Nonprofit Real Estate Development Roadmap: Key Activities and Decision Gates

A phase-by-phase roadmap for aligning mission, organizational capacity, financing, design, construction, and long-term operations.

	Real Estate and Financial Readiness	Facility Strategic Planning	Feasibility, Financing, and Acquisition	Construction	Operations
Decision Gate	**Are we ready to devote organizational time and money to planning?**	**Do we have a clear, mission-aligned project concept worth testing?**	**Is the project feasible, financeable, and responsibly structured?**	**Is the building complete, safe, funded, and ready for occupancy?**	**Is the asset delivering its intended mission and financial results?**
Evidence needed	**Leadership commitment, board alignment, financial capacity, identified need**	**Project charter, space program, preliminary budget, site criteria**	**Due diligence, final budget, funding commitments, site control, board approval**	**Certificate of occupancy, completed inspections, funded reserves, transition plan**	**Operating results, facility condition, covenant compliance, mission outcomes**
Internal Work	Develop or update business and strategic plans Board real estate training Evaluate org. Capacity Define the mission and business need Identify project champion and decision authority Establish acceptable risk	Approve a project charter defining purpose, leadership, decision authority, and initial resources Board approval to use reserves, fundraise Draft vision and case statements Engage staff, clients, and community stakeholders	Build community support Update chart of accounts for property expenses Establish site-selection criteria Complete organizational and project due diligence Obtain board approval for site control and financing	Maintain executive and board oversight Approve material changes to scope or budget Manage staff and Stakeholder communications Prepare for occupancy and program transition	Implement Facilities Operating Manual Activate occupancy and program transition plan Track actual operating costs against projections Monitor mission and community outcomes Maintain capital reserve and replacement

	and affordability limits Determine whether ownership supports organizational strategy	Define project goals and organizational nonnegotiables Develop preliminary communications strategy	Confirm the project remains aligned with mission and affordability limits	Track decisions against mission and project goals	schedule Report property performance to the board
Team Building	Identify project champion/s	Create Real Estate Committee Hire capital campaign consultant Select a broker Select an architect	Hire project manager Select a commercial real estate attorney Select contractor through bid or RFQ Start team meetings	Establish owner–architect–contractor meeting schedule Designate authority for approvals and change orders Engage inspectors and specialized consultants Begin onboarding property/facilities management Coordinate communications with staff, neighbors, and funders	Transition from development team to operating team Assign facilities and asset-management responsibilities Establish vendor and maintenance contracts Confirm tenant or shared-space management roles Schedule post-occupancy and warranty reviews
Funding and Finance	Analyze financial performance Confirm cash on hand for development costs Calculate how much you can afford	Obtain planning and predevelopment grants Capital campaign feasibility study Identify lead donors Contact lenders	Confirm lender, secure term sheet and commitment letter Assemble and submit underwriting docs Determine closing schedule	Loan servicing Periodic disbursements Project cost monitoring Progress reporting Insurance monitoring	Submit notices of completion and final funding reports Complete final project-cost reconciliation Convert construction financing to permanent debt Stabilize occupancy and operating revenue

					Fund operating, replacement, and debt-service reserves Monitor loan covenants and actual-to-budget performance
Architecture	Determine ideal and minimum space needs	Conceptual Design with renderings, space program	Move from schematic to construction docs General Contractor bidding Value engineering, as necessary Complete final design changes	Construction monitoring Requests for Information (RFIs) and change orders Log decisions	Receive and securely retain as-built drawings Complete punch list and warranty corrections Train staff on building systems and equipment Conduct post-occupancy evaluation Establish preventive-maintenance and replacement schedules

Before advancing to the next phase:

- Confirm that the project still satisfies both its **mission case** and its **business case**.
- Do not make a difficult-to-reverse commitment until the necessary legal, financial, physical, and organizational due diligence is complete.
- Revisit the project scope whenever costs, funding, operating assumptions, or organizational conditions materially change.