

Property Acquisition by Reimbursement to Benefit the Historic Polegreen Church Foundation

A property located at 6422 Heatherwood Drive (Mechanicsville, VA 23116) directly faces the Historic Polegreen Church archeological site and is visually intrusive to the colonial viewshed being restored by the Foundation. The Foundation obtained the two acre property during a land transaction that involved the sale of the large home that was relocated nearby to McGregor Farm Drive. The property was acquired to ultimately move the structure and return the field to its natural condition. The Foundation is looking for a benefactor who is in need of state and federal tax benefits to participate in the following plan:

Heatherwood Drive Land Acquisition Plan

Drafted by Richard Gorman, Esquire of Richmond, Virginia

Step 1: Polegreen conveys land and improvements to Benefactor who will sign an interest free note to Polegreen for \$500,000. The Heatherwood property was appraised at approximately \$500,000 five years ago. No cash is exchanged at closing.

Step 2: After one year, the Benefactor sells the property to Polegreen for one half its appraised value. Benefactor pays Polegreen \$250,000 and receives a tax deduction for its charitable bargain sale to a 501 (c)(3). The itemized deduction is applicable in both State and Federal returns.

Step 3: Simultaneous with the bargain sale, the Benefactor places a historic easement on the same property and receives from the Commonwealth of Virginia a tax benefit of 40% of the value of the easement. The easement value is determined by ascertaining the value of the property prior to the easement and its worth after the easement is in effect. The value of the property is decreased by the easement. The Foundation received a tax department ruling on the legitimacy of the simultaneous transaction. This ruling is available to the Benefactor or his/her Certified Public Accountant.

At present, the tax benefits may be used over a six year period.

An anonymous third party supporter of Polegreen will make up in state tax credits whatever amount might be needed to assure the Benefactor that no less is realized from the transaction than what was originally invested.

GPIN 8726-10-5965

Acreage - 2

Zoning Class - R-1

Book/Page - 2749/792 Old Parcel - 083 F 1 1

Lot/Blk/Sec - LOT 1

Subdivision - HEATHERWOOD

Census Tract - 3210.02

Last Sale Price – 500,000

Last Sale Date – 2006 08 08

Year Built – 1983

Please contact Chris Peace at director@historicpolegreen.org or 804-730-3837 if you are interested in learning more about this preservation project.