Glorieta lawsuit dismissed, but plaintiffs file appeal

April 1, 2015

SANTA FE, N.M.—The U.S. District Court for New Mexico dismissed all claims in a lawsuit an Arkansas couple filed against <u>LifeWay Christian</u> <u>Resources</u> and the <u>Southern Baptist Convention Executive Committee</u> regarding the sale of <u>Glorieta Conference Center</u>.

But Kirk and Susie Tompkins of Little Rock, who owned a home on Glorieta property they formerly leased from LifeWay, filed an appeal with the <u>U.S.</u> <u>District Court of Appeal for the Tenth Circuit</u> in Denver.

Tompkins insisted "allegations of the defendants' wrongdoing have not been addressed by the court" in its March 31 dismissal.

"The appeal brings our court action into public view for a true record of facts and legal precedence in a permanent record for nationwide media coverage," Tompkins said.

LifeWay President Thom RainerThe couple sought damages totaling \$12.4 million for themselves and others affected by the sale of Glorieta to a new corporation called Glorieta 2.0. They asserted LifeWay, Glorieta 2.0 and SBC Executive Committee leadership acted without proper authority, and the couple insisted LifeWay misled and mistreated leaseholders.

Federal Judge James O. Browning's March 31 ruling stated: "The court cannot find any factual allegations from which it can infer that the individual defendants are liable for the misconduct alleged. Indeed, the Tompkins(es) fail to identify an act by any of the defendants to allow for such an inference. They do not state a plausible claim." LifeWay President Thom Rainer called the decision "incredible news," and he offered thanks to God for the ruling.

'Thankful to get this ordeal behind us'

"This process has been extended, painful and costly. I am so thankful to get this ordeal behind us, leaving no doubt of our integrity throughout this process, and after so many months of baseless attacks on our ministry partners, trustees and executive leadership," Rainer said.

Tompkins responded by saying LifeWay could have avoided the suit if Rainer had answered any of his five letters sent during three years and responded to concerns expressed by homeowners who leased land at Glorieta.

"Rainer chose to spend massive amounts of monies belonging to LifeWay, and the costs continue to escalate to defend alleged inappropriate activities, instead of settling this entire matter at its beginning through honest dealing with Glorieta leaseholders," Tompkins said.

Last September, Federal Magistrate Robert Hayes Scott in Albuquerque <u>recommended dismissal</u> of all claims, saying he found no evidence of misconduct in the Glorieta sale. Browning declined to award LifeWay attorney fees.

Glorieta opened as Southern Baptists' western conference center in 1952. The Baptist Sunday School Board, which changed its name to LifeWay in 1998, operated Glorieta six decades. For about its last 20 years as a Southern Baptist conference center, Glorieta reported financial difficulty.

Details of the suit

The Tompkinses alleged LifeWay trustees lacked authority to sell the property on which leaseholders built homes at Glorieta without approval by

messengers to two SBC annual meetings.

They asserted LifeWay and the Southern Baptist Convention did not follow their own constitution and bylaws in deciding to sell the property. The lawsuit maintained the original 1950 warranty deed granted the conference center property to the SBC Executive Committee, and no other transfer of deed is on record.

The suit claimed LifeWay's officers and directors failed in their fiduciary duties by selling 2,400 acres in the Sangre de Cristo Mountains near Santa Fe, N.M., for \$1. The lawsuit also asserted LifeWay treated leaseholders unfairly by cancelling leases homeowners believed were recurring.

Glorieta 2.0 gave leaseholders <u>three options</u> regarding their houses—accept a \$30 per square foot buyout, with a minimum \$40,000 and maximum \$100,000 payment, regardless of appraised value; enter a new 12-year lease, with the understanding that at the end of the lease, the building would go to Glorieta 2.0 for no compensation; or donate the building to Glorieta 2.0.

"LifeWay has had 18 months to communicate with Glorieta homeowners a willingness to correct their 30-cents-on-the-dollar payments and agree to pay homeowners fair value," Tompkins asserted.

This article includes information provided by Marty King of LifeWay. It originally was posted April 1 and updated April 2 after Kirk Tompkins replied to a request for a response.