

Gifts of Real Estate

Packed with purpose



Does making a charitable gift of real estate make sense for you?

A gift of real estate to the ASU Foundation can be a highly effective financial and philanthropic strategy, bringing you immediate benefits and opening the door for you to make a significant impact on future generations.

Real estate is a valuable asset you can leverage in a variety of ways to simultaneously secure financial stability and support student access and success at ASU. Turning your real estate into a meaningful gift through the ASU Foundation comes with many benefits, including:

- Receiving an income tax deduction based on the fair market value of the real estate.
- Avoiding capital gains tax you would owe if you sold the property.
- Improving liquidity by eliminating expenses associated with property ownership, including maintenance costs, property taxes and insurance.
- Freeing you from the expense and complexity of listing and selling the property.
- Supporting the mission of ASU.

What types of real estate can you gift?

There are several types of real estate that can make an excellent gift to support student access and success at ASU:

- Personal residence or vacation home.
- Income-producing properties such as a rental home, vacation property or commercial real estate.
- Undeveloped land, farm and agricultural land or ranch land.
- Land with significance, held to be protected or preserved.

How to make a gift of real estate

Most types of real estate can be given to charity by signing or executing a deed transferring ownership. You can deed all you own and, in some cases, partial ownership of your real property to support our cause.

Ways of giving real estate

There are several ways to gift real estate, depending on your circumstances and goals. Each has unique advantages.



1. Outright gift

You can gift part or all of your real property by executing or signing a deed transferring ownership. In addition to freeing yourself of property ownership and avoiding the selling process, you qualify for an income tax charitable deduction equal to the property's full fair market value and eliminate capital gains tax on its appreciation. In addition, you reduce your taxable estate.

2. Bargain sale

If you own a property you're willing to sell and are seeking a strategy to reduce your income taxes, you have the opportunity to gift your property for a price less than fair market value and enjoy a range of benefits—even if you have a mortgage on your property. Avoid capital gains tax and receive a charitable tax deduction in addition to cash from the sale.

3. Charitable remainder unitrust

This is an excellent vehicle for gifts of appreciated property and a great way to invest in the future of ASU. Upon transferring your property to a charitable remainder trust, we invest the trust to bring you fixed payments for life and an immediate income tax charitable deduction. After all trust payments have been made, ASU benefits from what remains thanks to your generosity.

4. Charitable gift annuity

A charitable gift annuity allows you to transfer appreciated property to the ASU Foundation in exchange for a lifetime of fixed payments. You also receive a charitable income tax deduction for the gift portion of the annuity. When all payments have been made, the remaining funds are distributed to the ASU Foundation. We are proud to offer enhanced payout rates, making this a desirable option for a secure financial future.

5. Life estate

This is an excellent option if you would like to gift your property but would also prefer to continue using it during your lifetime. You can enjoy an immediate income tax charitable deduction, and bequests can be easily created or changed at any time.

Definitions



Bargain sale

The sale of an asset to a charity for a price that is less than fair market value. The donor receives cash and is allowed to take a charitable income tax deduction for the difference between the fair market value and the cash amount received.



Charitable remainder trust

A tax-exempt, irrevocable trust that is funded by a charitable donation and which pays income to individual beneficiaries for life or a set number of years, after which the remaining trust assets are transferred to one or more designated charities.



Life estate

A charitable gift that involves the donor transferring their home, farm or ranch to charity while reserving the right to live there for life. The donor receives a deduction based on the value transferred to charity.



May we help you?

Our team of experts is ready to work with you to talk through your options and develop a gift plan that meets your personal and philanthropic goals.

Contact me to start your journey today at bradley.grannis@asu.edu or 480-965-3759