

## A HOME FOR NBC WESTLANDS:

### Introduction:

The 2016-2020 Nairobi Baptist Church strategic plan envisions us planting five churches in the five year window of implementation. On Pentecost Sunday, 4<sup>th</sup> June 2017 NBC-Westlands Church was launched and weekly Sunday Services commenced at Pride-Inn Hotel (near Graffins College). An average of 100 people regularly attend with a Sunday school of about 30 children. About 35 youth also regularly come together.

### The Search for a Permanent Home:

The Lead Pastor, Rev. Erastus Weru, the entire SMT and the leadership team at NBC Westlands have been looking at possible venues to settle the church either on a lease basis or on long term. The outcome of the search can be seen in the table below:

	FACILITY	PURCHASE PRICE	LEASING COSTS	COMMENTS
1.	Lower Kabete Rd. Plot Size: 4 acres	Ksh. 800M or Ksh. 200M per acre	Ksh. 1.2 m per month. Condition: commercial lease of 6 years.	Conditions would be too binding and costly therefore inappropriate.
2.	Lower Kabete/Ngecha Rd Plot. Size: 3.7 acres	Prize Ksh. 150M per acre OR Ksh. 555M	Figure given: More than Ksh. 400,000 per month Condition: Short notice to vacate if buyer is found	Exorbitant and short notice not convenient. We still would need to invest in clearing trees and putting up a marquee and setting up our own chairs and PA system only to be vacated at short term.
3.	Peponi Rd. Plot Size: 4 acres	Prize 450M	Ksh. 650,000 per month	Very well developed houses on land that at one point housed the Somali President. Could be used as a guest house as part of the land used for church facility. Rather hidden and inaccessible for a church but quite a prime property.
4.	Ngecha Rd. Size: 2.5 acres 4 Bedroom Bungalow in usable condition on the land	Prize 230M Or 92m per acre	For 9 months @ Ksh. 200,000 Condition: Lease to be accompanied with a guarantee to buy when lease expires	<b>The most accessible and convenient of all the sights visited. Would be fairly central to all the neighborhoods targeted. Worth considering for NBC Westlands home, if still available.</b>
5.	Peponi Road School	Not for sale	Not available	
6	Runda plot	Prize 70 m per acre	150,000 per acre	Too far from bus stop and not easily accessible by Matatu, not suitable for a church facility.
7	Farasi Lane School	Not for sale	Not available	

	FACILITY	PURCHASE PRICE	LEASING COSTS	COMMENTS
8.	Commission For Higher Education Centre	Not for sale	Not Suitable	Do not have a hall. Land on back of building slanting and one cannot put a temporary marquee tent without excavations, which may not be allowed for a non-permanent structure.
9.	Potters House Sch. Runda	Not for sale	Available	Not suitable, too far from the bus stop. Not easily accessible.
10.	Pride Inn Hotel: (Current church meeting Place)	Not for sale	Ksh.105,000 per Sunday or Ksh. 420,000 per month. Figure likely to increase as attendance increases	The hotel is providing hall, seats, a screen and a projector, two Sunday school rooms, and tea and snacks for 100 people. Services on going here.
11.	3542 Sq Ft. Build up Area on ground floor at Spring Valley Business Park in Spring Valley.	Purchase Ksh. 65.4 M	Lease: Ksh. 450,000 per month	Available immediately with little improvements. Within access to Westlands CBD. Downside is that it is limited space and we have no control what other neighbours above are doing. Growth will be a challenge
12.	8463 sq ft . Built up area on 1st Floor at Westery Office Suites on Mpesi Lane off Muthithi Rd Westlands	Purchase @ KSh. 12500 = per sq ft. OR floor @ Ksh. 105M.	Lease Ksh 1.1 M/month	A whole floor would be adequate for all our services. A Hall with 200Pax Separate Sunday School Space and can be curved out. Close to an ICC church and Parklands Baptist. Parking challenge

**Preferred Choice no.4: 2.5 Acre Land on Ngecha Rd in Spring Valley.**

1. Situated about 100 Meters from Ngecha Rd/Lower Kabete Rd Junction.
2. Has a 4 Bedroomed Bungalow in usable condition.
3. Services are connected. (Electricity, water and sewerage)
4. The use is already converted from residential to commercial
5. The property can have wide range of uses as the NBC Westlands has a clean slate to work on.

**Challenge: One other group is also interested in the land and is currently conducting due diligence.**

**Proposal:**

Make a two process agreement with the land owner.

**1. Lease agreement:**

Sign a lease agreement as follows:

- 1.1. Lease the land (with the house) for Ksh. 200,000 per month beginning January 2018
- 1.2. Lease the land for a period of 9 months (owner prefers this)
- 1.3. We occupy the premises from January when the lease begins until September 2018

## 2. Purchase agreement:

- 2.1. The lease above is based on the premise that at the expiry of the lease the church will purchase the land.
- 2.2. Should the members approve the purchase of the land, then we would need to issue a letter of undertaking to purchase the land for Ksh. 230M at the same time as we sign the lease agreements.
- 2.3. Normally there would be a 10% deposit required (Ksh.23M) and the remaining amount to be paid in 90 days. This we hope to commence at the expiry of the lease.
- 2.4. This will require that the church takes a loan facility to make this payment.
- 2.5. The seller is not aware that the church is looking at the **second option** of getting some members of the church who would purchase the one and half acres. He is dealing only with the church and the church is the one that will need to make the decision to sell the other one and a half acres.
- 2.6. The sale arrangements to others could be immediate or long term.

## RESOLUTION:

- 1) To consider and if approved pass the resolution to purchase land to settle Nairobi Baptist Church – Westlands under one of the following options:

### OPTION 1: Purchase 2.5 acres LR No. 4950/10 along Ngecha Road

“THAT the Registered Trustees be and are hereby authorized to purchase the two and a half (2.5) acres of land, which is the property known as **L.R. No.4950/10** measuring approximately 2.5 acres and situated off Ngecha Road, Nairobi, at a cost of Kenya Shillings two hundred and thirty Million (Kshs. 230,000,000.00) only.”

### OPTION 2: Purchase 1 acre excised off LR No. 4950/10 along Ngecha Road

“THAT the Registered Trustees be and are hereby authorized to purchase One (1) acre of land, (to be excised from the property known as **L.R. No.4950/10** measuring approximately 2.5 acres and situated off Ngecha Road, Nairobi), at a cost of Kenya Shillings Ninety-Two Million (Kshs 92,000,000) only *(The remaining 1.5 will be purchased by a private and separate limited company whose shares will be owned by some individual members of NBC for their own benefit.)*”

- 2) “That having passed the resolution to purchase the land as above, the members hereby approve Nairobi Baptist Church to borrow, from a credible financial institution, for purposes of financing the unfunded portion of purchase price of the said piece of land and to secure such borrowing by the creation of a legal charge on one of the existing properties of the church.”