

LOCAL CHURCH PURCHASE OF REAL PROPERTY CHECKLIST

2012 *Book of Discipline* Requirements

The following checklist has been developed to assist the local church to follow *Discipline* provisions when purchasing real property. The first section deals with unincorporated churches and the second section deals with incorporated churches. It is essential that you know the “corporate” status of your church so you can follow the proper procedures.

SECTION ONE

Purchase of Real Property by an Unincorporated Church (¶¶ 2536-37)

1. ___ Notice given, from the pulpit and in the weekly bulletin/newsletter, of the proposed purchase and of the date and time of the charge conference’s meeting, at least ten days prior to the meeting. ¶ 2537. The district superintendent, in consultation with the church, schedules the time of the meeting of the charge conference. ¶ 246.4. Local legal counsel should be consulted to see if state laws require more than ten days notice.
2. ___ Charge conference approval of the proposed purchase. The resolution is presented at the charge conference meeting and requires a majority vote of the members present and voting. ¶ 2537.
3. ___ Written consent of both the pastor and district superintendent. ¶ 2537.
4. ___ The deed or conveyance contains the appropriate trust clause language as set forth in ¶ 2503. Title to the property shall be held in the name of the board of trustees, their successors and assigns, in trust for the use and benefit of the local church and The United Methodist Church. ¶ 2536.
5. ___ Paragraph 2544 has extensive requirements relating to purchase of property. Those requirements and recommendations vary depending on whether it is vacant or improved property, and how the property is to be used or improved. This paragraph should be carefully reviewed in light of the church’s plans. Some highlights include:
 - Approval of the district board of church location and building as provided in ¶¶ 2520-21. ¶ 2544.2.

- The church building committee and the district board must carefully plan costs, financing, architectural design, current and future needs.
- Buildings must have certain features including accessible facilities. ¶ 2544.4.
- Title to property with improvements must be in fee simple; legal concerns such as guaranteed title and environmental standards should be met. ¶ 2544.10.
- Contractor bonding is recommended. ¶ 2544.14.

SECTION TWO

Purchase of Real Property by an Incorporated Church (¶¶ 2538-39)

1. ___ Notice given, from the pulpit and in the weekly bulletin/newsletter, of the proposed purchase and of the date and time of the charge conference's meeting, at least ten days prior to the meeting. ¶ 2539. The district superintendent, in consultation with the church, schedules the time of the meeting of the charge conference. ¶ 246.4. Local legal counsel should be consulted to see if state laws require more than ten days notice.

2. ___ Charge conference approval of the proposed purchase. The resolution is presented at the charge conference meeting, sitting in corporate session, and requires a majority vote of the members present and voting. ¶ 2539.

3. ___ Written consent of both the pastor and district superintendent. ¶ 2539.

4. ___ The deed or conveyance must have the appropriate trust clause language as set forth in ¶ 2503. Title to the property shall be held by the corporate body in its corporate name, in trust for the use and benefit of the local church and The United Methodist Church. ¶ 2538.

5. ___ Paragraph 2544 has extensive requirements relating to purchase of property. Those requirements and recommendations vary depending on whether it is vacant or improved property, and how the property is to be used or improved. Paragraph 2543 should be carefully reviewed in light of the church's plans. Some highlights include:

- Approval of the district board of church location and building as provided in ¶¶ 2520-21. ¶ 2544.2.
- The church building committee and the district board must carefully plan costs, financing, architectural design, current and future needs.
- Buildings must have certain features including accessible facilities. ¶ 2544.4.
- Title to property with improvements must be in fee simple; legal concerns such as guaranteed title and environmental standards should be met. ¶ 2544.10.
- Contractor bonding is recommended. ¶ 2544.14.