



Phi Sigma Kappa Properties, Inc.

CLEP Involvement Criteria



PSKP exists to serve and support local PSK chapter housing initiatives, and therefore carefully considers all requests for housing assistance. To aid chapter leaders in their understanding of PSKP's involvement criteria, PSKP has adopted the 'CLEP' standard of application assessment. When considering an application, PSKP carefully considers the **Chapter**, **Location**, **Economics** and **Physical Attributes** of the request:

Chapter

- Applicant chapter must evidence stable or growing membership.
- Applicant chapter must evidence a balance of classes (Sophomores, Juniors and Seniors) within its membership.
- Applicant chapter must show an acceptable housing-to-member ratio; i.e., 1.5 – 2 active members for every 1 bedroom in the subject property.
- Applicant chapter must have an active and supportive alumni association.
- Applicant chapter must be current in its account with the Grand Chapter.
- Applicant chapter should be ranked as 'Advanced Chapter' or 'Investment Chapter' under the Grand Chapter's ARC evaluation (coming 2011).

Location

- Subject property should be no more than 1.0 mile to the university's main campus boundary.
- Subject property should be no more than 1.5 miles to the center of the university's main campus.
- Subject property should be within 0.25 mile of any 'Greek row' or 'Greek village.'
- There should be no major physical boundaries, such as interstate highways, rivers, train tracks, etc.) between the subject property and the university's main campus.

Economics

- The total development cost of the property, which includes the purchase price, closing costs and necessary capital improvements, should be considered reasonable by PSKP for the marketplace.
- The applicant chapter must raise and contribute a portion of the required down payment for the subject property.
- The proposed rental rates for applicant chapter members should be relatively in-line with market rents for comparable rental properties in the market.
- The applicant chapter must have signed rental commitments from the necessary amount of members to completely fill the subject property with its application to PSKP.

Physical Attributes

- The subject property should have no more than 25 percent of above-grade square footage as common area.
- Subject property shall undergo a physical needs assessment by a qualified firm so that both the applicant chapter and PSKP are assured of the quality of the subject property.
- Subject property shall undergo a long-term needs assessment in order to determine the amount of rent that must be reserved for annual repairs and maintenance.
- The subject property must be suitable for some reasonable alternative use if the applicant chapter is closed or fails to meet its financial obligations to the subject property.