

# REAL ESTATE



A gift of real property can make a significant impact at the University of Georgia. If you transfer an approved gift of real property to the University of Georgia Foundation, the Foundation will immediately list your property for sale with the net sale proceeds to be used in accordance with your designated intentions.\* Below are several of the most popular ways to make a gift of real estate to benefit the university. Though the benefits of the below options vary, a gift of real estate may allow you to sell your property tax free, increase your income during retirement and benefit from a charitable tax deduction.

## OUTRIGHT

### How does this work?

Deed your property to the “University of Georgia Foundation.”\*\* The proceeds from sale are used to support the college or unit at the university as determined by you.

### Potential Benefits:

- Eliminate burdens of ownership including insurance, property taxes and maintenance.
- Avoid the hassle of marketing the property for sale.
- Receive a charitable income tax deduction.
- Avoid capital gain liability on the property’s appreciation.
- Reduce your taxable estate.

## RETAINED LIFE ESTATE

### How does this work?

Deed your property (home or farm) to the “University of Georgia Foundation” reserving the right to live in the property during your lifetime.\*\* Once the life interest terminates and the real estate is sold, the net sale proceeds will be used to support the college or unit at the university as determined by you.

### Potential Benefits:

- Maintain possession of your home during your lifetime.
- Receive a charitable income tax deduction.
- Value of gift may be removed from your taxable estate.

## BEQUEST

### How does this work?

Designate the “University of Georgia Foundation” as beneficiary of the net sale proceeds of a specific piece of real estate\*\* in your will (or trust).\*\*\* The proceeds, when received by the Foundation, will be used to support the college or unit at the university as determined by you.

### Potential Benefits:

- Though no immediate income tax deduction, your estate may receive an estate tax charitable deduction.
- Enjoy the flexibility of being able to update or revoke the gift at any time if circumstances change.
- You continue to own the property and enjoy it during life.

## CHARITABLE REMAINDER UNITRUST

### How does this work?

Transfer property into a trust which, in turn, makes payments to you (or named beneficiaries) for life or a term up to 20 years.\*\* You designate the “University of Georgia Foundation” as beneficiary to receive all or a percentage of the trust corpus when the trust terminates. The funds received will be used to support the college or unit at the university as determined by you.

### Potential Benefits:

- Eliminate burdens of ownership including maintenance, property taxes and insurance.
- Receive payments to supplement income.
- Receive a charitable income tax deduction.
- Avoid up-front capital gain taxes.
- Address a family need (providing security for a spouse, taking care of an ill relative, etc.) while fulfilling your charitable objectives.

\*Though the Foundation will consider retention of property in limited circumstances, additional diligence will be exercised. Please call the Office of Gift and Estate Planning to discuss.

\*\*Approval is needed from the University of Georgia Foundation before real property can be transferred outright via deed, through a bequest in your will (or gift in trust) or before designating the Foundation trustee of a CRT.

\*\*\*Sample bequest language is available by contacting the Office of Gift & Estate Planning.

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## CHARITABLE REMAINDER UNITRUST (CONTINUED)

### What about timber, farmland or other real estate that does not generate income for years?

A Flip CRUT may be a viable option for you. The Flip CRUT will hold the property and start delivering payments to you when the property produces income or sells. Call us at 706-542-8140 – a member of our team will be happy to run a no obligation illustration for you reflecting projected payments, charitable tax deduction, etc.

### Next Steps (Applies to all 4 gift types referenced on reverse side):

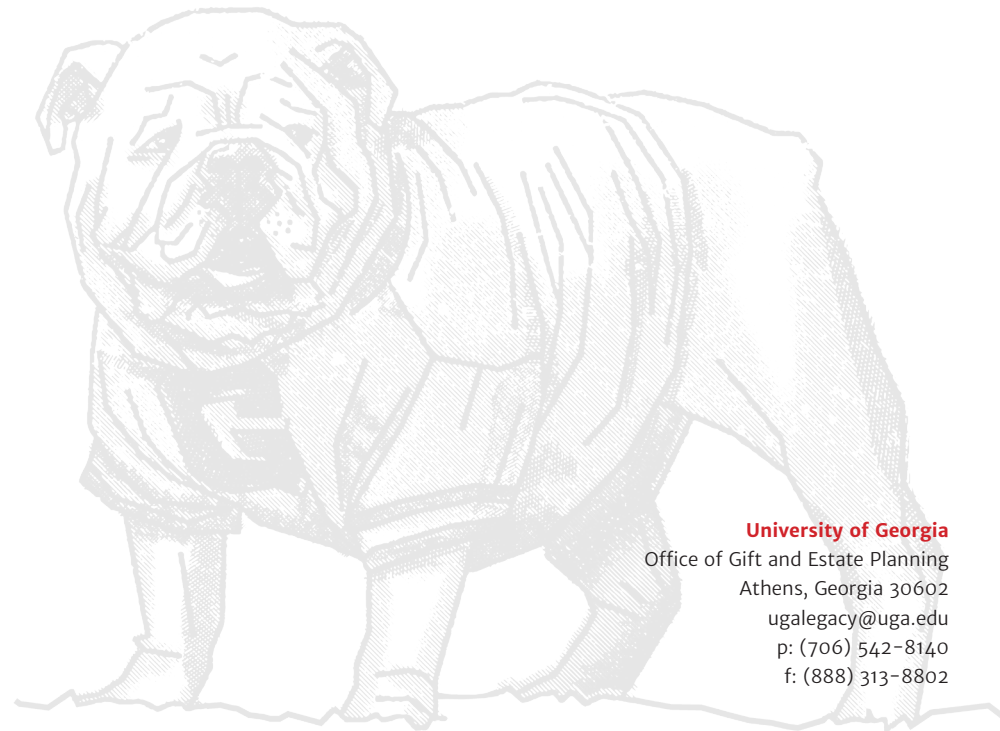
1. Please contact the Office of Gift and Estate Planning for a preliminary discussion regarding your proposed real property gift.
2. If you wish to proceed after consultation with Gift and Estate Planning, please complete the “Real Estate Application” located under the “Resources” tab at [plannedgiving.uga.edu](http://plannedgiving.uga.edu). Email the completed application to [ugalegacy@uga.edu](mailto:ugalegacy@uga.edu).
3. A member of the Gift and Estate Planning Team will contact you to confirm receipt of your application. Acceptance of the real estate is subject to approval by the University of Georgia Foundation.
4. Once the Foundation has reviewed and confirmed they are in a position to accept, the Gift and Estate Planning Team will reach back out to you to discuss next steps based on your preferred method for transferring the property (retained life estate, deed, etc.).

### Property that makes a great charitable gift:

House or Condominium, Farmland and Undeveloped Land, Commercial Property, Timberland and Vacation Home

The Foundation’s detailed policy can be found on their website: [www.ugafoundation.org](http://www.ugafoundation.org).

**This document is not intended to provide legal or tax advice. Please consult with your own professional advisors to determine applicability of these gifts and the potential benefits based on your specific circumstances.**



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