

## Chapter Six

# CHURCH PROPERTY

### Section I. All Titles—In Trust

¶ 2501. *Requirement of the Trust Clause for All Property*—1. All properties of United Methodist local churches and other United Methodist agencies and institutions are held, *in trust*, for the benefit of the entire denomination, and ownership and usage of church property is subject to the *Discipline*. This trust requirement is an essential element of the historic polity of The United Methodist Church or its predecessor denominations or communions and has been a part of the *Discipline* since 1797. It reflects the connectional structure of the Church by ensuring that the property will be used solely for purposes consonant with the mission of the entire denomination as set forth in the *Discipline*. The trust requirement is thus a fundamental expression of United Methodism whereby local churches and other agencies and institutions within the denomination are both held accountable to and benefit from their connection with the entire worldwide Church.

In consonance with the legal definition and self-understanding of The United Methodist Church (see ¶ 141), and with particular reference to its lack of capacity to hold title to property, The United Methodist Church is organized as a connectional structure, and titles to all real and personal, tangible and intangible property held at jurisdictional, annual, or district conference levels, or by a local church or charge, or by an agency or institution of the Church, shall be held in trust for The United Methodist Church and subject to the provisions of its *Discipline*. Titles are not held by The United Methodist Church (see ¶ 807.1) or by the General Conference of The United Methodist Church, but instead by the incorporated conferences, agencies, or organizations of the denomination, or in the case of unincorporated bodies of the denomination, by boards of trustees established for the purpose of holding and administering real and personal, tangible and intangible property.

2. The trust is and always has been irrevocable, except as provided in the *Discipline*. Property can be released from the trust, transferred free of trust or subordinated to the interests of creditors and other third parties only to the extent authority is given by the *Discipline*.

3. Local churches and other United Methodist agencies and institutions may acquire, hold, maintain, improve, and sell property for purposes consistent with the mission of the Church, unless restricted or prevented by the *Discipline*.

¶ 2502. *Registration of the Name United Methodist*—The words *United Methodist* are not to be used as, or as a part of, a trade name or trademark or as a part of the name of any business firm or organization, except by corporations or other business units created for the administration of work undertaken directly by The United Methodist Church. The General Council on Finance and Administration is charged with supervision and registration of “United Methodist” and the denomination’s insignia (¶ 807.10 and ¶ 807.11).

¶ 2503. *Trust Clauses in Deeds*—1. Except in conveyances that require that the real property so conveyed shall revert to the grantor if and when its use as a place of divine worship has been terminated, all written instruments of conveyance by which premises are held or hereafter acquired for use as a place of divine worship or other activities for members of The United Methodist Church shall contain the following trust clause:<sup>1</sup>

*In trust, that said premises shall be used, kept, and maintained as a place of divine worship of the United Methodist ministry and members of The United Methodist Church; subject to the Discipline, usage, and ministerial appointments of said Church as from time to time authorized and declared by the General Conference and by the annual conference within whose bounds the said premises are situated. This provision is solely for the benefit of the grantee, and the grantor reserves no right or interest in said premises.*

2. All written instruments by which premises are held or hereafter acquired as a parsonage for the use and occupancy of the ministers of The United Methodist Church shall contain the following trust clause:

*In trust, that such premises shall be held, kept, and maintained as a place of residence for the use and occupancy of the ordained ministers of The United Methodist Church who may from time to time be entitled to occupy the same by appointment; subject to the Discipline and usage of said Church as from time to time authorized and declared by the General Conference and by the annual conference within whose bounds the said premises are situated. This provision is solely for the benefit of the grantee, and the grantor reserves no right or interest in said premises.*

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1. See Judicial Council Decision 688.

3. In case the property so acquired is to be used for both a house of worship and a parsonage, the provisions of both trust clauses specified in §§ 1 and 2 above shall be inserted in the conveyance.

4. In case the property so acquired is not to be used exclusively for a place of worship, or a parsonage, or both, all written instruments by which such premises are held or hereafter acquired shall contain the following trust clause:

*In trust, that said premises shall be kept, maintained, and disposed of for the benefit of The United Methodist Church and subject to the usages and the Discipline of The United Methodist Church. This provision is solely for the benefit of the grantee, and the grantor reserves no right or interest in said premises.*

5. When property is acquired from another United Methodist entity or organization, whether it is to be used as a place of divine worship, parsonage, or other use, all written instruments by which such premises are held or hereafter acquired shall contain the following trust clause:

*In trust, that said premises shall be held, kept, maintained, and disposed of for the benefit of The United Methodist Church and subject to the usages and the Discipline of The United Methodist Church.*

6. However, the absence of a trust clause stipulated in §§ 1, 2, 3, 4, or 5 above in deeds and conveyances executed previously or in the future shall in no way exclude a local church or church agency, or the board of trustees of either, from or relieve it of its connectional responsibilities to The United Methodist Church. Nor shall it absolve a local church or church agency or the board of trustees of either, of its responsibility and accountability to The United Methodist Church, including the responsibility to hold all of its property in trust for The United Methodist Church; provided that the intent of the founders and/or a later local church or church agency, or the board of trustees of either, is shown by any or all of the following:

a) the conveyance of the property to a local church or church agency (or the board of trustees of either) of The United Methodist Church or any predecessor to The United Methodist Church;

b) the use of the name, customs, and polity of The United Methodist Church or any predecessor to The United Methodist Church in such a way as to be thus known to the community as a part of such denomination; or