

CO-OWNERSHIP AGREEMENT

THIS CO-OWNERSHIP AGREEMENT (The "Agreement") dated effective as of the ____ day of _____, _____, among all those parties who are or become Co-Owners of an undivided interest in the Lands described herein (hereinafter collectively referred to as the "Co-Owners" and individually referred to as the "Co-Owner"), [AGENT] (hereinafter the "Agent") and [TRUSTEE] (hereinafter the "Trustee").

WHEREAS:

- A. The Co-Owners have acquired the undivided interest in the Lands for the purpose of carrying out the leasing, subdivision, servicing, development, re-zoning, sale, operation of or other activities normally associated with the Lands;
- B. The parties wish to confirm their mutual understanding with respect to the undivided interest in the Lands and to define the rights and obligations one with and to the other and with the Agent and the Trustee with respect to the undivided interest in the Lands.

NOW THEREFORE IN CONSIDERATION of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

ARTICLE I - INTERPRETATION

1.1 Definitions - In this Agreement the following terms, when capitalized, shall have the following meanings:

- (a) "Accountants" means the firm of accountants whose partners are members in good standing of the Canadian Institute of Chartered Accountants and which are appointed, from time to time, as accountants to the Co-Ownership;
- (b) "Additional Assessment" means additional assessments by the Co-Owners pursuant to Article 7 hereof in the event that the Co-Owners determine that additional funds are required for the purposes of the Co-Tenancy;
- (c) "Agent" means [AGENT] or any replacement Agent appointed pursuant to Article 9 hereof;
- (d) "Co-Owner's Interest" means, when used in relation to a Co-Owner, all of such Co-Owner's right, title and interest in and to the Lands.
- (e) "Co-Ownership" means the Co-Ownership established by joint ownership by the Co-Owners of the undivided interest in the Lands and this Agreement;
- (f) "Distributable Cash" means any amount to be paid to Co-Owners pursuant to this Agreement and any amounts to the Agent as agent for the Co-Owners;
- (g) "Extraordinary Resolution" means:
 - (i) a resolution passed by Co-Owners representing 66 2/3% of the Co-Ownership Interests either present in person or represented by proxy, cast at a duly constituted meeting of Co-Owners or any adjournment thereof; and
 - (ii) a written resolution in one or more counterparts signed by Co-Owners representing in aggregate not less than 66 2/3% of the Co-Ownership Interests;
- (h) "Lands" means the land and projects described in Schedule "A" hereto;
- (i) "Mortgages" means the mortgages, if any, to be granted on behalf of the Co-Owners;

- (j) "Offer to Purchase" means the offer to purchase undivided interest in the Lands made by [AGENT];
- (k) "Ordinary Resolution" means:
 - (i) a resolution passed by more than 50% of the Tenancy Interests either present in person or represented by proxy at a duly constituted meeting of Co-Owners or any adjournment; or
 - (ii) a written resolution in one or more counterparts signed by Co-Owners representing in the aggregate more than 50% of the Tenancy Interests;
- (l) "Person" means an individual, body corporate, partnership, joint venture, association, syndicate, trust or unincorporated organization of any nature whatsoever or any trustee, executor, administrator or other legal representative;
- (m) "Proportionate Interest" means the proportionate undivided interest of a Co-Owner in the Lands as set out in the Register of Co-Owners;
- (n) "Power of Attorney" mean the Power of Attorney attached as Schedule "B" to the Offer to Purchase;
- (o) "Register" means the register of Co-Owners maintained by the Trustee;
- (p) "Trustee" means [TRUSTEE].

1.2 Schedules - The following are the schedules to this Agreement:

Schedule "A" - Legal description of Lands and permitted encumbrances

1.3 Currency - All references to dollar amounts herein shall be references to Canadian dollars.

1.4 Gender and Number - Words importing the singular number only shall include the plural and vice versa, and words importing the masculine gender shall include the feminine and neuter and vice versa gender.

1.5 Headings - The article and section headings are for convenience of reference only and shall not restrict the interpretation of this Agreement.

1.6 Calculation of Time Periods - When calculating the period of time within which or following which any act is to be done or taken pursuant to this Agreement, the date which is the reference day in calculating such period shall be excluded if the last day of such period is a Saturday, Sunday or statutory holiday in _____, the period in question shall end on the next day which is not a Saturday, Sunday or statutory holiday.

1.7 Applicable Law and Attornment - This Agreement shall be governed by and construed and enforced in accordance with the laws of Canada and the laws of the Province of [province] applicable therein and each party hereto irrevocably attorns to the jurisdiction of the courts of the Province of [province].

1.8 Entire Agreement - This Agreement and the subscription forms of Co-Owners subscribing for Co-Ownership Interests pursuant to the Offer to Purchase constitutes the entire agreement between the parties relating to the Co-Ownership and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral, among the parties with respect thereto.

1.9 Successors and Assigns - This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

ARTICLE 2 - ACKNOWLEDGMENT OF CO-OWNERSHIP

2.1 Co-Ownership - The Co-Owners hereby agree that they hold the Lands as tenants-in-common, each as to an undivided interest and this Agreement shall govern and define their respective rights and obligations as Co-Owners of the Lands.

2.2 Trustee's Declaration of Trust - The Trustee hereby acknowledges that any interest it may have in the Lands by virtue of the title to the Lands being in its name shall be as trustee only for and on behalf of the Co-Owners.

2.3 No Partnership - It is not the intention of the Co-Owners to be partners nor to create a partnership by this Agreement or any other legal relationship and the Co-Owners shall not be deemed to have the rights or obligations of partners or any other legal characterization. No Co-Owner shall hold out to any other person that it is a partner of the other Co-Owners or that the relationship between the Co-Owners hereby created is a partnership.

ARTICLE 3 - INTEREST OF THE CO-OWNERS

3.1 Proportionate Interests - The ownership of the Lands shall be held by the Co-Owners, in accordance with their Proportionate Interests.

3.2 Sharing of Rights and Obligations - The benefits, advantages and revenues of the Lands shall be shared by and any obligations, losses or liabilities incurred or assumed and all costs and expenses arising out of this Agreement or ownership of the Lands shall be shared or borne, as the case may be, by the Co-Owners in (but not in excess of) their Proportionate Interests.

3.3 Indemnity - Subject to Section 3.4 hereof, the Co-Owners shall jointly and severally indemnify and hold harmless each other against and from any liability, obligation, loss, cost or expense incurred or sustained in connection with the Lands to the extent of the amount of any liability, obligation, loss, cost or expense which is in excess of the indemnified Co-Owner's Proportionate Interest thereof.

3.4 No Indemnity for Wrongful Acts - Notwithstanding the provisions of Sections 3.2 and 3.3 hereof, each Co-Owner shall be indemnified by another Co-Owner who has contravened this Agreement and held harmless against and from all losses, costs, expenses, claims, demands and actions and rights of action which shall or may arise by virtue of anything done or omitted to be done by another Co-Owner, directly, or through its agents, employees or representatives in contravention of this Agreement.

ARTICLE 4 - DEALINGS WITH A CO-OWNER'S INTEREST

4.1 Power of Attorney - For the purpose of carrying out the leasing, sale, development, operation or other activities associated with the Lands (which shall be under the control of the Co-Owners), each individual Co-Owner shall appoint the Agent true and lawful power of attorney for the individual Co-Owner in respect of any matter in which a power of attorney is required, for the purpose set out in this Agreement. The Co-Owners agree to execute and deliver one or more separate powers of attorney to the Agent if and when required from time to time.

4.2 Assignment of Co-Ownership Interest - Subject to section 4.4 hereof, no Co-Owner shall be allowed to sell, transfer, assign, pledge, hypothecate or otherwise convey or encumber his Co-Ownership Interest at any time unless the assignee, et al agrees to be bound by this Agreement and execute a counterpart of this Agreement.

4.3 Trustee to hold title to the Lands - The Co-Owners direct that the title to the Lands shall be held by the Trustee for and on behalf of the Co-Owners subject to the terms of this Co-Ownership Agreement. The Co-Owners, by an Extraordinary Resolution as defined herein, shall be entitled to appoint a new Trustee or transfer the title to the Lands to each Co-Owner individually in his or her Proportionate Interest in the Lands. On the appointment of the new Trustee the new Trustee shall be the "Trustee" hereunder for all purposes.

4.4 Pledge of a Tenancy Interest - Subject to compliance with applicable laws and all the terms of this Agreement, a Co-Owner may mortgage, pledge or hypothecate his Co-Ownership Interest as security for a loan or an obligation of such Co-Owner; provided however, that no such mortgage, pledge or hypothecation shall be registered in any way against the title to the Lands. If a Co-Ownership Interest is so mortgaged, pledged or hypothecated, the Co-Owners will cause the Agent to, upon receipt of a written request from the Co-Owner, deliver to the person specified by the Co-Owner in the written request a written acknowledgment of notice of the pledge, mortgage or hypothecation and confirmation that, upon receipt by the manager of a written order from that person setting forth an address for payment in _____, all distributions by the Agent to the Co-Owner will thereafter be made to that person at that address, or at such other address in _____ as that person, from time to time, advises the Agent in writing. Until that person delivers to the Agent a written release from such acknowledgment and order, the Co-Owner, by delivering the written request to the Agent, will thereby be authorizing the Agent to make and is consenting to the making of, all distributions so made.

4.5 Parties Not Bound to See to Fund or Equity - The Agent shall not be bound to ascertain or inquire whether there has been any mortgage, charge or pledge of any Co-Ownership Interest by any Co-Owner, nor to recognize any other individual as having any interest in the Co-Ownership of the Co-Owner except for the Persons listed on Schedule "A" hereto or an amendment thereof.

THIS IS A 14-PAGE FORM.