

**Report of the Presbytery of Western North Carolina
Montreat Team
October 16, 2012**

It is with thanksgiving to the Lord of the Church that the Montreat Team informs the Presbytery of Western North Carolina that a settlement has been reached between the Presbytery (allied with the Montreat Presbyterian Church) and the Montreat EPC congregation. As you will remember, the Presbytery (Meeting on April 24, 2012) gave the Montreat Team the authority to act on its behalf to approve an acceptable settlement. After many meetings, much prayer, and the invaluable advice and guidance of our legal team, we are pleased to report that last minute efforts to avoid a costly and divisive trial have proven successful and a settlement has been approved. We plan to provide a thorough and complete report on the details of this settlement at the October meeting of Presbytery, but in the meantime wanted to share with you the highlights of the settlement as quickly as possible.

All parties have agreed:

1. that the name "Montreat Presbyterian Church" will be retained by the PCUSA congregation and the EPC congregation will select a new name that does not include the words "Montreat" and "Presbyterian" consecutively, so that any possibility of confusion between the two churches is minimized.
2. that all gifts or bequests clearly designated for the Montreat EPC congregation will be the property of that congregation; other such gifts will be the property of the Montreat Presbyterian Church, PCUSA.
3. that all records of the Montreat Presbyterian Church from its formation until the 2007 dismissal of members to the EPC will be deposited with the Presbyterian Heritage Center Society in Montreat, where each congregation will have free access to such records, without any exclusive right of ownership being vested in either church.
4. that all parties acknowledge and agree that the property trust provisions of the Book of Order of the Presbyterian Church (USA) are and were, by their express terms, applicable to all PCUS and all UPCUSA churches immediately before the 1983 reunion and also to all PCUSA churches after reunion. A 'Motion to Claim Exemption for Church Property' recorded with the Buncombe County Register of Deeds by the Montreat EPC congregation shall be corrected by filing an amended document to substitute the correct version of the Book of Church Order – the one containing a trust clause – as an exhibit.
5. that the Montreat EPC congregation shall be given title to the property in dispute and agrees that the property shall not be used as a denominational headquarters or conference center by any denomination other than PCUSA and that if the property is sold within ten years, there will be a right of first refusal in favor of the Montreat Presbyterian Church PCUSA.
6. that the Montreat EPC congregation shall pay to the Presbytery of Western North Carolina the sum of \$300,000.00 over four years in full satisfaction of all claims. Please remember that the Montreat Team was also charged at the April 24, 2012 meeting of Presbytery with the responsibility "to propose and prepare for the distribution and application of any funds which may be awarded to the Montreat PCUSA congregation and/or the Presbytery." We plan to prepare a proposal as quickly as possible for discussion and vote at a future Presbytery meeting.

It is the hope and prayer of the Montreat Team that this settlement will begin the process of healing in the Montreat community. We ask the members of our Presbytery to make a concerted effort to be instruments of God's grace and peace as together we seek to restore broken relationships with our brothers and sisters in the EPC congregation. We are thankful for the Presbytery's patience and support throughout this difficult process and pray for God's blessing on both the Montreat Presbyterian Church (USA) and Montreat EPC congregations.

Montreat Team

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