

University of the Pacific

**REAL ESTATE GIFT ACCEPTANCE
PROCEDURE MANUAL**

Version 1

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(Drafters' Note: We are extremely grateful to TIAA Kaspick, Southern Illinois University Edwardsville Foundation, and Stanford University for the resources publically accessible on their websites. Their availability served as excellent examples during the drafting process.)

Table of Contents

<u>Title</u>	<u>Page #</u>
Real Estate Gift Acceptance Procedures	1
Appendix A-1: SAMPLE - Real Estate Gift Responsible Persons Legend and Checklist	9
Appendix A-2: Real Estate Process Flow Chart through Due Diligence	17
Appendix A-3: Real Estate Process Flow Chart through Post-Gift	18
Appendix B-1: Phase I: Inquiry and Pre-Acceptance Checklist	19
Appendix B-2: SAMPLE - Real Estate Gift Donor Inquiry Letter	20
Appendix B-3: SAMPLE - Real Estate Gift Data Questionnaire (“Questionnaire”)	23
Appendix B-4a: SAMPLE - IRS and Qualified Appraisal Information Cover Letter	31
Appendix B-4b: SAMPLE - TIAA Kaspick Article	33
Appendix B-4c: SAMPLE - IRS and Qualified Appraisal Information for Donors and Appraisers	34
Appendix B-4c: Blank IRS Form 8283	36
Appendix C-1: Phase II: Due Diligence and Decision Checklist	38
Appendix C-2: SAMPLE - Memo to Gift Review Committee for Real Estate Gift (“Memo”)	39
Appendix C-3: SAMPLE - Recommendation Memo from the Gift Review Committee to the Gift Acceptance Committee (“Recommendation”)	42
Appendix C-4: SAMPLE - Real Estate Gift Conditional Acceptance Agreement	43
Appendix C-5: SAMPLE - Real Estate Gift Declination Letter	46
Appendix D-1: Phase III: Closing the Gift and Post-Gift Clean-up	47
Appendix D-2: SAMPLE - Real Estate Gift Closure Agreement (“REGCA”)	48
Appendix D-3: SAMPLE - Donor Environmental Warranty Cover Letter	55
Appendix D-4: SAMPLE - Environmental Warranty	56
Appendix D-5: SAMPLE - Non-Disclosure/Confidentiality Agreement (“NDA”)	57
Appendix D-6: SAMPLE - Maintenance, Insurance and Tax Agreement (“MIT”)	60
Appendix D-7: SAMPLE - Non-Responsibility Warranty	63
Appendix D-8: SAMPLE - Special Election Statement to Accompany Donor’s Tax Return	64
Appendix E-1: Real Estate Gift Accounting Guidelines	65
Appendix E-2: Real Estate Gift Investment Guidelines	66
Appendix F: Blank IRS Form 8282	67

Real Estate Gift Acceptance Proceduresⁱ

I. Purpose. University of the Pacific (“Pacific”) welcomes gifts of real estate intended to benefit Pacific and help achieve its educational vision. The purpose of this manual is two-fold: First, to outline the steps planned giving, development officers, university leadership and finance personnel (“Pacific Staff”) should use to determine whether a potential gift of real property will be beneficial, and therefore appropriate, for Pacific to accept; and second, to provide guidance and template documents that can be used to move the real estate gift through the acceptance process to achieve a successful close.

A. Overview. This manual sets forth the requirements, templates and proper process for acceptance of real estate gifts by Pacific. This procedure manual (“manual”) covers three phases: the initial gift inquiry or proposal, the due diligence steps and finally recording and documentation of the completed gift. However, this manual does not establish policy because at Pacific policy is set by the Board of Regents. Among other things, this manual:

1. Sets forth procedure guiding the initial Donor interest in making a real estate gift, including the evaluation, approval and acceptance of proposed real estate gifts;
2. Establishes requirements for, and restrictions on, Pacific’s acceptance of proposed real estate gifts;
3. Provides Donor letters, templates, forms and checklists to help assure timely communication with Donors and meaningful evaluation of proposed real estate gifts;
4. Outlines the real estate evaluation, approval and acceptance related responsibilities of Pacific Staff and proper recording of communications with the Donor;
5. Outlines the real estate gift accounting-related responsibilities of Pacific Staff; and

6. Outlines the real estate gift investment-related responsibilities of the Investment Committee and Pacific Staff.

B. Annual Review. This Real Estate Gift Acceptance Procedure Manual shall be reviewed annually by the Gift Review Committee to ensure the relevance of its contents to Donor Relations and Pacific's needs and focus, except that the real estate gift investment and accounting related aspects of this Procedure manual shall be reviewed annually by the Office of Estate & Gift Planning and the Business & Finance Division. Recommendations for changes and shall be submitted to the Gift Acceptance Committee for its review and action.

C. Specific Real Estate Gift Requirements and Restrictions. The requirements and restrictions to be met in connection with Pacific's approval and acceptance of a real estate gift are set forth in the campaign counting guidelines.

D. Donor Communication. Sample questionnaires, agreements, letters and checklists are included to help assure timely communication with Donors and meaningful evaluation of proposed real estate gifts are set forth in attached Appendices B-F.

E. Real Estate Gift Evaluation, Approval and Responsibilities. Real estate gift evaluation, approval and acceptance related to responsibilities of Pacific Staff are set forth in Appendices A.

F. Real Estate Gift Acceptance Accounting Guidelines. Pacific's real estate gift acceptance accounting related responsibilities of Pacific Staff are set forth in Appendix E-1.

G. Real Estate Gift Acceptance Investment Guidelines. Real estate gift acceptance investment related responsibilities of the Investment Committee and Pacific Staff are set forth in Appendix E-2.

H. IRS Forms. The IRS requires that Forms 8282 and 8283 be signed and reported to the IRS within designated timeframes, samples set forth in Appendix B-4d and F.

II. Procedural Aspects

A. Donor Communication. The Donor should receive regular communications while the proposed real estate gift is being evaluated. The Donor should feel that the proposed gift is valued and appreciated. Pacific should be sensitive to the Donor's desire to avoid excessive or piecemeal demands and expenses. For example, consideration should be given to deferring certain Donor expenses (such as surveys, inspections, appraisals or environmental assessments) until the gift is conditionally approved based upon preliminary information. Pacific's approval of the gift can then be conditioned upon obtaining the additional satisfactory information at Donor's cost prior to Pacific's final acceptance of the gift.

B. Investment and Finance. Real estate gifts present unique risks and challenges. These risks and challenges are greater if the real estate is held as an asset in Pacific's portfolio. Accordingly, Pacific's policy is to sell the property as soon as practicable after the gift is received and where Pacific does not intend to be a long-term owner or manager of gifted real estate, except in extraordinary circumstances.

C. Liens and Encumbrances. To the greatest extent possible, real estate gifts are to be free and clear of liens and encumbrances that adversely affect the property's marketability or that significantly increase the economic burden of the gift to Pacific. Exceptions may be made in extraordinary circumstances in consultation with Pacific's legal counsel, in which event the gift shall be evaluated pursuant to the "bargain sale" tax rules.

D. Pre-Arranged Sales. Pacific shall not accept a real estate gift that is subject to sale, option, right of first refusal or other legal restriction on the property's transfer by Pacific, except in extraordinary circumstances in consultation with Pacific's legal counsel. The donor should cease all sale negotiations, if any, recording real estate that is the subject of a potential gift to Pacific.

E. Gifts from Related Parties. The relationship between a Donor (or a Donor's family member) and Pacific is subject to additional scrutiny to help avoid adverse consequences to both the Donor and Pacific (for example, to avoid excise taxes under "excess benefit" tax rules). Pacific, in consultation with its legal counsel, shall endeavor to minimize any additional inconvenience to the Donor in such circumstances.

F. Testamentary Gifts. Testamentary gifts of real estate (that is, gifts upon the death of a person whether pursuant to a trust arrangement or to a probate proceeding) shall be evaluated for acceptance in the same manner and with the same considerations as if the Donor were alive. Pacific, in consultation with its legal counsel, may disclaim certain beneficial interests when appropriate.

G. Donor's Costs and Expenses. Pacific will not pay for the Donor's legal expenses, appraisals or other services, except in extraordinary circumstances.

H. Qualified Appraisal. The Donor is responsible for obtaining a qualified appraisal (as defined under the tax rules) to support the Donor's charitable deduction. Pacific may undertake its own valuation analysis of the property for marketability and other purposes on an as needed basis. The Donor should be made aware that the Donor's valuation for deduction purposes may differ from the sales price at the time the property is sold by Pacific. See Appendices B-4a-d.

I. Approval and Acceptance; Real Estate Gift Closure Agreement. Pacific's approval and acceptance of a real estate gift does not occur until (a) Pacific and Donor sign the Real Estate Gift Closure Agreement ("REGCA"), (b) the Donor satisfies Pacific's acceptance terms and conditions as set forth in the Statement of Intent, (c) the Donor delivers the deed (and other required documentation if applicable) to Pacific and (d) Pacific accepts delivery of the deed and records the deed. The REGCA and deed are intended to legally obligate the Donor (and the Donor's personal representative, heirs, legatees, successors and assigns) to make the gift. The REGCA, however, is not intended to obligate Pacific to accept the gift. See Appendix D-2

J. Revisions; Administrative Fees and Costs. Pacific may from time to time revise this Real Estate Gift Acceptance Procedure Manual, including making provisions for an administrative fee payable by Donors to help defray Pacific's costs incurred in evaluating, approving and accepting certain real estate gifts.

III. Real Estate Gift Approval and Acceptance Requirements and Restrictions

A. The following requirements and restrictions are to be met in connection with Pacific's approval and acceptance of a gift of real estate:

1. **Minimum Transfer Value.** Each real estate gift shall be evaluated on a case by case basis – evaluation shall be based on market value, complexity and type of real estate and marketability.
 - a) *Pacific may choose to decline gifts valued under \$35,000.*
 - b) *If the real estate gift is tied to an endowment, then the current endowment minimums shall apply.*
 - c) *Pacific does not accept timeshares.*
2. **Donor Ownership Interest.** The Donor shall own 100% of the real estate in fee simple immediately prior to the gift except under extraordinary circumstances.
3. **Documentation.** All questionnaires, data sheets and checklists shall have been completed and saved electronically to the Donor's file and uploaded to OnBase prior to recording the gift deed.
4. **Donor Inquiry Response.** The Donor Inquiry Response Letter shall have been delivered to the Donor.
5. **Donor Real Estate Gift Data Questionnaire.** The Donor Real Estate Gift Data Questionnaire shall have been completed by the Donor and delivered to Pacific, along with appropriate documentation. All documentation shall be uploaded to OnBase and saved to the Donor's file.

6. **Evaluation.** Other aspects of this Procedure Manual shall have been considered and satisfied prior to approval and acceptance of the gift.

7. **Decision.** Depending on Pacific's decision, steps for acceptance, conditional acceptance and declination are outlined in this Procedure Manual.

8. **Approval; Authorized Pacific Representatives.** Only certain authorized Pacific Representatives (as identified in this section) may approve a real estate gift. All of the terms and conditions of the approved gift shall be set forth in the REGCA to be delivered to and signed by the Donor along with additional closing documents.

*a) **Real Estate Gift Closure Agreement.** If the property is determined to be marketable for a price more than \$25,000 and no extraordinary circumstances exist, the REGCA shall be approved by the Gift Acceptance Committee, after presenting the gift to the Gift Review Committee. The REGCA shall be signed by the Executive Director, Office of Estate and Gift Planning and the Vice President of Business and Finance. If extraordinary circumstances exist (as defined in subsection (3.8.2) below), the REGCA shall be reviewed by Pacific's General Counsel.*

9. **Extraordinary Circumstances.** Extraordinary circumstances for purposes of this section means any one or more of the following items that Pacific's Executive Director of Estate and Gift Planning reasonably believes is likely to be involved with the real estate gift:

- a) *Pacific's management of property as a landlord (excluding farm crop leases);*
- b) *A marketing period of more than twelve months to sell the property;*
- c) *An aggregate net cash burden to Pacific of greater than 10% of the property's value (excluding Pacific legal fees and realtor commissions). An additional administration fee may apply;*
- d) *Liens or encumbrances remaining after Pacific's receipt of the property (other than (a) accrued and unpaid real estate taxes and homeowner's association assessments and (b) encumbrances that do not adversely affect the property's marketability);*
- e) *A Donor's close connections to Pacific that may trigger potentially adverse tax consequences to the Donor or to Pacific if the gift is not made properly; and*
- f) *A "pre-arranged" sale, option, right of first refusal, or other restriction that is placed on Pacific's sale of the property or that may potentially trigger adverse tax consequences to the Donor or to Pacific if the gift is not made properly.*

IV. Closing Procedures. Upon receiving an approved REGCA signed by the Donor, Vice President of Development and Alumni Relations, Vice President of Business and Finance and Executive Director of Estate and Gift Planning, all are authorized to take such further actions, as may be necessary or appropriate to complete the real estate gift transaction in a manner that is consistent with the REGCA. The Closing Checklist shall be followed in accordance with this Procedure Manual

V. Recording and Subsequent Sale. Any subsequent marketing or sale is subject to Pacific's Real Estate Buy/Sell Procedure Process.

Resources

Berkeley Office of Gift Planning. (2016). *Gift Types*. Retrieved from Real Estate:
<https://planyourlegacy.berkeley.edu/gift-types/ages-30-49/real-estate>

Kaspick & Company, LLC, a TIAA group of companies. (2004). *resource center dashboard*. Retrieved from connect.kaspick.com:
<https://connect.kaspick.com/kaspick/resourcecenter/resourcedashboard.do?node=Real+Estate#>

Southern Illinois University Edwardsville Foundation. (2002, 2 28). *Real Estate Acceptance Policy.html*. Retrieved from SIUE.edu:
https://www.siue.edu/give/about/pdf/Real_Estate_Gift_Acceptance_Policy.pdf

Appendix A-1
SAMPLE - Real Estate Gift Responsible Persons Legend & Checklist

This Appendix sets forth the actions and investigations to be taken in connection with the evaluation, approval and acceptance of a proposed real estate gift. Some of the actions may be taken on more than one occasion. For example, a Donor may be contacted for additional information from time to time as the need arises.

Some of Pacific's evaluative actions do not need to be taken in the order presented. For example, it may be appropriate to order further physical inspections of the property pending receipt and review of a title commitment. Also, it may be desirable in some instances to visit the property with a real estate broker who is performing a market analysis of the property.

A file shall be maintained in the Office of Estate & Gift Planning for each proposed real estate gift. All correspondence, internal memoranda, conversation notes and documents relating to the proposed gift shall be kept in that file, added to the public drive and uploaded to OnBase. An explanation of each action taken, or of a decision to take no further action, shall also be included in the file.

Given the unique nature of real estate and the varying circumstances of each gift, the checklist below is not intended to be exhaustive and the VPs of UDAR and BF are given discretion to evaluate the property in a manner that is in the best interests of Pacific. For example, the title commitment may be ordered prior to receiving a market analysis of the property if the VPs have no reason to believe that the property is not marketable.

Legend	Responsible Persons
ADV	Advancement Services/Gift Processing
AVPBF	Assistant VP Business & Finance Office
CONT	Controller/Treasury
D	Donor
DOD	Director of Development/Gift Officer (unit based)
DR	Donor Relations & Stewardship Team
EDGP	Executive Director, Office of Estate & Gift Planning
ESCROW	Escrow/Title Company and Closing Agent
GAC	Gift Acceptance Committee (VP Business & Finance and VP Development & Alumni Relations)
GC	General Counsel
GRC	Gift Review Committee (EDGP and AVP Development, VPBF).
MKTG	Office of Marketing & Communications
RISK	Risk Management
VPBF	VP Business & Finance
VPDA	VP Development & Alumni Relations

#	Action	Responsible Party	Completion date	Initials of person logging action
1.	<u>Donor Inquiry or Proposal:</u> Deliver Real Estate Gift Donor Inquiry Packet. Review Questionnaire with Donor. Collect requested documentation from Donor.	DOD		
2.	<u>Site Inspection:</u> EDGP or appointed representative visits the property to confirm the information provided in the Questionnaire is correct, identify visible/obvious problems, assess the scope of any problem identified and assist in determining if an environmental report is required. Take photos for file and note observations about the property in order to recommend whether an independent inspection (whether mechanical, structural, electrical, plumbing or environmental) is recommended.	EDGP		
3.	<u>Broker Valuation*:</u> If Pacific does not require an independent appraisal, obtain a market analysis of the property from one or two real estate brokers in the market where the property is located. (Two market analyses may be required if the expected sales price of the property is at least \$150,000). The market analysis shall identify current zoning, recent sales history of comparable local properties, a suggested listing price, an expected sales price and the period the property is estimated to be on the market before sale. The EDGP shall identify the broker(s) and may provide each broker with a copy of the Questionnaire.	EDGP		

	<p>*An initial internet search of Zillow, RedFin or other such site may be used to establish an estimated value.</p> <p>Identification of real estate broker(s):</p> <p>Broker #1: _____</p> <p>Broker #2: _____ (if applicable)</p>			
4.	<p>Memo: Review completed Real Estate Gift Donor Inquiry Packet and note further questions and areas to investigate. If no additional questions, then note such in the file and prepare memo to GRC.</p>	EDGP		
5.	<p>Meeting: GRC meets to determine recommendation to GAC. Determine whether further inspection of or information about the property is needed (including a Phase I environmental assessment, or Phase II environmental testing, of the property) and include in recommendation to GAC.</p>	GRC		
6.	<p>Recommendation: Prepare memo to GAC with executive summary, photos and GRC recommendation to accept, conditionally accept or decline.</p>	EDGP		
7.	<p>Decision: GAC meets to review recommendation and make final decision. GAC confirms decision in writing (via email or memo to EDGP).</p>	GAC		
8.	<p>Donor Communication: EDGP prepares acceptance or declination letter. DOD delivers to Donor 1. Real Estate Gift</p>	EDGP DOD		

	<p>Conditional Acceptance Agreement with Letter of Intent and qualified appraisal information <u>or</u> 2. Real Estate Gift Declination Letter. If additional costs of evaluating the property are indicated, contact the Donor about paying such costs in advance. Or determine whether Donor will reimburse Pacific for additional costs. Consider whether extraordinary circumstances are involved. Consider whether to review the current status of the gift evaluation with Pacific President or the Executive Committee. Consider consultation with Pacific’s legal counsel about extraordinary circumstances and potential terms and conditions of Pacific’s approval and acceptance.</p> <p>Consider making satisfactory inspections, environmental assessments, surveys and other matters to be paid by the Donor a condition of Pacific’s acceptance, instead of asking the Donor to pay for these items on a piecemeal basis prior to closing.</p>			
8a.	Send signed Letter of Intent to gift processing to record a pledge based the gift’s fair market value	OEGP ADV		
9.	Due Diligence Phase: Once Real Estate Gift Conditional Acceptance Agreement is signed, follow steps to meet conditions:	EDGP		
9.a.	Order Title Report: If it appears that the real estate gift is marketable, is to be retained as an investment asset or for use by Pacific, order a title report. Note: Determine whether a title commitment in the minimum amount of insurance is needed. If title is satisfactory, open an escrow for closing the real estate gift.	EDGP		

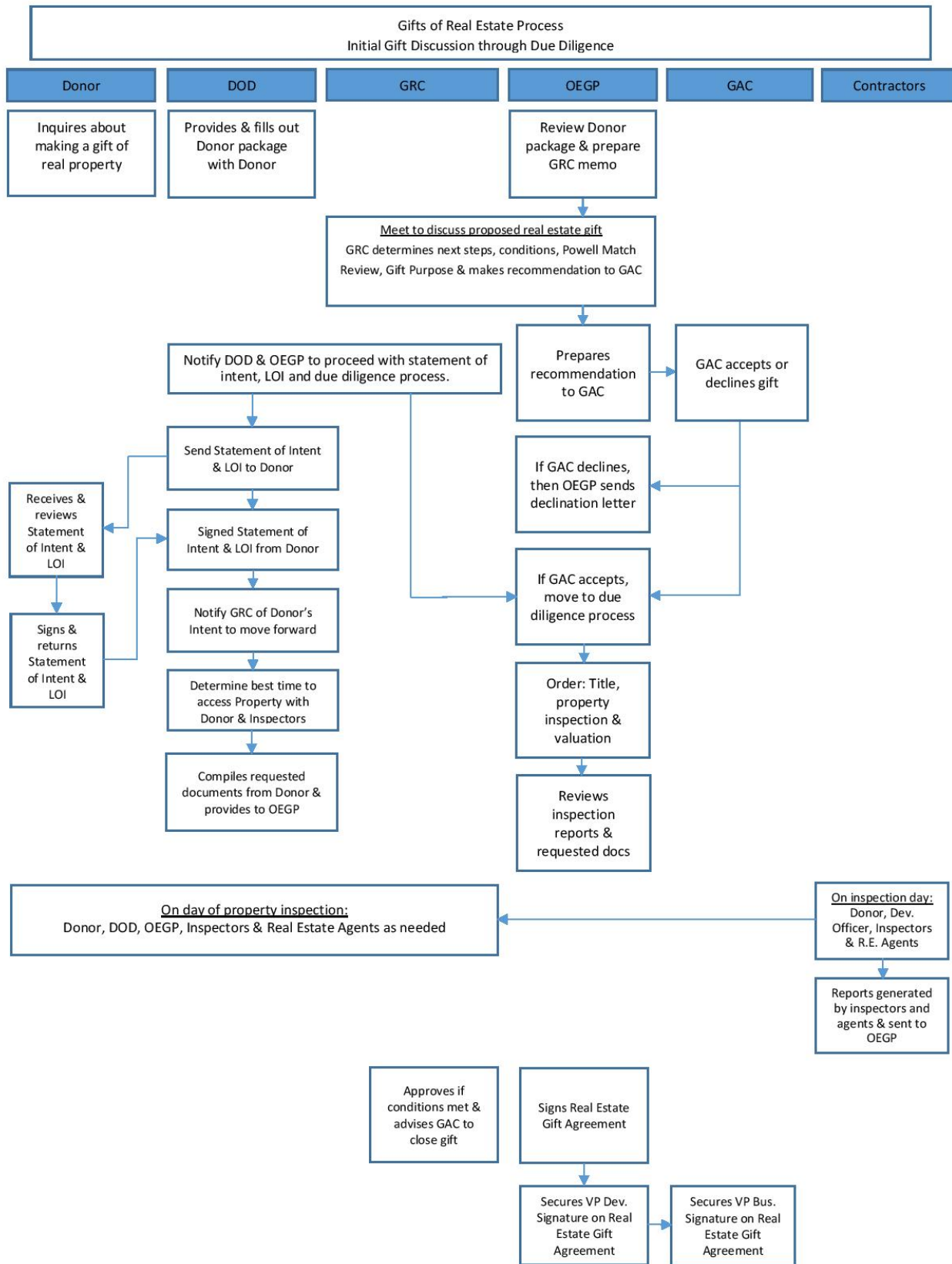
9.b.	<u>Order Environmental Site Assessment:</u> If the property is not residential, or if the Questionnaire includes areas of concern, a Phase I evaluation should be performed.	EDGP		
9.c.	<u>Order Appraisal:</u> In certain extraordinary circumstances Pacific may choose to order an appraisal either in lieu of a broker's valuation or because of a possible issue identified in the broker's valuation.	EDGP		
9.d.	<u>Order Inspection:</u> Order property inspection from a qualified inspector; and if Donor is paying make appropriate payment arrangements.	EDGP		
9.e.	<u>Order Repairs:</u> Review inspection report, if any habitability and/or safety concerns coordinate scheduling necessary repairs. Schedule payment by Donor or arrange reimbursement to Pacific.	EDGP		
10.	<u>Conditions Review:</u> GRC to review that all conditions to acceptance are satisfactorily met. If yes, then move to closing phase.	GRC		
11.	<u>Initiate Closing Phase:</u> Prepare a draft REGCA as well as any additional documentation specific to the type of real estate gift. Draft and/or review deeds in cooperation with escrow and real estate attorney. Prepare Real Estate Gift Donor Closing Binder	EDGP		
11.a.	<u>Donor Review:</u> Review Real Estate Gift Donor Closing Binder documents with Donor and advisors	DOD EDGP		
11.b.	<u>Finalize:</u> Real Estate Gift Closure Agreement and other closing documents	EDGP		
11.c.	<u>Coordinate Signing:</u> In cooperation with Escrow and the Donors, coordinate	EDGP ESCROW		

	signing and legal transfer of the real estate, including satisfaction of all terms and conditions of acceptance as set forth in the REGCA			
12	Closing & Recording Gift: Escrow to record the deed in the county where the property is located.	ESCROW EDGP		
12.a.	VPBF to sign IRS Form 8283. Deliver form back to Donor	OEGP VPBF		
12.b.	Send closing documentation and gift illustration if applicable to Advancement for gift processing.	ADV		
12.c.	Send closing information and signed Form 8283 to Controller for recording the gift.	CONT		
12.d.	Send original documents to document management team for uploading to OnBase. Upload copies to public drive folder.	OEGP ADV		
12.e.	If the gift is outright, add the property to Pacific's property and casualty insurance. (This should be arranged prior to the transfer so the coverage exists immediately upon the transfer).	CONT RISK		
12.f.	If property will be held for use by Pacific, consider applying for real estate tax exemption.	CONT RISK		
12.g.	If applicable, take steps necessary to market or sell the property pursuant to Pacific's Sale of Real Estate Policy (if none, then as directed by the Executive Committee). Prepare IRS Form 8282 after sale of property and provide signed document to Donor.	VPBF		
12.h.	If the real estate gift funds a life income gift such as a charitable trust or annuity facilitate coordinate with planned gift administrator to transfer assets either before or after sale (e.g. TIAA Kaspick).	OEGP VPBF		

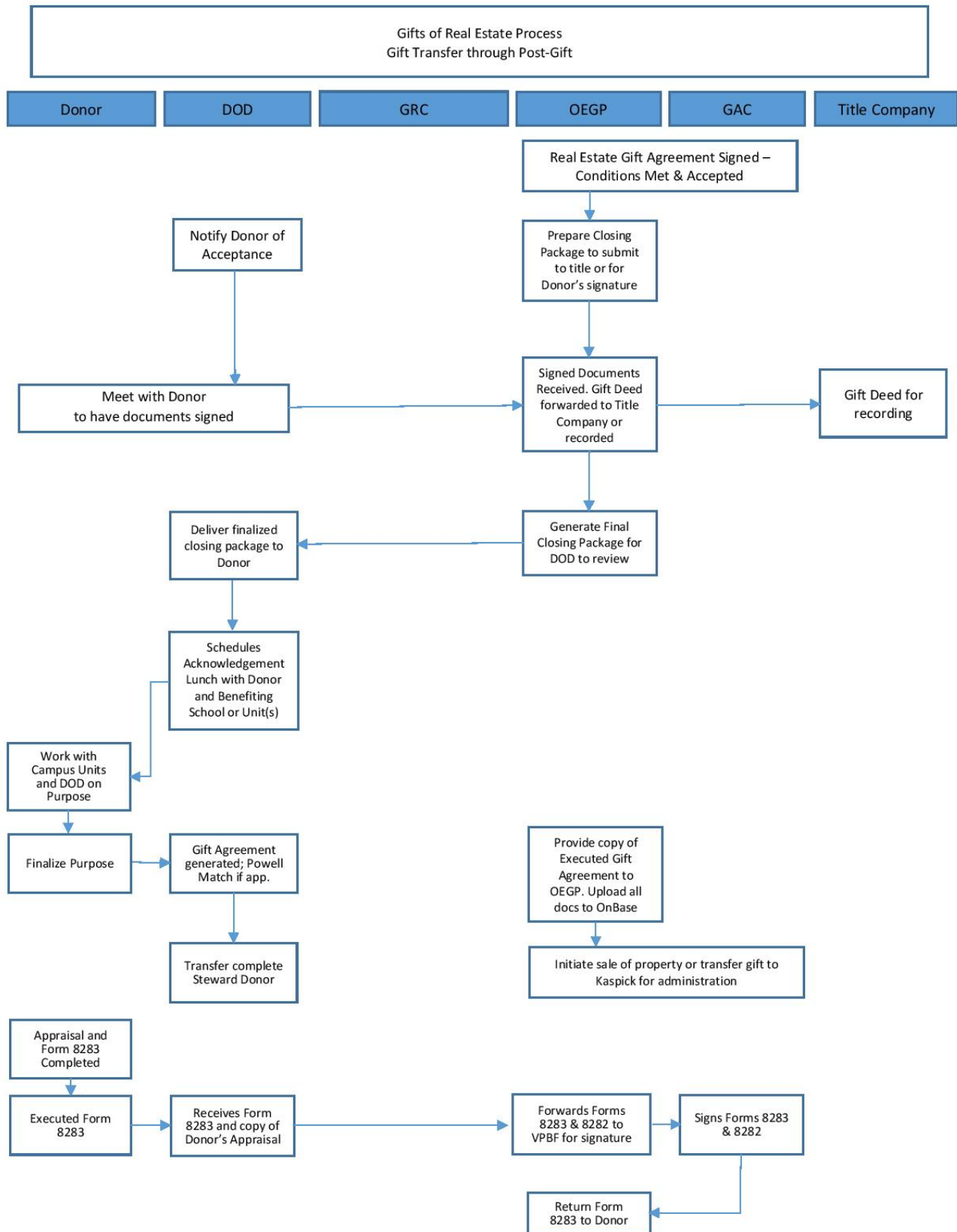
13.	Endowment Gift Agreement: Donor and development officer work together to ensure the purpose and intent of the gift is accurately captured in an Endowment Gift Agreement. Endowments funded with real estate will be funded at a maximum 90% fair market value of the gift.	DOD		
14.	Stewardship Plan: If Donor approves, give Donor public recognition for the gift. Donor relations, marketing and, when appropriate OEGP, to coordinate stewardship efforts.	DR OEGP MKTG		

Appendix A-2ⁱⁱ

Real Estate Process Flow Chart through Due Diligence



Appendix A-3 Real Estate Process Flow Chart through Post Gift



Appendix B-1
Phase I: Inquiry and Pre-Acceptance Checklist

This Appendix sets forth the documents that should be provided to the Donor after he/she inquires with Pacific about making either an outright gift of real estate or establishing a life income gift of real estate. This package should be delivered by the Development Officer working with the Donor and the Development Officer should fill out the Questionnaire with the Donor.

The following documents are required prior to obtaining conditional approval and acceptance of a real estate gift and they comprise the *Real Estate Gift Donor Inquiry Packet*:

- Real Estate Gift Donor Inquiry Letter
- Real Estate Gift Data Questionnaire
- IRS and Qualified Appraisal Information for Donors with cover letter and article
- Blank IRS Form 8283
- Preliminary Gift Illustration if type of gift (e.g. retained life estate, charitable remainder trust funded with real estate, bargain sale, outright gift)

Appendix B-2
SAMPLE - Real Estate Gift Donor Inquiry Letter

[put on Pacific letterhead]

[DATE]

[DONOR(S)' NAMES(S)]

[ADDRESS]

Re: Real property located at [INSERT ADDRESS]

Dear [DONOR(S)' NAMES(S)]:

Thank you for your interest in a making a real estate gift that can benefit you as well as University of the Pacific. This letter provides you with some background about how Pacific evaluates and accepts real estate gifts. The unique nature of real estate requires a thorough review to assure your gift's suitability for Pacific's purposes. Depending upon the results of this review, certain requests may be made of you in connection with your gift. We pledge to evaluate your gift as soon as practicable.

Our first request is that you please complete and return to us the enclosed Real Estate Gift Data Questionnaire, along with a copy of each of the documents requested in the questionnaire. Upon our receipt, we can begin evaluating your property and determining additional requirements, if any. Typically, our evaluation lasts only a month or two, but may take longer depending upon the circumstances.

Generally, we accept only real estate with no liens or encumbrances since liens adversely affect the marketability of the property or they cause Pacific to incur any economic obligations. For example, any mortgages must be released prior to transferring the real estate to us. Also, we generally only accept property that we can expect to sell within a reasonable time after our receipt, unless Pacific determines it would be beneficial to retain the property for a specified purpose.

We cannot accept real estate that is subject to a pre-arranged sale, option, right of first refusal or other potential restriction on our subsequent ability to sell the property. A

pre-arranged sale can jeopardize your charitable deduction. To help preserve your charitable deduction, you should not negotiate with anyone about selling the property. However, please let us know of anyone who has expressed an interest and we will be pleased to contact them about purchasing the property from us after the gift is complete.

You should consult with your income tax advisor about the pre-arranged sale rules and all other income tax aspects of your gift. We are available as a source of information, but do not provide tax advice to Donors. Accordingly, you should rely upon your income tax advisor, and not us, about the consequences of your gift.

After returning the completed Real Estate Gift Data Questionnaire and related documents, our team will arrange an on-site review of the property, as well as review the status of title, marketability, and environmental, historical and archeological matters. Our evaluation needs vary dramatically from property to property and may be identified only as the evaluation progresses.

Upon completion of the initial review, we will communicate our approval or declination of your gift. Our approval may be conditional and have additional terms or actions that need to be taken before the gift is finally accepted. We will provide a detailed agreement outlining any additional actions required before we can finalize your gift.

Our terms and conditions for acceptance of the gift will be set forth in a Real Estate Gift Closure Agreement (“REGCA”) which will be delivered to you along with all closing documents for your review. We encourage you and your legal counsel and/or other financial advisors to review the REGCA before you sign it because the REGCA legally obligates you (and your heirs and legatees) to make the gift pursuant to the terms and conditions of the REGCA. The enforceable nature of your promise to make the gift as set forth in the REGCA, in part, permits us to rely upon your gift promise in our planning and operations, assists us in our accounting for your gift and assures us that your gift can be made even if an unforeseen circumstance happens before conveying the real estate to us.

Please keep in mind that the REGCA does not legally obligate Pacific to accept the gift. Events or reasons can occur after the REGCA is signed that may cause us to subsequently decline your gift. Many of these events and reasons are not foreseeable or known at the time the REGCA is signed. However, after we accept delivery of your deed at closing, your gift will be finally accepted and the property's ownership will have been transferred to us.

Lastly, enclosed you will find information outlining the donor's responsibility for obtaining a qualified appraisal in order to substantiate the value of the gift for federal income tax purposes. Of note, the subsequent sale of the property may be for a fair market value price that is different than your appraisal value.

Your patience and understanding during our evaluation process is appreciated. The focus of our office is to provide information about various gift plans so that you and your advisors can then determine which plans best fit your philanthropic, financial, and estate planning goals. We are available whenever needed to discuss and plan with both you and your advisors; however, our office cannot render tax or legal advice. Please contact our office with any questions or concerns.

With gratitude,

[NAME]

Executive Director

Office of Estate & Gift Planning

Enclosures: Real Estate Gift Data Questionnaire
IRS and Qualified Appraisal Information for Donors
IRS Form 8283
Return Envelope

Appendix B-3ⁱⁱⁱ

SAMPLE - Real Estate Gift Data Questionnaire

Please complete, date, sign and return this Questionnaire, along with complete copies of requested documents in the envelope provided. Please continue any explanations on an attached sheet of paper if there is not sufficient room on this Questionnaire. Please line through any questions or sections that are not applicable.

DONOR WISHES: Please describe the use or recognition you desire in connection with your gift of the property:

DESIRED PURPOSE FOR GIFT: Either indicate the unit, program or school that you would like your gift to benefit; or, indicate your gift is for the University's unrestricted use and purpose:

The undersigned owner(s) hereby acknowledge that the information provided by the undersigned in this Real Estate Gift Questionnaire is true, complete and accurate to the best of the undersigned's knowledge and belief.

Donor: _____

Date: _____

[DONOR'S NAME]

Donor: _____

Date: _____

[DONOR'S NAME]

GENERAL INFORMATION						
Owner Names:						
Property Address:					County:	State & Zip:
Ownership: (circle one)	Sole Ownership	Multiple Owners	Trustee	Corporation	Partnership	Estate
Type of property: (circle one)	Residential	Vacant Lot(s)*	Agricultural	Commercial*	Apartment Building	Duplex
	Condo	Co-op Apartment	Vacation	Other:		
*Is the Donor in the business of developing property for resale:					County:	State:
Approximate cost basis: \$ _____ (purchase price)						
Year acquired: _____						
Donor estimate of fair market Value: \$ _____						
If the property was listed for sale within the past 3 years what was the listing price? \$ _____						
Type of title:	Sole & Separate	Communi ty Property	In trust	Tenants in common	Joint Tenancy	In probate
Type of liens: (check all that apply)	First mortgage	Second mortgage	Line of credit			

ATTORNEY INFORMATION		
Attorney Name(s):		
Address:		
Telephone (cell):	Telephone (business):	Fax:
E-mail Address:		

ACCOUNTANT INFORMATION		
Accountant Name(s):		
Address:		
Telephone (cell):	Telephone (business):	Fax:
E-mail Address:		

INSURANCE INFORMATION		
Insurance Company:		
Address:		
Telephone:	Insured Amount: \$ _____	Expiration Date:

SUPPLEMENTAL FOR INCOME-PRODUCING & DEPRECIABLE PROPERTIES		
Type of Lease: Projected annual rental income: Projected annual cash expenses:		
Depreciated cost basis: Depreciation method: Total Accumulated Depreciation: Number of Tenants:		
Are there other sources of income generated by the property (e.g., coin-operated laundry)? Please describe.		

Approximate Value, Size or Acreage, and Dimensions of the Property:						
Improvements (Residence, Buildings, Garage, Swimming Pool, Tennis Court, Roads, etc.) and Approximate Age of Each:						
Utilities, Services and Systems:	City Water	Well Water	Sewer	Septic System	Natural Gas	Propane Gas
	Electricity	Gas Heat	Electric Heat	A/C	Other:	
Description of Amount and Frequency of Recurring Fees and Assessments, if any (Homeowner's Association, Condominium Association, Lake, Common Road Maintenance, etc.):						
Description of All Known Insurance Claims, if any, regarding the Property and Approximate Date of Each:						
Description of Past, Current or Potential Lawsuits or Claims, if any, regarding the Property, and the Approximate Date and Current Status of Each:						
Is the property located in a municipality (city, village or town)? If so, which municipality:					Yes	No
Is the property currently or expected to be subject to annexation or condemnation? If so, please describe.					Yes	No
Is the property subject to any agreement with any person granting that person a right to purchase or use the property (for example, pursuant to a contract, option, right of first refusal, easement, hunting or fishing agreement, lease or other understanding)? If so, please identify the person and the nature of the understanding:						
How is the property zoned? Please describe current zoning violations, if any. Please describe applicable zoning variances and permits, if any.						

GENERAL DISCLOSURES

Please indicate whether **you are aware of or believe that any of the following conditions or statements apply or may apply to any or all of the property**. Please provide an explanation on an attached sheet of paper for each item to which a “yes” answer is made. Please also attach any related documentation that is relevant to your

1.	Lake, pond or waterway on or next to the property.	Yes	No	N/A
2.	Flooding or recurring leakage in basement or crawlspace.	Yes	No	N/A
3.	Location in or near a flood plain, wetland or sensitive ecological area.	Yes	No	N/A
4.	Defects in the basement or Pacific.	Yes	No	N/A
5.	Leaks or defects in the roof, ceilings or chimney.	Yes	No	N/A
6.	Defects in the walls or floors.	Yes	No	N/A
7.	Defects in the electrical system.	Yes	No	N/A
8.	Defects in the plumbing system (including water heater, sump pump, water treatment system, sprinkler system and swimming pool).	Yes	No	N/A
9.	Defects in the well or well system.	Yes	No	N/A
10.	Unsafe conditions in the drinking water.	Yes	No	N/A
11.	Defects in the heating, air conditioning or ventilating systems.	Yes	No	N/A
12.	Defects in the fireplace or wood burning stove.	Yes	No	N/A
13.	Defects in the septic, sanitary sewer or other disposal system.	Yes	No	N/A
14.	Unsafe concentrations of radon.	Yes	No	N/A
15.	Past or current presence of asbestos or products containing asbestos.	Yes	No	N/A
16.	Past or current presence of lead (including lead paint, lead water pipes, lead plumbing pipes and lead in the soil).	Yes	No	N/A
17.	Mine subsidence, underground pits, settlement, sliding, upheaval or other earth stability defects.	Yes	No	N/A
18.	Past or current infestations or presence of termites, other wood boring insects, ladybugs or other insects or animals.	Yes	No	N/A
19.	Structural defects (whether due to termites or other cause).	Yes	No	N/A
20.	Past or current presence of fuel storage tanks (whether above ground or underground).	Yes	No	N/A
21.	Past or current boundary or lot line disputes.	Yes	No	N/A

22.	Past or current disputes about access to or across the property.	Yes	No	N/A
23.	Past or current disputes about use of the property (whether easement, trespass, unauthorized hunting or other use).	Yes	No	N/A
24.	Any violation of federal, state or local laws relating to the property itself or to any use on or about the property.	Yes	No	N/A
25.	Past or current presence of formaldehyde-based insulation.	Yes	No	N/A
26.	Past or current presence of transformers or capacitors containing PCBs.	Yes	No	N/A
27.	Any past or current activities on the property or at adjacent businesses or properties that could pose potential environmental risks.	Yes	No	N/A
28.	Any chemicals, oils, paints, solvents or fuels used on the property or adjacent properties.	Yes	No	N/A
29.	Any barrels, drums, fragments, paint cans, abandoned vehicles, trash or debris accumulations or other waste dumping on the property or adjacent properties.	Yes	No	N/A
30.	Any evidence of stressed soil or vegetation (different coloration, stunted growth, bare spots, etc.).	Yes	No	N/A
31.	Any oil wells, oil storage facilities or salt water use?	Yes	No	N/A
32.	Past or current use of the property or adjacent properties for a landfill or as part of a mining operation (including undermining of the property).	Yes	No	N/A
33.	Any possible sources of spilled oil, gasoline, solvents or other chemicals on the property or adjacent properties.	Yes	No	N/A
34.	Any historical or architectural significance regarding the property or adjoining properties.	Yes	No	N/A
35.	Any endangered plants or wildlife on the property or adjacent properties.	Yes	No	N/A
36.	Any poor or undesirable drainage on or to the property.	Yes	No	N/A
37.	Any archeological significance regarding the property or adjacent properties (including American Indian camps and burial grounds).	Yes	No	N/A
38.	Any person other than yourself using or occupying the property (whether authorized or unauthorized).	Yes	No	N/A
39.	All licenses and permits necessary for the conduct of current activities on the property have been obtained.	Yes	No	N/A

40.	Are you aware of any other information concerning or relating to any use or part of the property (including its buildings, roads and other improvements) that might (a) affect the decision of a buyer, (b) adversely affect the property's value, or (c) be a potential obligation or liability of Pacific?	Yes	No	N/A
Explanation of "Yes" answers to the above items:				

DOCUMENT REQUEST		
Please provide a complete and legible copy of each of the documents requested below that relates to or affects the property or activities conducted on the property. Some of the documents requested may not exist or apply to your property. Others may exist (such as certain recorded easements), but are not readily available to you. At this time, please provide to us only the documents that currently exist and are readily available to you.		
1.	The deed by which you received the property (or other conveyance document, such as a Notice of Probate and Release of Estate's Interest).	
2.	If you later sold or transferred part of the property identified on the deed in Item 1, then please provide a copy of each deed relating to each such subsequent sale or transfer.	
3.	Most recent real estate tax bill and any subsequent Notice of Assessment.	
4.	Most recent title insurance procedure manual (or abstract if a title insurance procedure manual is not available).	
5.	Surveys and plats (preferably also identifying all structures and easements)	
6.	Most recent insurance premium bill	
7.	Easements	
8.	Licenses	
9.	Options to Purchase, Sell or Lease	
10.	Rights of First Refusal	
11.	Leases	
12.	Other agreements affecting possession or use of the property.	
13.	Notices of violations federal, state or local laws, statutes, regulations, rules and ordinances that have not been resolved.	

14.	Annexation agreement.	
15.	Condemnation documents.	
16.	Past inspection reports of any kind (including structural, termite, radon and mechanical).	
17.	Environmental Reports and Notices (including Phase I, Phase II and Phase III environmental reports)	
18.	Permits and business licenses.	
19.	Historical register designation, historical renovation grants and other documents relating to the property's recognized historical significance.	
20.	Archeological studies (whether by private entities, educational institutions or governmental agencies).	
21.	Mortgages or other security interests.	
22.	Judgment liens.	
23.	Management and Vendor Contracts.	
24.	Most recent appraisal or market analysis of the property.	
25.	Most recent 12 months electricity, gas, and water bills (if outright gift).	
26.	Covenants and Restrictions.	
27.	All other agreements and contracts relating to the property not requested above (if oral, then please explain the terms and conditions of the agreement).	
28.	Any other documents not requested above that concern or relate to any use or part of the property (including its buildings, roads and other improvements) that might (a) affect the decision of a buyer, (b) adversely affect the property's value, (c) be of relevance to Pacific in its evaluation whether to accept the property or (d) become a potential obligation or liability of Pacific.	

Appendix B-4a
SAMPLE - IRS and Qualified Appraisal Information Cover Letter

Dear [DONOR'S NAME]:

[Thank you for wanting to make a gift/having made a gift, etc.]

When donors make charitable gifts of property other than cash or marketable securities, the IRS has certain requirements for appraisals to substantiate the value of the deduction that the donor is claiming. Enclosed is an article published by our planned giving asset manager TIAA Kaspick that discusses the appraisal requirements. We encourage you to share this article with your advisors and with the appraiser whom you select to perform your appraisal. In particular, we would like to elaborate and call your attention to several points:

- Please be aware that the bulk of appraisers' work is performed for other purposes, such as insurance or financing. As this maybe be the first time your appraiser has been asked to prepare an appraisal for income or gift tax purposes, it is best not to assume that they are familiar with the unique requirements imposed by the IRS. We recommend the appraisal references it is being prepared for income and gift tax purposes.
- As the article notes there are timing requirements for a qualified appraisal, specifically no earlier than 60 days prior to the date of the gift, and not later than the due date (including extensions) of the federal income tax return on which the charitable deduction is first claimed. The latter date can give rise to some confusion; we recommend that the appraiser is asked to evaluate the value of the property **as of the date of gift**.
- Finally, the article states that the cost of the appraisal is deductible as a 2% miscellaneous deduction. The article was written in 2013, and the Tax Cuts and Jobs Act passed in December 2017 eliminated this deduction, so the cost of the appraisal is in no longer deductible.

If you are donating a retained estate in a personal residence or farm/ranch/vineyard, please make certain that your appraiser understands that the appraisal should include information about the value of the land and the improvements.

With gratitude,

[INSERT NAME]

Executive Director

Office of Estate & Gift Planning

Enclosures: TIAA Kaspick Article

Information Sheet

Blank IRS Form 8283

Appendix B-4b
SAMPLE - INSERT KASPICK ARTICLE

Appendix B-4c

SAMPLE - IRS and Qualified Appraisal Information for Donors and Appraisers

Introduction. The University of the Pacific is extremely grateful for the generous support that it receives through gifts of real property. This information sheet highlights some of the most important requirements for substantiating and claiming a Donor's charitable deduction. It is intended as a courtesy to facilitate our Donors' conversations with their appraisers, accountants, and other professional advisors – not as a substitute for the tax and legal advice that Donors will receive from those who are familiar with their specific situation.

Donor's Responsibilities:

1. Obtaining a Qualified Appraisal.

If the deduction exceeds \$5,000, then **Section B** of Form 8283 should be completed, with Donors obtaining a qualified appraisal to substantiate the deduction. The appraiser must complete **Part III** of Form 8283. For property valued up to \$500,000, Donors need not file the appraisal with their tax returns; however, they should retain a copy of the appraisal in the event of audit. For a gift of property valued in excess of \$500,000, Donors should attach a copy of the appraisal to Form 8283.

A Note About the "Qualified Appraisal" - The requirements for gift appraisals may differ significantly from the requirements for other types of appraisals (e.g., to obtain a mortgage loan). The requirements are described in the instructions to IRS Form 8283 and are set forth in greater detail in IRC Regulations section 1.170A-13(c) and in Notice 2006-96, which prescribes certain penalties for the appraiser if the value of the property is overstated by more than 50%. Donors are encouraged to clearly state the purpose of the appraisal at the time the appraiser's services are arranged (e.g. for income and gift tax purposes).

Timing of the Appraisal - The appraisal must be made no earlier than 60 days prior to the date of gift and must be completed before the due date (including extensions) of the return for the year when the deduction is claimed.

2. Timely Filing IRS Form 8283.

Enclosed is a blank copy of IRS Form 8283 and its instructions. Donors must file this form to claim their deduction whenever the gift's value exceeds \$500.

University's Responsibilities:

After your gift is complete, the University will complete and send to you **Part IV** of Form 8283 (a sample is enclosed) or this will be provided to you at closing. In addition, the University will furnish you with a receipt for your gift, which you should keep for your tax records.

If the University sells or disposes of your gift property within three years, we must file Form 8282 with the IRS reporting the sales price. In that event, we will furnish you with a copy when the form is filed.

Appendix B-4d IRS FORM 8283-Page 1

Form **8283**
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

Noncash Charitable Contributions

▶ **Attach to your tax return if you claimed a total deduction of over \$500 for all contributed property.**

▶ **Information about Form 8283 and its separate instructions is at www.irs.gov/form8283.**

OMB No. 1545-0048

Attachment Sequence No. **155**

Identifying number

Name(s) shown on your income tax return

Note. Figure the amount of your contribution deduction before completing this form. See your tax return instructions.

Section A. Donated Property of \$5,000 or Less and Publicly Traded Securities—List in this section **only** items (or groups of similar items) for which you claimed a deduction of \$5,000 or less. Also list publicly traded securities even if the deduction is more than \$5,000 (see instructions).

Part I Information on Donated Property—If you need more space, attach a statement.

1	(a) Name and address of the donee organization	(b) If donated property is a vehicle (see instructions), check the box. Also enter the vehicle identification number (unless Form 1098-C is attached).	(c) Description of donated property (For a vehicle, enter the year, make, model, and mileage. For securities, enter the company name and the number of shares.)
A		<input type="checkbox"/>	
B		<input type="checkbox"/>	
C		<input type="checkbox"/>	
D		<input type="checkbox"/>	
E		<input type="checkbox"/>	

Note. If the amount you claimed as a deduction for an item is \$500 or less, you do not have to complete columns (e), (f), and (g).

A	(d) Date of the contribution	(e) Date acquired by donor (mo., yr.)	(f) How acquired by donor	(g) Donor's cost or adjusted basis	(h) Fair market value (see instructions)	(i) Method used to determine the fair market value
A						
B						
C						
D						
E						

Part II Partial Interests and Restricted Use Property—Complete lines 2a through 2e if you gave less than an entire interest in a property listed in Part I. Complete lines 3a through 3c if conditions were placed on a contribution listed in Part I; also attach the required statement (see instructions).

2a Enter the letter from Part I that identifies the property for which you gave less than an entire interest ▶ _____
If Part II applies to more than one property, attach a separate statement.

b Total amount claimed as a deduction for the property listed in Part I: **(1)** For this tax year ▶ _____
(2) For any prior tax years ▶ _____

c Name and address of each organization to which any such contribution was made in a prior year (complete only if different from the donee organization above):
Name of charitable organization (donee) _____
Address (number, street, and room or suite no.) _____
City or town, state, and ZIP code _____

d For tangible property, enter the place where the property is located or kept ▶ _____

e Name of any person, other than the donee organization, having actual possession of the property ▶ _____

	Yes	No
3a Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property?		
b Did you give to anyone (other than the donee organization or another organization participating with the donee organization in cooperative fundraising) the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire?		
c Is there a restriction limiting the donated property for a particular use?		

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 62299J

Form **8283** (Rev. 12-2014)

IRS FORM 8283-Page 2

Form 8283 (Rev. 12-2014)

Page **2**

Name(s) shown on your income tax return

Identifying number

Section B. Donated Property Over \$5,000 (Except Publicly Traded Securities)—Complete this section for one item (or one group of similar items) for which you claimed a deduction of more than \$5,000 per item or group (except contributions of publicly traded securities reported in Section A). Provide a separate form for each property donated unless it is part of a group of similar items. An appraisal is generally required for property listed in Section B. See instructions.

Part I Information on Donated Property—To be completed by the taxpayer and/or the appraiser.

4 Check the box that describes the type of property donated:

- | | | | |
|---|---|---|---|
| a <input type="checkbox"/> Art* (contribution of \$20,000 or more) | d <input type="checkbox"/> Art* (contribution of less than \$20,000) | g <input type="checkbox"/> Collectibles** | j <input type="checkbox"/> Other |
| b <input type="checkbox"/> Qualified Conservation Contribution | e <input type="checkbox"/> Other Real Estate | h <input type="checkbox"/> Intellectual Property | |
| c <input type="checkbox"/> Equipment | f <input type="checkbox"/> Securities | i <input type="checkbox"/> Vehicles | |

*Art includes paintings, sculptures, watercolors, prints, drawings, ceramics, antiques, decorative arts, textiles, carpets, silver, rare manuscripts, historical memorabilia, and other similar objects.

**Collectibles include coins, stamps, books, gems, jewelry, sports memorabilia, dolls, etc., but not art as defined above.

Note. In certain cases, you must attach a qualified appraisal of the property. See instructions.

5	(a) Description of donated property (if you need more space, attach a separate statement)	(b) If tangible property was donated, give a brief summary of the overall physical condition of the property at the time of the gift	(c) Appraised fair market value
A			
B			
C			
D			

6	(d) Date acquired by donor (mo., yr.)	(e) How acquired by donor	(f) Donor's cost or adjusted basis	(g) For bargain sales, enter amount received	See instructions	
					(h) Amount claimed as a deduction	(i) Date of contribution
A						
B						
C						
D						

Part II Taxpayer (Donor) Statement—List each item included in Part I above that the appraisal identifies as having a value of \$500 or less. See instructions.

I declare that the following item(s) included in Part I above has to the best of my knowledge and belief an appraised value of not more than \$500 (per item). Enter identifying letter from Part I and describe the specific item. See instructions. ▶

Signature of taxpayer (donor) ▶

Date ▶

Part III Declaration of Appraiser

I declare that I am not the donor, the donee, a party to the transaction in which the donor acquired the property, employed by, or related to any of the foregoing persons, or married to any person who is related to any of the foregoing persons. And, if regularly used by the donor, donee, or party to the transaction, I performed the majority of my appraisals during my tax year for other persons.

Also, I declare that I perform appraisals on a regular basis; and that because of my qualifications as described in the appraisal, I am qualified to make appraisals of the type of property being valued. I certify that the appraisal fees were not based on a percentage of the appraised property value. Furthermore, I understand that a false or fraudulent overstatement of the property value as described in the qualified appraisal or this Form 8283 may subject me to the penalty under section 6701(a) (aiding and abetting the understatement of tax liability). In addition, I understand that I may be subject to a penalty under section 6695A if I know, or reasonably should know, that my appraisal is to be used in connection with a return or claim for refund and a substantial or gross valuation misstatement results from my appraisal. I affirm that I have not been barred from presenting evidence or testimony by the Office of Professional Responsibility.

Sign

Here Signature ▶

Title ▶

Date ▶

Business address (including room or suite no.)

Identifying number

City or town, state, and ZIP code

Part IV Donee Acknowledgment—To be completed by the charitable organization.

This charitable organization acknowledges that it is a qualified organization under section 170(c) and that it received the donated property as described in Section B, Part I, above on the following date ▶

Furthermore, this organization affirms that in the event it sells, exchanges, or otherwise disposes of the property described in Section B, Part I (or any portion thereof) within 3 years after the date of receipt, it will file **Form 8282**, Donee Information Return, with the IRS and give the donor a copy of that form. This acknowledgment does not represent agreement with the claimed fair market value.

Does the organization intend to use the property for an unrelated use? ▶ Yes No

Name of charitable organization (donee)	Employer identification number
Address (number, street, and room or suite no.)	City or town, state, and ZIP code
Authorized signature	Title Date

Form **8283** (Rev. 12-2014)

Appendix C-1
Phase II: Due Diligence and Decision Checklist

This Appendix sets forth the next steps and documents required to determine whether the real estate gift is conditionally accepted, accepted or declined. This section pertains to clearing any conditions required to close the real estate gift.

- Memo to Gift Review Committee for Real Estate Gift
- Recommendation Memo from the Gift Review Committee to the Gift Acceptance Committee

If gift is conditionally accepted:

- Real Estate Gift Conditional Acceptance Agreement
- Letter of Intent

If gift is accepted without conditions (this is rare):

- Real Estate Gift Acceptance Agreement
- Letter of Intent
- Move to Appendix D, Closing and Housekeeping Phase

If gift is declined:

- Real Estate Gift Declination Letter, follow procedures to close donor inquiry file

Appendix C-2
SAMPLE - Memo to Gift Review Committee for Real Estate Gift

[this may be sent via email]

[DATE]

[INSERT TYPE OF REAL ESTATE GIFT]

[DONOR'S NAME]

988 Number

Donor's DOB:

Donor's age at time of gift:

School or unit:

Class year:

PROPERTY FACTS:

- [INSERT DONOR NAME] ("Donor") owns a [TYPE OF PROPERTY] located at [ADDRESS];
- This [#] bedroom, [#] bathroom home, built in [YEAR]
- [#] square foot single-family home sits on approximately [X] acres of land in [COUNTY] County;
- Current [internet search] estimates put this residential property in the \$[XX] range.
- Site inspection performed on [DATE] by [EXECUTIVE DIRECTOR'S NAME]
- [INSERT 2-3 PHOTOS SHOWING PROPERTY]

GIFT BACKGROUND:

Donor wants to do a [INSERT GIFT TYPE] because.... [SAMPLE LANGUAGE] S/He is drawn to the [INSERT GIFT TYPE] because it offers the largest tax deduction. Donor immediately ruled out the [INSERT GIFT TYPE]. Donor reports that S/he is in a [XX]% Federal/State tax bracket and made some calculations: the charitable deduction for the [INSERT GIFT TYPE] would save him over \$[XX]K in taxes, and the income from this sum would more than cover what S/he is paying for [maintenance, property taxes and property insurance each year].

We believe the [INSERT GIFT TYPE] appeals to the Donor in part because [SAMPLE LANGUAGE] of the large tax deduction, The [INSERT GIFT TYPE] represents a kind of

“free” tax deduction. In terms of relevance, Donor says that getting rid of the house is not that important to him.

On a recent visit with [INSERT DOD], Donor spoke movingly of how important [INSERT SCHOOL/UNIT/PROGRAM] is to her/him – which it has made him what he is. [EXPLAIN WHY DONOR WANTS TO MAKE THE GIFT]

DONOR NEXT STEPS:

1. Next meeting to report back to [DOD] is [INSERT DATE].
2. Real Estate Gift Donor Inquiry Packet was [delivered/ mailed] to Donor on [DATE]. Donor to provide the following documents:
 - a. Copy of deed when he acquired property;
 - b. Copy of reconveyances if Donor recently paid off property;
 - c. Copy of most recent property tax bill;
 - d. Copy of property insurance;
 - e. Any title insurance policy/report received at purchase (if available);
 - f. [Insert any additional documentation required from Donor]
3. Donor was advised that they need to obtain a *qualified appraisal* to substantiate the charitable deduction; timing of appraisal, cannot be dated more than 60 days prior to date of transfer.
4. Confirm with Donor that s/he treated this property for tax purposes as a personal/vacation residence (i.e., no claimed depreciation). Any home owned by the Donor and **used by the donor as one of his or her residences** will qualify for a deductible remainder interest gift;
5. Discuss with Donor area of gift purpose or impact;

PACIFIC NEXT STEPS:

1. GRC makes recommendation to Gift Acceptance Committee ASAP;
2. Provide Real Estate Gift Conditional Acceptance Agreement to the Donor outlining next steps and any anticipated complications as conditions to acceptance.
3. Provide Letter of Intent to the Donor. Once Donor signs LOI we may record as a deferred pledge;
4. Pacific will conduct an assessment of value (appraisal or broker valuation) for recording value and gift receipt purposes, but that appraisal does not substantiate deduction for Donor’s tax purposes.
5. Determine whether an environmental review is required;

6. Order title report;
7. Campaign and Powell Match clarifications--If a Powell Match is available will this gift be .5:1 or 1:1 match;
8. Confirm gift counted at full fair market value for campaign
9. OEGP to draft Real Estate Gift Closure Agreement and Gift Agreement;
10. Closing documents to be signed by [INSERT DATE] so gift can be completed by [INSERT DATE];

Respectfully submitted,

Executive Director
Office of Estate & Gift Planning

Appendix C-3
SAMPLE - Recommendation Memo from the Gift Review Committee
to the Gift Acceptance Committee

[this may be sent via email]

[DATE]

[INSERT TYPE OF REAL ESTATE GIFT]

[DONOR'S NAME]

988 Number

Donor's DOB:

Donor's age at time of gift:

School or unit:

Class year:

EXECUTIVE SUMMARY: [Short gift background on why donor is making gift. This gift should be accepted or declined based on...]

RECOMMENDATION: The Gift Review Committee met on [INSERT DATE]. In attendance were [INSERT NAMES]. The Committee agrees that, at this time the present risks are born by the Donor; and Pacific will take steps to mitigate any future risks (upon Donor's death.) Therefore, the Committee recommends a conditional acceptance of this [INSERT TYPE OF GIFT].

PROPERTY FACTS:

- [INSERT DONOR NAME] ("Donor") owns a PROPERTY located at ADDRESS;
- This [#] bedroom, [#] bathroom home, built in [year]
- [#] square foot single-family home sits on approximately X acres of land in [County] County;
- Current [internet search] estimates put this residential property in the \$[XX] range.
- Site inspection performed on [DATE] by [EXECUTIVE DIRECTOR'S NAME]
- [INSERT 2-3 PHOTOS SHOWING PROPERTY]

ANTICIPATING COMPLICATIONS AND/OR RECOMMENDATIONS:

[INSERT ANTICIPATED COMPLICATIONS]

Appendix C-4
SAMPLE - Real Estate Gift Conditional Acceptance Agreement

[put on Pacific letterhead]

[DATE]

[DONOR NAME(S)]

[ADDRESS]

Dear [DONOR NAME]:

Thank you very much for your interest in supporting University of the Pacific. This agreement summarizes our understanding to date and outlines the next steps.

SUMMARY

Based on our conversations to date, we understand that you anticipate gifting your real property [ENTER PROPERTY ADDRESS] APN: [ENTER ASSESSOR'S PARCEL NUMBER] ("Property") to the University. You also intend that this real property will be [INSERT TYPE OF GIFT OR an outright gift used to fund a life income gift, administered by a retained life estate] to support [PURPOSE] at Pacific.

CONDITIONAL ACCEPTANCE

Pacific's Gift Review and Acceptance Committees met on [DATE] to discuss your generous gift and determined to accept your gift if the following conditions are successfully met:

1. Obtain a qualified appraisal (this should not be obtained more than 60 days prior to recording the gift so that IRS accepts the appraisal, see information sheet provided with inquiry letter);
2. Obtain a property inspection by a licensed contractor or other qualified inspector;
3. Provide any documentation requested in the **Real Estate Gift Inquiry Letter**;
4. Sign and return the **Letter of Intent**.

Pacific will begin its due diligence process including obtaining a preliminary title report, property inspection, appraisal (as needed), termite inspection (as needed), real estate market analysis, and an environmental inspection (as needed). In order to acquire

this information, we will schedule a date and time that works best for you, the appraiser, inspectors, and possible real estate agents to assess the property.

Assuming Pacific can accept the property, we will prepare a Real Estate Gift Closure Agreement, Endowment Gift Agreement outlining your intended purpose for your gift and a Gift Deed [INSERT OTHER DOCS SPECIFIC TO GIFT TYPE and a Charitable Remainder Trust Agreement/Retained Life Estate Agreement.]. [If planned gift use: There may be additional documents that we will need for proper administration of your gift that we will provide to you as we move forward through this process.] Pacific will also provide you with copies of the executed documents as well as other information you may need for tax reporting purposes.

Once the closing documents are signed and recorded, all liability for the property transfers to Pacific (only for outright gifts or into a Charitable Remainder Trust). As owner of the property/as Trustee of your trust, we will begin preparing the property for sale. Pacific will put the property on the market as soon as practicable and with the intention of selling the property within a reasonable timeframe.

There are a few things you should know that relate to the value of your gift. In most situations, there are two or more possible values that will be associated with your gift. The first value is the net proceeds we receive from the sale of the property. The second value is the one you obtain from a qualified appraisal to determine the amount of your charitable deduction for tax reporting purposes.

Pacific will use the proceeds from the sale of the property to [ENTER GIFT PURPOSE]. [if the gift is an endowment, the amount of the endowment will be calculated at the net value after closing, broker and administration fees are assessed] [For trusts: Once the sale has been finalized the proceeds will be transferred to your trust account, where it will be invested and administered pursuant to the Gift Agreement and your trust agreement.]

As a reminder, in order to close your generous gift we will need the following items from you:

- 1.) This executed Real Estate Gift Conditional Acceptance Agreement;
- 2.) The executed Letter of Intent;
- 3.) Copy of current vesting deed;

Appendix C-5
SAMPLE - Real Estate Gift Declination Letter

[put on Pacific letterhead]

[DATE]

[NAME]

[ADDRESS]

RE: [INSERT PROPERTY ADDRESS]

Dear [NAME]:

Thank you for your patience in awaiting my reply. After our discussions on [DATE], I presented your generous offer of a [INSERT GIFT TYPE] to our Gift Review Committee. After careful review, we concluded that the University is not well positioned to pursue a [INSERT TYPE OF GIFT]. The decision was based upon several considerations; but ultimately the University's [cash-flow requirements to take advantage of the gift, and the out-of-pocket expenses that would be involved in reviewing and assessing a proposed gift of out-of-state real property, preclude us from accepting.]

I wish that I had better news for you; turning down a proposed gift is always difficult, but this is one of those unfortunate times that we must decline. One final thought, perhaps a locally-based charity, community foundation or [STATE] based charity would be better positioned to pursue a conversation with you about your property. We thank you for your interest and send our best wishes for finding a good fit for your gift.

Sincerely,

[NAME]

Executive Director

Office of Estate & Gift Planning

Appendix D-1

Phase III: Closing the Gift and Post-Gift Clean-up

- Prepare closing documents in draft form for Donor's advisors to review
- Put documents into a tabbed *Real Estate Gift Donor Closing Binder* for the Donor
- Schedule a time to review the binder with the Donor
- Work with the escrow company and real estate attorney to finalize vesting documents including any applicable exhibits to be recorded (e.g. Maintenance, Insurance and Tax Agreement, Community Property Transmutation Agreement)

Real Estate Gift Donor Closing Binder shall include:

- Grant or gift deed
- Real Estate Gift Closure Agreement (required)
- Donor Environmental Warranty (required)
- Copy of Appraisal (if Pacific obtained one)
- Copy of Inspection Report (required)
- Signed copy of Real Estate Gift Conditional Acceptance Agreement
- Signed copy of Letter of Intent
- Maintenance, Insurance & Tax Agreement (if a retained life estate)
- Confidentiality Agreement (if there are media concerns)
- Non-Responsibility Warranty (if a bargain sale)
- Charitable Gift Annuity contract (if an annuity funded with real estate)

Post Gift Clean-up:

- Real Estate Gift Responsible Person Legend & Checklist
- Obtain VPBF signature on IRS Form 8283
- Provide final gift illustration, signed IRS Form 8283 to donor
- Provide Special Election Statement to Accompany Donor's Tax Return (if applicable)
- Pay vendors for all open invoices
- Scan all supporting documents into system
- Send a copy of deed, appraisal and gift illustration to gift processing for fulfillment of deferred pledge
- Send a copy of deed, appraisal and title insurance to Finance for accounting
- Close out hardcopy file, send any originals to record management team for uploaded to OnBase
- Deliver Endowment Gift Agreement to donor
- Prepare Stewardship Plan

Appendix D-2
SAMPLE - Real Estate Gift Closure Agreement

(to be used in addition to an Endowment Gift Agreement)

[Drafters' Note: This agreement should be tailored to the specific facts and expectations regarding the gift. The form below sets forth only some of the probable essential terms and conditions of the gift.]

Real Estate Gift Closure Agreement

This Agreement is entered into as of _____, 20____, by and between [INSERT NAME(S) AND ADDRESS(ES) OF DONOR(S)] ([INDIVIDUALLY AND COLLECTIVELY], "Donor") and University of the Pacific, a 501 (c) (3) non-profit organization, located at 3601 Pacific Avenue, Stockton, California 95211 ("Pacific").

Whereas, Donor desires to make a legally enforceable gift of real estate to Pacific pursuant to the terms and conditions set forth in this Agreement;

Whereas, Donor recognizes that Pacific will rely upon Donor's promises as set forth in this Agreement in Pacific's planning and operations; and

Whereas, Pacific desires to accept Donor's gift of real estate on the condition that Pacific is satisfied in Pacific's sole discretion with the gift at closing.

Now, therefore, in consideration of the above recitals and the mutual covenants contained herein, the parties agree as follows:

- 1. Donor's Transfer.** At the closing, Donor shall convey to Pacific, by grant or gift deed, Donor's gift of real estate, including all related rights and appurtenances and all improvements and fixtures thereon, legally described as follows (collectively, "Property"):

[INSERT LEGAL DESCRIPTION]

Assessor's Parcel Number: [INSERT]

Address commonly known as: [INSERT]

2. **Closing.** The transfer of the Property shall be made a closing to occur on or before _____, 20___, (“Closing Date”) at the offices of _____ [INSERT NAME AND ADDRESS OF TITLE COMPANY] (“Closing Agent”).

3. **Pacific’s Deliverables Prior to Closing.** At least [XX] days prior to the Closing Date, the following documents for the donor and his/her advisor’s review:
 - a. Grant or Gift Deed
 - b. Donor Environmental Warranty
 - c. Copy of Appraisal
 - d. Copy of Inspection Report
 - e. Signed copy of Real Estate Gift Conditional Acceptance Agreement
 - f. Signed copy of Letter of Intent
 - g. Maintenance, Insurance & Tax Agreement (if a retained life estate)
 - h. Confidentiality Agreement (if there are media concerns)
 - i. Non-Responsibility Warranty (if a bargain sale)
 - j. Charitable Gift Annuity contract (if an annuity funded with real estate)

4. **Pacific’s Deliverables Post Closing.**
 - a. Completed IRS Form 8283
 - b. Final gift illustration
 - c. Special Election Statement to Accompany Donor’s Tax Return (if applicable)
 - d. A copy of the grant or gift deed
 - e. Endowment Gift Agreement

5. **Pacific’s Conditions to Closing.** Pacific’s acceptance of the Property is conditioned upon the following matters being satisfied to Pacific’s satisfaction in Pacific’s sole discretion:
 - a. [Insert Pacific’s additional conditions, if any, for its acceptance of the real estate. For example, satisfactory inspection results at Donor’s cost using an inspector selected by Pacific; safety and/or habitability repairs at the Donor’s cost.]

- b. Donor's Deliverables at Closing.** Donor will deliver the following documents at the closing:
- i. **Qualified Appraisal (if available).** The Qualified Appraisal that is the same as the satisfactory copy that was previously provided to Pacific.
 - ii. **Grant or Gift Deed.** The signed deed that is the same as the copy provided to Pacific.
 - iii. **Warranties and Releases.** Such warranties and releases as may be necessary to remove any unacceptable encumbrances affecting the Property which are not assumed by Pacific.
 - iv. **Miscellaneous.** Any other documents reasonably required by this Agreement or the Closing Agent necessary to close on the transfer of the Property. Also, all keys, padlock combinations, electronic door openers, and warranties, instruction manuals and other documents relating to the property that have not been delivered previously to Pacific, unless the gift is in the form of a Retained Life Estate.
- c. Other Matters.** Any and all other matters that Pacific deems relevant on the Closing Date, regardless of whether contemplated in this Agreement, including but not limited to the character or ownership of surrounding properties, concerns about public perceptions, relationships with governmental entities or neighboring landowners, and actual or perceived changes regardless the marketability, condition, use, value or income-producing capacity of the Property.

- 6. Donor's Representations and Warranties.** Donor covenants, represents and warrants as follows as of the date of this Agreement and as of the Closing Date:

- a. **Real Estate Gift Data Questionnaire.** The information and documents provided from time to time by Donor to Pacific on and in connection with Donor's Real Estate Gift Data Questionnaire are true, complete and accurate to the best of the Donor's knowledge and belief.
 - b. **Mechanics Liens.** No mechanic's liens encumber the Property. No alterations, repairs, or improvements for which a mechanic's lien might attach shall be made by Donor prior to the Closing Date without the written consent of Pacific.
 - c. **Independent Advice.** Donor has obtained independent legal, financial and tax advice in connection with the gift of the Property and this Real Estate Gift Closure Agreement.
7. **Other Agreements.** Any covenant in this Agreement that by its terms may survive closing shall survive closing and shall not be merged into the deed or any conveyance document.
- a. **Endowment Gift Agreement.** As soon as practicable after the closing, Pacific will work with Donor to accurately capture the intent and purpose of Donor's gift in a Gift Agreement.
 - b. **Donor Recognition.** As soon as practicable after the closing, Pacific will publicly recognize Donor's gift in the ordinary course of Pacific's recognition of its Donors unless Donor wishes to remain anonymous. Donor's gift will be recognized in the amount of the Qualified Appraisal and will indicate that the purpose of Donor's gift is for [INSERT PURPOSE].
 - c. **Closing and Related Expenses.** Pacific shall pay any title insurance and escrow costs.
 - d. **Environmental Indemnification and Hold Harmless.** Donor shall indemnify, defend and hold harmless Pacific from and against any and all environmental liabilities, costs, expenses or requirements that may be

imposed upon or incurred by Pacific that in any way arise from, out of or relate to (1) any and all environmental conditions affecting the Property on or prior to the Closing Date, (2) any and all acts or omissions arising from or relating to ownership of or activities on the Property on or prior to the Closing Date, and (3) the on-site or off-site handling, storage, treatment or disposal of any hazardous materials (as defined under any federal, state or local statute, regulation, rule or ordinance) generated or handled by Donor, or by the past or present owners, tenants, invitees and licensees of the Property on or prior to the Closing Date. The separate indemnification and hold harmless shall survive the closing and is incorporated by reference.

- e. [INSERT OTHER POST-CLOSING AGREEMENTS, such as Donor's promise to pay real estate taxes through the closing date, if the Donor does not provide funds on the closing date].

8. Entire Agreement; Merger. All offers, acceptances, oral representations, agreements and writings between the parties heretofore made are merged herein and shall be of no force or effect unless contained in this Agreement (with the exception of the University Gift Agreement outlining use and purpose of the gift, the MIT and/or the NDA if applicable). No subsequent alteration, amendment, change, deletion or addition to this Agreement shall be binding upon the parties unless made by a written instrument signed by the parties. The terms and provisions of this Agreement shall not merge into the deed at closing.

9. Joint Preparation of Contract. This Contract shall be construed as if it had been prepared and drafted jointly by the parties.

10. Waiver. Waiver by either party or performance by the other party of any of the provisions of this Agreement shall not be construed as a waiver of any further right to insist upon full performance of the terms of this Agreement. No term or condition of this Agreement will be deemed to have been waived or amended unless expressed in writing, and the waiver of any condition or the breach of any term will not be a waiver of any preceding or subsequent breach of the same or any other term or condition and shall not be construed as a waiver of any further right

to insist upon full performance of the terms of this Agreement. No extension of time for the performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

- 11. Binding Agreement.** The rights and obligations of each party under this Agreement shall inure to the benefit of and be enforceable by, and shall bind and be enforceable against, such party's successors and assigns and, in the case of a Donor who is a natural person, the Donor's heirs, devisees, legatees, executors, administrators and personal representatives.
- 12. Governing Law.** This Agreement shall be construed in accordance with the laws of the State of California, without regard to its conflicts of law provisions.
- 13. Dates.** If any date, time period, or deadline hereunder falls on a weekend or on a state or federal holiday, then such deadline shall be extended to the next occurring business day.
- 14. Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect, impair or render unenforceable any other provision hereof. It is intended that each provision herein that is invalid or unenforceable as written be valid and enforceable to the fullest extent possible.
- 15. Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.
- 16. Facsimile or Electronic Signatures.** Signatures transmitted by facsimile, e-mail, or other electronic means shall be accepted as binding absent reasonable question as to authenticity.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date first set forth above.

DONOR: _____ Date: _____
[DONOR'S NAME]

UNIVERSITY OF THE PACIFIC:

By: _____ Date: _____

[NAME]
Executive Director, Office of Estate & Gift Planning

By: _____ Date: _____

[NAME]
Vice President, Development & Alumni Relations

By: _____ Date: _____

[NAME]
Vice President, Business & Finance

Appendix D-3
SAMPLE - Donor Environmental Warranty Cover Letter

[put on Pacific Letterhead]

[DATE]

Dear [DONOR name]:

We sincerely appreciate your generous proposal to donate to University of the Pacific your [INSERT PROPERTY TYPE] property located at [INSERT PROPERTY ADDRESS]

In [City] [State]

As you may be aware, over the past decade there has been quite a bit of concern and legislation regarding toxic contamination of property and liabilities for hazardous materials or contamination when an organization accepts gift properties. Therefore, unless you have your own concern over an actual or suspected contamination problem with respect to this planned gift, we ask that you and your attorney review the enclosed representation and warranty letter so that it can be signed by you and returned to us part of the final donation and acceptance process.

Of course, please feel free to contact us about any questions you or your attorney may have on this matter.

Sincerely,

[NAME]

Executive Director

Office of Estate & Gift Planning

Enclosures: Environmental Warranty
Return envelope

Appendix D-4
SAMPLE - Environmental Warranty

University of the Pacific
Office of Estate & Gift Planning
3601 Pacific Avenue
Stockton, CA 95211

To whom it may concern:

Regarding the property located at [INSERT PROPERTY TYPE] property located at [INSERT PROPERTY ADDRESS]

I/WE represent and warrant that, to the best of my/OUR knowledge:

1. The property and all operations thereon comply with applicable state and federal environmental law, regulations, and court or administrative orders;
2. There are no pending or threatened private or governmental claims or judicial or administrative actions relating to environmental impairment or regulatory requirements;
3. All necessary permits, licenses, and government approvals have been obtained for use of the property;
4. There are no areas of the property where hazardous or toxic materials or substances have either been disposed of, discharged or found, and;
5. There are no hazardous or toxic materials or substances other than possible asbestos contained in the materials used to insulate the heating pipes (which was common in many building products prior to 1978) on the property or in improvements constructed on the property.

DONOR: _____ **Date:** _____
 [DONOR'S NAME]

Appendix D-5
SAMPLE - Non-Disclosure/Confidentiality Agreement (“NDA”)

THIS AGREEMENT is made and entered into as of _____, 20____ (“Effective Date”), by and between the Disclosing Parties [INSERT DONOR’S NAME] (“Disclosing Party [Donor]”) and University of the Pacific (“Disclosing Party Pacific”) and Recipient Parties [INSERT RECIPIENT’S NAME], (“the Recipients”) (collectively, “the Parties”).

Purpose for Disclosure (“Gift Purpose”): To outline the understanding between the Parties as to the purpose and intent of the retained life estate gift structure and to acknowledge the Parties intend that the specifics of the gift remain confidential.

Disclosing Party [Donor], wishes to gift the real property located at [insert address (“the Residence”). Disclosing Party [Donor] wishes to give the Residence to Disclosing Party Pacific, subject to [insert gift structure language/retaining a life estate in the Residence]. [The retained life estate permits Disclosing Party [Donor] to continue use and enjoyment of the Residence for the remainder of his/her/they lifetime; upon his/her/they death, however, the Residence becomes the property of Disclosing Party Pacific in fee simple by operation of law.]

The Parties hereby agree as follows:

1. **Confidential Information.** For purposes of this Agreement, "Confidential Information" shall mean any and all non-public information, including, without limitation, any tax or financial information regarding the business dealings of either Disclosing Party [Donor] or Disclosing Party Pacific which Recipient Parties may learn in the course of the gift’s being negotiated and/or implemented. For convenience, the Disclosing Parties may, but are not required to, mark written Confidential Information with the legend "Confidential" or an equivalent designation.
2. **Use of Confidential Information.** All Confidential Information disclosed to the Recipients will be used solely to facilitate completion of the Gift and for no other purpose whatsoever. The Recipients agree to keep the Disclosing Parties’ Confidential Information confidential and to protect the confidentiality of such Confidential Information with the same degree of care with which they protect the confidentiality of their own confidential information, but in no event with less than a reasonable degree of care. Further, Recipient Parties understand that any and all private information obtained about the Disclosing Parties in

connection with the gift is strictly confidential and may not be disclosed to any third party for any reason, including family members.

3. **Exceptions.** The obligations and limitations set forth herein regarding Confidential Information shall not apply to information which is: (a) at any time in the public domain, such as recorded deeds, other than by a breach on the part of the Recipient; or (b) at any time rightfully received from a third party which had the right to and transmits it to the Recipient without any obligation of confidentiality; or (c) Used in Disclosing Party Pacific's discretion to publicly disclose the gift made by [insert Donor] and / or to honor his/her/they legacy in any way it deems appropriate.
4. **Breach and Remedies.** In the event that the Recipients shall breach this Agreement, or in the event that a breach appears to be imminent, the Disclosing Parties shall be entitled to all legal and equitable remedies afforded it by law, and in addition may recover all reasonable costs and attorneys' fees incurred in seeking such remedies. If the Confidential Information is sought by any third party, including by way of subpoena or other court process, the Recipients shall inform the Disclosing Parties of the request in sufficient time to permit the Disclosing Parties to object to and, if necessary, seek court intervention to prevent the disclosure.
5. **Governing Law.** The validity, construction and enforceability of this Agreement shall be governed in all respects by the law of the State of California. This Agreement may not be amended except in writing signed by a duly authorized representative of the respective Parties. This Agreement shall control in the event of a conflict with any other agreement between the Parties with respect to the subject matter hereof.
6. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding of the Parties with respect to the subject matter of this Agreement. It replaces all prior or contemporaneous oral agreements and understandings. This Agreement may be amended only in a writing signed by the Party or Parties sought to be bound by the amendment.
7. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement. For purposes of filing the Agreement with the Court, the signature pages of all counterparts shall be attached to one Agreement.

8. **Facsimile or Electronic Signatures.** Signatures transmitted by facsimile, e-mail, or other electronic means shall be accepted as binding absent reasonable question as to authenticity.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date first set forth above.

DONOR: _____ Date: _____
[DONOR'S NAME]

UNIVERSITY OF THE PACIFIC:

By: _____ Date: _____
[NAME]
Executive Director, Office of Estate & Gift Planning

By: _____ Date: _____
[NAME]
Vice President, Development & Alumni Relations

Appendix D-6
SAMPLE - Maintenance, Insurance and Tax Agreement

THIS AGREEMENT is entered into at [INSERT COUNTY] County, State of [INSERT STATE], on _____, 20____ by and between University of the Pacific, a qualified exempt Section 501(c)(3) charity (the "Charity"), and [INSERT DONOR NAME] of [INSERT CITY OR COUNTY], California (the "Donor"). WHEREAS, the Donor has this day executed a deed giving to the above charity a remainder interest in his/her/their [INSERT TYPE OF PROPERTY] residence in the City of [INSERT CITY], and County of [INSERT COUNTY], known as [PROPERTY ADDRESS] (the "Property").

NOW THEREFORE, the parties hereto agree as follows:

1. **Responsibilities.** The Donor shall have the sole responsibility for maintaining the property, insuring the property against loss and liability, and paying real estate taxes, and shall not, without the consent of the Charity, permit any lien or mortgage to be placed on the property other than liens or mortgages which may now exist, and shall not, without the consent of the Charity, permit the amount of any lien or mortgage now existing to increase.
2. **Rights.** The Donor shall, during his/her/their lifetime, have the sole right to occupy and/or utilize the premises as his/her/their residence, to permit Donor's guests to stay in the residence, and to lease the premises to any other person for use as a personal residence. The Charity shall have no standing with respect to Donor's choice of guests; nevertheless the Charity shall join in any lease of the premises to another in order to permit the lease term to continue beyond the death of the Donor, provided that such term shall not continue for more than one year beyond the date of death of the Donor and provided further that the Charity shall be entitled to the rent from the property from the date of death of the Donor. Any guests or lessees residing in the residence at the time of Donor's death will be given notice to vacate within [60] days or whatever timeframe is required under California law. Charity may allow an extension of time and has the right to charge rent during any extension of time. Monthly rent shall be based on rental fair market value for the Property.
3. **Damage and Valuation.** In the event of any damage to the property, the Donor, at his/her/their sole expense, shall cause such damage to be repaired unless the

Donor and the Charity shall agree that it is impractical to do so, in which case, any insurance proceeds resulting from such damage shall be divided between the Charity and the Donor in accordance with the value of their his/her/their respective interests as of the date such damage occurred. For purposes of determining the value of the Charity's interest in the event of such loss, the value shall be determined in the same manner as is used to value a remainder interest in a personal residence as is provided in U.S. Treasury Regulations Section 1.170.

4. **Hold Harmless.** The Donor agrees to hold the Charity harmless against any and all liability arising from the property during his/her/their lifetime. The Donor may at any time or times at his/her/their sole expense make improvements to the property, provided that such improvements shall not result in a reduction of the value of the property.
5. **Governing Law.** The validity, construction and enforceability of this Agreement shall be governed in all respects by the law of the State of California. This Agreement may not be amended except in writing signed by a duly authorized representative of the respective Parties. This Agreement shall control in the event of a conflict with any other agreement between the Parties with respect to the subject matter hereof.
6. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding of the Parties with respect to the subject matter of this Agreement. It replaces all prior or contemporaneous oral agreements and understandings. This Agreement may be amended only in a writing signed by the Party or Parties sought to be bound by the amendment.
7. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement. For purposes of filing the Agreement with the Court, the signature pages of all counterparts shall be attached to one Agreement.
8. **Facsimile or Electronic Signatures.** Signatures transmitted by facsimile, e-mail, or other electronic means shall be accepted as binding absent reasonable question as to authenticity.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date first set forth above.

DONOR: _____ Date: _____
[DONOR'S NAME]

UNIVERSITY OF THE PACIFIC:

By: _____ Date: _____
[NAME]
Executive Director, Office of Estate & Gift Planning

By: _____ Date: _____
[NAME]
Vice President, Development & Alumni Relations

By: _____ Date: _____
[NAME]
Vice President, Business & Finance

Appendix D-7
SAMPLE - Non-Responsibility Warranty

If the Buyer purchases the subject property, it shall be purchased in its present "as-is" condition, without warranties or covenants of any kind, expressed or implied by the Seller as to the condition of the real property, the improvements thereon, zoning or any other laws which would prevent Buyer from using the property in any way, and the unqualified understanding that the Seller received the property and the improvements thereon. Buyer further acknowledges that Buyer is hereby advised to have the subject property inspected and examined by construction expert and an environmental expert of his own choosing, and to thereby fully satisfy himself as to the condition, design, and construction of the property. Buyer, therefore, will rely solely on his own or his expert representative's inspection of said real property and the improvements thereon, including, but not limited to, heating plumbing, electrical and sewer systems, roof and any existing appliances as well as to the existence or nonexistence of any hazardous or potentially hazardous materials (including asbestos).

BUYER: _____ Date: _____

[NAME]

Vice President, Business & Finance

University of the Pacific

SELLER/DONOR: _____ Date: _____

[DONOR'S NAME]

Appendix D-8

SAMPLE - Special Election Statement to Accompany Donor's Tax Return

[Note: The Donor has the option to use an AFR rate from up to two months prior to the gift completion date. If the Donor choses this option, we recommend filing the following Statement with their tax return]

[INSERT DONOR'S NAME shown on tax return]

[INSERT Social Security number of first name shown on return]

I/We declare the following:

1. I/we intend to make an election under Section 7520(a) of the Internal Revenue Code;
2. This election pertains to the valuation of [DESCRIPTION OF THE GIFT, i.e., "the remainder interest in a gift of a personal residence, subject to a retained five-year estate".] The gift was completed on [INSERT DATE GIFT WAS RECORDED], with the remainder interest vesting in University of the Pacific, a 501(c)(3) organization whose tax ID # is 94-1156266.
3. The applicable valuation date absent this election is [INSERT DATE GIFT CLOSED].
4. The month and rate (120 percent of the Applicable Federal Midterm Rate rounded to the nearest 2/10ths of 1 percent) as to which the election is made are, respectively, [INSERT MONTH 2 MONTHS PRIOR TO CLOSE] and [INSERT MONTH 1 MONTH PRIOR TO CLOSE].

TAXPAYER: _____ Date: _____
[INSERT IDONOR'S NAME]

Appendix E-1 Real Estate Gift Accounting Guidelines

This Appendix sets for the guidelines for accounting for real estate gifts.

1. **Receipt of Transferred Property.** After closing, Form 8283, Noncash Charitable Contributions, and the related Qualified Appraisal shall be delivered to the Controller, along with a copy of the Donor's signed deed.
2. **Gift Receipt.** Advancement Services/Gift Processing shall cause a gift receipt to be timely delivered to the Donor and shall cause public recognition of the gift to be made pursuant to the Donor's wishes. If the Donor wishes to remain anonymous, Advancement Services shall take steps to insure the Donor information is kept confidential.
3. **Accounting for the Transferred Real Estate.** The Controller shall cause the transferred property to be recorded in Pacific's accounting records in compliance with University policy.
4. **Internal Recognition and Use of the Real Estate.** Pacific shall be entitled to recognize the amount of the Donor's charitable deduction (as evidenced by the Donor's Form 8283 qualified appraisal) when the transferred property is received by Pacific. However, if the real estate is to be sold (and not held as an investment or for use by Pacific), the amount will not be available for expenditure until the real estate is sold. At that time, the amount available for expenditure shall be the net sales proceeds as determined by Pacific. If the real estate is to be held as an investment, the income generated shall be available for expenditure only in such amounts and at such times as determined by Pacific.
5. **Filing IRS Form 8282.** The Finance Division shall send the IRS Form 8282 if the property is disposed of within three years of the date the gift is received. Form 8282 must be filed within 125 days of the property's disposition. The Finance Division shall furnish the Office of Estate & Gift Planning with a copy to provide to the donor.

Appendix E-2

Real Estate Gift Investment Guidelines

This Appendix sets forth the authority, responsibilities, operating policies and procedures of Pacific's Investment Committee, Pacific Staff, Investment Managers and other providers retained to assist with asset management.

1. **Nature of Real Estate Gifts.** Real estate gifts are expected to be either (a) sold, (b) retained as an income producing investment asset or (c) held for use by Pacific.
2. **Revision to Existing Investment Procedure Manual from Time to Time.** The Board of Regents shall communicate and coordinate with the Investment Committee from time to time to revise Pacific's Investment Procedure manual to specifically address and make provisions for the unique sale, investment, or use requirements of specific real estate gifts to meet Pacific's expectations regarding the real estate.

Income producing real estate that is to be held for sale or as an investment by Pacific presents unique risks and challenges. It is recommended that the Investment Committee, with the assistance of the General Counsel, establish specific investment policies and procedures for Pacific's income producing real estate.

Appendix F IRS FORM 8282

Form **8282**

(Rev. April 2009)
Department of the Treasury
Internal Revenue Service

Donee Information Return (Sale, Exchange, or Other Disposition of Donated Property)

▶ See instructions.

OMB No. 1545-0008

Give a Copy to Donor

Parts To Complete

- If the organization is an **original donee**, complete *Identifying Information*, Part I (lines 1a-1d and, if applicable, lines 2a-2d), and Part III.
- If the organization is a **successor donee**, complete *Identifying Information*, Part I, Part II, and Part III.

Identifying Information

Print or Type	Name of charitable organization (donee)	Employer identification number
	Address (number, street, and room or suite no.) (or P.O. box no. if mail is not delivered to the street address)	
	City or town, state, and ZIP code	

Part I Information on ORIGINAL DONOR and SUCCESSOR DONEE Receiving the Property

1a Name of original donor of the property	1b Identifying number(s)
1c Address (number, street, and room or suite no.) (P.O. box no. if mail is not delivered to the street address)	
1d City or town, state, and ZIP code	

Note. Complete lines 2a-2d only if the organization gave this property to another charitable organization (successor donee).

2a Name of charitable organization	2b Employer identification number
2c Address (number, street, and room or suite no.) (or P.O. box no. if mail is not delivered to the street address)	
2d City or town, state, and ZIP code	

Part II Information on PREVIOUS DONEES. Complete this part only if the organization was not the first donee to receive the property. See the instructions before completing lines 3a through 4d.

3a Name of original donee	3b Employer identification number
3c Address (number, street, and room or suite no.) (or P.O. box no. if mail is not delivered to the street address)	
3d City or town, state, and ZIP code	
4a Name of preceding donee	4b Employer identification number
4c Address (number, street, and room or suite no.) (or P.O. box no. if mail is not delivered to the street address)	
4d City or town, state, and ZIP code	

For Paperwork Reduction Act Notice, see page 4.

Cat. No. 62307Y

Form **8282** (Rev. 4-2009)

IRS FORM 8282 – Page 2

Form 8282 (Rev. 4-2009)

Page **2**

Part III Information on DONATED PROPERTY

1. Description of the donated property sold, exchanged, or otherwise disposed of and how the organization used the property. (If you need more space, attach a separate statement.)	2. Did the disposition involve the organization's entire interest in the property?		3. Was the use related to the organization's exempt purpose or function?		4. Information on use of property. <ul style="list-style-type: none"> • If you answered "Yes" to question 3 and the property was tangible personal property, describe how the organization's use of the property furthered its exempt purpose or function. Also complete Part IV below. • If you answered "No" to question 3 and the property was tangible personal property, describe the organization's intended use (if any) at the time of the contribution. Also complete Part IV below, if the intended use at the time of the contribution was related to the organization's exempt purpose or function and it became impossible or infeasible to implement.
	Yes	No	Yes	No	
A					
B					
C					
D					

		Donated Property			
		A	B	C	D
5	Date the organization received the donated property (MM/DD/YY)	/ /	/ /	/ /	/ /
6	Date the original donee received the property (MM/DD/YY)	/ /	/ /	/ /	/ /
7	Date the property was sold, exchanged, or otherwise disposed of (MM/DD/YY)	/ /	/ /	/ /	/ /
8	Amount received upon disposition	\$	\$	\$	\$

Part IV Certification

You must sign the certification below if any property described in Part III above is tangible personal property and:

- You answered "Yes" to question 3 above, or
- You answered "No" to question 3 above and the intended use of the property became impossible or infeasible to implement.

Under penalties of perjury and the penalty under section 6720B, I certify that either: (1) the use of the property that meets the above requirements, and is described above in Part III, was substantial and related to the donee organization's exempt purpose or function; or (2) the donee organization intended to use the property for its exempt purpose or function, but the intended use has become impossible or infeasible to implement.

Signature of officer _____ Title _____ Date _____

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of officer _____ Title _____ Date _____

Type or print name _____

General Instructions

Section references are to the Internal Revenue Code.

Purpose of Form

Donee organizations use Form 8282 to report information to the IRS and donors about dispositions of certain charitable deduction property made within 3 years after the donor contributed the property.

Definitions



For Form 8282 and these instructions, the term “donee” includes all donees, unless specific reference is made to “original” or “successor” donees.

Original donee. The first donee to or for which the donor gave the property. The original donee is required to sign Form 8283, Noncash Charitable Contributions, Section B. Donated Property Over \$5,000 (Except Certain Publicly Traded Securities), presented by the donor for charitable deduction property.

Successor donee. Any donee of property other than the original donee.

Charitable deduction property. Any donated property (other than money and publicly traded securities) if the claimed value exceeds \$5,000 per item or group of similar items donated by the donor to one or more donee organizations. This is the property listed in Section B on Form 8283.

Who Must File

Original and successor donee organizations must file Form 8282 if they sell, exchange, consume, or otherwise dispose of (with or without consideration) charitable deduction property (or any portion) within 3 years after the date the original donee received the property. See *Charitable deduction property* above.

If the organization sold, exchanged, or otherwise disposed of motor vehicles, airplanes, or boats, see Pub. 526, Charitable Contributions.

Exceptions. There are two situations where Form 8282 does not have to be filed.

1. Items valued at \$500 or less. The organization does not have to file Form 8282 if, at the time the original donee signed Section B of Form 8283, the donor had signed a statement on Form 8283 that the appraised value of the specific item was not more than \$500. If Form 8283 contains more than one item, this exception applies only to those items that are clearly identified as having a value of \$500 or less. However, for purposes of the donor's determination of whether the appraised value of the item exceeds \$500, all shares of nonpublicly traded stock, or items that form a set, are considered one item. For example, a collection of books written by the same

author, components of a stereo system, or six place settings of a pattern of silverware are considered one item.

2. Items consumed or distributed for charitable purpose. The organization does not have to file Form 8282 if an item is consumed or distributed, without consideration, in fulfilling your purpose or function as a tax-exempt organization. For example, no reporting is required for medical supplies consumed or distributed by a tax-exempt relief organization in aiding disaster victims.

When To File

If the organization disposes of charitable deduction property within 3 years of the date the original donee received it and the organization does not meet exception 1 or 2 above, the organization must file Form 8282 within 125 days after the date of disposition.

Exception. If the organization did not file because it had no reason to believe the substantiation requirements applied to the donor, but the organization later becomes aware that the substantiation requirements did apply, the organization must file Form 8282 within 60 days after the date it becomes aware it was liable. For example, this exception would apply where Section B of Form 8283 is furnished to a successor donee after the date that donee disposes of the charitable deduction property.

Missing information. If Form 8282 is filed by the due date, enter the organization's name, address, and employer identification number (EIN) and complete at least Part III, columns 1, 2, 3, and 4; and Part IV. The organization does not have to complete the remaining items if the information is not available. For example, the organization may not have the information necessary to complete all entries if the donor did not make Section B of Form 8283 available.

Where To File

Send Form 8282 to the Department of Treasury, Internal Revenue Service Center, Ogden, UT 84201-0027.

Other Requirements

Information the organization must give a successor donee. If the property is transferred to another charitable organization within the 3-year period discussed earlier, the organization must give the successor donee all of the following information.

1. The name, address, and EIN of the organization.
2. A copy of Section B of Form 8283 that the organization received from the donor or a preceding donee. The preceding donee is the one who gave the organization the property.
3. A copy of this Form 8282, within 15 days after the organization files it.

The organization must furnish items 1 and 2 above within 15 days after the latest of the date:

- The organization transferred the property.
- The original donee signed Section B of Form 8283, or
- The organization received a copy of Section B of Form 8283 from the preceding donee if the organization is also a successor donee.

Information the successor donee must give the organization. The successor donee organization to whom the organization transferred this property is required to give the organization its name, address, and EIN within 15 days after the later of:

- The date the organization transferred the property, or
- The date the successor donee received a copy of Section B of Form 8283.

Information the organization must give the donor. The organization must give a copy of Form 8282 to the original donor of the property.

Recordkeeping. The organization must keep a copy of Section B of Form 8283 in its records.

Penalties

Failure to file penalty. The organization may be subject to a penalty if it fails to file this form by the due date, fails to include all of the information required to be shown on the filed form, or includes incorrect information on the filed form. The penalty is generally \$50 per form. For more details, see section 6721 and 6724.

Fraudulent identification of exempt use property. A \$10,000 penalty may apply to any person who identifies in Part III tangible personal property the organization sold, exchanged, or otherwise disposed of, as having a use that is related to a purpose or function knowing that such property was not intended for such a use. For more details, see section 6720B.

Specific Instructions

Part I

Line 1a. Enter the name of the original donor.

Line 1b. The donor's identifying number may be either an employer identification number or a social security number, and should be the same number provided on page 2 of Form 8283.

Line 1c and 1d. Enter the last known address of the original donor.

Lines 2a–2d. Complete these lines if the organization gave the property to another charitable organization successor donee (defined earlier). If the organization is an original donee, skip Part II and go to Part III.

Part II

Complete Part II only if the organization is a successor donee. If the organization is the original donee, do not complete any lines in Part II; go directly to Part III.

If the organization is the **second donee**, complete lines 3a through 3d. If the organization is the **third or later donee**, complete lines 3a through 4d. On lines 4a through 4d, give information on the preceding donee.

Part III

Column 1. For charitable deduction property that the organization sold, exchanged, or otherwise disposed of within 3 years of the original contribution, describe each item in detail. For a motor vehicle, include the vehicle identification number. For a boat, include the hull identification number. For an airplane, include the aircraft identification number. Additionally, for the period of time the organization owned the property, explain how it was used. If additional space is needed, attach a statement.

Column 3. Check "Yes" if the organization's use of the charitable deduction property was related to its exempt purpose or function. Check "No" if the organization sold, exchanged, or otherwise disposed of the property without using it.

Signature

Form 8282 is not valid unless it is signed by an officer of the organization. Be sure to include the title of the person signing the form and the date the form was signed.

How To Get Tax Help

Internet

You can access the IRS website 24 hours a day, 7 days a week at www.irs.gov/eo to:

- Download forms, instructions, and publications;
- Order IRS products online;
- Research your tax questions online;
- Search publications online by topic or keyword;

- View Internal Revenue Bulletins (IRBs) published in the last few years; and
- Sign up to receive local and national tax news by email. To subscribe, visit www.irs.gov/eo.

DVD

You can order Publication 1796, IRS Tax Products DVD, and obtain:

- Current-year forms, instructions, and publications.
- Prior-year forms, instructions, and publications.
- Tax Map: an electronic research tool and finding aid.
- Tax law frequently asked questions.
- Tax topics from the IRS telephone response system.
- Fill-in, print, and save features for most tax forms.
- IRBs.
- Toll-free and email technical support.
- Two releases during the year.

Purchase the DVD from National Technical Information Service (NTIS) at www.irs.gov/cdorders for \$30 (no handling fee) or call **1-877-CDFORMS** (1-877-233-6767) toll-free to buy the DVD for \$30 (plus a \$6 handling fee). Price is subject to change.

By Phone

You can order forms and publications by calling 1-800-TAX-FORM (1-800-829-3676). You can also get most forms and publications at your local IRS office. If you have questions and/or need help completing this form, please call 1-877-829-5500. This toll free telephone service is available Monday thru Friday.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is:

- Recordkeeping** 3 hr., 35 min.
- Learning about the law or the form** 12 min.
- Preparing and sending the form to the IRS** 15 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where To File* on page 3.

Endnotes

ⁱ Inspired by an excellent example made publically assessable by Southern Illinois University Edwardsville Foundation;

ⁱⁱ Inspired by an excellent example shared with us by University of California, Berkeley, Office of Gift Planning;

ⁱⁱⁱ The bulk of this questionnaire is taken from an example shared by TIAA Kaspick, our amazing planned gift administrators.