

Financial Spotlight:

PARTNERING FOR THE FUTURE

Nearly 10 years ago, Nancy Kurfess Johnson, M.D. (FSM '48, MED '54) had a big decision to make. Earlier in life, she thought she might want to live by the ocean later on, and so purchased a vacation rental home. But by 1999, she had changed her plans and didn't know quite what to do with the property. After consulting with her financial advisor, she determined that a possible course of action was to give the property jointly to Case Western Reserve University and the Cleveland Orchestra. The proceeds of the sale would fund two charitable remainder trusts. This decision provided significant tax advantages in the short term and allowed her to create an income stream for herself for life and for her two sons for a ten-year term. Johnson was also pleased to be giving something back to Case Western Reserve through the remaining balance of her trusts. "I came straight to Flora Stone Mather College from a farm family—the oldest of four," she notes. "The full tuition scholarship I received was 100 percent responsible for my success in life."



“I needed to look for long-range income for my retirement. This was also a nice way to provide start-up income for my two boys during a time in their lives when I wanted to give them support.”

~ Nancy Kurfess Johnson, M.D.

Gifts of Real Estate

HOW DO THEY WORK?

Charitable gifts of real estate provide a variety of opportunities to benefit donors, their families, and Case Western Reserve. Outright gifts of property maximize tax benefits by allowing a donor to avoid any taxable capital gain on an appreciated property. It also allows the donor to deduct the full fair-market value for income tax purposes.

A range of alternative gift options can allow a donor the option of continuing to live in a primary residence through his or her lifetime—or the lifetime of another individual—before a property is sold, while still realizing partial tax benefits. If a donor moves out of the residence, the arrangement can be restructured to permit the use of another property.

For individuals who have relied on a property to produce income, they can use a gift of property to fund a life-income gift. In any of the many types of life-income gifts, the

donor designates a beneficiary or beneficiaries to receive income payments and names Case Western Reserve to receive the principal when the payment obligation is fulfilled.



To learn more about making a gift of real estate to Case Western Reserve, please contact John Shelley, executive director of planned giving at 216.368.4460 or giftplan@case.edu or visit www.case.edu/development/planned.