



## Report from the Chancellors of the Diocese

# *How real property is held within the Episcopal Diocese of Fort Worth*

## **Introduction**

Over the past several months, a great deal of interest has been expressed concerning the ownership of church property in the Episcopal Diocese of Fort Worth. A fair amount of misinformation has been bandied about in various forums.

In the interest of clarifying this matter, I have asked the Diocesan Chancellors to issue an explanation that I could share with you. Their very helpful statement is below. If you wish to refer to our Constitution and Canons in greater detail, they are available in the "Documents and Publications" section of the Web site. Please share this statement with your vestries, as well as any other interested parties.

*The Rt. Rev. Jack Leo Iker*  
Bishop of Fort Worth  
October 15, 2007

---

## **HOW REAL PROPERTY IS HELD WITHIN THE DIOCESE OF FORT WORTH**

In the early 1980s, a decision was made to carve a new Diocese – the Diocese of Fort Worth – from the old Diocese of Dallas. It would include Tarrant County and 23 other western and neighboring counties.

At this same time, there were discussions on how to retitle the property within the new diocese. Prior to this time the property had been held in the name of the Bishop of the Diocese of Dallas or his successor in office. This was traditional in most dioceses of the Episcopal Church and had served well for literally decades. In these new times, however, there were occasions when our bishop would be away from the diocese for extended periods. Therefore, real estate closings had to be continued until such time as the bishop was back in residence. Today fax machines, e-mails and FedEx would help us keep things going but those were not universally available, if at all, in the early 1980s.

A new plan was adopted to retitle the real property of the diocese in the name of a corporation which would be called "Corporation of the Episcopal Diocese of Fort Worth."

This not-for-profit corporation was set up to hold and service the real property within the diocese, and it became infinitely more efficient than waiting for the bishop to return from an extended trip since the corporation was always open for

business. It did, however, take a far-sighted and gracious bishop to agree to relinquish the real property traditionally held by him.

It would have been a strenuous task to deed all of the real properties of the diocese from the bishop to the newly formed corporation. Consequently, a lawsuit was filed in the district court of Dallas County, Texas. Its purpose was to obtain a court order that all real properties formerly standing in the name of the bishops of the Diocese of Dallas but now physically located within the 24 counties comprising the new Diocese of Fort Worth would henceforth be held in the name of Corporation of the Episcopal Diocese of Fort Worth. That Judgment was later recorded in all of the 24 counties of the new diocese.

At the primary convention of the Episcopal Diocese of Fort Worth on November 13, 1982, Article 14 of the Constitution was adopted to support the new corporation.

**Article 14 of the Constitution as amended to date provides in part as follows:**

*The title to all real estate acquired for the use of the Church in this Diocese, including the real property of all Parishes and Missions, as well as Diocesan Institutions, shall be held subject to control of the Church in The Episcopal Diocese of Fort Worth acting by and through a corporation known as "Corporation of the Episcopal Diocese of Fort Worth." All such property as well as all property hereafter acquired for the use of the Church in the Diocese, including Parishes and Missions, shall be vested in Corporation of the Episcopal Diocese of Fort Worth.*

*The second provision restates that the corporation holds title in trust for such parish or mission but that the income and expenses attributable thereto belong to the parish or mission.*

*The third provision holds that there shall be no conveyance or encumbrance of any kind unless executed by the corporation or as otherwise provided by the canons.*

**Canon 18, TITLE TO PROPERTY at Section 2, as amended to date, provides in part that:**

*Real property acquired by the Corporation for the use of a particular Parish, Mission or Diocesan School shall be held by the Corporation in trust for the use and benefit of such Parish, Mission or Diocesan School. It is immaterial whether such acquisition is by conveyance to the Corporation by a Parish, Mission or Diocesan School now holding title, by the Bishop now holding title as a corporate sole, by a declaratory judgment upon division from the Diocese of Dallas, or by subsequent conveyance to the Corporation, so long as such property was initially acquired by a Parish, Mission or Diocesan School by purchase, gift or devise to it, as a Parish, Mission, or Diocesan School.*

**Sec 18.4 as presently amended, provides in part as follows:**

*Property held by the Corporation for the use of a Parish, Mission or Diocesan School belongs beneficially to such Parish, Mission or Diocesan School only. No adverse claim to such beneficial interest by the Corporation, by the Diocese, or by The Episcopal Church of the United States of America is acknowledged, but rather is expressly denied.*

*The Honorable William T. McGee*  
Chancellor, Episcopal Diocese of Fort Worth

*Rickey J. Brantley*  
Assistant Chancellor, Episcopal Diocese of Fort Worth

*N. Michael Kensel*  
Chancellor Emeritus, Episcopal Diocese of Fort Worth

October 15, 2007