

Prepared by EFM Financial Center

Sample Co-Ownership Agreement

This is intended as a sample only and all parties should consult their own legal representation to prepare a co-ownership agreement.

This agreement is executed this *17th* day of *September*, 2009 by and between:

Frank Enrique Moll and *Rosanna Caira Brunkow*. *Frank* and *Rosanna* have purchased a *Triplex Property* known as *333 Birch St, Burbank, CA 91501*, herein referred to as the Property.

The parties acknowledge that they own the Property as *Tenants in Common* and that *Frank* has *50* percentage beneficial ownership interest and *Rosanna* has *50* percentage beneficial ownership interest.

The Property was purchased on *September 1, 2009* for a price of *\$399,000.00*. The parties have each made an equal capital investment {*OR if each party made different capital investments, please list here*} towards the purchase of the Property and are jointly liable on an outstanding mortgage with an initial principal balance of *\$385,035.00*.

The parties deem it in their best interests to define their obligations to each other with respect to the ownership, maintenance and sale of the Property, and to provide for a mechanism to allow for the sale of either party's interest.

Therefore for good and valuable consideration, the receipt of which is hereby acknowledged, and

in consideration of the mutual covenants and conditions herein contained, the parties hereto agree as follows:

1. Occupancy:

It is the intention of the parties is that *Frank* and *Rosanna* shall jointly occupy one of the units and the other two unit shall be rented at full market value. *{OR It is the intention of the parties that the entire property will be used as an investment rental.}*

2. Carrying Costs:

The parties shall bear the costs of the Property in proportion to their ownership interests in the Property. For purposes of this agreement, “carrying costs” shall be deemed to include but not limited to mortgage payments of both principle and interest, real estate tax payments, private mortgage insurance (if applicable), sewer and water use payments, fire and extended insurance coverage, municipal betterments, electricity and other utilities including heat , and repairs, maintenance and capital improvements.

3. Repairs, Maintenance, Landscaping, and Capital Improvements:

The Property shall be kept maintained in first class condition, habitable, clean, reasonably freshly painted and attractive and in generally good condition. A landscaper will be hired on a minimum of bi-monthly basis to maintain the landscape. All mechanical portions of the Property shall be kept in good working order and free from leaks or other structural failures. Any repair or capital improvement or item of maintenance to the Property costing more than \$100.00 shall require the approval of all parties but such approval shall not be unreasonably withheld and shall be given to conform to the standards of the paragraph.

4. Rental or Property:

The parties agree that they shall rent *two of the units* of the Property to tenants who shall be approved by both parties or by their duly appointed agent or management company at an agreed upon fair market value. Any collected rents shall be used to directly reduce the carrying costs of the Property. Any positive cash flow shall be distributed to the parties in proportion to their ownership interest.

5. House Account:

The parties agree to open and maintain a house account to be used to pay the carrying costs as stated in this agreement. The house account shall be funded by the parties based upon their percentage ownership interest in the property. Contributions to the house account shall be made monthly, in amounts to be determined by the parties. Both parties shall have a signature authority for checks on the house account.

6. Sale of the Party's Interest or Sale of Property:

The property may not be sold on or before *September 1, 2014*. Thereafter, in the event that either party should wish to sell, he shall first offer to sell his or her interest to the other party (s) by a written notice stating the proposed terms of sale. The other party(s) shall within thirty (30) days of the notice of offer to sell elect either (I) to accept the offer and purchase the offering party's interest on the terms offered, or (II) consent to the proposed sale to a third party upon terms offered, or (III) agree to list the Property for sale on the market. Any closing between parties arising from a sale or transfer under this paragraph shall occur within a reasonable time agreed

upon by all parties. In the event that only an interest in the Property is sold, the willing seller shall be responsible for all seller fees and shall be solely responsible for his payment of any liens or encumbrances arising out of his or her separate obligations and shall deliver good, clear, record and marketable title except for joint encumbrances and matters known to the parties on the date of acquisition of the Property. In the event that the Property is sold by all parties, the costs incurred by selling (i.e. payment of mortgage, broker's commission, escrow, title, etc.) will be deducted from the purchase price, and the net amount will then be divided between the parties upon their percentage interest.

7. Disputes:

For any disputes arising under this agreement, parties agree to first resolve the dispute under mediation and then arbitration in the county of *Los Angeles*. In the event of any dispute hereunder, the party prevailing in such mediation or arbitration shall be entitled to recover, in addition to all other remedies and damages, reasonable attorneys' fees incurred in such action.

8. Notices:

Any notices sent or required to be sent pursuant to this Agreement shall be in writing and be deemed to be duly served if mailed, postage prepaid, certified mail, return receipt requested, or delivered by Federal Express or other comparable overnight carrier, or delivered in hand by a duly appointed constable, to the addresses of the parties stated below or to such other addresses as either party may notify the other by notice given pursuant to this paragraph:

Frank Enrique Moll

Rosanna Caira Brunkow

333 Birch St

333 Birch St

Burbank, CA 91501

Burbank, CA 91501

9. Construction:

This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of California.

10. Severability.

In the event that any portion of this agreement shall be deemed null and void or unenforceable by any court of competent jurisdiction, then notwithstanding the same, the remaining provisions of this Agreement shall be full force and effect.

11. Counterparts:

This Agreement may be executed in multiple counterparts, each being deemed original and this one being one of the counterparts.

IN WITNESS WHEREOF, the undersigned have executed this Agreement under seals of the date and year first written above.

Signature

Signature

Print Name

Print Name

Date

Date

Notary Seal Required