Real
Estate

Help Create the Future of Medicine
With This Meaningful Gift
With property values on the rise, now is a great time to use your real estate holdings to help create the future of medicine with Mayo Clinic. If you’re tired of home maintenance, pay too much in property taxes on your second home, or are ready to let go of your farm or commercial property, then gifting your property to Mayo Clinic may be the right option for you. We accept all kinds of property, including commercial, residential, industrial, vacant lots and vacation homes. Consider these five options to use your real estate to advance lifesaving research and care:

### 01 Make an Outright Gift
The process is simple. You deed the property directly to Mayo Clinic and gain these potential benefits:

- **Qualify for an income tax deduction** equal to the property’s full fair market value.
- **Avoid capital gains tax** on the appreciation in value and costs.
- **Remove the property** from your taxable estate.

### 02 Donate Your Property to the Mayo Clinic Donor Advised Fund
When you give your property to this fund, you and other individuals you designate will advise on the grants from the fund. You can also recommend how your contribution is invested on a tax-free basis, potentially increasing the value of your support to Mayo Clinic over time.
Give Your Home but Enjoy Lifetime Use

Many benefactors find that their largest asset is their home, but they do not consider using this as a gift.

Through a retained life estate, you give a personal residence or farmland to Mayo Clinic but retain the right to occupy it for life. The property does not have to be your primary home, but it must be a personal residence, such as a vacation home, condominium, farm or ranch.

You still pay property taxes, maintenance costs and insurance until Mayo Clinic controls the property. After your lifetime, Mayo Clinic will sell the property to support our clinical, research and education efforts into the future.

Benefits of a retained life estate may include:

Access to the property for the rest of your life.

An income tax deduction.

Elimination of capital gains tax on the appreciation in value.

Simplifying the process for your family or estate executors in the future.

Make a Gift Through Your Will

If you are not comfortable making a gift of property right now, consider leaving it to Mayo Clinic in your will or revocable living trust. This way, you can help future generations of Mayo Clinic patients without using assets today.

While you will not receive an income tax deduction for a gift in your will, you will reduce your estate for estate tax purposes and have the flexibility to change your mind. When you make a gift to us through your will or trust, you support our research while creating lasting legacies in your memory or in memory of a loved one.
Receive Income for Life

Instead of making a gift of real property now, you can use unmortgaged property to fund a charitable remainder trust. You give the property to the trust, and the trust then pays income (within IRS limits) to you and, if you choose, your loved ones for life or for a term of years. When the trust terminates, Mayo Clinic receives the remainder.

Once the property is held in trust, it will be sold and the proceeds invested, becoming the source for lifetime income payments to you and any other recipient you name. You will be paid an income based on the fixed payout percentage of the trust’s annual valuation.

You receive an income tax deduction for a portion of the gift, and when you give appreciated property, you will not pay upfront tax on the capital gains.

Consider your benefits:

**Lifetime (or term of years) income.**

**Income tax deduction.**

**Avoidance of capital gains tax** on the appreciation in value at the time of the gift.
Is a Gift of Real Estate Right for You?

A gift of real estate may be right for you if:

You want to help Mayo Clinic find new cures and better treatments through a significant gift today.

The expenses and obligations of owning your property outweigh the income you receive from it.

You do not have family members or loved ones who wish to take on the responsibilities or costs of owning your property after your lifetime.

You want income tax relief and potential capital gains tax elimination on the property's appreciation.
Example

Sam and Mary own a lake house worth $1 million that they purchased for $200,000 many years ago. Last year, Sam was diagnosed with prostate cancer, and they chose Mayo Clinic for his treatment. After his expert physicians successfully treated his cancer with surgery and radiation, Sam wanted to give back and show his appreciation for his excellent care. After reviewing their finances and assets, the couple decided to donate their vacation home to Mayo Clinic, as they hadn’t been using it much in recent years. With their gift, they had three goals in mind — give hope to other patients and their families, honor the physicians who saved Sam’s life, and also minimize their taxes.

Sam and Mary worked with their advisors and Mayo Clinic’s gift planning team to arrange this special gift. Our team conducted due diligence to help identify any marketability or transferability issues, and they also provided illustrations showing the tax benefits of the couple’s donation.

After Sam and Mary’s advisors completed the transfer, Mayo Clinic quickly sold the property and used the proceeds to make an immediate impact for other patients through lifesaving research and care. Sam and Mary also met with Sam’s physicians, who were incredibly touched by their generosity. In addition, the couple received an income tax deduction to use in the year the property was sold, avoided capital gains tax on the $800,000 increase in value, and removed the property from their estate for estate tax purposes.
Next Steps

Make a Difference With Mayo Clinic
Gifts of real estate can be complex. Mayo Clinic is committed to ensuring that a proposed gift of property is the best option for both you and Mayo Clinic.

Our team will help ensure that a gift of property is in your and Mayo Clinic’s best interests. We also encourage you to consult and involve your professional advisors when considering gifting your property to make an impact at Mayo Clinic.

At the time of a gift you will be required to secure a qualified appraisal to substantiate the value of your charitable deduction. Your advisors and our staff can be helpful in locating a qualified appraiser for this purpose.

Contact Our Team
You may have questions about appraisals, tax savings and other details. Our Office of Gift Planning works directly with you and your advisors, providing expertise in gift options, estate resolution, trust investment, administration and management.

We will be happy to assist your attorney and other advisors in designing the most suitable plan for you.

Please call us at
800-297-1185
or visit our website at
plannedgiving.mayoclinic.org
For information on supporting Mayo Clinic, please contact:

Department of Development
800-297-1185
www.mayoclinic.org/development

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