



Church Property Expansion Rules of Thumb

Site Size

Ideally, sites cover 1 acre of land area for every 100 seats of auditorium/sanctuary plus additional land for outdoor recreation or expansion.

Parking

Plan for one parking space for every 2.0 seats to 2.5 seats depending on turnover between services. As an example, a church will need roughly 444 parking spaces to support the congregation in a sanctuary with 1,000 seats. **$1,000 \div 2.25 = 444$**

For reference, each parking space consumes 350 square feet of land (including circulation) so 444 parking spaces will require 155,400 SF (3.57 acres) of land area.

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 (Sanctuary) 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.

About Project Costs

It's risky to offer you cost estimates without knowing the details of your unique project. Since many churches underestimate the costs to complete a fully functioning church facility, we would encourage you to dig deep to uncover all the costs before you begin! Please note that the costs below were revised in February, 2025.

Existing Building - Lease Renovation Costs

Estimate from \$175-250/SF including renovation (tenant improvements), soft costs, finance 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.

Existing Building - Purchase and Renovation Costs

Estimate from \$300-425/SF including land, hard costs, soft costs, finance costs and outfitting costs (audio, visual, lighting, furniture, fixtures and equipment). CFS can provide a more specific breakdown of these costs for your specific situation.



Ground-Up Building Costs

Estimate from \$450-\$600/SF, including land acquisition, hard construction costs, soft costs, finance costs, and outfitting costs (audio, visual, lighting, furniture, fixtures, and equipment). Often the estimated hard costs from the general contractor (from \$225-\$300/SF) are assumed when in fact there are many other costs involved. As shown above, acquiring an existing building usually results in substantial cost savings.

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 the 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 CGI. So for example, if the church's debt service is 20% of the church's CGI, 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 given by your top 20 givers.