

## Sale of Bishopscourt

(A report from the Anglican Church Property Trust Diocese of Sydney.)

### Key Points

- Synod authorised the sale of Bishopscourt via the *Bishopscourt Sale Ordinance 2012*
- On 16 December 2015 contracts were exchanged at a sale price of \$18,000,000 with settlement subsequently occurring on 16 March 2016
- Pending the purchase of a permanent Archbishop's residence (which is being sought by the Endowment of the See Committee), the Archbishop has relocated to interim accommodation

### Purpose

1. The purpose of this report is to inform the Synod about the sale of Bishopscourt.

### Recommendation

2. Synod receive this report.

### Background

3. By to the terms of the *Bishopscourt Sale Ordinance 2012* (the "Ordinance") the Synod authorised the Anglican Church Property Trust Diocese of Sydney ("ACPT") to sell the land that is described as 11A Greenoaks Avenue, Darling Point and which is also known as Bishopscourt.

4. The progress of the Bishopscourt sale process was reported to the ordinary Synod sessions of 2013, 2014 and 2015. Details contained in those reports will not be repeated in this report.

5. Clause 6 of the Ordinance requires a report to be provided to Synod after the sale of Bishopscourt.

#### *Sale of Bishopscourt – exchange, settlement and costs*

6. On 16 December 2015, after offers and counter offers were made, contracts for the sale of Bishopscourt were exchanged at a sale price of \$18,000,000 with the sale of Bishopscourt being completed on 16 March 2016.

7. The sale price was at the upper-end ranges of two contemporaneous valuations provided on a confidential basis to the ACPT Board by independent specialist property valuers.

8. The costs incurred by the ACPT during the period between the passing of the Ordinance in 2012 and completion of the sale on 16 March 2016, are summarised in the following table.

<b>Bishopscourt sale expenses for the 3½ year period from Oct 2012 to Mar 2016</b>	<b>\$ Amount</b>
Agency costs, including commission, fees and marketing expenses	336,182
Valuation costs	82,310
Legal costs	82,017
Survey	4,180
Total	504,689

9. On completion of the Bishopscourt sale, the ACPT received (net of conveyancing adjustments, legal costs and agent's commission) proceeds of sale totalling \$17,732,411.

#### *Investment of net proceeds of sale and additional income distributions for the Endowment of the See*

10. In accordance with the terms of the Ordinance, the net sale proceeds have been added to the EOS Capital Fund. With the assistance of Mercer (investment advisor to the ACPT), the ACPT Board has authorised those proceeds to be invested at-call in a Glebe Income Account and, by way of longer term investment, acquisition of units in the ACPT Long Term Pooling Fund.

11. It is noted the Ordinance provides for an amount of up to \$7,000,000 to be applied by the ACPT with the approval of Archbishop-in-Council for the purposes of acquiring an alternative residence for the Archbishop (including its renovation, fitting out, and the costs of interim accommodation).

12. The Endowment of the See ("EOS") Committee has oversight for identifying both an interim and a permanent residence for the Archbishop.

13. During February 2016 the Archbishop and his family moved from Bishopscourt into interim accommodation in Sydney's Inner West.

14. At the time that this report was prepared, options for a permanent Archbishop's residence were being explored by the EOS Committee.

15. As noted above, the net sale proceeds have been invested. Excluding the \$7,000,000 referred to above (currently invested in an at-call GIA and which is assumed to be disbursed during 2016) the remaining net sale proceeds of \$10,732,411 are estimated to increase the distributions made from the EOS Capital Fund to the EOS Expenditure Fund by \$385,000 per calendar year. This forecast assumes a continuation of 2016 interest rates, and distributions from the LTPF continuing on the same basis as 2016 distributions.

For and on behalf of the Property Trust.

DR ROBERT TONG AM  
*Chair*

18 March 2016