

**REAL ESTATE TAX PRORATION AGREEMENT**

**FILE #:**

**SELLER:**

**BUYER:**

**CLOSING DATE:**

\_\_\_\_\_

It is understood between the parties hereto that the exact amount of real property taxes applicable to the subject property for the current year is unknown. The tax proration herein was therefore based upon gross taxes for the year 2000 in the amount of \$\_\_\_\_\_

Should actual taxes for the current year vary from estimated taxes, each party shall have the right to demand and receive from the other a re-proration of taxes and reimbursement to such proration and agrees to look to the other party should a re-proration become necessary, and to have and hold harmless LIBERTY TITLE AGENCY, as to such proration. A tax re-proration worksheet is provided below.

If the Seller receives the 2001 tax bill, he will promptly forward it to the Buyer. It will be the responsibility of the Buyer to pay the 2000 taxes, and if necessary, to obtain a duplicate tax bill from the tax assessor.


**WORKSHEET**

(if needed upon receipt of tax bill)

Actual tax bill paid = \$\_\_\_\_\_ divided by 365 = \_\_\_\_\_ daily rate.

\$\_\_\_\_\_ daily rate X \_\_\_\_\_ number of days prorated per closing statement = \$\_\_\_\_\_ actual tax proration.

Actual Tax Proration \$\_\_\_\_\_

Less Est. Tax Proration            \$\_\_\_\_\_

Difference, actual vs.  
estimated proration                \$\_\_\_\_\_

If difference is a positive number, Seller owes Buyer the difference.

If difference is a negative number, Buyer owes Seller the difference.