

# CHURCH REAL ESTATE

## MARKET & IMPACTS

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# FOUNDRY & THE UMC

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**FINANCE & ADMINISTRATION**  
General Council on Finance and Administration  
THE UNITED METHODIST CHURCH





A modern office interior with a dark, slatted wall and a white ceiling. The room features several white tables with black chairs, some with orange flowers in vases. A neon sign on the wall reads "It's Personal." in a cursive font. A large orange circle is overlaid on the left side of the image, containing the text "It's Personal." in a white cursive font.

*It's Personal.*

# ABOUT FOUNDRY

Driven by relationships and building something different—a generational real estate company centered on people, purpose, and performance. It's personal.





# CHURCH REAL ESTATE

**NATIONAL REAL ESTATE TRENDS**





## **REAL ESTATE SECTOR TRENDS**

### **OFFICE**

- Vacancy and Market Impact

### **INDUSTRIAL/FLEX SPACE**

- High Demand/Low Vacancies
- Nationwide, 361+ Million SF Under Construction
- Continued Increase in PSF Pricing
- Demand for E-Commerce Trending Toward Pre-Pandemic Levels

### **MULTI-FAMILY**

- Impacted from Higher Construction Cost

### **RETAIL**

- Lowest Vacancy Rate of any Sector
- Growing Demand in Suburbs and Sun Belt Cities
- Institutional Capital Predicted to Return to this Sector





## MARKET TRENDS

### **MARKET - “LOCATION, LOCATION, LOCATION”**

- Geography Impacts Demand, Pricing & Appetite for Specialty Assets
- Midwest Continues to Trail National Average with In-Place Rents

### **INFLATION | INTEREST | INCOME**

- Monetary Issues Have Substantial Impact on Giving to Churches

### **EDUCATION**

- Increase of Private/Christian Institutions
- Exodus Away from Public Education

### **OVERALL TRENDS**

- Investment and Leasing Activity is Expected to Increase
- AI's Impact
- Governmental Changes





# CHURCH REAL ESTATE

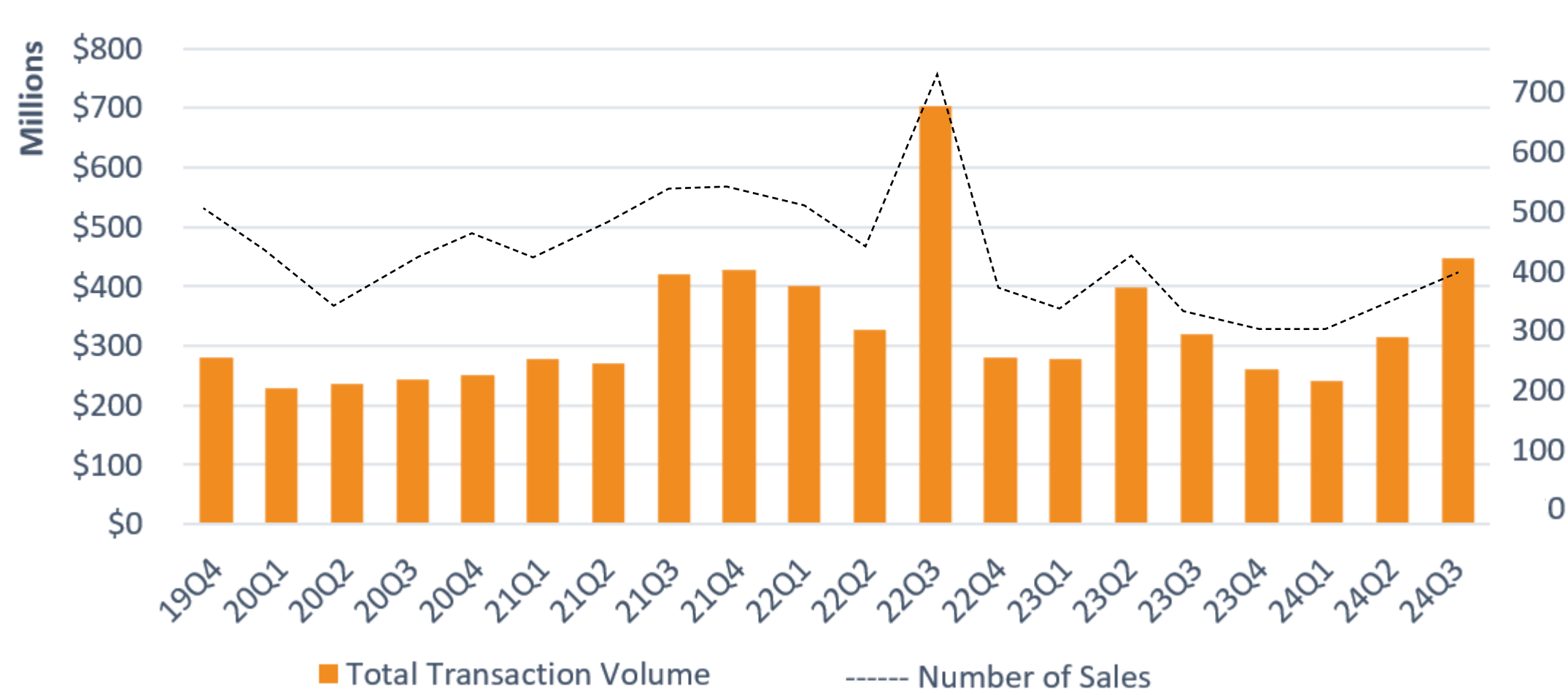
**NATIONAL CHURCH REAL ESTATE DATA**



# RELIGIOUS TRANSACTION ACTIVITY

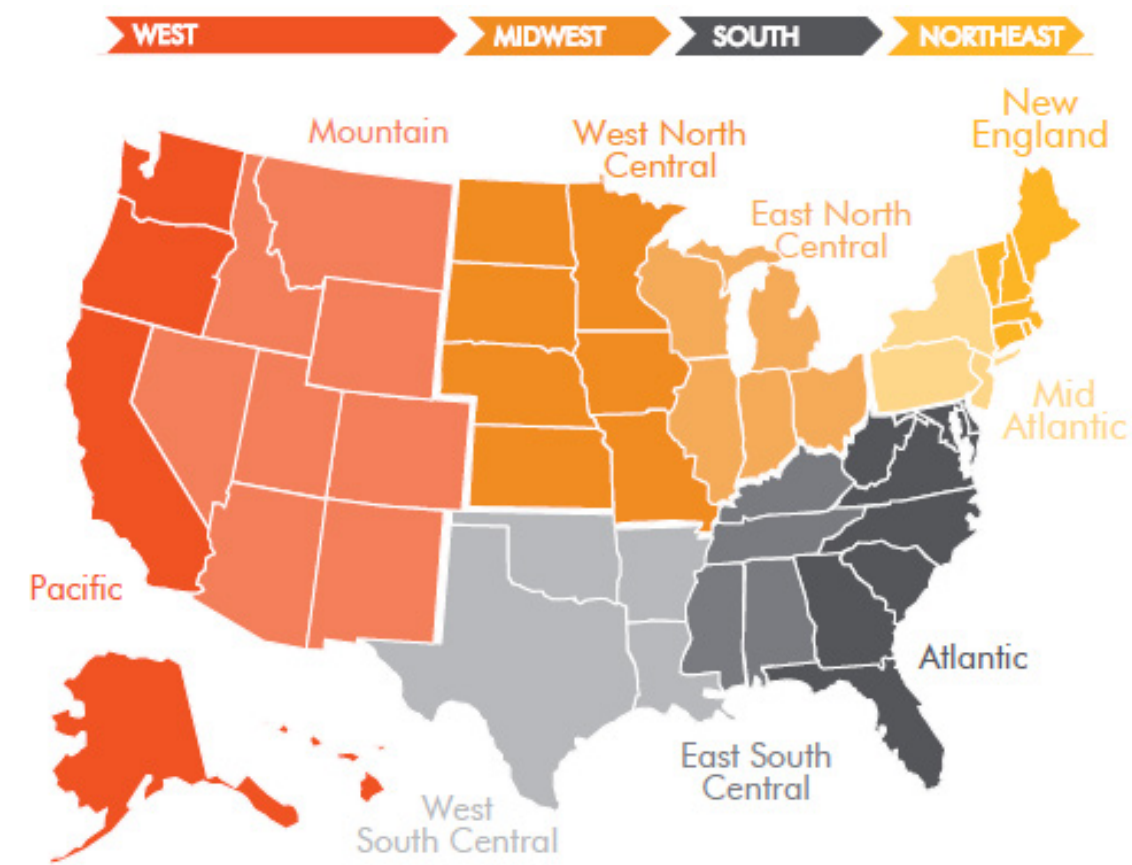
TOTAL VOLUME

NUMBER OF SALES





# VOLUME & AVERAGES BY REGION

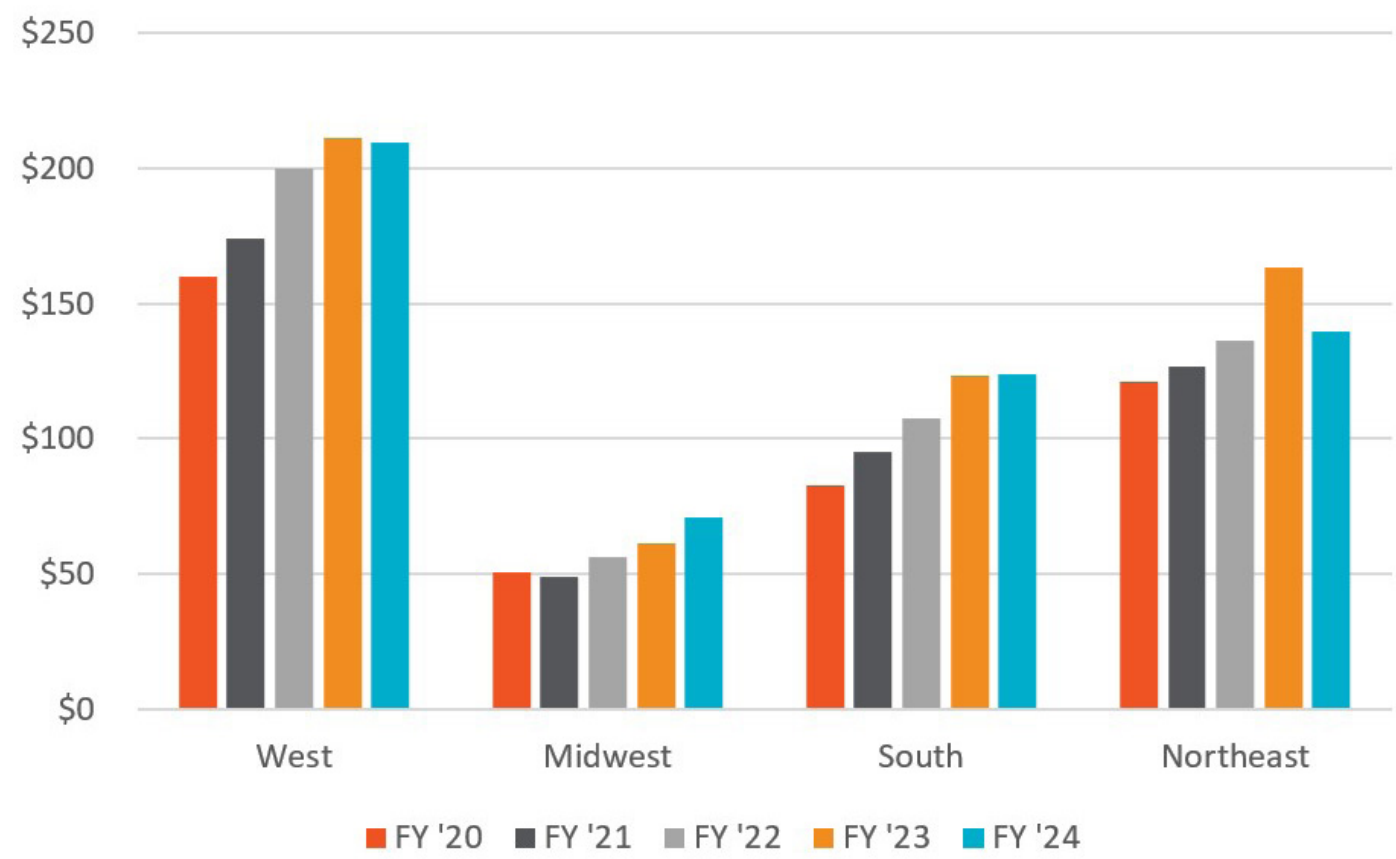


	FY '22	FY '23	FY '24	YoY Change	FY '24 Avg. Price	Avg. \$ /SF
Midwest	\$176,052,917	\$156,491,500	\$207,654,254	33%	\$833,953	\$70.67
Northeast	\$284,745,435	\$280,526,974	\$219,334,334	-22%	\$1,166,672	\$139.54
South	\$617,314,524	\$403,289,298	\$457,506,094	13%	\$1,299,733	\$123.86
West	\$782,889,893	\$438,017,653	\$386,370,851	-12%%	\$2,022,884	\$209.60

	FY '22	FY '23	FY '24	YoY Change	FY '24 Avg. Price	Avg. \$ /SF
Atlantic	\$419,815,193	\$281,759,799	\$333,245,698	18%	\$1,365,761	\$134.12
East North Central	\$115,744,568	\$110,730,419	\$146,262,250	32%	\$794,904	\$68.50
East South Central	\$96,361,439	\$59,567,746	\$50,947,189	-14%	\$926,313	\$95.54
Mid-Atlantic	\$238,964,735	\$224,273,091	\$185,557,784	-17%	\$1,174,416	\$142.08
Mountain	\$142,537,784	\$118,288,471	\$85,349,060	-28%	\$1,984,862	\$142.54
New England	\$45,780,700	\$56,253,883	\$33,776,550	-40%	\$1,125,885	\$126.20
Pacific	\$640,352,109	\$319,729,182	\$301,021,791	-6%	\$2,033,931	\$229.09
West North Central	\$60,308,349	\$45,761,081	\$61,392,004	34%	\$944,492	\$76.82
West South Central	\$101,137,892	\$61,961,753	\$73,313,207	18%	\$1,383,268	\$106.00



# PRICE PER SQUARE FOOT BY REGION

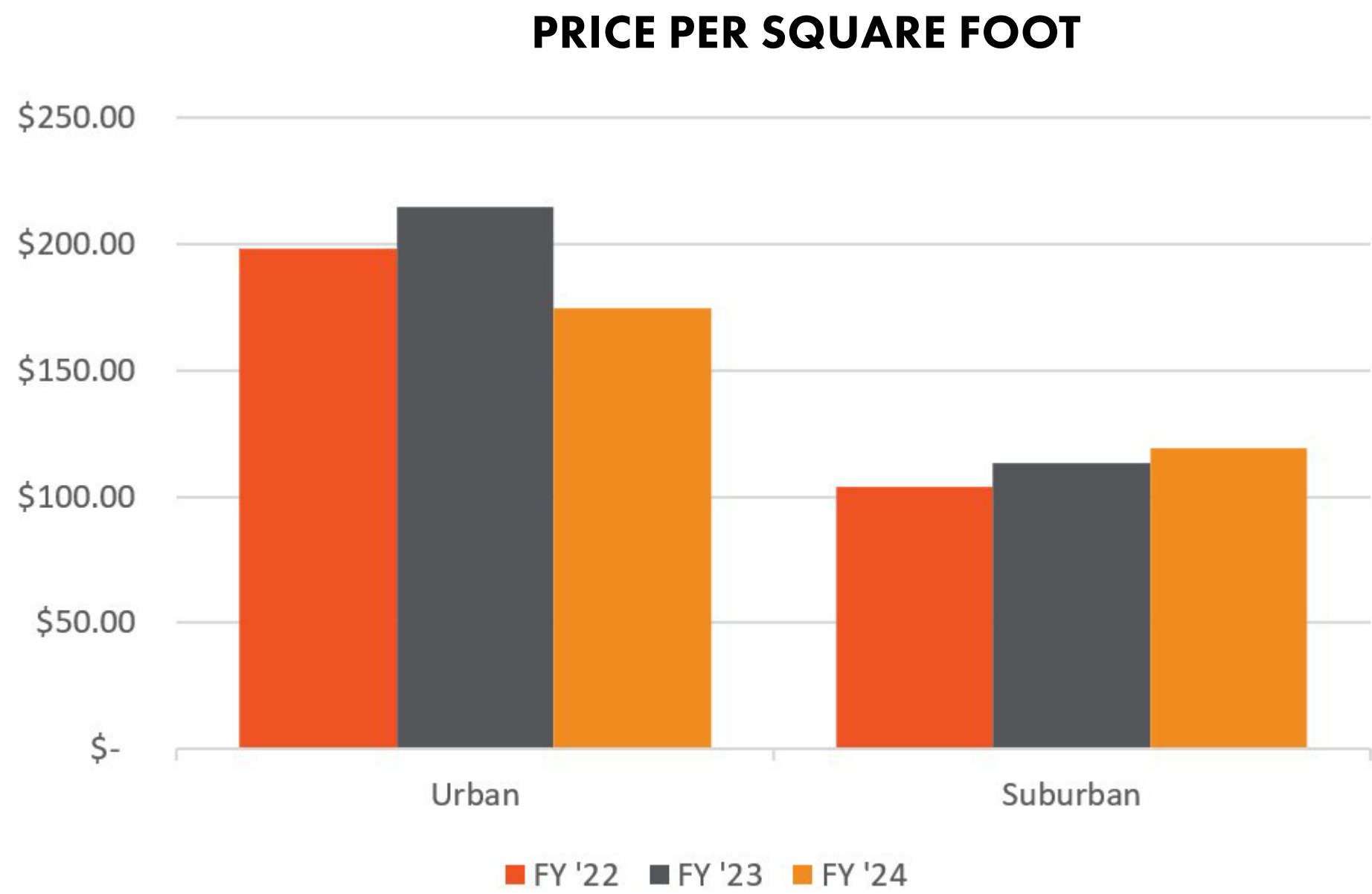


	FY '22	FY '23	FY '24
Midwest	\$55.99	\$61.29	\$70.67
Northeast	\$136.15	\$163.51	\$139.54
South	\$107.72	\$123.30	\$123.86
West	\$200.18	\$211.38	\$209.60



# URBAN VS. SUBURBAN

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# CHURCH REAL ESTATE

**TREND IMPACTS**



CLASS B AND C OFFICE SPACE  
HAS REPLACED INDUSTRIAL  
AND RETAIL AS AN AFFORDABLE  
OPTION FOR CHURCHES  
LOOKING FOR NEW SPACE.

**OFFICE**

**SECTOR IMPACTS**





EVEN THOUGH MORE STATES  
HAVE PASSED AFFORDABLE  
HOUSING LEGISLATION  
WHICH CHURCHES COULD  
BENEFIT FROM, OVERALL  
REDEVELOPMENT COSTS HAVE  
INCREASED.



# YIGBY

## YES IN GOD'S BACKYARD

**MULTI-FAMILY**

**SECTOR IMPACT**





**MARKET IMPACT**

**CONSOLIDATION**

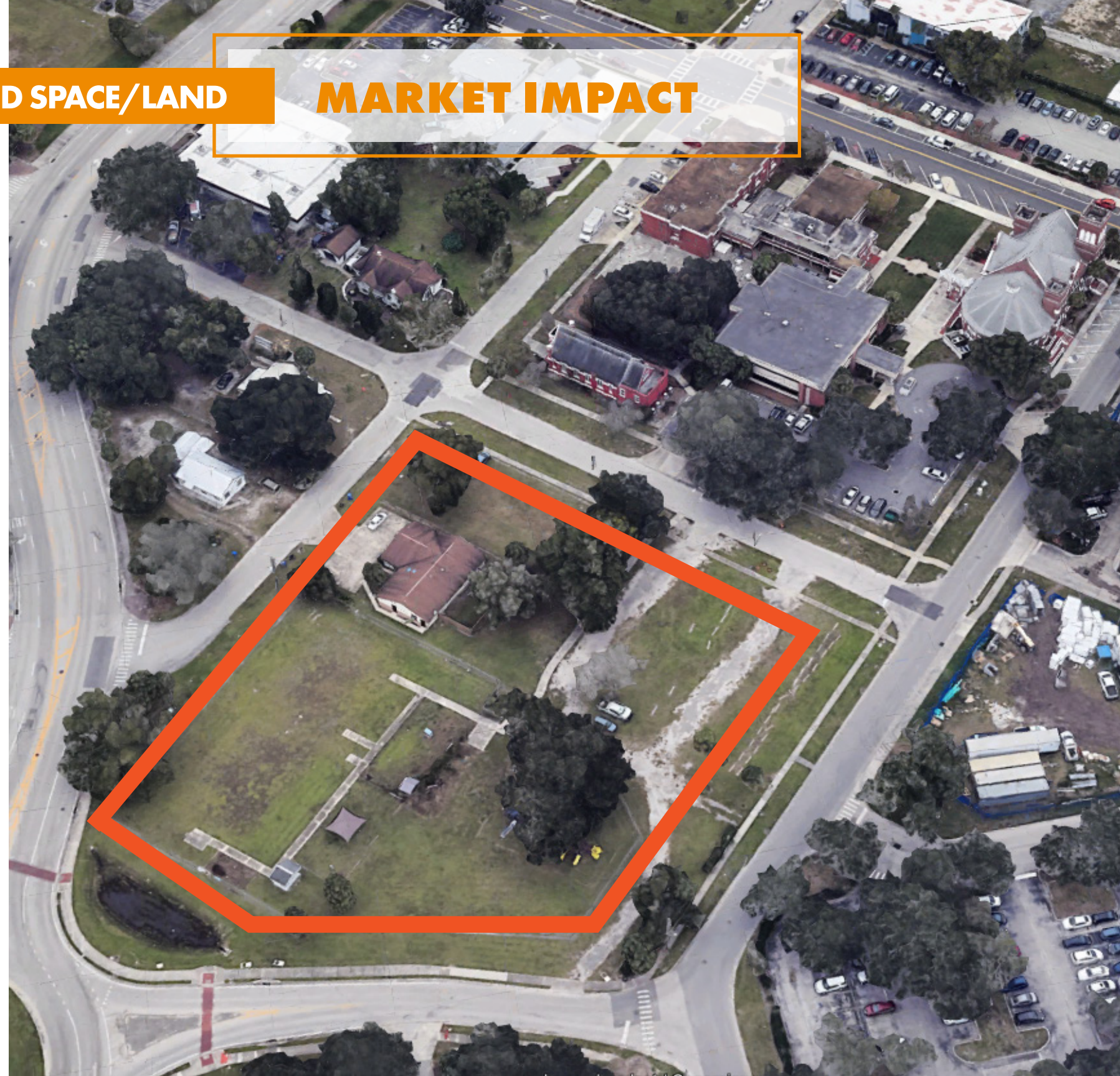
ATTENDANCE AND GIVING  
DECLINES HAVE FORCED  
RELIGIOUS ORGANIZATIONS TO  
CONSOLIDATE THEIR  
REAL ESTATE ASSETS OR HAVE  
NEARBY CHURCHES MERGE.



**UNDERUTILIZED SPACE/LAND**

**MARKET IMPACT**

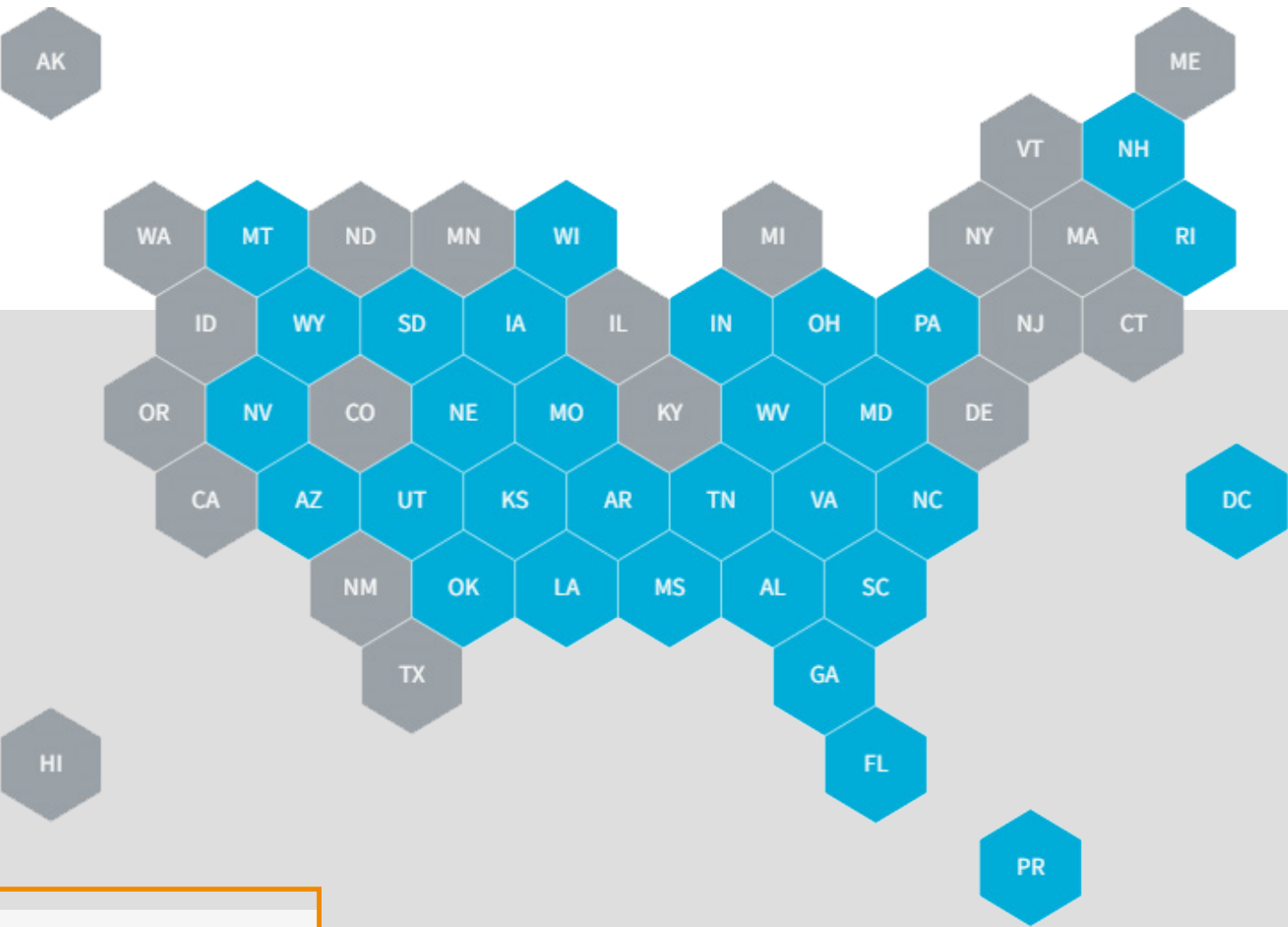
TO GENERATE ADDITIONAL REVENUE, CHURCHES ARE SELLING UNUSED LAND OR LEASING OUT UNDERUTILIZED SPACE.





PRIVATE SCHOOLS AND DAYCARE ARE ON THE RISE AND ARE LEASING OR BUYING CHURCH PROPERTY.

29 STATES PLUS DC HAVE SCHOOL CHOICE PROGRAMS PROVIDING TUITION ASSISTANCE TO PRIVATE SCHOOL STUDENTS



EDUCATION

MARKET IMPACT



FOUNDRY  
COMMERCIAL

MISSION  
PROPERTY  
GROUP

FEBRUARY 2025

THANK YOU

Matt Messier, SIOR, CCIM  
Carlin Beekman



# FOUNDRY BY THE NUMBERS



13  
OFFICES



30  
YEARS  
AVERAGE SENIOR  
MANAGEMENT  
EXPERIENCE



443  
ASSOCIATES



119  
BROKERS



74M  
SQUARE FEET  
LEASED & MANAGED



\$4.5B  
INVESTMENT  
PORTFOLIO



\$2B  
2023 BROKERAGE  
TRANSACTION VALUE  
ACROSS 22 STATES



360  
ASSIGNMENTS

3  
CUSTOMERS

CORPORATE

INSTITUTIONAL

FAITH-BASED  
AND  
NON-PROFIT

4  
SERVICES

BROKERAGE

PROJECT  
MANAGEMENT

PROPERTY  
MANAGEMENT

FACILITY  
MANAGEMENT

5  
ASSET TYPES

RETAIL

OFFICE

INDUSTRIAL

HEALTHCARE

FAITH-BASED  
AND  
NONPROFIT



# AT FOUNDRY, IT'S PERSONAL

We combine the church's vision with our ability to assess market conditions and property values, to help guide you toward real estate decisions that can ultimately make a huge impact on your ability to grow and operate. To us, it is more than a transaction, it's about helping ministry flourish.

// WHEN THE DEAL INVOLVES A CHURCH  
PROPERTY IT IS MORE THAN A TRANSACTION...  
IT TRANSCENDS BUYING AND SELLING AND  
HAS KINGDOM AND COMMUNITY IMPACT.

## MISSION PROPERTY GROUP



GROUP  
TEAM MEMBERS

10



PROPERTY  
MANAGERS

06



PROPERTIES  
SOLD

3000±



SALES PER YEAR

100±



YEARS OF  
EXPERIENCE

50+



LEASED &  
MANAGED SF

1.5M