

REAL PROPERTY SALE AND MORTGAGE PROCEDURES

The Purchase, Sale and Mortgage of Real Property by any Parish are strictly governed by Article 16 of the Uniform Parish Regulations. In addition to the Purchase, Sale or Mortgage of Parish Property, the construction of any structure requires advance approval by His Eminence, the Metropolitan of the Greek Orthodox Metropolis of San Francisco. Prior to approval by the Metropolitan, the Purchase, Sale, Mortgage or Construction must be approved by the Parish Assembly.

The following is an outline of the documents which must be submitted to the Metropolis in order to obtain approval. Approval will normally take 15 days:

1. **Notice.** Written Notice must be given to all Parishioners in good standing at least 10 days prior to the Assembly. The Notice must specifically reference the proposed Purchase, Sale, Mortgage or Construction. The matter can be considered in a regular or in a special Parish Assembly.
2. **Minutes.** The Minutes must be signed by three persons: the Priest, the Chairperson of the Assembly, and the Secretary of the Assembly.
3. **Vote.** A quorum must be achieved. Approval requires a vote of two-thirds (2/3) of those present at the Assembly. The Minutes must state the votes in favor and the votes against (and the abstentions, if any). If the vote is unanimous, then the Minutes should so state.
4. **Survey or Map of the Property.** If there has been a survey completed (by a land surveyor) then it should be submitted. Otherwise a map, drawing or sketch can be submitted describing the location and the type of improvements on the Property.
5. **Map of Area.** A map or sketch that describes the surrounding area, including the relation to any other Greek Orthodox Parishes. A County Assessors Map, which can be obtained from the County or from a Title Company, is recommended.
6. **Purchase and Sale Agreement.** A copy of the Agreement to Sell or Purchase the Real Property. A proposed Agreement can be submitted before execution. The Parish may also choose to sign an Agreement in advance, so long as the obligations of the Parish are contingent upon approval by the Metropolitan. The following language can be inserted into any Agreement to accomplish this purpose: "This Agreement and all obligations of the [insert name] Greek Orthodox Church are contingent upon approval by a duly called Parish Assembly and by the Metropolitan of the Greek Orthodox Metropolis of San Francisco within 30 days of the date of this Agreement."
7. **Loan Commitment Letter.** In the case of a mortgage, a copy of the loan commitment letter from the Lender.
8. **Title Report for the Property.** The title report is issued by a licensed Title Insurance Company and can be ordered in advance.
9. **Financial Statement.** In the case of any purchase or mortgage, a statement of the contemplated sources for payment and maintenance, if not already included the terms of the Purchase, Sale or Mortgage.

10. **Other Documents.** Any other information, documents or reports related to the Property as may be requested by the Metropolitan.

ADDITIONAL CONSIDERATIONS FOR PURCHASE OF PROPERTY

The following are considerations that must be made for the purchase of any real property, regardless of whether it is vacant property or it already has an existing building thereon.

- A. **Environmental/Hazardous Waste.** No real property should be purchased without having an Environmental Review and Hazardous Waste report prepared. If contaminated property is purchased without a proper report, the Parish could be liable for all clean up costs, even if the clean up costs exceed the price of the property.
- B. **Geotechnical Report.** When purchasing vacant property for any potential future construction project, a Geotechnical Report should be obtained to review the soils and any other geotechnical issues that could impact the procedures and cost of construction.
- C. **Asbestos.** Any existing building may have asbestos. The cost to remodel, to maintain or to demolish such a building will be substantially higher if there is asbestos. A qualified person should examine the building prior to purchase to determine whether asbestos may be present and if so, the cost to remedy the condition.
- D. **Zoning.** Before the purchase of any property, it must be determined that the zoning is consistent with its intended purposes. Even if the property already has a church building on it, there may be limitations in what can be done if the property is not in conformance with existing zoning laws.
- E. **Title Report.** No property should be purchased without obtaining a Policy of Title Insurance. Prior to closing you will be provided with a copy of a Title Commitment by the Seller as required by the contract to purchase.
- F. **Recorded Covenants.** Some parcels of property will have recorded Covenants that may limit what can be done on the property. The existence of any recorded Covenants will be disclosed by the title report. It is essential that the recorded Covenants be reviewed.
- G. **Professional Assistance.** It is strongly recommended that any Parish considering the Purchase or Sale of Real Property enlist the services of an attorney and a real estate agent, both of whom are familiar with the area in which the property is located.
- H. **Other Assistance.** If you or your professional advisors need additional assistance with questions or issues, please feel free to contact the chair of the Metropolis Real Estate Committee. He or she will be able to answer your questions, refer you to the Metropolis Legal Committee, or refer you to another source.

Remember that the review conducted by The Metropolis is merely a review of your documents & procedures as required under Article 16 of the UPR, and is not in any way intended to substitute for a thorough review and investigation of the suitability of the property for its intended purpose and for the ability of the Parish to meet its financial obligations in connection with any financing arrangements.