**JOINT VENTURE AGREEMENT**

**FOR DEVELOPMENT OF REAL ESTATE**

 **"\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Joint Venture"**

THIS JOINT VENTURE AGREEMENT ("Agreement") is entered into by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Community Development Corporation, a Florida corporation ("CDC") and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a Florida Corporation ("BUILDER") for the purpose of developing single family housing units.

**W I T N E S S E T H:**

WHEREAS, the parties are desirous of forming a joint venture (the "Venture"), under the laws of the State of Florida by execution of this Agreement for the purposes set forth herein and are desirous of fixing and defining between themselves their respective responsibilities, interests, and liabilities in connection with the performance of the before mentioned construction projects; and

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, the Parties herein agree to constitute themselves as joint venturers, henceforth, "Venturers" for the purposes before mentioned, and intending to be legally bound hereby, the parties hereto, after first being duly sworn, do covenant, agree and certify as follows:

**ARTICLE I: DEFINITIONS**

1.1 "Venturers" or "Joint Venturers" shall refer to BUILDER and CDC and any successor(s) as may be designated and admitted to the Venture.

1.2 “Date of Commencement" shall mean the date that this Agreement has been executed by both Venturers.

1.3 "Property" shall refer to the following described real estate owned by CDC

<<LIST PROPERTY HERE>>

1.4 "Parcel" and "Parcels" shall refer to the individual building lots, each having its own Folio Number, which together comprise the "Property" as defined in section 1.3, above.

1.5 “Project” shall refer to the financing, construction, and sale of \_\_\_\_ single family housing units on the Property in accordance with the Development Plan outlined in a document labeled "Exhibit A" which is attached hereto and made a part hereof by this reference.

1.6 "House" and "Houses" shall refer to the single family dwelling units to be constructed on each Parcel.

1.7 "Building Plans" shall mean the plans and specifications that have been approved by the relevant unit of local government in conjunction with their issuance of the building permits required for the construction of each of the Houses of the Venture. .

**ARTICLE II: FORMATION, NAME, AND PRINCIPAL PLACE OF BUSINESS**

2.1 FORMATION. The Venturers do hereby form a partnership pursuant to the laws of the State of Florida in order for the Venture to carry on the purposes for which provision is made herein. The Venture shall be known as the "Brownsville Infill Housing Joint Venture".

2.3 PRINCIPAL PLACE OF BUSINESS. The Venture shall maintain its principal place of business at BUILDER's offices. The Venture may relocate its office from time to time or have additional offices as the Venturers may determine.

**ARTICLE III - JOINT VENTURE PURPOSE AND DUTIES OF VENTURERS**

3.1 Purpose: The business of the Venture shall be to undertake the Project which consists of the construction and sale of single family Houses on the Property. The Houses are more particularly described in the "Development Plan" which is attached hereto and labeled "Exhibit A". CDC warrants that the Property has no environmental problems that would inhibit the construction and sale of the Houses.

3.2 BUILDER shall construct one House on each each of the five Parcels. The specifications for the Houses are described in "Exhibit A". Each House shall include all relevant landscaping, carpeting, and appliances,

3.3 Except as otherwise stated herein, BUILDER shall full authority to make all construction related decisions. CDC shall not be required to be a party to any construction related contract (all such contracts shall be entered into solely in the name of BUILDER or its designee). BUILDER shall designate one person to be its General Manager through whom it shall supervise all matters necessary and connected with the performance of the construction work.

3.4 BUILDER, and not CDC or the Venture, shall be solely responsible for the payment of all construction related costs including but not limited to architect fees, contractors, building materials, fees for building permits, and fees for utility connection.

3.5 BUILDER shall be responsible for obtaining any financing that it might need for the construction of the Houses. CDC agrees to allow the Property to serve as collateral for a construction loan arranged by BUILDER. CDC shall not be required to become liable for the repayment of such loan (other than putting the Property up as collateral). Accordingly, CDC shall not be required to execute a promissory note, guaranty, or any other loan document (other than a mortgage and documents directly related to a mortgage).

3.6 BUILDER must apply for the required building permits within 30 days of the Commencement Date. CDC may terminate this Agreement if this deadline has not been met and neither party shall have further obligation to the other.

3.7 BUILDER shall complete the construction of each House (as evidenced by the issuance of the Certificate of Occupancy) within \_\_\_\_\_\_\_\_\_ days after the issuance of the relevant building permit.

3.8. CDC shall be responsible the sale of the Houses, customer relations, and arranging for the closings. The minimum sale price for each House shall be $\_\_\_\_\_\_\_\_\_\_\_\_\_. CDC may, however, designate a higher sale price if it so choses. Upon request CDC shall provide BUILDER with a copy of each executed sales contract.

3.9 Upon completion of a House BUILDER shall deliver the following items to CDC (i) a valid Certificate of Occupancy issued by the Miami-Dade County Building Department, (ii) a Homebuyer Buyer's Warranty Policy to include 1/10 coverage, (iii) an affidavit from the general contractor, if any, certifying that that all subcontractors and suppliers have been paid, and if all have not been paid, a list of such persons and/or entities that have not been paid and the amounts that remained owing, and (iv) final releases from all contractors and suppliers that have provided notice to CDC pursuant to Chapter 713 of Florida Statutes. BUILDER is responsible for obtaining final releases from all relevant contractors and material suppliers by the time of the closing on the sale of any House.

3.10 CDC shall be in default of this Agreement if the closing on the sale of any House does not occur within 15 days after BUILDER has provided all of the documentation required by Section 3.9 of this Article (above)..

**ARTICLE IV - TERM**

4.1 The Term of the Venture shall begin on the Commencement Date and shall end upon the earliest of the following to occur: (i) the unanimous agreement of the Ventures; (ii) an order of a court of competent jurisdiction; or, (iii) the completion and sale of all of the Houses of the Project and the distribution of all sale proceeds as provided for in this Agreement.

4.2 Either party, upon written notice to the other, may terminate this Agreement if construction of the Houses has not begun within 60 days of the Commencement Date. Upon such termination neither party shall have further obligation to the other. CDC, however, may not terminate this Agreement in this manner if the delay in the commencement of construction has been caused solely by delays in the closing of a construction loan caused by title issues with the Property.

**ARTICLE V: SPLIT OF SALE PROCEEDS.**

5.1 The sole compensation payable to each of the Venturers under this Agreement shall be a split of the proceeds derived from the sale of each House. For each House the sale proceeds shall be divided as follows:

\* BUILDER shall be paid an amount equal to $\_\_\_\_\_\_\_\_ multiplied by the gross square footage of that House.

\* The remainder of the proceeds from each House shall be paid to CDC.

5.2 Payment of Construction Costs. BUILDER shall be responsible for paying all construction costs for each House even if the dollar amount of those costs exceeds the portion of the sale proceeds that are to be paid to BUILDER under the provisions contained in this Article.

5.2.1 It is anticipated that during the construction process various contractors, subcontractors and suppliers will, from time to time, deliver to CDC notices authorized by Chapter 713.06 of Florida Statutes ("Notice to Owner"). CDC shall promptly delivers copies of all such notices to BUILDER following receipt. Prior to the closing on the sale of each House BUILDER shall provide CDC satisfactory documentation demonstrating that all relevant contractors, subcontractors and suppliers who had supplied labor or materials for the House being sold had been paid and had executed a release of their lien or potential lien.

5.2.1 At the option of BUILDER the following two types of payment can be made at the closing on the sale of a House out of its portion of the sale proceeds for that House.

\* Payment to a construction lender to obtain a partial release of a mortgage encumbering the House being closed, and

\* Payment to a contractor or a supplier to obtain the release of a construction lien that is encumbering the House being closed upon.

5.2.2 It is possible, though unlikely, that construction costs for a particular House may exceed BUILDER's portion of the sale proceeds and that CDC, at the closing, may be forced to pay a part of its share of the proceeds to satisfy an outstanding construction loan mortgage or an unpaid construction lien. Should this occur BUILDER shall be obligated to reimburse CDC for all such amounts disbursed.

**ARTICLE XII - OTHER PROVISIONS**

12.1 This agreement constitutes the entire agreement of the parties and may not be altered, unless the same is agreed upon in writing signed and acknowledged by the parties.

12.2 This agreement is binding upon the heirs, court appointed representatives, assigns, and successors of the parties.

12.3 This agreement shall be governed by the laws of the state of Florida.

12.4 INSURANCE COVERAGE; BUILDER shall maintain Worker's Compensation Insurance as required by Florida law and liability insurance on comprehensive basis, with coverage of no less than $1,000,000.00 of combined single limit for bodily injury and property damage and umbrella coverage of no less than $1,000,000.00. BUILDER shall also be responsible for obtaining a builder's risk insurance policy. Certificates of insurance reasonably acceptable to the CDC shall be filed with CDC prior to commencement of construction on any of the Houses. Such certificate(s) shall clearly indicate type of insurance, amount and classification in strict accordance with the requirements specified herein. These certificates shall contain a provision that coverage will not be canceled until at least thirty (30) days without prior written notice being given to CDC by certified mail. All insurance policies required of the Owner and the Contractor shall be issued in a company authorized to do business under the laws of the State of Florida, with the following qualifications as to management and financial strength: "The Company must be rated no less than "A" as to management, and no less than "AAA" as to strength, by the latest edition of Best's Insurance Guide, published by Alfred M. Best Company, Inc., 75 Fulton Street, New York, New York." BUILDER shall not be responsible from any loss or damages with regard to a particular House that occurs after the issuance of the Certificate of Occupancy for that house.

12.5 SUBROGATION: Each party will look first to any insurance in its favor before making any clam against the other Party for recovery or loss or damage resulting from fire, hurricane, terrorist acts, or other casualty and to the extent permitted by law. In the event that the Certificate of Occupancy is received by CDC, and CDC had not secured proper insurance to cover any loss or damage that may occur by any means prior to the sale of the House (or, collectively, to the Project), and such damage results in a loss to the interest of BUILDER, CDC shall be liable to BUILDER for the full amount due to REMHY/DEAN for its performance under this Agreement.

12.6 INDEMNIFICATION: To the fullest extent permitted by law, the Parties to this Joint Venture Agreement shall indemnify and hold harmless the the other party and its agents and employees from and against all claims, damages, losses, and expenses including but not limited to, attorneys' fees, arising out of or resulting from that party's negligent performance of its the obligations under this Agreement. This indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable on account of the requirements of a workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts.

12.7 Each Venturer agrees that the other Venturer (including any affiliated firm or corporation) may participate in or possess an interest in another business venture or ventures independent of this general partnership. Neither this Venture nor the Venturers shall have any rights by virtue of this Agreement in and to said independent ventures or to the income or profit derived therefrom. None of the Venturers shall be required to offer or disclose to the other Venturers or to the Venture any other business opportunities that may come to the attention of any Venturer.

12.8 Neither Venturer nor the Venture shall be responsible or liable for any indebtedness or obligation of the other Venturer incurred either before or after the execution of this Agreement except for joint obligations incurred pursuant to the terms of this Agreement.

IN WITNESS WHEREOF, the Venturers have caused this Agreement to be executed in their respective names by themselves or by their duly authorized corporate agents as of the day and year indicated by their signatures below. This Agreement shall become effective upon the signature of the last of the three Ventures.

**<<ENTER NAME OF NONPROFIT>>**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 <<enter name>>, President

**<<ENTER NAME OF BUILDER>>**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 <<enter name>>, President

**Exhibit A: Development Plan**

Insert here a general description of the house(s) to be built (including the estimated square footage, number of bedrooms & bathrooms and the amenities)

Make specific reference to the plans and specifications (including all relevant components). Indicate the name of the architect and the date that the documents were prepared.

Make specific reference to any existing Schedule of Values and any other document that describes the specific attributes of the houses that are to be built.