

Sample

Housing Agreement

THIS HOUSING AGREEMENT (the "Agreement") dated as of _____, 20_____, by and between JOHN SMITH ("Smith") [the cleric] and ST. PAUL'S EPISCOPAL CHURCH, a nonprofit religious corporation (the "Parish").

Recitals

A. Smith intends to purchase as his separate property the improved real property located in Any City, County of Anywhere, State of California, commonly known as 733 Third Avenue (the "Property").

B. The total purchase price of the Property, exclusive of any closing costs, escrow fees, loan fees and similar charges, is One Hundred Sixty Thousand Dollars (\$160,000).

C. Smith has asked the Parish to advance into escrow Forty Thousand Dollars (\$40,000) to be applied to the purchase price of the Property, which amount represents twenty-five percent (25%) of the total purchase price.

D. Smith intends to contribute Twenty Thousand Dollars (\$20,000) toward the purchase price of the Property and to borrow One Hundred Thousand Dollars (\$100,000) from a lending institution, which indebtedness is evidenced by an installment note, secured by a first deed of trust on the Property, to which this Agreement is to be subordinated. Smith represents that he has informed said lending institution of the existence of this Housing Agreement. The amount paid by Smith, together with the first loan obligation to be paid by him, will represent seventy-five percent (75%) of the total purchase price.

E. The parties desire to provide for the recognition of the respective interests of Smith and the Parish in the Property.

Agreement

The parties accordingly agree as follows:

1. The Parish shall advance Forty Thousand Dollars (\$40,000) and Smith shall advance Twenty Thousand Dollars (\$20,000) into escrow as designated by Smith so that Smith may purchase the Property. In the event escrow does not close on or before _____, 20_____, the escrow holder shall return the Parish's advance to the Parish and this Agreement shall be null and void. In the event escrow closes, the Bishop shall have a 25% interest and Smith shall have a 75% interest in the Property, as described in and subject to paragraph 4, below.

2. Smith shall hold fee title to the Property subject to a first deed of trust securing a promissory note in the amount of One Hundred Thousand Dollars (\$100,000). Smith shall be solely responsible for the payment of principal and interest on said promissory note, and any and all third party claims arising from or related to his ownership of the

Property. The Parish shall be named as an additional insured on Smith's insurance policy for the Property.

3. Smith agrees to purchase the 25% interest of the Bishop in the Property concurrently with the sale of the Property upon close of escrow or upon his ceasing to be employed as the Rector of St. Paul's Episcopal Church for any reason, including but not limited to his resignation, reassignment, retirement, disability, incapacity, or death.

4. The purchase of the Parish's interest shall be twenty-five percent (25%) of the sale proceeds of the Property, or twenty-five percent (25%) of the fair market value of the Property as appraised, subject to adjustment, if any, for capital improvements as set forth in Section 6 of this Agreement. If the parties are unable to agree on a fair market value within twenty (20) working days of the occurrence of an event (other than sale) set forth in Section 3 above, the parties shall attempt to agree on an appraiser who shall appraise the Property and determine its fair market value. If the parties are unable to agree upon an appraiser within five (5) working days, each party shall select an appraiser within five (5) working days thereafter, and the two appraisers shall select a third within five (5) additional working days. The appraisers so selected shall be real estate brokers or MAI appraisers with at least five years experience evaluating residential real property values in

Anywhere County, qualified by reason of education or experience to appraise and determine the fair market value of the Property. The three appraisers so selected shall separately appraise the Property and the fair market value of the Property shall be an average of the two closest appraised values. Smith shall bear 75% and the Parish 25% of the cost of such appraisals.

5. The purchase price shall be paid upon the close of escrow in the event of a sale of the Property to a third party, within thirty (30) days following the conclusion of the appraisal process described in paragraph 4 above, within sixty (60) days in the event Smith and the Parish agree upon the purchase price, or within ninety (90) days following the date on which Smith ceases to be employed as the Rector of St. Paul's Episcopal Church, including but not limited to the date of his incapacity, disability, resignation, reassignment, retirement, or death.

6. It is agreed that Smith may make capital improvements to the Property. If such improvements are in excess of One Thousand Five Hundred Dollars (\$1,500) in any calendar year and are capital in nature and recognized as such by general accounting principles, then the cost of said capital improvements shall be amortized over a period of ten (10) years, without interest, commencing with the calendar year in which such improvements are effected, and the unamortized amount shall be deducted from the sale or appraised value of the Property before the value of the equity interest of the Parish is determined.

7. Smith agrees, at his sole cost and expense, to make all payments required under the terms of the note and perform all obligations under the first deed of trust, to maintain the Property in good order and repair, to maintain and pay premiums on fire and extended coverage insurance covering the improvements in an amount and with a carrier acceptable to the Parish, naming the Parish as an additional insured, and to pay all property taxes and assessments levied with respect to the Property.

8. Smith may not do the following acts without the prior written consent of the Parish, which consent shall be in the Parish's sole and absolute discretion: (a) lease or otherwise assign its interest in the Property; (b) obtain any additional financing for the Property other than that referred to herein; or (c) perform any work or repairs on the Property which could result in mechanics lien(s) in an aggregate amount in excess of \$20,000.

9. It is agreed that the interest of the Bishop shall be acknowledged in a Memorandum of Agreement referring to the Property, to be recorded in the Office of the Recorder of the County of Anywhere, State of California.

10. Any notice which any of the parties shall be required, or may desire, to give the other parties shall be in writing, delivered personally or sent by U.S. Certified Mail, as follows:

To Smith:

John Smith
733 Third Avenue
Anycity, CA 90000

To the Parish:

St. Paul's Episcopal Church
1233 First Street
Anycity, CA 90000

Notice sent by mail shall be deemed delivered forty-eight (48) hours after deposit in the U.S. Mail addressed as aforesaid.

11. This Agreement may be modified only by further written agreement duly executed by the parties.

12. This Agreement shall inure to the benefit of and be binding upon the heirs, legal representatives, successors, and assigns of the parties thereto.

IN WITNESS WHEREOF, the parties have executed this Agreement in triplicate on the date first written above.

John Smith

For St. Paul's Episcopal Church, a nonprofit religious corporation

By: _____
Susan Jones, Senior Warden