

GUIDE FOR CHURCHES PURCHASING PROPERTY

Our Baptist member churches need the involvement of the Union to purchase property. Whilst The Baptist Union of Victoria usually stands as title holder, a Trust Deed needs to be drawn up to reflect the equitable ownership of the Church. When considering purchasing 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 you are seeking to purchase a property. This will ensure that Union processes do not hold you up. The office will ask how the proposal would be financed.
- **Arrange a special church members meeting.** You must give a minimum of two weeks (normally two Sundays') notice to your members. The notice should provide at least the address and the price range of the property that is being considered.
- Should the church members agree to the proposed purchase, the church members should also **authorise at least 2 people** to negotiate the deal within agreed limits (including costs) and to sign all necessary documents on behalf of the Church. The Baptist Union should be advised of the outcome of the meeting, as the Baptist Union will need to provide a letter of authorisation for these "local signatories".
- If the transaction is to proceed, the **Transfer of Land** document must be signed by the **Baptist Union** before settlement and must be done so 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. Please note that the Baptist Union's Executive Council meet 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 scrutinize all documentation on its behalf. The Baptist Union is not equipped to act in this capacity and does not scrutinize the Transfer of Land; effectively the Baptist Union is signing in place of the Church and it is for the Church to be satisfied that the documentation is in order.

A solicitor with a proper understanding of property law related to churches, the relationship between the Union and the Church, and Baptist practice is a considerable advantage. If you do not already have a preferred solicitor, you are welcome to contact Mr Stephen Morton, who can be engaged independently by churches for a very reasonable fee.

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- Any solicitor is likely to recommend that a contract of sale be entered into by **"Joe Bloggs"** (*one of those authorised by the church meeting and the Union*). The Union, by a very simple form, can then be nominated as the purchaser immediately. A solicitor acting for you is encouraged to contact the Administration Manager at the Baptist Union office, to discuss matters of process.
- The Union requires a **copy of the minute of the church meeting approving the property purchase and those authorised to sign all necessary documents on behalf of the church.**

COMMONLY USED RESOLUTIONS:

Recommended wording for resolutions to purchase property:

1. The Members of Sample Baptist Church resolve to purchase Certificate of Title Volume 12345 Folio 123 known as 777 Church Road, Baptistland, Victoria.
2. The Members of Sample Baptist Church authorise any two of Person 1, Person 2 & Person 3 to jointly sign any Contract of Sale for the purchase of 777 Church Road, Baptistland, Victoria up to a sum of \$____.
3. The members of Sample Baptist Church resolve to borrow the sum of \$____ from Baptist Financial Services Ltd for the purpose of purchasing 777 Church Road, Baptistland, Victoria.
4. The members of Sample Baptist Church request the Union Council of The Baptist Union of Victoria to sign and seal the Baptist Financial Services Ltd Loan Contract for the sum of \$____ and the Mortgage of Land documentation for the property to be used as security for this loan, known as Certificate of Title Volume 12345 Folio 123.
5. The members of Sample Baptist Church request the Union Council of The Baptist Union of Victoria to sign and seal the Trust Deed for the property at 777 Church Road, Baptistland, Victoria known as Certificate of Title Volume 12345 Folio 123.

For more information on purchasing property or how to word a specific resolution, please contact the BUV Administration Dept on 9880 6111 or admin@buv.com.au.