Building the Right Team at the Right Time

A nonprofit real estate project requires different expertise at different stages. Not every professional needs to be engaged on day one, but involving the right advisor too late can lead to costly assumptions, lost negotiating leverage, or decisions that are difficult to reverse.

The nonprofit remains the project's decision-maker throughout the process. Outside professionals provide specialized expertise, but organizational leadership and the board must continue to protect the mission, establish acceptable risk, approve major commitments, and ensure the project remains financially sustainable.

What to Ask At Each Stage of Development

Readiness and Visioning

- Should our organization pursue this project?
- Clarify the mission need, desired impact, leadership commitment, board alignment, organizational capacity, and financial objectives before selecting a solution.

Feasibility and Planning

- Can the project work—and under what conditions?
- Test space needs, site options, zoning, market conditions, project costs, operating assumptions, community impact, and alternative development strategies.

Financing and Acquisition

- Can we responsibly control the site and assemble the capital?

- Complete due diligence, negotiate site control, finalize the development budget, secure financing and fundraising commitments, and establish approval conditions.

Construction

- Can we deliver the approved project within its scope, budget, and schedule?
- Manage design decisions, contracts, change orders, construction quality, cash flow, reporting, and organizational communication

Operations

- Can we successfully own and operate the completed asset?
- Plan for occupancy, maintenance, reserves, tenant or program operations, compliance, insurance, asset management, and long-term capital needs.

Team Roles During the Development Process

	Readiness and Visioning	Feasibility and Planning	Financing and Acquisition	Construction	Operations
Real Estate Committee					
Real Estate Consultant					
Capital Campaign Consultant					
Real Estate Attorneys					
Commercial Broker					
Project Manager					
Architect & Engineers					
General Contractor					

Throughout every phase, nonprofit leadership remains responsible for:

- Protecting the organization's mission and project vision
- Establishing decision authority and board approval requirements
- Understanding the financial and operating implications
- Ensuring meaningful community and stakeholder engagement
- Monitoring scope, budget, schedule, and risk
- Documenting major decisions and commitments
- Preparing the organization to operate and steward the asset

Three practical rules for assembling the team

1. Engage expertise before the decision it is meant to inform
Do not wait until after selecting a property to ask whether it works. Do not sign a purchase agreement before obtaining legal advice. Do not finalize a design before testing affordability and operating implications.

2. Require advisors to disclose whom they represent
A broker, architect, contractor, lender, or developer may be an essential partner, but each has a particular professional and financial role. The nonprofit should understand who has a fiduciary duty to the organization and who is participating as a transaction party.

3. Preserve independent advice
The developer's attorney is not the nonprofit's attorney. The contractor's cost estimate is not independent of financial feasibility. Nonprofits should retain appropriate independent legal, financial, and technical advice for consequential decisions.