

Report From the Administrative Commission on Congregational Property
11/4/2021

Important Information for Churches

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 Director of Business Affairs, Heather Deacon, hdeacon@thepresbytery.org.

- Clarendon Presbyterian Church (Arlington, VA) – September 28, 2021

Approved loan renewal request to purchase (and finance) non-worship property through Presbyterian Loan & Investment Program as follows:

Under its authority as an Administrative Commission of National Capital Presbytery (NCP), the Administrative Commission on Congregational Property (ACCP) **grants approval** for Clarendon Presbyterian Church to borrow up to \$960,000 from PILP with the following terms: 6-year term amortized over 25 years with a 3.76 interest to adjust every third year and 1 year of debt service held in security with PILP. Purpose of the loan to purchase adjacent lot that divides current property. Approval contingent upon receiving offer letter from PILP and continued work with the National Capital Presbytery's Affordable Housing Network and/or other professionals.

- ACCP, Manual of Property Policies and Procedures – October 26, 2021

Approved changes to Section H of the current Manual of Property Policies and Procedures (approved 9/19/17) pertaining to leasing and use agreements between churches and prospective users of church property as follows:

Under its authority as an Administrative Commission of National Capital Presbytery (NCP), the Administrative Commission on Congregational Property (ACCP) **approves** changes to Section H of the current Manual of Property Policies and Procedures (approved 9/19/17) as presented.

(Note, approval includes authority for non-material grammatical and formatting changes to be made prior to publishing.)

- St. Matthews Presbyterian Church (Silver Spring, MD) – October 26, 2021

Approved proposed facility use agreement of worship space as follows:

Under its authority as an Administrative Commission of National Capital Presbytery (NCP), the Administrative Commission on Congregational Property (ACCP) **grants approval** to St. Matthews Presbyterian Church, a member in good standing of the NCP, to enter a 1-year facility use agreement (with worship space included) with Church of God Independent Seventh Day Congregation commencing November 2021. Approval is contingent upon NCP receiving proof of tenant's adequate certificate of insurance listing St. Matthews Presbyterian Church as additional insured.

- Fairlington Presbyterian Church (Alexandria, VA) – October 26, 2021

Approved new loan request with Presbyterian Loan & Investment Program to partially fund renovations to existing church property as follows:

Under its authority as an Administrative Commission of National Capital Presbytery (NCP), the Administrative Commission on Congregational Property (ACCP) **grants approval** for Fairlington Presbyterian Church to borrow up to \$1,000,000 from PILP with the following terms: 20-year term amortized over 20 years with a 3.428 % interest rate to adjust every third year. Loan purpose is to finance renovations to existing church property. NCP will provide the required loan guarantee. Approval contingent upon receiving offer letter from PILP and Fairlington investment funds being used to secure the loan.

- St. Andrews Presbyterian Church (Purcellville, VA) – October 26, 2021

Approved request to refinance existing loan against church property with Bank of Clark County and additional funding for capital repairs as follows: -

Under its authority as an Administrative Commission of National Capital Presbytery (NCP), the Administrative Commission on Congregational Property (ACCP) **grants approval** for St. Andrews Presbyterian Church to refinance its existing mortgage in the amount of \$1,625,271 with Bank of Clark County and authorized additional borrowing of \$150,000 (for the purpose of roof and parking lot repairs) with the following terms: 20-year term amortized over 20 years with rate to be one month LIBOR rate plus 2.092% which generates a 4.00% fixed rate through an interest rate swap. NCP will provide the required loan guarantee.