



# Property and the Local Church

NAVIGATING PROCESS, POLICY AND PURPOSE

13 May 2025

## Aims for today

- To equip pastors and church leaders with a clear understanding of the **process, policy, and governance** involved in purchasing, selling, or significantly altering local church property.
- To promote a **strategic approach to property stewardship**, aligning building use with missional effectiveness and financial sustainability.
- To explore real **challenges and opportunities** facing churches today, and offer practical tools for making considered, forward-looking decisions.
- To **encourage reflection** and action on how church buildings can become **mission-driven assets**, rather than underused resources.

# Denominational policy on property ownership

- TED WP BA 25 Corporations, Trusts, Associations, Institutions, and Other Legal Entities—Establishment, Structure, and Relationships
  - BA 25 01 – Much of the evangelistic and ecclesiastical activity of the Seventh-day Adventist Church is accomplished through unincorporated organisations. However, the Church increasingly uses various legal vehicles in furtherance of its mission. In order for an organisation to exercise certain rights, privileges, duties, and to be held accountable for certain liabilities, it is necessary to have a **legal persona**.
  - BA 25 15 – for management of Gifts, Wills, Legacies, and Trust Funds (SDATC Ltd)
  - BA 25 20 – Property Holding Corporations (SDAA Ltd)
  - BA 25 25 – Institutions and Other Special-Purpose Organisations

## Factsheet: SDAA Ltd

- Stands for **Seventh-day Adventist Association Ltd**.
- The official **property-holding entity** for the SDA Church in the UK and Ireland.
- Operates under the oversight of the BUC, **supporting the church's mission** through property transactions.
- Serves as the **legal owner** of all properties used by Conferences and Missions on behalf of local congregations, schools and other institutions across the territory.
- Serves as a **legal persona** where one is required for legal purposes such as court proceedings.
- SDAA Ltd has a wholly-owned subsidiary, **Seventh-day Adventist Trust Company Ltd (SDATC Ltd)**, for acting as executor for wills and receiving legacies on behalf of the church.

# Purpose of SDAA Ltd



- **Property ownership** – legal title, protecting church assets.
- **Property transactions** – buying, selling, leasing, transferring property, ensuring regulatory compliance.
- **Charitable objective** – advancing the mission of the church through long-term sustainability and growth.

## Benefits of SDAA Ltd

- Expert guidance on complex property matters
- Unified asset management
- Risk mitigation and legal protection



# Ownership matters

## Legal Ownership

- SDAA Ltd holds property title, acting as **custodian for associated charities**.

## Beneficial Ownership

- The entity that uses and benefits from the property – **Conferences/Missions**.
- Drives how the property **supports the mission of the church**, such as worship, community outreach, and ministry.
- Ensures assets are appropriately **insured**.

## Users

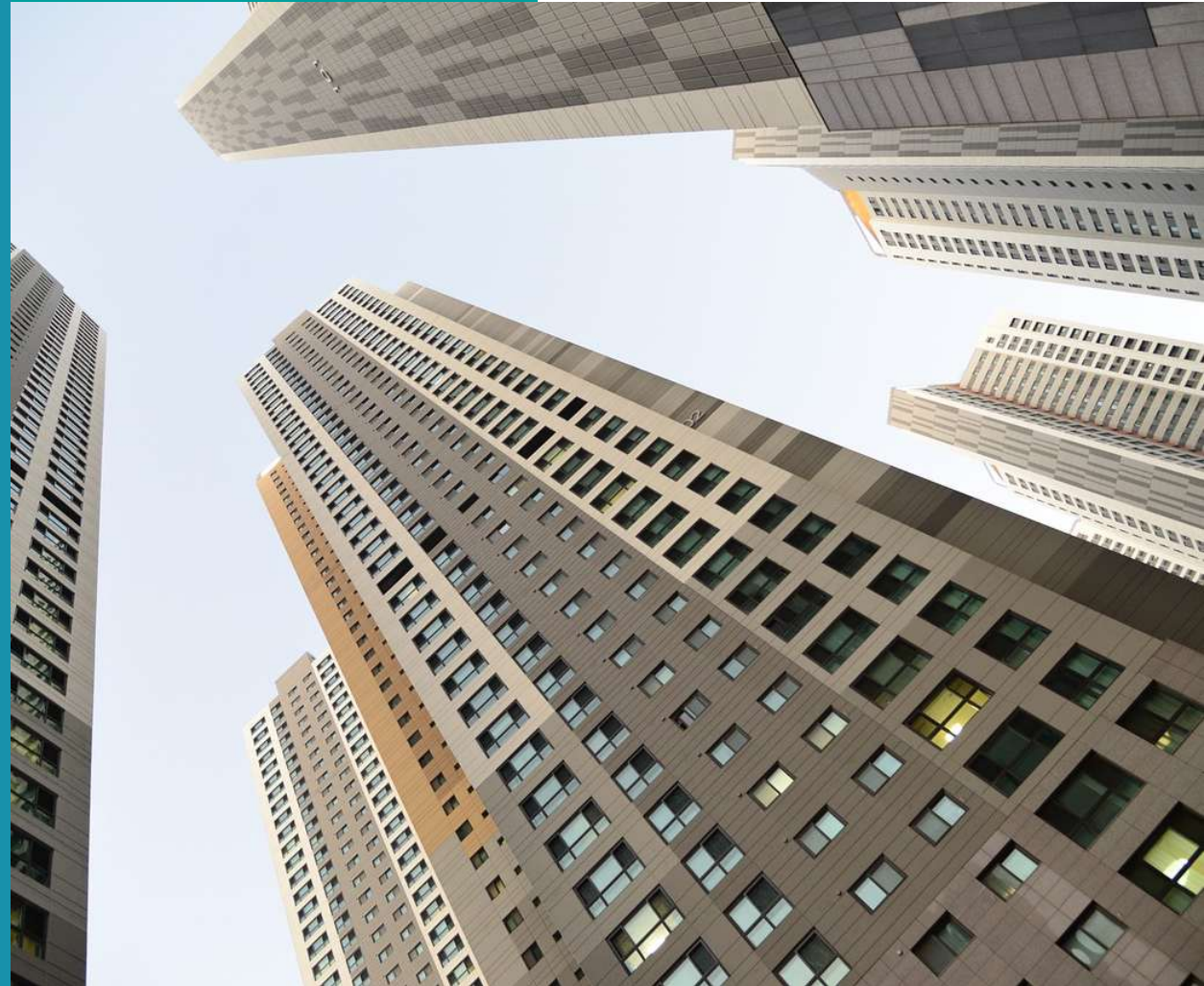
- Local congregations **occupy** properties.
- Responsible for day-to-day **operation and maintenance**.

## Why it matters?

- Ensures the property is secured for the wider organisation, but serves its intended purpose, including providing places of worship and a space for community programmes.

## PROCEDURAL GUIDELINES FOR:

- Acquisitions
- Disposals
- Construction
- Refurbishment



# Key stages



1. Vision



2. Conf/Miss  
Guidance



3. Feasibility  
Assessment



4. Formal  
Application



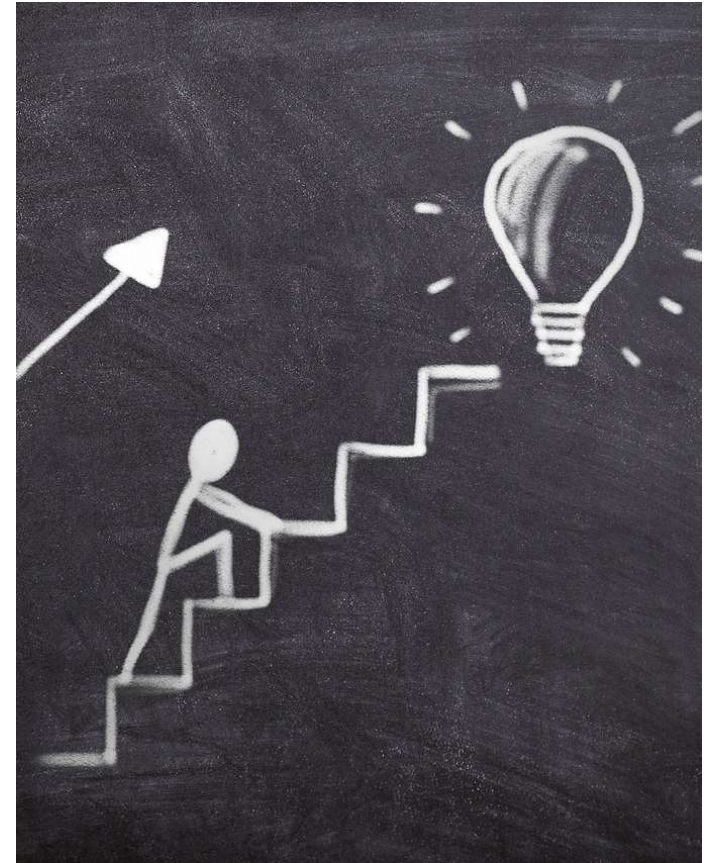
5. Due  
Diligence



6. Legal  
Conveyance



7. Post-  
Purchase





# 1. Vision

## Local Church

- Recognise, document, and approve project concept via church board and business meeting – e.g. needs assessment, pros-cons, cost-benefit, location, etc.
- Prepare preliminary proposal to Conference/Mission:
  - Vision/Justification
  - Proposed location/size
  - Preliminary funding plan

## Conference/Mission

## SDAA/BUC/TED



# 1. The needs assessment

- Is the sanctuary big enough? For present and future?
- Does it have enough ancillary rooms? Sabbath School? Communion? General-purpose hall? Etc?
- Kitchen? Vestries? Office? Baptistry? Etc?
- Is location accessible to members and community? Is it representative of the Church? Parking facilities?
- Assess: purchase building vs remedy current building?
- Mitigations/remedies for unsatisfactory elements?
- Proposed use of the building?
- Has membership buy-in been obtained and documented through business meeting?





# 1. Possible reasons for disposal of assets

- Changing ministry or mission needs
- Declining usage
- Financial sustainability
- Relocation or expansion
- Risk management
- Strategic mergers
- Investment in future sustainability
- Etc.





## 2. Conference/Mission Guidance

### Local Church

- Refine proposal based on Conference/Mission guidance.

### Conference/Mission

- Evaluate preliminary proposal from local church.
- Assess alignment with strategic and financial priorities.
- Geographic distribution & population density
- Available financial resources

### SDAA/BUC/TED



## 2. Use of tithe

*Tithe is a  
“restricted”  
fund*

**PASTORS**  
evangelists, Bible  
workers, other  
front-line  
workers

**ADMINISTRATIVE  
LEADERSHIP**  
personnel at  
headquarters

**EVANGELISTIC  
OUTREACH**  
including  
equipment,  
campgrounds,  
etc.

**SUPPORT  
FUNCTIONS**  
education,  
literature, media,  
etc.





## 2. Use of tithe

*Some of the key exclusions...*

*...i.e. things that cannot be funded by tithe*

LOCAL CHURCH  
MAINTENANCE  
should be funded by offerings

PRIMARY SCHOOL  
MAINTENANCE  
should be funded by fees and/or church subsidies

SECONDARY AND  
UNIVERSITY  
MAINTENANCE  
should be funded by fees and/or institutional income

CHURCH,  
CONFERENCE OR  
INSTITUTIONAL  
BUILDING PROJECTS  
should be funded by non-tithe sources





## 2. Sources of non-tithe income

General Conference

Sabbath School and World Mission Offerings

Divisions

Limited

Unions

Limited

Conferences and Missions

Limited

Local Churches

Local budget offerings





## 2. Sources of non-tithe income

General Conference

Sabbath School and World Mission Offerings

Divisions

Limited

Unions

Limited

Conferences and Missions

**Gift Aid (UK) and Tax Efficient Giving (Ireland)**

Local Churches

Local budget offerings





## 3. Feasibility Assessment

### Local Church

- Work with Conference/Mission to identify potential properties.
- Ensure realistic financial plan.

### Conference/Mission

- Partner with SDAA to perform preliminary checks on suitability, location, legal compliance, insurance, etc.

### SDAA/BUC/TED

- Evaluate preliminary proposal from Conference/Mission.

## ✓ 3. Realistic financial plan

- Local church cash available
- Sale of current property
- Local church portion of Gift Aid / Tax Efficient Giving claims
- Grant from Conference/Mission
- Loan from Conference/Mission
- Loan from BUC
- Loan from Bank (via SDAA Ltd)
- Cash flow schedule
- Do NOT count pledges towards financial plan
- Income sources must cover ALL costs including – purchase cost, additional works, furniture, fittings, legal fees, estate agent fees, architect fees, commissioning costs, etc.





## 4. Formal application submission

### Local Church

- Finalise and submit formal application to Conference/Mission.
- Include realistic financial plan.

### Conference/Mission

- Review full application.
- Approve project concept through Executive Committee with enabling action to conduct due diligence and involve SDAA/BUC/TED as necessary.

### SDAA/BUC/TED

- Work with the Conference/Mission to ensure financial responsibility and feasibility.



## 5. Due diligence

### Local Church

- Continue to liaise with Conference/ Mission to resolve any legal or logistical issues.
- Due diligence costs are normally covered by the local church.

### Conference/Mission

- Conduct due diligence including relevant surveys, evaluations and insurance.
- Charities Act 2011 s119 survey for disposals.
- Liaise with local church and SDAA/BUC/TED to resolve any legal or logistical issues.

### SDAA/BUC/TED

- Work with the Conference/Mission to ensure financial responsibility and feasibility.
- Ensure all relevant surveys and evaluations are obtained.



## 5. Due diligence

- Valuations, plus Charities Act s119 survey for disposals
- Structural surveys
- Environmental surveys
- Insurance risks, especially for building projects
- Assess going concern risk of builders/suppliers
- Legal use (is it, or can it be, registered as a “place of worship”?)
- Restrictive covenants from previous owners
- Listed building status
- Tree preservation orders
- Stained glass windows
- Site visits
- Etc.

Issues should be disclosed to authorising committees together with a plan for dealing with them.





## 6. Final approvals and legal conveyance

### Local Church

- Consider final conclusions of all due diligence reports and approve at a business meeting.
- Update formal proposal if necessary.
- Provide excerpt of minutes to Conference/Mission.
- Ensure funds are in place.

### Conference/Mission

- Consider final *Heads of Terms* document, final conclusions of all due diligence reports, final formal proposal, excerpt of local church business meeting minutes, and approve at Executive Committee.
- Provide excerpt of minutes and board pack to SDAA/BUC/TED as applicable.

### SDAA/BUC/TED

- SDAA Board: Always required.
- BUC ExCom: BUC Policy Book, Section 2 I.
- TED AdCom: TED WP S15.
- Engage/instruct solicitors for legal conveyance.



## 6. British Union Conference (BUC) ExCom Approval

BUC AdCom approval required if any of the following criteria are encountered:

- Total project cost is more than £416,520 (as at 2025, reviewed annually).
- Local Church borrowing more than 25% of total project cost.
- Conference/Mission total borrowing is more than 20% of unallocated, unrestricted reserves.
- Denominationally calculated Working Capital is at less than 6 months.
- Conference/Mission total borrowing is more than 2x annual non-tithe income.





## 6. Trans-European Division (TED) ExCom Approval

TED ExCom approval required if any of the following criteria are encountered:

- Total project borrowing is more than £416,520 (as at 2025, reviewed annually).
- Total project cost is more than £833,040 (as at 2025, reviewed annually).





## 7. Post-completion

### Local Church

- Take responsibility for maintenance, and ensure use is in line with the Church's missional purpose.

### Conference/Mission

- Beneficial owner ensures new property is appropriately insured.
- Liaise with SDAA to ensure building is certified as a “place of worship” (Form 76 and/or 78)

### SDAA/BUC/TED

- Ensure all legal documentation is in place to justify legal title/ownership.
- Submit form 76 and/or 78 to ensure building is certified as a “place of worship”.

# Key stages



1. Vision



2. Conf/Miss  
Guidance



3. Feasibility  
Assessment



4. Formal  
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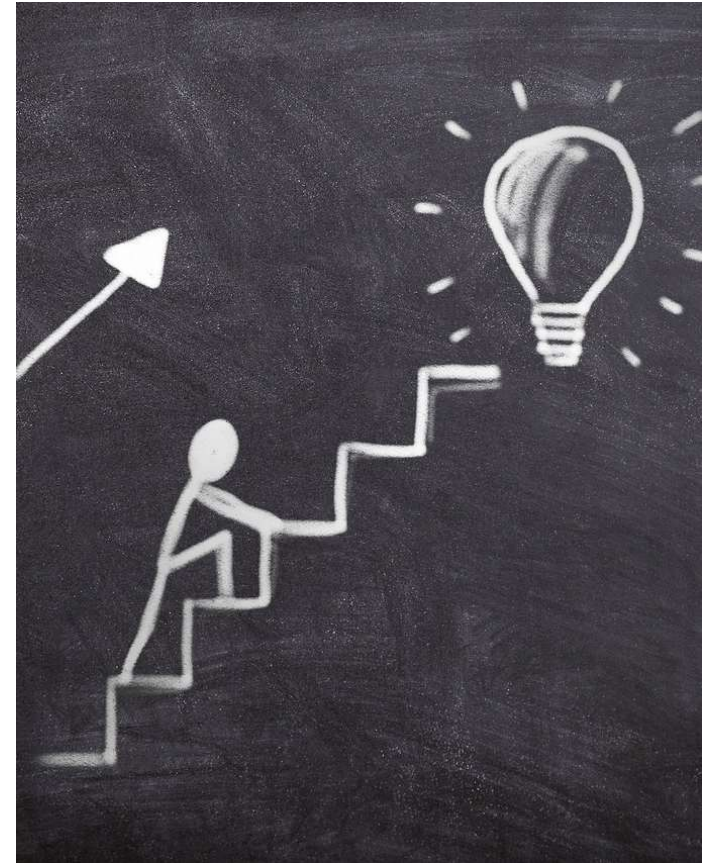
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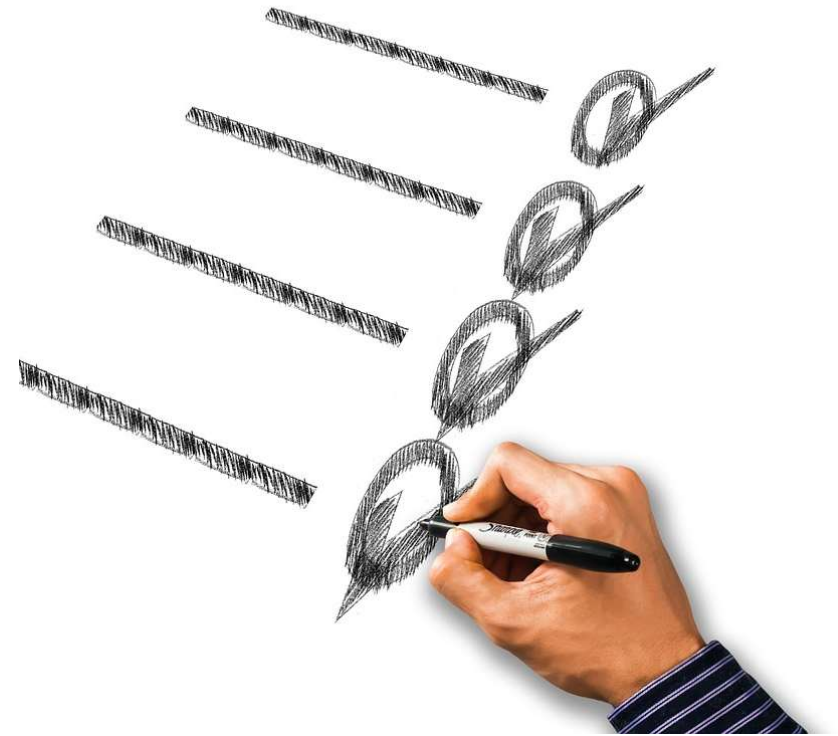


7. Post-  
Purchase



## Helpful tips for local churches

- Ensure clear communication.
- Involve your Conference/Mission as soon as possible.
- Prioritise long-term needs and sustainability.
- Be mindful of the financial capacity of the local church.
- Confirm availability of funds to avoid delays at exchange of contracts.
- Be aware of the timelines required for approvals and legal conveyance.



**Property  
management  
as a missional  
priority**



# Assets not burdens

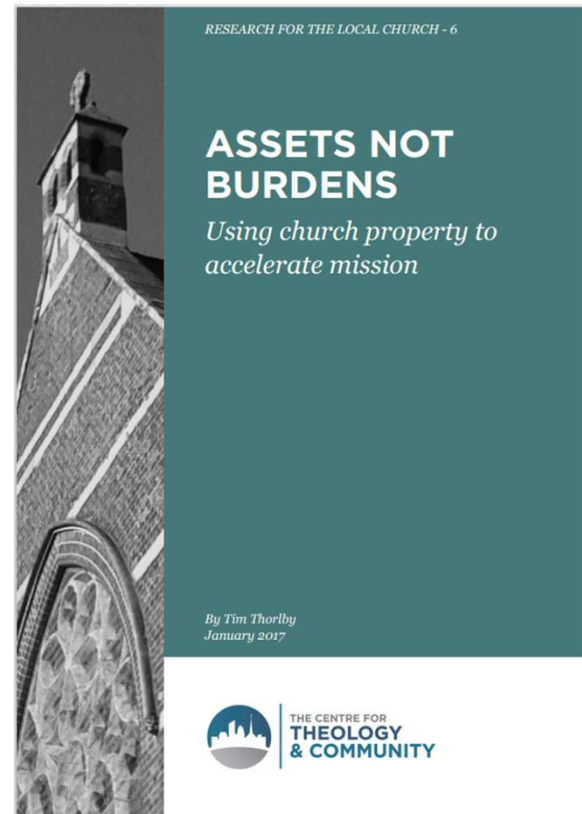
The Centre for Theology & Community, 2017:

<https://www.ctcuk.org/wp-content/uploads/2024/09/2017-Assets-not-Burdens.pdf>

“The overall utilisation of church spaces is relatively low. Across the Borough and across every denomination, church spaces lie empty and unused for the majority of the week:

- Church halls are empty 57% of the week
- Church worship spaces are empty 69% of the week
- Church meeting rooms are empty 75% of the week”

*“For every £1 of income which churches are currently receiving from lettings income, they could be generating a further £2.85 per year, even on modest assumptions.”*



# Assets not burdens

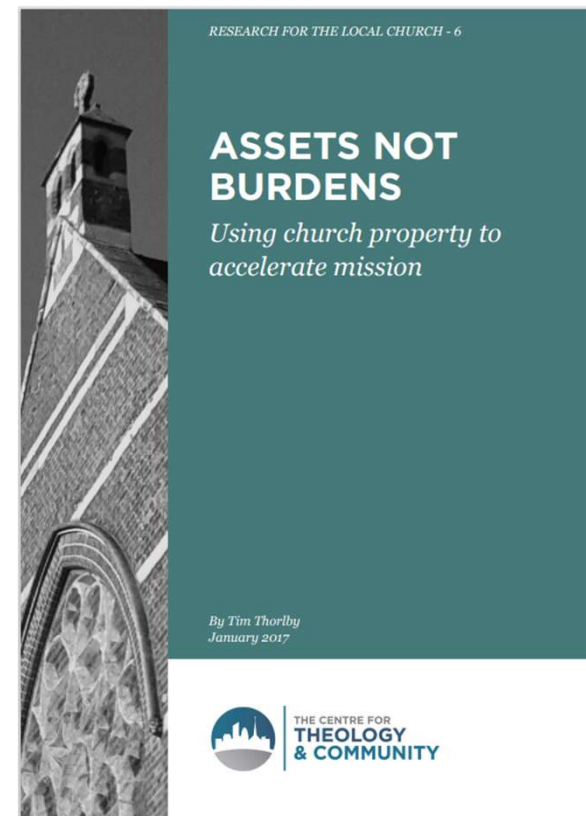
The Centre for Theology & Community, 2017:

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<sup>37</sup> Jesus replied: “*Love the Lord your God with all your heart and with all your soul and with all your mind.*”<sup>38</sup>  
*This is the first and greatest commandment.*<sup>39</sup> And the second is like it: “*Love your neighbor as yourself.*”  
— Matthew 22:37-39 (NIV)



“To deliberately leave church buildings empty for most of the week is surely akin to the man who received money from his master and rather than invest it – chose to bury it in the garden (the parable of the talents – Matthew 25:14-30)”



# Assets not burdens

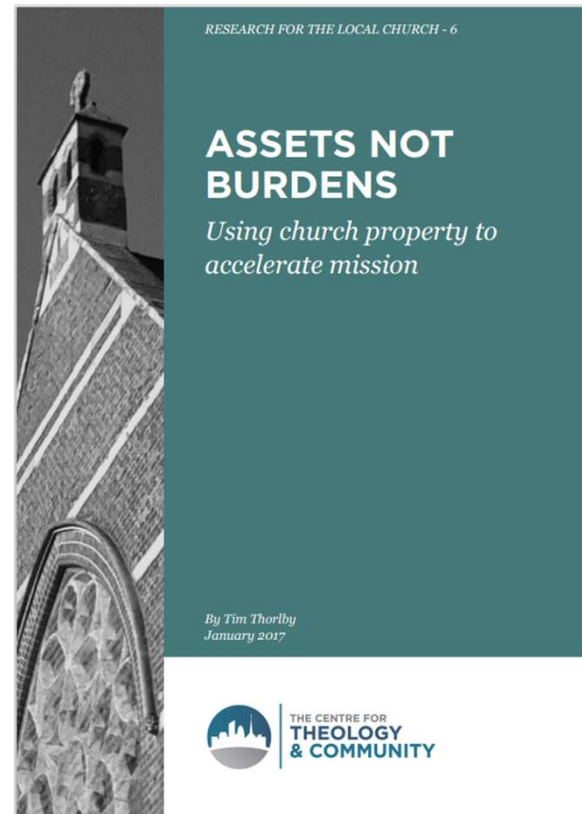
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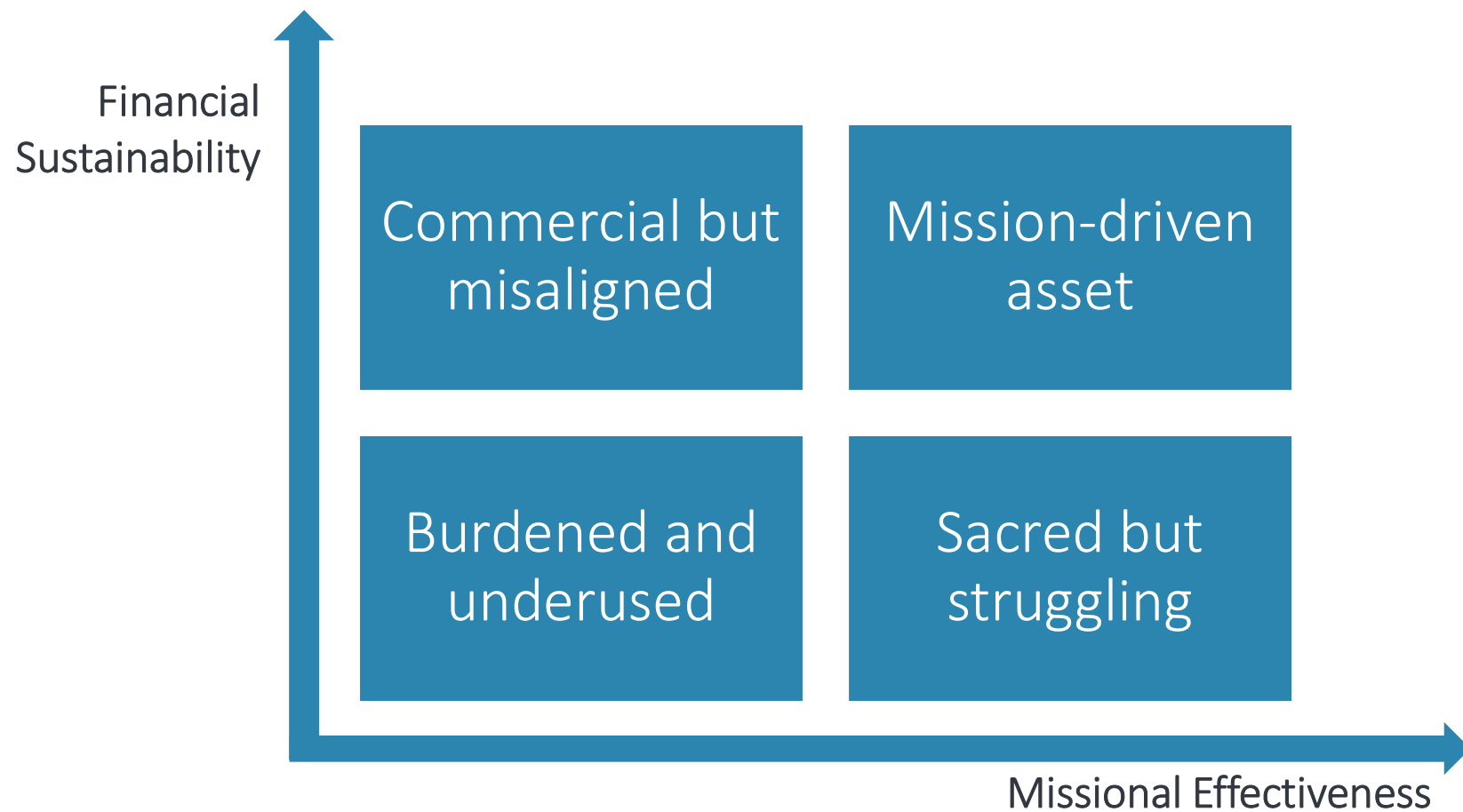
“The solution to many of the church’s building challenges is actually mission - which leads to church growth. We need a change of mindset. Our buildings are assets which can be used for mission. There is an opportunity here.”

“Increasing the community and missional use of churches not only opens church doors to new relationships and visibly serves the local community but it could also generate significant income. We suggest that improving the pro-active management of church buildings across the board is a theological, missional and financial imperative.”

“Each denomination needs a strategic response to these opportunities – simply leaving local churches to deliver solutions for themselves is completely unrealistic.”



# A strategic approach to property management



# Burdened and underused?

- Is the building fit for purpose? – financially, missionally, or both?
- Persisting decline in membership without honest evaluation?
- Could we face similar challenges as the other denominations? – aging infrastructure and declining attendance?
- Organisational hubris often resists difficult decisions – merging, repurposing, moving? When necessary?
- Wise stewardship sometimes means letting go to make room for new life.

*When sentimentality replaces strategy, mission suffers – Are we preserving relics or stewarding missional resources?*



The screenshot shows a web browser window with the URL [economist.com/britain/2025/05/08/the-church-of-england-is-dying-out-and-selling-up](https://economist.com/britain/2025/05/08/the-church-of-england-is-dying-out-and-selling-up). The page features the The Economist logo and navigation links such as 'Try for free', 'Enterprise', 'Log in', and 'Menu'. The article title is 'The Church of England is dying out and selling up' with a subtitle 'Even if you don't go to church, this matters'. A photograph of a church with a tall spire is displayed. Below the photo, the text reads: 'PUSH OPEN the heavy door and step inside. The sound as it slams behind you will feel loud, almost rude, in the old, cold silence. For St Torney's Church in Cornwall is very old indeed. The Normans built it. The Tudors enlarged it. The Victorians meddled with it. Daphne du Maurier immortalised it in "Jamaica Inn". It has outlasted the Reformation and the civil war.'

# Sacred but struggling?

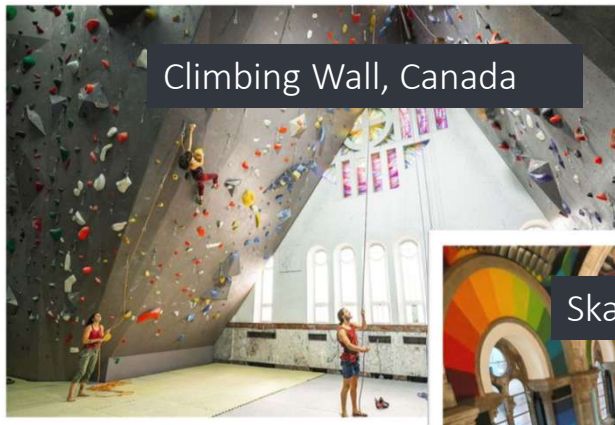
Buildings can carry deep emotional and spiritual value

- Rising maintenance and operating costs?
- Accelerated building deterioration?
- Financial drain on church resources?
- Security and vandalism risks?
- Loss of public presence?
- Failure to serve community needs?
- Prevailing reliance on freewill offerings?

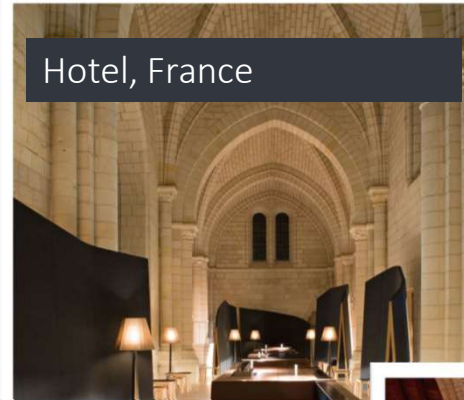
*Is there an ethical and theological disconnect? – Stewardship means wisely using all resources entrusted by God, including buildings.*



# Commercial but misaligned?



Climbing Wall, Canada



Hotel, France



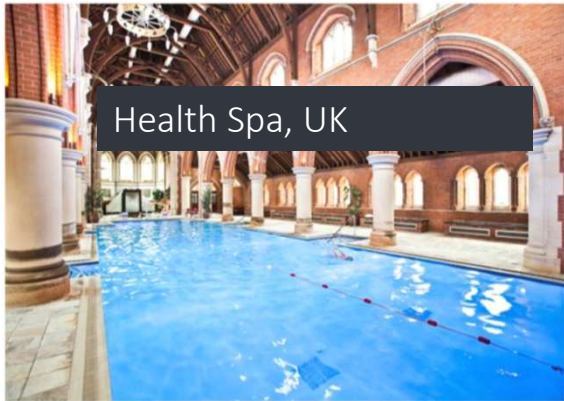
Brewery, USA



Skate Park, Spain



Post Office and Cafe, UK



Health Spa, UK



Restaurant, USA



Library, Canada

<https://www.bbc.co.uk/culture/article/20230825-10-churches-around-the-world-given-amazing-new-life>  
<https://www.ecnmy.org/engage/6-uses-churches-nothing-to-do-with-church/>

# How church buildings can become mission-driven assets

1. Worship + community hub
2. Serving community needs
3. Partnerships with other like-minded organisations
4. Convert unused spaces into income-generating spaces
5. Intergenerational ministry space
6. Hosting community events
7. Build for flexibility, not just function
8. Etc.



## Stanborough Park Church, Watford, UK

- Founded in 1927
- Extended for growing membership in 1962
- Stanborough Centre built in 2000



<https://stanboroughpark.adventistchurch.org.uk/our-spchurch-history>



**Stanborough Park Church, Watford, UK**

- Strong links with community
- Today Stanborough Centre contributes to missional purpose of the church
- Today 791 members

<https://stanboroughpark.adventistchurch.org.uk/our-spchurch-history>

# A strategic approach to property management

Properties in UK and Ireland		
Entity	Churches	Other
SEC	105	37
NEC	80	5
Missions	26	4
BUC	0	33
TOTAL	211	79

## Mission-Focused Stewardship

*Hubs for worship and outreach*

## Sustainable Maintenance

*Upkeep to preserve long-term value*

## Optimising Utilisation

*Identify opportunities for underused assets*

## Financial Planning

*Maintain financial health and fund growth*

## Risk Management

*Address legal, safety and compliance obligations*

## Future-Proofing

*Plan for growth, demographic changes and community needs*

## Collaboration and Oversight

*Alignment and accountability in property decisions*

## Genuine reasons why churches struggle to maximise use of buildings

- Emotional attachment to spaces – we've always done it this way.
- Lack of leadership bandwidth – pastors, elders, members already stretched.
- Fear of commercialisation – are we desecrating sacred spaces?
- Buildings not fit for flexible use – buildings designed for one-a-week worship.
- Resistance to change – fear of losing tradition, control or spiritual focus.
- Different understanding of stewardship – buildings as tools for mission.
- Legal/regulatory complexity – concerns about safeguarding, insurance, etc.
- Lack of time and/or confidence to manage buildings differently.

# Initial Property Stewardship Assessment for Church Boards

## Use and purpose

For each statement:  Strongly agree;  Agree;  
 Somewhat agree;  Disagree;  Strongly disagree.

- Our church building is actively used throughout the week.
- We have a clear vision for how our buildings support our local mission.
- Parts of our building are underused or unused for long periods.
- We've explored how our buildings could serve the wider community.

## Financial sustainability

For each statement:  Strongly agree;  Agree;  
 Somewhat agree;  Disagree;  Strongly disagree.

- We have a clear financial plan for building maintenance and upgrades.
- We've explored ways our building could generate income to support ministry.
- We regularly assess the cost-benefit of continuing to operate this building.
- Building costs are putting pressure on our church's overall budget.

## Mindset and culture

For each statement:  Strongly agree;  Agree;  
 Somewhat agree;  Disagree;  Strongly disagree.

- We view our building as a tool for ministry, not just a place of worship.
- We are open to creative or flexible use of spaces.
- Our leadership is equipped to make informed property decisions.
- We would consider repurposing, merging, or even relocating if it meant better mission outcomes.

- Mostly "Strongly Agree" or "Agree": On track toward managing your building as a mission-driven asset.
- Mixed responses: You may benefit from intentional discussion, consulting with your Conference/Mission, or outside expertise.
- Mostly "Disagree" or "Strongly disagree": It may be time to reassess how your building aligns with your mission — and whether bold decisions could unlock new opportunities.

## Key questions for reflection

*“Is this building helping us build disciples — or just accumulating bills?”*

- Properties should exist to serve people and purpose, not themselves.
- Every property decision must pass the mission test – does it help or hinder mission.

*“If the doors are closed most of the time, what gospel opportunity is being missed?”*

- Data shows church buildings are empty most of the week.
- Untapped space = untapped mission + untapped income.

*“Will this building serve the next generation, or be a burden to it?”*

- Plan for who your church will be, not just who it is now.
- Adaptability in space = longevity in mission.



In closing...

**Church buildings** are not monuments to the past. With faithful stewardship, they **become platforms for the future** — sacred not when they are old, but **when they serve God's purpose.**



Questions?

