

Real Estate & Hard to Value Assets
A Case Study in the Opportunities and Challenges

Susquehanna Valley Planned Giving Council
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for PDF of presentation
www.connellandassoc.com/articles



What do donors look like?

- 1. Mission oriented
- 2. Aging property owners
- 3. Desire for tax benefits
- 4. Relief from headaches of ownership and management
- 5. Desire income from non-performing assets
- 6. Big deduction to offset other gains
- 7. Simplify family distribution decisions

Tax Basics

- Tangible personal property
 - ...any property other than land or buildings, that can be seen or touched.
 - Examples: furniture, books, jewelry, gems, coins, paintings, cars, boats, aircraft, livestock, crops, timberland
 - ...other than cash, securities, real estate
- Real property
 - Land, buildings, of all types

Income tax considerations

- Related use
 - Fair market value
 - 30% or 50% AGI deduction
- Related use but sale planned
 - Cost basis deduction
- Unrelated use
 - Cost basis
 - Or fair market value whichever is less
 - Auctions always an unrelated use
- Donor required to prove it was not given for an unrelated use
- Qualified appraisal for gifts over \$5,000

If I gave you \$100,000 and you could make \$50,000 in the next 6 months would you take that deal?

Take my real estate..
Please?

What you want-
Castello di Casole, Tuscany

What you get offered?

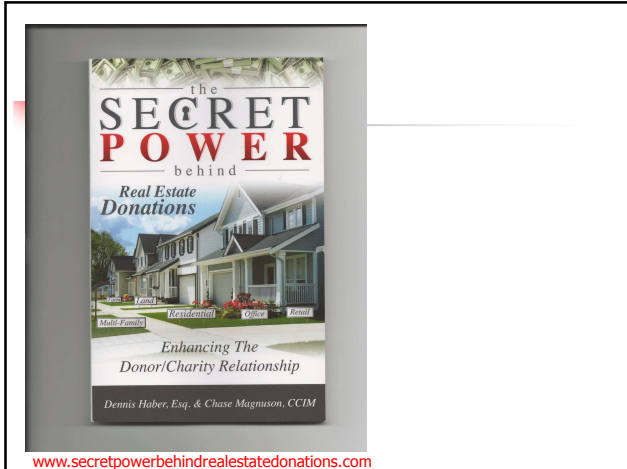
■ National Geographic launches first ever real estate gift ad

GIFTS OF REAL ESTATE:
Give a Home. Give Hope.

FOR YEARS, NATIONAL GEOGRAPHIC has enriched your life at home. Now, for the first time, your home can enrich National Geographic—and the world. Your donation of real estate (a home, second home, or other property) benefits the planet by supporting research and exploration. The same donation benefits you by providing a substantial tax break. Contact National Geographic to learn how your home can make all the difference in the world.

For more information, please call
The Office of Estate Planning at National Geographic
Tel: 1800 224-4438 | Email: plannedgifting@ngs.org
National Geographic is a 501(c)(3) tax-exempt organization.
www.nationalgeographic.org/donate

CELEBRATING 125 YEARS A NEW AGE OF EXPLORATION



Do you really want to do Real Estate – Board Objections

- How do we know what it is worth?
- Real estate values are going down we will get stuck with it!
 - **REAL ESTATE** - The average single-family home nationwide peaked in value on 6/30/07 but has dropped by 17% from that maximum value as of 6/30/12
 - **HOUSING VALUES** - The average home price in the USA dropped by 19.4% (in aggregate, not per year) over the 5-years ending 3/31/12 (source: Office of Federal Housing Enterprise Oversight)
- I know someone who has been trying to sell property for over 4 years, why would we take it?
- It is costly to keep and costly to sell, just get cash instead. Too much unknown liability exposure.
- Lack of qualified staff for the intake, management and sale of property
- We do not want to get stuck AGAIN!!!!!!!!!!!!!!

Do you really want to do Real Estate – Staff response

- We get many gifts of non-cash assets
- Unlike stocks where we know the value we will have to get at least two appraisals to know the value
- Most real estate gifts will be \$100,000+
 - **HOMES** - The average sales price of an existing home sold in the USA during April 2012 (\$177,400) was +7% greater than the average sales price of an existing home sold in April 2009 (source: National Assoc. of Realtors)
- A charity can hold real estate until the market comes back

Do you really want to do Real Estate – Staff response

- Opportunity for donor to make a significant gift with an asset no longer needed
 - Sell
 - Downsize
 - Offload management responsibilities
 - Give outright for deduction to offset other income
- We can use charitable strategies to acquire land around our campus/office, or for new facilities
- A knowledgeable consultant can assist with this gift



Real Estate Myths

1. **The fear of accepting real estate is misplaced and misguided**
2. If offered a real estate gift there must be something wrong with it
3. Staff time and expense are not worth it
4. Most real estate gifts are deferred so we will not have cash for many years
5. Most properties have a mortgage
6. Owners do not like to have development folks talk about their real estate holding, it is a job for their attorney
7. Never accept real estate for a gift annuity
 - Source: Debunking Myths about Real Estate Gifts, Dennis Bidwell, www.bidwelladvisors.com




Why Real Estate?

- Intergenerational transfer of wealth
- 75% of individuals over age 65 own one or more homes
 - Many retired seniors have a mortgage on their real estate. Back in 1989, just a little over a quarter of all households (26.4%) were living as "retired with a mortgage"
 - By 2007, nearly half (46.5%) of all households could be considered as living "retired with a mortgage." This is a 76% increase in just 18 years
- Most seniors have no debt on property
 - 48% of households headed by individuals 65 to 74 had no debt (Source: Federal Reserve 2007 study of consumer finances)
- Personal residences comprise about 10% of all estate assets
- Other real estate comprise about 7% of all estate assets

Why Real Estate?

- Highest percentage of mortgage-free homeowners, 29.3% (Source: Zillow.com)
 - Pittsburgh
 - Tampa
 - New York
 - Cleveland
 - Miami





Discovery Process

- How property is owned
 - Individual, trust, partnership, corporation
- Existing or potential liens
- Expenses to carry property
 - Electric, water, maintenance, insurance taxes
- Clear title report
- Paperwork process
 - Internal and external
- Parties involved
 - Multiple ownership
- Easements or other restrictions
- Zoning issue

Steps to Take Before Accepting Real Estate...when you don't have a policy

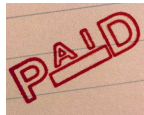
- Get an appraisal
- Ask a professional broker to evaluate the appraisal
- Hire a lawyer to review contracts
- *"Kick the tires"* Inspect and have the property inspected
- Mention/urge donor to pay for environmental evaluation
- Figure out how much income a commercial property could provide

Steps to Take Before Accepting Real Estate...when you don't have a policy

- Determine monthly costs of keeping the property and project future maintenance costs
- Identify all potential risks owning the property and selling it in the future
- Figure out how to manage the property once it is gifted and purchased
- Source: Chronicle of Philanthropy, August 2009
- **NO TIMESHARES**

Mortgage on property

- Reduces equity of fair market value and creates a bargain sale
 - Recourse – against the property and the owner
 - Non-recourse – solely against the property
- Mortgage removal strategies
 - Pay off
 - Transfer to other property
 - Charity short term low interest loan
 - Charity purchase percentage interest



CERCLA statute

- Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (Superfund Act)
- Any person, or entity in the chain of title (even briefly) can be held liable for environmental cleanup, even if it did not in any way contribute to the hazardous waste
- Solutions:
 - Single Member Charitable LLC
 - Supporting Organization
 - FLIP charitable remainder unitrust



Getting the Word Out Marketing Matrix

- Take advantage of all marketing strategies
 - Internal
 - External
 - Web site
 - Personal Visits



What is Real Estate Worth?

- Assessment date is available on all US properties
- The kind of home a family owns usually reflects its economic status
- Primary source is the assessor for the county or township where the property is located
 - Assessed value
 - Market value

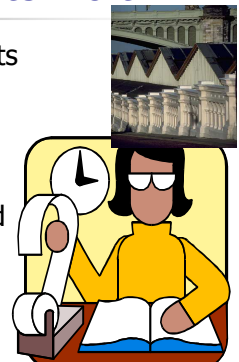


What is Real Estate Worth?

- Links to assessor's websites:
 - www.pulawski.net
 - www.publicrecords.netonline.com
- Rough idea of market value
 - www.zillow.com
- Spend a little money?
 - www.knowX.com has indexed real estate information from most counties across the country, costs \$7 per record.

What is Real Estate Worth?

- Appraisal requirements
- Qualified appraiser
- Property description
- Fair market value
- Comparable sales and other specifics
- Environmental issues



Sample Assessor Printout

ROB TURNER, CFA
www.hcpafl.org
TAMPA, FL

HILLSBOROUGH COUNTY PROPERTY APPRAISER

ABOUT HCPAFL | IMPORTANT INFORMATION | PROPERTY RECORD SEARCH | ORDER MAPS | LINKS | EMPLOYMENT OPPORTUNITIES

PROPERTY RECORD SEARCH

OWNER NAME SEARCH: [REDACTED]

ADDRESS SEARCH: Mailing Address [REDACTED]

FOLD-UP SEARCH: [REDACTED]

PHOTO SEARCH: [REDACTED]

TANGIBLE TO SEASIDE SALES: [APPLY FOR HOMESTEAD EXEMPTION ONLINE](#)

OWNER NAME SEARCH: [REDACTED]

ADDRESS SEARCH: [REDACTED]

FOLD-UP SEARCH: [REDACTED]

SEARCH GIS: [REDACTED]

SALES SEARCH: [REDACTED]

ADVANCED PROPERTY SEARCH: [REDACTED]

PROPERTY TAX: [REDACTED]

VALUE SUMMARY

TAXING DISTRICT	MARKET VALUE	ASSESSED VALUE	EXEMPTIONS	TAXABLE VALUE
County	\$169,791	\$169,694	\$50,000	\$119,694
Public Schools	\$169,791	\$169,694	\$25,000	\$144,694
Municipal	\$169,791	\$169,694	\$50,000	\$119,694
Other Districts	\$169,791	\$169,694	\$50,000	\$119,694

GIS MAP

Sample: www.zillow.com printout

Home For Sale \$120,000
Beds: 4
Price Cut: \$14,500 (11% ↓)
Baths: 3.0
Zestimate®: \$114,267
Soft: \$,000
Est. Mortgage: \$1,384/mo
Lot: 7,409

17296 Timber View St, Tampa, FL

Home for Sale
Zestimate®: \$125,443
Beds: 3
Price Cut: \$17,400 (14% ↓)
Est. Mortgage: \$1,740/mo
Soft: 2,214
Lot: 6,059

Take my real estate... please!!!!

- Opportunity**
 - charitable motivation
 - donor has excess real estate
 - residence, vacation home, land
 - planning estate distribution
 - lifestyle change
 - children have no use for property
 - no heirs
- Opportunity**
 - sale would mean significant taxes
 - own property without debt
 - desires debt forgiveness
 - desires tax reduction
 - desires life simplification
 - major \$100k gift opportunities
 - may fund a life income plan for self or others

Types of Real Estate



- Personal residence
 - Non-rental
 - Rental property
- Commercial property
 - Used in taxpayers business
 - Hotels, recreational parks
- Condominium
- Farmland
- Investment real estate
 - Apartments, office buildings
- Raw land

HOUSE FOR SALE
Exclusively
CALL 555-0000

SOLD


Gift of Real Estate

- Outright or Fractional Interest
- Bargain Sale
- Installment Sale
 - Installment bargain sale
- Life Estate
- Gift Annuity for 85% FMV
- 18 month Deferred Annuity
- Simultaneous Closing
- Unitrust and Sale
- FLIP Unitrust
- Charitable Lead Trust



Bargain Sale

York College of Pennsylvania
800 South George Street



Bargain Sale


York College of Pennsylvania

- Surviving spouse, mid 70s
- Inherited building, former physician office, two tenant apartments
- Attorney driven bargain sale
- Appraised value \$91,000
- Bargain sale price \$20,000
- Income tax deduction \$71,000
- IRA rollover gift \$25,000
- Avoided capital gain and depreciation recapture (if any)
- Life simplification

Real Estate CGA – Case Study

- Why a gift annuity strategy?
- Donor objectives
- Charity objectives
- Evaluation strategies
- Decision matrix
 - CEO, CFO, Board, Development
- IRS requirements
- Detail information in Newsletter at link--
 - www.connellandassoc.com/Newsletters/October2012issue.htm

Why a CGA



- Most popular life income split interest agreement
- Simple to set up, no trust drafting
- Negotiated with donor and/or advisors
- Convenience factors for donor
- Risk factors for charity
 - Longevity
 - Investment

What Does It Take to earn \$1,000


- It took **\$24,000** invested in a taxable money market earning +4.18% (the national average at Thanksgiving 2007) to generate a yearly return of \$1,000
- It now takes **\$5,000,000** invested in a taxable money market earning +0.02% (the national average today) to generate yearly taxable income of \$1,000 (source: BTN Research).
- **Commentary:** One of the major advantages of a charitable gift annuity for those individuals who have charitable intent is to increase their income and decrease their taxes. Prime candidates for CGAs are those individuals who have remembered your charity in their will.

Real Estate Evaluation Form for Charities Accepting Homes, Land or Other Real Estate for Charitable Gift Annuity Agreement

Donor: _____ Donor Age: _____
 Donor: _____ Donor Age: _____
 Normal Charitable Gift Annuity Rate: _____
 Real Estate gift annuity rate - ACCA rate - .95% _____

PLANNING TOPIC(A)	PLAN 1(B)	PLAN 2(C)	Formula(D)	EXAMPLE(E)
Appraised value for tax deduction	\$0.00	\$0.00	D2	\$150,000.00
Selling adjustment(% of value)	0.00%	0.00%	D3	10.00%
Selling adjustment value	\$0.00	\$0.00	D2*D3	\$15,000.00
Gross Sale Price	\$0.00	\$0.00	D2-D4	\$135,000.00
Selling expenses (% of sale for commission, transfer fees, other expenses)	0.00%	0.00%	D6	8.00%
Total expenses	\$0.00	\$0.00	D5*D6	\$10,800.00
Cash received by charity	\$0.00	\$0.00	SD5-D7	\$124,200.00
Carrying expenses before sale of asset (insurance, taxes, assessments, management fees, other)	\$0.00	\$0.00	D9	\$3,000.00
Adjustment for annuity income paid to donor prior to asset sale (estimate one year payment)	\$0.00	\$0.00	D10	\$8,000.00
Total cash received by charity to fund annuity agreement	\$0.00	\$0.00	SD8-(D9-D10)	\$113,200.00
Annual annuity payment	\$0.00	\$0.00	D12	\$8,000.00
Annuity rate on appraised value	??	??	D12/D2	5.33%

Donor #1



- June is a 85 year old
- Recently widowed
- Good health
- Financially secure
- Prior experience with gift annuities
- Florida resident considering relocation to be closer to family/friends
- Considering retirement community

Donor Asset

- Built in 2004
 - 3 bedrooms
 - 2 baths
 - Large lot
- 2,500 square ft
- Appraisal #1
 - \$180,000
- Appraisal #2
 - \$185,000
- No mortgage



Charity: Chapters Health System



- Hospice that took care of deceased husband
- First real estate gift annuity
- Guidelines
 - FMV discount 10-15%
 - Considered outright gift, fully deductible
 - Rate discount -.05% of ACGA rates to max of 7.0%

Proposal and Memorandum of Understanding

- **Rights and responsibilities of each party**
- FMV of asset for annuity \$164,250
 - Average value of two appraisal \$182,500
 - 10% discount = \$18,250
 - Net value \$164,250
- ACGA annuity rate for age 85 = 7.80%
- Maximum rate offered = 7.0%
- Two charitable deductions
 - One for discount \$18,250
 - One for gift annuity \$101,666
- Skip first short payment

Proposal and Memorandum of Understanding

- Legal description of property
- Free and clear of all encumbrances
- Draft gift annuity agreement with values and payments
- Responsibility for closing costs, taxes, transfer fees, transfer of utilities
- Final inspection of deeds, documents, property prior to transfer
- Statement of IRS rules on transfer, charitable deduction value and reporting responsibilities

Charitable Gift Annuity

June Cotrell - Age 86

7.00% Annuity

1. Gift property to charity. Donor receives contract for annuity payments. Income tax deduction of \$101,666 may save \$25,417.
2. Annuity of \$11,497.52 for one life. Tax-free amount \$9,772.89. Estimated one life payout of \$81,632. Effective payout rate 10.6%
3. Quarterly payments for one life. Property passes to charity with no probate fees. There are also no estate taxes.


IRS Reporting

Gift Annuity

- Tax substantiation letter
- Crescendo life income calculations
- IRS form 8283 completed
 - Appraiser
 - Charity
 - Donor
- Appraisal attached

Outright Gift

- Outright gift receipt
- IRS form 8283 completed
 - Appraiser
 - Charity
 - Donor
- Appraisal attached




Donors #2



- Former marketing executive, one son employed by world bank in India
- No gift annuity experience
- David initiated call to retirement community on what they could do if they gifted home for life income
- Preliminary attorney suggest gifts that were unworkable
 - **Issues**
- Retirement Foundation contracted with consultant on November 1, 2013

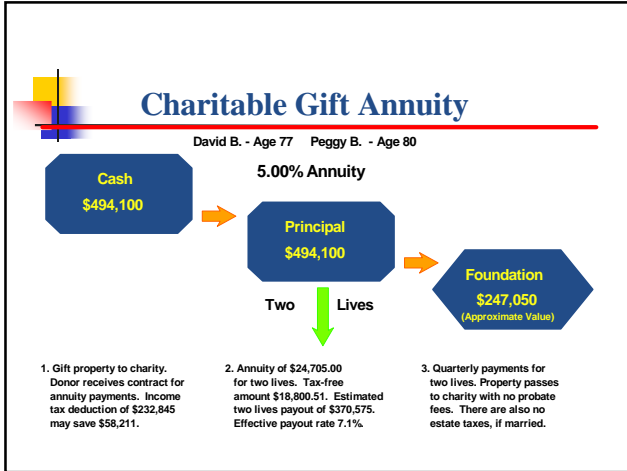
- David and Peggy
- Active retirees, ages 77 and 80
- Moving from NC to MD into a retirement community for her health reasons

Donor requirements



- Complete by December 31st
- Development director retirement 12/31/13
 - **No real estate gift experience**
- Solution: 90%-10% CGA, 5% payment
- Foundation attorney drafted CGA agreement
 - **Issues**
- Appraisals \$549K, \$540K
- Completed 12/27/13

- Home listed for sale, \$650K, \$625K, then \$599K
- Local attorney recruited for paperwork
- One personal visit, balance by email and phone



- ## What is your real estate worth?
-
- IRS 8283 form – **new for 2012**
 - \$500 or more of property
 - \$5,000 or more signed by appraiser
 - Charity signature to acknowledge receipt of property
 - IRS 8282 form for charity
 - 125 days of sale of property
 - When sale is within three years of gift date
 - Appraisal requirements
 - 60 day rule or tax filing rule
 - Charity restricted from doing appraisal

Form 8282 (Rev. 12-2013) Page 2

OMB No. 1545-0048

Section 8. Donated Property Over \$500 (Except Certain Publicly Traded Securities)—List in this section only items or groups of similar items for which you received a contribution of more than \$500 (not more than \$500) from an individual contributor of a publicly traded security, publicly traded security, or other publicly traded security, or from an individual, partnership, trust, or other donor (not more than \$500).

Part I Information on Donated Property—To be completed by the taxpayer and/or the appraiser.

1. Check the box that describes the type of property:

<input type="checkbox"/> A. Art contribution of \$1,000 or more	<input type="checkbox"/> C. Qualified Consumer Contribution	<input type="checkbox"/> E. Equipment
<input type="checkbox"/> B. Art contribution of less than \$1,000	<input type="checkbox"/> D. Other Real Estate Property	<input type="checkbox"/> F. Securities
<input type="checkbox"/> G. Collectibles	<input type="checkbox"/> H. Intellectual Property	<input type="checkbox"/> I. Vehicles
<input type="checkbox"/> J. Other		

2. For real estate, include address, zoning, acreage, volume, unique, distinctive arts, collectibles, items, books, records, rare manuscripts, historical manuscripts, and other materials.

3. For other items, include name, make, make, year, serial number, identification number, etc., as well as all other data.

4. Make a number series, such as serial or qualified appraisal of the property, the number(s).

5. (A) Description of property (you must describe the property in detail, including the name of the donor, the date of the gift, and the date of the appraisal, if applicable.) (B) If tangible property, give a brief description of the item and the date of the appraisal, if applicable. (C) Appraiser's name and address.

Part II Appraiser (Donor) Statement—List each item included in Part I above that the appraiser identified as having a value of \$500 or less. See instructions.

Part III Declaration of Appraiser—To be completed by the appraiser. The appraiser must be a qualified appraiser as defined in Section 2031(c) and must be a member of a qualified appraisal organization.

Part IV Donor Acknowledgment—To be completed by the charitable organization.

Form **8282** **Donee Information Return** (Rev. April 2009) (OMB No. 1545-0048) (State, Exchange, or Other Disposition of Donated Property) (Give a Copy to Donor)

Parts To Complete

- If the organization is an original donee, complete Identifying Information, Part I (lines 1a-1d and, if applicable, lines 2a-2d), and Part III.
- If the organization is a successor donee, complete Identifying Information, Part I, Part II, and Part III.

Identifying Information

1a. Name of charitable organization (name) Employer identification number

1b. Address (number, street, and room or suite no.) (P.O. box no. if mail is not delivered to the street address) City or town, state, and ZIP code

Part I Information on ORIGINAL DONOR and SUCCESSOR DONEE Receiving the Property

2a. Name of original donor of the property 2b. Identifying number(s)

2c. Address (number, street, and room or suite no.) (P.O. box no. if mail is not delivered to the street address) 2d. City or town, state, and ZIP code

Notes. Complete lines 2a-2d only if the organization gave this property to another charitable organization (successor donee).

2e. Name of charitable organization 2f. Employer identification number

2g. City or town, state, and ZIP code

Part II Information on PREVIOUS DONEES. Complete this part only if the organization was not the first donee to receive the property. See the instructions before completing lines 3a through 4d.

3a. Name of original donee 3b. Employer identification number

3c. Address (number, street, and room or suite no.) (P.O. box no. if mail is not delivered to the street address) 3d. City or town, state, and ZIP code

4a. Name of preceding donee 4b. Employer identification number

4c. Address (number, street, and room or suite no.) (P.O. box no. if mail is not delivered to the street address) 4d. City or town, state, and ZIP code

For Paperwork Reduction Act Notice, see page 4. Form 8282 (Rev. 2009)

HOW WE MAKE GIFTS OF REAL ESTATE BETTER TO GIVE & RECEIVE

Step 1. Fundraisers approach potential donors of real estate properties with help from the **Higher Form Of Giving Program** that clearly defines the ease of process and depth of advantages.

Step 2. When the giver is ready to move forward, specialists from the **Higher Form Of Giving Program** make direct contact and begin the donation process.

Step 3. Marketing of property may be turned over to a CCIM (Certified Commercial Investment Member) Designer, a recognized expert in the commercial and investment real estate industry in the case of residential properties, properly qualified professionals are enlisted. The elite corps of CCIMs and their affiliates include: brokers, leasing professionals, investment counselors, asset managers, appraisers, corporate real estate executives, property managers, developers, institutional investors, commercial lenders, attorneys, bankers, and other allied professionals. The global commercial real estate network of 15,000 CCIM members close thousands of transactions annually representing more than \$200 billion in value.

Step 4. The property may be sold and the charitable organization receives a donation.

Step 5. Everybody feels good.

The Education Foundation of the CCIM Institute was established in 1983 to advance and support the educational and research initiatives that enhance the value and prestige of the CCIM designation and other career-building programs of the CCIM Institute. To find out more, please visit us at www.ccmif.org.

Giving fundraisers new reasons to aim higher

The all-in-one solution that's good for all

A down economy hasn't been the only roadblock to charitable fundraising. Until recently, the generosity of those willing to donate real estate to just causes has been thwarted because of perceived risks to the recipients. In fact, 80% of real estate offered to charity have been turned away due to:

- Fear of drain and scope creep on time and resource challenged staff.
- Costs of investigation including legal issues.
- Hidden encumbrances, and any or all other due diligence issues.
- Environmental risks.
- Holding costs including maintenance, entitlements and market futures.

Now with the **Higher Form Of Giving Program**, fundraisers may be able to secure the donation of real estate-related assets with less risk and no hands-on involvement. With its best-of-class real estate heritage, the Education Foundation of the CCIM Institute is uniquely qualified to facilitate these problematic real estate donations for any qualified charity.

BUILDING DONATIONS ON A SOLID FOUNDATION

- The Higher Form Of Giving Program allows the donor to make a charitable donation of real estate to the charity or charities of the donor's choice.
- Everything in between is administered by the non-profit Education Foundation of the CCIM Institute, the leader in creating and delivering the commercial real estate industry's highest level of education, technology and research for best transactional and ethical practices, with 15,000 members around the world.
- The Program is run by professional specialists

from all real estate disciplines, from financial to compliance, selected by the Education Foundation of the CCIM Institute for their years of experience and success in the most difficult and obscure transactions of this kind.

HIGHER POTENTIAL THROUGH LOWER RISK

Besides an appraisal fee paid by the donor that is later reimbursed from income, there is absolutely no financial responsibility for the giver, recipient or transaction agent:

- The Higher Form Of Giving Program takes care of all legal and financial aspects of the gift and the process to translate it into cash for the recipient receives even before the property is finally disposed.
- We cover every front end cost (besides appraisal) for investigation, due diligence processes with all parties and the banking relationships that enable direct cash settlements.

EVERYONE BENEFITS FROM GIFTS OF REAL ESTATE

- For Fundraisers involved with qualifying foundations, charities and non-profits, the willingness of donors to provide charitable donations of real estate is an avenue for needed funding to help offset reduced donations in other categories.
- Donors may qualify for a tax benefit based on the correct fair market value of the property, not the original purchase price. This type of gift is completely federal tax code compliant and

accepted by the IRS. The advantages of this credible and philanthropic giving of real property may include:

- Satisfaction of helping worthy charitable causes
- Positive public relations opportunities
- Sizeable charitable deductions for a number of years
- Reduction or elimination of capital gains taxes with a possible income stream for the donor while directing funds to a charity through a trust
- Freedom from a financially draining, under performing property
- Elimination of property taxes
- Elimination of property maintenance and other obligations
- Elimination of liability and insurances

LET'S GET MOVING

Everyone agrees that charitable fund raising is a challenge and needs a stronger economy to prosper. Another avenue for charitable contributions is from the giving of real estate.

That's why the **Higher Form Of Giving Program** is the right idea at the right time. To find out how we can help you get involved, contact:

Doree Brickland
Director of Real Estate Gifting
(877) CCIMF1 | (214-6331) info@ccmif.org

Do You Own Property?



GW accepts gifts of all types of real estate. For information on how you can turn your property into a lasting legacy at GW, look on the opposite side of this page and return the coupon on the right.

Yes, I'm Interested.

Please send me more information about gifts of Real Estate

I am interested in giving a gift of Real Estate

Approximate Value: _____

Name: _____

Address: _____

Phone: _____

E-Mail: _____

Clip & Mail to:
The George Washington University
Office of Planned Giving - Real Estate
2100 M Street, NW, Suite 310
Washington, DC 20037

For more information, please contact:
Chase Magnuson
Director of Planned Giving for Real Estate
202-994-4939 or chasmagn@gwu.edu
or visit www.gwu.edu/give/ways-to-give/planned-gifts

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Say Yes Three Times and Receive a Huge Cash Rebate

Yes, I'm a UCSD alumnus

Yes, I'm selling a home or looking to buy a home

Yes, I want a huge cash rebate

Introducing the Alumni Rebate Program

You're in the market for a new home. So you will be listing your existing one. As a member of the UCSD Alumni Association, you can earn large rebates on either or both home sales by enrolling in the Alumni Rebate Program free of charge.

How does it work? HomeSold, a division of Fidelity National Financial Corporation, maintains a nationwide network of participating real estate agents who give back a share of their commission in exchange for their participation in the program. These savings are turned over to you in the form of a cash rebate paid when your home is sold or purchased. All you have to do, when you're ready, is contact us. We assign a top performing real estate agent to assist you with your transaction. We choose only the very best agents from among the nation's major real estate companies.

We also assign a special coordinator to assist you on all the details of your sale or purchase. Your satisfaction will be his or her top priority.

Take the stress out of buying or selling your home by leaving all the details to us. And earn thousands of dollars in cash.

The Alumni Rebate Program is presented by HomeSold with financing available from Goodlight Financial Services.

How huge is huge?

Proceeds on sale of existing home	\$50,000
Real estate agent rebate on sale commission	\$2,000
Purchase price of new home	\$400,000
Real estate agent rebate on purchase commission	\$8,000
Total rebate using Alumni Rebate Program	\$60,000

The example above is based upon real estate agent receiving a 3% commission on the actual sale price and purchase price of a home. Your actual rebate may vary.


Visit www.alumni.realestateservices.com

Call (800) 615-4099



The Amazing Charitable Gift Annuity

Trading One's Home for Cash and a Gift Annuity



Peggy was eager to move into her dream unit at Rose Villa but couldn't sell her home in West Vancouver. She then read an article in the *Senior Messenger* about the real estate program at Fort Vancouver National Trust whereby the Trust acquires one's residence in exchange for cash and a charitable gift annuity. Peggy inquired and the exchange was executed within a six-week period.

As the illustration shows, Peggy received cash that she used for her down payment at Rose Villa and, beginning in December of 2010, will receive life-income payments from her gift annuity. (Peggy's rate is higher at 7.2% by deferring payments for one year.) Peggy declared, "This really worked well for me. I'll also leave a testamentary endowment gift to the Trust that will bear my name and provide some perpetual support to their very special mission."

Peggy's Gift Plan

Peggy - Age 78
7.2% Annuity

Home	\$265,000
Cash	\$66,250
Costs	\$38,750
Annuitant	\$160,000

Fort Vancouver National Trust \$150,000

Annual payout of \$11,520 for one life. Tax free portion of \$7,880.

Please run me a confidential illustration. Below is my information:

Home address: _____

Approximate value: \$ _____ Age(s) for gift annuity: _____

Owner's contact information (phone or email): _____

Mail, phone or email your information to Tom.

Photo: Tom Bashwiner and Peggy

Rates for One Life Gift Annuities*

Age	Rate	Age	Rate
60	5.0%	76	6.4%
61	5.1%	77	6.6%
62	5.1%	78	6.7%
63	5.2%	79	6.9%
64	5.2%	80	7.1%
65	5.3%	81	7.3%
66	5.4%	82	7.5%
67	5.4%	83	7.7%
68	5.5%	84	7.9%
69	5.6%	85	8.1%
70	5.7%	86	8.3%
71	5.8%	87	8.6%
72	5.9%	88	8.9%
73	6.0%	89	9.2%
74	6.1%	90+	9.5%
75	6.3%		

* Rates for Two Life Annuities are slightly lower

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