

D PROPERTY OWNERSHIP ISSUES 8 Purchase of Church Buildings / Land

The Area Secretary should be consulted immediately to give advice. The following procedure should be followed, with close guidance from the District Council:

1 Once the church has decided to purchase a new property including manses it will need to pass a Church Meeting Resolution to this effect. Assistance with the wording of that should be obtained from the Legal & Trust Officer (LTO). It is advisable for details as to the financial arrangements to be included in that Resolution.

2 Once the church has found a property then advice should be sought from the District property advisor (via the Area Secretary) as to whether the proposed property is suitable for the needs of the church.

3 District Council approval should be obtained via the Area Secretary.

4 Synod approval must be obtained through the Synod Resources Committee (SRC) and the Area Secretary will bring the matter before that Committee.

5 The SRC will then refer the matter to the Trust for its approval.

6 The LTO will need confirmation of the financial arrangements as early as possible in writing. If the property is to be purchased jointly between 2 or more churches then this should be signed by the Church Treasurer of each of the churches involved. The churches must also give the LTO written confirmation as to the shares which each church will ultimately own in the new property.

7 Once approvals have been given the church can put in an offer for the property. As this will need to be done quickly once a suitable property has been found, District Council, SRC and Trust approvals to a purchase in general should be obtained subject to District Council approving the particular property once the church has found a property upon which it wishes to make an offer. District Council representatives must be taken to view the intended property and must approve the property and the figure which the church is proposing to offer for it. This must all then be conveyed to the LTO.

8 Once an offer has been accepted, the church must then arrange for the property to be surveyed. The type of survey will depend upon the type, age and apparent condition of the property. The advice of District Council and the LTO should be obtained before instructing a surveyor to do this.

9 The agents will instruct the Trust's Solicitors to commence the paperwork. The LTO will also discuss matters with the solicitor and, therefore, the church must discuss matters with the LTO throughout.

10 The solicitor will then deal with all the legalities in relation to the purchase. The solicitor will discuss any problems with the LTO and the nominated church member.

11 It is usual for a deposit of 10% of the purchase price to be payable upon exchange of contracts and arrangements must be made to authorise the Synod Financial Officer to release these funds to the solicitor in time for exchange of contracts or, alternatively, the churches must put the solicitor in funds directly

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and advise the LTO that they have done so. The Financial Officer will need confirmation in writing, signed by Treasurers of all the churches involved of any funds to be released.

12The solicitors will need to be put in funds to complete the sale in time for the completion date, following the same procedure set out in 11 above. Further information regarding the financial arrangements should be obtained from the LTO or the Synod Financial Officer or Synod Treasurer.

13If the property is to be purchased jointly between several churches the Trust Solicitor will be instructed to do one of the following.

- (a) If the churches involved are all URC churches then she will prepare a Declaration of Trust to record the shares of the individual churches in the property
or
- (b) If this is an ecumenical project, she will be instructed to prepare a Sharing Agreement between the denominations. This document will be placed with the title deeds to the property.

14After completion, the Solicitor will deal with the registration formalities at the Land Registry and, once the title deeds have been returned, these will be stored for safe keeping by the Trust's Solicitors, along with title deeds for all the other properties held by the Trust on behalf of the local churches within the Synod.

15The Solicitor's fees, disbursements, search fees, registration fees, stamp duty etc. are the responsibility of the church/es which must include these in the calculations initially and it will be up to the church to put the Solicitor in funds in relation to these expenses. If a joint purchase, the contribution which each church is to pay towards the fees must be agreed initially and confirmed in writing to the LTO when confirmation of the breakdown of the purchase price is sent to her. Settlement of these fees is usually made when the final purchase monies are sent to the Solicitor just before completion.

16The church will be responsible for reading the meters and advising the relevant authorities (gas, electricity, water, telephone, council tax/rates office (if appropriate)) of the date when it took over ownership of the property and giving the meter readings to the relevant office.

17The church is responsible for making sure all the arrangements for insuring the premises are completed in time for completion of the purchase.