



Gifts of Real Estate
to benefit the
University of Kansas

KU Endowment

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A gift of property — the land where KU's Memorial Stadium now stands — prompted the founding of KU Endowment in 1891.



The words “real estate” can seem a dry representation of things we hold most dear: farmland that has fed thousands of people, a business that has supported your family, the home where your children grew up.

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We invest deeply in such things, by no means merely in economic terms. As you plan for your future, and that of your land or home, you may want to consider how your property can continue to benefit others in ways that are important to you and your family.

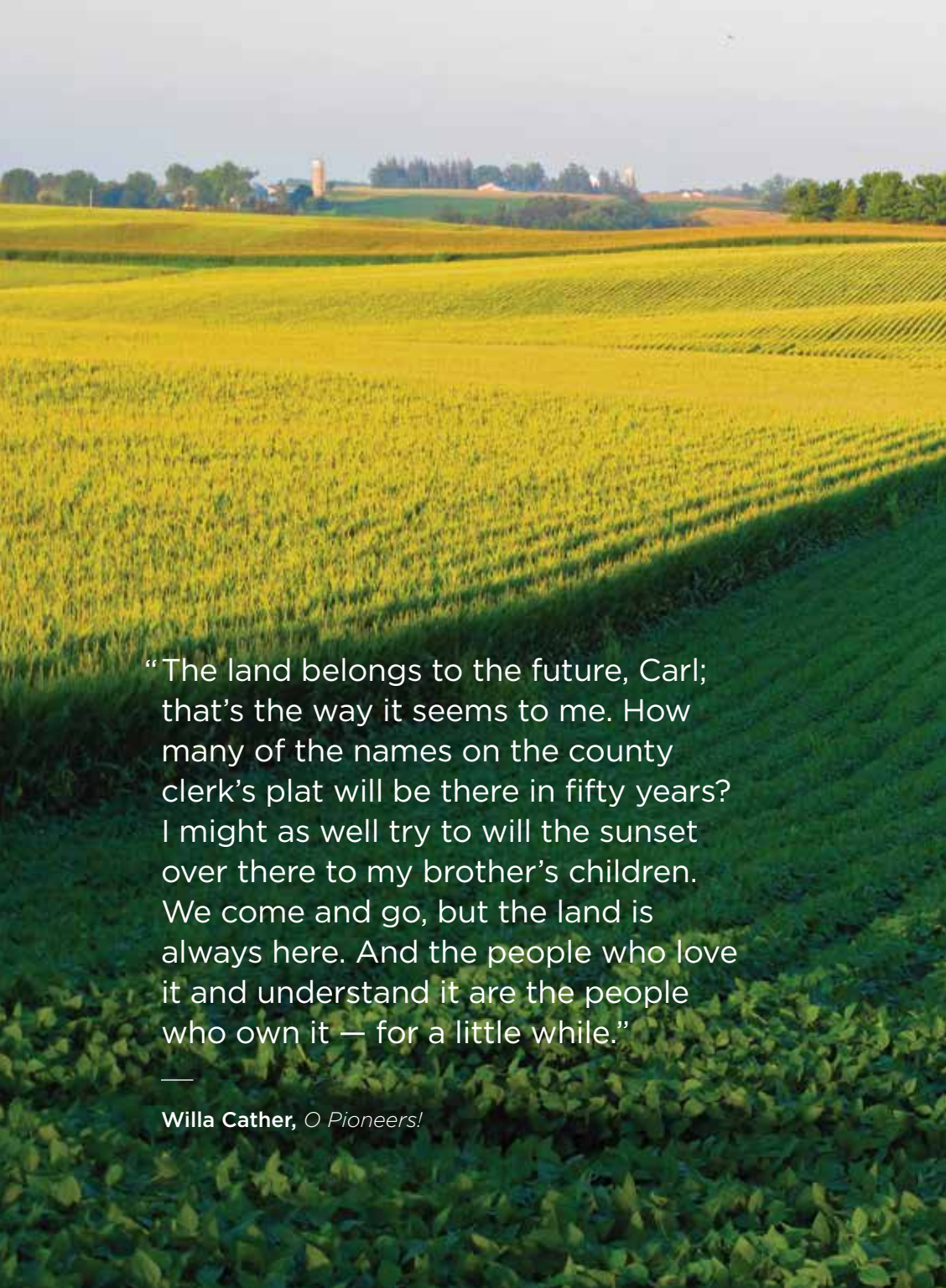
Real estate is the most significant asset held by many people, yet many overlook it as a way to provide support to cherished institutions like the University of Kansas. KU Endowment has a rich history in gifts of real estate. In fact, it was founded in 1891 in order to accept such a gift — the parcel of land where Memorial Stadium now stands. Not many years later, Charles Robinson, the first governor of Kansas, bequeathed his farm north of Lawrence to KU. This area is now part of the KU Biological Survey Field Station and has grown to nearly 2,500 contiguous acres of land, which is used for biological research on a global scale.



Over the years, donors have given KU Endowment numerous homes and thousands of acres of farmland, using them to support the people, programs and places that make this university unique. Donors have used a variety of real estate assets to construct charitable gifts which, in many cases, have created a greater influence than the donors ever imagined possible.

Gifts of real estate can include farms, homes, commercial or undeveloped properties and mineral interests. Each property gift is unique, and the use or management of a particular asset depends on its nature and the donor's intent. Some properties are sold and the proceeds used directly to benefit KU. Other properties are held for various purposes. KU Endowment currently manages more than 45,000 acres of farm ground in 45 counties in Kansas and approximately 1,000 mineral interests. We use income from farm and mineral interest operations for the benefit of the university, guided by the intentions of the original donors.

There are several ways to make a gift of real estate. While all of them allow you to support programs at KU that you consider important, they may present additional benefits for you. The staff at KU Endowment will work with you to identify a giving method that fulfills your personal goals, fits your circumstances and offers the greatest benefit for KU.

A wide-angle photograph of a rural landscape. The foreground is dominated by a lush green field, possibly alfalfa, with rows of plants. Beyond it, a vast field of golden-yellow crops, likely corn, stretches across the middle ground. In the distance, a small town or village is visible on a slight rise, featuring a prominent white steeple and other buildings. The sky is a pale, clear blue, and the overall scene is bathed in the warm, soft light of late afternoon or early morning.

“The land belongs to the future, Carl;
that’s the way it seems to me. How
many of the names on the county
clerk’s plat will be there in fifty years?
I might as well try to will the sunset
over there to my brother’s children.
We come and go, but the land is
always here. And the people who love
it and understand it are the people
who own it — for a little while.”

Willa Cather, *O Pioneers!*



Outright gift

An outright gift of real estate can have an immediate benefit at KU. This method of giving is particularly advantageous if you have substantial assets in addition to the gift property. Real estate gifts will likely present favorable tax and estate benefits, including the following, some of which are not available when making an outright gift of cash:

- ▶ *You may take a charitable deduction at the time the property is transferred. In some cases, you may carry a deduction forward for up to five additional years.*
 - ▶ *You may avoid capital gains taxes you would have incurred had you sold the property.*
 - ▶ *Giving property during your lifetime can help reduce your taxable estate.*
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Gift by bequest

Leaving all or part of your real estate through your will or revocable trust is a convenient way to make a gift to KU after your lifetime. This can easily be accomplished by designating the Kansas University Endowment Association as a beneficiary in your will. You retain ownership throughout your life, so your assets remain available should you need them. A gift through a bequest may bring you additional benefits:

- ▶ *You can define your gift during your lifetime and document your intent by including specific terms in your will or revocable trust, or by entering into a gift agreement with KU Endowment.*
 - ▶ *Your estate may receive a charitable deduction for the value of the real estate, which may reduce the estate taxes otherwise incurred upon your death.*
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Charitable remainder trust

A gift of real estate may enable you to provide both significant support to KU and a reliable income stream for you or your family. When you use real estate assets to create a charitable remainder trust, you and/or your designated beneficiary will receive income from the trust for life, or for a period of years. At the end of the designated term, the assets remaining within the trust will be disbursed to KU Endowment to benefit the university as you have designated. You may gain many potential benefits from using property to fund a trust.

- ▶ *It would enable you to make a gift to KU without reducing your personal income or the security you want to provide your family.*
 - ▶ *It may allow you an income tax deduction in the year the gift is made. In some cases, you may be able to carry the deduction forward up to five additional years.*
 - ▶ *You may be able to avoid capital gains taxes on property that has been held for more than a year.*
 - ▶ *It may decrease estate taxes proportional to the value of your charitable gift.*
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Retained life estate

If you would like to make a gift of property to KU but are not ready to change your way of life by moving away from your farm or home, consider a retained life estate gift. This arrangement allows you to make your gift to KU now, but continue to use and/or live on the property for the rest of your life.

The retained life estate is an agreement by which you make an irrevocable commitment to give your property to KU Endowment, retaining the continuing right to live on and receive income from the property. When your life, or your beneficiary's life, ends, the property is transferred to KU Endowment. Gifting your property now, rather than through your will, offers benefits during your lifetime in addition to the satisfaction of knowing you are creating a legacy at KU:

- ▶ *You may qualify for an income tax deduction in the year the gift is made. In some cases, you may carry a deduction forward for up to five additional years.*
 - ▶ *You preserve your current lifestyle, continuing to use the property for your livelihood and enjoyment.*
 - ▶ *Your gift to KU may reduce estate taxes otherwise incurred upon your death.*
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Real estate gift acceptance guidelines

KU Endowment has established a review process for acceptance of real property as an outright gift or as the basis for a charitable remainder trust or retained life estate. Among other things, the process includes confirmation of title, an appraisal paid for by the donor and an environmental evaluation paid for by KU Endowment.

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Real estate gifts to KU Endowment for the benefit of the University of Kansas appear on the front and back covers and pages 1, 4, 13, and 15.

Information in this pamphlet is not intended as legal, tax or investment advice. For such advice, please consult an attorney, tax professional or investment professional. We are happy to work with you and your advisers.



KU ENDOWMENT
The University of Kansas

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