



## **GIFT AND FUND ACCEPTANCE POLICIES**

### **Purpose of Gifts to the Community 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 Greater Salina Community Foundation (Foundation).

The purpose of a gift to 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.

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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 the fund agreement and any attached documents 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 publicly 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:

- Unrestricted Funds may be established by donors who wish to leave their use to the discretion of the Foundation's Board of Directors.
- Donor Advised Funds allow donors to actively participate in the grantmaking process over time. The donor(s) may recommend grants to the Board. This type of gives donors the flexibility to change the organization supported through the years.
- Designated Funds provide annual support for one or more specific organizations of the donor's choice as recommended by the donor.
- Field of Interest Funds are established by donors who wish to make an impact in a specific area of interest or geographic area, e.g. the arts or human services, or hometown. Grants are determined by Foundation staff, board of directors or grants committee.
- Hardship Field of Interest Funds are similar to field of interest funds, only the grants go to support individuals suffering a financial hardship due, rather than organizations.
- Organization Funds enable nonprofit organizations to ensure their own futures with an endowment that provides perpetual support for operations. These funds can be started by the nonprofit or a donor.

- Scholarship Funds (designated and traditional) provide educational assistance to students. They are tailored to meet the intent of individual donors.

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*.

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

In general, Foundation staff will be authorized by the Board of Directors 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 if the Finance Committee should be involved in the acceptance of a gift:

- Value of the asset.
- 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 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 with ensuring 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 the 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 the Foundation as Trustee.
- Gifts involving real estate, oil, gas and mineral rights, 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.

### **Gifts That Do Not 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

It is the general policy of the Foundation to sell marketable securities immediately upon receiving them. For gifts of securities that are transferred electronically to the Foundation, the value of the gift is determined by calculating the mean of the high and low prices for the security on the date the security is delivered to the Foundation's brokerage account. 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. For gifts where actual stock certificates were mailed to the Foundation, the value of the gift is determined by calculating the mean of the high and low prices for the security on the date the certificate was placed in the mail. The Foundation will govern the disposition of securities and will make all decisions regarding the sale or retention of securities.

- Gifts of personal property for the Foundation's offices or programs

### **Gifts Requiring Review**

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 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 contributing. 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.

- Gas, Oil & Mineral Rights

The Foundation will accept royalty and overriding royalty interest in an oil or gas property, and any non-operating working interests will be considered on a case-by-case basis. The Foundation will not accept operating working interests.

- Cryptocurrency

The Foundation may accept gifts of cryptocurrency and other forms of digital assets

after due diligence is performed to determine that the asset is able to be transferred and liquidated immediately after being received by the Foundation.

- 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.

The Foundation will not accept the following gifts:

- Time shares
- Animals
- Automobiles, motorcycles, airplanes, boats or other vehicles
- Cemetery plots
- Any asset that would be illegal per applicable law
- Working operating interest in an oil or gas property

### **Third Party Gift Acceptance Referrals**

If the Foundation is approached about receiving a gift that the Foundation is unable or unwilling to accept and manage in house, the Foundation may refer the donor on to a third party that could, for a fee, accept the gift, liquidate the asset, and make a grant back to the Foundation to deposit into the fund of the donor's choice.

### **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 the donor's intent. If the Foundation determines that circumstances are such that continued payments from a fund for the specified charitable purposes or to the specified charitable organizations 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 its Board of Directors, to designate an alternative charitable beneficiary or fund (taking into account the donor's intent) as the recipient, or to transfer the property and assets in the fund in question into the Foundation's community grant fund, or to effect some combination of the foregoing.

The Foundation will use its best efforts to give affected donors and organizations advance written notice of its intent to exercise the variance power outlined above.

### **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 rights, title and interest to the assets contributed.

Donors or organizations may request to use an outside investment manager if the fund maintains a minimum balance. See the GSCF Fund Policies & Procedures policy for minimum size requirements. If the request is granted, the fund remains a component fund of the Foundation, but is managed and invested by a bank, trust company or other entity of the donor's choice. In order to manage component funds for the Foundation, outside investment managers are required to sign an investment management agreement with the Foundation and maintain an investment performance level that is acceptable to the Foundation's Finance Committee.

### **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. Please refer to current IRS regulations for more information on these types of lifetime retirement plan gifts.

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 currently 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 to produce 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"**

The Foundation will identify and monitor any new gift to a donor advised fund of any interest qualifying as an "excess business holding" under the PPA. The Foundation will exercise its best effort to dispose of the contributed interest immediately, in accordance with our current Gift and Fund 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, the Foundation 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. The Foundation 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.

### **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.

### **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 to produce 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 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.

- 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 regarding 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 Foundation will be responsible for completing the "Donee Acknowledgment Section" of IRS Form 8283, mailing the original form to the donor.

### **Internal Revenue Service Form 8282**

The Internal Revenue Service requires that Form 8282 be completed and filed (with respect to any real property 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.

### **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.

II.	Title/Zoning	Yes	No
A.	Title	_____	_____
B.	Zoning variances, violations or special permits	_____	_____
C.	Zoning violations	_____	_____
D.	Restrictions or easements	_____	_____
E.	Survey available	_____	_____
III.	Condition of Building	Yes	No
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                               | <b>Annual</b> |
| 1. | Rent                                 | _____         |
| 2. | Other                                | _____         |
| B. | Expenses                             | _____         |
| 1. | <u>Real estate taxes:</u>            |               |
|    | 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

\_\_\_\_\_  
Owner Date \_\_\_\_\_

\_\_\_\_\_  
Owner Date \_\_\_\_\_