

Allocation of Purchase Price

Business: _____ Address: _____

Buyer(s): _____ Seller(s): _____

The parties to the sale of the above business agree that the purchase price shall be allocated among the assets purchased as follows:

1. Inventory at cost	\$	_____
2. Tangible Personal Property (FF&E) Subject to Sales Tax	\$	_____
3. Tangible Personal Property (FF&E) Not Subject to Sales Tax	\$	_____
4. Registered Vehicles	\$	_____
5. Value of Premises Lease	\$	_____
6. Leasehold Improvements	\$	_____
7. Covenant Not to Compete	\$	_____
8. ABC License	\$	_____
9. Goodwill	\$	_____
10. Other: _____	\$	_____
11. Other: _____	\$	_____
TOTAL	\$	_____

The above allocation has been determined by the parties and not through any recommendation of Broker or Escrow Officer. Each party agrees to report this sale for tax and other purposes in accordance with the above, and each holds the other harmless from any liability or expense resulting from a failure to do so. The down payment and any note payments for the business shall be apportioned among the various assets on the basis of the above allocation unless otherwise agreed to by the parties in writing. The allocation is reported to IRS via Form 8594 with your Federal Tax filing.

No representation is made as to the legal validity or adequacy of any provision of this form in any specific transaction. The Broker is not licensed or qualified to give legal, accounting or tax advice. For such advice, the parties should consult appropriate professionals.

BUYER

SELLER

 Print Name

 Print Name

 Signature Date

 Signature Date

 Corporation (or other entity)

 Corporation (or other entity)

By: _____
 Print Name and Title

By: _____
 Print Name and Title

 Signature Date

 Signature Date