



## **GIFT AND FUND ACCEPTANCE POLICIES**

### **Stating the Purpose of Gifts to the Foundation**

The purpose of this gift and fund acceptance policy is to assure that each gift to the Foundation is structured to provide maximum benefits to the donor, the community, the charitable beneficiaries, and the Foundation.

The purpose of a gift to the Greater Salina Community Foundation (“GSCF” or “the Foundation”) will be defined in a written fund agreement or deferred gift instrument signed by the donor, or his or her appointed representative and if appropriate, an officer of the Foundation.

It is the policy of the Foundation to develop a signed fund agreement prior to receiving a current outright gift, or in the case of a living donor’s planned gift, as soon as the Foundation becomes aware of its existence.

The purpose of a gift must fall within the broad charitable purposes of the Foundation. Each proposed fund or gift would be considered on a case-by-case basis. The Foundation reserves the right to accept or decline any proposed fund or gift to the Foundation.

Standard fund agreements, which have been approved by legal counsel and Foundation directors and officers, may be used. Fund agreements will be prepared and reviewed by Foundation staff, and approved by the Executive Director. They may also be submitted to the Foundation’s Finance committee, and if deemed necessary, legal counsel, for review.

In most cases, additional gifts may be made to existing funds of the Foundation without a new fund agreement restating the original purpose of the gift.

### **Donor Disclosures**

The Greater Salina Community Foundation follows the highest ethical standards in its relationship with donors. Every person acting on behalf of the GSCF will adhere to the standards set forth in the Donor’s Bill of Rights, created by the Association of Fundraising Professionals

Foundation staff should disclose to all prospective donors the benefits and liabilities that could reasonably be expected to influence the donor’s decision to make a gift to the Foundation. Donors will be encouraged to consult with legal counsel and financial advisors in making their decision. They will

also be provided with a written fund agreement and encouraged to read thoroughly the fund agreement and attached documents, if any, thoroughly prior to signing.

In particular, donors should be made aware of

- The irrevocability of a gift
- The Foundation's variance power
- The Foundation's spending policy and definition of endowment funds
- In the case of donor-advised funds, applicable policies and limitations
- Prohibitions on donor restrictions
- Items subject to variability: market value, investment return, and income yield
- Applicable administrative and investment management fees

Staff will recognize and acknowledge donors in appropriate ways, both publically and privately, subject to the Foundation's Policy on Confidentiality. Donors maintain the freedom to determine the degree and type of recognition that they prefer, including the right of anonymity.

### **Types of Funds**

The Foundation offers several different types of funds, including:

1. Unrestricted Funds, primarily through the Fund for Greater Salina
2. Organization Funds
3. Designated Funds
4. Scholarship Funds
5. Donor Advised Funds
6. Field of Interest Funds

Each of these funds has a fund policy statement which describes the fund, the minimum assets required to open the fund, the policies regulating the operation of the fund, and other information about the fund. Further information about fund types and minimum assets to open a fund are found in the *Policies and Procedures for Establishment and Operation of Component Funds*.

### **Minimum Size Levels for Permanent Funds.**

The Foundation requires that minimum size levels be attained in order to establish a particular type of fund. Generally, donors have five years to reach the minimum size level, with interim growth and earnings in the fund counting toward the minimum. If the minimum is not reached within five years, the fund balance is transferred to an existing fund in the Foundation, generally the Foundation's community grant fund, The Fund for Greater Salina. No grants will be made from any fund until the minimum asset size is reached. The minimum amount required to open a permanent fund follows:

- **Donor-Advised Funds** (\$10,000 minimum)
- **Designated Funds** (\$10,000 minimum)
- **Organization Funds** (\$10,000 minimum)
- **Scholarship Funds** (\$25,000 minimum)
- **Field of Interest Funds** (\$25,000 minimum)

- **Provisional Funds** (\$10,000 minimum)
- **Pass-through Funds** (\$10,000 minimum)

### **Gift and Fund Acceptance Committee**

In general, the staff of the Greater Salina Community Foundation will be authorized by the board to accept new gifts and funds subject to the policies outlined herein. To assist staff in the evaluation of complex gifts and funds, the Finance Committee shall serve as the Gift and Fund Acceptance Committee, which will have the responsibility to consider and accept gifts and funds. The following may be considered when determining whether or not the Finance Committee should be involved in the acceptance of a gift:

- the value of the asset
- the likelihood that the asset can be liquidated
- projected income from the gift if the foundation holds it as an investment (e.g., rental income stream)
- charitable nature of the gift (e.g., historic building)
- risks to the community foundation (e.g., environmental hazards, potential liability)
- carrying costs (e.g., insurance, property taxes)
- possible unrelated business income tax consequences

The Finance Committee will be charged to ensure that gifts received are consistent with these policies and that they are in the best interests of the Foundation. Committee members will reach agreement by consensus, and may elect to include advisory members who have expertise in specific types of gifts. Committee members may also review proposed funds or supporting organizations that may fall outside the ordinary scope of staff expertise.

In the case of significant disagreement or hesitancy on the part of this committee, the committee may wish to present the proposed gift or fund in a confidential way to the GSCF board of directors for further consideration. Review by legal counsel may be recommended for:

- Closely held stock transfers that are subject to restrictions or buy-sell agreements.
- Documents naming Foundation as Trustee.
- Gifts involving real estate or contracts, such as bargain sales, or other documents requiring the Foundation to assume an obligation.
- Transactions with potential conflict of interest that may invoke IRS sanctions.
- Other instances in which use of counsel is deemed appropriate by the Finance Committee.

### **Which Gifts Require Review**

Gifts received in the following forms can be accepted by Foundation staff and will not require prior review and approval by the Finance Committee:

- Cash or cash equivalents and checks  
The Foundation accepts cash, checks or money orders made payable to the Foundation or any of its funds.

- **Marketable securities**  
The Foundation will add the proceeds (sale price per share multiplied by number of shares minus brokerage fees) of a marketable securities contribution to a fund of the Foundation. In the event the Foundation receives actual stock certificates, the donor and the Foundation should properly endorse these. It is the general policy of the Foundation to sell marketable securities immediately upon receiving them. The Foundation will govern the disposition of securities and will make all decisions regarding the sale or retention of securities. The value of the gift is determined by calculating the mean of the high and low prices for the security on the date of the sale.
- **Gifts of personal property for the Foundation's offices or programs**

Gifts that may require review or approval by the Finance Committee include:

- **Tangible personal property**

Tangible personal property may be accepted as a gift. Examples of tangible personal property might include a coin collection, works of art, or jewelry. Generally, tangible personal property will only be accepted if the Foundation determines that the property will be used for its exempt purposes, or the Foundation will be able to sell the property. A full description of policies and procedures relating to the acceptance of tangible personal property follow this document

- **Real property**

If a donor wishes to contribute real property or an interest in real property to the Foundation whether as an outright gift or through a deferred giving arrangement, the Foundation staff and Finance Committee shall consider all facts and circumstances whether to recommend accepting the gift. Donors should always be advised to confer with their own counsel to review the terms of the gift.

Policies regarding the acceptance of real property, including life estate gifts follow this document.

- **Closely held and S corporation stock**

Donors wishing to make gifts of stock in a closely held corporation or S corporation must have it valued by a reputable independent accounting or appraisal company prior to making a contribution. If the stock is immediately marketable it will be sold. Otherwise the stock will be held by the Foundation until it may be redeemed or sold for cash. Should such stock generate unrelated business income, the tax on that income will be charged against the appropriate fund.

The acceptability of a gift of closely held or S corporation stock will depend on the ultimate financial liability of the Foundation and the amount of management attention required, and all such gifts must be approved by the Finance Committee. Should such gift be in excess of \$5,000 and generate a charitable deduction, the donor is responsible for obtaining an appraisal. The Foundation will seek to liquidate closely-held or S corporation stock as quickly as reasonable.

- **Partnership interests**

The Foundation does not accept gifts of general partnership interests due to potential unlimited liability. The acceptability of a gift of a limited partnership interest will depend on the ultimate financial liability of the Foundation and the amount of management attention required. The Foundation reserves the right to carefully screen all proposed gifts of limited partnership interests to ensure that they place no undue risk upon the Foundation. All such gifts must be approved by the Finance Committee.

A qualified appraiser best determines the value of this property. Consideration will be given to whether generated partnership income is unrelated business income subject to income tax, following a review of the donor's most recent K-1 and the partnership's tax returns. If accepted, any unrelated business income tax will be charged against the appropriate fund.

- Accounts Receivable  
Donors may make gifts to the Foundation of accounts receivable assets, including loans, notes, or mortgages. Such gifts must be approved by the Finance Committee.
- Other Gifts. Gifts whose structures fall outside the ordinary purposes, bylaws and procedures of the Foundation will be reviewed by the Finance Committee.

### **Gifts Declined**

The Foundation reserves the right to refuse any gift that it believes is not in the best interest of the Foundation. If a gift is not accepted, Foundation staff will contact the prospective donor immediately.

### **Acknowledgment**

Staff, in accordance with federal regulations will acknowledge accepted gifts. Gifts will be acknowledged within 30 days, or as soon as possible in instances where extenuating circumstances are present. A values statement will be part of the acknowledgement for gifts of cash or publicly traded securities. Gifts of property, artwork or privately held securities will receive an acknowledgement that does not include a values statement.

### **Restrictions**

In conformance with Treasury Department regulations governing community foundations, gifts to the Foundation may not be directly or indirectly subjected by a donor to any material restriction or condition that prevents the Foundation from freely and effectively employing the transferred assets or the income derived there from, in furtherance of its exempt purposes.

### **Variance Power**

All fund agreements will stipulate that the Foundation has variance power. The Foundation will monitor and periodically evaluate all funds to determine that payments therefrom are being used for charitable purposes consistent with the Foundation's purposes and policies, as well as the donor's intent. If the Foundation determines that circumstances are such that continued payments from a fund have become unnecessary, obsolete, inappropriate, incapable of fulfillment, impractical, illegal, or inconsistent with the Foundation's purposes or the donor's intent, the Foundation has the power, exercisable at the sole

discretion of the Board, to designate an alternative charitable beneficiary or fund (taking into account the donor's intent) as the recipient, or to transfer the assets in the fund into the Foundation's Fund for Greater Salina, or some combination of the foregoing. The most likely examples might include the dissolution of a specified charitable organization, a loss of exempt status of a charity under the Internal Revenue Code, or the use of funds by an organization for purposes clearly at odds with the donor's intent or the Foundation's charitable purposes.

### **Investment of Gifts**

The Board of Directors and the Finance Committee of the Foundation reserve the right to make any or all investment decisions regarding gifts received.

In making a gift to the Foundation, donors give up all right title and interest to the assets contributed. According to current policy, donors may request to use a separate investment manager to manage their fund, so long as the fund meets minimum asset size requirements, the Foundation approves and the Foundation has a current investment management agreement with the manager. The Foundation reserves the right to refuse the request or discontinue the services of any outside investment manager.

### **Costs of Accepting and Administering Gifts**

Generally, attorney fees, accounting fees, and similar costs by a donor are borne by the donor. The direct costs, such as broker fees related to stock sales, custodial, investment or administrative fees are paid from the respective funds, in accordance with the Foundation's fee policy schedule. The Foundation also reserves the right to assess a setup fee for a fund.

### **Planned Gifts**

The Foundation's planned giving program encompasses all types of gifts whose benefits do not fully accrue to the Foundation until some future time (such as the death of the donor or other income beneficiaries or the expiration of a predetermined period of time) or whose benefits to the Foundation are then followed by the interests of non-charitable beneficiaries. The types of planned giving opportunities offered by the Foundation are listed below.

### **Gifts by Will or Living Trust**

The Foundation may receive bequests from people who direct through a will or a trust that certain money or property be transferred to the Foundation. The Foundation encourages such donors to contact the Foundation during their lifetime to discuss their charitable intent. Sample bequest language is available for donors. Donors are encouraged to consult a professional advisor for assistance. The Foundation may not be named Executor for a donor, or Trustee of a Trust.

### **Gifts of Life Insurance**

A donor may make a gift of life insurance to the Foundation in several ways, provided that the policy is not encumbered. The donor may choose to give a life insurance policy irrevocably designating the Foundation as owner and beneficiary and further pledging to make annual gifts to the Foundation in the amount of the annual premium. Premiums would then be paid by the Foundation. The Foundation can

also be designated as a percentage beneficiary of a life insurance policy owned by the donor. In addition, the Foundation also accepts tax-deductible gifts of insurance policy dividends.

Gifts of life insurance policies may be accepted without special approval if the premiums for the insurance policy are fully paid up or when the Foundation intends to cancel the policy immediately for its cash surrender value.

### **Retirement Plans or IRA Accounts**

Generally, donors cannot make a lifetime gift of a retirement plan account (401(k), etc) or IRA account. Rather, a donor may only make an income-taxable withdrawal from such an account followed by a gift to charity that is (hopefully) accompanied by an itemized charitable deduction that wholly offsets the income. There is an exception available only to certain IRA account holders. In particular, a donor who is at least 70 ½ years old may authorize his or her IRA custodian to make a qualified charitable distribution (“QCD”) of up to \$100,000 directly to a public charity such as the Foundation (but NOT to a donor advised fund therein) No charitable deduction is allowed for a QCD, but the donor avoids the income tax that would otherwise be owed on a withdrawal.

A donor may make a deathtime gift of a retirement plan account or IRA account to the Foundation simply by designating the Foundation as a primary beneficiary on the account.

### **Charitable Remainder Trust**

Under a charitable remainder unitrust the donor irrevocably transfers money, securities or other property to a trustee selected by the donor. The trustee pays the donor or one or more income beneficiaries designated by the donor a fixed percentage of the net fair market value of the trust’s assets, as determined each year. The payments are made for the life or lives of the income beneficiaries or for a fixed period not to exceed 20 years. Upon termination of the income beneficiary interest, the assets of the unitrust will be transferred to the Foundation.

A charitable remainder annuity trust is similar to the unitrust except that the income beneficiary receives a fixed dollar amount annually from the trust.

The Foundation does not at this time serve as a trustee for charitable trusts.

### **Charitable Lead Trust**

Under a charitable lead trust the Foundation receives an income interest in the trust assets for a period of years or the lives of one or more individuals. At the end of this time the assets are distributed to non-charitable beneficiaries designated by the donor.

### **Charitable Gift Annuities**

At the present time the Foundation does not issue charitable gift annuities. It reserves the right, however, to review or change this policy at a future date.

# ADDENDUM

## **Treatment of Excess Business Holdings**

Under the Pension Protection Act of 2006 (PPA), the private foundation excess business holdings rules now apply to donor advised funds as if they were private foundations<sup>1</sup>. That is, the holdings of a donor advised fund in a business enterprise, **together with the holdings of persons who are disqualified persons with respect to that fund**, may not exceed any of the following:

- Twenty percent<sup>2</sup> of the voting stock<sup>3</sup> of an incorporated business
- Twenty percent of the profits interest of a partnership or joint venture or the beneficial interest of a trust or similar entity
- Any interest in a sole proprietorship

Ownership of unincorporated businesses that are not substantially related to the fund's purposes is also prohibited.

Donor advised funds receiving gifts of interests in a business enterprise after the date of the PPA's enactment (August 17, 2006) will have five years to divest holdings that are above the permitted amount, with the possibility of an additional five years if approved by the Secretary of the Treasury<sup>4</sup>.

## **What is a business enterprise?**

A "business enterprise" is the active conduct of a trade or business, including any activity which is regularly carried on for the production of income from the sale of goods or the performance of services. Specifically excluded from the definition are:

- Holdings that take the form of bonds or other debt instruments unless they are a disguised form of equity
- Income from dividends, interest, royalties and from the sale of capital assets
- Income from leases unless the income would be taxed as unrelated business income
- "Functionally-related" businesses and program-related investments
- Businesses that derive at least 95 percent of their income from passive sources (dividends, interest, rent, royalties, capital gains). This will have the effect of excluding gifts of interests in most family limited partnerships, and other types of holding company arrangements.

## **What is a disqualified person?**

Donors and persons appointed or designated by donors are disqualified persons if they have—or reasonably expect to have—advisory privileges with respect to the donor-advised fund by virtue of their status as donors. Member of donors' and advisors' families are also disqualified, but the section does not define "family" and does not cross-reference either section 4958 or 4946 for the definition. Finally, the term includes 35-percent-controlled entities as defined in section 4958(f)(3).



### **Assets categorized under the PPA as “excess business holdings”**

GSCF will identify and monitor any new gift to a donor advised fund of any interest qualifying as an “excess business holding” under the PPA. GSCF will exercise its best effort to dispose of the contributed interest immediately, in accordance with our current Gift and Acceptance policy, or at the best possible price within five years of the date of the gift, as required under the PPA. In any event, GSCF will dispose of any excess business holding prior to the five year time limit, except in the event that the Treasury Department grants an additional five year holding period. GSCF will notify potential donors of such interests of this requirement prior to the contribution of such interest.

<sup>1</sup>The language is clear that it is only the donor advised fund—not the sponsoring charity—that is to be treated as a private foundation. Accordingly, it appears that this section does not apply to assets held by the sponsoring charity’s investment pools, or assets held by funds that are not donor advised.

<sup>2</sup>Thirty-five percent if it can be shown that persons who are not disqualified persons have effective control of the business.

<sup>3</sup>Additionally, the donor advised fund will be barred from holding non-voting stock of an incorporated business unless the disqualified persons collectively own less than 20 percent of the voting stock. Under the *de minimis* rule, the donor advised fund could continue to hold an interest that did not exceed two percent of the voting stock and two percent of the value. Additional rules apply to cover situations such as mergers, redemptions, and acquisitions.

<sup>4</sup>Excess holdings acquired by purchase must be disposed of immediately. If purchases by disqualified persons cause the donor advised fund to have excess holdings, the donor advised fund will have 90 days to dispose of the excess.

# ACCEPTANCE OF GIFTS OF PROPERTY OR REAL ESTATE

Gifts of real estate, including all forms of interests in real property, may be accepted on behalf of the Foundation in accordance with these policies, with exceptions allowed as stated below.

## **Authority to Accept Gifts of Real Estate**

The President & Executive Director is authorized to accept gifts of real estate that are permitted by these policies.

## **Conditions for Acceptance**

In general, it is the policy of the Foundation to accept gifts of real estate or other illiquid assets only if they are to be sold with the proceeds used for the general purposes of the Foundation, or as provided by the donor. The Foundation reviews each proposed gift on an individual basis, and may accept or reject any proposed gift. A gift of real estate or other illiquid asset may also be accepted under the following conditions on a case by case basis: if it is to be used by the Foundation in connection with established or specifically approved programs or activities; or if it is to be held for the production of income.

## **Prohibited Transactions**

The Foundation will not accept property that would jeopardize its tax-exempt status, or expose it to expenses for which no source of funds has been identified.

## **Conditions Affecting Acceptance**

- If the property is to be used by the Foundation, it shall be in good physical condition. If it is not in compliance with applicable building, health, environmental and safety codes, or requires repairs or improvements, a source of funds for the costs of bringing the property into compliance must be identified prior to acceptance.
- The proposed use must be lawful and consistent with the previously approved strategic plans of the Foundation involving the use or acquisition of real property.
- If the property is to be held for the production of income, a *pro forma* positive cash flow analysis must compare favorably to the amount of income that would be obtained if the property were sold and the proceeds invested as a part of the general endowment pool.
- If the property is to be sold, it should be marketable within a reasonably short period of time. Acceptance of offers to purchase property from the Foundation requires the signature of the President & Executive Director or the Executive Director's corporate legal delegate and the approval of the Finance Committee.

### **Procedure for Tangible Personal Property or Other Illiquid Assets**

Tangible personal property (artwork, coin collections, jewelry, etc.) may be accepted as a gift. The property must be saleable and the donor must agree that the property can be sold unless the Foundation agrees to use the property for a specific use related to its tax-exempt status.

- The Foundation will accept an outright gift of tangible personal property in any amount to augment an existing fund. Gifts to establish a component fund must meet the minimum funding requirement within 5 years or the gift will be added to the Fund for Greater Salina.
- Qualified appraisals are required for personal property gifts exceeding a value of \$5,000. The donor will be responsible for obtaining a qualified appraisal complying with IRS regulations. (The donor will be responsible for filing the appraisal and the appraiser's credentials with their income tax return to receive a charitable deduction.)
- The Finance committee must be sure that the property is either of direct value to the Foundation for its mission, or is marketable and of sufficient value to justify the potential expenditure of resources involved in the sale.

### **Procedure for Real Estate**

Prior to formal acceptance, Foundation staff shall obtain the following at the expense of the donor:

- Preliminary title insurance commitment covering the subject property (the title insurance commitment shall reflect that title is vested in the donor in the form represented, and is subject to no claims, liabilities, or major defects of title);
- A suitable property valuation.
- A list of improvements to the property;
- A current list of leases, if any;
- A list of encumbrances, liens, and current expenses, if any;
- A physical inspection of the property by an employee, agent of, or consultant to the Foundation, and/or a regulatory agency representative.

Conditional acceptance may be made subject to satisfactory completion of each of the foregoing. A real property Donation Checklist and Inquiry Form are attached to this policy to assist Foundation staff in conducting due diligence with regard to gifts of real property.

### **Hazardous Waste Considerations**

Prior to formal acceptance, a "Stage One" environmental study (as defined by the Foundation) may be made by an individual or firm competent to advise the Foundation whether further investigation is needed. In addition, the Foundation may require that the donor provide an adequate indemnity and hold harmless agreement in language acceptable to the Foundation.

## **Grant Deed**

Upon acceptance of the gift of real estate, the Foundation is responsible for ensuring that the grant deed is properly conveyed to the Foundation. This includes having the donor sign the deed and recording it with the appropriate county. The Executive Director or the Executive Director's legal delegate has responsibility for the proper safeguarding of all deeds.

## **Internal Revenue Service Form 8283**

The Internal Revenue Service requires that Form 8283 be completed so that it can be filed with the donor's tax return. Upon acceptance, the Executive Director will be responsible for completing the "Donee Acknowledgment Section" of IRS Form 8283, mailing the original form to the donor and a copy to the Executive Director.

## **Internal Revenue Service Form 8282**

The Internal Revenue Service requires that Form 8282 be completed and filed (with respect to any real estate for which a Form 8283 has been filed) when that property is disposed of by the donee institution within two years of the date of gift. Upon disposition, the Foundation will be responsible for filing Form 8282 in a timely manner.

## **Maintenance, Upkeep, Insurance, etc.**

Prior to acceptance of any gift of real estate, a source of funds must be identified for maintenance, upkeep, insurance, etc. of the donated property. It is advisable to ask the donor for funds to meet these costs if it is anticipated that the Foundation will hold the property for longer than six months prior to sale.

## **Life Estates**

### **Simple Life Estate Agreements**

In the case of property donated to the Foundation subject to a life estate, the life tenant shall enter into an agreement in writing providing that the life tenant shall pay all the costs of maintenance and upkeep of the property including but not limited to repairs, improvements, utilities, taxes, insurance, etc.

*Life Estate with Lump Sum or Series of Payments:* These opportunities will be evaluated on a case-by-case basis. If the life tenant is also to receive a lump sum payment or a series of payments, a financial analysis will be done to determine the return on investment to the Foundation. The analysis will include the life tenant's life expectancy, projected appreciation rate of the property, and estimates of future interest rates. Donor-authorized "impounds" from the lump sum will be necessary to cover maintenance, upkeep, insurance, property taxes, utilities, etc.

**Cost Recovery**

Funds to cover costs such as appraisals, hazardous substance assessments, taxes, insurance, maintenance, and unanticipated expenses may be advanced from other funds of the Foundation and recovered at the time disposition of the property is made. The cost of recovery shall include interest on Foundation funds, normally equal to earnings of funds operating as endowment. Donors shall be advised of this policy.

**Documentation of Acceptance of Property**

It is the responsibility of the Executive Director to secure acceptance from any of those parties authorized to accept property (see above) and assure documentation of acceptance. Documentation may be in the form of a memo to the file or more formally by letter.

## **Real Property Donation Checklist**

1. Exact legal name of donor and federal identification number.
2. Description of property (copy of deed).
3. Description of any buildings or other structures located on the land.
4. Boundary survey of property with location of all structures, easements, and encumbrances appearing on the face of the survey.
5. Information regarding existing zoning status.
6. Information on all ingress/egress for the property.
7. Description of prior use of the property.
8. Description of use of surrounding property, with specific disclosure of any storage tanks or potential environmental factors affecting the property.
9. Disclosure of any contemplated or anticipated condemnations, right-of-ways or other actions by municipalities that may affect the subject property.
10. Phase I environmental report on the property, including environmental report on any structures located on the real estate.
11. Evidence of title, such as title examination and report, title insurance commitment, or schedule describing any liens, encumbrances, or title matters affecting the property.
12. Copy of appraisal showing the fair market value of the property current within sixty days.
13. Disclosure of amount of existing real estate taxes, insurance premiums, and assessments attributable to the property.
14. Discussion with proposed donor regarding any special arrangements for donor's fund or other sources to address ongoing expenses for taxes, insurance, assessments, maintenance, grass cutting, security, utilities, and similar items.

## **Real Property Inquiry Form**

### **I. General Information**

Owner(s)

Phone

Address

Property Location

Land area (acres or square feet)

Building area (sq. ft. each floor)

Zoning

Replacement cost of building

Current property insurance coverage

Date of acquisition/form of acquisition

Current cost basis (includes improvements)

Principal balance of mortgage

Current fair market value

Assessed value for real estate taxes

Real estate taxes

Land value

Building value

Most recent appraisal (date)

Appraised value

Appraiser

Occupancy status after transfer of title to charity

Unimproved (no buildings)

Unoccupied (building, but not occupant)

Occupied (building with occupants)

Please indicate by checking "yes" your awareness of any condition or problem which may affect the title or marketability of the property. Use Section VII to provide additional information.

<b>II. Title/Zoning</b>	<b>Yes</b>	<b>No</b>
A. Title	_____	_____
B. Zoning variances, violations or special permits	_____	_____
C. Zoning violations	_____	_____
D. Restrictions or easements	_____	_____
E. Survey available	_____	_____
<b>III. Condition of Building</b>	<b>Yes</b>	<b>No</b>
A. Foundations/slab	_____	_____
B. Basement water/dampness/sump pump	_____	_____
C. Roof leaks	_____	_____
D. General structural	_____	_____
E. UFFI (formaldehyde insulation)	_____	_____
F. Asbestos	_____	_____
G. Lead paints	_____	_____
H. Termites/ants/pests	_____	_____
I. Swimming pool	_____	_____
J. Radon	_____	_____
K. Building systems	_____	_____
1. Plumbing	_____	_____
2. Electrical	_____	_____
3. Heating	_____	_____
4. Air conditioning	_____	_____



- 5. Hot water \_\_\_\_\_
- 6. Water supply \_\_\_\_\_
- 7. Sewage; type \_\_\_\_\_
- 8. Other fixtures \_\_\_\_\_

**IV. Rental/Condominium/Cooperative**

- A. Building systems \_\_\_\_\_
  - 1. Leases \_\_\_\_\_
  - 2. Rental arrears \_\_\_\_\_
  - 3. Last month's rent/security deposit \_\_\_\_\_
- B. Common area fees in arrears \_\_\_\_\_
- C. Building or sanitary code violations \_\_\_\_\_
- D. Operating/capital budget \_\_\_\_\_

**V. Environmental**

**Yes      No**

- A. History of property
  - 1. Property has prior or current use for industrial, commercial, agricultural, manufacturing, waste disposal or any other non-residential purposes \_\_\_\_\_
- B. Condition of property
  - 1. Stressed or denuded vegetation or unusual barren areas \_\_\_\_\_
  - 2. Discoloration, oil sheens, or foul/unusual odors in water \_\_\_\_\_
  - 3. Storage drums \_\_\_\_\_
  - 4. Above or underground storage tanks; vent or filler pipes \_\_\_\_\_

- 5. Evidence of oil or other chemicals in soil \_\_\_\_\_
  - 6. Evidence of PCBs \_\_\_\_\_
  - 7. Evidence of toxic air emissions \_\_\_\_\_
  - C. Adjacent properties
    - 1. Properties adjacent or close to subject have conditions requiring "yes" answer to any questions in (A) and (B) above \_\_\_\_\_
  - D. Flood plain/wetlands/drainage \_\_\_\_\_
  - E. Endangered plants or wildlife \_\_\_\_\_
- Are you aware of any other information concerning any part of the land or buildings which might affect the decision of a buyer or affect value of property or affect use by buyer? \_\_\_\_\_

**VI. Property Expense Budget**

To hold this property as a Foundation asset, the following income and expenses are anticipated:

- A. Income **Annual**
  - 1. Rent \_\_\_\_\_
  - 2. Other \_\_\_\_\_
- B. Expenses \_\_\_\_\_
  - 1. Real estate taxes:
    - First payment due \_\_\_\_\_ (date) \_\_\_\_\_
    - Second payment due \_\_\_\_\_ (date) \_\_\_\_\_
  - 2. Utilities:
    - Gas \_\_\_\_\_

- Oil \_\_\_\_\_
- Electric \_\_\_\_\_
- Water/sewer \_\_\_\_\_
- Other \_\_\_\_\_
- 3. Services:
  - Caretaker/property manager \_\_\_\_\_
  - Landscaping \_\_\_\_\_
  - Heating/cooling service contract \_\_\_\_\_
  - Snow removal \_\_\_\_\_
  - Pool services \_\_\_\_\_
  - Common area charge (condominium) \_\_\_\_\_
  - Security \_\_\_\_\_
  - Other \_\_\_\_\_
- 4. Maintenance/Repairs \_\_\_\_\_
- 5. Insurance \_\_\_\_\_

**Total Expenses**

**Net Income (Loss)**

**VII. Additional Information on Sections II through VII**

**VIII. Acknowledgments**

Owner(s) hereby acknowledge that the information set forth above is true and accurate to the best of my (our) knowledge

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Owner

Date \_\_\_\_\_

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Owner

Date \_\_\_\_\_