

Date: August 8, 2023

To: Storm Lake United Methodist Church Members

Re: Church Parsonage

Through several sets of Church Trustees over the past years there have been discussions on how we could update our current Ministerial Parsonage situation. As you know we previously owned two (2) parsonages – One (1) Adjacent to the church and the other at 821 Angier Dr. We sold the older 2-story parsonage adjacent to the church in 2022 and retained the newer Angier Dr. unit. The Angier unit has been adequate but is very small and may not meet all current requirements for a church owned parsonage. In fact, at 1,290 SF, it is the smallest of Methodist parsonages researched in towns similar to Storm Lake. Examples include:

- Clear Lake – 1,928 SF
- Spencer – 2,420 SF
- LeMars – 1,838 SF
- Spirit Lake – 1,764 SF
- Harlan – 1,498 SF (plus 888 SF finished basement area)
- Algona – 1,736 SF
- Storm Lake – 1,290 SF

The Angier unit has a small “galley” type kitchen with only two (2) bedrooms on the first floor. A portion of the basement is finished with a bedroom and a bathroom. The garage is small at only 484 SF and is hampered by steps that go into the kitchen restricting the size of vehicle that can be parked on one side and the amount of storage that can be placed elsewhere.

An opportunity has arisen on a house that the trustees feel would be ideal for an update to our current situation and an investment for the future. Brent and Sarah Low will be moving to Clear Lake and have offered to sell their home at 708 Prairie Lane to the Church prior to placing it on the market. The house was built in 2000 by Dave (Whitey) Leonard. It is a ranch home with 1,840 SF of living space on the ground floor and approximately 1,200 SF of finished basement with an open staircase. The floor plan is very open with a kitchen, dining and living room area all connected. In addition, there are three (3) bedrooms and two (2) full bathrooms on the first floor. The master bathroom has recently been remodeled and includes a walk-in-shower and a standalone bathtub. The finished portion of the basement includes one (1) large mixed-use room with two (2) bedrooms each with egress windows and a full-sized bathroom. The unfinished portion of the basement includes storage space along with the mechanical and plumbing items for the home. There is an oversized three (3) stall (1,032 SF) garage with extra space for storage in front of the third stall. The Heating/Air Conditioning system was replaced in 2016. The roof was recently resingled with metal shingles with a 50-year expected life. The kitchen appliances stay with the house (stove, microwave, refrigerator, dish washer). A recent picture of 708 Prairie Lane follows.



The house was offered to the church at \$417,000 before listing. The trustees have countered with an offer of \$400,000 which has been accepted pending approval by the Church Charge Conference. A professional appraisal and a professional inspection will take place before the Charge conference.

If approved, we plan to pay for the house using the proceeds from the sale of the former parsonage next to the church (\$146,000 currently in CD's) plus the proceeds from the sale of the existing parsonage (estimated at \$225,000+/-) plus short term financing or fund raising for the remainder (\$29,000+/- depending on the sale price of the existing unit). Methodist church rules only allow funds from the sale of Church property to be used for purchase or improvements to other Church property and not for routine maintenance or budgetary items. The Trustees believe this is an unique opportunity to use the equity that we have from the old Church Parsonage coupled with the equity that we can expect from the sale of the existing Parsonage plus a small short term loan to update our current Parsonage and make it viable well into the future.

The process to purchase property for the Church includes action by the Board of Trustees followed by a request by the Administrative Board to the District Superintendent to call a Church/Charge conference. The Church/Charge conference will request the approval to:

1. Allow the sale of the Angier Street parsonage with the proceeds going to the purchase of 708 Prairie Lane
2. Allow the purchase of 708 Prairie Lane

Please accept this as your invitation to attend a Church/Charge Conference to be held following the church service Sunday August 27 at approximately 11:15 AM. At that time questions may be addressed to the Trustees and others concerning this matter. Your prayerful consideration of this matter will be addressed at that time.

Debra DeHaan, Trustee Co-Chair
Bruce Millbrandt, Trustee Co-Chair