



Ways to Donate Real Estate

Think Twice Before You Put Out the For Sale Sign

Consider a Gift of Real Estate

Imagine avoiding the hassle of selling a piece of property, with no worry about getting a fair price, and at the same time helping to support Habitat for Humanity Seattle-King County all while qualifying for a federal income tax charitable deduction. This can be your reality when you consider using real estate to make a gift to Habitat for Humanity Seattle-King County.

Why Donate Real Estate?

Depending on the method you choose, a gift of real estate to Habitat for Humanity Seattle-King County may allow you to:

1. Make a significant gift to Habitat for Humanity Seattle-King County

2. Qualify for an income tax charitable deduction.
3. Reduce or eliminate capital gains tax.
4. Pay no gift tax on the transfer.
5. Reduce your estate administration expenses.

A gift of real estate can be completed in a variety of ways. Keep reading for some examples.

Ways to Donate Real Estate

Ways to Give

Make a Direct Gift Today

If you own the property, simply donate it to Habitat for Humanity Seattle-King County. You qualify for an income tax charitable deduction equal to the property's fair market value and eliminate capital gains tax on the property's appreciation. This is a good option if you have property that is no longer of use.

Donate Your Home, but Keep Living There

With a retained life estate, you deed a personal residence or farm to Habitat for Humanity Seattle-King County now. You retain the right to occupy the home for life and continue to pay taxes, maintenance and insurance. After your lifetime—or the lifetime of your spouse or another person you choose to retain rights to live in the home—we take possession.

Give Through Your Will or Living Trust

If you are not comfortable making an irrevocable gift of property right now, consider leaving it to Habitat for Humanity Seattle-King County in your will or revocable living trust. This can be the perfect way to support Habitat for Humanity Seattle-King County because you are able to help us in the future without using assets today, and it can be created or changed at any time.

Fund a Charitable Gift Annuity With Property

You may wish to consider donating your property to Habitat for Humanity Seattle-King County in exchange for a charitable gift annuity. With a charitable gift annuity, you make a gift and, in return, you (and someone else, if you choose) receive a fixed amount each year for the rest of your life.

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Ways to Give

Make a Bargain Sale

A bargain sale occurs when you sell real estate that you've owned for more than one year to Habitat for Humanity Seattle-King County for less than its current fair market value, subject to our agreement. After we purchase your property: 1) You receive a cash payment from Habitat for Humanity Seattle-King County for the sale price, 2) you qualify for a charitable deduction for the difference between the sale price and the higher fair market value, and 3) we receive the property at a bargain price. You benefit financially, and so do we.

Use Property to Fund a FLIP Charitable Remainder Unitrust

Another approach is to use your property to fund what's known as a FLIP charitable remainder unitrust. Such a trust can be set up to make lifetime payments to you or any other recipient you name after the property is sold. At your death, Habitat for Humanity Seattle-King County receives the

balance (remainder) in the trust. Donating property to a charitable remainder trust may provide you with a number of potential benefits, such as an up-front capital gains tax elimination on the increase in the property's value since you bought it, an income tax deduction for the present value of the remainder interest and income from the trust for the rest of your life once the property is sold.

Establish a Memorial or Endowment Gift

A gift of real estate is a perfect way to honor your loved one through a memorial or endowment type gift. If you have a loved one whose life has been impacted by Habitat for Humanity Seattle-King County, we hope you'll consider making a gift to us in honor of that person. When you make an endowed gift, your contribution is invested and becomes part of our endowment. An annual distribution is made for the purpose you designate. Because the principal remains intact, the fund will generate support in perpetuity.

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Next Steps

Contact us today for more information about using any of these options to support Habitat for Humanity Seattle-King County. We would be happy to assist your attorney and other advisors in designing the most suitable plan for you.

Habitat for Humanity Seattle-King County

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