CENTRAL CALIFORNIA CONFERENCE OF SEVENTH-DAY ADVENTISTS PLANNED GIVING AND PROPERTY MANAGEMENT

SCHOOL LEASE AGREEMENT INSTRUCTIONS

FIRST STEP - School Board and Constituency Approval

The Central California Conference Property Management Department now requires the local School Board to recommend to the local church-at-large any lease of church property. This could be on a one-time basis, a monthly basis or for a longer period such as a year or more. A church business meeting must be held approving the lease and recommending it to the Central California Conference Property Management Department for signatures. Minutes of both of these meetings showing the action and vote taken are to be sent to the Central California Conference Property Management Department along with the lease to be signed. The Pastor, Church Clerk and Head Elder must sign minutes.

SECOND STEP - Preparation of Leases

Two copies of the approved Lease Agreement should be prepared. After careful completion of all blanks, please obtain the signatures of your Tenant, your Church Pastor and Church Clerk on the final page. If both you and your Tenant wish to keep a lease with original signatures please complete a third lease and obtain original signatures on it.

THIRD STEP - Tenant Requirements

- 1. We require a copy of the Religious Exemption form (see Page 2, Item 7 of lease form), which your Tenant must obtain by first applying for an Organizational Clearance Certificate from the State Board of Equalization. The Religious Exemption at times is called a Church Exemption or Welfare Exemption form. This is your Tenant's claim for exemption from property taxes. This is essential since we must prove that you are leasing to an entity whose use qualifies for such an exemption, otherwise your property taxes may be increased.
- 2. We require from the tenant at minimum a \$1,000,000 liability insurance policy. This is fairly standard and will protect the tenant should anything happen while on the church property as well as provide protection for the Conference. The original Certificate of Insurance for the \$1,000,000 liability insurance policy must name **Central California Conference of Seventh-day Adventists**, 2820 Willow Avenue, Clovis, CA 93612, as Additional Insured.

FOURTH STEP - Approval by Central California Conference Property Management Department

Return all copies of the lease along with (a) Certificate of Insurance, (b) Tax Exemption form, and (c) Minutes from Church Board and Church Business Session for final approval with conference signatures.

FINAL STEP - Return of Signed Lease

As the final step, one or more completed leases will be returned to you for your church files and your Tenant. We will retain one original lease in our vault file.