

Is Real Estate Becoming the Tax Engine of Philanthropy?

A new trend in charitable giving raises questions about infrastructure readiness

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THE DATA

4.2%

Real Estate in Charitable Giving

Of all charitable giving in 2025, according to the Lilly Family School of Philanthropy.

This marks a significant rise from previous years, where real estate donations were largely marginal. The shift signals donors increasingly recognizing the tax efficiency of gifting appreciated property rather than liquid assets. As more individuals opt for property-based giving, charitable infrastructure must evolve to support these transactions.



Source: Lilly Family School of Philanthropy · Published August 25, 2026

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Infrastructure Gaps in Charitable Real Estate Giving

Charities lack systems to efficiently process donations of real estate. Unlike stock or cash contributions, property donations require specialized handling including appraisals, title transfers, and legal compliance. Without robust infrastructure, donors may face delays or higher transaction costs, potentially deterring future giving.



02

Tax Efficiency Drives Shift in Giving Behavior

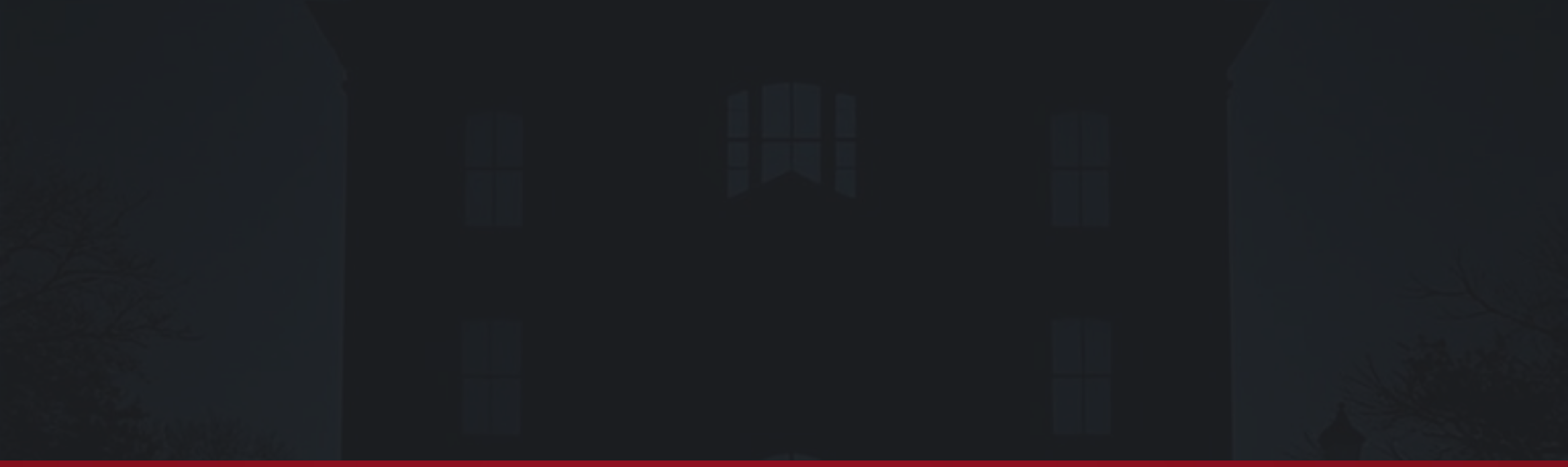
Donors are leveraging the tax benefits of real estate gifts—especially when assets have appreciated significantly. This creates a powerful incentive to give appreciated property rather than sell and donate cash, but it also increases complexity for both donors and charities.

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