

POLICY – REAL ESTATE

FOR ACCEPTANCE OF REAL PROPERTY

- I. Real property may be accepted as a gift or acquired by other means agreed upon by the USM Foundation (USMF) as long as it conforms to USM policies for solicitations and contributions, and as long as it meets the following criteria and requirements:

A. System-related Property:

(Property that will be held and/or developed for the benefit of the University System of Maryland.)

All expenses that USMF incurs in holding such property shall be reimbursed according to the terms of an agreement with the System.

B. Investment Property:

(Property that will be held or developed in order to provide income to USMF.)

USMF may retain ownership of the land, and will participate in the profits of its development in conjunction with experienced private sector development companies. Proposals for the development of any investment property shall be approved by the Enterprise Committee and the Executive Committee before submission to the Board of Directors for final approval.

C. Other Property:

(Property that does not lend itself to profitable development or use by the System or USMF.)

Normally, the minimum value of real property USMF will accept, but neither uses or develops, shall be \$25,000, as based upon a current appraisal provided by the prospective donor at the time of the proffer of the property.

The minimum value of real property given to a charitable remainder unitrust shall be \$50,000, as based upon a current appraisal provided by the prospective donor at the time of the proffer of the gift.

Upon acceptance, USMF may either immediately place this property for sale or hold for future appreciation, at its option.

USMF will generally not accept the following types of real property:

- time share units;
- distressed property *(property that would require USMF to make major repairs, or to provide for renovation or remodeling to be considered salable);*
- mortgaged property *(except in the most exceptional of circumstances);*
- obsolete property *(property on which a zoning change or use has seriously and detrimentally affected the value of the property to such an extent that it can no longer be profitably used);*
- environmentally damaged property.

- II. USMF may contract for the provision of real estate services (e.g., real estate brokerage services) for its benefit, or for that of the System, if approved by the USMF Board of Directors.