



**BENTLEY**  
UNIVERSITY

# THE BENTLEY PLANNER

WHAT WILL YOUR LEGACY BE?



## Build Your Legacy From Real Estate

Wherever you are in life, you are probably looking toward the future. Perhaps you are planning for retirement with all its inherent changes and endless possibilities, or are already there and considering additional ways to make time for people who matter and activities you enjoy. While you are looking ahead, consider taking a look back. If your Bentley education equipped you to succeed and provide for those most important to you, please consider creating a legacy gift that will help future Bentley students create their own success stories.

In this issue of The Bentley Planner, we consider the versatility of real estate as a tax-smart foundation for personal philanthropic planning. A gift of real estate to Bentley can not only help simplify your responsibilities, it also can provide a valuable income tax charitable deduction, avoid or reduce tax on capital gains and, in some cases, increase your cash flow.

Consider the ideas presented here with your real estate in mind. We would be delighted to discuss how you can create a special legacy at Bentley and enjoy potentially significant benefits for you and your loved ones.





## Four Ways to Give Real Estate

Whether in the form of a residence, a commercial or investment property, or undeveloped land, real estate is among the best assets to use for charitable giving. In almost all cases, the tax savings are substantial, and you can tailor the gift to meet your financial needs.

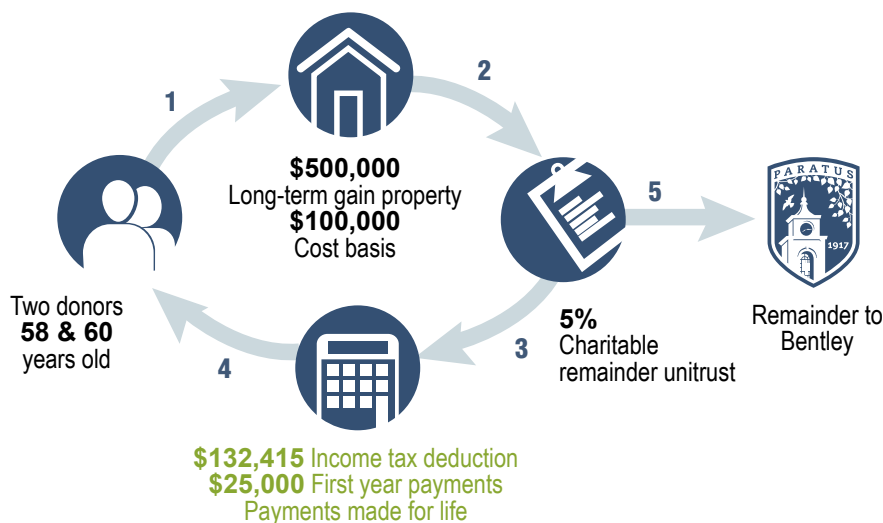
Below are brief descriptions of the most popular ways to give real estate. We invite you to explore your options and see just how much you and Bentley can benefit from a gift of real estate. Then, if you'd like to learn more, [request our new brochure](#) or [contact our office](#).

**GIVE IT FREE AND CLEAR.** The most popular way to make a gift of real estate is to give the property outright. In the majority of cases, giving property outright maximizes your charitable income tax deduction, your capital gains tax savings, and your charitable impact. Your income tax deduction would be equal to the property's full fair market value, and if it has appreciated since you acquired it, no capital gains tax would be due.

**GIVE SOME, GET SOME.** If your goals include obtaining immediate cash as well as tax benefits, consider selling your property to Bentley at a mutually acceptable price that is less than its fair market value. This gift structure, known as a bargain sale, allows you to receive an immediate cash benefit equal to the sale price, an income tax deduction for the difference between the sale price and the property's appraised value, and a reduction in capital gains tax.

**GIVE IN EXCHANGE FOR INCOME.** Do your financial objectives include creating an income stream? If so, you could contribute your real estate to a charitable remainder unitrust. When the property sells, you would start to receive income designed to continue for the rest of your life, which also has the potential to increase over time. Plus, you would receive a substantial income tax deduction. In addition, there would be no immediate capital gains tax on the sale of your real estate.

The content in this newsletter is offered for informational purposes only.  
We recommend that you consult your tax or legal advisor(s) for applicability to your own situation.



**Example:** Audrey Chen is 60 years old and her husband John is 58. They bought a vacation home for \$100,000 and the home has appreciated substantially in value over the many years the Chens have owned it. They are enthusiastic about making a major gift to support Bentley, but they also would welcome a way to receive income. After consulting with their advisor, the Chens find that a 5% charitable remainder unitrust funded with their home valued at \$500,000 will meet their needs perfectly. They will receive an immediate income tax deduction of \$132,415\* and \$25,000 in first year payments.

\*The Chens' income tax charitable deduction may vary depending on the timing of their gift.

**GIVE AND RETAIN FULL USE FOR LIFE.** You can give your primary residence or vacation home to Bentley now, and retain full use of the property for the rest of your life. This type of gift arrangement, known as a retained life estate, allows you to keep your current lifestyle with respect to that property while obtaining a significant income tax charitable deduction. Down the line, if you need to move for health or other reasons, you have several options, which are described in our [new brochure](#).

## Special Considerations

There are many ways you can use real estate to provide support for Bentley. As you might imagine, with an asset as valuable as real estate, care must be taken in structuring any sort of charitable gift. This means that Bentley (or the trustee of a trust created by you) will need to be satisfied with the property's physical, financial, and legal characteristics. Potential items to be addressed might include environmental issues, the existence of a mortgage, or the manner in which the real estate is titled.

Whether it's due to market conditions, personal lifestyle considerations, or other reasons, if the time has come to make some disposition of a property you own, think about using the property to make a truly meaningful gift to Bentley. We would be pleased to work with you and your advisors to focus on the details and help you pursue the best course.

To learn more, request our new real estate brochure.  
Visit [giftplanning.bentley.edu/real-estate](http://giftplanning.bentley.edu/real-estate).

## Explore Other Charitable Options

If you are interested in supporting Bentley with a gift of other appreciated assets, or are working on your estate plan, our [new website](#) can be a useful resource. To explore a range of options to create a lifetime income, use our interactive tools, and find in-depth information about charitable giving, visit [giftplanning.bentley.edu](http://giftplanning.bentley.edu).

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