

Joint Venture Agreement (Single Property)

This Agreement is made on {Date, 2025} with an effective date of ***{Date, 2025}****

BETWEEN:

Bradley Samuels

4717 Hermitage Dr, Richmond BC V7E 4T1

(referred to as the “Manager”)

AND

Investor

(referred to as the “Investor”)

WHEREAS

- A. The parties have agreed to purchase (pursuant to a Purchase Agreement attached as **Schedule C**) a property located at :

{Property Address}
- B. As set out in the Purchase Agreement, the date of the purchase is {Date, 2025} (the “Closing”);
- C. The parties intend to acquire, hold and manage the Property with long-term rental income in hopes of capital appreciation of the hold period of at least 8 years.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. REGISTRATION OF TITLE AND OWNERSHIP. Title to the Property shall be registered as set out in **Schedule B**. Notwithstanding how the title is registered, the beneficial ownership shall be:

Manager:	50%
Investor:	50%

the “Proportional Ownership”.

Any Investor shall have the right to register this Agreement or notice thereof on the title of the Property at his own expense.

All Property comprising or used in connection with the Joint Venture shall be owned beneficially by the Investors as tenants-in-common. Unless this Agreement otherwise provides, all revenues and benefits derived from, and all obligations and liabilities incurred in respect of, the Property shall be shared by the Investors on the basis of their respective percentage participation in the Joint Venture ("Investor Percentage Participation" or "Interest") as specified by percent in Schedule A.

2. CAPITAL CONTRIBUTIONS. Each party has contributed capital (the "Original Capital") to the Joint Venture for the down payment, closing costs, renovation costs (including legal and other professional fees), and initial working capital (including improvements, repairs, maintenance, management, and cash reserve) as set out in **Schedule B.**
3. DEPOSIT FROM INVESTOR. The parties acknowledge that the Investor has paid to **the Manager** a deposit in the amount of **\$20,000** upon the signing of this Agreement, which deposit will be credited as Original Capital upon Closing, but if Closing is delayed more than 30 days, such deposit will be refunded to the Investor without interest (unless otherwise agreed to by all the parties).
4. DURATION OF INVESTMENT. The parties agree that they intend to hold the Property for at least ***** 8 ***** years (the "Investment Period). However, the Property may be sold:
 - a. at any time, upon the unanimous agreement of all the parties;
 - b. at any time after the Investment Period, upon request of any party;
 - c. upon proof of gross negligence, bad faith, or dishonesty by the Manager; or
 - d. when a qualified appraiser, acceptable to all parties, determines that the then fair market value of the Property exceeds by at least 30% of the purchase price set out in the Purchase Agreement attached as **Schedule C.**

Forced Listing and Sale

Any Investor may have the Property appraised, at his own expense, by a qualified appraiser ("Appraiser"). If the Appraiser's report is acceptable, and if the appraised value of the Property exceeds by thirty (30%) percent the sum of the initial purchase price plus all expenses to the date of closing inclusive of all closing expenses which shall include for the purposes of this calculation a deemed seven percent (7%) real estate commission ("Adjusted Value"), then the Selling Investor may direct in writing to the Committee that the Property be forthwith placed on the market for sale, using an MLS Realtor chosen in the exclusive discretion of the Manager within 10 business days of directing in writing that the property be placed for sale, then the Selling Investor may choose the MLS realtor. In the event that any other Investors do not wish to sell, they shall give notice to the Selling Investor within thirty (30) days stating their intention to buy the Selling Investor's Interest and, within a further ninety (90) days, pay to the Selling Investor his pro-rata share of the Adjusted Value.

5. PROTECTION OF INVESTOR. The Investor shall have an unregistered, open, postponable, non-assumable non-interest bearing mortgage against the Property in the amount of the Original Capital contributed by the Investor, repayable upon sale of the Property by the Joint Venture. The Manager's interest in the Property is subordinated to all Original Capital provided by the Investor.
6. DUTIES OF THE MANAGER. The parties hereby appoint the Manager to conduct, supervise and in all other ways care for the required operational duties related to the Property, including banking, bookkeeping, accounting, rent collections, property management, tenant relations, payment of bills, insurance, etc. The Manager shall cause to be kept true and correct accounts, books and records, according to proper accounting practices which shall be open to inspection by any party during normal business hours. The Manager may delegate some or all of his duties to other trades, professionals, etc, and the fees of such shall be payable out of the funds of the Joint Venture as expenses of the Joint Venture. Notwithstanding any delegation, the Manager shall remain responsible to ensure that the Property is managed in good faith, on sound business principles. The Manager may be removed from his appointment in this section by the consent of all parties, or upon proof of gross negligence, bad faith, or dishonesty, and in such event the Investor shall assume the management duties under this section.
7. ADDITIONAL INVESTMENT. All payments for taxes, repairs, maintenance, utilities, property management, mortgages and other direct property expenses are to be made in a timely manner. If such payments cannot be made from rental income or from reserve funds, then the parties shall contribute additional funds (the "Additional Funds") in proportion to their Proportional Ownership by the date determined by the Manager. If a party does not contribute his Additional Funds by that date, then that defaulting party shall lose all say in the management of the Property, and shall forfeit his rights to payments of profits from the Property. If the defaulting party repays his share of the Additional Funds plus interest at the annual rate of Royal Bank of Canada prime plus 4% to the other party within three months, then the defaulting party shall be totally reinstated. If full payment plus interest is not made within the specified three months, then the defaulting party shall irrevocably and permanently lose 50% of his interest in the Property and the other party shall forthwith own that 50% of the defaulting party's interest in the Property.
8. RENTAL INCOME PROFITS. Net profits from rental income will be kept in the property bank account which will be set up prior to the closing date. Distributions of cash flow may be distributed in proportion to the Proportional Ownership, commencing on a date which the Manager deems appropriate.

9. CAPITAL APPRECIATION PROFITS. Net capital appreciation profits realized through re-sale or increased mortgaging shall be distributed in the following order: firstly in repayment of the Original Capital provided by the Investor to the Joint Venture; secondly in repayment of the Original Capital (if any) provided by the Manager; thirdly in repayment of any Additional Funds paid by the Investor; fourthly in repayment of any Additional Funds paid by the Manager; and any balance remaining in proportion to the ownership as set out in **Schedule B**.
10. MORTGAGE EQUITY PROFITS. Mortgage Pay down Profits shall be held as equity in the property, in proportion to the ownership structure, commencing on the property closing and possession date.
11. RIGHT OF FIRST REFUSAL. The Parties agree that there shall be a right of first refusal arrangement.

"First Refusal Offer" means any offer or agreement to sell, purchase, lease, transfer, assign, pledge, mortgage, hypothecate or in any other way to convey or dispose (such action being a "Disposition") either directly or indirectly, all or any portion of his Interest.

Except as herein provided, a party (the Offering Party) may not transfer, sell or otherwise dispose of any its interest in this Joint Venture to an outsider unless he first offers the other party the opportunity to acquire his interest upon identical terms. The other party shall have 14 days to either accept or refuse such an offer. In the case of acceptance by the other party, the transaction shall close within a further 14 days (failing which the Offering Party may proceed upon the same terms with the outsider). In the case of refusal by the other party, the Offering Party may proceed immediately upon the same terms with the outsider.

It is required as a condition of any First Refusal Offer that the purchaser of any Interest shall agree in writing directly with all other Parties to this Agreement to be bound by this Agreement. All Parties hereby agree that said purchaser shall not receive good title until he has first executed this Agreement and any other documents as may be reasonably required

12. BANKRUPTCY. If any party makes an assignment or proposal in bankruptcy or is petitioned into bankruptcy by one or more of his creditors, his interest and profits shall be calculated on, and shall remain frozen as of, that date. Further, he loses all signing rights and all say in the management of the Property.
13. RELATED PARTIES. The Joint Venture is prohibited from hiring or contracting the supply or services of any person who is related to a party to this Agreement, unless consented to by all the parties.
14. INTERPRETATION. This Agreement and the rights of the parties thereunder shall be interpreted in accordance with the laws of the Province of British Columbia.
15. LOSSES. Manager and investor shall jointly bear any losses in proportion to the ownership structure. In the event that either venturer has paid any loss on behalf of the joint venture the other joint venturer indemnifies such party for his or its proportion of the obligation to the total loss, claim, demand or liability.
16. TERMINATION. Either venturer may provide the other with notice in writing of their intent to terminate their relationship. In such an event no new acquisitions shall take place but the parties shall be bound to honor all obligations herein until all property has been disposed of and the proceeds distributed in accordance with the terms of this agreement.
17. NOT A PARTNERSHIP. This Agreement creates a Joint Venture to carry out the objectives referred to herein and does not create a partnership between the Parties nor does it authorize either Party to act as agent for the other Party, except as set out herein.
18. NOTICE. Any notices required or permitted to be given under this Agreement shall be in writing via email, mail or delivered to the Party entitled to receive the same at the addresses written above.
19. GENERAL CONDITIONS AND INTERPRETATIONS OF AGREEMENT

22.1 This Agreement constitutes the entire agreement between the Parties and supersedes all agreements, representations, warranties, statements, promises and understandings, oral or written, with respect to the subject matter hereof, and no Party hereto shall be bound by nor charged with any oral or written agreements, representations, warranties, statements, promises or understandings not specifically set forth in this Agreement or the Schedules thereto.

22.2 The parties hereto agree to do all things, and to execute and deliver all such further documents, agreements, and instruments as may be necessary to give effect to the terms of this Agreement.

22.3 This Agreement may be amended or varied by Agreement in writing by all parties hereto.

22.4 In the event that there is any dispute between the various parties to this Agreement on any matter not specifically covered by this Agreement or on any matter concerning the interpretation or application of the terms of this Agreement, the dispute shall be submitted to and settled by arbitration by a single arbitrator appointed by the parties or, if the parties fail to agree with the arbitrator, by a single arbitrator appointed by a Judge of the Court of BC small claims, upon the application of any of the parties to the dispute. The award of the arbitrator shall be final and binding and there shall be no appeal therefrom. The arbitration shall be otherwise conducted in accordance with the Arbitration Act of the Province of British Columbia.

22.5 In the event of the invalidity of any particular paragraph or subparagraph of this Agreement, such particular paragraph shall not affect or render ineffective, null or void any other provisions of this Agreement and this Agreement shall be considered as if such invalid provisions were severed from the Agreement and omitted therefrom.

22.6 The recitals in this Agreement form part hereof and together with the balance of this Agreement contain the entire agreement and understanding of the parties and all prior agreements and undertakings relating thereto are no longer of any force or effect. This Agreement may be executed in separate counterparts and all the executed counterparts together shall form the entire agreement between the parties.

22.7 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

20. SURVIVAL OF RIGHTS. This Agreement shall be binding upon and enure to the benefit of the Parties, their heirs, executors, legal representatives and permitted successors or assigns.

21. GOVERNING LAW. This Agreement has been entered into in the Province of British Columbia and all questions with respect to this Agreement and the rights and liabilities of the Parties shall be governed by the laws of that Province.

22. TRUTH IN SUBSTANCE AND IN FACT. The Parties hereby irrevocably and mutually acknowledge and declare that the statements contained in the recitals to this Agreement are true in substance and in fact.

23. INDEPENDENT ADVICE. The Investor acknowledges that he has been provided with financial and legal information on the Property and that has been given the opportunity to obtain independent advice (including independent legal advice) prior to signing this Agreement. The Manager has made his best effort to assure accuracy of the information presented.

IN WITNESS WHEREOF the Parties have signed as follows:

WITNESS

PER: Finder

WITNESS

PER: Manager

WITNESS

PER: Investor

WITNESS

PER: Investor

DATE: _____

ANY INVESTMENT IS SPECULATIVE; REAL ESTATE IS NO DIFFERENT. EVERY INVESTOR SHOULD CONSULT INDEPENDENT ADVISORS WITH EXPERIENCE IN REAL ESTATE INVESTMENT. FINDER DOES NOT GUARANTEE VENTURERS' INVESTMENT IN THIS JOINT VENTURE.

SCHEDULE A

Registration of names on Title & on Mortgage

Title To Be In The name Of:

1. _____
(full name of person/company to hold title)

(municipal address of title holders)

Contact #'s: () _____ . _____
(home/cell phone) (email)

2. _____
(full name of person/company to hold title)

(municipal address of title holders)

Contact #'s: () _____ . _____
(home/cell phone) (email)

SCHEDULE B

Ownership, Initial capital contributed and Role by each party

OWNERSHIP & FINANCING THE JOINT VENTURE

Profit Share & Ownership: 40% (Profits, Equity Pay Down, Appreciation)
(*Manager Return*)

Profit Share & Ownership: 60% (Profits, Equity Pay Down, Appreciation)
(*Investor Return*)

INITIAL FINANCIAL CONTRIBUTIONS

Each of the Venturers shall make initial cash contributions ("Initial Financial Contributions") to the Joint Venture to the sufficient total to satisfy the sum of (**\$Total Closing Cost**)

This includes:

- 1) Property Transfer Tax
- 2) A reserve Fund to be held by the Joint Venture in the Property bank account and used as deemed necessary by the manager
- 3) Appraisal Fee
- 4) Legal Fee
- 5) Inspection costs
- 6) Renovation Cost
- 7) Down Payment

Share of JV: 0% Initial Financial Contribution: (**\$ Amount**)
(*Manager contribution*)

Share of JV: 100% Initial Financial Contribution: (**\$ Amount**)
(*Investors contribution*)

Additional Financial Contributions

It is the intention of the Investors that all initial cash requirements of the Joint Venture be satisfied through the Initial Financial Contributions. To the extent that the Joint Venture requires funds in addition to the Initial Financial Contributions, either initially or later, the Investor hereby agree to make such additional cash contributions ("Additional Financial Contributions") as are specified by the Manager in the same percentages as their Interests in order to enable the Joint Venture to carry out the Purpose of this Agreement.

- 1) Each Investor shall have thirty (30) days ("Date of First Default") from the date of the Cash Call ("Date of Cash Call") by the Manager to contribute the Additional Financial Contributions. The Financial Manager shall be the judge to decide whether additional cash or co-operation ("Co-operation") is required. Co-operation, without limiting the generality of its common dictionary meaning, requires Investors to do any and all things that the Manager, in its discretion, deems necessary for the operation of the Joint Venture.
- 2) If any Investor ("Defaulting Investor") fails to co-operate or to meet a Cash Call by the Date of First Default, then the other Investor ("Contributing Investor") shall forthwith have the right to advance the Additional Financial Contributions on behalf of the Defaulting Investor.
- 3) If insufficient funds (the difference being the "Cash Call Shortfall") are offered by the Investors, the Manager is hereby authorized by the Investor to forthwith take any or all of the following actions:
 - a) seek and allow an outside party (also called a "Contributing Investor") to contribute the Cash Call Shortfall, or any part thereof. If such outside party, through his actions as Contributing Investor, assumes or is entitled to assume an Interest in the Property or the Joint Venture, then such party, as a prerequisite to assuming such Interest, shall execute this Agreement and all such other documents as may be reasonably requested by the Manager.
 - b) seek and commit to loans, for which the Defaulting Investor is to be held responsible;
 - c) take whatever other steps it deems necessary.
- 4) The Contributing Investor shall have a lien or charge on the Interest of the Defaulting Investor.
- 5) Each Investor agrees to indemnify and hold harmless the other Investors from all costs, expenses and damages incurred by the other Investors as a result of the failure of any Investor to satisfy a Cash Call or Co-operation.

- 6) For an Investor to meet a Cash Call after the Date of First Default and before the Date of Second Default, that Investor must pay to the Joint Venture or, if there is a Contributing Investor, to that Contributing Investor, the amount of the Cash Call plus interest at the rate of Royal Bank of Canada prime plus five percentage points.

ROLES OF EACH JOINT VENTURE PARTNER

1.0 Manager Roles & Duties

The acts of the Manager shall bind the Investors and the Joint Venture when such acts are within the Manager's authority. The Financial Manager is hereby delegated the following duties:

- 1) **Property search:** Searching for the right property can be exhausting and time consuming but it is critical to find the right property that fits the business model as closely as possible.
 - a) Screen/filter potential investment properties using realistic rents and/or expenses.
 - b) Property due diligence
 - c) Macro and microeconomic trends

- 2) **Writing Offers:** The manager is responsible for writing offers and negotiating the purchase of the investment property. This includes:
 - a) Write the offer on the selected property (this may involve multiple offers and multiple iterations as not all offers will be accepted)
 - b) Negotiate the terms and conditions of the offer.
 - c) Finalize the offer.
 - d) Manage lawyers and accountants through the buying process.
 - e) Sign the documents.
 - f) Ensure that all the proper forms are completed and steps are taken to protect investors and deliver financial clarity.

- 3) **Securing & Structuring Financing:** This includes
 - a) Applying to the banks or working with mortgage brokers to secure the right financing for the property.
 - b) Continuous monitoring of the mortgage portfolio to ensure best rates and terms to manage cash flow and maximize investors returns.

- 4) **Structuring the deal for flexibility and protection of all parties:** Set up the legal structure/corporation and co-investor structure usually via a Joint Venture Agreement.
- 5) **Complete all bookkeeping:** which includes accurate records of account to be maintained in which shall be entered all matters relating to the Joint Venture, including all income, expenditures, assets, and liabilities. The manager shall prepare annual financial statements ("Financial Statements") including a balance sheet and income statement, on a cash basis, within ninety (90) days of the fiscal year end, suitable for the preparation of Investors' Canadian Income Tax Returns. The Manager will keep a record of such fixtures, repair material and/or landscaping material expenditures and/or all other expenses such as property management fees, subcontractors, onsite managers, taxes, insurance, realtor, legal, advertising and/or related expenses to market, upgrade, rent and later sell said property.
- 6) **Record Keeping:** Books and records of accounts shall be kept at all times on Google Drive. The investor or their authorized representative shall have the right ("Right of Inspection") to inspect and examine the books, records, files, securities and other documents of the Venture at reasonable times at his own expense. The calendar year will be the fiscal year of the Joint Venture.
- 7) **Statement Preparation:** Provide simple, easy-to-understand statements on an agreed upon timeline.
- 8) **Filing Statement:** File annual or quarterly statements/documents that may be required by jurisdictions.
- 9) **Reporting:** The Manager shall report in writing to the investors not less frequently than annually with respect to the operation and management of the Joint Venture and the Property.
- 10) **Sign Off Authority:** The Manager shall sign all cheques, contracts or other documents, which require signature of the Joint Venture in the ordinary course of business.
- 11) **Annual Budgeting:** It shall be the responsibility of the manager to prepare ten (10) days prior to the commencement of each fiscal year the following three budgets pertaining to the coming fiscal year for the Property:
 - a) an operating budget;
 - b) a capital budget; and
 - c) a cash flow budget.

Upon acceptance of such budgets by the manager, the manager shall deliver said budgets to the Investor.

12) **Team Management:** It shall be the responsibility of the manager to manage the Joint Venture team which includes:

- a) Realtors
- b) Mortgage Brokers
- c) Property Managers
- d) Lawyers
- e) Accountants
- f) Other Investors
- g) General Handyman
- h) Mechanical & Plumbing
- i) Electrical
- j) General Contractor
- k) Professional Home Inspections Ltd.
- l) tax advisors
- m) appraisers
- n) bankers
- o) engineers
- p) roof experts
- q) boiler mechanics that may be required to inspect the property initially and operate the property on a day-to-day basis.

13) **Day to Day Business:** The Manager shall conduct the day-to-day business of the Venture. Funds of the Venture shall be kept in an account or accounts chosen by the manager. The Manager shall have signing authority for such accounts.

14) **Managing Property Management:** The Manager shall appoint, supervise and if necessary replace a property manager, leasing agent and any other professional support person or firm the Manager deems appropriate for the proper operation and management of the Property and the Joint Venture. Whether appointed or done by the manager the manager will:

- a) Secure tenants.
- b) Manage issues or complaints.
- c) Coordinate repair or improvement services.
- d) Manage rents – you will adjust rents frequently in line with market realities
- e) Will market, rent, fix up, repair, paint, landscape and/or enhance said property to standards that expert sees fit to achieve appropriate rent and/or resale value.

15) **Exit Strategy:** The manager will maximize the exit of the investment if needed and when appropriate based on market condition.

- a) Utilize key relationships to sell the property at market value for minimum costs.
- b) Negotiate the deal.
- c) Handle the sale through lawyers and accountants.
- d) Provide the investor with an appropriate split of the investment profit and return the initial capital invested
- e) Provide the investor with a statement of account to be used for investor's taxes.

Remuneration to the Manager

1. In consideration of management services rendered by the Financial Manager to the Joint Venture, the Joint Venture shall pay to the Financial Manager annually a fee ("Management Fee") equal to three percent (%) of the rental income, interest income and other operating income of the Joint Venture for each fiscal year. The Management Fee shall be payable no later than the date on which the Financial Statement is complete and provided to the parties.
2. The Manager shall be reimbursed from the property bank account for all reasonable out-of-pocket expenses incurred in the normal course of his duties, including but not limited to:
 - a) shipping and handling services for transporting documents to and from Investors and to and from suppliers and other contractors;
 - b) travel expenses to and from property.

Allocation and Distribution

After allowing for reserves as deemed prudent by the manager for operating losses, capital improvements and working capital, cash available for distribution shall be distributed at such time or times chosen by the manager:

- (a) if it is rental income surpluses, pro-rata on Investor Percentage Participation; and
- (b) if it is capital appreciation surpluses realized through sale or increased mortgaging, in the following order:
 - 1st: Initial Financial Contributions shall be repaid.
 - 2nd: Additional Financial Contributions shall be repaid.
 - 3rd: The balance shall be distributed pro-rata.

2.0 Investor Roles & Duties

Investors shall devote such time to the Joint Venture as is reasonably necessary or as is reasonably requested by the Manager from time to time in order to carry out the provisions of this Agreement

SCHEDULE C

Purchase Agreement