Procedures for Gifts of Real Estate

The University of Manitoba (hereinafter “the University”) has adopted the following procedures for the acceptance and disposition of gifts of real estate.

1) Offer by Donor

The Department of Development discusses the proposed gift with the donor and secures consent to have the offer proceed through the gift acceptance process. Donations of real estate require approval of the Board of Governors of the University prior to acceptance by the University.

2) Information Gathering and Preliminary Assessment

   a) Financial Information

During initial discussions with the donor about a gift of real estate, the Department of Development obtains pertinent information about the real estate. The donor will be advised that a recent professional appraisal and a certified copy of the Certificate of Title are required to facilitate the review process and substantiate the charitable donation receipt.

The appraisal should be done by a person, independent of the donor and the University, who is professionally qualified to evaluate the real estate in question. The donor is responsible for paying the cost of the appraisal and should be so advised before the appraisal is ordered. In special circumstances the University might agree to pay for the appraisal but only with the concurrence of the Gift Acceptance Committee. If the University, acting on its own initiative, orders a second appraisal, it will be responsible for paying for that appraisal.

If the real estate appears to be a desirable gift based on the initial general information, more specific financial information regarding equity, acquisition costs, holding costs, and estimated sales proceeds is gathered.

   b) Site Inspection and Environmental Audit

The Executive Assistant to the Vice-President (Administration), or delegate, completes a site inspection to verify the information gathered and orders a Phase One Environmental Audit and all other necessary due diligence searches, which must be completed before the University will consider accepting real estate. Should hazardous waste problems be
The purpose of this publication is to provide general information, not to render legal advice. In addition any changes in the tax structure may affect the examples listed in this information. You should consult your own lawyer or other professional advisor about the applicability to your situation.

3) Assessment by Gift Acceptance Committee
   a) The Gift Acceptance Committee consists of University senior staff representing the Office of the Vice-President (Administration), the Comptroller’s Office, the University’s Legal Counsel, the Department of Development and such other members as the Vice-President (Administration) may designate from time to time.
   b) The Gift Acceptance Committee considers offers of gifts of real estate and prepares a recommendation with regard to the acceptance or rejection of the gift for subsequent consideration by the Vice-President (Administration) and the University’s Board of Governors, through its Finance, Administration, and Human Resources Committee. Any conditions of acceptance will be clearly outlined.
   c) In preparing its recommendation, the Gift Acceptance Committee assesses whether receipt of the real estate would be in the best interests of the University. A determination is made based on a site inspection and a Phase One Environmental Audit secured by the Executive Assistant to the Vice-President (Administration) and on such other information as may be requested by the Committee.
   d) If approved by the Vice-President (Administration), the offer is considered by the Finance, Administration, and Human Resources Committee whose recommendation will, in turn, be dealt with by the Board of Governors in the manner described below.
   e) Should the recommendation at any point be that the University decline the gift, the Department of Development will advise the donor(s) in writing immediately.

4) Negotiation of the Deed of Gift
   Should the Office of the Vice-President (Administration) recommend the acceptance of the real estate, a Deed of Gift that is agreeable to the donor(s) and the University is negotiated and drafted. The Executive Assistant to the Vice-President (Administration), in consultation with the University’s Legal Counsel, sees that all documents for conveying the real estate and agreements with donors are prepared and executed.

5) Approval by the Board of Governors
   The recommended Deed of Gift is considered and ruled upon by the Finance and Administration Committee of the Board of Governors. The Board of Governors, in turn, considers the decision of the Finance, Administration, and Human Resources Committee. Upon approval by the Board of Governors, the donor is advised in writing.
6) **Conditions of Acceptance**
Gifts of real estate will be considered in the context of the University’s general Gift Acceptance Policies and Procedures.

7) **Receipt**
The Department of Development sends a Receipt to the donor for the appraised value of the real estate, as approved by the Board of Governors. The receipt, dated on the date of transfer, is prepared and sent to the donor or his/her representative, accompanied by a letter acknowledging the gift and reiterating the purpose.

8) **Transfer and Management of Real Estate**
a) The form of transfer may be prepared by the donor’s lawyer and then reviewed by the University’s Legal Department.

b) When the form of transfer has been registered at the Land Titles Office, the University will request a new copy for retention in its Office of the Vice-President (Administration).

c) After title to the real estate has been transferred to the University, the Office of the Vice-President (Administration), in consultation with the Executive Assistant to the Vice-President (Administration), where appropriate, shall be responsible for the management and sale of real estate. The Executive Assistant to the Vice-President (Administration) shall make sure that the real estate is adequately insured and maintained, and shall make arrangements for collection of rents and payment of expenses. Costs shall be borne by the subject real estate and paid either from net income or sales proceeds.

d) The University will normally sell or otherwise dispose of donated real estate, except in cases where it is deemed to be advantageous for the University to retain or hold the real estate.

9) **Subsequent Sale and Transfer**
All aspects of the sale or disposition of the real estate are handled by the Executive Assistant to the Vice-President (Administration). Following the sale, the net proceeds, or any net revenues available after paying all expenses will be used for the benefit of the University, pursuant to the terms of the Deed of Gift.

For more information contact:
Manager, Planned Giving, University of Manitoba
Department of Development, 179 Extended Education Complex
Winnipeg, MB R3T 2N2
Tel.: (204) 474-9195 or Toll Free: 1-800-330-8066
Fax: (204) 474-7635 Email: planned_giving@umanitoba.ca

The purpose of this publication is to provide general information, not to render legal advice. In addition any changes in the tax structure may affect the examples listed in this information. You should consult your own lawyer or other professional advisor about the applicability to your situation.
REAL ESTATE INFORMATION SHEET

Real Estate Information

Donor: ____________________________________________________________

Address: ___________________________________________________________

Telephone: ___________________________

Real estate address or location

________________________________________________________________________

Year acquired and adjusted cost base ________________________________

Type of real estate _________________________________________________

Zoning ___________________________

Tax parcel number(s) ________________________________________________

Estimate of current market value _______________________________________

Assessed value: Land ___________ Improvements _________________

Taxes: _____________________________________________________________

Title Information

How is title held by the donor? _______________________________________

Is this a full interest? ___________________________

Partial interest? ___________________________

If a partial interest, list names and addresses of other owners:

_____________________________________________________________________

_____________________________________________________________________

Is there any claim against the title? Yes ☐ No ☐

If yes, please describe:

_____________________________________________________________________

☐ Appraisal attached

☐ Certified copy of Certificate of Title attached

The purpose of this publication is to provide general information, not to render legal advice. In addition any changes in the tax structure may affect the examples listed in this information. You should consult your own lawyer or other professional advisor about the applicability to your situation.
The purpose of this publication is to provide general information, not to render legal advice. In addition any changes in the tax structure may affect the examples listed in this information. You should consult your own lawyer or other professional advisor about the applicability to your situation.

## Financial Information

### Value of Real estate
- Appraised value of real estate: $\
- Mortgage balance: ($\)
- Equity in real estate: $\

### Costs Associated with Acquiring Real estate
- Any amount to be paid to donor: $\
- Mortgage to be paid off: $\
- Mortgage transfer fee: $\
- Third party interest to be purchased: $\
- Back taxes or assessments: $\
- Legal and recording fees: $\
- Title fees and insurance: $\
- Other: $\

**Total**: $\

### Annual Cash Flow

#### Expenses
- Instalment payments: $\
- Real estate taxes: $\
- Insurance: $\
- Real estate management: $\
- Real estate owners association: $\
- Maintenance: $\
- Security: $\
- Utilities: $\
- Other: $\

**Total**: $\

#### Revenues
- Rents: $\
- Other: $\

**Total**: $\

**Annual net income or (loss)**: $\

### Sale Costs
- Appraisals: $\
- Broker’s fees: $\
- Repairs and improvements: $\
- Legal, recording and title fees: $\
- Transfer taxes: $\
- Other: $\

**Total**: $\

Name of person preparing report: ______________________  Date:  ________________