MARION COMMUNITY FOUNDATION

Real Estate Gifts

Free yourself from burdensome real estate, avoid capital gains taxes, get a tax deduction, and be charitable — *all in one transaction*

Real estate and other non-cash assets can be a savvy way to make charitable donations. When thinking about giving to charity, cash is probably the first type of gift that comes to mind; however, **commercial and r esidential real estate**, **farmland**, and other non-cash assets are all viable options.

By partnering with the expertise of a respected firm that specializes in liquidating complex assets like real estate, Marion Community Foundation can help facilitate a seamless conversion of your donated real estate for charitable purposes.

Proceeds from the sale of these assets can be used as the principal for a charitable endowment fund in your name or that of your family, a loved one, or anyone you wish to honor or memorialize in a permanent way. Such funds can generate grant awards to the local charities you favor, causes you want to champion, or students you would like to support with college scholarships.

It is our goal to sell real estate for its full fair market value & add the proceeds to your endowment fund for use in grantmaking to charities.

Significant Benefits. By gifting real estate directly to Marion Community Foundation, you can:

- Avoid paying capital gains tax on the sale of the real estate;
- Receive a charitable income tax deduction based on fair market value of the property;
- Increase your income for retirement with a charitable gift annuity or charitable remainder trust;
- Make a greater philanthropic impact; and
- Leave a lasting legacy for you and your family.

504 South State Street, Marion, Ohio 43302
740-387-9704
www.MarionCommunityFoundation.org

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How To's of Giving Real Estate

- You have some real estate that would make an excellent charitable gift, but you don't relish the process of selling it yourself.
- Pre-arranged sales (existing sale contract or "buyer in the wings") are **STRICTLY prohibited** by the IRS. Talk to us before making any oral or written offers.
- Contact Marion Community Foundation to discuss the potential donation and coordination with our third-party facilitator.
- A Memo of Understanding is completed specifying all parties' responsibilities, expectations, and fees. You establish a donor advised fund with the third-party facilitator.
- You create an endowment fund at Marion Community Foundation for a charitable purpose designed by you, the donor.
- You transfer the real estate to the third-party facilitator.
- The property is sold by the third-party facilitator for the best possible price and as quickly as possible.
- The net proceeds of the sale are transferred to your endowment fund at Marion Community Foundation.
- Marion Community Foundation awards grants or scholarships as directed by the terms of your endowment fund.

AN OPTION

Bargain sales are a sale to a charitable organization when the seller wants to make a charitable donation and sells real estate to the organization at less than its fair market value. The *difference* in price constitutes the donation, which is tax deductible and avoids capital gains taxes.

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