

Anglican Church Property Trust Diocese of Sydney "ACPT" Sale of Land Policy

Name of Policy

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

Commencement of Policy

2. Subject to ACPT Board approval, this policy is effective 31 May 2013.

Delegation

3. SDS management is authorised to execute a contract for the sale of land under power of attorney – or in the case of a proposed sale by auction, SDS management is authorised to prepare auction letters – pursuant to the terms of this policy.

Scope of Policy

4. A proposed sale of land will fall within the scope of the ACPT Sale of Land Policy if it has been authorised to be sold by means of private treaty sale or auction. Where land is to be sold at auction, certain additional requirements are noted.

Conditions Precedent

5. The following documents / requirements are Conditions Precedent for the Sale of Land –

- (a) *Current trust instrument* authorising the proposed sale, ie. an ordinance or Will with current sale authority;
- (b) *Parish Council Consent* signed by a majority of the Parish Council that, inter alia, includes details of: name of purchaser, sale price, address of sale property; and - if the land includes a residence – confirms that the minimum number of legally required smoke alarms are installed and fully functional;
- (c) *Australian Lawyer's Certificate* supplied by the Australian Lawyer acting for the Parish / ACPT;
- (d) *Market Valuation* provided by a registered independent valuer. In order, for the sale to proceed, the valuation figure is to be equal to or less than the proposed sale price. In the event that a "valuation range" is included in the valuation document in lieu of a specific market value, the sale may proceed if the proposed sale price is within the valuation range. Under circumstances where offers from potential purchasers at or above valuation or outside the valuation range are not forthcoming, the Chair (or if the Chair is unavailable, the Deputy Chair) is authorised to approve offers that are at least 95% of the valuation figure;
- (e) *Deposit* payable upon exchange of contracts - minimum 5% deposit for residential properties and 10% for all other properties (unless a deposit less than 10% is approved by the Chair or, if unavailable, the Deputy Chair); and
- (f) *Settlement* period – the completion date of a contract is to be not greater than 6 months from the date of exchange unless approved by the ACPT Board.

Conditional Sale Contracts

6. Where a conditional contract is negotiated with an option fee and/or non-refundable deposit, the fee / deposit is to be minimum 1% of the sale price and non-refundable.

Additional requirements for proposed auction sales

7. Before property can be sold at auction, the following additional requirements apply before management is empowered to issue letters authorising an auction sale –
 - (a) The Lawyer acting for the Parish / ACPT is to supply a draft contract and Australian Lawyer's Certificate to the ACPT at least one month prior to the proposed auction date;

- (b) Within one week of the proposed auction date, the Chair (or if the Chair is unavailable, the Deputy Chair) is authorised to set a minimum vendor's bid, reserve price and "rock bottom" selling price (being the lowest figure that the ACPT would be willing to accept if the land fails to sell at auction and a sale is negotiated immediately after the auction), subject to the following:
- i. The reserve price is to be no less than the valuation figure; and
 - ii. The "rock bottom" selling price is to be at least 95% of the valuation figure; and
- (c) 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 proposed sale by auction, issuing auction letters and – if the land includes a residence – a declaration confirming that the minimum number of legally required smoke alarms are installed and fully functional.

Other requirements

8. Noting that the policy of the Standing Committee of the Diocese of Sydney is that it is inappropriate to sell to another faith or sect land on which stands a building that has been used, licensed or consecrated as a church, the ACPT will not agree – unless the prior approval of Standing Committee is held – to sell land at auction if –
- a church building (or former church building) stands on the land; and/or
 - a church hall (or former church hall) stands on the land.
9. Where the land to be sold includes an existing / former church building or church hall, the sale contract is to contain a special condition which prohibits the use of the church name by the purchaser. This special condition is to survive the ACPT contract of sale and be applicable to any subsequent purchasers of the land.

Land Sale for Diocesan Organisations – excluding Endowment of the See Capital Fund Real Property

10. Where the ACPT is the owner of land to be sold on behalf of a diocesan organisation, this Policy still applies, except paragraph 5. In lieu of the requirements of paragraph 5 (b), the CEO Officer (or equivalent position) of the Diocesan Organisation is to provide written evidence that the proposed sale has been approved by the governing board/committee of that Organisation.

Land Sale for Endowment of the See Capital Fund Real Property (excluding "Bishopscourt")

11. Where the ACPT is the owner of land to be sold on behalf of the Endowment of the See Capital Fund, this Policy still applies, except paragraph 5 (b). In lieu of paragraph 5 (b), management will consult with the Chair of the EOS Committee who will keep the EOS Committee abreast of developments in the sale process.

Review of Policy

12. Unless reviewed earlier, this policy is to be reviewed by the ACPT Board during 2018.

Policy Status –

Effective:	24 May 2013
Board approval:	24 May 2013
Revised	27 February 2015