QUESTIONS TO ASK WHEN DONORS OFFER GIFTS OF REAL ESTATE

There are a wide variety of options available when donors use real estate to fund charitable gifts. While Howard University (and other non-profits) cannot accept every gift of real estate that is offered, many real estate gifts are wonderful win-win vehicles for the recipient and the donor.

HELPFUL INFORMATION TO OBTAIN FROM THE DONOR

The following information, if available, is very helpful in determining if Howard University can accept a gift of real property.

Can the donor provide the following?

1. A deed, including legal description, showing ownership of the donor
2. A prior appraisal
3. A prior land survey
4. Prior title policies or abstracts
5. Prior environmental assessments
6. A tax parcel identification number
7. A copy of most recent tax bill.

QUESTIONS ON PROPERTY TYPE

Please ascertain whether the property is RESIDENTIAL OR COMMERCIAL, and if a mortgage exists on it.

- If the property is COMMERCIAL, bring the matter to the Vice President for Development and Alumni Relations’ attention right away.
- If RESIDENTIAL, please help determine the donor’s financial needs and objectives:
  1. If the donor lives in the property, does he/she want or need to move?
  2. Does the donor need to realize principal from the sale of the property in order to move or does the donor have adequate additional assets to cover the cost of the move?
  3. Does the donor need or want income from the property?
  4. What is the approximately value of the property, and what is the donor’s basis in the property?
  5. Do they have long-term capital gain of more than $250,000 per owner ($500,000 for a couple)? If so, there will be capital gains tax implications in any sale.

PLEASE NOTE: The questions above are a simple guide to help the University to find the best option(s) for the donor.