



Purchase of Property Checklist:

Please remember that all property purchases and building projects should originate from the local churches mission, vision and ministry.

1.-Pre-planning Questionnaire completed and sent to Executive Secretary of Conference. (On our Website – GSCSDA.org under Executive Secretary)

- a. Preplanning questionnaire list topics that should be discussed in a board meeting as you consider the implications of a capital project.

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| Completion Date: | Signed: |
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- b. Review the Southern Union Loan Application If financing is required. (Also on our Website – GSCSDA.org under Executive Secretary)

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| Completion Date: | Signed: |
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2.-With board approval and the pre-planning questionnaire sent to the conference begin the process of looking at available properties.

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| Board Approval Date: | Signed: |
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3.-Having found a capital project you are interested in pursuing please consider the following:

- a. Is the project within our means?
- b. Are there zoning issues with using it as a church or school
- c. Are there environmental issues with the project?
- d. Is there room for future growth? *(Usually 1 acre per 100 people)*
- e. If existing structures, are there fire code issues? (Exits, suppression etc.)

| YES | NO |
|-----|----|
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|--------------------------|
| Date of Fire Inspection: |
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| | YES | NO | |
|--|-----|----|-------|
| Parking Issues? | | | |
| Occupancy Issues? | | | |
| Understand the volunteer labor policy and also any contractors are required to carry million dollar liability policies. | | | |
| Any renovations may require electrical, plumbing permits and also bringing up to code? (<i>Need to check with local authorities</i>) | | | Date: |

What is the value of the property?

\$

- ❖ The best way to determine is **to hire a professional appraiser.** (We at the conference cannot determine local property values) You may make an offer less than the appraised value, and the appraised value need not be shared with the seller, but it is the best way to ensure the value. We at the conference are not able to determine the local property values in your area.

4. - Now that the building committee (or finance committee) have considered all these issues you are ready to take it to a church business meeting to approve an offer.

Date of Business Meeting:

- ❖ Please remember that only the Conference can make the offer, but the church in business session authorizes that action. The business session might vote a maximum amount and a lower offer might be tendered. Once ready to make an offer the purchase offer must contain the following:

Purchase agreement must be reviewed by Executive Secretary

Made on condition of the following:

| | YES | NO |
|--|-----|----|
| Environmental Review (Will be done by Trust Director) | | |
| Ability to determine and if required receive zoning approval | | |
| Approval of Financing for SURF if borrowing required | | |
| 60 days to review and 30 days to close | | |

5. - The purchase agreement will be review by the Attorney and signed by the conference officers and submitted to the seller of the property.

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| Completion Date: | Signed: |
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The process is designed to be slow and to help ensure all issues are considered. It is not meant to be a burden, but to prevent the church from pitfalls that could require years to recover.

God bless as you move forward with prayer and thoughtful planning.

Here are a few additional points for your understanding:

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|---|---|
| CHECK | ✓ |
| 1. - The title to the property is in the GSC Association name. | |
| 2. - Purchase of the property is approved by the GSC Association Board (before the purchase). | |
| 3. - Financial and any building plans are approved by the GSC Executive Committee (before purchase). | |
| 4. - Fifty percent (50%) of the entire cost of the project is on hand either in cash or readily convertible assets. | |
| 5.-The church may borrow up to three (3) times annual tithe or fifty percent (50%) of the project, whichever is less. | |
| 6. - Adequate insurance is purchased through Adventist Risk Management for the replacement value of the facility. | |

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| Date: | Signed: |
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