

The Benefits of a
Bargain Sale



Sell property,
generate tax savings
and support the
causes you care
about

L A C C
LOS ANGELES CITY COLLEGE
FOUNDATION

Are you thinking about selling your home, vacation home, rental property, vacant land or farmland? Are you looking for a way to support the causes that matter most to you? If so, we would like to suggest a bargain sale. A bargain sale is an easy and tax-smart way to sell real estate while helping our organization.

Bargain Sale A Stress-Free Idea

With a bargain sale, we will work with you to find an agreeable sales price and help you designate how your gift will be used to support our mission.

A bargain sale is a way to sell your property, support our cause and receive some very nice tax benefits. Here are a few of the benefits:

- You will have the satisfaction of supporting the causes that matter most to you.
- You can achieve your goal of selling your real estate while also reducing or eliminating capital gains taxes and receiving a nice tax deduction.
- You will not have to deal with the normal frustrations associated with selling real estate, such as endless showings or finding a qualified buyer.

Getting Started with a Bargain Sale

If you own property you wish to sell, and a bargain sale sounds appealing, here are a few steps you can take to get started:

- Get a qualified appraisal to determine your property's value.
- Contact us to discuss a sales price that works for you and us.
- Work with us on the sale transaction.

How a Bargain Sale Works

A bargain sale can benefit you and our mission. Here is how it works:

- We agree to buy the real estate for a sales price that is less than fair market value.
- You sell the property to us at the mutually agreeable price.
- You receive cash for the sales price, and the difference between the sales price and the fair market value of the property is a charitable gift for which you will receive a charitable income tax deduction.



You gain more by selling the property to us in a bargain sale.

- You can sell the property now, rather than waiting for a buyer and negotiating a sale. Selling now means you will not have to make any future mortgage or property tax payments.
- You will receive a charitable income tax deduction based on your charitable gift (equivalent to the discount in the sales price).
You do not pay capital gains on the charitable gift portion.
- You have the added benefit of knowing your property will be used for our mission.

Definitions

Capital Gains Tax

A tax due when you sell a capital asset. The tax is based on the difference between the current value of an asset and your cost basis (often what you paid to acquire the asset).

Bargain Sale

The sale of an asset to a charity for a price that is less than fair market value. The donor receives cash and is allowed to take a charitable income tax deduction for the difference between the fair market value and the cash amount received.



May We Help You?

If you have any questions about the benefits of a bargain sale, please contact us. We would be delighted to talk with you and answer any questions that you have regarding how this plan can help you sell your property, receive tax benefits and support our cause.

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