

### 4.7.3 LEASE OR RENTAL OF CHURCH PROPERTY (BUILDING/LAND)

**POLICY:** Property acquired by any Foursquare Gospel Church by lease shall be registered in the name of the Foursquare Gospel Church of Canada [Bylaws, Section IX, Subsection H, Paragraph 9]. Such property shall remain under the stewardship of the acquiring church for their church-related use.

Where there is no local church, property or building/facilities may be leased only upon the written recommendation of the president and the approval of the National Board.

The president and the National Board shall first approve any property or building lease agreement. The pastor or member of the Church Council may only sign offers and counter-offers for property or building leases strictly in accordance with this Policy and has no authority to legally bind the Foursquare Gospel Church of Canada. Failure to strictly abide by the restrictions in and requirements of this Policy may have the legal effect of making the pastor or member of the Church Council personally responsible for any resulting lease.

**PROCEDURE:** If the church desires to lease property or building facilities, the procedure is as follows:

1. Prior to beginning a search for leased property the pastor (with the approval of the Church Council) shall consult with the Unit Supervisor about intent to lease or rent property.
2. Conduct Lease Evaluation with the assistance of the National Office to determine the church's ability to sustain a leased space. If a positive evaluation is made then proceed to next step.
3. The Lead Pastor shall gain council approval to move forward based on the evaluation. Submit written request to obtain consent of the president to begin search.
4. Search and make an offer on suitable leased space:
  - a. Ensure that any interim agreement offering to lease space contains the following statements, adjusted to reflect the definitions and terms of the document being signed:
    - *“The person(s) signing this offer on behalf of the Tenant has/have no legal authority to bind the Foursquare Gospel Church of Canada or obligate it to perform any of the obligations of the Tenant. This offer to lease or lease may only be considered to be legally binding on the Foursquare Gospel Church of Canada when approved by its Board of Directors and notice of such approval has been provided to the Landlord, in writing.”*

- *“This offer to lease or lease is subject to the approval of the Board of Directors of the Foursquare Gospel Church of Canada on or before <<date>>. This condition: (a) is for the sole benefit of the Foursquare Gospel Church of Canada; (b) cannot be waived; and (c) can only be removed by notice in writing to the Seller on or before the date indicated.”*
- b. A minimum of 21 days is required for subject removal of National Board approval and additional subjects.
5. Immediately send copy of the proposed offer to lease to National Office. A site visit will be conducted by a representative of the National Board.
  6. Once the site visit has been conducted, and the Church Council has approved the terms of the lease, a duly called meeting of the membership is held as outlined in the Administrative Manual.
    - a. Approval to lease property; *provide wording for motion to be approved.*
    - b. Approval for Leasehold Improvement Budget
  7. Submit Application for Approval to National Board with the following documents:
    - a. Application for Permission to Lease
    - b. Church financial statements for 3 years
    - c. Budget for Leasehold Improvements
    - d. Cash Flow Analysis
    - e. City confirmation for use of property and/or required modifications
    - f. Site plans
  8. A written copy of the National Board approval to lease will be provided to the lead pastor.
  9. With the council, congregation and National Board approvals in hand the pastor or their designate may remove the subject clause in the offer.
  10. Final lease contract will be delivered to the National Office for signature.
  11. Pastor to ensure that proper insurance coverage is in place on completion date.