

Diocese of Dallas

Policy on Purchases or Sales of Real Estate

“Entity” means any diocesan entity (parish, parochial school, diocesan high school, seminary, Catholic Charities of Dallas, Inc., St. Joseph’s Residence, Inc., Texas Catholic Newspaper, Calvary Hill Cemetery). This policy applies to all purchases and sales of real estate.

Diocesan Entities occasionally have a need to purchase real estate, whether improved property or vacant land, for expansion or relocation. Similarly, Entities may have occasion to sell real estate. This policy and procedures are designed to provide appropriate due diligence and oversight.

All purchases or sales of real estate by any Entity must be approved in advance by the Bishop.

1. The Entity will send a request letter to the Bishop requesting permission to buy/sell that outlines the reasons, preliminary cost, terms, funding, and financing, if any.
2. The Entity will then have a preliminary discussion with the Diocesan CFO.
3. The Bishop will respond to the Entity.
4. The Entity conducts preliminary transaction negotiations
5. The Entity submits a draft contract to the Diocesan CFO for review by CFO and Diocesan counsel. (Most contracts should be on the relevant Texas Real Estate Commission forms, available on the Commission’s website.) After the contract has been completed, it will require signatures and initials of the seller (or buyer), the Entity and the Bishop.
6. The Entity must submit a letter of Entity authorization signed by the Pastor or President and the Parish Finance Committee or Entity Board of Directors. A template can be obtained from the Diocesan CFO.
7. For property purchases, a title company must be selected. The Diocese can make a recommendation if necessary. A title commitment will be necessary from the title company. This will detect any lien or tax issues as well as any restrictions or covenants against the property that may need to be cured before closing. Enough time should be included in the contract to allow the Diocese and its counsel to review any restrictions.
8. A survey and a Phase I environmental report is required for any purchase of real estate. The title company can probably help with identifying a licensed surveyor and/or a qualified environmental review consultant or the diocese may be able to

help. If a lender is going to be involved, the lender will likely need to select the surveyor, appraiser and an environmental review firm.

9. Prior to the closing, the Diocese and diocesan legal counsel must review and approve all closing documents (settlement statement, draft deed, revised title commitment, affidavits, etc.)
10. For property purchases, the file-stamped recorded purchase deed and the original of the title insurance policy will be sent to the Diocese by the title company. The deed (purchase or sale), settlement statement, title policy (purchase only), fully executed contract, appraisal, survey, environmental review, etc. will be placed in the Diocesan Entity deed files at the Pastoral Center.
11. If the Entity needs to borrow funds to finance the purchase, please refer to the Policy on Financing.