Gifts of real estate

A gift of real estate, such as a vacation home, vacant lot, farm or office building, could provide resources to the college, school, department, unit or program you care about most at Virginia Commonwealth University. If you have real estate that is not subject to a mortgage and which you have owned for at least one year, consider making a gift of real estate to invest in the future of VCU.

How it works

Make an outright gift. Transfer your property to VCU during your lifetime or through your estate;

Convey your property into a charitable remainder trust. Receive income for life after the property sells and leave the remaining balance to the university when the trust terminates; or

Transfer the property to VCU, but retain its use during your lifetime. Earn a charitable deduction for making an irrevocable gift of your real estate to VCU while continuing to enjoy the use the property during your lifetime.

How you benefit

Avoid taxes and earn a deduction. By gifting your property to VCU instead of selling it yourself, you avoid capital gains on the appreciated value of your property and reduce possible tax liability. You can also take an income tax deduction for the fair market value when you donate property you have held for more than one year.

Convert an underperforming asset into a source of income. Once inside a charitable trust, appreciated real estate can be sold, avoiding capital gains and generating income for you or your beneficiaries.

Simplify your planning. If your heirs are not interested in your property, consider transferring it to VCU through a retained life estate. You retain use of the real estate for your lifetime, obtain a charitable deduction and make a significant future gift to VCU.

Next steps

Request information. Contact the VCU Office of Planned Giving to begin a confidential conversation about gifts of real estate.

Consult with your financial or legal adviser. Determine the most advantageous way to make your real estate gift.

Establish your plans. Make arrangements for your gift of real estate using the legal name, tax ID and address of your preferred VCU-affiliated foundation* (see back).

Planning tips

- VCU will gratefully review your proposed real estate gift with our Gift Acceptance Committee before finalizing acceptance. As part of this process, we will ask for additional information about your property.
- Debt or otherwise encumbered property is typically not advantageous for charitable donation.
- If you intend to claim a charitable income tax deduction, the IRS will require you to obtain an independent, qualified appraisal to determine the property’s fair market value.
- If you plan to retain a life interest in the property, you will continue to be responsible for upkeep and expenses associated with the property during your lifetime.
What kind of land can be donated to VCU?

Most types of property can be used to make a gift to VCU, including:

- Primary residences
- Vacation homes
- Commercial property
- Farmland
- Undeveloped land

Who pays the costs for a gift of real estate?

The following are general guidelines:

- The donor pays for expenses attributable to the property prior to the date that full ownership transfers to VCU; the fee for the qualified appraisal to support the income tax deduction claimed for the gift; fees for the donor’s counsel to review the charitable gift plan and the deed transferring the property to VCU; and the cost of any environmental assessments required by VCU.
- VCU pays for out-of-pocket costs, other than environmental assessments, associated with determining whether the property is suitable for acceptance by VCU; and expenses attributable to the property after full ownership has transferred to VCU.
- For gifts of real estate to fund a charitable remainder trust, the trust pays for all expenses and charges attributable to the property after the property is transferred into the trust. The donor transfers funds into the trust to cover these expenses.

More information

Contact Ann Deppman, assistant vice president of gift planning, at (804) 828-7370 or deppmana@vcu.edu.

Affiliated foundations*

**MCV Foundation** (tax ID #54-6053660) for gifts that support the college, schools, departments and units on VCU’s health sciences campus: College of Health Professions, School of Dentistry, School of Medicine, School of Nursing, School of Pharmacy, Massey Cancer Center and VCU Health.

**VCU Foundation** (tax ID #54-0757884) for gifts that support VCU generally and most colleges, schools, departments and units on VCU’s Monroe Park Campus: VCU Athletics, College of Humanities and Sciences, Division of Student Affairs, Honors College, Institute for Contemporary Art, L. Douglas Wilder School of Government and Public Affairs, Richard T. Robertson School of Media and Culture, School of the Arts, School of Education, School of Social Work, School of World Studies, VCU Libraries and VCU Life Sciences.

**VCU School of Business Foundation** (tax ID #20-2661802) for gifts that support the VCU School of Business and Brandcenter.

**VCU College of Engineering Foundation** (tax ID #54-1808901) for gifts that support the VCU College of Engineering.

Mailing address for all foundations

Virginia Commonwealth University
Gifts and Records Management
Box 843042
Richmond, VA 23284-3042

The information provided herein is not intended as legal or tax advice. For such advice, please consult an attorney or tax adviser.