

## **Questions about our June, 2004 Land Purchase Answers by Msgr. Belford + July 14, 2004**

1. Why did we buy more land than we need?

We had to. Our present 10 acres did not allow us to expand our facilities. Ideally, we want to build a gymnasium, classrooms, large church, and rectory on this site. To do that, we need at least 25 more acres to satisfy the zoning rules here: e.g., only 15% of the land can be covered with an impermeable surface. That includes all roads and all parking for hundreds of cars, as well as the footprint of the buildings themselves. This spring we were negotiating to buy those 25 acres for \$850,000. Then the sellers changed the deal, take-it-or-leave-it: all their 70 additional acres, including a large section of wetlands, on this side of Rt. 82, for \$1,000,000.

2. Couldn't you get the price down?

During my first month here, I contacted the owners of the property [a company called Trade Farms, Inc.] for a gift of land to our parish. They asked instead for \$50,000 an acre, and did not budge much later. We did not have equal bargaining positions, in that Kateri Church could not walk away from a deal because our building and congregation is already in place here. We feel we did well with the circumstances we faced. Cardinal Egan, who was informed at every stage and kept giving us his approval, sent us a letter of congratulations when the papers were signed.

3. Who did the negotiations?

We had expert assistance from the Archdiocese for both the negotiations and the financing of this purchase. The Archdiocese, partly with your gifts to the Cardinal's Appeal, employs expert laypeople, including David Brown, Director of Real Estate, and Peter Byrne, Director of Parish Finance. I did my part, in constant consultation with our parish attorney, Robert Young, and an Archdiocesan lawyer, Rod Cassidy. These people did very professional work for us, giving valuable service and advice.

4. How did we pay for this land?

With a loan from M&T Bank guaranteed by the Archdiocese. Prior to this purchase of 70 acres, we owed the Archdiocesan Loan Fund a total of \$1.3 million for ten acres purchased in 1993, for our church building, and for the rectory/office at 1810 Rt. 82. The interest rate on that debt is a very low 5%. [Since July, 2002, we have paid \$88,640 to the Archdiocesan Loan Fund for the interest and to reduce the principal.]

Unable at this time to loan us more, the Archdiocese helped us negotiate a unique ten year, one million dollar loan from M&T Bank at just 1.5% above their cost of funds. We will pay 6.70% on this loan, with no penalty for early repayment.

5. So how much do we need each month to repay M&T for their loan?

\$8,821.

6. What can I do now for the future of our parish?

I respectfully ask every parishioner who can to help us by contributing to the Sunday collection, and even sending a check during the times you are on vacation. We also need to plan significant new fundraising. The enclosed green paper will show you one example. We can also use your larger special gifts. We have a new account called **HELP OUR PARISH GROW**. Special contributions, memorial gifts, bequests, wills, donations with tax advantages to you – we will gratefully save your donations in the **HELP OUR PARISH GROW** account and use them for our future expansion.