

CREATE FOUNDATION

GIFT ACCEPTANCE POLICY

Approved by the Board: _____

CREATE FOUNDATION

GIFT ACCEPTANCE POLICY

PURPOSE

The purpose of this policy of the Create Foundation and affiliated entities (referred to as the “Foundation” in the following sections of this policy), is to serve the best interests of the Foundation, its donors, and a healthy, caring community by providing guidelines for negotiating and accepting various types of gifts for various types of funds. Given the increasing complexity of IRS regulations, the volume of real estate and other property gifts, and state and federal environmental laws, the Foundation recognizes the value in carefully screening proposed gifts.

The purposes of the gift must fall within the broad charitable purpose of the Foundation. In addition, the Foundation Board and staff must be able to assure that gifts accepted by the Foundation do not place other assets of the Foundation at risk, and that they can be easily converted into assets that fall within the Foundation’s investment guidelines. The Foundation must also assure that it can administer the terms of the gift in accordance with the donor’s wishes.

To facilitate this purpose, the Foundation follows the *Model Standards of Practice for the Charitable Gift Planner* adopted by the National Committee on Planned Giving and the American Council on Gift Annuities. This code of ethics for planned giving practitioners is Appendix A of this policy.

FOUNDATION RESPONSIBILITIES

Foundation staff should disclose to all prospective donors the benefits and liabilities that could reasonably be expected to influence the donor’s decision to make a gift to the Foundation. Donors will be encouraged to consult with legal counsel and financial advisors in making their decision. In particular, donors should be made aware of:

- the irrevocability of a gift,
- prohibitions on donor restrictions,
- items subject to variability (market value, investment return, and income yield),
- the Foundation’s responsibility to provide periodic financial statements on donor funds, and
- the Foundation’s responsibility to provide a donor bill of rights to donors.

Staff should maintain a written record of discussions with donors. The role of Foundation staff shall be to inform, guide and assist a donor in fulfilling his or her philanthropic wishes, but never to pressure or unduly influence a donor’s decision.

GIFT ACCEPTANCE COMMITTEE

The President/CEO, Vice President of Finance & Administration, the Senior Donor Relations Officer, and Chairman of the Development Committee constitute the Gift Acceptance Committee, hereafter known as the “Committee.”

In circumstances where a clear determination cannot be made by the Committee, advice will be sought from legal counsel or other professionals or the matter will be addressed by the Board of Directors.

FORM OF GIFTS TO THE FOUNDATION

Gifts Requiring Committee Review

- Tangible personal property that is not readily marketable
- Real property
- Closely-held and S corporation stock
- Partnership interests
- Accounts receivable (gifts of loans, notes, mortgages, etc.)
- Gifts of intellectual property, mineral reserves, precious metals, and other types of assets carrying their own challenges
- Gifts whose structure fall outside the ordinary purposes, bylaws, and procedures of the Foundation
- Life insurance policies requiring future premium payments by the Foundation

Gifts Not Requiring Committee Review

- Cash or cash equivalents
- Checks
- Marketable securities
- Gifts of personal property for use in Foundation offices or programs
- Life insurance policies except as noted above

See Appendix B for detail on each gift category

GIFTS DECLINED

The Foundation reserves the right to refuse any gift it believes is not in the best interests of promoting a healthy, caring community. In addition, the Foundation will not knowingly accept a charitable gift from a donor who:

- A. Has insufficient income and assets remaining after making a gift to provide for his/her needs such as personal support and healthcare.
- B. Has insufficient income and assets remaining after the gift to provide for his/her heirs for whom he/she is fiscally responsible.

- C. Has an apparent insufficient mental capacity to make a rational decision.
- D. Has insufficient input from competent financial, legal, and/or personal counsel.

TYPES OF FUNDS

The Foundation offers a continuum of funds designed to be responsive to donor needs. A standard Agreement is required to establish a fund with the Foundation. The minimum amount to establish each fund type is as follows:

Unrestricted Fund: no minimum

Donor Advised Fund: \$1,000

Scholarship Endowment: \$5,000

Education Endowment: \$5,000

Field-of-Interest Endowment: \$5,000

Designated Endowment: \$5,000

Pass-Thru Designated: no minimum

Pass-Thru Scholarship: no minimum

Special Projects Funds: no minimum

Community Affiliates Endowment: no minimum

Organizational Affiliates Endowment: no minimum

Supporting Organizations: no minimum

Donor Advised Funds (Endowed and Non-endowed): The donor retains an advisory capacity in making grants from the fund. Grants made from advised funds may only be distributed to other charitable entities that meet the qualifications set forth by sections 501(c)(3) and 170(b)(1)(A) of the Internal Revenue Service Code. A grant from an advised fund cannot be used to satisfy an irrevocable personal or corporate pledge or obligation of the donor, or to provide a benefit to the donor such as paying some membership dues.

Excess Business Holdings: Create Foundation, Inc. is prohibited from retaining any excess business holdings in any donor advised funds under Section 4943 of the Internal Revenue Code which would otherwise subject such fund to excise tax. **Under the Pension Protection Act of 2006 (PPA), the holding of a donor-advised fund in a business enterprise, together with the**

holding of persons who disqualified persons with respect to that fund, may not exceed any of the following:

- Twenty (20) percent of the voting stock of an incorporated business (Thirty-five (35) percent if it can be shown that persons who are not disqualified persons have effective control of the business). Additionally, the donor-advised fund will be barred from holding non-voting stock of an incorporated business unless the disqualified persons collectively own less than 20 percent of the voting stock.
- Twenty (20) percent of the profits interest of a partnership or joint venture or the beneficial interest of a trust or similar entity.
- Any interest in a sole proprietorship. According to Treas. Reg. Section 53.4943-10(e), a sole proprietorship is a business enterprise which is actually and directly owned by the private foundation and not held by a corporation, trust, or other business entity for the foundation. Further, to be considered a sole proprietorship, the foundation must have a 100 percent equity interest. If the foundation has less than a 100 percent equity interest, the business enterprise would be treated as a partnership for the purposes of the excess business holding rules.

Donor-advised funds receiving gifts of interests in a business enterprise have five (5) years from the receipt of the interest to divest holdings that are above the permitted amount. Excess holding acquired by purchase must be disposed of immediately. If purchases by disqualified persons cause the donor-advised fund to have excess holdings, the donor-advised fund will have 90 days to dispose of the excess. This provision is designed to remove the ability of family members to maintain control of the family business through a Donor Advised Fund.

Advisor Succession: The advisor or advisors to a Fund are named by the donor at the time the Fund is established. At that time or at a later date, the donor may name an advisor to succeed him or her upon his or her death or resignation. The donor must identify his or her successor by name (i.e. “John Smith,” not “my child”) and provide the successor’s most recent mailing address. Each succeeding advisor may also identify in writing a subsequent successor in the same manner. If the Foundation has received no written notification of a successor advisor during the life of the advisor and no indication within 12 months of the advisor’s death that a successor was named in a will, the Fund will be directed by the CREATE Foundation Board of Directors.

Scholarship Funds (Endowed and Pass-Thru): Scholarship Funds can be designated for any level of education, a particular field of study, a specific university, or a specific county or area; and the income is distributed by the Foundation taking into consideration recommendations of an advisory committee.

Endowed Restricted Funds:

Education –An Education Fund is classified as an Advised Fund, and the income is distributed by the Foundation in a manner restricted to an *educational purpose* taking into consideration recommendations of an advisory committee.

Field-of-Interest –A Field-of-Interest Fund is classified as an Advised Fund, and the income is distributed by the Foundation in a manner restricted to a *specific area of interest* taking into consideration recommendations of a donor.

Designated –A Designated Fund is classified as an Advised Fund, and the income is distributed by the Foundation in a manner restricted to a *specific organization* taking into consideration recommendations of a donor.

Community Affiliated Funds –A Community Affiliated Fund is classified as an Advised Fund, and the income is distributed by the Foundation in an “unrestricted” manner to a geographic area in the affiliate’s County taking into consideration recommendations of an advisory committee.

Organizational Affiliated Funds – An Organizational Affiliated Fund is classified as an Advised Fund, and the income is distributed by the Foundation in an “unrestricted” manner to the specific non-profit organization.

Supporting Organization Funds

The Foundation offers supporting organizations as charitable options to advised funds and private foundations.

The activities that the supporting organization engages in for or on behalf of the Create Foundation must be activities to perform the functions of, or to carry out the purposes of, the Create Foundation, and, but for the involvement of the supporting organization, would normally be engaged in by the Foundation itself.

Options for fees and services are outlined in a separate Foundation document.

Supporting organizations may terminate into a philanthropic restricted or unrestricted fund of the Foundation or with the approval of the Foundation Board of Directors, may substitute another supported organization for the Create Foundation.

All requests for supporting organizations will require approval of the Gift Acceptance Committee. If the Committee approves a Type I supporting organization, it will be reported to the Foundation Board of Directors with a request for appointment of a majority of the supporting organization’s board of directors. If the Committee approves a Type II or Type III supporting organization, the Committee’s recommendation for approval will be forwarded to the Foundation’s Board of Directors for consideration.

ACKNOWLEDGMENT

Donors shall receive an expression of sincere thanks and gratitude from the Foundation and an acknowledgement of the gift in accordance with federal regulations.

PUBLICITY

No public media exposure with respect to a donor's gift will be generated without the consent of the donor.

RESTRICTIONS

In conformance with Treasury Department regulations governing community foundations, gifts to the Foundation may not be directly or indirectly subjected by a donor to any material restriction or condition that prevents the Foundation from freely and effectively employing the transferred assets, or the income derived therefrom, in furtherance of its exempt purposes.

ACTING AS TRUSTEE

By opinion of Legal Counsel, the Foundation may not serve as a trustee. Further, no employee shall serve as a trustee, conservator, executor, or personal representative for one of the Foundation's donors or prospects unless specifically approved by the Foundation President/CEO. The Board of Directors will be made aware of such trusteeships. All officers shall report such relationships in the "Related Parties" section as provided periodically to the Board of Directors in their monthly Meeting Book.

INVESTMENT OF GIFTS

It is the policy of the Foundation to convert all gifts to cash as soon as possible. The Foundation reserves the right to make any or all investment decisions regarding gifts in accordance with its Investment Policy.

In making a gift to the Foundation, donors give up all rights, title, and interest to the assets contributed. In particular, donors give up the right to choose investments and investment managers, brokers, or to veto investment choices for their gifts.

However, when the size of a fund warrants separate investment consideration, the Foundation will endeavor to accommodate requests from donors for separate investment of fund assets, or use of a particular investment manager, broker or agent in accordance with the Investment Policy, and may consult with donors on investment options for such funds.

COSTS OF ACCEPTING AND ADMINISTERING GIFTS

Generally, costs associated with the acceptance of a gift such as attorney fees, accounting fees, other professional fees as well as other costs to establish a gift such as appraisal, escrow, evaluation, and environmental assessment fees will be borne by the donor.

The direct costs of administering outright and planned gifts of the Foundation will be borne from the assets of the individual funds, except for those special circumstances as determined by the Gift Acceptance Committee. Custodial, investment, and administrative fees will be paid from the respective funds in accordance with the Foundation's guidelines and fee schedules.

CONFIDENTIALITY

Foundation staff shall maintain strict control over files and information received from or about donors or prospective donors so as to maintain confidentiality of such information.

PUBLIC FUND RAISING

Fundraising undertaken by donors in connection with funds of the Foundation require special consideration. See Appendix C.

AUTHORITY TO NEGOTIATE

The Foundation management and administrative officers authorized to accept agreements and amendments thereto and to negotiate and sign charitable giving agreements with prospective donors are:

- President/CEO
- Vice President, Finance & Administration

Appendix A

MODEL STANDARDS OF PRACTICE FOR THE CHARITABLE GIFT PLANNER

PREAMBLE

The purpose of this statement is to encourage responsible gift planning by urging the adoption of the following Standards of Practice by all individuals who work in the charitable gift planning process, gift planning officers, fund raising consultants, attorneys, accountants, financial planners, life insurance agents and other financial services professionals (collectively referred to hereafter as "Gift Planners"), and by the institutions that these persons represent.

This statement recognizes that the solicitation, planning and administration of a charitable gift is a complex process involving philanthropic, personal, financial, and tax considerations, and as such often involves professionals from various disciplines whose goals should include working together to structure a gift that achieves a fair and proper balance between the interests of the donor and the purposes of the charitable institution.

I. PRIMACY OF PHILANTHROPIC MOTIVATION

The principal basis for making a charitable gift should be a desire on the part of the donor to support the work of charitable institutions.

II. EXPLANATION OF TAX IMPLICATIONS

Congress has provided tax incentives for charitable giving, and the emphasis in this statement on philanthropic motivation in no way minimizes the necessity and appropriateness of a full and accurate explanation by the Gift Planner of those incentives and their implications.

III. FULL DISCLOSURE

It is essential to the gift planning process that the role and relationships of all parties involved, including how and by whom each is compensated, be fully disclosed to the donor. A Gift Planner shall not act or purport to act as a representative of any charity without the express knowledge and approval of the charity, and shall not, while employed by the charity, act or purport to act as a representative of the donor, without the express consent of both the charity and the donor.

IV. COMPENSATION

Compensation paid to Gift Planners shall be reasonable and proportionate to the services provided. Payment of finders fees, commissions or other fees by a donee organization to an independent Gift Planner as a condition for the delivery of a gift are never appropriate. Such payments lead to abusive practices and may violate certain state and federal regulations. Likewise, commission-based compensation for Gift Planners who are employed by a charitable institution is never appropriate.

V. COMPETENCE AND PROFESSIONALISM

The Gift Planner should strive to achieve and maintain a high degree of competence in his or her chosen area, and shall advise donors only in areas in which he or she is professionally

qualified. It is a hallmark of professionalism for Gift Planners that they realize when they have reached the limits of their knowledge and expertise, and as a result, should include other professionals in the process. Such relationships should be characterized by courtesy, tact and mutual respect.

VI. CONSULTATION WITH INDEPENDENT ADVISORS

A Gift Planner acting on behalf of a charity shall in all cases strongly encourage the donor to discuss the proposed gift with competent independent legal and tax advisors of the donor's choice.

VII. CONSULTATION WITH CHARITIES

Although Gift Planners frequently and properly counsel donors concerning specific charitable gifts without the prior knowledge or approval of the donee organization, the Gift Planners, in order to insure that the gift will accomplish the donor's objectives, should encourage the donor, early in the gift planning process, to discuss the proposed gift with the charity to whom the gift is to be made. In cases where the donor desires anonymity, the Gift Planners shall endeavor, on behalf of the undisclosed donor, to obtain the charity's input in the gift planning process.

VIII. DESCRIPTION AND REPRESENTATION OF GIFT

The Gift Planner shall make every effort to assure that the donor receives a full description and an accurate representation of all aspects of any proposed charitable gift plan. The consequences for the charity, the donor and, where applicable, the donor's family, should be apparent, and the assumptions underlying any financial illustrations should be realistic.

IX. FULL COMPLIANCE

A Gift Planner shall fully comply with and shall encourage other parties in the gift planning process to fully comply with both the letter and spirit of all applicable federal and state laws and regulations.

X. PUBLIC TRUST

Gift Planners shall, in all dealings with donors, institutions and other professionals, act with fairness, honesty, integrity and openness. Except for compensation received for services, the terms of which have been disclosed to the donor, they shall have no vested interest that could result in personal gain.

Adopted and subscribed to by the National Committee on Planned Giving and the American Council on Gift Annuities, May 7, 1991. Revised April 1999.

Appendix B

Forms of Gifts to the Foundation

Gifts to the Foundation take on a variety of forms. Many are outright gifts by living donors, either on a one-time or periodic basis. Others are testamentary gifts that take effect upon a donor's death or other forms of deferred gifts.

If the value of a gift other than cash or marketable securities exceeds \$5,000, a donor is required to have a qualified appraisal performed and submitted to the IRS on form 8283. If such gifts are sold within two years of receipt at a price other than the appraised value, Form 8282 must be filed by the Foundation.

The Foundation reserves the right to accept or reject any gift as it sees fit. It is the policy of the Foundation to convert all gifts to cash as soon as possible. Real estate and other assets which have potential liability associated with them will only be accepted by Create Foundation, Inc. upon Foundation Board approval.

Cash

The Foundation accepts cash, checks, or money orders made payable to the Foundation or any of its funds.

Marketable Securities

The Foundation will add the net proceeds of a marketable securities contribution to a fund of the Foundation. The Foundation will govern the disposition of securities, and will make all decisions regarding the sale or retention of securities.

Stock in Privately Owned Companies and Partnerships

Donors wishing to make gifts of stock in a closely-held corporation or S corporation or a gift of a partnership interest, must have it valued by a qualified independent accounting or appraisal company prior to making a contribution. If it is immediately marketable, it will be sold. Otherwise, it will be held by the Foundation until it may be redeemed or sold for cash.

Generally, the Foundation does not accept gifts of general partnership interests due to potentially unlimited liability.

The acceptability of a gift of closely-held stock, S corporation stock, or a partnership interest will depend on the ultimate financial liability of the Foundation, the amount of management attention required, whether the gift provides minority or majority control, or whether the donor requires that such interest not be sold.

Consideration will be given to whether the S corporation stock or partnership interest generates unrelated business taxable income, if there is corresponding revenue to pay such

taxes, the nature of the business, recordkeeping and accounting requirements, and how quickly the gift can be converted to cash.

Pooled Income and Gift Annuities

The Foundation offers a pooled income fund and gift annuity contracts. Income beneficiaries are limited to two and must be 50 years old when entering into the contract. The charitable remainder interest must be designated for an existing or new endowed fund at the Foundation.

Life Insurance Policies

The Foundation will accept gifts of permanent life insurance policies if the Foundation is named as owner of or is assigned ownership in such policies. Policies continuing on a premium-paying basis will be maintained as such by the Foundation so long as gifts are made to the Foundation in the amount of the premiums due. Premiums can be of a reducing amount if dividends are directed toward future premiums. Should such premium gifts not be forthcoming, the Foundation may, on the recommendation of the Gift Acceptance Committee, elect:

- To have the Foundation continue the premium payments.
- To surrender the policy in exchange for its cash surrender value.
- To invoke procedures under which the existing policy values can sustain the policy without further outlay of Foundation funds for premium. This can take on any of the following forms:
 - Change the dividends to Net (Have the dividends pay future premiums)
 - Use the Automatic Premium Loan feature (Borrow against the cash value to pay future premiums)
 - Use a combination of the two previous options (Have the dividends pay as much of the premium as possible and borrow against the cash value for the remainder amount)
 - Change the policy to Paid-Up in which case, no more premiums will be due

The Foundation discourages the contributions of life insurance policies subject to policy loans and reserves the right to accept or reject such policies as well as those carrying assignments to other entities. The Foundation will consider its own interest and the best interest of the donor in the light of tax ramifications in determining on a case-by-case basis the acceptability of encumbered life insurance policies. Particular care will be given to problems of self-dealing, jeopardy investments, and unrelated business income in this regard.

Gifts Naming Multiple Beneficiaries

From time-to-time, donors may wish to designate multiple beneficiaries of the proceeds from their life insurance policies, IRA's, other qualified retirement plans, pooled income funds, gift annuities, or other forms of gifts to the Foundation. It will be encouraged that other charitable organizations be named as beneficiaries on the contract. However, if the Foundation is selected as sole beneficiary and then requested to distribute funds to other organizations, the following guidelines shall apply:

- A. The Committee will take into consideration the amount of the total gift, the amount designated for the Foundation both discretionary and restricted, the added value to the community, and in the case of life insurance policies, whether or not the premiums are paid up.
- B. In the case where the Foundation becomes the sole owner of a donor's life insurance policy, the Foundation subsequently has the exclusive right to change the beneficiary/distributee designations. It can then name the Foundation or other charitable organizations as beneficiaries. These other charitable organizations must qualify as such under Section 501 (c) (3) and which are described under section 170(b)(1)(A) of the Internal Revenue Code.

If a policy beneficiary/distributee designation is to be changed to a charitable organization other than the Foundation, the Foundation shall consider the charitable intentions of the donor. It is understood, however, that a donor's recommendations in this regard are advisory and that the Foundation, as owner of the policy, retains exclusive authority to direct the death benefits, maturity, and surrender proceeds of the policy.

Real Property

If a donor wishes to contribute real property or an interest in real property to the Foundation either directly or through a life estate arrangement, the Gift Acceptance Committee shall consider all facts and circumstances in determining whether to recommend accepting the gift. Donors always should be advised to confer with their own counsel to review the terms of the gift.

Following the Appendixes is the *Create Foundation Real Estate Acquisition Checklist*. This checklist will be utilized for all transactions involving real estate gifts.

Tangible Personal Property

The donor will be advised whether the gift will be retained and used by the Foundation or disposed of immediately.

Accounts Receivable

The Foundation will consider gifts of loans, notes, and mortgages, subject to review by the Gift Acceptance Committee.

Appendix C

Public Fundraising for Endowed Funds of the Foundation

The Foundation is staffed to develop endowment and other funds through the acquisition of major and planned gifts and to cultivate new and existing relationships with donors. The Foundation is not equipped to operate public fundraising events for its funds. In general, the Foundation will administer a public fundraising event in association with a fund only under extenuating circumstances.

Public fundraising events refer to those special events that are intended to raise dollars for funds. For example, a golf outing, fundraising dinner, raffle, or other special event would be considered a public fundraising event. The term is not intended to encompass the annual giving to funds through the Foundation's year-end letter and other solicitations for purely charitable purposes.

Foundation Approval of Events

In the event the Foundation approves a fundraising event, the guidelines listed below must be adhered to. These guidelines encompass the legal and other requirements the Foundation is subject to and, therefore, must be abided by.

Before undertaking public fundraising events, the fundraising event coordinator will define to the Foundation each program, event, or other effort to raise money for the fund. The fundraising event coordinator will then obtain Foundation approval to proceed according to Foundation guidelines. All uses of the Foundation's name in advertising and promotion must be approved in advance by the Foundation's Marketing Communications officer.

Responsibilities of the Foundation

The Foundation is held accountable for all public fundraising events related to funds of the Foundation. It cannot delegate this responsibility to any other parties. In considering whether to approve the event, staff should take into account the following responsibilities:

- Budget and payment of expenses
 - Who will prepare a budget?
 - Who will be responsible for authorization for and payment of expenses?
 - Who will oversee the budget and ensure that the budget is adhered to?
 - Will the Foundation assess a special administrative fee for this service?

- Compliance with laws
 - Is the event included under the scope of the annual solicitation license?
 - Is there a need for a special raffle or gambling license?
 - Are the appropriate sales taxes being collected on items sold and who will file the sales tax return?
 - Is there a clear understanding that the expenses of fundraising events are not exempt from sales tax?

- Liability covering the Foundation
 - Is there a need for additional general liability or other insurance due to the event?
 - Should a letter of credit or a written personal guarantee be provided?

- Acknowledgements
 - If the contributors receive goods or services in return for their payment, who will determine the appropriate charitable portion of the payment so that correct tax acknowledgements will be prepared?

- Management of money and property received from the event
 - Will all checks be made payable to the fund at the Foundation?
 - Where should checks and other forms of payment be sent?
 - If someone else is collecting cash, what safeguards need to be in place?

- Application of income and principal to charitable uses
 - Can the fund be administered in the manner in which it is advertised?

**CREATE FOUNDATION, INC.
Real Estate Acquisition Checklist**

Description of property: _____

Task

**Completed by
and date**

CONSIDERATIONS BEFORE ACCEPTANCE OF GIFT

Request that the donor pay all costs associated with acceptance of property including title insurance policy, survey, environmental, and legal costs

Review gift acceptance policies

EVIDENCE OF CLEAR TITLE

Obtain title insurance commitment before acquiring title

Items to deliver to title company if available:

Recent prior title policy

Abstract

Condominium project

Master deed

Letter from association verifying status of assessments

Obtain title insurance policy after taking title

EVIDENCE OF BOUNDARIES

Assess need for survey

Obtain recent survey and review

Obtain mortgage report and review

Determine if any improvements subsequent to survey

Determine if surrounding properties are improved

Obtain a survey

Residential properties - stake survey

Commercial properties - ALTA survey

Task

**Completed by
and date**

EVIDENCE OF CONDITION OF PROPERTY

Environmental

Obtain Phase I Environmental Site Assessment

Have Phase I reviewed by attorney

Obtain Phase II sampling if any "recognized environmental conditions" were identified in Phase I

Have Phase II reviewed by attorney

Obtain Baseline Environmental Assessment if property meets definition as a "facility" - must be performed within _____ days of transfer

Have BEA reviewed by MDEQ - fee is \$_____

Obtain sellers disclosure statement

Obtain building inspection

Check with local government for code/ordinance violations

Obtain well/septic inspection

RENTAL PROPERTIES

Confirm zoning compliance with local government including use, setbacks, parking, square footage, and city registration

Obtain copies of leases

Verify Lessor right to assign

Verify no pending real estate commissions

Verify existence and amount of security deposits

Obtain copies of service contracts and management contracts

Obtain estoppel certificate

Verify no lessor defaults

Verify no oral agreements

Obtain copy of approved site plan

Task

**Completed by
and date**

TRANSFER OF TITLE

Obtain warranty deed transferring title to Create Foundation, Inc. - usually prepared by donor's attorney

Record deed with county clerks office - fee is \$_____

Obtain assignment of lease

File Property Transfer Affidavit - since property is transferred for less than \$100 there is no tax on transfer

File Real Estate Transfer Tax Valuation Affidavit

Upon presentation by the donor, sign Form 8283 for donors tax return

SALE OF PROPERTY

Listing of property with broker – suggest no more than 10% commission and 6 months in length with a three month protected period following listing term expiration

Prepare and file Form 8282 if property sold within 2 years of gift

LIABILITY AND CASUALTY INSURANCE

Obtain liability and casualty insurance. In instances where partial ownership is conveyed the primary owners are required to name Create Foundation, Inc. as an additional named insured with evidence of such being remitted to the Foundation.

APPROVAL

The Foundation Board should be apprised of the pending gift and subsequently approve the acceptance of the gift with minutes of the meeting either in person or by written/verbal communication being prepared and signed by the Foundation Board.