

**Northern Spirit Regional Council Property Commission**  
**STEPS FOR SELLING PROPERTY**

The Manual (2019) of The United Church of Canada outlines the bylaws related to Property in Section **G.2 Property**. This document outlines the processes used in the Northern Spirit Regional Council, with particular reference to **Section G.2.3 Congregational Property Transactions**.

**G.2.3 Congregational Property Transactions**

**G.2.3.1 Types of Transactions**

This section (G.2.3) applies to all transactions involving congregational property.

These Transactions include

- a) sales;
- b) purchases;
- c) mortgages;
- d) any other borrowing secured by congregational property
- e) leases;
- f) major renovations;
- g) demolition; and
- h) construction of a new building

**G.2.3.2 Requirements for Transactions - Land, Buildings, Other Land Rights, and “Other Major Assets”**

This section applies to transactions involving land, buildings, other land rights, and “other major assets”.

The process for a transaction is set out in paragraphs a. to g., below.

The trustees, the governing body of the congregation or pastoral charge, and the regional council are each responsible for completing the steps of the process assigned to them.

The congregation’s governing body or regional council may have additional steps in the process to be followed under their organizational structures.

- a. **Governing body decision:** The governing body decides to enter into a congregational property transaction.
- b. **Consultation with regional council:** The governing body consults with the regional council on how the congregation or pastoral charge will use any proceeds it receives in the transaction. The governing body must ensure that the transaction costs and any trustee debt are paid out of the proceeds.

***In the Northern Spirit Regional Council, this consultation begins with the Community of Faith Support Committee, which will assess the reason for the proposed sale and explore options if appropriate. From there a recommendation is made to the Regional Council Executive. The Executive may then refer the matter to the Property Commission.***

- c. **Governing body directs trustees:** The governing body directs the trustees to proceed with the transaction and seek regional council approval.
- d. **Trustee decision:** The trustees hold a special meeting. They follow the direction of the governing body and decide to proceed with the transaction and seek regional council approval.
- e. **Request for regional council approval:** The trustees ask the regional council to approve the transaction. They give the regional council all the information and documentation about the transaction that the regional council requires to make a decision. This includes full details of

- i) the terms of the transaction;
- ii) the proposed source of any funds that the congregation or pastoral charge requires for the transaction; and
- iii) the proposed use of the proceeds that the congregation or pastoral charge will receive in the transaction.

***The trustees contact the Northern Spirit Regional Council Property Commission and forward a brief overview of their intentions, including the details listed above.***

***Some considerations are***

- 1. The Property Commission does not need to be involved with negotiations on the process. It is available to respond to questions the trustees may have.***
- 2. Once the parties have come to an agreement, a "CERTIFICATE OF TRUSTEES ASKING CONSENT OF NORTHERN SPIRIT REGIONAL COUNCIL PROPERTY COMMISSION" must be submitted to the Property Commission.***
- 3. The Commission may:***
  - I. Approve or deny the document as presented.***
  - II. Approve an amended document. The amendments will not alter the total amount of the agreement.***
  - III. Decline to consent and state their reasons***

***If approved, the Property Commission will send a Letter of Approval to the trustees. Alberta Land Titles requires this document before it will process a transfer of ownership.***

- f. **Consultation for new buildings:** If the transaction is to construct a new church building or manse, other communities of faith may be affected. The regional council must consult with them and consider their opinions before making a decision on the transaction.
- g. **Regional council decision:** The regional council makes a decision whether to approve
  - i) the transaction; and
  - ii) the use of any proceeds received by the congregation or pastoral charge in the transaction.

***In the Northern Spirit Regional Council, the proceeds from the sale of Real Estate are dispersed based on:***

- 1. Sale of Property for a congregation that is closing: distributed as per policy***
- 2. Sale of Property for a congregation or congregations that is/are amalgamating or continuing to exist: three policies exist, based on the amount of the proceeds:***
  - A. Below \$200,000, the congregation or pastoral charge will put forward a plan of how those assets will be used for approval by the Regional Council***
  - B. Over \$200,000 and under \$500,000 is deemed "Surplus Property", and is detailed in the PROPERTY POLICIES AND PROCESSES of the Northern Spirit Regional Council.***
  - C. Over \$500,000 is also deemed "Surplus Property", and is detailed in the PROPERTY POLICIES AND PROCESSES of the Northern Spirit Regional Council.***

***Once the dispersal of these Assets has been completed, a report should be sent to both the Northern Spirit Regional Council Executive and the Northern Spirit Regional Council Property Commission, by the Ministry Personnel or the Pastoral Charge Supervisor.***