

401 General Provisions

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401.1 Definitions and Scope:

This policy applies to the following:

Archdiocesan Schools - Any school that is owned and/or operated by the Archdiocese.

Independent Schools - Any school that is owned and operated by a religious community or owned by a civil corporation controlled by a lay Board of Directors.

Parish Schools - Any school that is owned and operated by a parish within the Archdiocese.

Interparish/Regional Schools - Any school that has been formed to serve two or more parishes in the Archdiocese and have parishes as sponsors and/or as affiliates of the school.

School buildings - Any building where the primary use is for the instruction of students or for the administration of educational programs.

School Funds - Any Catholic education fund for the furtherance of Catholic education administered by a governing body representing the Archbishop.

401.2 Approval of Sales and Leases:

All sales and leases of a school building require the approval of the Archbishop and will be managed by the Division of Facilities and Real Estate Management (DFREM).

401.3 Fee for Services:

A 5% fee on the sale price of a school building is paid to the Archdiocese for service involving these transactions, unless a third-party broker is retained. With respect to leases of school buildings, a fee equal to 5% of the total value of rent paid in the initial term (or any renewal term for existing leases) will be paid to the Archdiocese for services. The fee for leases will be paid only once for each lease.

Services include:

- Consultation services to identify highest and best use of property (excludes cost of appraisal).
- Advertising and marketing of property -preparing RFP's, mailings, postage, phone calls, open houses, walkthrough tours and inspections, posting of notices
- Assisting Parish or school with negotiations of business terms for sale or lease

- Legal work and title searches
- Preparation of contracts of sale, condominium regimes and lease documents
- Preparation of regulatory applications, registrations and permits in accordance with lease or sale
- Inventory and property conditions reports
- Representation at public presentations and forums
- Research of credit worthiness of tenants.

401.4 Approval Required for Third-Party Brokers:

Third-party brokers are generally not used in real estate transactions, and may be retained only with the written approval of the Executive Director of the Division of Management Services (DMS) and in coordination with DFREM.