

JOINT VENTURE AGREEMENT

THIS AGREEMENT made as of the ___ day of _____, _____.

BETWEEN:

«PARTY1NAME», an individual residing in the City of _____,
_____ (hereinafter called "«party1»")

OF THE FIRST PART

- and -

«PARTY2NAME», an individual residing in the City of _____,
_____ (hereinafter called "«party2»")

OF THE SECOND PART

- and -

«PARTY3NAME», a body corporate duly incorporated in accordance with the laws of
the _____ (hereinafter called "«party3»")

OF THE FIFTH PART

WHEREAS:

- A. «party1» has engaged in the business of _____ and «party2» now wishes to participate in such business activities with «party1».
- B. «party1» and «party2» desire to purchase real estate in the _____, but for the sake of convenience, do not wish to require that each of their names be registered on the title to the subject properties.
- C. «party3» agrees to act as bare trustee for «party1» and «party2» and will hold title to the properties on their behalf.
- D. «party1» and «party2» (the "parties") own all the outstanding shares of «party3» and wish to set out their respective obligations, entitlements and relationships one to the other.

NOW THEREFORE THIS AGREEMENT WITNESSES in consideration of the mutual covenants and agreements herein contained, the parties do hereby agree as follows:

1. FORMATION OF JOINT VENTURE

The parties hereby enter into and form a joint venture (hereinafter called the "Joint Venture") for the limited purpose and scope set forth in this agreement pursuant to the laws of the _____ and the terms of this Agreement. The parties are sometimes referred to herein collectively as "Venturers" and individually as "Venturer" but except as otherwise expressly provided in this Agreement or by other written agreement executed by the Venturers, no Venturer shall have the authority to act for or to assume any obligations or responsibilities on behalf of the other Venturer.

2. PURPOSE

The purpose and scope of the Joint Venture shall be limited to the acquisition of Properties by «party3» as a bare trustee of the parties, the development of improvements to such properties, the rental and management of the Properties and the sale of the Properties.

3. NO CREATION OF PARTNERSHIP

Nothing herein contained shall be read or construed so as to make the parties partners, nor shall anything herein contained be read or construed to in any way restrict the freedom of either party to conduct any business or activity whatsoever (including the acquisition, development and ownership of real property) free of any accountability to the Joint Venture or to the other parties, even if such business or activity competes with the undertaking of the Joint Venture. Unless expressly provided in this Agreement to the contrary, no party shall have the authority to act for, or responsibility to assume any obligation or responsibility on behalf of any other party or the Joint Venture.

4. COMMENCEMENT OF TERM OF JOINT VENTURE

The term of the Joint Venture shall commence on the ___ day of _____, _____, and shall terminate upon mutual agreement by the parties.

5. INTERESTS OF THE PARTIES IN THE JOINT VENTURE ASSETS

The parties each own a 50% interest in the Joint Venture and, except as hereinafter specifically provided, the parties shall be entitled to share equally in the profits and losses of the Joint Venture.

6. APPORTIONMENT OF REVENUE & RECEIPTS

Except as hereinafter specifically provided, the parties shall be entitled to share in the revenue and receipts of the Joint Venture and shall be responsible for the expenditures, liabilities and obligations in proportion to their interest held in the shares of «party3» as described in paragraph 5.

7. FISCAL PERIOD

Unless otherwise determined by unanimous consent of the parties, the fiscal year of the Joint Venture shall end on _____ of each year.

8. BANK ACCOUNT

A bank account or bank accounts shall be maintained on behalf of the Joint Venture by «party3» with the _____, _____, _____, or such Chartered Bank as from time to time shall be agreed upon by the parties. All such accounts shall be kept in the name of «party3» and all cheques, bills, notes, drafts or other instruments will require the signature of both «party1» as President of «party3», and «party2» as Secretary of «party3». All monies received from time to time on account of the business of the Joint Venture shall be deposited immediately into the Bank Account of «party3» in the same drafts, cheques, bills or cash in which they are received, and all disbursements on account of the Joint Venture shall be made by cheque on such accounts.

9. BOOKS OF ACCOUNTS

The Books of Account of «party3» shall be the Books of Account of the Joint Venture and entries shall be made thereon of all such matters, terms, transactions and things as are usually written and entered in books of account and each of the parties shall each have free access at all reasonable times to inspect, examine and make copies thereof and shall at all times furnish to the other correct information, accounts and statements of and concerning all such transactions without any concealment or suppression.

10. SELECTION OF ACCOUNTANTS

The accountants of the Joint Venture (the "Accountants") shall be appointed by the parties from time to time and shall, at the fiscal year end of the Joint Venture and at such other times as they may be reasonably requested in writing by any party, review and prepare the books and accounts in respect of the business of the Joint Venture and for such purposes they shall have access to all books of account, records, vouchers, cheques, papers and documents of or which may relate to the Joint Venture, including

those of the parties to the extent to which such books, records, cheques, papers and documents relate to the Joint Venture. The Joint Venture shall cause the Accountants to complete the financial statements within sixty (60) days of each fiscal year end and copies of the financial statements shall be furnished to each of the parties. Any party may at any time request and conduct an audit of the books, accounts and records of the Joint Venture at any time and from time to time, and the cost of such audit will be at the expense of the party requesting the audit.