

CO-OWNERSHIP AGREEMENT

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

BETWEEN:

OWNER1, of _____
(hereinafter referred to as "OWNER1")

OF THE FIRST PART

- and -

OWNER2, of _____
(hereinafter referred to as "OWNER2")

OF THE SECOND PART

WHEREAS:

- A. OWNER1 and OWNER2 are the registered owners as [tenants-in-common] of a certain residential property located at _____, legally described as _____ (the aforesaid property hereinafter referred to as the "Lands").
- B. The parties intend to contribute equally (or in such other proportions as may be mutually agreed upon) such sums of money as may be necessary to purchase the said Lands.
- C. It is the intention of the parties that each shall take title to one half interest in the Lands (or such proportions as may be mutually agreed upon), as tenants in common and be registered as such on the Certificate of Title to the Lands.
- D. The parties desire to enter into this Agreement for the purposes of setting out their respective rights, obligations and entitlements regarding the use, enjoyment and ownership of the Lands.

NOW, THEREFORE, THIS AGREEMENT WITNESSES that, in consideration of the mutual covenants and agreements hereinafter contained, and the exchange of ONE (\$1.00) DOLLAR, the sufficiency and receipt of all which is hereby acknowledged by both parties, the parties hereby covenant, promise and agree to and with each other, as follows:

1.0 TERM

1.1 The term of this Agreement shall commence on the Effective Date as set out herein and shall continue indefinitely unless terminated in one of the following manners:

- (a) Pursuant to this Agreement; or
- (b) By applicable _____ law.

2.0 OWNERSHIP

2.1 **Presumption of Equal Ownership:** The parties agree to purchase and to hold the Lands as tenants in common, each with an equal undivided Interest in the Lands (hereinafter referred to respectively as the "Interest" of a party), which Interest shall be interpreted to include all rights and obligations of a party with respect to the Lands.

2.1 **Change in Proportion of Ownership:** The parties may agree to alter their respective ownership Interests for such consideration as they deem appropriate; provided however, that any agreement to alter the presumption of an equal Interest of the parties shall be evidenced by written agreement which shall be initialed by both parties and attached hereto as Schedule "A".

3.0 OBLIGATIONS

3.1 **Obligations in Proportion to Ownership:** Subject to Article 5 , the parties agree to be responsible in proportion to their respective ownership Interest for all costs that may be incurred in purchasing and/or maintaining the Lands, including, without limitation, all legal and Land Titles fees incurred in purchasing the property, all cost of repairs, renovation, restoration, garbage removal, utilities, taxes and any and all other costs incurred in connection with the Lands.

4.0 DISTRIBUTION OF CAPITAL GAINS AND/OR LOSSES

4.1 **Presumption of Equal Distribution:** Unless otherwise agreed in writing , initialed by the parties and attached hereto as Schedule "B", any and all capital gains or losses that arise on the disposition of the Lands shall be shared by the parties in accordance with their respective ownership Interests.

5.0 OPERATION AND USE OF LANDS

5.1 **Mutual Consent:** All decisions relating to the rental, use, enjoyment, maintenance and repair of the Lands shall require the consent of both parties.

5.2 **Evidence by Writing:** In order to be binding upon the parties, all decisions relating to the Lands shall be documented in writing, initialed by the parties, and attached hereto as Schedule "C".

6.0 ENCUMBRANCES

6.1 **Permitted Encumbrances:** Neither party shall encumber his or her Interest except with the written consent of the other party. Any such encumbrances shall be listed, initialed by the parties, and attached hereto as Schedule "D".

6.2 **Breach:** In the event that either party shall encumber his or her Interest other than in accordance with this Agreement, then that party shall be in breach of this Agreement allowing the party not in breach, at its option, to exercise the Power of Sale pursuant to this Agreement.

7.0 TERMINATION

7.1 **Termination by Consent:** This Agreement may be terminated at any time by the mutual agreement of the parties.

7.2 **Termination by Purchase of Interest:** Either party may terminate this Agreement by making an offer to purchase the Interest of the other party in accordance with this Article 7. Any such offer to purchase by one party shall be deemed to include the entire Interest of the other party, and not a portion thereof.

THIS IS A 7-PAGE FORM.