

HOUSING NETWORK

Parent donates a property to a housing network for use by the family member with a disability



What is This?

Donating a property (home) to a non-profit [housing corporation](#) is another option available to the parent(s). A non-profit housing corporation is a housing corporation which has a contract with the County Board of Developmental Disabilities to provide housing to people with disabilities. Many county boards have contracts with housing corporations. Generally, the housing corporation charges a reasonable rent for a housing unit and manages the administrative and maintenance functions.

Often, the non-profit housing corporation will accept donated property under a contractual arrangement with the parent(s). The extent of parent involvement is outlined in this contractual agreement. The agreement may specify things such as how the rent will be set for the family member with a disability, how many people can live at the address, how the other tenants for the home are qualified, and, in the case of changes in the family member's situation, how long the space will be available in the case of a prolonged absence. (If any public housing subsidies are involved, there may be deadlines associated with prolonged absence).

The Housing Corporation will establish a lease with family member with a disability, and the family member will pay rent. If the Housing Corporation did not charge rent, this would be impact family member's public benefits ([see In-kind support and maintenance](#)).

The housing corporation will require that the housing be in reasonable condition and may require that funds be available to maintain the property (e.g. replace the roof, etc.).

At the point of donation, the parent(s) will no longer make day-to-day decisions as it relates to the operation of the property. All property management responsibilities and liabilities will transfer to the Housing Corporation. The housing corporation will be responsible for ensuring the condition of the housing, and will assume any injury or loss liabilities stemming from the property.

The Housing Corporation is not a service provider and therefore does not provide the day-to-day care for a family member with a disability. The Housing Corporation responsibility is limited to care for the home. The family member with a disability maintains the right to choose a service provider to provide day- to-day supports. The Housing Corporation does not choose the service provider. The Housing Corporation will work with the service provider chosen by the family member with a disability to determine specific responsibilities regarding home care, such as cleaning and care of major appliances.

The parent(s) considering this option will want to reach out to the local housing corporation well in advance to discuss the feasibility of this option. The donation of the property should never be a surprise to the housing





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corporation. The housing corporation can refuse the bequest if they were not involved in the planning prior to the parent(s)' death.

What Circumstances Make this a Possible Fit?

- ✓ The parent(s) wants to donate the family home where the family member with a disability grew up, or a home purchased specifically for the family member with a disability to live in. This home could be a single family home, a condo, an apartment building, etc.
- ✓ The parent(s) wants someone else to assume property management responsibilities.
- ✓ The parent(s) has tax considerations. The donation of property will, in some cases, likely serve as a charitable donation for tax purposes in the year that you make the donation. Contact a tax professional for assistance in making this determination.
- ✓ The parent(s) is not interested in Inheritance of the property by other heirs.

What Does This Mean to My Family Member with a Disability?

Donation of the property to a Housing Corporation can ensure the availability of housing for your family member with a disability beyond the life of the parent(s). The agreement negotiated with the Housing Corporation will stipulate what this will look like for a family member with a disability.

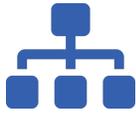
What Does This Mean to My Estate?

If the home is donated prior to the death of the parent(s), this will reduce the overall value of the estate by its lack of inclusion in the estate. The parent(s) may qualify for a tax deduction at the time of the donation. If the plan is to donate the property upon the death of the parent(s), seek the assistance of a qualified legal professional to ensure that the home transfers to the housing corporation as part of the estate process. The parent(s) can make plans to receive the tax benefits of the donation during their lifetime.

Where Do I Get More Information?

- ✓ In Hamilton County, contact The Housing Network of Hamilton County at [513-619-2929](tel:513-619-2929) and ask for the Executive Director
- ✓ In Hamilton and other counties, contact Options for Supported Housing at [614-389-4501](tel:614-389-4501) or <http://optionshousing.org/>





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	Pros	Cons
Extent of Control	<ul style="list-style-type: none"> ✓ The parent(s) can negotiate a contractual arrangement with the Housing Corporation that outlines the extent of parent involvement regarding the property. ✓ The County Board and the State Department of Developmental Disabilities (DOOD) provide oversight of Housing Corporations. This helps assure that the needs of the family member with a disability are attended to through the Housing Corporations' operations and strategic decisions. 	Control over the property is given to the Housing Corporation, as outlined in the agreement.
Effects on Public Benefits	There are no effects on public benefits.	
Longevity	<ul style="list-style-type: none"> ✓ Parents and the Housing Corporation can negotiate a contractual arrangement at the time of donation to outline the conditions under which the family member with a disability will remain at the property. ✓ Non Profit Housing Corporations exist with a mission to serve individuals with disabilities and as such are benevolent landlords. They often work cooperatively through landlord tenant issues that other landlords may not. ✓ If the Housing Corporation ceases operation and the gifting is properly worded, then the property should transfer to another qualified nonprofit. 	In the absence of a contractual agreement at the time of donation, the Housing Corporation is required to honor the lease, but is not legally committed beyond the term of the lease (usually one year).
Property Management Responsibility	<ul style="list-style-type: none"> ✓ The parents are freed up from property management responsibilities. ✓ The Housing Corporation is responsible for all property management. 	
Financial Considerations	<ul style="list-style-type: none"> ✓ The family member with a disability will be required to pay a reasonable rent if they are receiving SSI. ✓ Parents (and others) can contribute to a STABLE account, which can be used to pay rent. This is not considered imputed income and will not impact benefits. ✓ The parent(s) will not experience large costs like real estate taxes, capital improvements, etc. Upon donation of the property, the parent(s) has no risk management concerns (e.g. for personal injury on the property). 	Substantial asset has left your estate; no residual ownership. Need clear title to the property. Housing Corporation will require a reasonable inspection before accepting ownership.
Long Term Flexibility	If the house is no longer a good fit for the family member, it is easy for the person to move at the end of the term of the rental agreement.	
Tax Issue	If structured properly, the donation may be eligible for a tax deduction.	
Other	The home will provide housing for others with disabilities, even after the death of a family member with disabilities.	

