

**WAC 256-30-100 Acceptance of real estate.** (1) The society may accept gifts of developed or undeveloped real estate. The following requirements apply to the acceptance of real estate:

(a) Acceptance of real estate is contingent on formal approval of the society's board of trustees;

(b) Acceptance of property shall not violate any federal, state or local statute or ordinance;

(c) The property shall be useful for the society's purposes;

(d) The purpose for which the item is being donated shall be permissible under the state expenditure rules which apply to donations to the society;

(e) The property shall be marketable;

(f) The donor agrees that the property can be sold at the society's discretion;

(g) Acceptance of property shall not violate any federal, state or local statute or ordinance; and the purpose for which the item is being donated is permissible under the state expenditure rules which apply to donations to the society;

(h) The society shall adhere to all IRS requirements relating to the disposition of gifts of real estate and shall provide appropriate forms to the donor and IRS where required;

(i) Acceptance of the property shall not interfere with the proper management and operations of the society;

(j) The acceptance of the real estate shall not place excessive burdens on the available society space, staff or budget;

(k) Possession of the property shall not place the society in violation of the Federal Occupational Safety and Health Act (OSHA) or the Washington Industrial Safety and Health Act (WISHA);

(l) Property does not require the society to employ a specified person now or at a future date;

(m) Property serves the mission, goals, and interests of the society;

(n) Property cannot generate unrelated business income to the society which may jeopardize its tax-exempt status; and

(o) Acceptance of the property shall be financially sound.

(2) Prior to any acceptance of real estate the following is required:

(a) Gifts of real estate must first be reviewed by the society's board of trustees before acceptance;

(b) The donor normally is responsible for obtaining and paying for an appraisal of the property. The appraisal must be performed by an independent, qualified appraiser;

(c) The society's board of trustees may require an environmental appraisal of any proposed gift of real estate;

(d) The appraisal shall contain photographs of the property, the tax map number, the assessed value, the current asking price, a legal description of the property, the zoning status, and complete information regarding all mortgages, liens, litigation, title disputes, and any environmental involvement;

(e) Depending on the value and desirability of the gift, the donor's connection with the society, and the donor's past gift record, the donor may be asked to pay for all or a portion of the following:

(i) Maintenance costs, if any;

(ii) Real estate taxes due prior to date of conveyance;

(iii) Insurance;

(iv) Real estate broker's commission and other costs of sale;

(v) Appraisal and preliminary title report costs; and

(vi) Environmental appraisal.

(f) The property shall be conveyed by warranty deed prior to the execution of any contract of sale by the grantor; and

(g) The value of any gift of real estate shall be its appraised value; however, this value may be reduced by costs of maintenance, insurance, real estate taxes, broker's commissions, and other expenses of sale incurred by the society.

[Statutory Authority: Chapter 27.34 RCW, RCW 42.56.040, 27.34.070, and 43.21C.120. WSR 17-07-057, § 256-30-100, filed 3/11/17, effective 4/11/17.]