

Jerusalem homeowners distressed by Greek Orthodox Church's land sales

The financially strapped church sold property to private investors in a way that critics see as secretive.

by [Michele Chabin](#) in the [February 13, 2019](#) issue

Six years ago, when Irene Grossman purchased her home in Talbiyeh, an upscale neighborhood in central Jerusalem, she knew that the Greek Orthodox Church owned the land.

But she never dreamed that the church, the second largest landowner in the country after the Israeli government, would quietly sell the land out from under her.

Like thousands of Israeli property owners, Grossman believed that the church, which in 1950 leased the land to the Keren Kayemeth Lelsrael Jewish National Fund, a Jewish land procurement agency, would renew the lease once it expired in 2051.

Instead, the financially strapped church sold the land two years ago to a group of private investors who are now asking homeowners to shell out “large” sums of money to buy the land under their properties, Grossman said. She heads a group called Citizens Property Rights which is trying to find a solution for approximately 1,100 homeowners affected by the sale.

“A lot of the people living in our neighborhood are older people, and unless they can sell their homes, many won’t have the money to move into assisted living or a nursing home,” she said. “Our only hope now . . . is that KKL will mediate with the new owners to come up with a fair price to extend our leases.”

The sale of church-owned land is a hot-button topic in Israel, where private homes, hotels, and even the Israeli parliament stand on parcels that various churches leased to them decades ago. Some Palestinians in East Jerusalem are in a similar bind.

While no one denies that the churches have the right to sell their property, many have questioned the lack of transparency from both the church and KKL-JNF about the transactions. An investigation by the newspaper *Haaretz* found that in one transaction, the Greek Orthodox Church sold more than 200 apartments, a commercial center, and undeveloped land for \$3.3 million to an anonymous foreign company registered in a tax shelter. A single apartment in Jerusalem typically costs hundreds of thousands of dollars.

“In a few decades, when the existing leases for those lands expire, their fate will be determined by those unknown purchasers,” the newspaper noted.

Although Israeli lawmakers put forth legislation that would invalidate church land sales and nationalize the property, Prime Minister Benjamin Netanyahu thwarted such attempts after an outcry from Holy Land church leaders, who insist the transactions are legal. The proposed legislation, and attempts by the Jerusalem municipality to tax church property, spurred church officials to temporarily shutter the Church of the Holy Sepulchre last February in protest.

While most local Christians publicly support the churches, privately some have reservations about how the sales are being conducted, and why.

“Our Christian communities are furious,” said Wadie Abunassar, a Christian activist, citing the secrecy with which the deals were handled and how the money was being spent afterward. “I can understand the need to sell property. Sometimes you have to pay taxes or the location is problematic. But the church is not a private company. It serves the community and the community must be informed before such sales are made. Maybe someone from the community would be ready to buy.”

A senior official from the General Secretariat of the Greek Orthodox Church in Jerusalem, who was not willing to be named, defended his church’s land sales. The money from these sales helps sustain local churches, monasteries, clergy, schools, and clinics in Israel, the West Bank, and Jordan, he said.

“We have always sold land,” he said. “The only difference is that now it’s landed in the media and various factions from all sides are trying to weaken the church and use it as a political football.”

He noted that a past incident affected the church’s relationship with the agency KKL-JNF: “In the late 1990s, two fraudsters approached KKL and convinced them to pay

\$20 million to renew the leases. They forged the patriarch's signature and had it notarized. A few weeks later we learned of the fraud and eventually \$4.5 million of that money was recovered. The patriarchate and KKL were both victims."

After that, the official said, KKL-JNF was prepared to renew the leases—for \$4.5 million. The patriarch refused, insisting on \$20 million, the same price KKL-JNF had paid to the criminals.

In 2016 the church sold the land in Talbiyeh, as well as other properties, to Nayot Komemiyut, a group of private Jewish investors, for \$42 million.

According to the church official, KKL-JNF could have called the patriarchate at any time and negotiated a deal, "but KKL didn't do that."

A KKL-JNF representative, who also preferred anonymity, responded that "throughout the years, the church refused to sell the lands to KKL-JNF. In 2000 KKL-JNF made another attempt to acquire the land rights, a deal which turned out to be fraudulent as KKL-JNF fell victim to a case of deception. The first time the Greek Orthodox church agreed to sell its rights to the lands was to the same group of anonymous investors. Any claim stating otherwise is false."

The representative added that the land rights should be addressed as "a national matter."

A lawyer for the group of private investors, who also was not willing to be named, said that the company is prepared to negotiate a new leasing deal with KKL-JNF, but that it hopes to sell the land to the apartment owners outright, with financial support from KKL-JNF if necessary. He estimated that homeowners will need to pay about 20 percent of their apartment's market value for the land under their homes. The amount will only increase in future years, he said.

"We're actually a solution for them, not the problem," the lawyer said of the homeowners. —Religion News Service

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