

4.100 COMMITTEES OF PRESBYTERY: COMMITTEE ON MINISTRY, CHURCH PROPERTY

4.104 Policy on the Use of Proceeds from the Sale of a Manse

- A. When a church sells a manse:
1. At least twenty per cent (20%) of the gross proceeds (before sale or transaction expenses such as mortgage payoff, real estate sale commissions, abstracting or title expenses, or legal fees, etc.) from the sale of manse or \$15,000.00, whichever is the greater amount, will be retained for ongoing housing needs of the minister/lay preacher or for future purchase of a manse. In the case that the net proceeds are less than \$15,000.00, the entire net proceeds will be retained.
 2. The remainder of the money proceeds from the sale may be used at the discretion of the session and congregation in consultation with the Committee on Ministry and the Presbytery.
 3. The Committee on Ministry and the Presbytery must approve any variation from above.
 4. Churches which sell a manse shall submit to the Committee on Ministry a letter indicating the gross proceeds and expenses in the sale of a manse along with the amount they intend to hold for future housing needs for clergy and how they plan to invest it.
 5. A church may use the interest or income earned on these funds to reduce the annual cost of providing a housing allowance to a minister or may reinvest the earnings in this fund so that its value keeps pace with inflation.
- B. Examples of Policy Implementation:
1. A manse is sold for \$100,000; so \$20,000 is held.
 2. A manse is sold for \$40,000; so \$15,000 is held.
 3. A manse is sold for \$70,000. The church owes \$52,000 on a mortgage on the manse and the selling expense amount to \$7,000. Because \$11,000 is all that remains, the \$11,000 is held.