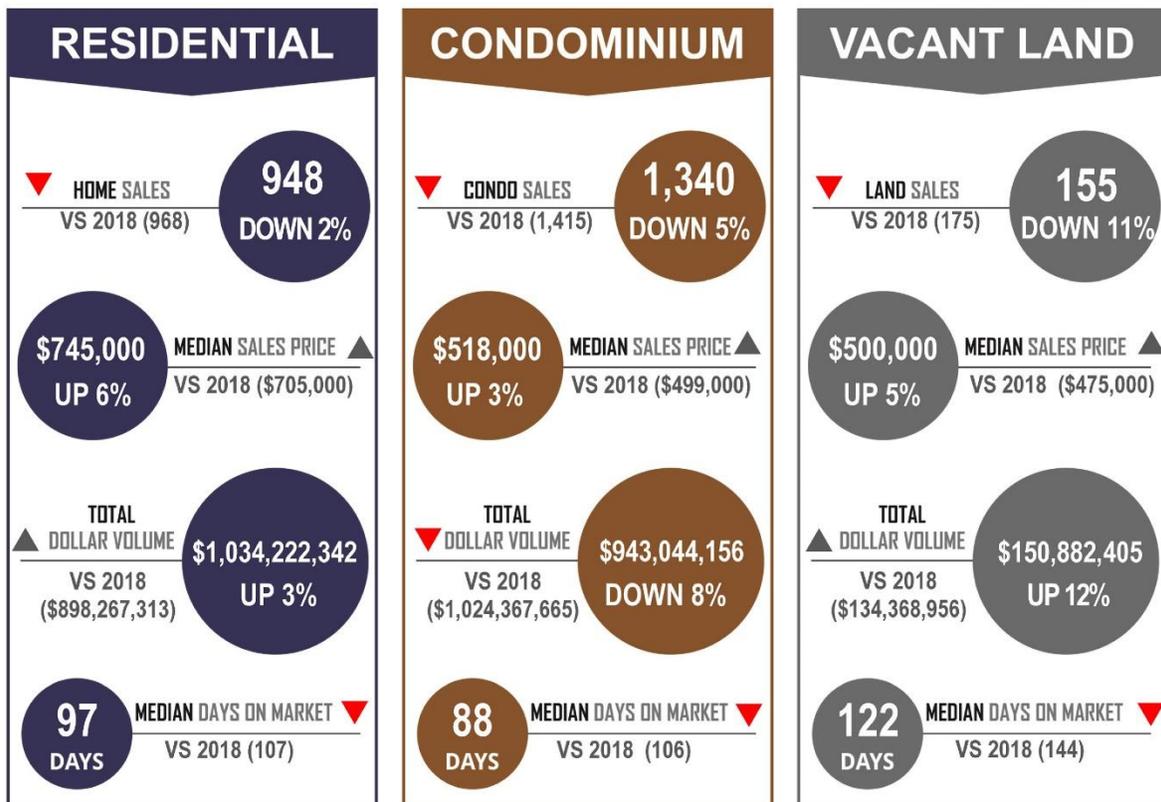


OCTOBER 2019 YTD MAUI STATISTICS AND THE FOREIGN INVESTMENT REAL PROPERTY TAX ACT (or FIRPTA)

Through October 2019, the median sales price for homes, condo and land rose, \$745,000 (up 6%), \$518,000 (up 4%) and \$500,000 (up 5%), respectively. While the number of closed sales for homes (down 2%) and condos (down 5%) are down vs. 2018, West Maui District is the only district on Maui where sales increased. Homes recordings in West Maui are up 8% with Kapalua experiencing the greatest increase of 125%. Condo recordings in West Maui jumped up 3% with the Kapalua condo sales increasing by 30%, or 12 more condos recording.



OCTOBER 2019



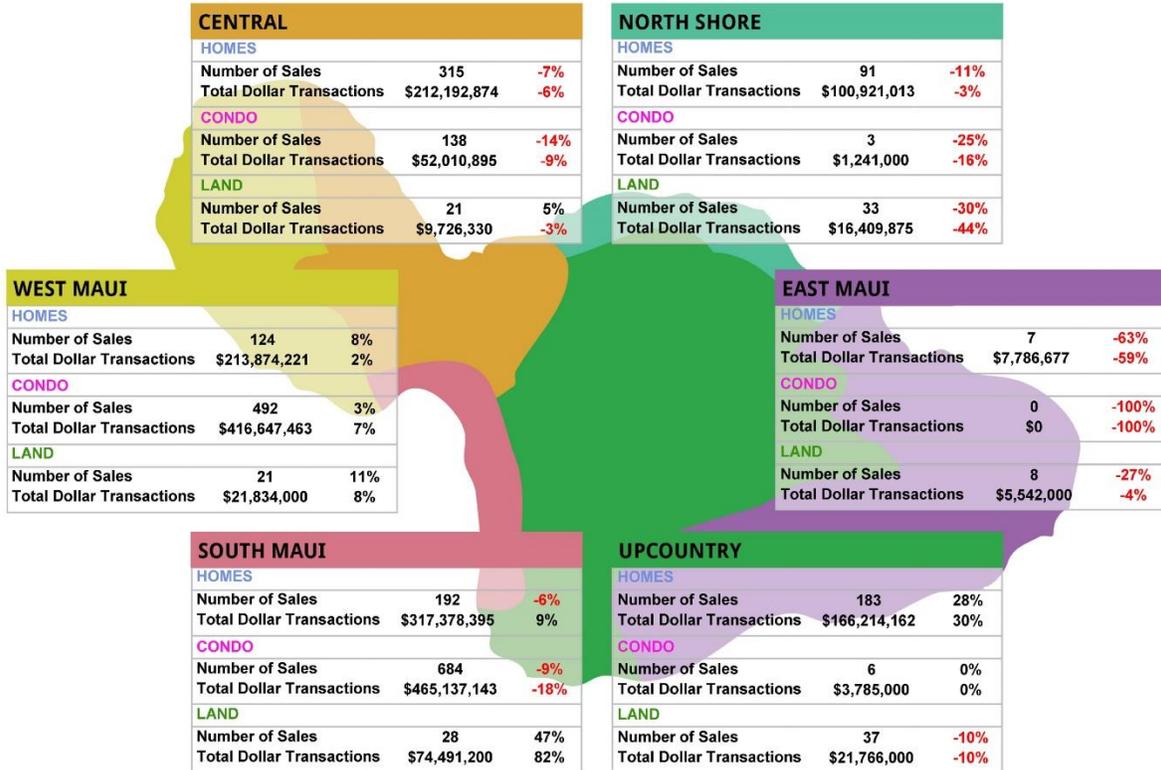
This information is prepared by Fidelity National Title & Escrow of Hawaii. All info taken from RaMaui.com. Information deemed reliable but not guaranteed. Go to FidelityMaui.com

For an 8 page comprehensive reports on Maui statistics, please visit:
<http://fidelitymaui.com/>.

MAUI DISTRICTS

October 2019 YTD vs October 2018 YTD

OCTOBER 2019



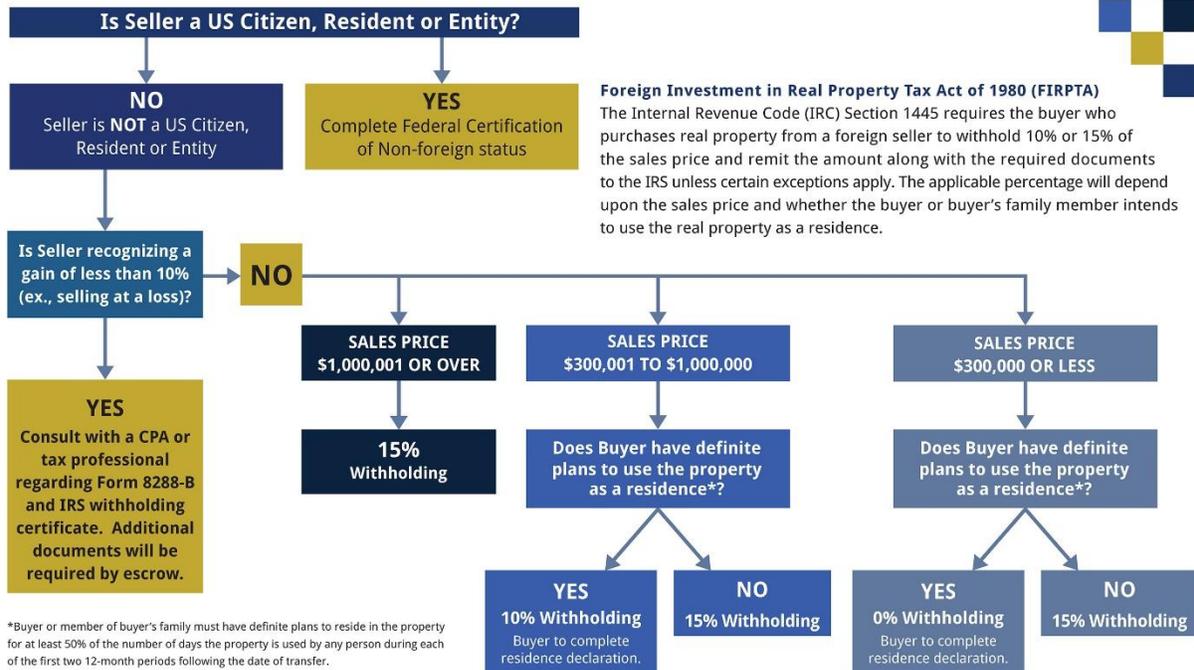
The **Foreign Investment Real Property Tax Act, or FIRPTA**, requires the buyer who purchases real property from a foreign seller to withhold 10% - 15% of the amount realized (generally the sales price) and remit to the IRS within 20 days of closing unless an exemption applies.

Back in 2015, President Obama signed into law the “Protecting Americans from Tax Hikes Act of 2015, which significantly changed the withholding rate from 10% to 15% under certain circumstances. This withholding represents an estimate of the federal capital gains tax that the seller may owe the United States when relinquishing a property in the State of Hawaii. The applicable percentage will depend on the sales price and how the buyer/purchaser intends to use the real property. *

It is the seller’s responsibility to prove that an exemption/waiver applies and it is the buyer’s responsibility to acknowledge and approve the seller’s exemption/waiver prior to closing. In the standard Hawaii Association of REALTORS® Purchase contract includes instructions for escrow to withhold and remit the FIRPTA amount to the IRS, unless the seller provides the buyer with a certificate of exemption or waiver from FIRPTA.

Please review the chart below.

FIRPTA FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT



****This information is presented for informational purposes only. It is not our intention to provide any legal, financial or business advice. For specific information, please consult a qualified advisor.**



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Reta Chin-Chiarella is a contributing writer to Maui Now. Reta's experience in the Maui escrow/title/real estate industry dates back to 1990. Named Affiliate of the Year by the Realtors Association in 2000 and she's also been recognized for sales awards in her career. Fidelity National Title is recognized as the leader in the industry, ranked 303 in the Fortune 500. Fidelity is the highest rated and largest title insurance company, underwriting 1 of 3 policies, nationwide. One of the offices of FNF is located at the Shops at Wailea Mall. You can Follow Reta on IG @RetaChinFidelity.

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