

JOINT VENTURE AGREEMENT

BETWEEN:

1234567 ALBERTA LTD. of _____,
Edmonton, Alberta _____ (Trustee)

- and -

JOHN JONES of _____,
Edmonton, Alberta _____ (Finder)

- and -

WILLIAM SMITH of _____,
Edmonton, Alberta _____ (Investor)

WHEREAS:

- A. Finder and Investor wish to combine their resources and abilities for purposes of acquiring, improving, renting and/or selling real property in and about Alberta and wish to reduce their agreement in writing;
- B. Finder and Investor have caused 1234567 Alberta Ltd. (Trustee) to be incorporated and which will have responsibilities as hereinafter outlined.

NOW THEREFORE this Agreement witnesseth in consideration of the mutual covenants and provisos hereinafter expressed, the receipt and sufficiency of which is hereby acknowledged, the parties hereby establish a joint venture and agree as follows:

1. NO PARTNERSHIP

Nothing contained in this agreement shall or shall be deemed to constitute the joint venturers as partners nor as agent of the other nor any other relationship whereby either could be held liable for any act or omission of the other.

2. ORGANIZATION OF THE TRUSTEE

Finder and Investor shall cause the Trustee to be organized with the following attributes:

Shareholders:

William Smith	100 Class A Common
John Jones	99 Class B Common*

* Although it is intended that all profits of the joint venture will be split equally between Investor and Finder, for so long as William Smith or Investor have outstanding loans to the Trustee William Smith shall hold one extra share in the Capital Stock of the Trustee. When and if all loans to those persons have been paid by the Trustee in full, with interest as applicable, the Trustee shall cause an additional Class A share to be issued unto John Jones for a subscription price of \$0.01.

Directors:

William Smith
John Jones

Officers:

William Smith	President
John Jones	Secretary/Treasurer

Bank Signatories:

William Smith, or
John Jones

3. OWNERSHIP AND FINANCING OF REAL PROPERTY

As the parties agree from time to time on the acquisition of a piece of real property the same shall be registered in the name of Trustee. Investor shall be responsible for the down payment and arranging for and placing the insurance and financing thereof. Investor shall be responsible for all legal fees associated with the acquisition and financing of each property but with all disbursements and GST thereon to be treated as an operations expense. Investor shall be

paid interest of 5% per annum calculated and paid monthly on all monies advanced towards each property, whether for down payment, repairs and improvements or cash flow deficiencies.

4. IMPROVEMENTS, MAINTENANCE AND MANAGEMENT

Upon registration of title in the name of the Trustee to each piece of real property Finder shall immediately make arrangements to effect any repairs and improvements agreed upon by the parties. Investor shall provide the financing for the cost of materials and supplies necessary for such repairs and improvements against invoice. Finder agrees that most of the labour involved in making the repairs and improvements shall be provided by him at no charge to the joint venture but the financing for any agreed upon other labour or subcontracting work shall be provided by Investor. Finder shall be responsible for managing, maintaining, advertising, renting and showing each property to prospective tenants and managing the receipt and deposit of rental payments and from funds available for the purpose, the payment of all expenses associated with each property. Finder shall be responsible for preparing and providing to Trustee quarterly reports for all properties held by this Joint Venture from time to time not later than the 30th day of April, July, October and January each year. Said reports shall include a breakdown of all revenues and invoiced expenses. With the quarterly reports Finder shall pay Investor all interest due and then distribute net income and any distributable net equity as hereinafter calculated to Investor and to himself.

5. FINANCING FOR OPERATIONS

All funds required for the day to day operation, management and maintenance of the property shall be firstly sourced from available cash flow from operations with deficiencies to be financed by Investor as required from time to time.

6. BANKING

The parties acknowledge that the Trustee has caused a bank account to be opened at the Toronto Dominion Bank, Westmount Shopping Centre branch account # _____.

All cash flow from operations shall be deposited to the bank account and Finder shall maintain the cheque and deposit books and keep them in his possession unless otherwise resolved.

7. NET INCOME AND NET EQUITY

Finder and Investor shall split the net income and net equity from each property. Net income means positive cash flow after payment of all expenses. Expenses means interest payable to Investor and all costs associated with the acquisition, rental, insuring, maintenance, repair, financing, disposition and banking for each property except for legal fees and Investor's time and labour (unless otherwise agreed). Net equity means the equity in each property after payment of the following:

- a) Expenses;
- b) Balance owing on Mortgage financing;
- c) Monies provided by Investor for down payment and repairs;
- d) Monies payable to Investor for shortfall funds advanced;
- e) Net losses from disposition of other properties.

8. DISPOSITION OF PROPERTY AND FIRST RIGHT OF REFUSAL

Either party may provide the other with written notice of their requirement to dispose of all or any property held on behalf of the joint venture. Upon receipt of such notice Finder and Investor will be deemed to have agreed to the disposition of the property and shall agree on the method of such disposition. In the event that said parties are unable to agree on the method of disposition they shall submit such question to an appraiser who is a member of the Appraisal Institute of Canada. The appraiser shall decide on both the fair market value net of a deemed real estate commission of 7% on the 1st \$100,000 and 3% on the balance, and the method of disposition and such decision shall be final. If the parties cannot agree on the name of the appraiser, such issue shall be decided by arbitration. Either Finder or Investor, as the case may be, shall be entitled to purchase the ½ interest of the other wishing to sell at the established fair market value plus or minus usual conveyancing adjustments.

9. LOSSES

Finder and Investor shall jointly bear any losses associated with a property on its disposition. 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.

10. TERMINATION

Either venturer may provide the other with notice in writing of their intent to terminate their relationship. In such event no new acquisitions shall take place but the parties shall be bound to honour all obligations herein until all property has been disposed of and the proceeds distributed in accordance with the terms of this agreement.

11. NOTICES

Any notice required to be given by one party to the others shall be in writing and delivered to the addresses as noted above or to such other address as either party shall notify the other of in writing from time to time. All notices shall be delivered.

12. GENERAL CONDITIONS AND INTERPRETATIONS OF AGREEMENT

12.01 Time shall be of the essence of this Agreement.

12.02 The parties hereto agree to do all things, to attend all such meetings 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.

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

12.04 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 Queen's Bench of Alberta, 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 Alberta.

12.05 This Agreement shall be governed by the laws of the Province of Alberta.

12.06 In the event of the invalidity of any particular paragraph or sub-paragraph 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 deleted from the Agreement and omitted therefrom.

12.07 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.

12.08 The captions in this Agreement form no part of this Agreement and shall be deemed to have been inserted for convenience only.

12.09 Wherever the singular is used in this Agreement it shall be deemed to include the plural and vice versa; where one gender is used it shall be deemed to include all genders and references to corporate entities shall be deemed to include personal where required and vice versa.

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

IN WITNESS WHEREOF the parties have set their hand and seal or have caused execution in its behalf April _____, 2006.

WITNESS

JOHN JONES

WILLIAM SMITH

1234567 ALBERTA LTD.

Per: _____

Template Only - Legal Advice Required