

Anglican Church Property Trust Diocese of Sydney ("ACPT") Purchase of Land Policy

Name of Policy

1. This policy is the, "ACPT Purchase of Land Policy".

Commencement of Policy

2. This policy is effective 28 August 2020.

Delegation

3. Sydney Diocesan Services (SDS) management is authorised to execute a contract for the purchase of land under power of attorney – or in the case of a purchase by auction, SDS management is authorised to prepare auction letters – pursuant to the terms of this policy.

Scope of Policy

4. A purchase of land will fall within the scope of the ACPT Purchase of Land Policy if the Conditions Precedent following have been satisfied. Where land is to be purchased at auction, certain additional requirements are noted.

Conditions Precedent

5. The following documents / requirements are the Conditions Precedent for a Purchase of Land –
 - a) *Current trust instrument* authorising the proposed purchase where trust funds are to be used to fund the purchase, ie. An ordinance or Will with current purchase authority. A sale ordinance may specify, inter alia, that certain sale proceeds be applied towards a purchase. However, there is no general requirement for there to be an ordinance authorising a purchase if a Parish determines to purchase land, is able to supply sufficient funds to the ACPT for the cost of purchase, and can satisfy all other ACPT conditions precedent for a proposed purchase of land;
 - b) *Parish Council Consent* signed by a majority of the Parish Council of the Parish;
 - c) *Written approval* of the Regional Bishop, Archdeacon or assistant to the Regional Bishop to purchase the land;
 - d) *Valuation* provided by an Australian registered valuer or a valuation provided by Corelogic; and supplied by ACPT free of charge to Parishes (only for residential property sales). The purchase can only proceed if the purchase price is not to be greater than 5% above the valuation figure. The same principle applies to proposed auction purchases. Thus, auction authority letters are to limit the bid of the Wardens to a price no greater than 5% above the valuation figure. Under the rare circumstances where a purchase by a parish is proposed for a price that is greater than 5% above the valuation figure the Chair (or if the Chair is unavailable, the Deputy Chair) is authorised to approve such a figure;
 - e) *Australian Lawyer's Certificate* click <https://www.sds.asn.au/australian-lawyers-certificate> to download document) supplied by the Australian Lawyer acting for the Parish/ACPT, noting that all legal/related purchase costs are to be met by the parish;
 - f) *Wardens' Declaration of Sufficient Funding* signed by at least two of the Parish

Wardens, noting that:

- sufficient cleared funds; and/or
- an unconditional / irrevocable security deposit bank guarantee from a financial institution acceptable to the Head of Parish Property Services; and/or
- an unconditional/irrevocable loan offer from a financial institution acceptable to the ACPT evidencing a loan approval for draw down by the ACPT for the property acquisition when required

is held by the ACPT for the purchase price, stamp duty and other purchase costs (including GST, if applicable); and

- g) *Settlement period* – the completion date of a purchase contract is to be not greater than 6 months from the date of exchange unless approved by the ACPT Board.

Additional requirements for proposed auction purchases

6. Before property can be purchased at auction, the following additional requirements are required for management to issue letters authorising an auction purchase –
- a) The lawyer acting for the Parish / ACPT is to review the draft contract and provide an Australian Lawyer's Certificate to the ACPT before the proposed auction date; and
- b) In lieu of a *Parish Council Consent* form, the Wardens of the Parish are to provide a signed consent and declaration form that consents to the ACPT authorising a purchase at auction including issuing the auction letters.

Other requirements

7. Prior to settlement the lawyer is required to provide an Australian Lawyer Certificate. On completion (settlement) of the purchase, the lawyer acting for the parish / ACPT will be required to provide the following original documents to the ACPT in relation to the land purchased –
- Certificate of Title;
 - Survey (the cost of the survey is to be met by the parish);
 - Sewerage Service Diagram; and
 - Building & Section 149 certificate
8. Parishes are strongly encouraged to receive the following reports:
- Pre-purchase building inspection report; and
 - Pest (termite inspection)
9. If a parish proposes to mortgage land to secure a loan for a proposed purchase, then a mortgaging ordinance will need to be passed by the Standing Committee of Synod prior to contract exchange;

Purchases for Diocesan Organisations

10. Where the ACPT is proposed to be the purchaser of land on behalf of a diocesan organisation, this ACPT Purchase of Land Policy still applies, except in lieu of Parish Council Consent, the Chief Executive Officer (or equivalent position) of the diocesan organisation is to provide reasonable written evidence that the proposed purchase has been approved by the governing board or committee of that organisation.

Review of Policy

11. Unless reviewed earlier, this policy is to be reviewed by the ACPT Board during 2023.

Policy Status

Effective	13.6.2013
Board approval	28.7.2017
Revised	28.8.2020
Review date	July 2023