

Attachment to Form 8288-B, Application for Withholding Certificate

1. **Name of the Transferor:** Drake W.
ITIN: 312345678
Address: 6 Life Ln. Florida US 9898765

2. **Name of Co-transferor:** Megan W. (Separate 8288 B is attached)
ITIN: 612345678
Address: 6 Life Ln. Florida US 9898765

3. **Name of the transferee:** Wayne L.
Identification Number: 912345678
Address: 3 Carter Cres. Florida US 4321565

4. **Name of the withholding agent:** Title LLC
Identification Number: 12-1234567
Address: 123 Street Drive, Florida US 989891

5. The amount realized by the transferor on the transfer is \$ 159,575 net of settlement charges. A copy of the signed contract for the purchase and sale is attached herewith.

6. The Adjusted Cost Basis of the property in the hands of the transferor is \$ 138,097.70. A copy of the HUD Statement for the purchase of the subject property is attached as an evidence of the transferor's basis. The property was rented out.

7. The depreciation claimed on the property from the year 2013 to 2016 is shown in Exhibit 2.

8. The amounts subject to recapture with respect to depreciation as per section 1250 was \$ 12,601.56. The maximum rate applicable on the recaptured 1250 gain is 25%

9. The maximum capital gain rate applicable to the transferor is 20%. The property has been held by the transferor for over a year as evidenced by the dates of the attached HUDS Statement. And thus the transferor is entitled to a long term capital gain of 20% on this transfer.

10. See Exhibit 1 for the breakdown of the calculation for the following:

- a. Net Proceeds of the Disposition
- b. Cost Basis
- c. Capital Gain / Loss
- d. Combined Maximum Tax Applicable to the transfer

11. In response to question 8 form 8288-B, the initial purchase of the property was made from:

Wayne L.

If you have any questions, please contact Allan Madan from Madan Chartered Accountant at

Phone: 905-268-0150 ext 112.

Fax: 905-507-9193

Email: amadan@madanca.com