



# Presbyterian Church of Australia

in the State of New South Wales

## GUIDELINES FOR COMMERCIAL LEASING OF CHURCH PROPERTY

All committees of the Presbyterian Church NSW are required to comply with the terms of The Code of The New South Wales General Assembly. The Code part III regulation C2.7 deals with the leasing of land and requires a Committee of Management to supply certain supporting documents to the Trustees when requesting approval for the leasing of a church property. Importantly The Code specifies that the Committee of Management must obtain the consent of the Congregation and the Presbytery before approaching the Trustees for approval (The Code part III C2.7.03). The approval of the Trustees is normally obtained before the lease agreement is prepared or a Managing Agent is appointed.

### **New / Renewed Commercial Lease**

The Trustees are able to consider a new or renewed lease of church property for approval once the following documentation is supplied –

- (a) Formal letter of request signed by the Secretary or Chairman of the Committee of Management asking the Trustees to approve the lease of the property and the proposed terms and conditions of the lease;
- (b) Extract minute of the consent of the congregation to the lease. (Some congregations which have a number of commercial properties to rent delegate approval to the Committee of Management to approve leases on their behalf. This saves time and unnecessary meetings. The delegation is renewed each year at the annual meeting of the congregation);
- (c) Extract minute of the consent of the Presbytery to the lease;
- (d) Certificate of valuation of the lease rental given by a licensed property valuer or other evidence of lease value acceptable to the Trustees; and
- (e) A survey identification report or other plan of the property acceptable to the Trustees.

### **Exercise of an Option period**

The above requirements do not apply to the exercise of an option under an existing lease. Where a lease for an option period is to be executed the Trustees only require a letter signed by the Secretary or Chairman of the Committee of Management which certifies –

*"I advise that the enclosed option for the lease of [property address] has been examined and approved by the Committee of Management of [congregation]. It is confirmed to be correct and able to be complied with by the Committee of Management. It is therefore in order to be signed by the Property Trust."*

### **Use of a Solicitor**

The Code (Part III B2.07) specifies that the Law Agent is to act as the church solicitor generally. A Committee of Management must instruct the Law Agent to prepare all commercial leases for their church properties. It is recommended that the Committee of Management contact the Law Agent as soon as possible regarding the proposed lease. The Law Agent is Mr Simon Fraser of Colin Biggers & Paisley, Level 42, 2 Park Street, Sydney (ph: 02 8281 4655).

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