

PRESBYTERY OF HUDSON RIVER
Permission to Sell, Mortgage, Lease
Policy and Procedures

The Book of Order (G-8.0500) and New York State law requires: A particular church shall not sell, mortgage or otherwise encumber any of its real property and it shall not acquire real property subject to an encumbrance or condition without the written permission of presbytery transmitted through the session of the particular church.

A particular church shall not lease its real property used for purposes of worship, or lease for more than five years any of its other real property, without the written permission of the presbytery transmitted through the session of the particular church.

In order to meet these requirements, Council requires that the Budget , Finance and Property Committee review all requests involving the above actions prior to Council's voting to recommend that Presbytery grant permission. In addition, in the case of the sale of a manse, Committee on Ministry approval is required.

In those instances where the action requested impacts significantly the ongoing mission of the congregation, the Budget, Finance and Property Committee will review the request with the Transformation Component prior to submission to Council.

Since each reviewing body will require time to provide a proper review, it is necessary to establish a sequential procedure as follows:

1. The church requesting one of these actions listed above should contact the Presbytery office at least 2 months before a scheduled Presbytery meeting. The designated person in the Presbytery office will send the church a packet including the appropriate request forms. The timing on this action will vary some with the complexity of the specific action requested, but in general it will take at least two months between this first step and the Presbytery meeting where the request is submitted for action.
2. The local church will complete the forms provided and return them to the Presbytery office. The completed forms will then be forwarded to the member of the Budget , Finance and Property Committee and Chair of the Transformation Component. If a member has any questions or reservations, they should call the chairperson. Not hearing from a member, the chairperson will assume approval. This step should be completed four to six weeks prior to the Presbytery meeting where the request is submitted for action.

3. The chairperson of the Budget ,Finance and Property Committee will review the request and consult with the chair of the Transformation Component and submit the request to Council three weeks before the Presbytery meeting at which action is needed.
4. After Presbytery approval, the Stated Clerk will provide the requesting body with the written authorization.

General Information

Since the above procedure is expected to meet a wide variety of circumstances, the following general statements are provided to assist in the orderly and timely processing of requests.

- A. The time limits established are the normal ones set to allow each body involved to process a request on its regular schedule. It is recognized that emergencies will arise in which an expedited schedule will be necessary. All parties involved will make every attempt to respond to these emergency situations but it should be understood that it is expected that these emergencies will be limited to the unusual, with the usual request following the regular schedule.
- B. It should be understood that in the case of the sale of capital assets, that except for the interest earned on these assets, capital assets are not available for operating expenses. In the sale of a manse the interest income should be reserved for housing allowance or some other similar purpose. (See Manse Sale Policy Committee on Ministry)
- C. Mortgage or sale of church property requires congregational approval prior to approval by Presbytery.

APPRAISAL GUIDELINES
PRESBYTERY OF HUDSON RIVER
BUDGET, FINANCE AND PROPERTY COMMITTEE

Requirements for appraisals that are submitted to Presbytery:

1. Address and description of property, (type of land, building, size of land and building, age of building, etc.)
2. Picture of property from at least two different angles.
3. Sketch of property (tax map or survey acceptable).
4. Zoning relative to property.
5. Qualifications of appraiser.
6. Inspection date of property by appraiser.
7. Information on three comparable sales.

Option hopefully included: condition of property, present use, possible future use.

Please note:

If the appraiser is or becomes involved in the sale of the property, an independent appraisal by another appraiser, with adequate qualifications, is required and should be submitted to the Budget , Finance and Property Committee for approval on behalf of the Presbytery.

Permission to sell is granted by Presbytery for twelve months. A new appraisal is required after twelve months.

PRESBYTERY OF HUDSON RIVER

Request to Mortgage, Sell or Lease Church Property

(please circle intended action, above)

(This action requires approval of the Presbytery)

Date: _____ Church: _____

Town: _____ Phone: _____

Contact Person: _____ Title: _____

Phone: _____ Fax: _____

e mail: _____

Date Request Authorized: Session: _____ Congregation: _____

Planned Action (describe what you intend to do):

Reason for above:

Full Legal Description of Property (metes and bounds as in deed or contract):

What is the Property presently used for?

Use to which the Proceeds of the Sale or lease will be put:

Request to Mortgage , Sell or Lease Church Property

Mortgages (on church owned property): Building*: _____

Loan Date: _____ Interest %: _____ Term in years _____ Original Amount: _____

Amount presently owed: \$ _____ Lender: _____

*If more than one building, please fill out this information for each building.

List other debts and terms:

Insurance: Liability amount: \$ _____ Fire/Theft Amount: \$ _____

Full Replacement Value: \$ _____ Deductible: \$ _____

Umbrella Amount: \$ _____ Carrier: _____ Renewal Date: _____

(Are all church buildings covered under above policies? If not, please explain:

Titles or Deeds (where are they located):

Church attorney: _____ Phone: _____

Address: _____

Church growth:	5 years ago	Present
Membership:	_____	_____
Local Mission:	_____	_____
General Mission:	_____	_____

Per Capita current: yes: _____ no: _____

Anticipated Growth: 2 years _____
5 years _____

Signed by: _____ Signed by: _____
President of Trustees Clerk of Session

Actions:

Date proposal received by Budget, Finance and Property Committee: _____
Approved: Yes No

Date proposal presented to Council:
Approved: Yes No

Date proposal presented to Presbytery:
Approved: Yes No