



# REALTY GIFT FUND

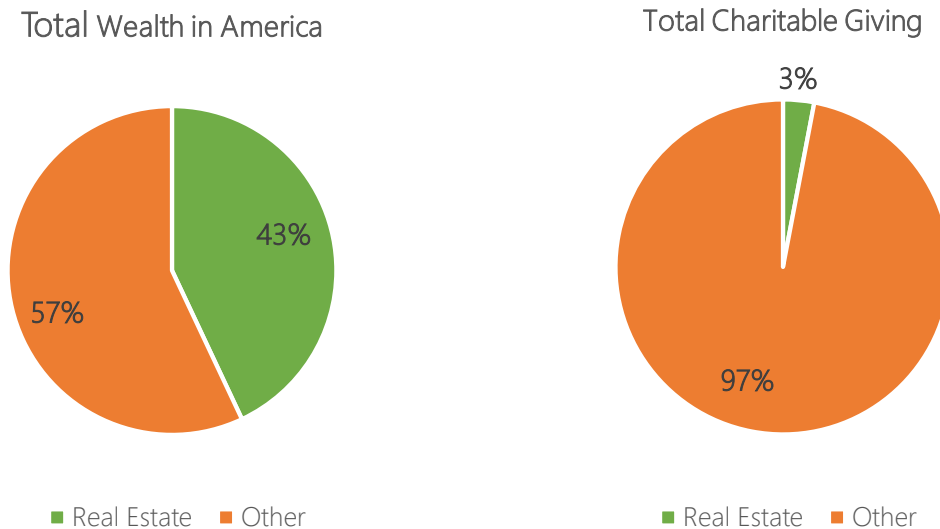
## CHARITABLE GIFTS OF REAL ESTATE

### ADDING \$400 MILLION OF NEW MONEY TO CHARITABLE GIVING

Realty Gift Fund is comprised of experienced real estate, finance and philanthropy professionals who have worked throughout their careers on creative solutions to difficult issues. Together they observed a statistical dilemma that points to a widespread problem in charitable giving, a problem that blocks millions of dollars from entering the charitable pipeline, a problem they are determined to solve.

#### THE STATISTICAL DILEMMA

- Real estate is the largest asset class in America, comprising ~43% of America's total wealth.
- Yet, less than 3% of total charitable giving comes from gifts of real estate.



#### THE UNDERLYING PROBLEM

If a real estate asset is highly appreciated, it is often a donor's preferred choice for a charitable gift and may dramatically increase the donor's giving capacity over traditional gifts of cash.

However, most nonprofits recognize real estate as a complex asset that requires expertise and financial resources to safely guide the property to a sale and conversion to cash. Title risk, the condition of a property, and the length of time to sell real estate adds to uncertainty and, in most cases, leads to acceptance policies that severely limit or prohibit gifts of real estate to a nonprofit. Even less restrictive policies prevent most nonprofits from actively soliciting gifts of real estate, blocking donors and their advisors from vigorously collaborating on gifts that could be beneficial to all parties and raise charitable giving by hundreds of millions of dollars.

## THE REALTY GIFT FUND SOLUTION

After consulting with donors, advisors and nonprofits nationwide, Realty Gift Fund was created as a 501(c)3 tax exempt entity that:

- directly accepts gifts of real estate,
- triggers the tax benefits for donors,
- isolates the title & financial risks during the acceptance, holding and marketing periods,
- provides cash grants from the net proceeds of each sale to other nonprofits.

Realty Gift Fund provides donors and their advisors an experienced and qualified nonprofit for real estate donations and uses its expertise and resources to manage the complete donation cycle, including IRS documentation. Once properties are sold and converted to cash, net proceeds are granted to other nonprofits, providing the benefits of real estate donations without the risk nonprofits rightfully avoid.

Realty Gift Fund accepts outright donations and will make partial cash payments under a bargain sale agreement. The cash element can be used for any purpose. Therefore, in addition to producing cash grants to other nonprofits, Realty Gift Fund makes possible:

- donor advised funds,
- charitable remainder trusts,
- gift annuities,
- replacement life insurance, and
- life estate arrangements.

Realty Gift Fund can divide a single gift into more than one grantee or solution, can sometimes solve for a pre-existing sale contract too far along to cancel, and removes assets from a taxable estate to optimize flexible estate planning.

## THE BENEFIT TO DONORS, ADVISORS AND NONPROFITS

Having created a safe path for all stakeholders, the goal is for nonprofits to modify gift acceptance policies and to actively solicit gifts of real estate of any type...anywhere, enlisting Realty Gift Fund to deal directly with donors and advisors, who now have America's largest asset class available for charitable giving and sophisticated estate planning tools.

Experience suggests that a donor's ability to give real estate instead of cash dramatically increases a donor's capacity. To be clear, a donor's least efficient gift is cash.

## ADDING \$400 MILLION OF NEW MONEY TO CHARITABLE GIVING

In 2017, total charitable giving to America's nonprofits approached \$400 billion. If the percent of total giving of real estate changes from 3.0% to 3.1%, charitable giving can increase by \$400 million per year. We are determined to drive this change and much more by collaborating with key players in philanthropy. Please call or write to learn how we can help.