



---

## Sale of Congregational Property – Basic Steps

(Based on the Manual Section G.2. and Board of Trustees Handbook)

1. The governing body decides to sell a piece of property (manse, church, other)
2. The governing body consults with the Regional Council (Congregational Support Commission) on how the congregation will use any proceeds from the sale, after costs for the transaction have been covered.
3. The governing body passes a motion directing the Board of Trustees to sell the property.

### Listing the Property

1. The Board of Trustees obtains 3 “letters of opinion” from three different real estate companies stating their opinion of the market value of the property.
2. The Board of Trustees decides which realtor they wish to hire.
3. The Board of Trustees holds a special meeting (7 days notice, hand-delivered or mailed to each Trustee specifying the time, place, and purpose of the meeting) and pass a motion requesting regional council consent to listing the property for sale.

The template for the motion is found in the Property Resolution Trustees. If the plan is to list the property for sale the following details are required:

- a) listing agent;
- b) commission rate;
- c) asking price;
- d) proposed possession date.
- e) Any additional conditions
- f) Include the statement that the listing agreement and sale is conditional upon the approval of \_\_\_\_\_ regional council.

**NOTE:** To ensure the Congregational Support Commission will be able to respond to a request to accept a purchase offer within the legal time frame. Please include in the listing and sale terms that this approval may take up to 10 business days.

4. The resolution should be entered in full in the minutes of the Board of Trustees.
5. The property resolution is filled in and forwarded by email to the Congregational Support Minister for Horseshoe Falls Regional Council along with:
  - i. a copy of the listing agreement
  - ii. a copy of the three letters of opinion
6. A proposal for the use of the funds must be submitted with the request to offer the property for sale. In general, any proceeds from a sale are automatically to be held by the trustees in a restricted fund with the principal preserved and only the interest available to the community of faith. However, the community of faith can propose to use a portion of the proceeds for a specific ministry initiative or capital project. Additional proposals can be made in the future should the need arise.
7. The regional council makes a decision whether to approve
  - i. The transaction, and
  - ii. The use of any proceeds received by the congregation or pastoral charge in the transaction.

### Guidelines for Setting a Price:

The Board of Trustees holds the property in trust for the use of the congregation. As such they are bound to seek Fair Market Value for an asset as part of this obligation. That is why it is important to get 3 or more current market value appraisals to accompany the listing request. That said, if the congregation wants to make an argument for a slightly reduced price to support another charity, a proposal can be made to the Congregational Support Commission. The purpose of the regional council's participation is to ensure that United Church of Canada resources are managed to the benefit of the United Church of Canada and its ministries.

### Sale Agreement

1. When an offer is received that the Trustees believes is the best for the Community of Faith, the Trustees seek approval to accept the offer first from the governing body of the congregation (unless they have delegated this decision to the Board of Trustees).
2. The Board of Trustees calls a meeting and pass a motion requesting regional council consent of the sale agreement.

The template for the motion is found in the Property Resolution Trustees. The following details are required:

- a) Name of purchaser
- b) Sale Price

- c) proposed possession date.
  - d) Any additional conditions
- 3. The resolution should be entered in full in the minutes of the Board of Trustees.
- 4. The property resolution is filled in and forwarded to the Congregational Support Minister for the Regional Council along with a copy of the sale agreement. Please note if there are any differences in the proposed use of the funds from the original request to list the property.
- 5. The regional council makes a decision whether to approve
  - i. The transaction, and
  - ii. Any change to the use of any proceeds received by the congregation or pastoral charge in the transaction.
- 6. Once the offer has been reviewed and approved by the Congregational Support Commission, the Trustees will receive a copy of the motion and a signed certificate verifying that the sale has been approved. If the sale is not completed for any reason, please notify the Congregational Support Commission. Any subsequent offers will need to follow the same process.