

OREGON PACIFIC DISTRICT CHURCH OF THE NAZARENE
CHURCH PROPERTIES COMMITTEE
POLICY AND PROCEDURE REGARDING PROPERTY AND FINANCING

The District Advisory Board (DAB) Church Properties Committee desires to be of assistance to our pastors and churches. We want to help our churches to build adequately and wisely for the future as well as for the present. We are ready to offer our services. Manual provisions include written approval of the district superintendent and the Board of Church Properties (DAB) prior to any local church incurring indebtedness, refinancing, purchasing real estate, selling real estate, erecting buildings, or entering into a structural remodeling program.

POLICY

All pastors and/or church boards shall follow the 2017-2021 CHURCH MANUAL as outlined in paragraphs 103, 104, 236 and 237.4 in regard to purchase of real estate, construction of new buildings, and financing.

No commitments shall be made by the local church for construction or financing until final written approval has been given.

PROCEDURE

STEP 1. The pastor should confer with the district superintendent before any proposed plans regarding property and financing are submitted to the church board.

STEP 2. When the church board has agreed on a proposed plan, a preliminary statement with applicable forms, supporting documents, and drawings or sketches is to be submitted to the Church Properties Committee for review. These forms can be received by contacting the district office.

STEP 3. THE PASTOR'S REPORT FORM on the following page shall accompany all applications.

STEP 4. When final plans are completed, application for approval is to be presented to the district superintendent and also to the Board of Church Properties (DAB) (Form F).

STEP 5. If the church proposes to finance the project by means of a loan or bond program, application for approval of financing (Form B) must be submitted to the Board of Church Properties.

All necessary forms are enclosed. If you need others, they may be secured by contacting the district office.

The above steps are to be taken by any local church prior to incurring indebtedness, purchasing real estate, selling real estate, erecting buildings or entering into a structural remodeling program. If there is any question regarding procedure or use of forms please contact the chairman of the Board of Church Properties via the district office for clarification.

What follows is a Policy and Procedure page, a pastor's report form and 6 application forms for you to use relative to various applications by the local church seeking approval from the Oregon Pacific District Church of the Nazarene to buy or sell real estate, erect or structurally remodel buildings, or to incur debt.

The District Board of Church Properties is charged by the 2017-2021 Manual of the Church of the Nazarene to consider propositions presented by local churches as listed above and to approve or disapprove them. It is the desire of the Board to be supportive and to advance such causes.

To assist the local church the following application forms are presented for your use and convenience:

- A. Approval of Building Plans
- B. Approval of Financing
- C. Approval to Sell Church Property
- D. Approval to Purchase Land
- E. Approval to Purchase Buildings
- F. Approval for Final Plans

Approved proposals on applications A, B, C, D, and E, must be submitted for final approval on Form F. All applications receiving final approval must be submitted to the church membership for approval prior to proceeding with the project (see Manual paragraphs 103, 104, 113 and 113.8). Results of that vote shall be forwarded to the district superintendent.

Please use the forms. No application can be considered unless accompanied by a properly documented form.

Please allow time for the Board to function. It will normally be 45 days before an application can be processed, an on-site inspection completed, and disposition obtained.

PASTOR'S REPORT FORM
DISTRICT BOARD OF CHURCH PROPERTIES
OREGON PACIFIC DISTRICT CHURCH OF THE NAZARENE

1. Today's Date _____

2. Local Church _____

3. Pastor _____

4. Status of project in local church (check appropriate places):

- A. _____ under consideration by pastor only
- B. _____ under consideration by church board (or committee)
- C. _____ generally unknown to congregation
- D. _____ generally known to congregation

5. Pastor background information:

- A. How long have you been at this church? _____
- B. How long did you serve your previous church? _____
- C. Date of most recent pastoral review. _____
- D. Date for next pastoral review. _____
- E. Will you accept a positive pastoral review to serve this church, if such is given, as part of this project? _____

6. Local Church Historical and Statistical Information:

- A. Date the church was organized _____
- B. Church membership
1 year ago _____
Present _____
- C. Average Sunday School/Small Group att.
5 years ago _____
Present _____
- D. Average weekend service attendance
Last year _____
To date this year _____

7. Local Church Finance

- A. Total raised five years ago \$ _____
- B. Total raised last year \$ _____
- C. Total of all present indebtedness \$ _____
Breakdown of above figure:
 - Lending institutions \$ _____
 - Bonds \$ _____
 - Individual Notes \$ _____
 - Other \$ _____
- D. Are all local operational bills current? _____
- E. Are all District Budgets paid to date? _____
- F. Are all General Budgets paid to date? _____
- G. Budgeted for pastor's salary this year. \$ _____
- H. When was the last pastor's salary increase given? _____
Amount of increase? \$ _____

8. Local Church Property Information

- A. Does the church own parsonage property? _____
 - Value? \$ _____
 - Indebtedness? \$ _____
- B. Amount of land in present church site? _____
- C. Present building space square footage:
 - For Sunday School _____
 - Sanctuary _____
 - Total _____
- D. Present number of on-site parking spaces _____
- E. Present number of off-site parking spaces available _____
Source _____
- F. Availability of adjoining property _____

9. Community and Surrounding Area Information

A. Population statistics of your city/area:

Five years ago

Present

Projected five years from now

B. Distance to nearest Nazarene Church

C. Number of other churches within two mile radius

D. Percentage of your church constituents living within:

One mile

One to three miles

Three to five miles

Over five miles

10. Attach, in summary form, your present proposal. If possible, include site plan, building plans, etc. Define status of project with reference to local building code requirements.

11. Attach the following:

A. Current month's Financial Statement

B. Previous assembly year's Balance Sheet (be sure all assets and liabilities are listed).

C. Projection of source for anticipated funding requirements and repayment procedure.

Signed _____
(Pastor)

FORM A

APPLICATION FOR APPROVAL OF BUILDING PLANS

To the Board of Church Properties, Oregon Pacific District:

Church _____ Date _____

Pastor _____

Purpose of Financing

A. New Construction

Church _____ Education Building _____ Parsonage _____ Other _____

Specify _____

B. Structural Remodeling

Church _____ Education Building _____ Parsonage _____ Other _____

Specify _____

C. Other _____

Architect (or draftsman) _____

Are plans submitted with this application? _____

Total floor space (sq. ft.) of proposed building _____

Contractor _____

If no contractor, who will supervise construction? _____

Contract or estimated cost of building \$ _____

Estimated cost of furnishings \$ _____

When will construction begin? _____

When is completion anticipated? _____

CHURCH BOARD ACTION ON THE PROPOSED BUILDING PROGRAM:

Date _____ Number present _____ For _____ Against _____

Signed _____
(Pastor)

CHURCH PROPERTIES BOARD ACTION

Date _____ Approved _____ Not Approved _____

Approved with the following qualifications _____

Referred back to church for further study _____

Signed _____
(Chairman, Church Properties Board)

FORM B

APPLICATION FOR APPROVAL OF FINANCING

To the Board of Church Properties, Oregon Pacific District:

Church _____ Date _____

Pastor _____

Purpose of Financing:

A. New construction

Church _____ Education Building _____ Parsonage _____ Other _____

Specify _____

B. Structural remodeling

Church _____ Education Building _____ Parsonage _____ Other _____

Specify _____

C. Other _____

Amount NOW owed on property \$ _____ Monthly payments NOW \$ _____

Total amount of obligation (new loan) \$ _____

Will proposed financing include present indebtedness? _____

A. Including this loan, what will be the total indebtedness of your church?

\$ _____

Name of lending institution (if conventional loan) _____

Interest rate _____ Duration of loan _____ years

Loan cost (discount, closing, etc.) \$ _____

Monthly payments \$ _____

Name of Bond Company (if Bond Program is used) _____

Company representative _____ Phone _____

Interest rate _____ Duration of loan _____ years

Cost of Bond Program \$ _____ Monthly payments \$ _____

Amount already raised and on hand (in cash) for building program \$ _____

Amount pledged on building program \$ _____

Total amount raised by the church for all purposes last assembly year \$ _____

Total amount paid for buildings and improvements and indebtedness last assembly year:

\$ _____

Number of tithing families in church _____

Balance in regular church treasury NOW \$ _____

CHURCH BOARD ACTION ON PROPOSED FINANCING:

Date _____ Number present _____ For _____ Against _____

What is the total of your denominational budgets for this year? \$ _____

How much is presently paid on these budgets? \$ _____

Signed _____

(Pastor)

CHURCH PROPERTIES BOARD ACTION

Date _____ Approved _____ Not Approved _____

Approved with the following qualifications _____

Referred back to the church for further study _____

Signed _____

(Chairman, Church Properties Board)

FORM C

APPLICATION FOR APPROVAL TO SELL CHURCH PROPERTY

To the Board of Church Properties, Oregon Pacific District:

The _____ Church requests approval from the District Board of Church Properties, according to Manual paragraphs 104 and 104.2 to sell its real estate as herein described. (State type of building, use of building, size material, land, size and description.)

List your reasons for selling: _____

What replacement of these facilities has been made? _____

The building and land has been officially appraised by _____

as having a market value of \$ _____

Your selling price is \$ _____. Do you have a bona fide purchase offer? _____ If so, attach a copy to this form.

Will the property be sold through a real estate agency? _____ What commission will the church pay? \$ _____ What will be the total of other selling costs? \$ _____

Have you sought the counsel of a competent attorney? _____

CHURCH BOARD ACTION ON PROPOSED SALE OF CHURCH PROPERTY:

Date _____ Number present _____ For: _____ Against: _____

Signed _____
(Pastor)

CHURCH PROPERTIES BOARD ACTION

Date _____ Approved _____ Not Approved _____

Approved with the following qualifications _____

Referred back to the church for further study _____

Signed _____
(Chairman, Church Properties Board)

FORM D
APPLICATION FOR APPROVAL TO PURCHASE LAND

To the Board of Church Properties, Oregon Pacific District:

Directions:

1. The pastor may submit a purchase offer to the seller provided it includes at least the following contingencies: (1) approval of the district superintendent and the District Board of Church Properties; (2) the securing of financing, if financing is necessary; and (3) approval by vote of the church members as provided by Manual provisions 103, 104, 111.1, 113.4, 113.13.
2. The pastor should complete questions 1 through 21 and return this application form, together with a copy of the purchase offer, to the District Board of Church Properties.
3. It is recommended that the local church secure the counsel of a competent attorney throughout these negotiations.

1. Date _____

2. The _____ Church of the Nazarene requests permission from Oregon Pacific District Board of Church Properties to purchase land at:
(address) _____
(city or county) _____ (state) _____

3. The total acreage of the land is _____. Has the land been surveyed to assure the church of the exact acreage? _____. On the back of this sheet, please draw a diagram of the land and adjoining streets or roads (or attach an adequate plat map).

4. The land is to be used for _____

5. Have you checked the zoning to assure your desired use? _____
What is the present zoning? _____ Is a zoning change necessary? _____

6. Is the deed free of encumbrances? _____

7. Are there any special restrictions as to the usage of this property as are often included in subdivision deeds? _____
If so, attach a copy to this application.
8. Are the following public utilities available: city water _____? gas _____?
sewer _____? Electricity _____? telephone service _____?
9. Has the land passed a percolation test? _____
10. If public utilities are not available what provisions can be made for water, sewage, electricity,
gas and telephone? _____

DIAGRAM OF LAND AND ADJOINING STREETS OR ROADS

11. Is there safe and convenient access to the land from the road? _____

If questionable, explain: _____

12. What, if any, state, county or city requirements are necessary to connect a driveway to the public highway, road or street? _____

Is it necessary to widen the pavement and install curbing? _____

13. What requirements govern the installation of parking facilities on this land? _____

14. Describe the topography (level, rolling hills, steep grade, how low or high from the road, rocky, heavily wooded, existing structures, etc.) _____

15. Is there evidence of standing water or poor drainage? _____

16. Has the church made a long-range study of its future ministry, and the population trends of the community sufficient to warrant the purchase of this land? _____

17. What is the asking price? \$ _____

What is the offered price? \$ _____

18. How does this price compare to similar land in the area? _____

19. What is a professional appraisal of the land? _____

20. How much cash can the church place down on this land? \$ _____

How much money will have to be borrowed? \$ _____

a. From whom will you borrow? _____

b. Will there be a mortgage? _____

c. What is the interest rate of the loan? _____ What is the term (length) of the loan? _____

d. How much are the monthly payments? \$ _____

e. Are there any special details about the loan? _____

f. How will the monthly payments affect your local church budget? _____

g. Including this loan, what then will be the total church indebtedness? \$ _____

What will be the total real estate value of your church property? \$ _____

What was the total income of your church for each of the past five years? \$ _____

\$ _____ \$ _____

\$ _____ \$ _____

21. Who is the Realtor? _____

CHURCH BOARD ACTION ON PROPOSED SALE OF CHURCH PROPERTY:

Date _____ Number present _____ For: _____ Against: _____

Signed _____
(Pastor)

CHURCH PROPERTIES BOARD ACTION

Date _____ Approved _____ Not Approved _____

Approved with the following qualifications _____

Referred back to the church for further study _____

Signed _____
(Chairman, Church Properties Board)

FORM E

APPLICATION FOR APPROVAL TO PURCHASE BUILDINGS

To the Board of Church Properties, Oregon Pacific District:

The _____ Church requests approval from the District Board of Church properties, according to Manual paragraphs 103, 104, and 104.2 to acquire real estate as herein described. State type of building, use of building, size, material description of building and land size and description. _____

List your reasons for buying: _____

The building and land has been officially appraised by _____

as having a market value of \$_____

The asking price is \$_____. Have you made a bonafide purchase offer?

Yes _____ No _____ If so, attach a copy to this form.

Will the property be purchased through a real estate agency? _____

What will be the total of selling costs? \$_____

Have you sought the counsel of a competent attorney? _____

CHURCH BOARD ACTION ON PROPOSED PURCHASE OF BUILDINGS:

Date _____ Number present _____ For _____ Against _____

Signed _____
(Pastor)

CHURCH PROPERTIES BOARD ACTION

Date _____ Approved _____ Not Approved _____

Approved with the following qualifications _____

Referred back to the church for further study _____

Signed _____
(Chairman, Church Properties Board)

FORM F

APPLICATION FOR APPROVAL OF FINAL PLANS

To the Board of Church Properties, Oregon Pacific District:

Church _____ Date _____

Pastor _____

This is to certify that plans as proposed on Form _____ and approved by the Board on (date) _____ are now complete.

Completed plans agree perfectly as proposed and approved, except that: (if no exceptions write no exceptions) _____

Please attach drawings, documents or other plans as needed.

If an approved proposed plan has changed, what was the Church Board action on the change(s)?

Date _____ Number present _____ For _____ Against _____

Signed _____
(Pastor)

CHURCH PROPERTIES BOARD ACTION

Date _____ Approved _____ Not Approved _____

Approved with the following qualifications _____

Referred back to the church for further study _____

Signed _____
(Chairman, Church Properties Board)