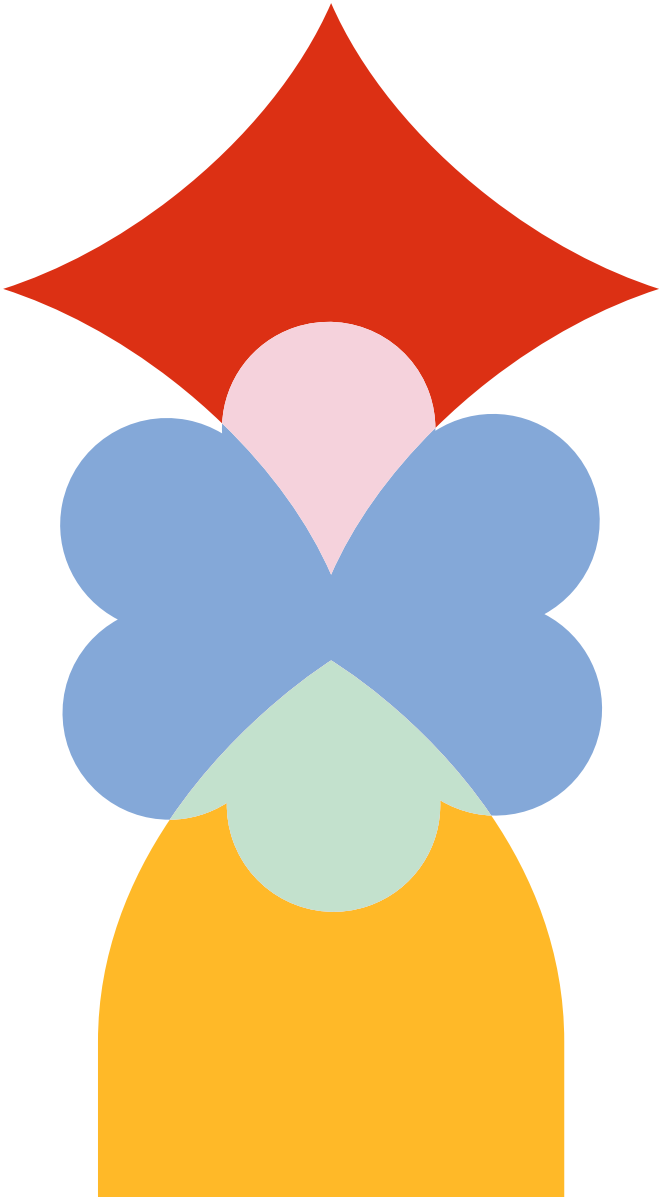


WINDOWS OF OPPORTUNITY

Church Investment on Church Land



Windows of opportunity
for church investment on church land

Acknowledgements

This paper is part of a multi-year project called Fieldworks. Fieldworks was composed of extensive national research including interviews of more than 95 experts. The data was coded and turned into the Fieldworks Initial Research Report.¹ That was followed up with a convening in October 2025 of more than 50 leaders for a multi-day design sprint to address the challenge of funding community development on church land. Outcomes from that convening can be found in the Fieldworks Design Sprint Visual Report.² Funding for the Fieldworks project has been provided by the Duke Endowment, Templeton Religion Trust, United Church of Christ Church Building and Loan Fund, Texas Methodist Foundation, H.E. Butt Foundation, Baltimore Washington United Methodist Conference, Presbyterian Investment and Loan Program, New Way Homes, and the Lake Institute on Faith and Giving.

¹ <https://www.rootedgood.org/post/fieldworks-initial-research-report-unlocking-the-potential-of-church-property>

² <https://www.rootedgood.org/post/fieldworks-design-sprint-report>

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Executive Summary

This is a story of opportunity and an invitation to put existing church resources to work for a new future. Across the United States, church buildings and church land are being reimaged to serve communities in new ways. For these projects to be successful, the right kind of capital is needed. This capital exists, and is already held by the church. Using even a small share of church-owned investment assets as catalytic funding could expand community development on church land and keep churches rooted in neighborhoods. This opportunity has always been present. What is new is the urgency: church properties are being sold at an accelerating pace, and once a building is sold, the chance to shape its future is gone.

Church property in the United States is going through a massive shift in use and ownership. Some sector estimates suggest that as many as 100,000 church properties could be sold or repurposed in the coming decade.³

This is a critical moment not only for churches, but also for the social fabric and holistic health of communities in every corner of the United States. There is significant risk that as church land is sold and repurposed what takes its place will lead to greater inequality, deeper social division, and the privatization of community assets. Stated another way, as many as ⅓ of all church property in the United States could become high-end homes or vacant lots.

At the same time, this is a moment of extraordinary opportunity to expand the use of church buildings and land for the mission of churches and the good of neighborhoods. Good redevelopment is measured by truth and integrity, community, courage and imagination, justice and access, and faith and purpose, not by financial terms alone. Church buildings and land are being reimaged as places that not only provide space for renewed congregational vitality but also homes for those who cannot afford housing, launch pads for emerging entrepreneurs bringing economic development to neighborhoods, community hubs of place-based social services, and much more.

RootedGood has quantified this opportunity, suggesting that developing just 5% of church land could represent roughly \$450 billion in community redevelopment potential nationally.

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RootedGood’s previous Fieldworks research and convening project identified that a lack of catalytic funding and financing along the predevelopment, construction, and permanent financing journey will prevent the church and communities from making the most of this once-in-a-many generations opportunity.⁵ If just 5% of church land is redeveloped, that would represent approximately \$450 billion of redevelopment value. In line with community development experience, this report’s planning assumption is that these projects will require roughly 30% subsidy. This means that \$135 billion of subsidy is needed.⁶ Supportive legislation, mission-aligned developers, resources from denominations, and training from supporting organizations are all crucial, but without new sources of capital only a small fraction of projects will be successful. Catalytic funding and financing is essential to unlocking the full potential of redevelopment on church land.

There are traditional sources of subsidy and financing available for church redevelopment and these should be employed wherever possible. This includes tax credits, government grants, philanthropic giving, and more. But those sources of funding are limited, not suitable for all projects, and, crucially, not necessarily interested in the same outcomes that churches are. One of the most important objectives over the next decade is keeping church communities present on church land throughout the United States. Outside funding is not designed to protect that mission. Only the church’s own capital can ensure these goals are met.

³ Mark Elsdon, *Gone for Good? Negotiating the Coming Wave of Church Property Transition* (Grand Rapids, MI: William B. Eerdmans Publishing Company, 2024), and Rick Reinhard, “Churches Are Closing. It’s a Challenge for Local Governments,” *Governing*, April 13, 2021, <https://www.governing.com/community/Churches-Are-Closing-Its-a-Challenge-for-Local-Governments.html>

⁴ RootedGood, *Fieldworks Data Report: Unlocking the Potential of Church Property* (RootedGood, 2025), <https://tinyurl.com/fieldworksdatareport>

⁵ RootedGood, *Fieldworks Initial Research Report: Unlocking the Potential of Church Property* (RootedGood, 2025), <https://bit.ly/RG-fieldworksreport25>

⁶ RootedGood, *Fieldworks Data Report*.

This paper makes the case that church institutions, denominations, and networks do not need to look outside the church to fund and finance community development on church land. A significant amount of that money is already available in the church. It is in church endowments, church-affiliated foundations, pension funds, seminary and church-related college investments, and to some extent, in the value of land itself. Our data in this paper shows that there are at least \$350 billion of investments held by Christian institutions.

The church has the resources it needs to make catalytic investment in transformational development on church land that will lead to the flourishing of Christian communities and neighborhoods around the United States for future generations. The church property transition is already underway. The question now is whether church-owned capital will meet the moment.

A realistic starting point is not for church institutions to solve the entire national subsidy gap. A more plausible first step would be for church-related investors to allocate between 1% and 5% of their portfolios to a new category of mission-aligned real estate investment focused on church land. A 5% allocation of investment assets for mission-aligned real estate projects could unlock 2,900 projects on church land with almost \$90 billion in total value.

This proposal may raise some questions. Doesn't investing church money this way mean giving up return or straining fiduciary duty? Isn't community development already someone else's job to fund? And with so many congregations struggling, why invest in church land at all? This paper takes each concern seriously. In short: a modest, well-structured allocation can advance mission while honoring fiduciary duty; no one has more at stake, or more to work with, than the church itself; and this moment is less about decline than about a rare chance to redeploy church assets for community good and congregational renewal.

There have been significant movements in church investments in the last two decades, including screening out ethically problematic investments and shareholder activism strategies that influence corporate behavior. Moving church capital to directly benefit church

projects is the next faithful step. Through collaboration and creativity, institutional investors can complement fiduciary responsibility with mission-aligned investments. Institutions can take part in ways that fit their mandate, from catalytic first-loss capital and guarantees to patient, mission-aligned investment, so that fiduciary duty and mission move together. Ultimately, this next step is good for the long-term health of the institution, good for churches in an unparalleled moment of challenge and opportunity, and, most importantly, good for the neighborhoods and communities they serve.

This paper argues that such a powerful catalytic move could be made if every organization that touches the issue of church land engages with one or more of the following recommendations:

1. ***Make a bold institutional commitment***
2. ***Create Mission-Aligned Real Estate as a recognized investment category***
3. ***Participate in a learning and investment design community among major institutions***

The opportunity is before us and the time to act is now. Church money can unlock a new future on church land. As a pastor at a recent RootedGood gathering said, reflecting on the legacy we received from previous generations: "We might have inherited their faith, but have we inherited their courage?"



Pic. courtesy The Impact Guild

Definition of Terms

This paper is at the intersection of three different fields: church and related institutions, property development, and investment. All three fields have distinct terminology, and readers from each of these fields might come across some new language and terminology. There are two related concepts that are worth unpacking at the beginning of this paper: catalytic capital and subsidy.

Catalytic Capital

In the context of this paper, catalytic capital (or catalytic funding) refers to how investors can make an impact by providing investment capital that is otherwise not available in the market. This could be because of the terms of the investment (patient, deferred payments and so on) and/or because of the expected return on the investment. The intent is to enable investment in a project that would not otherwise happen through standard market-rate investment. Catalytic capital often involves some form of subsidy.

Subsidy

In the context of this paper, subsidy refers to an intentional reduction in the ‘cost’ of a project or investment. This could either be through the provision of a grant/financial gift that reduces the direct or indirect ‘cost’ or through the acceptance of a below-market return on an investment. An example of the former might be a loss-guarantee on a loan or a grant that can be leveraged to reduce the required return for investors or tax credits. In these cases the subsidy is normally provided by philanthropy or government. An example of the latter is that, an investor might be willing to take a 2% below-market return on a particular investment. In this case, the subsidy is provided by the investor. This kind of subsidy is sometimes referred to as concessionary.

List of reviewers

RootedGood is grateful for the comments, ideas, and constructive criticism from the following reviewers who each read this paper before publication. It is important to note that reviewing this paper does not imply an endorsement of every argument and position. RootedGood is solely responsible for the content of this paper.

Elise Barrett *President, Center for Congregations*

Patrick Duggan *Chief Divisional Operating Officer, United Church of Christ Church Building and Loan Fund/Amistad Development Corporation*

Jed Emerson *author of The Purpose of Capital: Elements of Impact, Financial Flows, and Natural Being*

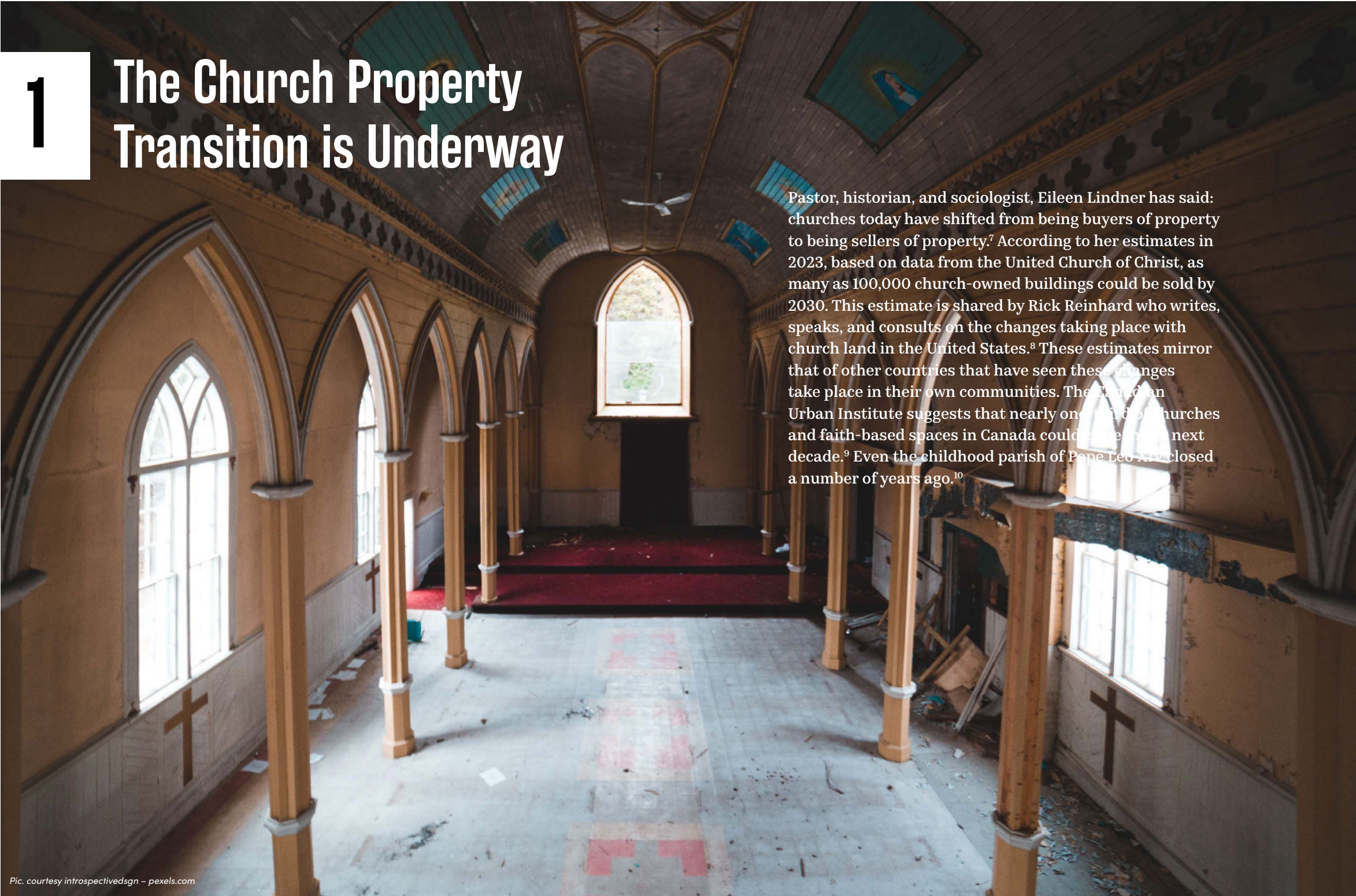
Lucinda Kent *Senior Director, Faith-Based Development Initiative, Enterprise Community Partners*

Carrie Sanders *Founder and CEO, Hope Community Capital, LLC*

Sibley Simon *President, New Way Homes and Principal, Workbench*

Tim Soerens *Co-Founding Executive Director, Parish Collective*

Trent Sparrow *Manager, Impact Investments at Wespath Benefits and Investments and Wespath Institutional Investments*



1 The Church Property Transition is Underway

Pastor, historian, and sociologist, Eileen Lindner has said: churches today have shifted from being buyers of property to being sellers of property.⁷ According to her estimates in 2023, based on data from the United Church of Christ, as many as 100,000 church-owned buildings could be sold by 2030. This estimate is shared by Rick Reinhard who writes, speaks, and consults on the changes taking place with church land in the United States.⁸ These estimates mirror that of other countries that have seen these changes take place in their own communities. The Canadian Urban Institute suggests that nearly one-third of churches and faith-based spaces in Canada could close in the next decade.⁹ Even the childhood parish of Pope Leo XIV closed a number of years ago.¹⁰

The reasons for this “tsunami” of church closures and property re-use are numerous, complex, and beyond the scope of this position paper. But general themes are driving the sea change. While there are some signs the decline may be leveling off, far fewer people attend traditional church services in traditional church spaces than in the past.¹¹ More churches close in the United States each year than are opened.¹² At the same time, many of the church buildings built decades ago are due for expensive renovation and maintenance projects. These bills are coming due at a time when there are fewer people to pay for rising costs. And the cost to insure church buildings has far outpaced inflation in recent years. In some areas of the country, churches cannot purchase property insurance at all.¹³



Pic. courtesy Common Grace

Fig 1.
As many as 100,000 church-owned buildings could be sold in the next decade. What replaces them is not decided yet, that's the inflection point.



The authors of this position paper do not believe that the decline in active religious participation in America is a reflection of the importance of faith for individuals or communities, or that this means God is in some way declining. But the way people are engaging faith communities is changing. And that has significant implications for the spaces and places where those faith communities have been meeting.

There is simply too much church space, designed for a church model from the past, that cannot be used effectively or maintained adequately.¹⁴

And so, a wave of church property transition is underway across the United States. In large cities, small towns, suburbs, and rural areas, churches are closing and buildings are being sold at an increasing pace. This transition has a wide-reaching impact and comes with serious risks for churches and neighborhoods alike.

This is, first, a story about opportunity. Church land and church capital together represent one of the great untapped resources for creating more community good in housing, jobs, care, and the continued presence of congregations in the neighborhoods that need them. The urgency is that the opportunity is time-bound: the very properties that could anchor community life for another generation are being sold at an increasing rate.

⁷ Elsdon, *Gone for Good?*, chapter 1.
⁸ Rick Reinhard, “Affordable Housing: YIGBY (‘Yes in God’s Backyard’) Movement Seeks to Counter NIMBY Movement,” *Urban Land* (Urban Land Institute), February 20, 2024, <https://urbanland.uli.org/property-types/housing-affordable-and-workforce/affordable-housing-yigby-yes-in-gods-backyard-movement-seeks-to-counter-nimby-movement>
⁹ <https://canurb.org/publications/sacred-spaces-civic-value/>
¹⁰ <https://www.nytimes.com/2025/05/10/us/pope-leo-childhood-chicago-catholics.html>
¹¹ <https://www.pewresearch.org/religion/2025/02/26/decline-of-christianity-in-the-us-has-slowed-may-have-leveled-off/>
¹² <https://news.lifeway.com/2026/01/13/lifeway-research-finds-church-closures-eclipse-openings-in-the-u-s/>
¹³ <https://religionnews.com/2024/07/10/how-a-perfect-storm-sent-church-insurance-rates-skyrocketing/>

¹⁴ <https://religionnews.com/2024/03/15/thousands-of-churches-will-likely-close-down-what-happens-to-all-those-buildings/>

2 What is at stake?

If we aren't intentional about shaping the future of church land, and making choices with church money that supports good outcomes on church land, the future will be shaped by the real estate market rather than by vision. We will slowly lose the many gifts that church spaces provide and the opportunity that community-oriented land can offer with one sale after another until we've lost so much there will be no turning back.

One of the authors of this paper, Mark Elsdon, summarizes the risk this way, “I don’t want to look back 20 years from now and regret the huge loss of social fabric that churches provide, or have missed the opportunity to do new, wonderful things with these properties. I don’t want all of the beautiful church spaces that were built for community life to be replaced by privately owned condo buildings making money for wealthy people. Or to end up standing empty with a fence around them while the stones crumble and community groups can’t find anywhere to meet.”¹⁵

There is a significant risk that the transition of 3 out of 8, or 40 out of 100 church properties in a town or city will lead to worse outcomes for people and neighborhoods. Some of the possible risks are the following:

a. **Loss of spiritual life and depth**

Even as fewer people attend traditional church activities like Sunday morning worship services or Sunday school, people still seek meaning and purpose in life. As society reckons with the changes that AI will bring to our lives, the authors of this paper believe that connection to place, people, and the divine will become even more important for human life and flourishing. Just because there has been a decline in participation in the last number of years does not imply that the next 40 years will follow the same trajectory.

As churches close and their spaces are changed, there is a real risk that many neighborhoods will lose vital spiritual presence at the very moment people may need it more than ever.

b. **Loss of the community benefit of church spaces**

Church spaces are home to food pantries, Alcoholics Anonymous groups, senior meals, affordable day care, temporary shelters, after-school care, and voting locations. Churches are one of the few spaces in many communities that are open to many and don’t require something of those who walk through the doors.

Eric Klinenberg argues that “the physical places and organizations that shape the way people interact” have a direct impact on the quality of

our lives and relationships.¹⁶ He calls these places and organizations “social infrastructure.” And churches are one of those key places.

“Although they vary dramatically by size and resource, churches, mosques, and synagogues tend to offer all kinds of social programs in their facilities: education and study groups, athletic leagues, childcare, elder support and the like . . . their significance as social infrastructure is beyond dispute.”¹⁷

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Pic. courtesy caleboquendo – pexels.com

¹⁵ <https://whatever.scalzi.com/2024/01/11/the-big-idea-mark-elsdon/>

¹⁶ Eric Klinenberg, *Palaces for the People: How Social Infrastructure Can Help Fight Inequality, Polarization, and the Decline of Civic Life* (New York: Broadway Books, 2018), 5.

¹⁷ Klinenberg, *Palaces for the People*, 188.

c.

Loss of economic benefit of church activity and space

The social impact that churches provide with their activity and space has an economic impact as well. Partners for Sacred Places has quantified this economic impact through their Halo Effect studies.¹⁸ In one study, they found that 90 churches in a city had more than 3.7 million visits in a year. (Related to the loss of traditional church attendance named above, only 9% of those visits were for religious worship. The rest were for social service activities). When quantified in economic terms, each of those 90 churches contributed an estimated \$1.7 million to each community, each year. In a different study of rural churches, the Halo Effect was \$735,000 per year in average economic impact.¹⁹

If these numbers hold true across the United States, that would suggest that every church contributes on average around \$1 million per year of economic value to its community. If 100,000 churches close in the next decade, that is a loss of \$100 billion per year of economic impact. In purely financial terms, that is a significant contribution that needs to be replaced in some way or it will be lost. While a church’s value shouldn’t be reduced to dollars and cents, it is important to counter the narrative that selling a church property turns a non-economic space into a productive economic asset.

d.

Privatization of land and wealth

Churches are community assets that exist for the benefit of their neighborhood and community. It is true that some may have lost a vision for this, but they are institutions and spaces that exist as shared resources in a community. Importantly, no one should be excluded from entering a church based on their wealth or social status. One of the major risks of the church property transition is that these “public” assets will be privatized.

Fig 2.

Partners for Sacred Places’ Halo Effect research finds the average church contributes roughly \$1 million a year in economic value to its community. If 100,000 churches close over the next decade, that’s a \$100 billion-a-year loss in community economic impact alone.

THE COST OF INACTION: \$100 BILLION A YEAR



Spaces open for community use could become closed, locked, gated properties only available to those who pay to access them. When a church property is sold and turned into market-rate housing, the wealth that is created typically flows to private owners and investors. On the scale of this coming wave, this could mean yet another place in our society where access, land, and wealth flows out of communities. Church property transitions across towns, cities, and the nation could be a rare chance to share access to land and wealth more broadly.

One pastor in Washington D.C. recounts walking past the church where he was ordained on a regular basis. All he can see of it now is the locked gate that leads to high-end condos. The community asset that was a church has been privatized, with the benefits flowing to the few, not the many.

¹⁸ <https://sacredplaces.org/wp-content/uploads/2025/05/economic-halo-effect-of-historic-sacred-places.pdf>

¹⁹ Ibid.



Opportunity cost of what could be

The next section explores not just what will be lost if church money is not deployed effectively on church land, but what could be achieved if it is. There is an enormous opportunity to address injustice, expand spiritual and social services, meet deep human needs, and more if we thoughtfully, strategically, and efficiently expand the use of church land for other mission-aligned purposes.

At the same time, there is a huge opportunity cost if we don't act. For every year that we don't do something new, the potential positive impact in the lives of individuals and families is lost. For example, each year that we delay financing good affordable housing projects on church land, many families remain without a good, affordable place to live in our communities. Multiply that across a wide range of uses (job creation, food insecurity, etc.) and across thousands of church sites and it becomes clear that there is a massive opportunity cost to not acting now, when people are in need. While this lost impact opportunity is not typically priced into investment returns that show up on year-end financial statements, it is real. It matters a great deal. And these losses are not inevitable. The very same land and money that could be lost is also an extraordinary opportunity for growth.



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The Christian tradition is a story of people loved by God and loving others as a result. That has been true for thousands of years and remains true today. The form that such love takes in on-the-ground life together, activities, and “programs” has changed throughout history. But a consistent thread throughout is the use of earthly material (crops, money, land, wealth, talents, etc.) for the good of neighbors. From meals shared to widows cared for to hospitals built, faith-communities have lived out the story of good news by using what is available to them for the good of others.

That remains true today. If managed well and invested in appropriately, church land can become a platform for community flourishing. Good development is an opportunity for new models of church to emerge and can provide a future ministry and economic model for churches as they adapt to the new realities described earlier in this paper. This can show up tangibly in the following ways. This is not an exhaustive list, but it is indicative of some of the opportunities before us.

a. Address underlying core issues that church communities care about

Church communities are very often engaged in the important issues of their neighborhoods such as addressing food insecurity by hosting a food pantry in the church, providing tutoring for kids after school, or donating to local nonprofits addressing housing needs. These are wonderful ministries that should be continued as much as possible.

But what if more could be done to get to the root causes of many of these problems - a lack of living wage jobs, affordable housing for a variety of income levels, affordable and proximate healthcare centers, access to mental health services and so on? And what if church land and church money could be put together, and put to work, to create fundamental solutions to these issues?

It can.

The Turner Center for Housing Innovation at UC Berkeley found that houses of worship and nonprofit colleges in California alone own more than 171,000 acres of potentially developable land for affordable housing, an area roughly five times the size of the city of Oakland.²⁰ That scale points to a significant opportunity. Church land can help address one of the most urgent challenges facing communities across the country: the shortage of affordable housing.

Churches are often well positioned to be part of the solution. In many cases, they already hold the values, relationships, and community commitments that support affordable housing and broader community development. They also see firsthand the effects of housing instability and related systemic challenges, including hunger, poor educational outcomes, and unhealthy living conditions for children and families. Given the right location, the right conditions, and the right partners, church properties can become powerful sites of community-serving development.

Rev. Joe Daniel’s church in Washington D.C. spent years getting involved in and learning about housing needs in their neighborhood. They began looking for ways to contribute to the construction of affordable housing somewhere in the neighborhood as they learned how deep the need ran. At some point, they came to the realization that the affordable housing could be built on their own church land. Emory Fellowship is now home to 99 individuals and families who previously didn’t have an affordable place to live.²¹

Other churches are finding that they can use unused or underused space in the buildings for community development and job creation. They are renting out a little used commercial kitchen to budding food entrepreneurs to make their products for sale. Or they are turning an unused education wing that held Sunday school classrooms into a new business incubator.

²⁰ <https://turnercenter.berkeley.edu/research-and-policy/faith-based-and-college-land-housing/>

²¹ <https://emoryfellowship.org/>

In 2021, Rev. Chrissy Ennen arrived at First Presbyterian Church in Gulf Shores, Alabama, and found a congregation with only about three years of financial runway remaining. The church's declining size, combined with the cost of maintaining its building and covering basic overhead costs, made its future uncertain. Yet the congregation was not ready to close. It believed it still had a calling to serve its community, even if the form of that service needed to change.

The congregation entered a process of listening, neighborhood engagement, and discernment about new uses for its property. Through that work, church leaders identified a clear local need: affordable office and meeting space for emerging entrepreneurs and small businesses. In response, the church made a modest investment to renovate part of its Sunday school wing and convert it into a small business incubator.

The results were significant. Nine small businesses now operate from the property, generating nearly \$100,000 in revenue for the congregation.

The results were significant. Nine small businesses now operate from the property, generating nearly \$100,000 in revenue. The church has regained a viable and sustainable operating budget, while also becoming a center of innovation, entrepreneurship, and welcome in the community. In just eighteen months, a building that had been underused and financially burdensome was transformed into a productive community asset that supports both ministry and neighborhood economic life.²²

Community Health is also proving to be full of opportunity for innovation for congregations to expand their presence on church land in economically resilient ways. Churches are finding ways to use their space to create clinics through partnering with health care systems. Currently, investment is coming from local health care systems and foundations that catalyze resilient models of care and ministry. Galveston Central Church²³ in Texas and Mount Baker Presbyterian²⁴

in Washington State are both examples of churches that are providing direct service. They have both taken existing underused space, renovating it to create clinics to run direct, accessible, and affordable healthcare services in partnership with local healthcare systems.



Keeps churches embedded in place with a new economic model

In some cases, church land is being transformed into something entirely new when a church leaves or is sold. But in many cases, expanding the use of land and buildings is giving congregations a new way forward to remain embedded in place. Churches everywhere are experiencing the challenge of an economic model reliant on tithes and offerings. With a decline in giving and rising costs, particularly related to maintaining old buildings, the economic future of many congregations appears bleak. However, developments on church land not only address the challenge of maintaining an old building, they also can address the revenue challenge. This is happening because new uses of church land can create financial value in the form of land leases, land sales, or income generation that provides new sources of revenue for a church that needs a new financial future.

Engaging in community development projects is also at times leading to church growth or renewed energy among members as they find joy and meaning in engaging with their neighborhood in new ways.²⁵

All of this leads to churches that can remain in place rather than sell and leave. The illustrative example of Common Grace Church in this paper demonstrates what can happen when church money supports development on church land: a church remains for the next generation, adds community space, and provides affordable housing – all growth and mission opportunities rather than selling and leaving the neighborhood.

²² <https://faithlead.org/blog/from-empty-rooms-to-thriving-ministry/>

²³ <https://www.utmb.edu/news/article/utmb-news/2026/04/03/second-chances--inside-grace-clinic-s-mission-to-treat-substance-use-disorder>.

²⁴ <https://pcusa.org/worship-with-us/yearbook/december-14-2024>

²⁵ Currently, this is anecdotal. The authors of this position paper have encountered a number of examples of the redevelopment of church property leading to an increase in vitality of the congregation. It is an area that requires further empirical research to explore this connection.

An Illustrative Example: Common Grace Church

A project in Madison, Wisconsin is illustrative of the need for, and power of, church funds providing subsidy for community development on church land.²⁶ With an investment of church money on church land, a congregation remains embedded in its neighborhood; expands its ministry with more than 30 community partners; and adds affordable housing for 26 families. Without an investment from church funders, this project would not have been possible; the church would have left the neighborhood, and the land would likely have become 3 or 4 large single-family homes.

COMMON GRACE CHURCH: PROOF OF CONCEPT



Fig 3. A stalled redevelopment in Madison, WI became feasible only once catalytic, below-market financing arrived, letting a merged, aging congregation stay rooted in its neighborhood while adding 26 units of affordable housing and a new community center serving 30+ partners. Without it, the church would likely have left and the land would have become three or four market-rate homes.

Common Grace Church is a merger of two congregations, one Moravian and one Evangelical Lutheran Church of America. Both churches had wonderful, committed members but they had shrunk in size and budgets over the years. Both churches had aging buildings with millions of dollars of deferred maintenance and rising costs. In 2020, they started the process of coming together, and they embarked on a discernment process using the RootedGood Good Futures Accelerator course. As a result of their community listening and discernment, they formed Common Grace together and set out to deepen their impact in their neighborhood by launching the Eastmorland Community Center.

The church building they were using in the Eastmorland neighborhood had a lot of maintenance and usability problems. After investigating how much it would cost to update and repair their aging building, it was clear they could not afford to renovate and continue their ministry. They considered leaving the neighborhood and selling the property. But they wanted to go deeper; not leave.

And so they began looking at redeveloping the property. After a number of years of working with RootedGood and a local mission-aligned development team called Threshold Sacred Development, a project vision emerged that included a new community center and workforce level affordable housing. But the project didn't pencil out under normal market conditions. And it wasn't big enough or in the right location to make use of the traditional sources of subsidy like Low Income Housing Tax Credits. A beautiful vision stalled. The development team and church explored a number of creative options including expanding across the street to increase the unit count. But those approaches were also not feasible.

What unlocked the site for good was a below-market rate loan from Wesleyan Impact Partners/Texas Methodist Foundation (WIP). WIP was able to lend, without an additional guarantee, at about 2% below the prevailing market interest rate at the time. That, combined with philanthropic giving from individuals, foundations, and a contribution from the developer, made the project feasible.

The below market-rate loans created, approximately, a \$1.5 million subsidy. That combined with almost \$1 million of philanthropic and zero-interest funding created a total \$2.5 million subsidy which is about 32% of the total project budget of \$7.7 million. This subsidy percentage closely tracks the minimum subsidy needed in community development projects as described by other experts in the field.

²⁶ This example, while real, is shared to serve in an illustrative capacity and is not intended to be read as comprehensive data on the points it illustrates.

Without these subsidies, the church would have had to sell the property and leave the neighborhood within three years due to the growing cost of deferred maintenance on their existing building. The most likely future use from a market perspective would have been a market-rate multi-family rental building or, even more likely, 3-4 single-family homes selling for \$700k+ each. That outcome would have been a massive loss for the church and neighborhood. Instead of a site that will serve thousands and be affordable homes for 26 family units, the site would have become a few expensive homes. All the community services would have been lost forever in that location. Church-based catalytic funding turned this church land transition from a very poor outcome for the church and wider community into a very good outcome. Construction on this project began in fall 2025, and it opened in fall 2026.

Through the 32% subsidy, it has been transformed into a beautiful community asset for the next generation. It will be home to a church that will remain in the neighborhood in a newly designed space, a community center supporting more than 30 community groups, and homes for 26 families. An intractable deferred maintenance problem was solved and a positive, new future was brought to life.

The long-term financial difference for the church, and the denominations connected with it, is striking. Had the church sold the property and invested its approximately \$400,000 in net proceeds, it would have about \$1.7 million after thirty years. By developing the property instead, the church will remain in the neighborhood and, once the project debt is repaid, own a community center and 26-unit housing development worth at least \$14 million. That is a difference of more than \$12 million in year-30 assets, before counting the modest income the project is expected to generate along the way.

Catalytic financing at 2% below market rate has provided a 30% subsidy.



Without impact investments

The old church would be replaced with a few big expensive homes, serving a handful of people.

3 or 4 Large Single-Family Homes

VS



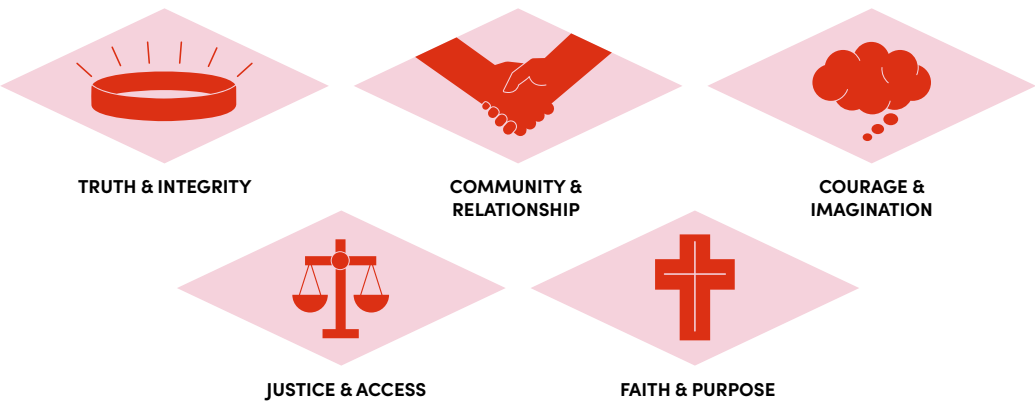
With impact investments

The old church will be home for 26 families and serve thousands with community programs, and worship life continues.

- ✓ *Hundreds served each week*
- ✓ *26 units of workforce housing*

Fig 4.
The five marks of “good” redevelopment.

At Fieldworks, the group identified five categories or ingredients of a good project: truth and integrity, community and relationship, courage and imagination, justice and access, and faith and purpose.



Truth and integrity

Naming what is real and healing what is broken. It asks churches, funders, developers, and partners to be honest about the limits of old models, the pressures of finance, and the risks of inaction. It also means being honest about power, trade-offs, and who benefits from redevelopment. Without truth and integrity, even promising projects can drift away from the good they claim to serve.

Community and relationship

Building webs of trust, breaking down silos, and choosing collaboration over competition. Church land does not sit in abstraction. It sits inside neighborhoods shaped by memory, struggle, belonging, and hope. Good redevelopment honors that reality by listening well, working across sectors, and strengthening the relationships that make long-term neighborhood flourishing possible.

Courage and imagination

Believing that new models are possible and taking risks to pursue them. This moment will not be met by repeating the habits of the past. It calls for congregations willing to reimagine their future, investors willing to experiment with new tools, and partners willing to build structures that do not yet fully exist. The transition is already underway. Courage and imagination are what keep it from becoming merely reactive.

Justice and access

Returning resources to communities that have been excluded and ensuring equity in ownership, opportunity, and impact. Church land should not simply be repositioned for the highest bidder or used in ways that deepen inequality. Church-land projects should be designed to prevent displacement, to give existing community members and neighbors a real voice in what is built, and to ensure that historically marginalized congregations share in the ownership and benefit rather than being priced out of it. The aim is not simply to build, but to build in ways that repair rather than repeat past patterns. If this work is worth doing, it must widen access to housing, community life, shared space, and economic possibility, especially for those who have too often been pushed to the margins.

Faith and purpose

Grounding innovation in spiritual calling and love of neighbor. Church land is a character in the story - not just another asset. It carries memory, mission, and moral responsibility. The purpose of redevelopment is not only to preserve institutional life or generate financial return. It is to steward land in ways that serve the deeper vocation of the church and the flourishing of the communities around it.

These ingredients form the base out of which new financial, social, and spiritual possibilities can emerge. They are what make this work more than a deal. They are what make it good.

Church land is not simply an item on a balance sheet or a title deed in a file cabinet. Church land is a character in God's story. In many cases, the land was taken from Indigenous peoples and has a story and life

Fig 5.
Church land is not simply an item on a balance sheet or a title deed in a file cabinet. It carries memory, mission, and moral responsibility, and what happens to it now will leave a legacy 50 years from now.



of its own. The use of land in neighborhoods (or the non-use of land) impacts everyone in the neighborhood today and into the future. What happens to church land now will leave a legacy and impact 50 years from now. Investing in bringing about just and beautiful projects on church land is the opportunity, and responsibility, of church leaders everywhere.

“What happens to church land now will leave a legacy and impact 50 years from now.

Investing in bringing about just and beautiful projects on church land is the opportunity, and responsibility, of church leaders everywhere.”



Past: History of churches building spiritual and social architecture

There is an extraordinary history of churches, denominations, and faith-based organizations taking risks and building the social and spiritual infrastructure of communities across the country. This includes but is not limited to church buildings. Churches and denominations started universities, with many of the Historically Black Colleges and Universities (HBCUs) founded by denominations and affiliated organizations such as AME, Quakers, and the Freedmen's Aid Society of the Methodist Episcopal Church.²⁷ Churches built charitable hospitals for those who did not have access to healthcare. The Catholic Church is the largest non-governmental provider of healthcare today, with over 5,000 hospitals and 18,000 clinics globally. Churches and denominations have for many years been providing a home to those in need through shelters, emergency housing, supportive housing, and affordable housing.²⁸

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Churches and denominations have not always made positive contributions to their wider communities. The history is mixed, and some churches and denominations have done a lot with little, while others have yet to bring their considerable resources to bear on community development. For every story of a church contributing to a just and equitable relationship with the land, a story can be found of the opposite taking place. Where there has been wrong committed, there needs to be humility and repair, and where good has taken place, we should take confidence and inspiration. This moment is an invitation to those with the capacity to step forward for good.

²⁷ <https://nmaahc.si.edu/explore/stories/consecrated-ground-churches-and-founding-americas-historically-black-colleges-and>

²⁸ For example, Catholic Charities provides shelter and secure emergency housing to 300,000 people in need. https://donate.catholiccharitiesusa.org/page/26Adwords?utm_campaign=26Adwords&utm_medium=ads&utm_source=google&utm_content=26Adwords_google&utm_term=general_support&gad_source=1&gad_campaignid=17283800562&gbraid=OAAAAADnF0pXj-dUF9otilsIFSuY7O3TrJ&gclid=CjwKCAjw7XQbBkEiwAtStpp1qwny3fuqbZ-bzyAloHkq8-MjYkU7tPat2Stqj-P9ePavyUeDjt8xoCtgMQAvD_BwE



Learning from the innovation and impact of Black congregations

The story of church property and community impact in the United States is incomplete without highlighting the role of Black churches and leaders in innovative, faith-based approaches to community development. For example, the history of community development in New York City has been profoundly shaped by Black congregations. Pastor Calvin Butts and the Abyssinian Baptist Church created the Abyssinian Development Corporation.²⁹ The Allen AME Neighborhood Preservation and Development Corporation was started by Pastor Floyd Flake and the Greater Allen AME Cathedral.³⁰ Pastor Johnny YoungBlood of St. Paul Community Baptist Church was a key leader in shaping the East Brooklyn Congregations Nehemiah Housing Plan.³¹ This last example has led to the building of over 6,500 affordable homes, generating over \$1.5 billion in home equity for first-time Black and Latino homeowners.³² These three examples all started in the late 1970s and early 1980s, and they continue today.



Present (i): Combining the spiritual, social, and financial

There are some key distinctives of many current projects. Firstly, they often involve combining the spiritual and the social together on the same land. In the past, while the different building projects might have been connected theologically, they were not connected geographically. For example, church sanctuaries were built with spaces for Sunday School, not health clinics. Secondly, these examples show that these current building projects often involve the creation of a new economic model for the whole project, and, crucially, for the congregation. Projects generate revenue that can repay investors and lenders and, increasingly over time, provide income for the congregation. These projects become the means through which the congregation

²⁹ <https://www.adcorp.org/>

³⁰ <https://www.allennpd.org/>

³¹ <https://brooklynnehemiah.org/about-us/>

³² <https://www.ebc-iaf.org/nehemiah-making-the-american-dream-possible-for-first-time-homeowners>

develops economic resilience in an era when the traditional model of dependence on tithes and offerings is in decline. As such, these projects combine, and align, the spiritual, the social, and the financial.



d. Present (ii): An ecosystem of support is emerging

The last five years have seen a significant increase in interest and innovation related to this issue, both within and outside the church. Articles in national and local press and academic journals about the redevelopment of church property have become commonplace.³³ Thanks in part to the Yes In God's Backyard (YIGBY) movement, eight states - Washington State, Oregon, California, Minnesota, Maryland, Florida, Hawaii, and Virginia - have passed legislation aimed at making it easier to build affordable housing on religious-owned property.³⁴ Six more states are considering legislation. Cities such as Charlotte, San Antonio, San Diego, Seattle, Atlanta, and New York City have passed legislation or created initiatives to support churches redeveloping church property for affordable housing.³⁵

As it relates to affordable housing, Rutgers University has produced a database of 200 affordable housing projects on church land in the last decade.³⁶ Denominations, such as the Presbyterian Church, USA, and Evangelical Lutheran Church in America, have created resources and have dedicated staff helping churches respond to the opportunity to reimagine the use of their buildings and land. There are a growing number of organizations that support churches in this work, such as Bricks & Mortals, Oikos Institute for Social Impact, Wesley CDC, Enterprise Community Partners, UCC Building and Loan Fund, Partners for Sacred Places, and RootedGood, among others. Faith-friendly philanthropy, such as Trinity Church Wall Street, Duke Endowment, Lilly Endowment, and Templeton Religion Trust are funding projects that help churches with these transitions. Organizations such as Land

Justice Futures are helping religious landowners bring racial repair, ecological healing and community power into conversations about how land is being used and governed. It is clear that an ecosystem of support is emerging to help churches respond to this generational opportunity.

This emerging ecosystem is still nascent and fragile. There is a significant need for more support for congregations in this season of transition. New organizations - that provide support, technical assistance, and values-aligned property development - need to be created, and current organizations need to grow. Alongside developing new church-based funding, there needs to be more support to build a viable pipeline of investible projects.



e. Future: A field can be built, not just a few projects completed

The invitation is to think about church property transition, and the use of church money to bring about good, as not just a series of individual projects but as a movement, a sea change, and an entire field to be sown. Individual projects will continue to happen, one by one, here and there. Tenacious leaders will find solutions to transition some church land for good. With serious investment, that trickle can become a movement and reach thousands of properties rather than a handful.

Investing church money in the church has the potential to fundamentally change that trajectory, similar to when church denominations created pension funds for their ministers, church extension funds for building new churches, hospitals to serve the sick, and other major initiatives of the past, a major movement of church money investing in community development on church land can build a whole new future, a whole new field.

³³ For example, see the Yale Law Review article on creating affordable housing on church land: <https://yalelawjournal.org/feature/churching-nimbys>

³⁴ Patrick E. Reidy, C.S.C., YIGBY Laws (February 28, 2026). Available at SSRN: <https://ssrn.com/abstract=6507981> or <http://dx.doi.org/10.2139/ssrn.6507981>

³⁵ Ibid.

³⁶ <https://bloustein.rutgers.edu/mian-rwv-launch-affordable-housing-on-faith-land-database/>

One major barrier is the pipeline of investment-ready projects and a lack of a proven track record of church property development projects, particularly at scale. Many mission-aligned investors and funders are interested in church land redevelopment, but they do not yet see a field with enough track record, comparable deals, shared data, or standardized structures to make participation straightforward. Church land projects can appear too bespoke, too complex, and too hard to place within familiar underwriting frameworks or investment policies. As a result, capital hesitates.

Enterprise Community Partners' Faith-Based Development Initiative offers some helpful data on pipeline issues. Across its cohorts, it reports 59 concept plans completed, 41 development partners selected, 25 financing applications submitted, and 16 projects securing financing.³⁸ The pattern shows both that viable projects exist and that many stall due to a lack of predevelopment and readiness funding.

Church land projects can appear too bespoke, too complex, and too hard to place within familiar underwriting frameworks or investment policies.

Another major barrier is the shortage of concessionary and gap-filling capital. Fieldworks repeatedly identified the need for below-market debt, recoverable grants, first-loss capital, credit enhancement, and other catalytic tools that can absorb risk and make projects viable. In many cases, the problem is not the total absence of money. It is the absence of the right money, structured in the right way, at the right moment. Projects need capital that can move earlier, stay in longer, accept lower returns, and carry more uncertainty than conventional financing typically allows. The right kind of funding is often the key that unlocks projects so they are truly good and not just feasible, mediocre, or possible at all.

A recent report on faith-based impact investing found that very few faith-based organizations engage in positive impact investing (as compared to negative screening of investments). The authors at FaithInvest note: “This pattern suggests that faith-consistent investing remains more strongly associated with exclusionary screening than with the proactive deployment of capital toward social or environmental outcomes.”³⁹ They go on to explain that as our study also showed, there is a lack of viable financial vehicles that make it possible, and easy, for positive impact investment to be made by faith-based investors. They state, “There is a clear need for faith-aligned investment products, particularly in response to gaps in implementing faith-based screening, positive investment objectives, and vehicle selection.”⁴⁰



Pic. courtesy The Impact Guild

³⁷ Fieldworks included 33 interviews and 4 focus groups with more than 95 leaders and practitioners from philanthropy, finance, property development, investing, church leadership, and intermediary organizations. These conversations were anonymized, transcribed, and coded around four themes: barriers, examples of current work, dreams and ideas, and models to learn from. The data gathering phase was followed by a three-day design sprint in October 2025 where more than 50 national leaders met to unpack the barriers and envision new solutions.

³⁸ Lucinda Kent, Senior Director of the Faith-Based Development Initiative at Enterprise Community Partners, and a reviewer of this position paper.

³⁹ Good Intentions 2026 Summary Report, FaithInvest, <https://www.faithinvest.org/post/guided-by-belief-but-not-yet-by-practice-study-exposes-gaps-in-fci>

⁴⁰ Ibid.

Many of the tools currently available for community development can help produce housing, services, or other public benefits on church land. But those tools are often far less equipped to support a distinctly ecclesial outcome: a church remaining present, active, and rooted on that land as part of the redevelopment itself. Outside capital may be willing to fund community benefit on church property, but it is often not designed to subsidize the continued presence of the church. That means an essential goal could easily be lost in the years ahead. If this transition is to keep churches rooted in communities nationwide, church institutions must lead the investment. Only their capital can protect what outside funding often cannot: the church's continued presence on church land.



Fig 6.
Outside capital may be willing to fund community benefit on church property, but it isn't designed to subsidize the church's continued presence there. Only the church's own capital can protect what outside funding cannot: the church staying rooted on its own land.

Fieldworks suggests that this is not an impossible aspiration. It points instead to a major untapped resource already sitting within the church: money held in church-affiliated endowments, foundations, pension funds, and other investment portfolios. That capital is uniquely positioned to do what conventional funding often cannot, namely to prioritize both community benefit and the long-term presence of the church on church land.

The research also highlights the challenge of building capital stacks that are both workable and scalable. Even successful projects often depend on unusually complex combinations of land value, grants, donor support, concessionary loans, public funding, and local ingenuity. That kind of patchwork can make individual deals possible, but it does not yet amount to a system that can operate at national scale. Fieldworks therefore points not only to the need for more capital, but to the need for better vehicles: scaled finance products and funds, blended return structures, guarantee pools, syndications, and revolving models that can recycle capital over time.

The barriers to realizing the opportunity on church land are not just barriers of imagination... The deeper problem is that the current financial system is not yet built to support it.

This is the central lesson of Fieldworks. The barriers to realizing the opportunity on church land are not just barriers of imagination. Churches, developers, and mission-aligned funders can often see what good redevelopment could look like. The deeper problem is that the current financial system is not yet built to support it.

Markets are powerful tools, but they cannot be relied upon to always produce equitable or community-centered outcomes on their own. Governments and philanthropy have long recognized this reality. They use subsidies to address market failure in situations and contexts where the logic of supply and demand does not effectively and equitably allocate resources. For example, reducing the cost of infrastructure in rural areas such as high-speed internet, enabling access to higher education for low-income families, or the provision of healthcare for those without the ability to pay for it. At their best, subsidies exist to make possible what otherwise would not happen: affordability, access, stability, and - crucially - long-term social benefit.

The same is true here.

Community-oriented property development on church land cannot produce affordability, access, long-term social benefit, and also produce market-rate returns. For social and spiritual impact to be prioritized, someone in the system must be willing to take less, or take more risk, or a longer time horizon, or all of these.

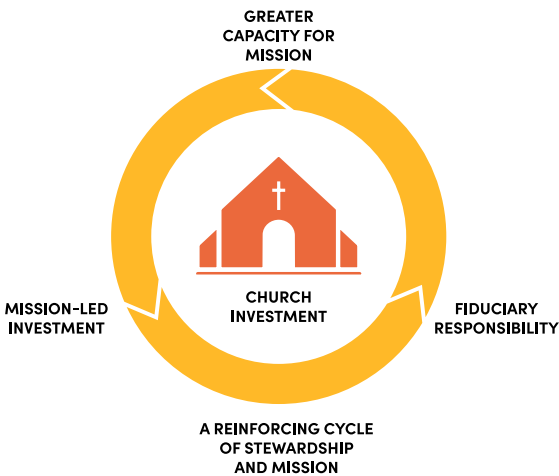


Pic. courtesy The Impact Guild

Fig 7.

For a church institution, directing a defined share of the portfolio toward the mission it exists to serve is not a departure from fiduciary duty, it's an expression of it.

MISSION AND FIDUCIARY DUTY AREN'T A TRADE-OFF



The question, then, is not whether subsidy is needed. The question is: who will provide it, and on what terms?

For Example: How the return on capital affects the affordability of rent

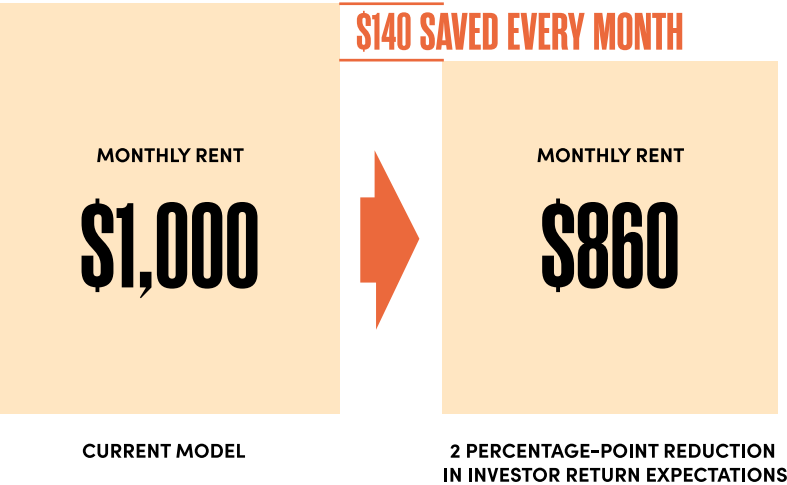
One way to understand the opportunity is to look at what a resident's rent actually pays for. Under standard financing, a large share of rent does not cover the cost of operating the building or repaying the money originally invested. It covers the return on that capital: interest to lenders and the cash return to equity investors. Our modeling indicates that roughly half of market rent, about 54 cents of every dollar, goes to return on capital, before any gain the owner may later realize when the property is sold.⁴¹

⁴¹ See Appendix B, "Return on Capital in Multifamily Rent," for full assumptions and methodology. The figures come from a generic multifamily model (65 percent debt at 6.5 percent interest, a 6.5 percent equity cash return, and operating expenses of 40 percent of rent) and count only the interest and equity cash distributions that rent funds, excluding any gain realized at sale.

Put more plainly, for every \$1,000 a resident pays in market rent, roughly \$400 covers operating expenses, about \$60 repays principal (a return of capital), and about \$540 is return on capital, of which roughly \$350 is interest to lenders and roughly \$190 is the cash return to equity investors. This estimate uses conventional financing assumptions and, importantly, does not depend on any assumption about how much the property appreciates. It counts only what rent itself funds.

WHERE RENT ACTUALLY GOES

Fig 8.
The paper's model finds that of every \$1,000 a resident pays in rent, roughly \$540 goes to return on capital (lender interest and equity returns), not to running the building. A 2-point concession from both lenders and equity investors is modeled to free about \$140 of every \$1,000 in rent, a 14% reduction.



This creates an opportunity. Capital providers do not have to give up all financial return to produce meaningful public benefit. Because interest and the equity cash return together make up the largest part of rent, modest reductions in either translate almost directly into lower rent. In the same model, a lender accepting an interest rate two percentage points lower frees roughly \$81 of every \$1,000 in rent. An equity investor accepting a cash return two percentage points lower frees roughly \$58. Together, a two-point reduction from both frees about \$140 of every \$1,000, a rent reduction of roughly 14 percent.

Those savings could be passed directly to residents through lower rents or used to provide more sustainable construction, church or community facilities, supportive services, and continued ownership by a church or community institution. Even modest concessions across the capital stack can materially change what a project makes possible.

This does not mean capital providers should receive no return. Their capital makes development possible and involves real risk. The invitation is not for church investors to give their money away. It is for each lender and equity investor to ask what return they truly need, and for institutions across the capital stack to consider what could become possible if each asked for somewhat less.



Why currently available subsidy won't be enough

There are traditional sources of catalytic funding and financing available for church redevelopment and these should be utilized where they fit a project's mission and timeline. This includes Low Income Housing Tax Credit financing, other forms of tax credits, government grants including federal, state and city, as well as philanthropic giving, and more. But those sources of funding are limited, often only suitable for larger projects in very specific locations, and, crucially, not necessarily interested in the same outcomes that churches are. These traditional sources of financing may be happy to fund (to the extent that they can) secular development on church land. But they are much less interested in, or can't, support retaining church presence on church land. Some, such as the Low-Income Housing Tax Credit, arrive late in the process and carry constraints that can rule out prioritizing local or church-community residents so they are not always compatible with the outcomes a church is seeking. If an important outcome over the next decade is keeping the ongoing presence of churches on church land throughout the United States, church institutions are going to have to provide the catalytic funding and financing required to ensure that happens.

b. How much subsidy is needed?

A RootedGood Fieldworks scenario has quantified this opportunity, suggesting that developing just 5% of church land could represent roughly \$450 billion in community redevelopment potential nationally.⁴² However, successful redevelopment at that scale is far from assured. In fact, realizing anything close to the \$450 billion potential will require substantial catalytic capital and subsidy. Catalytic funding and financing will be needed to turn negative, degenerative church land adaptation into good, life-giving community benefit. Fieldworks research identified that a lack of aligned capital and financing along the predevelopment, construction, and permanent financing journey will prevent the church and communities from making the most of this once-in-a-many generations opportunity.⁴³ In order to effectively redevelop that \$450 billion on just 5% of church land, churches will require at least \$135 billion of subsidy.⁴⁴

This is based on the estimate that an average of 30% subsidy is required for community-oriented development on church land. This 30% average subsidy is based on shared experience across the emerging field. For example, one of the largest national organizations working in this field is Enterprise Community Partners, which has a Faith-Based Development Initiative.

This initiative, with a focus on affordable housing, has created or preserved 2,000+ homes, with 9,000+ more in the active pipeline. Enterprise Community Partners considers the 30% subsidy to be “a reasonable planning assumption based on current examples and industry experience.”⁴⁵

Catalytic money is the key that unlocks the full potential of redevelopment on church land. With it, projects that serve communities and keep churches present become possible.



Pic. courtesy The Impact Guild

⁴² Fieldworks convening report.

⁴³ Fieldworks Initial research report.

⁴⁴ Fieldworks convening report. The figure depends on the assumptions used: it rests on an estimated 300,000 church-owned properties in the United States, of which 5% (about 15,000 sites) are developed at an average total project cost near \$30 million. A lower average of \$15 million per project implies roughly \$225 billion and a higher average of \$40 million implies about \$600 billion so a defensible range is on the order of \$225–\$600 billion, with \$450 billion as a central estimate of development potential. If 30% subsidy is required for this development, that is about \$135 billion in required subsidy.

⁴⁵ Lucinda Kent, Senior Director of the Faith-Based Development Initiative at Enterprise Community Partners, and a reviewer of this position paper. Kent suggests that they have seen subsidy levels at: 20-25% for stronger urban markets, 30-40% for mixed-use or deeply affordable projects, and 40%+ for projects preserving church space while adding affordability.

a. Pension Funds

Organization	Denomination	Invested Assets (billions)	% Real Estate	\$ Real Estate (millions)	Financial Year	Net gain/loss (billions)
PC(USA) Board of Pensions	PC(USA)	13.2	2.9	395	2024	0.9
Church Pension Group	Episcopal	17.7	10.9	1929	2025	0.2
GuideStone	Southern Baptist	19.8	0.6	125	2024	2.1
Portico	ELCA	8.9	1.26	112	2024	0.3
MMBB	American Baptist	2.8	Unknown	Unknown	2024	0.1
Wespath	UMC	25.9	2.9	763	2024	0.5
Pension Fund of the Christian Church	Disciples of Christ	3.6	2.1	76	2024	0.1
Concordia Plan Services	Lutheran Church - Missouri Synod	4	Unknown	Unknown	2023	Unknown
Total		95.9		3400		4.2

The eight largest Christian Protestant denomination pension funds have combined invested assets of nearly \$100 billion. While the reporting periods vary slightly, these pension funds recorded a combined \$4.3 billion dollar increase in invested assets compared to the previous financial year. Of those that disclose the asset classes they invest in, there is a combined \$3.4 billion invested in real estate.

b. Foundations

Organization	Denomination	Invested Assets (millions)	Year Reported
Presbyterian Foundation	Presbyterian Church, USA	2,800	2024
Episcopal Church Foundation	Episcopal	874	2024
Southern Baptist Foundation	Southern Baptist	300	2025
ELCA Foundation	Evangelical Lutheran Church of America	1,200	2024
Methodist Foundations Combined	United Methodist Church	5,227	2024-2025
PCA Foundation	Presbyterian Church of America	509	2024
Christian Church Foundation	Disciples of Christ	1,200	2024
Total		12,110	

The seven selected Christian Protestant denomination foundations have a combined total of over \$12 billion of invested assets. The UMC foundations, representing almost half of the total amount, are largely regional. A detailed list of the 44 foundations researched is available in the Appendix. The next largest foundation is the Presbyterian Foundation.

⁴⁶ This list is not exhaustive or comprehensive and there may be institutions missing. RootedGood checked all the sources to confirm the veracity of the dataset. While the invested assets of a particular institution can often be discovered, it is more challenging to develop a cumulative total. This is because of the risk of double counting. For example, some of the regional United Methodist Foundations invest their assets through Wespath, the UMC pension fund and investment manager. Therefore, combining both invested assets risks double counting. Where there is risk of double counting, an estimated deduction has been calculated and the risk is noted. See Appendix for a full list of sources.

c.

Catholic Foundations

Catholic Foundations	2016	2019	2021
Total amount invested assets (billions)	4.6	9.5	12.1
Number of Foundations	170		190

Wilmington Trust, an investment management firm providing services to institutions, has produced three reports on the significant growth of Catholic foundations. As of 2021, 83% of Catholic Dioceses have a foundation, with 71% of these formed since 1991. The total amount of assets managed by Catholic foundations increased from \$4.6 billion in 2016 to \$12.1 billion in 2021.

d.

US Seminaries Long-term Investments

US Seminaries Long-term investments	Invested Assets
Mainline	8.3bn
Evangelical	2.6bn
Roman Catholic/Orthodox	1.3bn
Total	12.2bn

US seminaries, or at least the majority of them, disclose the amount of long-term investments to the Association of Theological Schools, which makes this data available to the public. While many seminaries have experienced decline in student numbers, with some being forced into closure, over recent years, the combined total of long-term investments is significant, at almost \$12 billion. The mainline seminaries account for 70% of the long-term investments of all seminaries. By far the largest of these is Princeton Theological Seminary, which disclosed in audited financial statements for the financial year ending June 2025, \$1.47 billion of investments. Of these investments, \$46 million dollars

is currently invested in real estate. As an example of the growth of investments in the last five years, Princeton Theological Seminary’s investments have grown from \$1.10 billion in June 2020 to \$1.47 billion in June 2025, an increase of 34%.

e.

Christian-Affiliated Universities and Colleges

Universities and Colleges	Denomination Affiliation	Investments Size (billions)	Financial Year
University of Notre Dame	Catholic	25.8	2025
Baylor	Baptist	2.3	2025
Fordham	Catholic	1.05	2025
Pepperdine	Churches of Christ	1.58	2025
Emory	Methodist	12.9	2025
Liberty	Evangelical	2.87	2025
Boston College	Catholic	4.79	2025
Georgetown	Catholic	4.02	2025
Villanova	Catholic	1.49	2025
Duke University	Methodist	19.4	2025
Vanderbilt	Methodist	10.8	2025
Texas Christian	Disciples of Christ	3.14	2025
Davidson College	Presbyterian	1.38	2025
Southern Methodist	Methodist	2.48	2025
		94	

These 14 universities and colleges all have an official affiliation with a Christian denomination. They were selected based on the size of their investments and in order to have a diversity of denominational affiliation. The total of 94 billion includes the University of Notre Dame (26bn) and Duke University (19bn), which together account for almost half of the total investments.

f.

Adjacent Organizations

Organization	Denomination affiliated	Invested Assets/ Assets Under Management \$bn	Real Estate \$m	Real Estate %	Year
Thrivent Financial	Lutheran but now ecumenical	90	19	0.02	2025
National Christian Foundation	Non- denominational	10	86	0.86	2024
Knights of Columbus Asset Advisors	Catholic	29.5	146	0.49	2024
Total		129.5	251		

These three organizations are indicative of Christian organizations that explicitly exist to serve Christians and have significant investments. While not denominational bodies per se, their history, affiliation, and mission suggest that they could be broadly understood as “church investment institutions.” Thrivent Financial is a non-profit, member-owned, Fortune 500 financial services company, originally a Lutheran mutual aid cooperative that in 2013 voted to provide services to all Christians, not just Lutherans. Thrivent Financial has total assets under management of \$212bn. It provides a wide range of services, including insurance and banking and, as such, has different restrictions and requirements compared to other institutions. Therefore, we are including \$90bn, approximately 40% of total assets under management.

g.

Total Investments

	Investments (billions)
Pension Funds	95.9
Denomination Foundations	10.0 ⁴⁷
Catholic Foundations	12.1
Seminaries	12.2
Adjacent Organizations	129.5
Universities and Colleges	94
Total (without Adjacent)	224.2
Total (with Adjacent)	353.7

Without adjacent organizations, our conservative account (see next section for Not Included) has total invested financial assets at \$224 billion. With the adjacent organizations, this surpasses \$353 billion.

h.

Not Included

Apart from seminaries which report to ATS, there are no comprehensive datasets on church-related institution investments. Our primary research has focused on two characteristics: larger investment portfolios and denominational diversity. As such, the total amount of church-related investments is larger than our calculation, perhaps significantly so.

There are also the investments of faith-friendly foundations, such as Lilly Endowment, Templeton Foundation, and Duke Endowment. While the invested assets in these foundations are significant, their grant-making activities and investment choices are made at the discretion of their boards, and, crucially, religion is only one funding area among others. These are not “Christian” or “Church” institutions.

⁴⁷ This has been reduced from 12.1 billion to account for the possible “double counting” risk between UMC Foundations and Wespath.

As such, they could choose to no longer fund religious activities. Therefore, the relationship between these institutions and the church is conditional. This makes these organizations qualitatively different to the other institutions in this dataset.⁴⁸ This is not to say that these institutions don't have a role to play, particularly in terms of providing philanthropic funding for programs, and even providing grant dollars to act as a subsidy for a particular investment vehicle.

Catholic pension funds have also been excluded. These are decentralized organizations, with each archdiocese and religious order responsible for procuring pension fund services. It is difficult to ascertain who the providers are, and what proportion of their invested assets relate specifically to dioceses and religious orders. Further research in the amount of invested assets in Catholic pension funds would be beneficial.

This paper has focused on Christian institutions. Other faith traditions such as Jewish federations and foundations hold substantial land and endowment assets and face parallel questions about their property and capital. That is beyond this paper's scope, but it represents an adjacent and complementary opportunity, since mission-aligned vehicles built for this work need not be exclusively Christian.

i. **A Word on Constraints, Compliance, and Mandates**

Placing the invested assets of a pension fund next to that of a foundation or seminary is instructive for the purposes of this paper, but it is not meant to conflate the constraints and mandates involved in investing on behalf of a pension fund to that of a seminary or foundation. Each institution will have different mandates, constraints, and possibilities.⁴⁹ Some of these are external, such as compliance with directives regarding fiduciary responsibility for managing investments in pension funds. Others are more internal, such as guidance from the board of directors, mandates from denominational bodies, or the experience of fund managers.

This paper is interested in what it looks like for each institution, given their context, to take a step towards investing in church property development.



Pic. courtesy The Impact Guild

⁴⁸ It is worth pointing out that while Lilly Endowment is the largest funder of religion in the USA, and one of the biggest foundations, its investments are, due to its unique history, held as stock in the pharmaceutical company. The audited financial reports show that approximately \$75 billion of investments are stock in Lilly Pharmaceutical, with \$2.07 billion in fixed income and \$2.7 billion in equity investments.
<https://lillyendowment.org/wp-content/uploads/2025/06/le-ar24-rgb-1.pdf>

⁴⁹ For example, in terms of fiduciary responsibility, church pension funds are commonly exempt from ERISA (Employee Retirement Income Security Act). The determination of fiduciary responsibility for church pension funds is a combination of state law and internal governance.

The invitation is not for a radical overhaul but rather for everyone to consider what might be their next faithful step. Institutions holding substantial church capital can stand behind the congregations that are called to this work. A modest, shared allocation is what makes that support possible.

A realistic starting point is not for church institutions to solve the entire national subsidy gap. A more plausible first step would be for church-related investors to allocate between 1% and 5% of their portfolios to a new category of mission-aligned real estate investment focused on church land.

Using the conservative asset base identified in this paper, approximately \$353 billion in church-related invested assets are already held by pension funds, denominational foundations, Catholic foundations, seminaries, Christian-affiliated colleges and universities, and related institutions.⁵¹ A 5% allocation of that asset base would represent approximately \$17.65 billion of deployable capital.

The impact of this capital should be measured not only by the dollars invested, but by the subsidy-equivalent value those dollars create. A below-market loan, guarantee, first-loss reserve, recoverable grant, or patient subordinate investment can close part of a project’s subsidy gap without requiring the investor to make a grant. For example, a long-term loan made at approximately 2% points below market can create meaningful subsidy value over time by lowering project debt service.⁵²

A reasonable planning assumption is that catalytic investment can create subsidy-equivalent value equal to approximately 25% of deployed principal. This assumption is supported in two ways.

First, standard present-value math shows that a 2%-point interest-rate concession over roughly 20 years has a present value of about 25% of

loan principal when discounted at 5%. Second, the Common Grace case offers a real-world example: a \$5.9 million below-market loan created an estimated \$1.5 million of subsidy value, also roughly 25% of principal.

Under this assumption, a 5% allocation from the \$353 billion asset base could create approximately \$4.4 billion of subsidy-equivalent value. This would not close the entire national subsidy gap. But it would be enough to launch the market. Assuming a typical project requires subsidy equal to roughly 30% of total development costs, church-aligned catalytic capital could reasonably provide about one-sixth to one-third of that subsidy need, with the remaining two-thirds coming from sources such as Low-Income Housing Tax Credits, historic tax credits, public funding programs, philanthropy, land contributions, and other mission-aligned capital.

If each project received \$6 million of church-aligned catalytic investment, a \$17.65 billion pool could support roughly 2,900 projects and unlock nearly \$90 billion in total development. If each project required a larger \$12 million investment, the same pool could still support roughly 1,500 projects and unlock \$45 billion in total development.

5% ALLOCATION SCENARIO INCLUDING ADJACENT CHRISTIAN ORGANIZATIONS

\$353bn	CHURCH-RELATED AND ADJACENT CHRISTIAN INVESTMENT BASE
X5%	MISSION-ALIGNED REAL ESTATE ALLOCATION
= \$17.65bn	DEPLOYABLE CATALYTIC CAPITAL
≈ \$4.4bn	SUBSIDY-EQUIVALENT VALUE
≈ 1,500-2,900	PROJECTS SUPPORTED
≈ \$45bn-\$87bn	TOTAL DELVELOPMENT UNLOCKED

⁵⁰ Stuart Kauffman, *Investigations* (Oxford University Press, 2002). This idea has been popularized by Steven Johnson.

⁵¹ The same logic extends to other faith traditions holding land and endowments, whose participation could enlarge the opportunity further.

⁵² It is worth noting that “below market” does not always mean “higher risk.” Where a church contributes land at low or no cost, and where a project meets deep, unmet demand (as with below-market housing), the underlying risk can be modest. In some cases, the gap is less about concession than about the absence of a financing vehicle shaped for this work.

The point is not that church institutions must immediately move hundreds of billions of dollars. The point is that a modest allocation by institutional investment standards could have transformative consequences for churches and their wider communities. A 5% allocation would be small enough to fit within prudent portfolio conversations, but large enough to prove the asset class, build a track record, attract co-investments, and create the financial infrastructure needed for long-term scale.

This kind of allocation would also allow different institutions to participate according to their own mandates. A small allocation can complement fiduciary responsibilities while advancing mission objectives. Foundations may be able to take first-loss positions or provide recoverable grants. Pension funds may require senior, risk-adjusted investments. Seminaries and church-related colleges may participate in place-based pilots. Denominational foundations may support predevelopment capital, guarantees, or pooled investment vehicles. Church extension funds and CDFIs, like the United Church of Christ’s Amistad Redevelopment Corporation, may serve as intermediaries. No single institution has to do everything. The work can be structured so that different kinds of church capital take different kinds of risk.

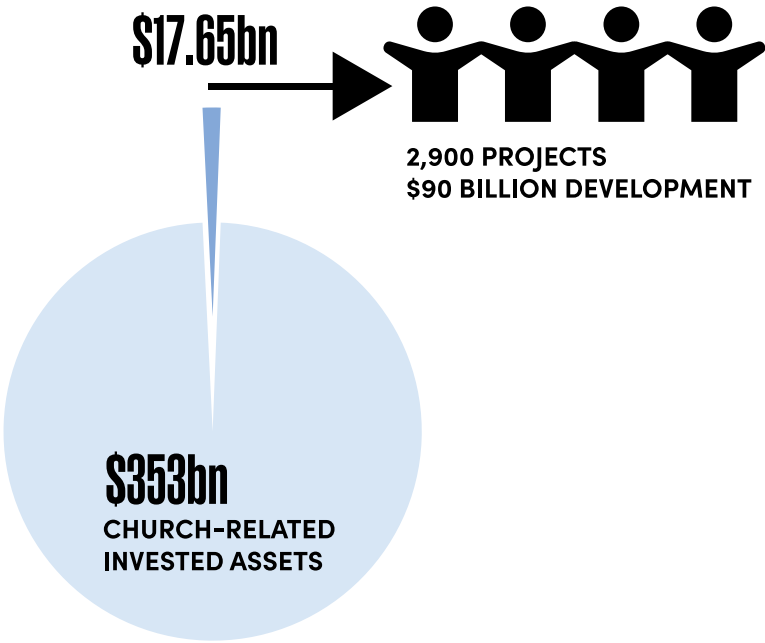
No single institution has to do everything. The work can be structured so that different kinds of church capital take different kinds of risk.

Church-aligned capital should therefore be understood as the first catalytic layer, not the whole capital stack. Its role is to make good projects financeable, to draw in other sources of debt, subsidy, philanthropy, and public funding, and to preserve the mission-specific outcomes that other capital sources are not designed to protect: continuing church presence, community-serving uses, affordability, shared ownership, and long-term neighborhood benefit.

This is how a small amount of catalytic capital does outsized work. A first-loss position or guarantee, perhaps from a foundation, absorbs the early risk that keeps conventional lenders and investors away. With that risk covered, senior, market-rate capital (for example, from a pension fund) can then invest. A modest layer of catalytic capital therefore pulls in multiple conventional investments rather than having to fund projects on its own.

Fig 9.
Conservative research across pension funds, foundations, seminaries, colleges, and related organizations found more than \$353 billion in church-related invested assets.

\$353 BILLION ALREADY SITS IN CHURCH INVESTMENTS.



The bottom line is this: a 5% allocation of investment assets for mission-aligned real estate projects could unlock as many as 2,900 projects on church land with almost \$90 billion in total value.

10 Recommendations

So where do we go from here? There are a number of possible next steps that could meaningfully shift the trajectory of church land and lead to remarkable positive outcomes for churches and neighborhoods. The following recommendations are a starting point for discussion. They are by no means the only possible next steps. These recommendations are offered as an invitation to every institution that touches church land so that they can find the next step that is right for them.

a.

Bold institutional commitment

In the last few decades, investment portfolios have been analyzed through an ethical lens, screening out investments that are misaligned with the mission of the institution. This is an important step. Alongside shareholder activism, it has seen institutional investors explore the moral and theological aspects of their leadership, particularly regarding problematic corporate activity and behavior. However, as Dave Zellner, executive chair of FaithInvest, says, “We know what you are against, but what are you for?” Is the current screened investment model sufficient in terms of mission?⁵³ A powerful next step would be to experiment with investing in mission-aligned investment, by investing directly in the future of congregations.

At each stage of bold leadership in the past - most recently with divestment from fossil fuels - institutional investors have been told that their moral qualms will damage their investment portfolio, threaten the vitality of their institution, and cause harm to their beneficiaries. Not only has this been proved false time and time again, hesitating on the current crisis of church property is the bigger risk, which ultimately threatens the vitality of the institution. Acting is consistent with institutional health and is in fact essential to it, since the future of congregations and the institutions serving them are bound together. If new economic models for congregations don't materialize, if the majority of buildings are sold, if pastors can no longer expect a salary, then there will be a financial and existential crisis for pension funds, seminaries, and denominations.

This position paper is an invitation for a new effort, a new alignment of investments with the mission of the church in order to respond to this present moment, where the future of the church hangs in the balance. There are, of course, a number of technical solutions needed in order to create pathways for investment dollars to contribute to church development projects. This presents an opportunity for boards and investment managers to use their skills and expertise to directly contribute to the vitality of churches and neighborhoods through co-creating these pathways.



Pic. courtesy The Impact Guild

b.

Create Mission-Aligned Real Estate as a recognized investment category

Creating Mission-Aligned Real Estate as a category of investment would help boards and investment committees evaluate opportunities more clearly. Naming the category matters because what cannot be named is difficult to allocate toward.

As a long-term goal, church-related institutions should consider allocating 5% of their investment portfolios to Mission-Aligned Real Estate. Unlike conventional real estate allocations, this category should explicitly prioritize mission outcomes alongside financial performance and therefore should be measured against mission-adjusted benchmarks rather than purely market ones. In some cases, returns will be concessionary while in others, returns may be at or near market. The purpose of this allocation is not to maximize financial return, but to create subsidy-equivalent value that preserves church presence,

⁵³ <https://www.faithinvest.org/good-intentions-2026>

expands community benefit, and unlocks projects that would otherwise not be feasible. Just as institutions maintain allocations to different asset classes for different purposes, a Mission-Aligned Real Estate allocation should be recognized as a distinct portfolio category with its own benchmarks, risk-return expectations, and measures of success.

A recognized Mission-Aligned Real Estate allocation would allow institutions to begin with modest commitments while building internal understanding, track records, benchmarks, and appropriate mission-adjusted performance expectations. Over time, a 5% allocation could become a practical standard for institutions seeking to align a meaningful portion of their assets with their mission. This category would become the most mission-aligned investment of the whole portfolio.



C. Participate in a learning and investment design community among major institutions

Institutional investors should work together to design a funding vehicle as an initial experiment to provide catalytic capital to church-centered real estate development. This group should include senior investment decision-makers, ideally chief investment officers or equivalent leaders, along with program, mission, and real estate leaders who understand church property transition.

The purpose would not be merely discussion. The group should be charged with designing a real experiment: identifying investable structures, testing fiduciary questions, selecting pilot geographies, reviewing possible intermediary partners, and committing initial capital to a shared proof of concept. This might involve different types of institutions exploring how they can work together to create an experiment for finding ways in which different constraints and opportunities for each type of institution can complement each other. For example, a foundation's greater ability to provide subsidy can be complemented by a pension fund's access to funds at a greater scale. By combining these into one funding vehicle, both can achieve an investment outcome that neither could do alone.

Please reach out to RootedGood at info@rootedgood.org if you are interested in participating.



A 5% allocation could become a practical standard for institutions seeking to align a meaningful portion of their assets with their mission. This category would become the most mission-aligned investment of the whole portfolio.



As indicative examples, an emerging catalytic funding pipeline might include:

Create pipelines from church investment assets to trusted intermediaries that fund projects.

Capital will not move at scale without a pipeline of projects. Most church investment institutions are not equipped to underwrite individual real estate projects on church land, and congregations are not prepared to receive institutional investment directly. The field needs trusted intermediaries that can translate between investors, churches, developers, denominations, and community partners.

The field needs trusted intermediaries that can translate between investors, churches, developers, denominations, and community partners.

One promising strategy is to move capital through existing or adapted church finance institutions, such as church extension funds, denominational foundations, CDFIs, and mission-aligned real estate intermediaries. These institutions may be better positioned to understand church polity, property ownership, congregational decision-making, and local mission goals. They can help aggregate projects, standardize underwriting, manage risk, provide technical assistance, and connect capital to churches before properties are lost to the open market.

The goal should be a practical pipeline: church investment assets move into pooled or intermediated vehicles; those vehicles support predevelopment, acquisition, construction, permanent financing, or guarantees; and churches receive the capital and expertise needed to pursue community-serving redevelopment without surrendering mission control too early.



Create take-out and secondary-market tools so catalytic capital can be recycled.

Early catalytic investors play a crucial role in church land redevelopment. They can move sooner, accept more complexity, and provide flexible capital when conventional lenders or equity investors are not yet ready to participate. But if these investors have to hold every position for its full term, their capital will quickly become tied up in a small number of projects.

The Common Grace project shows both the power and the limitation of this model. Texas Methodist Foundation and Wesleyan Impact Partners provided catalytic impact-debt financing that helped make the project possible. That capital allowed the church to remain in place, create housing, and build community space. But once a project is complete, leased, and stable, there needs to be a way for early catalytic capital, whether debt or equity, to be refinanced, repurchased, or sold into a longer-term mission-aligned vehicle. Without a refinance option, Texas Methodist Foundation's funding will remain tied up in the Common Grace project for many years. If they could recycle their money, more projects like it could be completed.

A take-out facility would allow that to take place. The originating investor could provide early catalytic capital, help the project reach stabilization, and then recover all or part of its capital to support another church-land project. Over time, this kind of infrastructure could become a secondary market for church-land development finance. It would allow larger investors to participate without underwriting every project individually, while allowing catalytic investors to keep doing what they do best: originate, de-risk, and recycle capital into the next project.

Conclusion

With every church building sold, the opportunity to shape the spiritual and social architecture of neighborhoods and communities recedes. Unless we act quickly and with sufficient scale, future generations will likely lament our passivity as they bear the loss of the current transition of church property.



Pic. courtesy maria-wave-5875894 – pexels.com

Fig 10.

An elder's question to a room of church leaders, reflecting on the generation that built what today's churches inherited.



Many churches desperately need a new economic model. We can't assume that our churches and institutions will continue in their current forms. Church-related institutional investors are not able to "solve" this issue completely, but they have a crucial and unique role to play. Without them, a small number of scrappy projects will be successful. But with their support, thousands of projects can transform the future of churches and the wider communities they serve.

This will involve all of our organizations — investors, funders, denominations, intermediaries, churches — doing things differently than we have before. Inevitably, there will be many voices telling us that this cannot be done. There is not an obvious road to take. Rather, the road needs to be built. What does it take to start? As a pastor at a RootedGood gathering said recently, reflecting on the legacy they received from previous generations in that church: "We might have inherited their faith, but have we inherited their courage?"



With the support of church-related institutional investors, thousands of projects can transform the future of churches and the wider communities they serve.



Full financial data including sources

Please note that all links are valid and sources accurate from the date 09/11/2026. Some institutions update information quarterly and others do not keep online records of previous years annual reports.

Church Pension Funds

Organization	Denomination	Invested Assets (billions)	% Real Estate	\$ Real Estate (millions)	Financial Year	Net gain/loss (billions)
PC(USA) Board of Pensions	PC(USA)	13.2	3.0	395	2024	0.968
Source: https://www.pensions.org/file/what-we-offer/benefits-guidance/forms-documents/Documents/2024-audited-financial-statement.pdf						
Church Pension Group	Episcopal	17.7	10.9	1929	2025	0.2
Source: https://2025-cpg-annual-report.webflow.io/investment-performance						
GuideStone	Southern Baptist	19.8	0.6	125	2024	2.1
Source: https://www.sbc.net/wp-content/uploads/2025/07/2024-GSFR-Consolidated-Financial-Statements-Final.pdf						
Portico	ELCA	8.9	1.3	112	2024	0.3
Source: https://media.porticocloud.net/pdf/60/60-600-AnnualReport-2024.pdf						
MMBB	American Baptist	2.8	Unknown	Unknown	2024	0.1
Source: https://www.mmbb.org/media/itjlpjew/2024-annual-report-final.pdf						
Wespath	UMC	25.9	2.9	763	2024	0.5
Source: https://www.wespath.org/assets/1/7/6094.pdf						
Pension Fund of the Christian Church	Disciples of Christ	3.6	2.1	76	2024	0.1
Source: https://online.fliphtml5.com/barj/ylbl/#p=1						
Concordia Plan Services	Lutheran Church - Missouri Synod	4	Unknown	Unknown	2023	Unknown
Source: https://concordia-assetsprod-new.azureedge.net/concordia-assets/docs/default-source/plan-documents/annual-report/cps_er_mkt_6185.pdf?sfvrsn=5f7c02c8_16						
Total		95.9		3400		4.268

Denomination Foundations

Organization	Denomination	Invested Assets (millions)	Year
Presbyterian Foundation	PC(USA)	2800	2024
Source: https://annualreport24.presbyterianfoundation.org/			
Episcopal Church Foundation	Episcopal	874	2024
Source: https://www.ecf.org/uploads/pages/ECF-2024-Financial-Statements-Final-1761246807.pdf			
Southern Baptist Foundation	Southern Baptist	300	2025
Source: https://www.ecfa.org/MemberProfile.aspx?ID=6818			
ELCA Foundation	ELCA	1200	2024
Source: https://elcamediaresources.blob.core.windows.net/cdn/assets/Flipbooks/FOAnnualReport2024/FO_Annual_Report_2024.html			
Methodist Foundations Combined	UMC	5468	2024-25
Source: See Next Table			
PCA Foundation	PCA	509	2024-25
Source: https://pcafoundation.com/2024-annual-report/			
Christian Church Foundation	Disciples of Christ	1200	2024
Source: https://christianchurchfoundation.org/wp-content/uploads/2025/08/CCF-Annual-Report-2024-Final-web.pdf			
Total		12351	

49 Methodist Foundations⁵³

Organization	Invested Assets (millions)	Year
Alabama West Florida United Methodist Foundation, Inc.	135	2025
Source: https://alwfmf.org/		
Faith Foundation Northwest	127	2025
Source: https://www.faith.foundation/		
Desert Southwest United Methodist Foundation	300	2025
Source: https://www.dsulf.org/_files/ugd/ba9dac_2defcfaec3954a389e5c107de8da60f9.pdf		
The Methodist Foundation for Arkansas	226.4	2024
Source: https://www.methodistfoundationar.org/2024/#p=8		
California-Nevada United Methodist Foundation	106	2025
Source: https://www.canvumf.org/file_download/inline/3b1e5d39-1a88-4030-be0b-18ef99f062f3		
California-Pacific United Methodist Foundation, Inc.	91	2024
Source: https://calpacumf-my.sharepoint.com/personal/aschultz_cpumf_org/_layouts/15/onedrive.aspx?id=%2Fpersonal%2Faschultz%5Fcpumf%5Forg%2FDocuments%2FFinancial%20Manager%2FAudits%2FFinal%20Audits%2F2024%20Audit%2Epdf&parent=%2Fpersonal%2Faschultz%5Fcpumf%5Forg%2FDocuments%2FFinancial%20Manager%2FAudits%2FFinal%20Audits&ga=1		
Methodists Helping Methodists Foundation, Inc.	50	2023
Source: https://mhmf.org/wp-content/uploads/2024/04/Investment-Opportunity-Booklet-2024-04-15.pdf		
Mid-Atlantic United Methodist Foundation, Inc	115	2024
Source: https://midatlanticfoundation.org/investments/		
The Florida United Methodist Foundation, Inc.	107	2024
Source: https://fumf.org/about/annual-reports/		
Georgia United Methodist Foundation, Inc.	241	2024
Source: https://gumf.org/wp-content/uploads/2025/05/GUMF-FINAL-12.31.2024-Report-Audit.pdf		
The United Methodist Foundation of the Illinois Great Rivers Conference, Inc.	Unknown	
Midwest Methodist Foundation	102	2024
Source: https://midwestmethodist.org/wp-content/uploads/2025/03/MMF-Stewardship-Report-2024.pdf		
Heartland Methodist Foundation	58	2024
Source: https://hm-foundation.org/formsresources/#annualreports		
Iowa United Methodist Foundation	75	2024
Source: https://www.iaumc.org/newsdetail/iowa-united-methodist-foundation-celebrates-growth-resources-and-new-board-member-at-annual-meeting-19123428		
Kansas Methodist Foundation	81	2025
Source: https://kansasmethodistfoundation.org/wp-content/uploads/2026/03/Annual-Report-2025-for-website.pdf		
The Kentucky United Methodist Foundation, Inc.	Unknown	
United Methodist Foundation of Louisiana	250	2025
Source: https://umf.org/foundation-news/celebrating-50-years-with-a-new-look		
United Methodist Foundation of Michigan	158	2024
Source: https://umfmichigan.org/wp-content/uploads/2025/05/9-UMF-of-MI-Financial-Statement-12-31-24.pdf		

Organization	Invested Assets (millions)	Year
Minnesota Methodist Foundation	44	2024
Source: https://www.dkmnmf.org/files/websites/mnumf2024/MN+Annual+Report+2023-2024.pdf		
Methodist Foundation of Mississippi	180	2025
Source: https://methodistfm.org/#:~:text=The%20Methodist%20Foundation%20of%20Mississippi%20was%20founded,the%20collective%20investment%20portfolio%20to%20\$180%20million.		
Missouri United Methodist Foundation, Inc.	123	2024
Source: https://mumf.org/2025/financials-2024/		
Nebraska United Methodist Foundation	60	2024
Source: https://www.numf.org/sites/default/files/452698-ne_united_methodist-2024_annual_report_proof.pdf		
United Methodist Foundation of New England	106	2024
Source: https://www.canvumf.org/file_download/inline/3b1e5d39-1a88-4030-be0b-18ef99f062f3		
Preachers Aid Society of New England	Unknown	
Texas Methodist Foundation	430	2024
Source: https://texasmethodistfoundation.org/2024-impact-report		
United Methodist Stewardship Foundation of Greater New Jersey	75	2024
Source: https://www.gnjfoundation.org/mission		
United Methodist Frontier Foundation, Inc.	49	2025
Source: https://www.umff.org/uploads/1/4/7/7/147703922/2025_q4_umff_fund_factsheets.pdf		
United Methodist Foundation, Inc.	265	2025
Source: Downloaded by email fund performance reports		
United Methodist Foundation of Western North Carolina, Inc.	347	2024
Source: https://online.fliphtml5.com/iaczx/okkd/#p=12		
Dakotas Methodist Foundation	40	2024
Source: https://www.dkmnmf.org/files/websites/mnumf2024/DK+Annual+Report+2023-2024.pdf		
The Methodist Foundation of Ohio	50	2025
Source: https://projects.propublica.org/nonprofits/organizations/341018532		
United Methodist Foundation of West Ohio	144	2024
Source: https://umfwestohio.org/about/financials/		
Oklahoma Methodist Foundation	480	2024
Source: https://lastinggood.org/resources/		
The United Methodist Foundation of Western Pennsylvania	179	2024
Source: https://umfwpa-email.brtaapp.com/files/websites/www/2024+signed+final+report+and+financial+statements.pdf		
The United Methodist Stewardship Foundation	Unknown	
South Carolina United Methodist Foundation	31	2024
Source: https://dq5pwpq1q8ru0.cloudfront.net/2025/06/16/02/38/10/dfdb41b3-fb06-43c6-9167-2c7348a775c5/2023-2024%20Annual%20Report.pdf		
The Holston Foundation, Inc.	197	2024
Source: https://holstonfoundation.org/investments/		

⁵³ This list of Methodist Foundations came from the National Association of United Methodist Foundations, <http://naumf.org/locations/>

50 Methodist Foundations *continued*

Organization	Invested Assets (millions)	Year
United Methodist Foundation for the Tennessee/Western Kentucky Conferences	97	2024
Source: https://umfmtc.org/wp-content/uploads/2025/05/2024-Annual-Report-FINAL.pdf		
Wesleyan Impact Partners	114	2024
Source: https://wesleyanimpactpartners.org/2024-impact-report		
Lovers Lane United Methodist Church Foundation	21	2025
Source: https://foundation.llumc.org/2024-annual-report/		
The Virginia United Methodist Foundation	153	2024
Source: https://vaumfoundation.org/wp-content/uploads/2025/06/2024-25-Annual-Report-Final-Printable-Version-1.pdf		
United Methodist Foundation of West Virginia, Inc.	149	2024
Source: https://www.umfwv.org/files/tables/content/19055091/fields/files/a50966165e034244933ef6a9924edb8e/annual+report+2024.pdf		
Wisconsin United Methodist Foundation, Inc.	135	2024
Source: https://www.wumf.org/aboutinvestments		
Total	5227	

Seminaries

US Seminaries	Investments \$bn (2024)
Mainline	8.3
Source: https://www.ats.edu/Data-Visualization#DVT	
Evangelical	2.6
Source: https://www.ats.edu/Data-Visualization#DVT	
Roman Catholic/Orthodox	1.3
Source: https://www.ats.edu/Data-Visualization#DVT	
Total	12.2

Catholic Foundations

Catholic Foundations	2016	2019	2021	Other
Total amount invested assets	4.6bn	9.5bn	12.1bn	83% of dioceses have separate foundations 71% have been formed since 1991
Number of Foundations	170		190	

Source: <https://www.wilmingtontrust.com/content/dam/wtb-web/wtb-migration/pdfs/Catholic-Foundations-in-the-US-Revisited.pdf>

Denomination-Affiliated Universities and Colleges

Universities and Colleges	Denomination Affiliation	Investments (bn)	Year
University of Notre Dame	Catholic	25.8	2025
Source: https://projects.propublica.org/nonprofits/display_audit/2025-06-GSAFAC-0000409423			
Baylor	Baptist	2.3	2025
Source: https://projects.propublica.org/nonprofits/display_audit/2025-05-GSAFAC-0000381548			
Fordham	Catholic	1.05	2025
Source: https://projects.propublica.org/nonprofits/display_audit/2025-06-GSAFAC-0000405669			
Pepperdine	Churches of Christ	1.58	2025
Source: https://projects.propublica.org/nonprofits/display_audit/2025-07-GSAFAC-0000406046			
Emory	Methodist	12.9	2025
Source: https://projects.propublica.org/nonprofits/display_audit/2025-08-GSAFAC-0000395944			
Liberty	Evangelical	2.87	2025
Source: https://projects.propublica.org/nonprofits/display_audit/2025-06-GSAFAC-0000390548			
Boston College	Catholic	4.79	2025
Source: https://projects.propublica.org/nonprofits/display_audit/2025-05-GSAFAC-0000387007			
Georgetown	Catholic	4.02	2025
Source: https://projects.propublica.org/nonprofits/display_audit/2025-06-GSAFAC-0000385139			
Villanova	Catholic	1.49	2025
Source: https://projects.propublica.org/nonprofits/display_audit/2025-05-GSAFAC-0000400943			
Duke University	Methodist	19.4	2025
Source: https://projects.propublica.org/nonprofits/display_audit/2025-06-GSAFAC-0000400341			
Vanderbilt	Methodist	10.8	2025
Source: https://https://projects.propublica.org/nonprofits/display_audit/2025-06-GSAFAC-0000401235			
Texas Christian	Disciples of Christ	3.14	2025
Source: https://projects.propublica.org/nonprofits/display_audit/2025-05-GSAFAC-0000383305			
Davidson College	Presbyterian	1.38	2025
Source: https://projects.propublica.org/nonprofits/display_audit/2025-06-GSAFAC-0000405032			
Southern Methodist	Methodist	2.48	2025
https://projects.propublica.org/nonprofits/display_audit/2025-05-GSAFAC-0000380830			
Total	94		

51 Adjacent Organizations

Organization	Denomination affiliated	Invested Assets/ Assets Under Management \$bn	Real Estate \$m	Real Estate %	Financial Year
Thrivent Financial	Lutheran but now ecumenical	90 after exclusions	19	0.02	2025
Source: https://www.thrivent.com/2025-tfl-audit-report-final-pdf					
National Christian Foundation	Non-denominational	10	86	0.86	2024
Source: https://www.ncfgiving.com/ncf-24-consolidated-fs-final/					
Knights of Columbus Asset Advisors	Catholic	29.5	146	0.49	2024
Source: https://files.kofc.org/download/assets/semi_annual_report.pdf/02d3c376576511f0a1080a4e46784cd9					
Total		129.5	251		

 Return on Capital in Multifamily Rent

This model estimates how much of the rent a multifamily property must charge goes to return on capital, meaning lender interest and the cash return to equity investors, as distinct from operating the building or repaying the original investment (return of capital). It excludes any gain realized when the property is sold, which a future buyer pays rather than residents; that exclusion also frees the estimate from any assumption about future property values or capitalization rates.

Assumptions

Assumption	Model input
Total project cost	\$10 million
Capital structure	65% debt, 35% equity
Debt terms	6.5% interest, 30-year amortization
Equity cash-on-cash return	6.5%
Operating expenses	40% of collected rent

At these assumptions, first-year rent divides as follows. The shares are stable across a 5.5 to 6.5 percent equity cash return and across a typical ten-year hold.

Component	Per \$1,000 of rent	Share of rent
Operating expenses	\$400	40%
Return of capital (debt principal)	\$60	6%
Return on capital (interest plus equity cash return)	\$540	54%
of which, lender interest	\$350	35%
of which, equity cash return	\$190	19%

Holding operating costs constant, each dollar of interest or cash return that is given up is a dollar that can come off rent.

Concession of two percentage points	Rent freed per \$1,000	Share of rent
Lower loan interest rate	\$81	8%
Lower equity cash return	\$58	6%
Both together	\$140	14%

Method

The model sets the first-year rent that covers operating expenses, market-rate debt service, and the equity cash return; divides that rent into operating expenses, return of capital (the principal portion of debt service), and return on capital (interest plus the equity cash distribution); and then re-estimates rent with the interest rate, the equity cash return, or both reduced by 2% points.

Basis and limitations

The debt level and amortization are conventional, and the rates are illustrative of recent conditions rather than a quote for a specific deal; the 6.5 percent cash return reflects the authors’ experience with multifamily projects that commonly seek 6 to 7%. This is a generic scenario, not underwriting for a particular property. Actual results vary with land and construction costs, leverage, debt pricing, operating expenses, vacancy, and rents, and the model excludes fees, tax benefits, and any gain realized at sale.

Authors

Mark Sampson

Mark’s professional career spans the spectrum from profit to non-profit, from start-up to established, and his academic “side-hustle” has focused on the intersection between theology and our contemporary socio-economic context. Mark has a Doctorate in Theology and Economics from King’s College London, with his thesis focusing on social enterprise as “faithful economic practice.” Prior to this, Mark studied at Regent College, Vancouver, where he gained a MA in Theology and Culture and where he was also the Interim Director of the Marketplace Institute. Mark has a forthcoming book, published by Baker Academic, and co-authored with Andy Root on the theology of money.

Mark is the former KLICE award holder for business ethics. Mark has a background in management consultancy and was the director of Cocreate Consulting, a co-operative social purpose consultancy. Prior to RootedGood, Mark was a director of Matryoshka Haus and the Transformational Index Group. Mark was the co-founder of The Paradise Cooperative, an urban farming and education charity in central London. Mark is also a non-executive director of The Curiosity Society. Mark’s dwelling place is outside Detroit, Michigan where he lives with his wife Katie and his three children Ember, Lucas, and Elora. Prior to Michigan, the family lived in Mark’s native land, England.

Mark Elsdon

The Rev. Mark Elsdon lives and works at the intersection of money and meaning as a serial social entrepreneur, strategic executive, and author. He is an international and national leader and speaker on subjects of faith-based impact investing, social enterprise, and property development. Mark’s work has been featured in the New York Times, Wisconsin Public Radio, Bloomberg, Chronicle of Philanthropy, Religion News Service, the Wisconsin State Journal, PBS, and CBS Nightly News with Katie Couric, among other publications and podcasts.

Mark is the editor of *Gone for Good? Negotiating the Coming Wave of Church Property Transition* which offers inspiration and practical help for churches and municipalities responding to the national wave of sale and repurposing of church property; and the author of, *We Aren’t Broke: Uncovering Hidden Resources for Mission and Ministry*, about the use of faith-based property and investments for social enterprise and impact investing.

Mark is co-founder and co-CEO of RootedGood, which supports catalytic and innovative faith-based leaders working on property development, money and mission alignment, and social enterprise; and he is a co-founder and partner at Threshold Sacred Development, a property development company that helps houses of worship develop property for community impact and financial resilience.

Previously, Mark Elsdon was the Executive Director and Co-Pastor at Pres House, a faith-based non-profit serving students at the University of Wisconsin-Madison. In twenty years of executive leadership at Pres House, Mark led major programmatic, financial, and organizational growth, and transformed a dormant non-profit into a strong, vibrant, multi-million dollar organization. He led the organization through the development of a \$17 million, 250-bed residency, Pres House Apartments, which is now a national model for faith-based property development and impact investing. Mark is a past president of the board of directors for Working Capital for Community Needs, an impact investing fund that provides microfinance funding to the working poor in Latin America.

Mark has a BA in Psychology from the University of California-Berkeley; a Master of Divinity from Princeton Theological Seminary; and an MBA from the University of Wisconsin School of Business. He is an ordained minister in the Presbyterian Church, USA, and lives in Madison, Wisconsin.

Authors

Shannon Hopkins

Shannon Hopkins is a social entrepreneur, strategist, and starter who has spent nearly three decades working at the intersection of faith, innovation, and social change. She sees possibility where others see barriers and has built a career bringing together ideas, relationships, and unlikely collaborators to make tangible, positive impact.

Over the course of her career, Shannon has launched and shaped more than sixteen social impact projects, organizations, faith communities and ventures; trained more than 100 social entrepreneurs; and developed tools, methodologies, and training that have been used across multiple sectors. She is Co-CEO of RootedGood, which supports catalytic and innovative faith-based leaders working at the intersection of property development, money and mission alignment, and social enterprise. Prior to RootedGood, Shannon founded Matryoshka Haus, a missional community and social innovation organization that served as a testing ground for new approaches to social entrepreneurship, community transformation, and faith-rooted innovation.

Underlying Shannon’s work is a deeply held belief that another world is possible, one that is better for all of us. She has spent her career creating the conditions for people to see new possibilities, make unexpected connections, and turn those possibilities into action.

Originally from Texas, Shannon now lives in London and works across the UK and US.

AI Declaration

AI tools were used to a limited degree during the preparation of this paper to assist with editing, organization, clarity, financial modelling, and the refinement of some language. The authors developed the paper’s research, arguments, analysis, case studies, interpretations, and recommendations. Human reviewers and editors contributed feedback, edits, and improvements. All AI-assisted material and reviewer input was reviewed and revised by the authors, who take full responsibility for the paper’s content and conclusions, including any errors.

RootedGood exists to help faith-rooted institutions rise to meet the needs and possibilities of this moment. We believe church land holds extraordinary potential for community transformation—and that new financial imagination is urgently needed.

Fieldworks is our contribution to the ecosystem—a collaborative effort grounded in the belief that the scale and complexity of this moment can only be met if we work together.

We hope to accelerate good—together—so that church properties can continue to grow as spaces of justice, healing, and shared flourishing for generations to come.

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