

A Gift for the Future



Although planned gifts are not a commonly discussed form of charitable giving, they offer many flexible options that can help prospective donors meet their charitable and financial needs. One unique aspect of planned giving is its ability to accommodate real estate gifts. Often a person's home is his or her most valuable asset, but it is often the asset that may cause the most difficulty.

For example, Ken and Doris Adams bought a beautiful house in the mountains, near the Blueridge Parkway in North Carolina, in 1959. The Adams spent many happy weekends with their children in this house, and in retirement, spent even more time there. They often had their 3 grandchildren visit and stay with them, and would take them on hikes and bird watching adventures. In 2003, Ken passed away unexpectedly. Doris was reluctant to visit the house because she had spent so much time with her husband there, but was equally unhappy with the idea of selling it, for sentimental reasons mostly, but also because she would have to pay a large amount in capital gains taxes. Meanwhile, she had become increasingly involved with her parish, as she sought new activities to keep her busy.

One of Doris' favorite things about her parish is its mission program. For many years, the parish has been sending members to Peru, Juarez, Mexico, and more recently, New Orleans to help build homes, clean up neighborhoods and assist with other projects. Ken and Doris had taken several trips together, and for the first time this year, Doris took her grandson on a trip back to New Orleans. Doris' oldest daughter and her husband brought their son to Doris' house a few days before the trip, and the topic of the house in the mountains came up once again. Doris' son-in-law, normally the strong, silent type, excitedly informed her that he had some good news: he'd come up with a way

for her to use her mountain house for a cause very dear to her, the very mission ministry that she so loved.

He went on to explain that the house could be placed into a trust, which would then sell the house. The proceeds from the sale would be placed into the trust, and Doris could receive an income, probably around 5 or 6% of the value of the trust. She would also get a tax deduction, and partially avoid paying capital gains taxes. But the best part was that when the trust terminated, the remaining funds could go to Doris' parish to support outreach ministries.

Doris was surprised to hear of this idea and at first thought it would be too complicated; after all, she hardly thought of herself as a wealthy woman, and trusts were for rich people. But, reassured by her son-in-law that her mountain house's value was well above the minimum required for the trust, she went to talk to her rector about the idea after she returned from New Orleans (where, incidentally, she and her grandson single-handedly painted the interior of three houses). The rector was familiar with charitable trusts and helped Doris work with the Episcopal Church Foundation to create and fund the trust.

Although Doris had her doubts about creating a planned gift, in the end she was very happy with the results. The house sold quickly and the extra income keeps her from worrying so much about her financial future. Lastly, it is a tremendous relief to her to know that she used the house she and Ken loved so much to guarantee the future of a ministry they also loved and worked in together.

To contact the Episcopal Church Foundation for information about making a gift of real estate to support your congregation, call 800-697-2858.