

GIANT, IMPORTANT DISCLAIMER: WE AREN'T GIVING LEGAL, TAX OR FINANCIAL ADVICE. PLEASE SEEK YOUR OWN COUNSEL FOR ANY DONATIONS. MANY OF THESE QUESTIONS ARE OPEN TO SOME INTERPRETATION, ARE GENERAL IN NATURE OR ARE UNIQUE TO A PARTICULAR JURISDICTION. ASSUME ALL ANSWERS ARE WRONG UNTIL YOU/YOUR DONOR CONFIRMS WITH HER/HIS ADVISOR.

**Q & A from “A Forensic Deconstructed Post-Mortem: 2024 Noncash Activity Breakdown with 2025 Trends”
<March, 2025>**

<p>Have the real estate gifts faced any complications from the increasing challenges from not being able to get insured (in areas where there's flooding or fire risks)?</p>	<p>Yes, and as discussed, we anticipate this problem will (unfortunately) get worse and not better. The master policy we hold, and which properties can easily be added to has helped, but that does not cover every property and situation.</p>
<p>Do you always convert crypto gifts to USD once received?</p>	<p>Yes, almost immediately in most cases.</p>
<p>How much more challenging has the due diligence and valuation on commercial real estate become given the shift to remote work in the last five years? Could you provide us with a reasonable timeframe for Charitable Solutions to perform the due diligence on various types of commercial real estate? Thanks.</p>	<p>Remote work may have an impact on the leases within a commercial property and may have an impact on the marketability for selling the property. Those are items we would evaluate during due diligence and may impact our decision to take the property. We rely heavily on local property managers and/or realtors for in-person inspection with commercial real estate. Due diligence for that type of property takes 1-2 weeks, but can be longer if, for example a Phase I is needed.</p>

<p>Do you see any common use cases for business owners wanting to gift assets rather than equity in the business?</p>	<p>Sometimes, it depends on both the tax and ownership structures of the business. A large partnership would have a hard time donating assets, since all partners would need to agree on the donation. On the other hand, you don't normally see donations of assets by corporations at all because of the limited tax benefit. So it really needs to be a small partnership or S-corp with highly appreciated assets that still qualify for donation.</p>
<p>Is there a marked difference between office versus warehouse or industrial commercial real estate?</p>	<p>Yes. The latter category can have significantly more risk from an environmental standpoint and can be much more costly if vacant.</p>
<p>The ACGA will be hosting a Webinar on Thursday, April 17th at 12:00 EDT on Funding CGAs with Non-Cash Assets, presented by Paul Casperson and Johnne Syverson with National Gift Annuity Foundation. Register at acga@acga-web.org.</p>	<p>Thanks, Johnne. We recommend that all March webinar attendees tune in!</p>
<p>There was a lot of pushback from the sector on the DAF regs, and now we are under a regulatory freeze.</p>	<p>This comment from Russ Willis references the proposed DAF regs, under public comment in early 2024 and with no action taken since.</p>
<p>Will the slides be shared after the webinar?</p>	<p>We will not share slides, but the recording will be on our YouTube channel and website.</p>
<p>You said that there was a spike in DAF giving in 2021. Do you also track distributions from DAFs to charities?</p>	<p>For our board, yes. I did not have the grant numbers pulled up during the webinar, but here they are since 2018:</p> <ul style="list-style-type: none"> 2018: \$133.8mm 2019: \$175.8mm 2020: \$167.5mm 2021: \$385.7mm 2022: \$497.0mm 2023: \$381.8mm 2024: \$601.5mm (unaudited)

As you can see, there was a significant jump in 2021 and 2022 grant activity. Recalling that the grant activity does somewhat trail donation activity, since many gifts take months to liquidate. So many year-end donations are not liquidated and granted until the following year.

We do not track the gifts and grants of other DAF programs but know DAF Research Collaborative, National Philanthropic Trust, Ohio State and other groups research and report on the larger DAF landscape.