

**Pittsburgh Presbytery Procedure**  
**Acquiring, Selling, Encumbering or Leasing Church Property**  
Revised, May 2010

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The following procedures must be followed whenever a church is planning any transaction involving real property. Consideration must be given to the necessary timeline involved as soon as you begin the process of entering into any transaction involving real property. This is important to avoid unnecessary delays due to procedures. All questions should be directed to the office of the Business Administrator of the Presbytery.

1. The Senior Pastor and the Clerk of Session should review Chapter VIII; THE CHURCH AND ITS PROPERTY in the Book of Order.
2. Session takes action to acquire, sell, mortgage or encumber, re-finance or lease the property in question. The action should include provision for the disposition of proceeds from the sale or activity and, if encumbering a property, a financial plan for debt reduction. Church legal counsel should review all sales agreements and contracts before proceeding.
3. The Session will develop the recommendations to implement the decision, i.e., title search; survey; and exact legal property description; a professional appraisal of the property; realtor/attorney consulted or used; estimated sale/purchase/borrowing value; all conditions and contingencies in the action. (Session should refer this action to the church Board of Trustees, if a separate body, or may direct the Finance, Property, or other Session approved body to act on its' behalf.)
4. The pastor or clerk contacts in writing the Business Administrator and/or Presbytery Stated Clerk to consult on the proposed action and to determine the date by which all documents must be in the hands of Council's Committee on Finance, Property and Council for consideration at its next meeting.
5. Session calls a special meeting of the congregation, to consider the recommendations from session and the church Trustees. Both the corporate and the ecclesiastical aspects of this transaction can be covered in the same single congregational meeting. The Book of Order requires that the call of a special meeting of the congregation be read from the pulpit on two successive Sundays before the date on which the meeting is to be held. The call of a special meeting must state the exact purpose of the meeting.
6. The congregation votes on the recommendation of its Session and Trustees adding the phrase **“contingent upon approval of Presbytery.”** The decision is made by simple majority vote, a quorum being present. Absentee and proxy votes are not permitted.
7. If the recommendations are adopted by the congregation the clerk of session forwards the request for sale/encumbrance/etc. to the Business Administrator of Presbytery, who in turn, will forward the request to the Committees on Finance, Property and Council. The legal property description, appraisal (if appropriate), proposed disposition of funds, clear mission statement of the financing plan for repayment, the last two years audited financial statements and other pertinent documents must accompany the request. The committees will study and recommend to Council appropriate presbytery action or contact the church for additional information.
8. The session may wish to be represented at the Council and subsequent Presbytery meeting at which the request is considered to answer questions that may arise.
9. Contracts, sales agreements or other legal actions cannot proceed according to the terms approved until after Presbytery has acted favorably.



**APPLICATION  
for  
PERMISSION OF PRESBYTERY  
TO SELL, MORTGAGE OR ENCUMBER, RE-FINANCE,  
LEASE OR ACQUIRE REAL PROPERTY**

To the Finance Committee  
Pittsburgh Presbytery

*THIS IS TO CERTIFY* that a duly called *REGULAR/SPECIAL* meeting of the Corporation of the

\_\_\_\_\_ Presbyterian Church of \_\_\_\_\_

Pennsylvania, held \_\_\_\_\_ 20 \_\_\_\_, at which a quorum was present, the Board of Trustees of

The said Church was authorized to *SELL / MORTGAGE / ENCUMBER / RE-FINANCE / LEASE / ACQUIRE* real property for the Church corporation as follows:

Street Address or Roads \_\_\_\_\_

City, Borough, Township \_\_\_\_\_

Buildings erected thereon \_\_\_\_\_

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**Please furnish completed legal description of property and/or attach copy of land survey to application.**

Recorded in Recorder of Deeds Office, Allegheny County PBV# \_\_\_\_\_ Page # \_\_\_\_\_

If to be acquired, subject to an encumbrance, give details including lien holder, amount, interest rate,

Number of payments and due date: \_\_\_\_\_

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If to be *BOUGHT / SOLD*, for what price? \$ \_\_\_\_\_ On what terms? \_\_\_\_\_

Appraisal Amount \_\_\_\_\_

If to be *MORTGAGED*, how many years? \_\_\_\_\_ Total amount? \$ \_\_\_\_\_

If to be *LEASED*, for how many years? \_\_\_\_\_ and at what amount? \$ \_\_\_\_\_

Reasons for the action \_\_\_\_\_

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If to be *SOLD* or *LEASED* will the proceeds be conserved? \_\_\_\_\_ Yes \_\_\_\_\_ No

If "Yes" in what manner? \_\_\_\_\_

If "No" what use planned? \_\_\_\_\_

**APPLICATION FOR PERMISSION OF PRESBYTERY  
TO SELL MORTGAGE, ENCUMBER OR LEASE REAL PROPERTY  
OR ACQUIRE REAL PROPERTY SUBJECT TO AN ENCUMBRANCE**

The Trustees of \_\_\_\_\_ Presbyterian Church Corporation certify

That the corporation at a *REGULAR / SPECIAL / CALLED* meeting held on \_\_\_\_\_, 20 \_\_\_\_\_

a. \_\_\_\_\_ Approved                      b. \_\_\_\_\_ Disapproved

the selling / mortgaging / encumbering / leasing / acquiring the real property herein described.

This is to further certify that the Board of Trustees knows of no reservation or restriction

In connection with the foregoing proposed transaction, except as noted herein:

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In accordance with the Form of Government of the Presbyterian Church (U.S.A.), the Board of Trustees of  
the \_\_\_\_\_ Church requests the written permission of  
Pittsburgh Presbytery for the foregoing proposed transaction.

(Signed) \_\_\_\_\_  
President of the Board of Trustees

ATTEST \_\_\_\_\_  
Secretary of the Board of Trustees

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The Session of the \_\_\_\_\_ Presbyterian Church of  
\_\_\_\_\_ Pennsylvania, in transmitting the foregoing request of the Board of  
Trustees, certifies that the Congregation at a *REGULAR / SPECIAL-CALLED* meeting held on \_\_\_\_\_  
\_\_\_\_\_, 20 \_\_\_\_\_ and a) \_\_\_\_\_ approved / b) \_\_\_\_\_ disapproved the foregoing proposed  
transaction.

(Signed) \_\_\_\_\_  
Clerk of Session