FOREIGN BUYER / SELLER ADVISORY

ATTENTION LANDLORD / TENANT

You are receiving this notice as you are a non-US resident or citizen Landlord / Tenant. As a party to a "foreign transaction", you must be aware of certain risks and or regulations that may affect such transactions. As a party to this transaction you may be subject to such risks as:

1. Foreign owners, purchasers and sellers of US real estate are subjected to significant IRS regulation as it relates to the taxation and reporting of income resulting from the ownership of said US real estate. This includes, but is not limited to, the taxation of rental income and the proceeds from the sale of US real estate. Failure to properly make IRS tax elections, make required tax payments, file income tax returns as well as other reporting and payment requirements can result in increased taxation and significant civil and/or criminal penalties. Foreign Landlords and their tenants are advised to seek appropriate legal and tax advice during any inspection period, prior to closing and prior to entering in to any lease and/or rental arrangement to determine how such regulations will affect the present or future transactions.

   Foreign Landlords of US real estate may be subjected to additional taxation and/or regulation in their home country. Some counties do not recognize certain US entities and/or may tax them adversely. Ownership through a US entity – absent proper planning – may result in unfavorable tax treatment in the foreign person's home country. The US has tax treaties with many countries and special attention needs to be paid to them as they may alter the way income is taxed and/or the way certain entities are treated. Foreign Landlords are advised to seek appropriate legal and tax advice during any inspection period, prior to closing and prior to entering in to any lease and/or rental arrangement to determine how such regulations will affect the present or future transactions.

2. Tenants and/or property managers may be required to withhold tax on rental payments. Tenants leasing property from a Foreign Landlord must verify that they or the real estate Manager, as the withholding agent, obtained the proper W-8 tax forms in regards to the remittance of rental payments to the Foreign Landlord. Furthermore, depending on which W-8 form is obtained the withholding may be responsible for withholding tax on the rental payments and remitting them to the IRS. Failure to obtain proper W-8 forms or make required withholding tax payments can create primary liability for payment of all tax due for the withholding agent.

3. Foreign Landlords of US real estate face potential significant personal liability risk for rental property. Improper ownership may not only subject them to increased taxation but could result in significant personal liability for injury or any other event that results from such ownership or occurs on such property. Foreign Landlords are advised to seek appropriate legal and tax advice during any inspection period, prior to closing and prior to entering in to any lease and/or rental arrangement to determine how such liability can be mitigated with regard to the present or future transactions.

   The above items are just a few of the issues facing foreign persons who own, purchase, sell or lease US real estate as well as the risk of tenants who rent from Foreign Landlords. Landlord / Tenant recognize, acknowledge and agree that Broker(s) and Realtors are not qualified, nor licensed, to advise Tenant and/or Landlord on these matters. All parties are instructed to consult with qualified licensed professionals to assist in the parties as it relates to these and other related matters. Because these items are beyond the scope of the Broker's / Realtor's expertise and licensing, all parties expressly releases and hold harmless Broker(s) / Realtor(s) from liability related to any and all issues related to the ownership and taxation of the subject property. Esquire Group, LLC makes no warranties or representations as to the accuracy of the Content and assume no liability or responsibility for any error or omission in the Content. Nothing herein shall be construed as tax or legal advice. The information contained herein is not a substitute for tax and legal advice and is provided for informational purposes only.

_____		_____	
Buyer	Date	Seller	Date
_____		_____	
Buyer	Date	Seller	Date

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