

Generous Ground: How Donating Real Estate Can Maximize Your Charitable Impact

Real estate often represents one of the most valuable assets individuals and families possess. What if this asset could be used not only for financial security but also as a transformative tool for charitable giving? Donating real estate can provide a unique and powerful way to support causes close to your heart while offering significant tax benefits for your family and making a lasting impact.

To illustrate the potential of real estate philanthropy, we explore the inspiring story of how one family's donation of a vacation property became a cornerstone of their charitable legacy.

The Situation

The family owned a picturesque lakefront cabin that had been in the family for decades. Over the years, visits to the cabin had become less frequent and maintaining the property had grown burdensome. Recognizing the diminishing personal use of the property, the family began exploring options for turning the cabin into a meaningful contribution to their faith and community.

The Decision

After prayerful reflection and discussions with their financial advisor, the family decided to donate the cabin to an organization focused on youth retreats and spiritual formation. The property's serene location made it an ideal setting for fostering prayer, reflection and community building.

The Process

1. **Property Assessment:** The family worked with a real estate appraiser to determine the fair market value of the cabin, ensuring the donation would align with IRS guidelines for charitable contributions.
2. **Legal and Financial Preparation:** Collaborating with their legal counsel, the family transferred the deed of the property to the organization. They also ensured all necessary documentation was completed to secure a charitable tax deduction.
3. **Communication with the Charity:** The family communicated their vision for the property to the organization, ensuring it would be used to create a space for spiritual growth and renewal.

The Impact

The donated cabin was transformed into a retreat center that has since hosted hundreds of youth and families, providing a space for faith formation and community building. The gift not only relieved them of the property's maintenance costs but also allowed them to leave a lasting legacy aligned with their values.

Lessons Learned

This family's experience offers valuable insights for others considering real estate donations:

1. **Identify the Right Property:** Evaluate whether underused or burdensome real estate could have greater value as a charitable gift.
2. **Choose the Right Organization:** Ensure the recipient aligns with your values and has the capacity to manage the property effectively.
3. **Understand the Benefits:** Real estate donations can provide substantial tax deductions and eliminate ongoing property expenses.
4. **Seek Professional Guidance:** Work with financial advisors, legal experts and real estate professionals to navigate the complexities of property transfers.

5. Communicate Your Vision: Clearly articulate how you hope the property will be used, ensuring your legacy aligns with your intentions.

Turning Land into Legacy

Donating real estate offers a unique opportunity to make a profound impact on the causes you care about most. Whether it's a vacation home, rental property or undeveloped land, transforming your real estate into a charitable gift can create a lasting legacy that extends far beyond your lifetime.

As this family's story shows, such a gift can relieve personal burdens, provide tax advantages, and support meaningful work within the Catholic community. By prayerfully considering your assets and seeking guidance, you too can discover the joy of turning land into a legacy of faith and generosity.

Whether you are seeking more information or are ready to transform your real estate into something bigger, The Orange Catholic Foundation (OCF) is here to serve you. Our Catholic philanthropy team can be reached 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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