

Glorieta leaseholders seek damages, accuse LifeWay of fraud

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GLORIETA, N.M.—An Arkansas couple who own a house on leased land at [Glorieta Conference Center](#) have sued [LifeWay Christian Resources](#) and numerous other parties for more than \$12 million, accusing the Southern Baptist publishing house of fraud.

Kirk and Suzie Tompkins of Little Rock, Ark., originally [filed a complaint](#) in U.S. District Court prior to the Sept. 10 closing date of LifeWay's \$1 sale of the conference center to Glorieta 2.0, a group directed by Anthony Scott, executive director of [Camp Eagle](#) in Southwest Texas, and chaired by Houston homebuilder David Weekley. The initial complaint asked the court to issue a temporary restraining order to block the transfer of property.

When the presiding judge denied in part the request for an injunction because it failed to indicate all parties named had been served summons, Tompkins said, he filed an amended complaint Sept. 18.

While the original court documents did not ask for monetary damages, the amended suit seeks \$12 million for the leaseholders in general because LifeWay and Glorieta 2.0 "completely ignored" the first complaint, Tompkins said. The suit also requests \$400,000 in damages specifically for Tompkins as the plaintiff.

The suit names as defendants a long list of officers and employees of the SBC Executive Committee, LifeWay and Glorieta 2.0.

'No legal authority'

The lawsuit asserts LifeWay “has no legal authority to divest the SBC Glorieta Conference Center and any action completing such transaction is an act within laws governing ‘Statutes of Fraud.’”

The suit also alleges as recently as 2011, LifeWay encouraged some leaseholders to buy previously owned homes for more than \$200,000 and led them to believe Glorieta could continue to be associated with the Southern Baptist Convention for another 50 years.

The legal complaint asserts the original 1950 warranty deed grants the conference center property to the SBC Executive Committee, and no other transfer of deed is on record.

Glorieta Baptist Assembly opened as Southern Baptists’ second national conference center in 1952. The Sunday School Board of the Southern Baptist Convention, which changed its name to LifeWay in 1998, operated Glorieta for six decades. For about 20 years, the conference center has reported financial difficulty.

LifeWay ‘violated charter’

The suit claims LifeWay violated the SBC charter when its trustees voted to transfer property to Glorieta 2.0, which the court documents characterize as “a non-Baptist, non-related group of businessmen operating for profit children’s camps not legally affiliated with SBC or LifeWay.”

Glorieta became SBC Executive Committee property when messengers to two consecutive SBC annual meetings voted to acquire the conference center, and the governing documents require Glorieta to “go out the same door it came in,” Tompkins said.

“It would be inappropriate for us to comment on this open legal process, except to say that we expect a favorable outcome and to reiterate that LifeWay had proper deeds to all of Glorieta, and Southern Baptist

Convention approval was not required for the transaction,” said Marty King, director of corporate communications for LifeWay.

Augie Boto, executive vice president and general counsel for the SBC Executive Committee, declined to comment on the current lawsuit. However, in regard to the original complaint, he earlier emphasized that LifeWay, not the SBC Executive Committee, owns Glorieta.

“The only sale of property by an entity of the convention which would need convention approval—in one meeting—would be if the entity proposed to sell all or substantially all of its property. This sale does not rise to that level,” he said.

Glorieta 2.0 gave leaseholders three options regarding their houses:

- A one-time buyout for \$30 per square foot, with a minimum \$40,000 and maximum \$100,000 payment, regardless of the appraised value.
- A new 12-year lease. At the end of the lease, the building would go to Glorieta 2.0 for no compensation.
- Donate the building to Glorieta 2.0.

In a widely disseminated email, Tompkins asserted documents filed with the court attest to “deceptive and intimidating practices of coercion from both LifeWay and Glorieta 2.0 in pushing homeowners to accept pennies on the dollar for their homes.”

Supporting documents submitted to the court describe other leaseholders who claim they were caught by surprise this year when LifeWay unloaded the 2,400-acre retreat center.

John Yarbrough, a retired Southern Baptist minister and one-time home

missionary, said more than 10 years ago he responded to an appeal by LifeWay to invest in a “new” Glorieta by purchasing a \$150,000 home in need of repair. If Glorieta were ever sold, he claims he was told, “I would receive a fair market value for my retirement investment.”

Yarbrough said he felt “suckered” in 2011, when LifeWay CFO Jerry Rhyne responded to a question about whether any LifeWay employees own homes at Glorieta by saying, “I would never have signed that lease.”

One couple, ages 76 and 72, said they had intended for the home they purchased eight years ago for \$155,000 in cash to pass to their children after their deaths.

Another admitted to failure to subject the lease to close scrutiny by an attorney when they invested their life savings to buy their home in 2007, because they joined “other, wiser Christians ... in believing that Glorieta would continue its 60-year history of recurring lease agreements.”

Both of them are now out of work, as their jobs were dissolved in a Glorieta downsizing and their duties turned over to summer interns and volunteers.

After the article originally was posted, the last six paragraphs were added to include additional reporting by Bob Allen of Associated Baptist Press