

How to Buy a Church by J Surridge and S Okelo

One of the consequences of belonging to a denomination that is still growing is that we have to keep finding new places for our expanding congregations to worship. The short-term measure is usually renting, or sharing with another church, but in the end most congregations want to buy their own church building.

At Conference and Union level we see this all the time. It's rare for us to attend an Executive Committee where the purchase of a church building is not on the agenda. However, in the life of one congregation, buying a church building is an exceptional occurrence. Many members will spend their entire lives without having to bother with such an event, but for those who do, the process can be quite a challenge.

Before we go into the details of what's involved in buying a church, we need to warn you that it's going to take time. Anyone who has bought a house knows how long that process can take, and with a church there are even more steps to go through. So, if you've just seen the bargain of a lifetime – an enormous Grade 2 listed building that can seat 500 people, going for a song perhaps – don't get too excited. As the saying goes, "You want good, quick and cheap? Pick any two."

It's also worth doing as much background work as possible before you even start looking for a church. Does the congregation really want to move? Have they got savings and a financial plan to pay for a new building, should one become available? Will the church be as effective in a different location?

Another thing to consider in advance, is legal ownership. Many years ago, the Seventh-day Adventist Church decided to organise itself as one single denomination with a central governance structure. Over the years this has been one of our greatest strengths, but it does mean that local churches have to work closely with their Mission/Conference and Union when it comes to things like membership transfers, ministerial appointments, and of course building purchases. For church ownership we have set up a company called the "Seventh-day Adventist Association Ltd" to act as the title holder for all of our properties in the UK and Ireland. Because they handle a lot of property purchases, they, together with their legal advisors, can see pitfalls and challenges which a local church might miss.

It might seem very unfair to a local congregation that their years of hard work and fundraising will result in a building that they don't even own, but just imagine the alternative. If the building ended up being owned by the members, or just some of the members, what would happen if they transferred to a different church? What would happen if one of them died and their relatives wanted to make a claim on the estate? It would be a legal nightmare! Our system means that the local church gets all of the benefits of owning their own building, but the building itself is protected from such legal challenges, as are the members who use it.

Assuming all of the above has been carefully considered, the congregation needs and wants to move, they have the financial resources to make it happen, and they've found what they consider to be a suitable building, what next? Well, this is what SDAA recommends:

1. Carry out a pros and cons exercise. Is the new building fit for purpose? Does it have enough rooms for Sabbath School, youth, Pathfinders, etc. Is it in a good location for serving the local population? Does it have adequate parking? Does it have a baptistery? Is the building itself sound?
2. Carry out a cost-benefit analysis. Will the mission of the church be enhanced by the new building, or would the money be better spent on renting a property and using the surplus for evangelism and

community service? If a loan is needed, can the church continue to operate effectively while paying interest and repaying the loan?

3. Develop a written financial plan. This should include cash in hand; an estimate of the value of the present property, if applicable; mortgage costs; and any denominational loan or grant that might be available. Pledges from members are often included in the financial plan, but, while useful as an indication of commitment, they can't be relied on completely as members' financial situations can change. The financial plan should also consider all items of expenditure, including: survey fees; purchase price of property; purchase price of land; new works; legal fees; estate agent's fees; architect's fees; commissioning costs; furnishings and fittings costs; and loan servicing costs. Finally, there should be a cash-flow schedule, showing how the congregation will finance each stage of the process, from initial surveys to eventual moving in. Note that denominational policy requires that 75% of the total cost of the project, including commissioning, should be in hand before the project is approved.

4. Have all of the above approved by the church board and make sure that the minutes are signed and available to present to the Mission/Conference and SDAA.

5. With the consent of the Mission/Conference administration and SDAA, carry out some exploratory surveys, obtain a basic valuation, and get some estimates for the work that needs to be done. Under no circumstances should you enter into any legally binding commitments without the approval of SDAA and the Mission/Conference.

6. Make a formal approach to the Mission/Conference. The local congregation and minister will by this stage have spoken at length with the Mission/Conference leaders about the project, but before they can take it to their Executive Committee, they will need to have a formal request. This should include as much documentation as possible.

7. Once the project is approved by the Mission/Conference Executive Committee, they will seek the necessary approvals from the Union, and possibly the Division, and will begin the lengthy process of actually buying the property.

Hopefully all will go well and you'll soon be in your new building. However, from our experience, and that of many congregations, the process rarely goes without a hitch. Be prepared for unexpected delays, legal and technical challenges, and tensions and frustrations in the local congregation.

Whether or not all of this is worth it is something only the local church can answer.