

PRESBYTERY OF NORTHERN NEW YORK  
POLICY ON THE  
PURCHASE, SALE, ENCUMBERING OR LEASING CHURCH PROPERTY

The following procedures are to be followed when the Session of a congregation, acting as the Trustees or by recommendation of the congregation's Board of Trustees determines that the mission of the congregation necessitates the purchase, sale, encumbering or leasing of church property. Book of Order section G-4.02 should be reviewed by the Session as part of this decision-making process.

The following steps are to be followed:

1. The Session determines that the mission of the congregation necessitates the purchase, sale encumbrance, or mortgaging of property in the congregation's name, and calls a meeting of the congregation for its approval.
2. If the congregation approves, the trustees (which in many cases is the Session) requests initial approval of the Presbytery via the Stated Clerk who then submits the request to the Commission On Ministry for concurrence and to the Board of Trustees for their recommendation to the Presbytery. This submission will include a narrative explanation with rationale for taking such action, along with the financial basis for doing so, for their review and recommendation to the Presbytery (from each) whether to proceed.
3. If the Presbytery concurs, a formal application is prepared (appendix A). All pertinent information must be provided. This will take some time.
4. A second congregational meeting is called by the Session to give final approval for the purchase, sale or encumbrance of the property. The action must include the property description, the amount involved, the planned use of the property, and the source of the funds if for purchase or the use of the funds if for sale.
5. The completed application is submitted to the Stated Clerk who forwards it to the Board of Trustees for their final recommendation to the Presbytery. In particular, the application must include the sale or purchase price, the appraised value, the intended use of the property either as purchased or sold, the source of the funds if for purchase or the expected use of the funds if for sale. The Board of Trustees then makes a recommendation to the Presbytery which must approve the purchase, sale or encumbrance in writing. The presbytery must also approve the lease of property used for worship, or the lease of any other property leased for a period of more than five years.

Unless there is good reason not to pay to have an appraisal completed (e.g. the value of the property is judged to be low due to size, location, etc. such that paying for a professional appraisal would cut substantially into the proceeds), a property appraisal should be performed in order to ascertain a value at which to list the property. Likewise, an appraisal should be completed before property is purchased by a congregation, if one has not been secured by the seller.

6. The Supreme Court of New York State must approve the sale. The Session (or alternatively, by mutual agreement, the Buyer or Seller) will need a lawyer to obtain this permission.

**Application to Mortgage, Sell, Lease or Otherwise Encumber Real Church Property**

Church name: \_\_\_\_\_

Approval sought from presbytery to (please circle):

BUY    SELL    LEASE    ENCUMBER

Date of Congregational approval: \_\_\_\_\_

Name of appraiser: \_\_\_\_\_

Amount of appraisal \$ \_\_\_\_\_ Date \_\_\_\_\_

Please attach a legal description of the property: a copy of the deed, a copy of a survey or provide the 911 property address

Name of attorney handling the matter: \_\_\_\_\_

Does this transaction impact on any responsibilities your congregation has to other presbytery groups, churches, or partnering bodies and if so, how? \_\_\_\_\_

\_\_\_\_\_

Are there time restrictions under which negotiations are being conducted? If so, please advise:

\_\_\_\_\_

\_\_\_\_\_.

Church's current indebtedness (please list):

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

TOTAL \$ \_\_\_\_\_

Please enclose financial statements for the last two years if there is indebtedness

Repayment Plan for any indebtedness:

\_\_\_\_\_

\_\_\_\_\_

Person conveying the information: \_\_\_\_\_ Date \_\_\_\_\_

Position in the congregation: \_\_\_\_\_

Send to: Stated Clerk, Presbytery of Northern New York, 311 Franklin Street, Ogdensburg, NY 13669