

GUIDE FOR CHURCHES SELLING PROPERTY

Where The Baptist Union of Victoria is the registered proprietor, Baptist member churches need the involvement of the Union to sell such property. When considering selling property, the Union suggests that our churches use the following checklist.

- **Contact the Baptist Union office.** Make a quick telephone call to the office of the Administration Manager to let us know that the church is considering selling some property. This will ensure that Union processes do not hold you up. The Baptist Union office will ask if the property has been valued to gain an idea of **market value**, (under the Trust Deed, a church is not free to sell a property at substantially less than current market value). There are also restrictions upon **use** of proceeds of sale (capital must be used for further property purchase or building improvements) and the Administration or Finance Manager for the Baptist Union will discuss options for investment of the proceeds not immediately needed for a property related purpose.

Under the Trust Deed, proceeds need to be held in trust and invested with the Baptist Union of Victoria.

- **Arrange a special church meeting.** You need to give at least two weeks (normally two Sundays') notice to your church members. The notice should at least provide the minimum sale price (in confidence) and include an indication of the proposed use of the proceeds for the church meeting to approve.
- If the decision to sell is made, the church members will also need to **authorise at least 2 persons** to negotiate the deal within the agreed limits (including costs) and to sign all necessary documents (most important initially is the Section 32 Statement) on behalf of the Church. The Baptist Union will need to authorise these "local signatories" and requires a **copy of the minute of the church meeting approving the sale and making the authorisations.**
- If the transaction goes ahead, **the Baptist Union must sign the Transfer of Land** document and what is called a Statutory Declaration as to Chattels, before settlement. The Transfer of Land must be signed under Common Seal, which requires the Baptist Union's **Executive Council approval.** The persons authorised by the Church (and the Baptist Union) are able to sign and deal with everything else. The Union's Executive Council meets on the fourth Tuesday of each month from January to November.
- The Church will also be required to appoint a solicitor or conveyancing company to prepare and scrutinise documentation on its behalf. The Baptist Union is not equipped to act in this capacity and does not scrutinise the Transfer of Land; effectively the Union is signing in place of the Church and it is for the Church to be satisfied that the documentation is in order.
- The Baptist Union's Honorary Legal Advisor can be engaged independently by churches for a very reasonable fee. (Please refer to the Baptist Union year book for these details). A solicitor with a proper understanding of church law and Baptist practice is a considerable advantage.