

Conducting a Real Estate Gift Readiness Audit

By Dennis Bidwell

I have recently been asked by several clients to help them conduct an “audit” of their institution’s readiness to actively pursue real estate gifts.

At the end of this audit exercise, sometimes the conclusion is: “We’re just not ready to tackle real estate gifts. We’ll come back to it in another year.” Increasingly, however, the response is: “We’re leaving so much wealth on the table by not pursuing real estate gifts that we’ve decided to build up our capacity in this area now.”

I hope this audit template is of use to your organization.

Institutional support

1. Is pursuit of real estate gifts (with appropriate attention to minimizing risk) supported by your VP of Development? By your CFO? By your general counsel or equivalent?
2. Is top management at your organization familiar with the real estate gift experience of peer institutions?

Gift acceptance policies and procedures

1. Do your gift acceptance policies address the forms of real estate gifts you will and won’t accept, and under what circumstances?
2. Do you have a policy on real estate gift minimums?
3. Do you have a clear assignment of responsibility for handling the different stages of a real estate gift: initial conversations, detailed gift structuring, gift acceptance letter, due diligence, gift closing, interim management, sale of property?
4. Would you describe your policies as a balance between “donor-friendliness” and “institutional protection”?

Training

1. Do your gift officers have a basic familiarity with different types of real estate gifts and the situations for which they are appropriate?

2. Do your gift officers have a comfort level with discussing/initiating real estate gifts with donors?
3. Are your gift officers expected to bring forward at least one real estate gift scenario every six months?
4. Do your board members (or development committee members) understand enough about real estate gifts to recognize an opportunity when it presents itself at a cocktail party?

Marketing

1. Do you promote your interest in real estate gifts prominently on your website?
2. Do you market your interest in real estate gifts in your newsletters/magazines/etc.?
3. Do you provide information about real estate gifts at member/alumni gatherings?
4. Does the content of your marketing emphasize a “problem solving” approach?

Prospect research/outreach

1. Have you attempted to identify prospects who specifically fit the profile of a real estate donor?
2. Do you have a plan to reach out to identified prime prospects for real estate gifts?

Campaign work (where appropriate)

1. Have you built real estate gifts into your campaign strategy and structure from the start?