

**COMMUNITY OF
CHRIST**

**BUILDING PROGRAM
PROCEDURES &
GUIDELINES
OF
SALE OF PROPERTY**

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BUILDING PROGRAM PROCEDURES & GUIDELINES
FOR SALE OF PROPERTY

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I. BUILDING PROGRAM PROCEDURES

1. DEFINITION OF A BUILDING PROGRAM

A "Building Program" (Project) may consist of a sale, purchase, building a new facility, remodeling or adding on to the present facility. The information provided in this manual is strictly for the SALE of property. If a Congregation, Campground or Mission Center intends to purchase, build a new facility, remodel or add on to their present facility please contact Legal Services for "Building Program & Houses of Worship Revolving Fund Loan Procedures and Guidelines."

2. PRESIDING BISHOPRIC and LEGAL SERVICES

Congregational and Mission Center building programs whether a sale, purchase or new building are assisted by the ministry and policies provided by the Presiding Bishopric and Legal Services. These policies are designed to bring the resources, assistance, and experience of the World Church to the congregations. All sales of property require prior approval of the Presiding Bishopric. Approval by the Presiding Bishopric reinforces its role as trustee of the church and provides support of the goals of pastoral and witnessing ministries which are at the heart of our mission.

II. APPROVAL PROCESS FOR THE SALE OF A PROPERTY

Prior to the sale of a church facility all appropriate approvals must be in place. These approvals are:

1. CONGREGATIONS

1.1 Legislative Approval

1.1.1 Congregation shall hold a business meeting to discuss and vote on the sale.

1.1.2 If the sale is approved a copy of the minutes shall be sent to the Mission Center officers for approval, and to Legal Services.

1.2 Administrative Approval

1.2.1 Letter of Approval, signed by the Pastor and Congregational Financial Officer, stating they approve of the sale shall also be sent to the Mission Center officers, Apostle In Charge, and to Legal Services.

1.2.2 Letter of support from the Mission Center officers and Apostle In Charge shall be sent to Legal Services.

2. EMERGING CONGREGATIONS

2.1 Legislative Approval

2.1.1 Mission Center conference shall be held to discuss and vote on the sale of property for the emerging congregation.

2.1.2 If the building program is approved a copy of the minutes shall be sent to the Mission Center officers, Apostle In Charge, and Legal Services.

2.2 Administrative Approval

2.2.1 Letter of support from the Mission Center officers and Apostle In Charge shall be sent to Legal Services.

3. CAMPGROUNDS

3.1 Legislative Approval

3.1.1 Refer to Campground Bylaws for the proper legislative approvals.

3.2 Administrative Approval

3.2.1 Letter of support from the Campground Board.

3.2.2 Letter of support from the Mission Center officers and Apostle In Charge of the sponsoring jurisdictions.

PLEASE NOTE: On Page 7 the APPROVAL FOR SALE OF REAL ESTATE form can be completed with information requested and signed by the necessary officers. Once all **original signatures** have been obtained forward to Legal Services along with the Congregational/Campground Minutes approving the sale.

III. CHECKLIST FOR SELLING PROPERTY

1. GENERAL

_____ Review the "Approval Process."

_____ Inform the Mission Center officers of the Congregation's decision to sell.

_____ Inform the Apostle In Charge of the Congregation's decision to sell.

_____ Consult with Mission Center officers and refer to section IV. Use of Net Proceeds From the Sale of Capital Assets to plan the distribution of the proceeds from the sale.

2. CHECKLIST FOR LISTING A PROPERTY FOR SALE

_____ Interview multiple realtors and select one to serve as listing agent.

_____ Make sure the Listing Agreement includes the following mandatory contingency: "This offer to sell is subject to the approval of the Presiding Bishopric."

_____ Inform Realtor that the listing agreement and all offers and/or counter offers are to be reviewed by Legal Services prior to signing and are subject to final approval by the Presiding Bishopric of the church.

_____ Fax or e-mail a copy of the Listing Agreement, PRIOR TO SIGNING, to Penny Edwards of Legal Services at 816/521-3099.

3. ACCEPTING AN OFFER

_____ Verify that the offer includes the following contingency: "This offer is subject to the approval of the Presiding Bishopric."

_____ Present the offer to the congregation at a congregational business meeting. If the offer is accepted, forward copies of the minutes to Penny Edwards of Legal Services and to the Mission Center officers for approval.

_____ Forward copies of congregational (Pastor and Financial Officer) and Mission Center administrative approvals (letter of approval) to Penny Edwards of Legal Services.

_____ Forward the offer to Legal Services for review PRIOR TO SIGNING.

4. CLOSING THE SALE

_____ Penny Edwards of Legal Services will work directly with the realtor, title/abstract company or attorney to close the sale of property.

_____ Proceeds from a sale are to be forwarded to headquarters, by wire transfer, and will be placed in an affiliate pool account for the benefit and future use of the congregation.

_____ The funds will be placed in a pool B account (cash account) unless congregation requests that it be placed in pool A (balanced fund).

IV. USE OF NET PROCEEDS FROM THE SALE OF CAPITAL ASSETS IN CONGREGATIONS, ASSOCIATIONS AND MISSION CENTERS (USA AND CANADA)

A. Purpose, Titling and Definitions

1. Purpose

This policy is applicable to Capital Assets being disposed of by Congregations, Associations and Mission Centers.

2. Titling of Property

Land and improved property used by Congregations, Associations and Mission Centers are titled in the name of the Presiding Bishop as Trustee-in-Trust or, in not-for-profit corporations organized by the Presiding Bishopric, such properties are held in trust for the use and benefit of Congregations, Associations and Mission Centers.

3. Definitions

a) **"Capital Asset"** means all real estate and improvements used for religious and investment purposes.

Capital Assets do not include pews, furniture, organs, appliances or other equipment not permanently attached to the building. Stained glass windows are considered to be Capital Assets.

b) **"Net Proceeds"** from the sale of Capital Assets are those proceeds that remain after payment of closing costs and all other obligations directly related to that property.

B. Approval Procedures

Net Proceeds from the sale of Capital Assets can be used for program and/or capital projects which support the vision, mission and goals of the World Church, Mission Center and the Congregation.

1. Congregations and Mission Centers that are continuing to operate

a) **Congregations:** When a congregation disposes of a Capital Asset the congregational officers, in consultation with the mission center officers, will submit a resolution for the use of the Net Proceeds to a congregational conference.

b) **Mission Centers:** When a mission center disposes of a Capital Asset, the mission center officers, in consultation with the Apostle and mission center council, will submit a resolution for the use of the Net Proceeds to a mission center conference.

2. Congregations, Associations and Mission Centers that are closing

a) **Congregations:** Before a congregation closes and disposes of a Capital Asset, the congregation may make a recommendation to mission center officers for the use of Net Proceeds from the sale. The mission center officers, in consultation with the Apostle and mission center council, submit a resolution for the use of the Net Proceeds to a mission center conference.

b) **Associations:** Before an association closes and disposes of any Capital Asset, the association may make a recommendation to mission center officers for the use of Net Proceeds from the sale. The mission center officers, in consultation with the Apostle and mission center council, will submit a resolution for the use of the Net Proceeds to a mission center conference.

c) Mission Centers: Before a mission center closes and disposes of a Capital Asset, the mission center conference may recommend to the Apostle and the Presiding Bishopric how the Net Proceeds should be used. Approval is by the Presiding Bishopric in consultation with the Apostle.

3. Congregations or Mission Centers that are merging

a) Congregations: When two or more congregations merge and dispose of a Capital Asset, the congregational officers of the newly merged congregation, in consultation with the mission center officers, will submit a resolution for the use of Net Proceeds to a conference of the newly merged congregation.

b) Mission Centers: When two or more mission centers merge and dispose of a Capital Asset, the mission center officers of the newly merged mission center, in consultation with the Apostle and mission center council, will submit a resolution for the use of the Net Proceeds to a conference of the newly merged mission center.

4. Capital Assets owned jointly by two or more Mission Centers

a) When two or more mission centers desire to dispose of a jointly owned Capital Asset, the mission center officers, in consultation with the Apostle and mission center councils will submit a resolution for the use of Net Proceeds to their respective mission center conferences. Distribution of the Net Proceeds must be approved by each mission center conference. If the mission centers can not agree on the distribution of Net Proceeds, approval is by the Presiding Bishopric in consultation with the Apostle.

Any questions about interpretation of this policy should be directed to the Legal office or Presiding Bishopric.

Presiding Bishopric
Approved 10/2003
Revised 2/2006

APPROVAL FOR SALE OF REAL ESTATE FORM

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INFORMATION ON PROPERTY BEING SOLD:

STREET ADDRESS _____
CITY _____ COUNTY _____ STATE _____

_____ vacant land ONLY _____ church building with land _____ rental property

Estimated market value of property: \$ _____

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APPROVALS

Approvals consist of both legislative (Congregation) and administrative (Mission Center). Approvals MUST be received prior to final closing of a purchase or sale of real estate.

SECURING LEGISLATIVE APPROVALS:

- 1) Congregational Pastor and Financial Officer sign and date Approval form below.
- 2) Attach a copy of the minutes from Congregation's business meeting approving transaction.
- 3) Forward completed and signed Approval Form and congregation's business meeting minutes to the Mission Center President and Financial Officer for approval signatures.

SECURING ADMINISTRATIVE APPROVALS:

- 1) Mission Center President and Financial Officer sign and date Approval Form below.
- 2) Letter of support signed by Mission Center President and Financial Officer approving sale/purchase.
- 3) Forward the completed and signed Approval form with the original signatures, and Congregation's business meeting minutes, and Mission Center officers letter of support to:

Penny L. Edwards, Paralegal
Community of Christ/Legal Services
1001 W. Walnut
Independence, MO 64050

_____ Congregation

Congregational Business minutes attached: _____ Dated: _____

Pastor's Signature: _____ Dated: _____
PRINT NAME: _____

Financial Officer's Signature: _____ Dated: _____
PRINT NAME: _____

_____ Mission Center

President's Signature: _____ Dated: _____
PRINT NAME: _____

Financial Officer's Signature: _____ Dated: _____
PRINT NAME: _____