



Middlebury

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Gifts of Real Estate

A current, outright donation of real estate would allow your gift to make a difference at Middlebury now and could generate significant tax savings. Leaving real estate to Middlebury through your will or living trust is an efficient way to make a meaningful gift in the future without impacting your current lifestyle.

What are the benefits?

- › One of the most flexible charitable giving options available, real estate can be used to make a gift that:
 - › Provides an immediate charitable deduction for the fair market value of the property while potentially avoiding capital gains taxes.
 - › Gives you income for life and an immediate tax deduction, while leaving the remaining assets to Middlebury after your death.
 - › Provides the College with income for a few years, then is passed on to your heirs at the time you specify with considerable estate and gift tax savings.
 - › Qualifies you for a significant immediate tax deduction, allows you to use the property for your lifetime and leaves the property to Middlebury at your death.
- › The real cost of your gift is reduced, since you'll save on income and capital gains taxes by giving appreciated property to Middlebury.

How does it work?

- › You deed your home, farm, vacation home, undeveloped land or commercial building to Middlebury.
- › Middlebury sells the property and retain the proceeds.

Planning Tips

- › Gifts of real estate can be made to Middlebury by donating the entire property or a partial interest in the property.
- › With all gifts of real estate, the College conducts a due diligence evaluation of the property to determine its acceptability with respect to outstanding mortgages, liens and presence of hazardous substances, as well as the marketability of the property.
- › Mortgage-free properties provide you with greater tax benefits than mortgaged properties.
- › To meet IRS requirements, you will need to obtain an appraisal from a qualified appraiser.
- › The exact tax savings depends on the type of gift and your specific situation.
- › Because gifts of real estate can be complex and legal restrictions may limit Middlebury's ability to own or sell a parcel of real estate, we will provide you with a Real Estate Worksheet to support and lead you through our due diligence process. *Keep in mind:* gifts of real estate require a qualified appraisal and can take time to complete—contact Middlebury early in your decision-making process.