



Middlebury

Office of Gift Planning
giftplanning@middlebury.edu

700 Exchange Street
Middlebury, VT 05753
866.496.6433
middlebury.edu

A Retained Life Estate

Make a significant gift with the most valuable asset you hold without disturbing your living arrangements or your cash flow. Donate your farm, vacation home or personal residence to Middlebury, receive an immediate tax deduction for a portion of your gift and continue to use your property.

What are the benefits?

- › You'll receive a charitable income tax deduction today for a gift that will help Middlebury in the future.
- › Your estate tax liability may be reduced because the property will be removed from your total estate.
- › Your executor's job is simplified, since your property will pass directly to the College upon your death.

How does it work?

- › You irrevocably transfer ownership of your residence, farm or vacation home to Middlebury.
- › You continue to live in the property rent-free for life (or a specified number of years).
- › You continue to be responsible for all property taxes, insurance, maintenance and repairs while you are occupying the property.
- › Middlebury takes possession of the property when your life estate ends and can use the proceeds from the sale of the property for a purpose you specify.

Planning Tips

If you decide to leave your property before the term of the gift is complete, you may:

- › rent the property to someone else
- › sell it (in cooperation with Middlebury)
- › receive an additional tax deduction.

A gift of a retained life estate can be made either with the entire property, or by giving Middlebury a partial interest in the property. *Keep in mind:* all gifts of real estate require a qualified appraisal and can take some time to complete—contact Middlebury early in your decision-making process.