

**JOINT VENTURE AGREEMENT
(INVESTOR AND INVESTOR)**

This Agreement is made _____ [date], between _____ [first party], of _____ [address], in the City of _____, County of _____, State of _____, and _____ [second party], of _____ [address], in the City of _____, County of _____, State of _____.

The parties desire to create a joint venture whereby the first party contributes his contractual interest in a certain residential real property owned by Seller and the second party makes available an end-user who is desirous of contracting on such terms for the acquisition of such a residential real property.

Therefore, in consideration of the mutual covenants set forth below, the sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION I. SCOPE AND DESCRIPTION

By this agreement, the parties create a joint venture to achieve the assignment of a Residential Real Estate Purchase and Sale Agreement from the first party, as purchaser under the contract (a copy of said Contract is attached hereto as Exhibit "A") to an individual made available by the second party.

SECTION II. CONTRIBUTIONS

The first party will contribute said contractual interest, which both parties have reviewed and understand the Contract, and the second party will contribute the ready, willing and able assignee under this arrangement. The parties are aware, and the second party represents that the prospective assignee is aware that the Contract provides for taking the property subject-to a first note and mortgage or deed of trust.

SECTION III. TERM

The term of this joint venture shall begin on the execution date of this agreement and continue until the closing occurs under the Contract or for _____ days, whichever occurs first. Time is of the essence and the parties must work to effectuate the assignment and closing.

SECTION IV. FIRST PARTY OBLIGATIONS

The first party has the following obligations during the term of this agreement:

- Pre-screen the Seller and explain the Assignment process
- Put the Seller under contract and provide detailed disclosures regarding the risks of the Assignment process
- Pre-screen the seller to ensure they are willing and able to sell their property
- Pre-screen the seller to ensure the Seller is the one on the Deed
 - Note: The name on the Deed may be different than the name on the note. If that is the case, the first party will obtain written consent from the person who is on the Note, but not on the Deed
- Ensure the Seller has clear and transferrable title (with the exception of the underlying Note)

- Obtain the initial Authorization to Release Loan information agreement(s) from the homeowner
- Fax the Authorization To Release Loan Information into lender, call to verify that a the terms of the loan and order payoff and reinstatement quotes good for the day of closing
- Set expectations with the Seller:
- Instruct the Seller to ready the Property for sale, keeping the Property clean, keeping the utilities on, safeguarding the home, submit documents needed for the process, and move out prior to the closing date in the Contract
- Advise the Seller that in the event that the Buyer does not close or is unable to close due to an unforeseen issue on their own part or on the part of the Seller, Seller will not be reimbursed for any of their expenses by either Investor.
- Inform the second party of all the details regarding the Seller's existing note and Property information, including giving the second party copies of the following documents:
 - Promissory Note of the Note being assigned
 - Payoff and re-instatement quotes that are valid through the closing date on the Contract
 - A Mortgage Statement not older than 90 days (from the signing and dating of this Agreement)
 - Insurance Statement
- IA may provide the following documents to IB if they are available:
 - Survey of the Property
 - Copy of the Amortization schedule associated with the underlying Note
 - Copy of the Seller's Deed
 - A Property repair list if applicable
 - Property pictures and description
- Complete the following activities as instructed by the second part
 - Allow second party's buyer to enter and inspect the Property during the hours of 9am-6pm, Monday through Saturday, except on Federal holidays
 - Schedule no more than 4 visits to the Property prior to closing

Provided, however, that the first party does not guarantee the performance by Seller of the above-obligations, and will not be liable for the failure of Seller to perform. The Seller and Buyer will only have claims available under the Contract, and the Investors release each other from liability under this Agreement if the closing does not occur due to no fault of either party.

SECTION V. SECOND PARTY OBLIGATIONS

The second party has the following obligations during the term of this agreement:

- Generate the Buyer lead
- Identify and pre-screen the Buyer and explain the Assignment process
- Orchestrate a sit-down meeting with the Buyer to sign all of the necessary documents including the Contracts and Addenda
- Set expectations with the Buyer, including but not limited to the following:
 - Buyer is taking over payments for the Seller's existing Note
 - There are risks associated with the Assignment strategy
 - Others disclosed in the Contract and Standard Master Addendum
 - You will have to pay closing costs and your down payment will first be applied to closing costs including the costs and profits associated with this Agreement

- Your down payment may or may not go to the seller or the underlying Note balance
- Advise the Buyer that in the event that the Seller does not close or is unable to close due to an unforeseen issue on their own part or on the part of the Seller, Buyer will not be reimbursed for any of their expenses by either Investor.

Provided, however, that the second party does not guarantee the performance by Buyer of the above-obligations, and will not be liable for the failure of Buyer to perform. The Seller and Buyer will only have claims available under the Contract, and the Investors release each other from liability under this Agreement if the closing does not occur due to no fault of either party.

SECTION VI. JOINT OBLIGATIONS OF THE PARTIES

The parties have the following obligations during the term of this agreement:

- Facilitate the sit-down meeting with Seller and Buyer to answer all questions and sign all documents
- Follow-up after the meeting as needed with Buyer to make sure additional documents are collected to deliver to the parties and the closing company
- Maintain a rapport with Seller and Buyer until the closing and funding, to ensure Seller and Buyer's continued participation and cooperation.
- Prepare any additional contracts, addenda, disclosures, etc. for the parties to sign
- Be responsible for coordinating follow-up conversations and meetings with the Seller, Buyer, lenders, title companies, and other people involved in this Agreement

SECTION VII. DIVISION OF PROFITS

The profits of the joint venture may be generated from various methods. The primary method of obtaining profits is through an assignment or facilitation fee that will be charged on the HUD settlement statement at closing to the Buyer. Profit may also be generated if the parties close on the Property and then resell to the Buyer. In that case, profits shall be calculated as the difference between the purchase price to the end user less all acquisition, remodeling, carrying costs, and transactional costs. The parties shall be reimbursed for expenses paid first and the remaining balance shall be split as follows

The _____ party shall receive the first \$_____ or _____% of the profit; then/or

The first party shall receive \$_____ or _____% of the profit; and

The second party shall receive \$_____ or _____% of the profit.

SECTION VIII. EXPENSE SHARING

Expenses can be incurred in a transaction through various activities including performing repairs, cleaning, maintenance, paying for utilities or to have utilities turned on, inspections, etc. In all cases expenses (over \$25) should be discussed and agreed on by the parties prior to the commitment to spend the money.

In all cases, expenses should be separately recorded by each party in each transaction. At the conclusion of any of the scenarios listed above, all expenses will be divided and paid equally among all of the Investors.

SECTION IX. OTHER LIABILITIES

The parties acknowledge that this joint venture creates the legal status of a general partnership for liabilities resulting from actions taken within the scope of the joint venture. Any liabilities accruing for the joint venture other than those described above for carrying costs and renovations shall be split equally between the parties.

SECTION X. PRIVACY AGREEMENT

The parties take the matter of privacy very seriously. While working with a Seller on an assignment opportunity, personal information is collected from the Seller. In some cases this information is stored on password-protected servers, and/or held in secured files that are accessible only by the parties or their agents for the sole purpose intended by this agreement. By signing this agreement, the parties agree to the following:

- Advise the Seller and Buyer of this policy and get their written consent to the same.
- No personal information collected from a homeowner will be shared, sold, or in any way made available to parties not specifically involved in the transaction.
- Personal information collected shall never be used for purposes beyond executing an Assignment opportunity on behalf of the Seller.
- Passwords and other access to shared servers or files shall not be shared, under any circumstance. If new parties need access to confidential information, they need to arrange to be given their own access.
- Personal and confidential information should always be stored in secured facilities. For example: locked file cabinets, password protected files/servers, security system protected buildings, etc.
- Discarded personal and confidential information should always be properly disposed.

Buyer will be given Seller's personal information at the time of closing to ensure access to loan information after the closing. Buyer and Seller will need to come to a separate agreement regarding that disclosure, but the parties will try to facilitate that while attempting to keep the information private and protected.

SECTION XI. ASSIGNMENTS AND TRANSFERS

A party may not assign or transfer their rights and duties in this joint venture without the prior express written consent of the other party.

SECTION XII. DEATH OF PARTY

In the event that either party dies during the term of this agreement, the remaining party will make all decisions for the deceased, and the deceased person's estate will receive the profit share or liability from the completed transaction.

SECTION XIII. DISPOSITION OF PROPERTY UPON TERMINATION OTHER THAN BY DEATH

In connection with a divorce, bankruptcy, or other involuntary proceeding affect a parties rights in the property, an appraisal of the property shall be made to determine its fair market value. The parties shall decide who shall pay the fair market value of the property to the joint venture, as if the property had been sold to a third party. If the parties cannot agree, they shall draw lots to determine who shall make such payment. The proceeds of the payment shall be allocated and applied as provided in the section concerning profits and losses. In the event the party so chosen to pay the fair market value of the property is unable to do so, the other party shall have the

right to pay such fair market value. If neither party is able to pay such fair market value, the property shall be sold and the proceeds divided as provided in the section concerning profits and losses.

SECTION XIV. ENTIRE AGREEMENT

This agreement constitutes the entire agreement of the parties relating to the subject matter. All prior negotiations and understandings are merged in this agreement. Modification or amendment of this agreement shall be made only in writing and subscribed to by the parties.

SECTION XV. COMPLIANCE

It is the intention of the Parties that this agreement shall comply with any Applicable Law ("Applicable Law," as such term is used in this agreement, shall mean any federal, state, or local statute or other law governing such contracts in the jurisdiction where the subject property is located.). To that end, the Parties agree that none of the provisions of this agreement and the Contract shall ever be construed to create a contract that violates any Applicable Law or exceeds the limits imposed or provided by Applicable Law for the purchase, finance, or sale of residential real property.

SECTION XVI. LEGAL ADVICE

This form agreement is only a guide and each party is advised to seek independent legal counsel from a duly licensed attorney in the state of the subject property and/or the state of the Parties to complete this agreement and for obtaining legal opinions as to its legality and effect. REI Matcher nor its affiliated agents, employees, or attorneys have been engaged in an attorney-client relationship or have been consulted with or relied upon in completing this form agreement. The Parties have completed this form agreement by and through the Parties' own decision-making, and no legal advice has been provided by REI Matcher nor its affiliated agents, employees, or attorneys as to the effect of any decisions or agreements evidenced by this agreement. The Parties enter this agreement at their own risk.

SECTION XVII. LAW GOVERNING AND DISPUTE RESOLUTION

This agreement shall be governed by the laws of the State of _____. The parties consent to mediating any dispute in good faith as an alternative dispute resolution method prior to taking other legal action.

The above and foregoing Joint Venture Agreement (Equity Partnering) has been read and understood by the First Party and the Second Party, and the First Party and the Second Party do hereby evidence their agreement and assert the effectiveness of their agreement this _____ day of _____, 20____.

First Party

First Party

Second Party

Second Party