagues will assist in providing real solutions. Give us a try. iHSV

House Corporation Resource Directory

ARCHITECTURAL & PLANNING SERVICES

Aynesworth Architects & Consultants 512.328.2272
O: Tim Aynesworth tim@aynesworth.com
PO Box 161434, Austin TX 78716 www.aynesworth.com

Hug & Associates, LLC 678.297.2929
Mike Hug mhug@HugArchitects.com
5250 Avalon Blvd
Alpharetta GA 30009 www.HugArchitects.com
Specializing in the design and renovation of fraternity housing.

Reifsteck Reid & Company Architects 217.351.4100
Rod Reid reid@rr-arch.com
Chapter house renovation and construction design; collects data, analyzes project requirements, develops cost estimates; assists locating design and construction team members.

CHAPTER HOUSING DEVELOPMENT

Pierce Education Properties, L.P. 619.297.0400
Matt Maruccia, VP for Acquisitions www.PierceEducationProperties.com
National developers, buyers, owners and operators of student housing with specific expertise in Greek Housing acquisition, disposition, development, finance, etc.

CHAPTER HOUSE FINANCING

Constantine Capital Inc. 832.483.8676
Ed Rammrath erammrath@rammrathealty.com
Affordable financing to Sigma Chi house corporations for chapter house purchase, life & safety upgrades, new construction, renovation and loan guaranty

FINANCIAL & DATABASE MANAGEMENT

Greentall, Inc. www.greentall.com 201.457.3516
Web-based billing and financial management service enables billing, collecting, budgeting, reporting, online payment options

OmegaFi www.omegafi.com 800.276.6342
Chapter and alumni management tools to bill and collect dues and rent, manage rosters and records, pay bills and employees and file tax returns.

FOOD SERVICES

Campus Cooks 847.309.1859
William Reeder wreeder@campuscooks.com
Comprehensive program: on-site cook plus management of staffing, payroll, food and supply ordering, menu preparation. www.campuscoks.com

College Chefs Jordan Wigton jwigton@collegechefs.com 217.369.7267 www.collegechefs.com We provide trained professional chefs to prepare delicious meals and maintain a spotless kitchen.

Culinary Consultants Purchasing Services

WWW.SIGMACHI.ORG/GRAND-TRUSTEES
National buying program exclusively for fraternity chapters with food programs. Instant cost savings with no major changes to existing food program.

Gill Grilling 443.822.0264
Brian Gill brian@gillgrilling.com

Greek Kitchen Management 632.428.0496
Amy Poklinkoski amy@greekkitchenmanagement.com
www.greekkitchenmanagement.com Kitchen management company specializing in staffing, high quality food preparation, food allergy accommodations and exceptional customer service

FLOORING
The Carpet Company 541.454.5373
Daryl Egbert C 541.517.8820
daryle@thecarpetcompany.biz www.thecarpetcompany.biz
All major brands of commercial and residential flooring.

FUNDRAISING & COMMUNICATION
Affinity Connection 814.237.0481 ext 131
Greg Woodman greg@affinityconnection.com
www.affinityconnection.com Database management, website hosting/management, newsletter production, enewsletters, fundraising assistance, donation processing
Member Planet 888.298.8845
Patrick Terrian C 310.590.4413
terrian@memberplanet.com www.memberplanet.com
Email newsletters and text messaging, chapter websites, member database, donation sites.

Pennington & Associates 785.843.1661
Patrick Alderdice palderdice@penningtonco.com
www.penningtonco.com Capital campaign coordination, gift management, alumni relations programs, website development

The Laurus Group 770.903.3987
Bill Paris bparis@thelaurusgroup.net C 404.441.9630
www.thelaurusgroup.net Fundraising consulting specializing in capital campaigns, gift management, alumni communications, annual funds

HOUSE DIRECTOR SEARCH & SCREENING
Greek House Resource 361.450.0818
greekhhs@gmail.com www.greekhouse.net
Screen, interview and placement for chapter house directors.

RESERVE STUDY PLANS
Regenesis Reserves 503.268.1789
info@regenresisreserves.com www.regenesisreserves.com
30 year plans for renovating chapter house components like furniture, roof, carpet, HVAC and more. Indispensable for planning, scheduling and fund raising.

Do you offer a service for Sigma Chi house corporations? Email rich.thompson@sigmachi.com with the details and get listed in the Service Directory.