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Faith, Family & FINANCES
Charitable giving strategies benefiting you, your family and the Church.

Blending Faith and Finance: The Power of Donating Real Estate to Charity

Real estate has long been a cornerstone of financial stability and wealth generation. But for those who value giving as much as growing, real estate can also serve as a transformative tool for philanthropy.

Despite its many benefits, misconceptions about donating real estate often prevent people from exploring this powerful form of giving. In this article, we'll debunk common myths and reveal the truth about how faith and finance can unite through charitable real estate donations.

Myth 1: Only the wealthy can donate real estate.

The Truth: Donating real estate is not limited to the ultra-wealthy. Properties of all types and values can make a significant impact, whether it's a modest rental property or a valuable vacation home. Even small contributions can support causes like Catholic schools, parishes or mission work. In one scenario, a family donated a small piece of undeveloped land to the diocese, which sold the property to fund a new youth ministry program.

Myth 2: Charities don't accept real estate donations.

The Truth: Many charitable organizations, especially Catholic institutions, are well-equipped to handle real estate donations. They often have partnerships with real estate experts and financial advisors to ensure the property is utilized effectively, whether through sale, development or direct use. Make sure to speak directly with your chosen charity to understand their process and capacity for accepting real estate donations.

Myth 3: The donation process is too complicated.

The Truth: While donating real estate involves several steps, it is manageable with the right guidance. A professional team—including an appraiser, attorney and financial advisor—can streamline the process, from valuation to the legal transfer of the deed. Key steps include:

1. Securing an appraisal to determine market value.
2. Completing the process for a legal transfer of ownership.
3. Obtaining clear documentation for tax purposes.

Myth 4: You lose all control once the property is donated.

The Truth: Donors often have a say in how their gift is used. For example, you can specify that proceeds from the property's sale fund a particular mission or ministry. It can also be used to establish an endowment and work with the charity to align your gift with your personal vision. In another scenario, a donor specified that their vacation home be transformed into a retreat center for Catholic educators.

Myth 5: The financial benefits aren't worth it.

The Truth: Donating real estate offers significant financial advantages, including:

- Tax Deductions: The full market value of the property is typically tax-deductible.
- Minimizing Tax Impact: Donors may reduce the tax implications associated with the appreciated value of the property.
- Estate Tax Reduction: Lowering the taxable value of your estate benefits heirs.

These financial benefits often make donating real estate a win-win for donors and charities alike.

Dispelling Doubts and Building Legacies

As Pope Francis reminds us, "*True power is service. The Church must serve all people, especially the poor, the weak, the vulnerable.*" Similarly, donating real estate is a powerful way to blend faith and finance, transforming material assets into spiritual impact.

By debunking these common myths, we hope to inspire you to explore this impactful form of giving and leave a legacy that reflects your values. Take the first step today by reaching out to The Orange Catholic Foundation to learn how your property can build a lasting legacy of generosity and faith. Schedule a time to talk with our Catholic philanthropy team at 714.282.3021 or info@OrangeCatholicFoundation.org.

Please note The Orange Catholic Foundation does not provide tax, legal or accounting advice. This material is prepared and made available for informational purposes only.

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