



Church Property Rules of Thumb

1 Site Size

Rule of Thumb: Ideally, 1 acre of land area for every 100 seats in the auditorium, plus additional land for outdoor recreation or expansion.

2 Parking

Rule of Thumb: One parking space for every 2.0 seats to 2.5 seats depending on turnover between services. As an example, for a sanctuary of 1,000 seats, you will need 444 parking spaces ($1,000 \div 2.25$). Figure each space consumes 350 square feet of land area (including circulation) so just parking alone requires 155,400 SF (3.57 acres) of land area.

3 Building Size

Total Facility Size. Based upon the size of auditorium/sanctuary multiplied by 50 SF per seat. So for a 500 seat sanctuary, you should plan for up to a 25,000 SF building that includes sanctuary, lobby, fellowship, classrooms, youth and support space.

Auditorium Size. Based upon the desired number of seats multiplied by 15 SF per seat. So a 500 seat auditorium would measure 7,500 SF. This includes a typical stage and some backstage areas.

4 Existing Building Lease plus Renovation Costs

Rule of Thumb: $\pm \$50-100/\text{SF}$, includes renovation (tenant improvements), soft costs, financing costs and outfitting costs (Audio, Visual, Lighting, Furniture, Fixtures and Equipment). Expect the new Lessor to contribute a portion of the overall tenant improvement hard costs based on the length of the lease.

5 Existing Building Purchase plus Renovation Costs

Rule of Thumb: $\pm \$145-200/\text{SF}$, includes acquisition, renovation, soft costs, financing costs and outfitting costs (Audio, Visual, Lighting, Furniture, Fixtures and Equipment). As you can see, there is a huge cost savings by acquiring an existing building especially during these slow economic times in which many vacant properties (retail boxes, auto sales/service facilities, etc.) are vacant and available to purchase.



5 Ground-Up Building Costs

Rules of Thumb: \$275-350/SF including land, hard costs, soft costs, financing costs and outfitting costs (Audio, Visual, Lighting, Furniture, Fixtures and Equipment). Most people remember the hard or construction costs which will range from \$120-\$170/SF of the building. Email us if you would like our Total Project Budget excel spreadsheet template to complete yourself.

6 Financial Metrics

Total Facility Costs. This includes debt service (principal and interest payments) added to the property operating expenses (building operations). CFS recommends that total facility costs not exceed thirty-three percent (33%) of your church's core giving income ("CGI").

Debt Service Salary Ratio. This is the combined annual debt service plus total personnel costs (salaries and benefits) divided by the church's CGI. This needs to be less than 70% of the church's GOB. For example, if the church's debt service is 20% of the church's GOB, then personnel costs must be less than 50%.

Total Outstanding Debt. This is the total amount of debt that the church is liable for and must not exceed three times (3X's) available annual CGI.

Giving Concentration. Lenders get concerned when a large percentage of revenue comes from just a few generous families. Be prepared to anonymously reveal the amounts of your top 20 givers.



Contact Church Facility Solutions today at 800-200-2089, or email our team at info@churchfacilitiesolutions.com.

CFS has completed many church facility projects over the past nine years. We have participated in and observed mistakes made along the way. We have learned from these mistakes, making us stronger to serve our clients. We encourage your church to hire a team who has learned from previous church development experiences.



CFS shepherds church building expansions, so that pastors, staff, and elders can stay focused on their mission, having confidence that every detail is being handled by a church experienced development team.

