

Case Study: Outright Gift of Florida Condo Funds Bryn Mawr Scholarships

By Dennis Bidwell

Take-aways from this gift scenario:

1. **Many donors have the capacity to make outright gifts of real estate, which can be converted to cash and put to use in a very short period of time.** For this reason real estate gifts are being pursued as often by major gift officers and principal gift officers as planned gift officers.
2. **A condominium association will often be quite cooperative in facilitating the gift and resale of a condominium property.**
3. **Florida properties owned by Northeast residents can make wonderful gifts.** Many institutions have generated real estate gifts by discussing the vacation homes, in Florida and other states, owned by their aging alums.

In the fall of 2010 a Bryn Mawr major gifts officer was visiting an alumna — a 70-year old successful New York judge and lawyer – who mentioned in casual conversation that she was no longer using her Broward County, Florida seaside condominium. The gift officer raised the possibility of gifting the property. Because the grateful alum was hoping to make a significant gift to the College, she liked the idea, particularly if the donation could happen by year-end. She said “I had always hoped to make a substantial contribution to Bryn Mawr and express my gratitude for the excellent education that contributed to the professional success I have achieved.” She was very much aware of recent declines in the Florida condominium market, but trusted Bryn Mawr to sell the property at the best price attainable given current market conditions.

A team was quickly assembled: an attorney to arrange a title search and handle conveyances, a broker to help determine market value and to implement a marketing strategy, and a building inspector. No problems with title, marketability or building conditions emerged from these due diligence inspections. College officials agreed to accept the property gift, but couldn't guarantee that the gift would be completed by year-end.

Meanwhile, the property owner commissioned her own appraisal, to substantiate the charitable deduction she expected to take on her current year's tax return. She also facilitated discussions with representatives of the condominium association, whose approval was required both for the donation to the College, and for the College's sale to a new owner.

Once the condo association's approval was in hand, the property was deeded over to the College, in December, and the donor's IRS Form 8283 was completed by her appraiser and CPA, and signed off on by the College. The College assumed responsibility for property taxes, condo fees, and for looking after the property.

Marketing of the property began immediately, with an initial emphasis on other owners within the seaside building. After several months, mailings and print advertising were used to generate additional interest in the property, which sold in April of 2011.

The donor is thrilled that her gift could be put to work immediately funding scholarships. She said: "During challenging economic times, students will be able to complete their education uninterrupted and unburdened. Making this gift gives me great satisfaction, knowing that I am extending the Bryn Mawr experience to future generations of young women."