

§2500 REAL ESTATE

The purpose of the following section is to explain the steps required for processing real estate transactions, including real estate taxes, for the Archdiocese.

§2501 RESPONSIBILITY

2501.1. Policy All real estate transactions for parishes, schools and agencies shall be executed through the Department of Finance, under the supervision of the Manager of Real Estate and Insurance Office.

Procedures

- a) Necessary processing of real estate transactions will be handled internally to the extent possible.
- b) In matters of some complexity, contact with legal counsel will be made through the Office of Legal Services.

§2502 FINANCIAL PROCESSING

§2502.1. Conveyances

2502.1.1. Policy Where property is being conveyed, all proceeds shall be processed through the Real Estate and Insurance Office.

Procedures

- a) The Real Estate and Insurance Office must be notified by the Pastor, in writing, of property for sale.
- b) Appraisal of property is obtained by either the Pastoral Center or Parish (at the Parish's expense).
- c) Parishes, schools and agencies will be notified of the availability of subject property for ministerial use. The appraisal value of the property must be paid to the Parish, if the Parish owns the property.
- d) If no agencies within the Archdiocese are identified as prospective purchasers, the property is made available to the general public. This is done at both the Parish and Pastoral Center levels.

§2500 *Real Estate*

- e) All contracts for the sale of property must be received and approved by the Real Estate and Insurance Office and Director of Finance.
- f) For parish property, prior to acceptance of any offer, the Vicar and Dean of that vicariate are to be contacted and informed of the proposed sale. Upon their approval, the sale will proceed.
- g) All property sales will be “net cash.” No financing will be provided the purchaser by either the Parish or the Pastoral Center.
- h) The Real Estate and Insurance Office will determine any offsetting charges such as legal costs, filing fees, etc.
- i) A representative from the Real Estate and Insurance Office will prepare and attend the real estate closing in conjunction with the Office of Legal Services.
- j) For Non-Grant Parishes, the net proceeds will first be used to eliminate any Parish debt; any excess will be deposited in a Parish savings account held by the Pastoral Center.
- k) For Grant Parishes, the net proceeds will first be used to eliminate any Parish debt; any excess will be deposited in a Parish savings account for capital expenditures only.
- l) Proceeds from sales of non-parish properties are deposited in an endowment that benefits all parishes.
- m) The final purchase contract must be signed by a Power of Attorney for the Archbishop. A contract signed by anyone other than the Archbishop or his Powers of Attorney is not legally enforceable.

2502.1.2. Policy Sales of property equal to or in excess of \$500,000 shall be approved by the Archbishop’s College of Consultors and the Finance Council.

2502.1.3. Policy In addition to the above approvals, Sales of property equal to or in excess of \$3,000,000 shall also be approved by the Holy See.

§2502.2. Acquisition

2502.2. Policy Where property is being acquired, the purchase shall be processed through the Real Estate and Insurance Office. The transaction shall be handled through the Real Estate and Insurance Office and shall be approved by a Power of Attorney for the Archbishop.

Procedures

- a) Real Estate and Insurance Office will determine any offsetting charges such as legal costs, filing fees, etc.
- b) If the acquisition is to be financed by a loan or grant, the loan or grant will be processed by the Department of Finance.

§2502.3. Leaseholds

2502.3. Policy Leaseholds shall be processed by the Real Estate and Insurance Office. However, proceeds shall go directly to the parish or agency lessor, as appropriate.

Procedures

- a) If there are costs involved in lease preparation, those costs will be charged to the parish or agency.
- b) References for prospective tenants will be contacted by the Real Estate and Insurance Office.
- c) Prospective tenants are responsible for proof of zoning compliance.
- d) The Office of Legal Services will be consulted when lease forms are used other than the Archdiocesan standard lease form.

§2503 GIFTS OF REAL ESTATE

2503.1. *Policy* No priest or parish shall accept gifts of real estate to the Archdiocese of Chicago.

Procedures

If a gift of real estate is offered, the prospective donor should be referred to the Director of Finance. Only the Catholic Bishop of Chicago or his delegate can accept a deed for property being given to the Archdiocese of Chicago.

§2504 REAL ESTATE TAXES

2504.1. *Policy* All matters related to real estate taxes, including payment or protest thereof, shall be processed through the Real Estate and Insurance Office.

Procedures

Debit or credit charges, as applicable, will be forwarded to Accounting Office. Direct payment of taxes shall be made by Real Estate and Insurance Services.

§2505 OTHER SERVICE TAXES

2505.1. *Policy* Metropolitan Sanitary District and/or City of Chicago Sewer Taxes shall be directly paid by the Archdiocese. All parishes, schools and agencies shall be billed by the Pastoral Center for their specific share of such taxes.