

Policy for Church Property Transfer to a regionally held vehicle (LP)
Conseil régional Nakonha:ka Regional Council (CrNRC) &
The Finance & Extension Board (F&E)

January 2026

Process Summary

Information Gathering and Regional Council Decision to Trigger Process * Contribution Agreement with COF Trustees and CrNRC * CrNRC Approval to establish LP and Transfer of Property * Limited Partnership Agreement * Property Management * Annual Reviews

Information Gathering and preliminary Regional Council Decision

There will be an Information gathering phase and a discussion with the COF who has expressed a desire to move property (usually the Church Building and lot) from the Trustees, either (a) to a Regionally held vehicle (such as a LP) or (b) sell the property. There will be discussions around the viability of the Ministry.

Information gathered may include financial statements, preliminary property information, current ministry plan.

This information would form the basis upon which a preliminary decision is made to proceed and which direction it will take. From the time of that decisions by CrNRC, the F&E is vested with full Commission powers of CrNRC to implement the conclude the process described below for such a transfer to a Regionally held vehicle or to see to the sale of the property under the usual process.

Responsibility: F&E Property, Finance, Region Support Minister. Decision by CrNRC Executive.

Contribution Agreement

F&E will negotiate with the COF Trustees and present a proposed Contribution Agreement along with all the terms and conditions of said agreement to the COF. If it is an outside sale, then it will follow the Manual and Regional policy

The Council and Trustees of the COF, as governing body, (as well, it is recommended the COF be involved via a congregation meeting) will act on this Contribution Agreement proposal by means of a Motion.

The Motion will instruct the Trustees of the COF to transfer the COF property to a LP (or other regionally held vehicle) under the Terms and Conditions proposed. This transfer will include property and related property assets and liabilities (leases, debt instruments such as loans, mortgages, bonds payable etc.). It will not include investments, cash or other assets held by the COF. It may also include provision for rental occupation by the COF and an allowance for other ministry expenses and any sharing with the COF for operating income and/or sales proceeds in the future.

Responsibility: F&E, COF Trustees

Approval to Establish LP

Motion : F&E, acting as a commission of the CrNRC, will act on the COF decision and establish for the CrNRC a LP (or other Regionally held vehicle) for the purpose of holding the real property of the COF and implementing the transfer of the COF property.

Furthermore, it will instruct the documentation including the requirements of establishing the UPRC as Property Manager for the purposes of financial management of revenues, expenses and determination of profit sharing as per the LP agreement.

As well the documentation will describe the responsibilities of the Property Manager for leasing, property improvements, operations and maintenance, and building security and will provide exclusivity to UPRC and its authorized sub-contractors.

The UPRC, as Property Manager, will be under contract with the LP.

Responsibility: F&E and UPRC

LP Contract and documentation

F&E, jointly with UPRC if appropriate, will obtain legal services to establish the LP Contract and related documentation.

This documentation to describe, amongst other elements, Parties involved, Purpose, Capitalization, Profit and Loss Distribution, Management and Responsibilities, Liabilities and Indemnification, Duration and Termination, Withdrawal or Addition of Partners and possible later Trust conversion and investment partners, Dispute Resolution, Confidentiality and governing law, signature and binding nature, and including in particular ,an appropriate entity to be General Partner, the precise property covered and any other assets or liabilities included, UPRC role as initial Property Manager, and profit-sharing.

Responsibility: F&E, UPRC

Property Management

The LP, with the approval of F&E, will establish the Property Management contract with UPRC. The UPRC will assume Property Management for, leasing, operations and maintenance, building security, financial management and insurance.

The UPRC will determine if operating loans are required and negotiate the terms and conditions with the LP and F&E as potential primary lender.

Responsibility: LP, UPRC, F&E

Future Structuring

The Commission powers of F&E extend to further transactions involving the limited partnership interests, their transfer possibly to a Trust or sale and the involvement of other partners and the ultimate management of such investments.

Annual Review

An annual review will be conducted by the LP to determine the viability of the continued holding of the Property. Recommendations will be presented to F&E for appropriate action.

Responsibility: LP and F&E (as Commission of CrNRC)

An annual review of the COF will be conducted to determine the viability of the Ministry.

Responsibility: CrNRC (not delegated to F&E)