

Sale of Church Property Steps

Ministry through Property and Finance Team of the East Central Ontario Regional Council

After having met with a representative from Covenant Support and the decision to sell the church has been made, the Community of Faith (CoF) follows these steps.

1. Have a congregational meeting directing the trustees to sell the property.
2. Check with Kindred Works to see if they are interested in the property – we will initiate this process.
3. Get 3 (three) valuations for the building and property from realtors:
 - a. This helps to establish an asking price;
 - b. It also can help the congregation decide on which realtor to use.
4. Complete the “Certificate of Trustees Asking Consent of a Regional Council” (CofT) (Appendix A of the Trustees’ Handbook) (see Below) asking for permission to **list** the property:
 - a. Within the CofT you will be asked to include information:
 - i. Listing price and Real Estate agent;
 - ii. Congregational Meeting Minutes showing that the congregation has directed the trustees of the congregation to proceed with the sale of the property. Of note: this necessarily involves holding a congregational meeting;
 - iii. A list of how the proceeds from the sale will be disbursed. Please note the amounts of funds the CoF has to disburse depends on whether the CoF has discerned to disband or amalgamate with another CoF;
 - iv. Include a list of 3 (three) trustees and their contact information. If you do not have 3 trustees, someone from the Region will be appointed.
5. Submit the CofT along with the 3 (three) valuation reports to the Ministry through Property and Finance Team (MtPF) to expedite the MTPF approval.
6. If MtPF approves, MTPF’s recommendation is sent to the East Central Ontario Regional Council (ECORC) Council of Elders for their approval.
7. If approved by the Council of Elders a “Certificate of the Executive Minister of a Regional Council to Resolution Giving Consent” (CoEM) (Appendix B of the Trustees’ Handbook) is issued allowing the **listing** of the property. The CoEM will come to you from the Program Assistant to the Executive Minister.

8. When an offer comes in:
 - a. Submit a different version of the Certificate of Trustees, this time to **sell or accept an offer**;
 - b. If the offer comes in within 80% of the list price, the MtPF can give approval to accept an offer for the property directly, if not within the 80% range then, we can only approve and recommend the sale to the Council of Elders. To help us make our decision please provide the MtPF team with the reasons for why you would want to accept this amount:
 - i. If it is higher than the asking price, then the answer is likely clear.
 - ii. If it is lower, then we need to know why. For example, it might be a local community organization that you have a relationship with and which might not have the funds, but they would carry on the legacy of the church, i.e., fostering community. It would help the usually narrow timing of these things for you would speak with us ahead of time if you think such an offer is likely. This way we can proceed with a digital vote rather than trying to meet in person.
 - c. If approved a "Certificate of the Executive Minister of a Regional Council to Resolution Giving Consent" (CoEM) (Appendix B of the Trustees' Handbook) is issued allowing the **sale** of the property. The CoEM will come to you from the Program Assistant to the Executive Minister.
9. Paperwork we need when the sale is complete:
 - a. Reporting letter from the lawyer
 - b. A copy of the Agreement of Purchase and Sale, including any Amendments and Waiver(s); (OREA doc)
 - c. Acknowledgment & Direction re. Electronic Registration of Transfer;
 - d. Affidavit re. Trustees;
 - e. Authorization re. Payment of Proceeds;
 - f. Notice(s) of Termination to any tenants;
 - g. Registered Transfer;
 - h. Statement of Adjustments;
 - i. Trust Ledger Statement;
 - j. Vendor's Closing Certificate; and
 - k. Direction re. Title and Undertaking to Readjust (Purchaser).

Please note:

The East Central Ontario Regional Council Policy Regarding Proceeds from the Sale of Property

Preamble

The **Eastern Central Ontario Regional Council's** policy and best practices regarding the disposition of proceeds from the sale of congregational property and/or Investment and cash assets. It should be noted that properties being considered for sale must first be reviewed by the Mission Through Property of ECORC to assess whether said property might be a candidate for development by the UPRC. (United Property Resource Corporation)/Kindred Works.

Policy

Not Disbanding

When Congregational property is being sold by a Community of Faith that is **not disbanding**, the following guidelines for the use of net proceeds from the sale:

- a) 10% be remitted to the United Church of Canada for the on-going support of Indigenous Ministry. *This decision is about living into Reconciliation through our Indigenous ministry*
- b) 10% be remitted to the Eastern Central Ontario Regional Council to support the Mission Strategy of the Regional Council. - ECORC COF Assistance Fund
- c) 10% be remitted to the United Church of Canada Mission and Support for on-going support of the ministry of the wider church.
- d) 70% be retained by the Community of Faith with an approved ministry plan by the Regional Council for the use of the proceeds that is viable for sustaining the COF's ongoing Ministry and Outreach mission as stated in their Mission statement. *Communities of Faith can refer to Covenant Support Leadership and the Mission Through Property Teams*. The Regional Council will normally require that the remaining capital from the sale be protected / invested and that the Community of Faith be limited to drawing up to 5% of the value of the invested capital in any given year to support its operating budget. If the Community of Faith puts before the Regional Council a ministry plan, the Regional Council may allow the Community of Faith to use some or all of the remaining capital from the sale to implement the ministry plan. This may include capital expenses.

Disbanding

When Congregational property is being sold by a Community of Faith that **is disbanding**, the following guidelines apply for the disposition of net proceeds from the sale:

- a) 30% be remitted to the United Church of Canada for the on-going support of Indigenous Ministry. *This decision is about living into Reconciliation through our Indigenous ministry*.

- b) 10% to the Toronto United Church Council's Sustainable Energy Loan Fund.
 - c) 20% be remitted to the Eastern Central Ontario Regional Council to support the Mission Strategy of the Regional Council. – ECORC COF Assistance Fund
 - d) 20% be remitted to the United Church of Canada Mission and Support for on-going support of the ministry of the wider church.
 - e) 20% be directed for purposes within The United Church of Canada, as recommend by the Community of Faith, and which is approved by the Regional Council before the disbanding of the Community of Faith. If a Community of Faith disbands without such a plan, it becomes the responsibility of the Regional Council to determine the disposition of the remaining funds.
- [All of these funds must be directed to registered charitable organizations.]

If the Congregational Property is a Manse please refer to the Manse Sale Policy

Note: Net proceeds means the amount left over after all expenses directly related to the sale of the property have been paid, e.g.: real estate fees, legal fees, cost of surveys and so on.

Variances:

1. If the property includes a cemetery, then the process must include the severance of the property. If this is the case, there is another procedure to follow first. Please contact the MtPF for more details.
2. If selling a manse:
 - a. \$150,000 must be put invested with the income being available for ministry costs;
 - b. 10% goes to Indigenous Ministries Fund;
 - c. The remainder is available for use, remembering that any capital project \$50,000 over requires MtPF approval.

Certificate of Trustees Asking Consent of a Regional Council (Appendix A)

[By following this format, Trustees will meet the requirements of section G.2.3 of The Manual, The United Church of Canada (2025 edition). This format may be adapted to suit the local circumstances and, where the document is to be registered at a Land Registry Office, to satisfy the requirements of the Land Registrar.]

IN THE MATTER OF [legal description of Real Property];

AND IN THE MATTER OF [type of transaction] from [party] to [party].

CERTIFICATE OF TRUSTEES ASKING CONSENT OF THE REGIONAL COUNCIL

*The United Church of Canada Act, Schedule B, Trust of Model Deed Part 6
The Manual (2025 edition), section G.2.3*

We, the undersigned, do hereby certify that the following is a just and true copy of a resolution duly passed by the Trustees of [full name of congregation], a congregation of The United Church of Canada and part of the [full name of pastoral charge] Pastoral Charge, at a meeting of the Board of Trustees duly held for that purpose at [place of meeting], on the [day] day of [month], [year].

"Moved by [full name of mover], seconded by [full name of seconder], that the Trustees of [full name of congregation], a congregation of The United Church of Canada and part of the [full name of pastoral charge] Pastoral Charge, having received the direction of the [Official Board or Church Board or Church Council] of the said pastoral charge to do so, request the consent of [name of Regional Council] Regional Council:

- (1) to the [type of transaction] of certain Real Property, the legal description of which is [legal description of Real Property], and the municipal address of which is [municipal address of Real Property], pursuant to an agreement between the Board of Trustees of [full name of congregation], a congregation of The United Church of Canada, as [capacity], and [other party], as [capacity], dated the [day] day of [month], [year], and subject to Regional Council approval, the terms of which are as follows:

[for a **listing**, the terms would include the agent, any exceptions, the commission rate, the asking price, the proposed possession date]

[for a **sale**, the terms would include the purchaser, the sale price, the deposit, the balance due, the terms of any mortgage back, conditions, warranties, the scheduled closing date]

[for a **purchase**, the terms would include the vendor, the purchase price, the deposit, the balance due, conditions, warranties, the scheduled closing date, the source of funds]

[for a **mortgage**, the terms would include the principal, the interest rate, the term, payments, prepayment privileges]

[for a **lease**, the terms would include premises and exclusive use premises, fixtures and chattels, rental, commencement date, term, responsibility for taxes, insurance, repairs, rights to assign or sublet, dispute resolution and arbitration, early termination, renewals, options]

(2) [in the case of **transactions generating proceeds**] to the following disposition of the proceeds arising from the transaction: [disposition of proceeds]"

and in pursuance of the said resolution, we hereby apply to East Central Ontario Regional Council for its consent to the [type of transaction].

Dated this [day] day of [month], [year].

[full name of presiding Trustee], Presiding Trustee

[full name of Secretary], Secretary

Certificate of the Executive Minister of a Regional Council to Resolution Giving Consent (Appendix B)

IN THE MATTER OF [legal description of Real Property]

AND IN THE MATTER OF [type of transaction] from [party] to [party].

CERTIFICATE OF EXECUTIVE MINISTER OF A REGIONAL COUNCIL TO RESOLUTION GIVING CONSENT

*The United Church of Canada Act, Schedule B, Trust of Model Deed Part 6
The Manual (2025 edition), section G.2.3*

I, Éric Hébert-Daly, of Ottawa, ON, do hereby certify and declare as follows:

1. That I am the Executive Minister of East Central Ontario Regional Council of The United Church of Canada;
2. That the following is a just and true copy of a resolution duly passed by the said Regional Council at a meeting of the said Regional Council, on the [day] day of [month], [year];

"Moved by full name of mover], seconded by [full name of seconder], that East Central Ontario Regional Council gives its consent:

- (1) to the [type of transaction] of certain Real Property, the legal description of which is [legal description of Real Property], and the municipal address of which is [municipal address of Real Property], pursuant to an agreement between the Trustees of [full name of congregation], a congregation of The United Church of Canada, as [capacity], and [other party], as [capacity], dated the [day] day of [month], [year], and subject to Regional Council approval, the terms of which are as follows:

[for a listing, the terms would include the agent, any exceptions, the commission rate, the asking price, the proposed possession date]

[for a sale, the terms would include the purchaser, the sale price, the deposit, the balance due, the terms of any mortgage back, conditions, warranties, the scheduled closing date]

[for a purchase, the terms would include the vendor, the purchase price, the deposit, the balance due, conditions, warranties, the scheduled closing date]

[for a mortgage, the terms would include the principal, the interest rate, the term, payments, prepayment privileges]

[for a lease, the terms would include premises and exclusive use premises, fixtures and chattels, rental, commencement date, term, responsibility for taxes, insurance, repairs, rights to assign or sublet, dispute resolution and arbitration, early termination, renewals, options]

- (2) [in the case of transactions generating proceeds] to the following disposition of the proceeds arising from the transaction:
[disposition of proceeds]"

[for a purchase] the said Real Property to be held by the Trustees of [full name of congregation], a congregation of The United Church of Canada and part of the [full name of pastoral charge] Pastoral Charge, in trust for the use and benefit of the congregation of [full name of congregation] as a part of The United Church of Canada."

3. The Real Property referred to in the above resolution is within the bounds of East Central Ontario Regional Council;
4. The said Real Property is held by the Trustees of [full name of congregation], a congregation of The United Church of Canada and part of the [full name of pastoral charge] Pastoral Charge, in trust for [full name of congregation] as a part of The United Church of Canada;
5. The said congregation and pastoral charge are subject to the oversight of East Central Ontario Regional Council.

[for a purchase, the terms would include the vendor, the purchase price, the deposit, the balance due, conditions, warranties, the scheduled closing date, the source of funds]

[for a mortgage, the terms would include the principal, the interest rate, the term, payments, prepayment privileges]

[for a lease, the terms would include premises and exclusive use premises, fixtures and chattels, rental, commencement date, term, responsibility for taxes, insurance, repairs, rights

to assign or sublet, dispute resolution and arbitration, early termination, renewals, options]

(2) [in the case of transactions generating proceeds] to the following disposition of the proceeds arising from the transaction: [disposition of proceeds]"

and in pursuance of the said resolution, we hereby apply to [name of Region] Regional Council for its consent to the [type of transaction].

Dated this [day] day of [month], [year].

Éric Hébert-Daly, Executive Minister