Property Development Opportunity Analysis

A Comprehensive Assessment of Underutilized Assets

HDAdvisors

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Report Purpose

This analysis, done for the Virginia Episcopal Real Estate Portfolio (VEREP), provides:

- **Strategic Insights**: Identification of high-potential development opportunities amongst their smallest congregations
- **Data-Driven Decisions**: Evidence-based property assessments
- **Geographic Analysis**: Regional distribution and market potential

How to Use This Report

- **Executive Summary**: Quick project overview and key findings
- **Methodology**: Understanding the analytical approach to assessing development potential
- **Analysis Results**: Detailed findings and insights of relevant parcels
- **Summary Statistics**: Portfolio-wide metrics
- **Property Profiles**: Individual property assessments for top identified parcels
- **Appendices**: Technical details and references

> Interactive Features
>
> This report includes interactive visualizations and tools. Use the filters and controls to explore the data dynamically.

Navigation

Use the table of contents on the left to navigate between sections, or use the search function to find specific topics.

Executive Summary

This analysis examines properties in the Episcopal Diocese of Virginia with fewer than 30 Sunday attendees, focusing on development potential through key metrics outlined in the analytical framework chapter. This report was done for VEREP (Virginia Episcopal Real Estate Partners) in conjunction with case study projects HDAdvisors is facilitating.

At a Glance: Top 10 Parcelss

```
  Scoring complete

=== TIER DISTRIBUTION ===
# A tibble: 5 x 2
  development_tier               n
  <chr>                      <int>
1 Tier 4: Limited Potential     37
2 Tier 5: Not Recommended       37
3 Tier 3: Moderate Potential    24
4 Tier 2: Strong Potential       4
5 Tier 1: High Priority          2

=== GOLDILOCKS OPPORTUNITIES ===
Total High + Moderate: 39 (37.5%)

=== TOP 15 PROPERTIES BY SCORE ===
# A tibble: 15 x 7
    rank congregation_name scity area_acres development_score constraint_summary
   <int> <chr>             <chr>      <dbl>             <dbl> <chr>
 1     1 St Pauls on the ~ WINC~      3.20               79.2 None
 2     2 St Pauls on the ~ WINC~      1.67               76   None
 3     3 Christ Ascension~ RICH~      1.47               64.8 None
 4     4 Good Shepherd-of~ FREE~      3.12               63.2 None
 5     5 St Johns Church   COLU~      0.516              62   None
 6     6 Grace Church Emm~ MIDL~      3.65               58.2 None
 7     7 Grace Church Emm~ MIDL~      2.76               58.2 None
 8     8 St Georges Church STAN~      1.83               57   None
 9     9 Aquia Church      STAF~      1.12               54.6 None
10    10 Calvary Episcopa~ HANO~      1.45               54.3 None
11    11 Holy Cross Korea~ FAIR~      3.44               52.8 Historic District
12    12 Aquia Church      STAF~      1.53               50.8 Historic District
13    13 Aquia Church      STAF~      0.974              50.6 None
14    14 Aquia Church      STAF~      0.948              50.6 None
15    15 All Saints Sharo~ ALEX~      4.39               50.2 None
```

```
# i 1 more variable: development_potential <chr>

=== CONSTRAINT IMPACT ===
# A tibble: 1 x 5
  total with_constraints avg_score_unconstrained avg_score_constrained
  <int>            <int>                   <dbl>                 <dbl>
1    39               22                    56.4                  34.9
# i 1 more variable: score_difference <dbl>

=== CONSTRAINT TYPES IN GOLDILOCKS ===
# A tibble: 4 x 2
  constraint_summary             n
  <chr>                      <int>
1 None                          17
2 Historic District             15
3 Moderate Hazard Risk           6
4 Historic + Moderate Hazard     1

 Files saved:
  - property_profile_scored.rds
  - property_profile_scored.csv
  - verep_top_opportunities.csv
```

Table 1: Top 15 Development Opport

Rank	Congregation	Address	City
1	St Pauls on the Hill Church	1527 SENSENY RD, WINCHESTER 22602	WINCHES
2	St Pauls on the Hill Church	WINCHESTER 22602	WINCHES
3	Christ Ascension Church	1704 WEST LABURNUM AVE, RICHMOND 23227	RICHMON
4	Good Shepherd-of-the-Hills	7420 MISSION HOME RD, FREE UNION 22940	FREE UNI
5	St Johns Church	64 K ST, COLUMBIA 23038	COLUMBI
6	Grace Church Emmanuel Parish	5096 GRACE CHURCH LN, MIDLAND 22728	MIDLAND
7	Grace Church Emmanuel Parish	5094 GRACE CHURCH LN, MIDLAND 22728	MIDLAND
8	St Georges Church	3392 PINE GROVE RD, STANLEY 22851	STANLEY
9	Aquia Church	STAFFORD 22554	STAFFOR
10	Calvary Episcopal Church	13312 HANOVER COURTHOUSE RD, HANOVER 23069	HANOVER
11	Holy Cross Korean Episcopal Church	1 TRURO LN, FAIRFAX 22030	FAIRFAX
12	Aquia Church	STAFFORD 22554	STAFFOR
13	Aquia Church	STAFFORD 22554	STAFFOR
14	Aquia Church	STAFFORD 22554	STAFFOR
15	All Saints Sharon Chapel	3421 FRANCONIA RD, ALEXANDRIA 22310	ALEXAND

Note: Properties without street addresses are identified by congregation name and location. These parcels have valid coordinates for mapping but lack specific addresses in county parcel records.

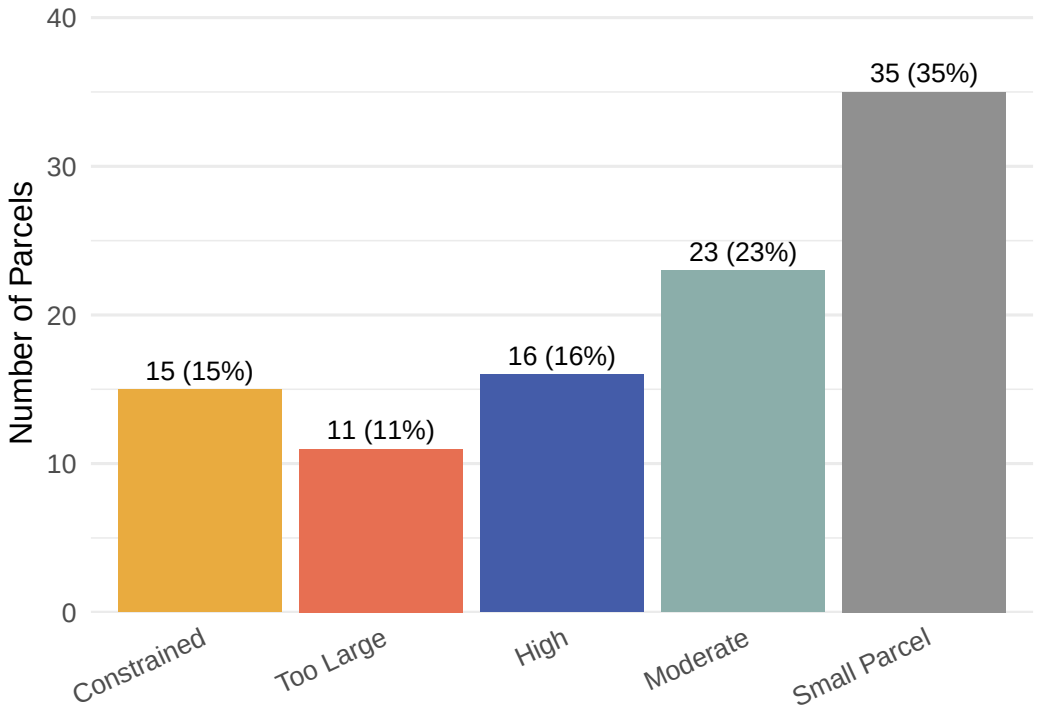


Figure 1: Distribution of Parcels by Development Potential

Key Findings

Portfolio Summary

100
Parcels Analyzed

16
Strong Potential (High)

64.1
Top Developable Acres

248
Total Portfolio Acres

Significant Underutilized Assets

3 Parcels (3.9 acres)
Surface Parking Lots

22 Parcels (98.6 acres)
Vacant/Open Space

56 Parcels (81.6 acres)
Financial Need Congregation Parcels

This defines "financial need" as:

- Sites with active congregations
- Sites with declining congregations
- Sites with declining giving

Geographic Distribution

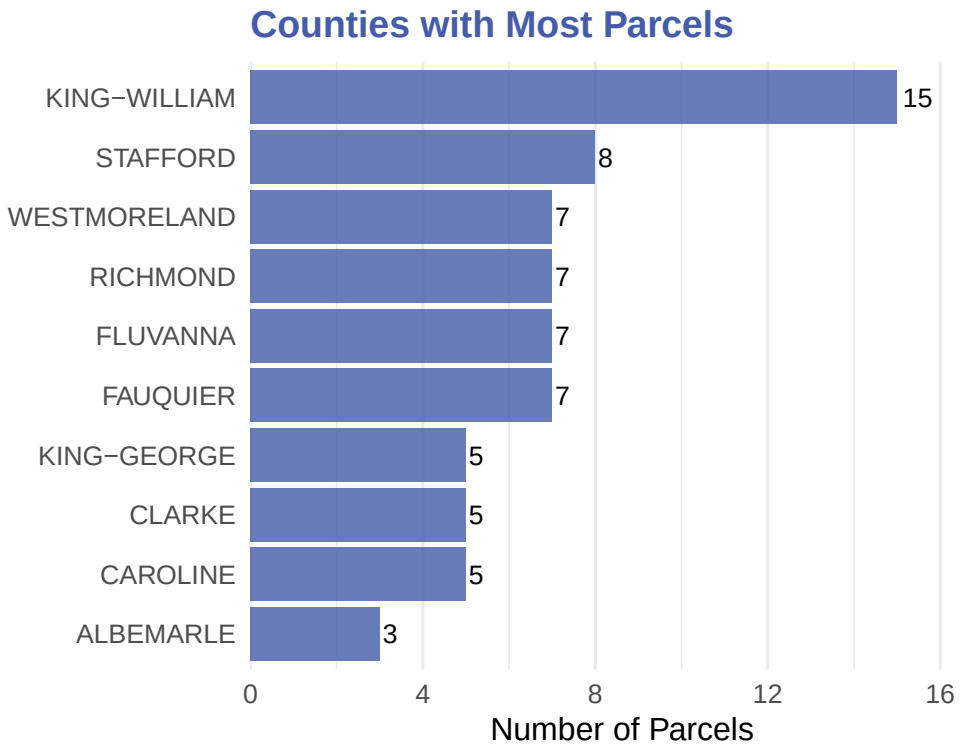


Figure 2: Parcels by County

Development opportunities are distributed across Virginia, with concentrations in:

- Urban/suburban areas with strong walkability scores
- Markets with favorable demographics and LIHTC eligibility
- Transit-accessible locations supporting reduced parking requirements

Congregation Vitality Summary

Metric	Value
Congregations with <30 Sunday Attendance	**37**
Total Parcels Analyzed	104
Average Parcels per Congregation	2.8
Average Sunday Attendance	17 people
Average Annual Pledge	$44,271
Congregations in Financial Need	**21**

Next Steps

1. **Priority Assessment**: Review top-ranked properties for immediate action
2. **Feasibility Studies**: Conduct detailed feasibility analysis for top candidates
3. **Stakeholder Engagement**: Engage relevant stakeholders for high-priority sites
4. **Financial Planning**: Develop funding strategies and timelines

Methodology & Data

Background & Data Sources

VEREP Parcel Dataset

This analysis utilizes the Virginia Episcopal Real Estate Portfolio (VEREP) parcel dataset, compiled by CGS Consultants. The dataset (originally 790 parcels) was further filtered to look at parcels/properties with small congregations and includes:

- **104 parcels** across Virginia
- Comprehensive property characteristics (size, use, zoning)
- Environmental constraints (floodplains, wetlands, easements)
- Location metrics (walkability, transit access)
- Market indicators (median income, demographics)

Congregation Statistics (2014-2023)

This analysis also includes congregation statistics from the VEREP GIS webtool. Financial and membership data provides context on congregation health:

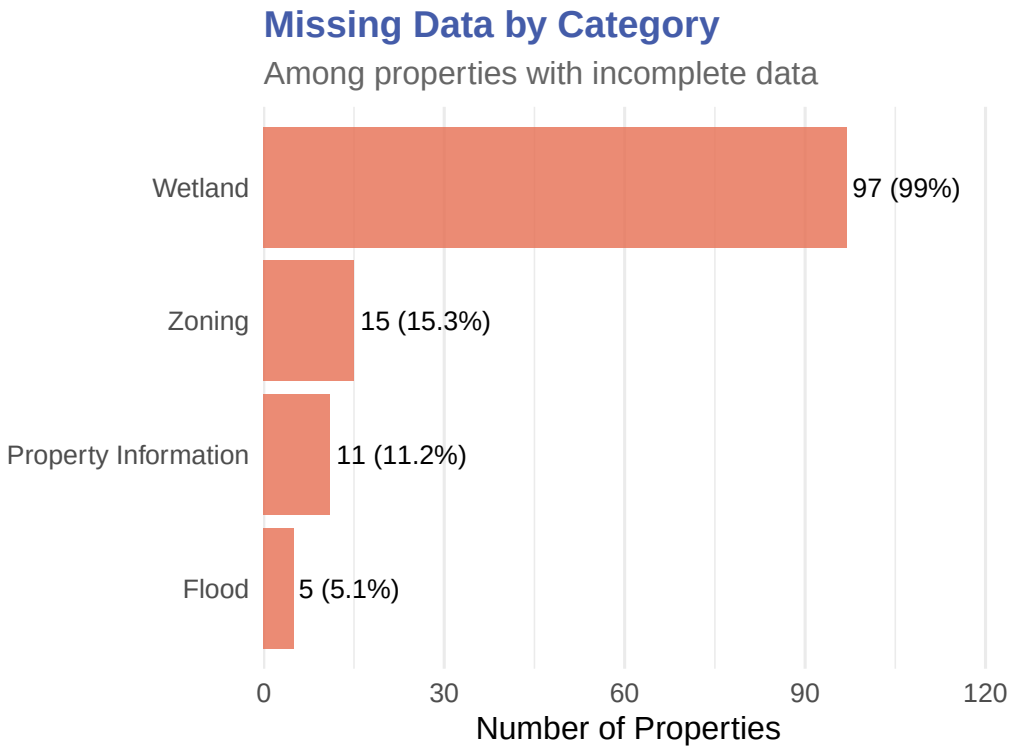
- Sunday attendance trends
- Membership changes
- Plate & pledge revenue
- 10-year trend analysis

> **Data Quality Note**
>
> Not all properties have associated congregation data. Properties without congregation information received neutral scores in the financial need category.

Data Quality Issues

Of the 104 properties analyzed with fewer than 30 Sunday attendees, 101 (97.1%) have incomplete data — meaning they are missing at least one of the six key development metrics (land value, acreage, wetland coverage, flood zone, QCT status, or zoning). This high rate reflects broader data quality challenges identified in CGS's initial VEREP study.

While environmental constraint data (wetlands, flood zones) accounts for much of the missing information, 15 properties (14.4%) are missing land value, limiting our ability to assess their financial potential. The breakdown below classifies these data gaps to help prioritize follow-up research. Once complete, these properties can be more precisely evaluated for development opportunities.



Addressing Data Gaps Through Enhanced Assessment

The QCT Data Challenge

Qualified Census Tract (QCT) designation applied to zero properties in this portfolio, rendering it useless for market assessment. We replaced QCT with median income and five-year household income growth forecasts from census tract data. Properties in high-income, high-growth areas score highest (90-95 points), while those in declining markets score lower (35-40 points). This approach uses actual market conditions at each property location rather than federal designations that proved inapplicable to small, rural congregations.

The Wetland Data Challenge

The most significant data quality issue emerged in environmental constraint assessment: **97% of properties lacked wetland coverage data** from the National Wetlands Inventory. This critical gap meant that relying solely on wetland percentages would fail to identify environmentally constrained properties, potentially overestimating development opportunities across the portfolio.

Rather than impute wetland data or exclude these properties from analysis, we implemented a **multi-faceted constraint assessment framework** using complementary data sources with comprehensive coverage:

Historic District Designation (100% coverage)

We incorporated National Register Historic District boundaries from the Virginia Department of Historic Resources. This revealed that **45% of the 104 properties** (n=47) are located within historic districts—a finding with significant implications for development feasibility. Properties in historic districts face additional regulatory requirements including design review processes, material restrictions, and extended approval timelines. Historic designation doesn't prohibit development but typically adds 15-25% to project costs and 3-6 months to development schedules. These properties receive a **-25 point penalty** in development scoring to reflect added complexity.

FEMA National Risk Index (100% coverage)

The FEMA National Risk Index provides comprehensive natural hazard assessment beyond flood zones alone, incorporating risks from hurricanes, tornadoes, severe storms, wildfires, earthquakes, and other hazards. This multi-hazard approach captures the full spectrum of climate and disaster risks that affect development feasibility, construction costs, and insurance requirements.

Among the 104 properties: - **Very Low or Relatively Low risk**: 79% (minimal concerns) - **Relatively Moderate risk**: 32% (manageable with standard precautions, -15 point penalty) - **Relatively High risk**: 12% (significant mitigation required, -40 point penalty) - **Very High risk**: <1% (likely deal-breaker, -50 point penalty)

Combined Assessment Impact

This enhanced screening framework identified environmental and regulatory constraints affecting **17 properties** (16%) that would have been missed using wetland data alone. The addition of historic district data proved particularly valuable: among the 36 goldilocks opportunities (0.5-5 acres), **16 properties** (44%) carry historic designation, providing crucial context for development planning and timeline expectations.

For the small subset of properties with wetland data available (11%), we retained this information and applied it alongside historic and hazard assessments. Properties with multiple major constraints (e.g., flood zone + high hazard risk, or significant wetlands + flood zone) receive compounded penalties (up to -75 points), reflecting cumulative impacts on development feasibility.

Addressing Missing Property Information

Eleven properties lacked specific street addresses in county parcel records, listed instead as "UNASSIGNED" or missing entirely. To enable spatial analysis and mapping, we employed the Geocodio API to generate approximate coordinates based on available city and county information.

Geocoding Results: - **Success rate**: 100% (11/11 properties geocoded) - **Accuracy**: Medium (0.54) representing city-center approximations - **Location**: All 11 properties geocoded to West Point, King William County - **Congregations**: Two congregations affected (St. Pauls Church, St. Johns Episcopal Church)

Analysis Impact:

The geocoding process successfully provided coordinates for mapping while revealing that all 11 properties are **small parcels under 0.5 acres**—below the goldilocks development threshold. These properties were appropriately classified as "Small Parcel" regardless of address precision, meaning the city-center coordinate approximations do not affect development opportunity identification. All 104 properties now have sufficient location data for spatial analysis and visualization, with no impact on the integrity of top opportunities rankings.

Remaining Data Needs:

Following wetland data supplementation and geocoding remediation, **15 properties** (14.4%) lacked assessed land values from county records. Rather than excluding these properties or pursuing individual county assessor verification, which would be more reliable but an added task, we applied a conservative estimation method using existing census tract-level housing market data.

Land Value Estimation Method:

Properties without assessed land values were estimated using census tract median home values, assuming land represents approximately 25% of total residential property value in the area. This ratio aligns with typical land-to-improvement value relationships in suburban and rural Virginia markets. The formula applied:

```
Estimated Land Value = (Census Tract Median Home Value × 0.25) × Property Acreage
```

This method provides order-of-magnitude values sufficient for preliminary opportunity screening while flagging properties for detailed appraisal before advancing to feasibility analysis. All estimated values are clearly marked in the dataset with the source noted as "Estimated from Area Median" rather than "County Assessor."

Coverage Achievement: - Properties with direct assessor land values: 89/104 (85.6%) - Properties with estimated land values: 15/104 (14.4%) - Total properties with usable land value data: **104/104 (100%)**

No properties require manual follow-up for land value data, though the 15 estimated values should be verified through formal appraisal during due diligence for any properties advancing to development.

Before and after enhanced assessment

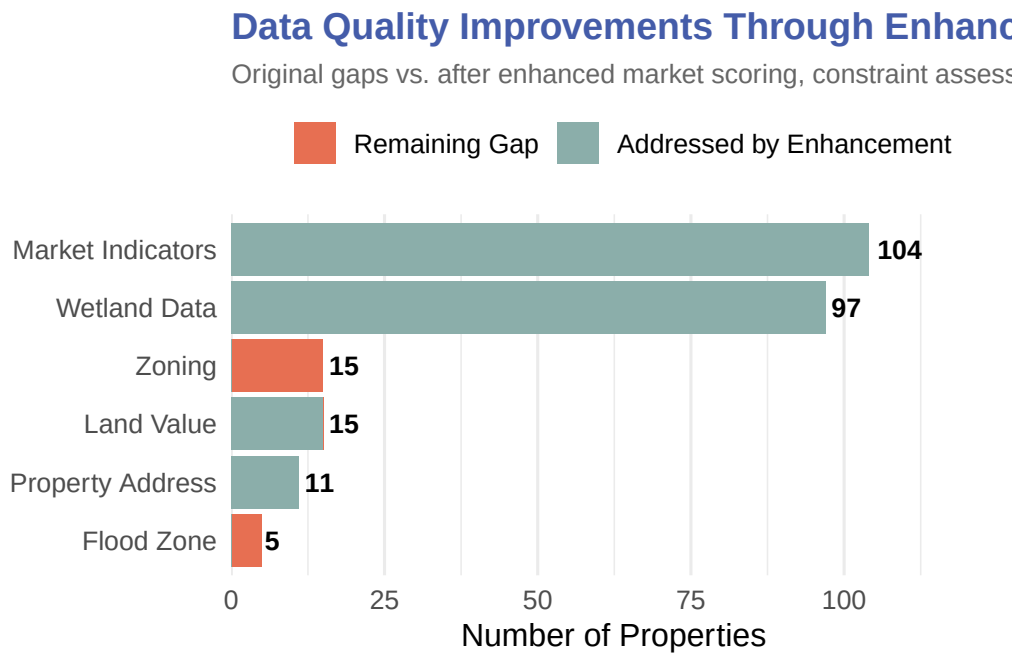


Table 3: Data Enhancement Impact

Data Category	Original Gap	Addressed	Remaining	Enhancement
Market Indicators	104	104	0	Median income + 5-year household income growth forecasts
Wetland Data	97	97	0	Historic districts + FEMA National Risk Index
Land Value	15	15	0	Census tract median home value estimation
Property Address	11	11	0	Geocodio API geocoding

Recommendation

The enhanced constraint assessment framework using historic districts and comprehensive hazard ratings provides robust environmental and regulatory screening despite limited wetland data. Properties identified as opportunities have been vetted against multiple constraint sources, providing confidence in their development potential. Future site-specific due diligence should include wetland delineation for properties advancing to development, particularly for the 89% of parcels without existing wetland assessments.

Data Source Details

The parcel data for this analysis originates from the Center for Geospatial Solutions (CGS) WHOA parcel ownership dataset, which combines cleaned and standardized parcel data from Regrid, property records from ATTOM, and corporate entity registration data from OpenCorporates into a unified national dataset.

CGS identified parcels of interest to VEREP through a multi-step process: geocoding addresses provided by the Episcopal Diocese of Virginia, cross-referencing owner names and mailing addresses against Virginia parcel records, and applying keyword searches specific to Episcopal-affiliated entities. The methodology included manual verification to remove parcels belonging to other dioceses or denominations (such as the Anglican Church in North America or African Methodist Episcopal Church) and to reconcile 572 stacked parcels into 44 distinct records.

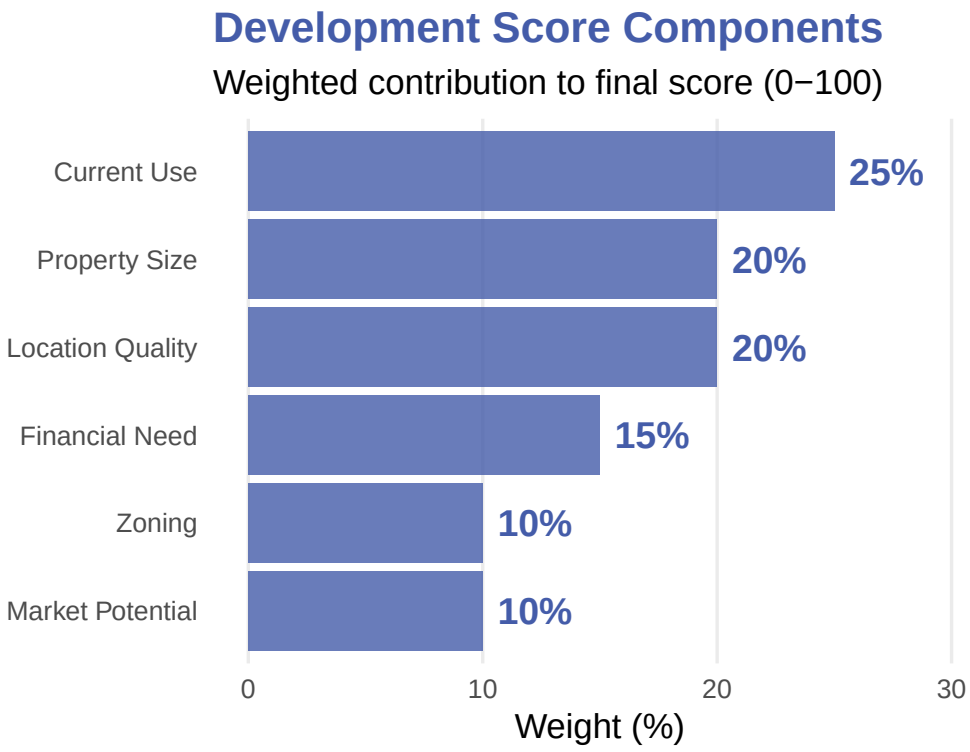
The final CGS dataset, completed in February 2025, contains 798 parcels totaling approximately 3,707 acres with an assessed value exceeding $1.79 billion.

Analytical Framework

Development Potential Scoring

Our methodology evaluates **seven key criteria** across positive attributes and limiting factors to create a composite development score (0-100):

Six Weighted Components (total: 100%)



Plus Constraint Penalties

Environmental and regulatory factors are applied as score deductions:

- Combined flood zone + significant wetlands (>25%): **-75 points**
- Flood zone OR moderate wetlands (>10%): **-40 points**

- Minor environmental constraints: **-20 points**

Development Classification Systems

Properties are evaluated using two complementary frameworks:

Goldilocks Size Classification (for opportunity identification):

- **High Priority**: 1.5-5 acres, minimal constraints, documented value
- **Moderate Priority**: 0.5-1.5 acres, minimal constraints
- **Too Large**: >5 acres (may require phased development or specialized partners)
- **Small Parcel**: <0.5 acres (limited development options)
- **Constrained**: Environmental limitations regardless of size

Numerical Score Tiers (for prioritization):

- **Tier 1 (75-100):** High Priority - Immediate development candidates
- **Tier 2 (60-74):** Strong Potential - Near-term opportunities
- **Tier 3 (45-59):** Moderate Potential - Requires creative solutions
- **Tier 4 (30-44):** Limited Potential - Significant barriers exist
- **Tier 5 (<30):** Not Recommended - Unsuitable for development

*The goldilocks classification focuses on the **optimal 0.5-5 acre range** that balances economic viability with manageable complexity. Properties outside this range may have value but require different development strategies.*

Understanding the Development Criteria

Why These Factors Matter

The development potential score is calculated by weighing each of the seven criteria according to its importance in determining development viability. Our scoring methodology, as outlined in the analytical framework of this report, reflects decades of real estate development experience and incorporates both market realities and mission-aligned priorities. Each criterion was selected to balance financial viability with community impact, ensuring that recommended properties can support sustainable development while serving congregational needs.

Property Size: The Goldilocks Principle

Weight: 20%

Not too small to be economically viable, not too large to be financially unwieldy.

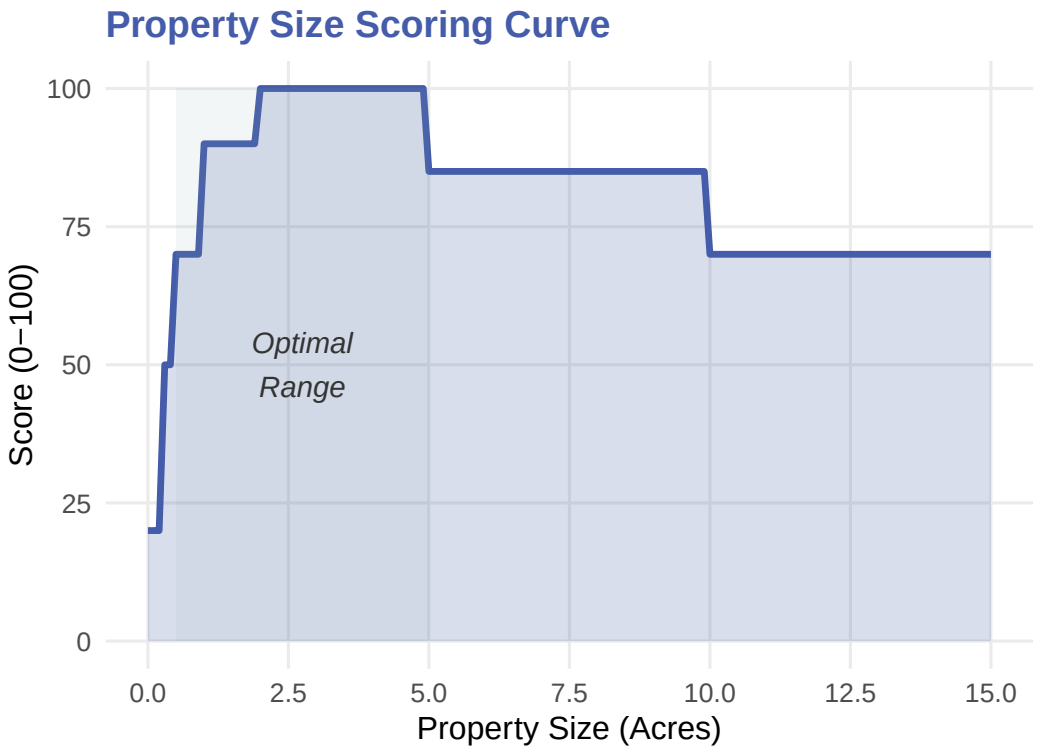


Figure 3: Property Size Scoring Curve

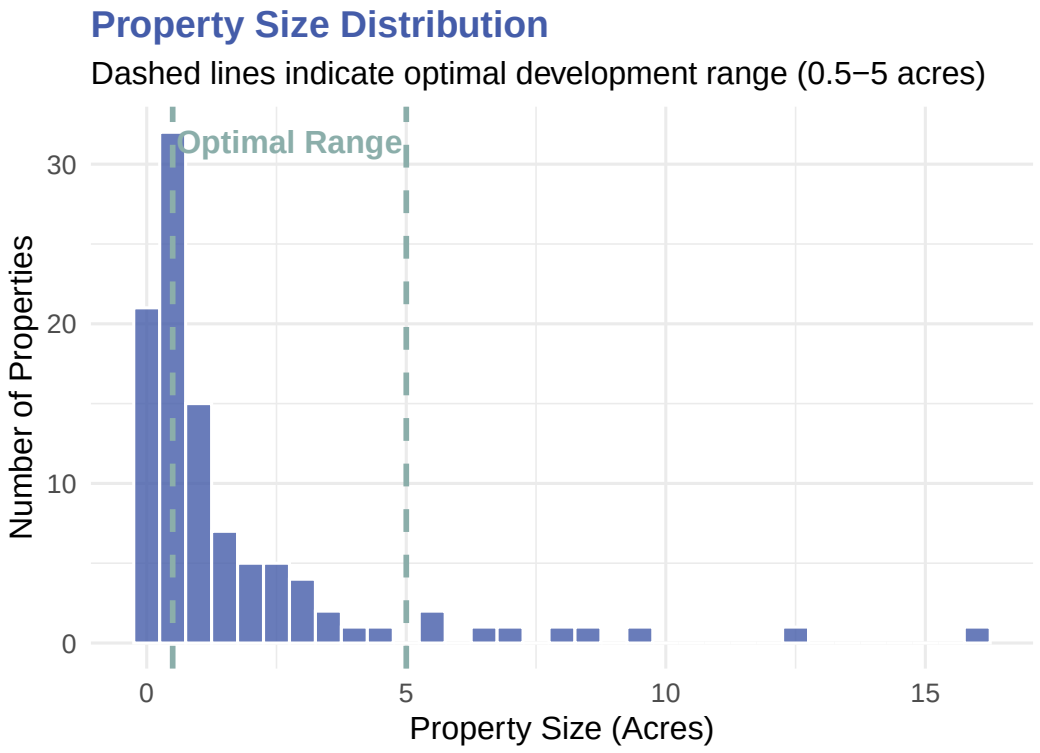


Figure 4: Distribution of Property Sizes in Portfolio