

1* The clause below will be incorporated into the Contract between _____ (Seller)
2* and _____ (Buyer) concerning the Property described as _____
3* _____ only if initialed by all parties:

4* (____) (____) - (____)(____) **W. Foreign Investment in Real Property Tax Act ("FIRPTA"):** If a **Seller** is a "foreign person" as
5 defined by FIRPTA, Section 1445 of the Internal Revenue Code requires **Buyer** to withhold 10% of the amount realized by the
6 **Seller** on the transfer and remit the withheld amount to the Internal Revenue Service (IRS) unless an exemption applies. The
7 primary exemptions are (1) **Seller** provides **Buyer** with an affidavit that **Seller** is not a "foreign person", (2) **Seller** provides
8 **Buyer** with a Withholding Certificate providing for reduced or eliminated withholding, or (3) the gross sales price is \$300,000 or
9 less, **Buyer** is an individual who purchases the Property to use as a residence, and **Buyer** or a member of **Buyer's** family has
10 definite plans to reside at the Property for at least 50% of the number of days the Property is in use during each of the first two
11 12 month periods after transfer. The IRS requires **Buyer** and **Seller** to have a U.S. federal taxpayer identification number
12 ("TIN"). **Buyer** and **Seller** agree to execute and deliver as directed any instrument, affidavit or statement reasonably necessary
13 to comply with FIRPTA requirements including applying for a TIN within 3 days from Effective Date and delivering their
14 respective TIN or Social Security numbers to the Closing Agent. If **Seller** applies for a withholding certificate but the application
15 is still pending as of closing, **Buyer** will place the 10% tax in escrow at **Seller's** expense to be disbursed in accordance with
16 the final determination of the IRS, provided **Seller** so requests and gives **Buyer** notice of the pending application in accordance
17 with Section 1445. If **Buyer** does not pay sufficient cash at closing to meet the withholding requirement, **Seller** will deliver to
18 **Buyer** at closing the additional cash necessary to satisfy the requirement. **Buyer** will timely disburse the funds to the IRS and
19 provide **Seller** with copies of the tax forms and receipts.

20* **Buyer** (____) (____) and **Seller** (____) (____) acknowledge receipt of a copy of this page.