

**Report From the Administrative Commission on Congregational Property**  
9/22/2020

***Important Information for Churches***

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**G-4.0206 Selling, Encumbering, or Leasing Church Property from the Book of Order**

**a. Selling or Encumbering Congregational Property**

A congregation shall not sell, mortgage, or otherwise encumber any of its real property and it shall not acquire real property subject to an encumbrance or condition without the written permission of the presbytery transmitted through the session of the congregation.

**b. Leasing Congregational Property**

A congregation shall not lease its real property used for purposes of worship, or lease for more than five years any of its other real property, without the written permission of the presbytery transmitted through the session of the congregation.

**All leases executed by NCP Sessions must contain the following language:**

"Notwithstanding anything contained in this Lease/License to the contrary, in the event that the Landlord as a religious organization is dissolved, Lessee or the National Capital Presbytery may terminate this Lease/License, provided that notice of such dissolution is provided to Lessee at least ninety (90) days prior to the anticipated date of dissolution, and (ii) the Lease/License shall not terminate for ninety (90) days after the date of such dissolution unless otherwise agreed by the Parties."

The Presbytery has empowered the Administrative Commission on Congregational Property with the powers of an Administrative Commission to consider and approve requests from churches to lease, sell or encumber the real property of a church. Any action in this regard by a congregation without the Presbytery's permission will not be recognized as legally valid.

**If your church is considering leasing, selling or encumbering real property please contact the Chair of ACCP, Dick Riegel, [richardriegel41@gmail.com](mailto:richardriegel41@gmail.com)**

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- Northeastern Presbyterian Church –
  - Northeastern Presbyterian Church requested approval of a loan of \$154,000 to improve its HVAC systems and to repair and renovate its second-floor facilities to accommodate its new tenant, Project Re-Direct, a social services firm. Northeastern and Project ReDirect have signed a five-year lease that will pay the church \$12,500 per month, an amount well above the monthly debt service requirements of this loan. The ACCP unanimously approved this request.
  
- Christ Presbyterian Church – Fairfax – July 30, 2020
  - Christ Presbyterian Church – Fairfax requested approval to re-finance their existing mortgage loan. The ACCP originally approved a loan request of \$500,000 from Christ Presbyterian Church of Fairfax, VA from First Community Bank of Virginia and guaranteed by the National Capital Presbytery in 2013. This loan was amortized for 20 years at a variable interest rate of 4.25%, but fully payable in 10 years (October 2023). As of July 30, 2020, CPC had an approximate balance of \$385,000 remaining on the loan and does not have the means to pay off the remaining balance by its due date. Therefore, CPC has negotiated a re-financing agreement of this loan at a more favorable, and fixed rate of interest. The proposed refinanced loan remains with First Virginia Community Bank. The refinanced loan amount is \$382,000 at a fixed rate of 4.0% over 10 years; payments will be amortized over 20 years. The net result is that monthly payments will be approximately \$1,100 per month lower than currently being paid. The church will then face another balloon payment in 10 years – the amount of which will be depend upon how much, if any, CPC can accelerate its monthly payments. This approach allows the church to meet its financial obligations while also maintaining program outreach commitments. ACCP approved this request unanimously via electronic vote.