

TAX REPRORATION AGREEMENT

Contract Date: _____

Closing Date: _____

Property: _____

Sellers: _____

Buyers: _____

The undersigned, being parties to the above referenced real estate contract, do hereby enter into the following TAX REPRORATION AGREEMENT, consisting of two (2) pages, which is incorporated into the said Contract by reference, and which upon closing of the transaction shall specifically survive the closing and shall stand as the agreement of the parties with respect to the reproration of real estate taxes.

WHEREAS, the undersigned parties have agreed to prorate the _____ and _____ real estate taxes as of the date of closing, based on the most recent ascertainable tax bill; and

WHEREAS, the actual taxes for the years in question may be more or less than the tax bill used to calculate the proration; and

WHEREAS, the parties desire that neither party suffer any inequity because of the uncertainty of future real estate taxes;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledge, the undersigned parties agree as follows:

1. When the _____ tax bill is received buyer, buyer agrees to promptly send a copy to seller.
2. The parties agree that the _____ taxes are to be reprorated through the date of closing on the basis of the actual tax bill for _____. The _____ real estate taxes are to be reprorated based upon _____& of the _____ taxes. The sellers are to receive a credit for the actual prorations made by them at closing.
3. If the reproration shows that the prorations given at closing is more than the amount shown due by the reproration then the buyers shall refund said overpayment to sellers within 10 days of written request for same.

4. If the reproration shows that the prorations given at closing is less than the amount shown by the reproration then such deficiency shall be paid to buyer by seller within 10 days of written request for same.
5. Written notice to sellers shall be sufficient if sent by fax to seller's attorney. Written notice to buyers shall be sufficient if sent by fax to their attorney.
6. If either party fails to pay the amount shown due by the reproration within 10 days of written request for same, then such party shall, in addition to the amount owed under the reproration, also be obligated to pay the other party's reasonable attorneys' fees and costs incurred in the collection of the amount owed pursuant to this reproration agreement.

Amount of tax credits given to buyer at closing: \$ _____.

Amount held in escrow pending reproration: \$ _____.

Dated: _____

SELLER

BUYER

SELLER

BUYER