# REAL ESTATE JOINT VENTURE AGREEMENT

This real estate joint venture is made and entered into this 18th day of November, 2020 by and between 3Packet.com Inc. (the "Owner") and Property Lovers LLC (the "Contractor").

WHEREAS, The Owner has a certain real estate located at 1802 Ross Ave E, St Paul, MN 55119 (the "Property") along with $30,000 in capital available for contribution to the joint venture and

WHEREAS, The Contractor has up to $80,000 in capital and rehabilitation knowledge and skills for contribution; and

WHEREAS each of the parties desires to own one-half undivided interest in the Property and the parties have agreed to limitations upon the right and power to transfer their undivided interests and have also agreed upon the payment of expenses, delegation of responsibility and the distribution of profits and/or losses incurred with reference to the property; and

WHEREAS, it is the desires of the parties to define and set out their relationship in writing and the circumstances under which they are operating, as of the date of this Agreement.

NOW THEREFORE, in consideration of the mutual covenants herein after contained the parties agree as follows:

1. PRIOR AGREEMENT. It is the intention of the parties that this agreement replaces all written and or oral agreements previously existing between the parties.

2. FORMATION. The parties hereby create a real estate joint venture agreement pursuant to the laws of the state of California. Said joint venture in the Property shall be defined solely by this agreement, regardless of the manner in which title to property may be taken. This agreement is not intended to create a general joint venture between the parties.

3. PURPOSE. The purpose of the venture is to manage the Property for the purpose of repairing, renovating, and selling or renting it as expeditiously possible and to carry on any and all such other activities as may be necessary to accomplish the above described purpose of the venture.

4. TERM. The joint venture shall commence as of the date of this agreement and shall continue until terminated by mutual agreement of both parties or upon completion of the real estate closing selling the Property and the distribution of proceeds as agreed upon by the parties.

5. CONTRIBUTION OF CAPITAL

(A) The OWNER shall contribute no more than $30,000 (the "Investment Contribution") while the CONTRACTOR shall contribute no more than 50,000 (the "Investment Contribution) to be used for the rehabilitation, repair, maintenance, and other expenses that may become due during the period of ownership of the Property. OWNER and CONTRACTOR will secure the Investment Contribution as Cash in their respective bank accounts. This joint venture agreement will be terminated as of the date of written notice unless otherwise agreed upon in writing by the parties.

6. LIABILITY OF THE PARTIES. During the existence of the joint venture neither party shall be liable for any obligations of the other party created outside the joint venture without the express written approval of both parties. The parties shall share equally in any and all profits and losses of the joint venture.

7. REPRESENTATIONS AND WARRANTIES OF THE PARTIES. The parties represent and warrant that there are no suits, judgments or liens of any kind pending or file against him/her whether individually or in conjunction with any person or entity in any jurisdiction whatsoever. The representation and warranty in this section is ongoing until termination of this agreement or sale of the Property.

8. NATURE OF PERFORMANCE. During the existence of the joint venture the parties shall be solely responsible for performing the following duties:

(A) The OWNER shall be solely responsible for contributing the Property, managing taxes, and working with the city to ensure Property is brought to code.

(B) The Contractor shall be solely responsible for the day to day management of the rehabilitation, renovation, and maintenance of the Property for resale or rent, thereby protecting the investment for both parties. The Contractor shall adhere to the Approved Budget (defined below) and any alterations or improvements desired above the approved budget amount must be agreed upon in writing by both parties.

9. JOINT VENTURE DECISIONS. All decisions, including but not limited to purchase of assets by the joint venture, any loan or other obligation to be undertaken by the joint venture, and sale of any asset of the joint venture, shall require the approval of both parties.

10. MARKETING PLAN. As soon as the property is totally renovated, the subject property shall be marketed for re-sale or rent. The parties may retain the services of an agreed upon broker to market the Property.

11. BUDGET AND DISBURSEMENTS. Both parties have agreed that the estimate for all costs, including but not limited to acquisition and renovation costs, is up to $80,000 (the "Approved Budget"). If agreed upon by both parties, OWNER will pay for renovations costs up to $$30,000, and the Contractor will pay for renovations costs up to $50,000 prior to submitting for reimbursement. Contractor must submit a) signed contracts for materials and/or labor, b) all necessary material and/or labor lien waivers, and c) all necessary sworn statements prior to receiving any reimbursement.

12. DISTRIBUTIONS

(A) Subsequent to the sale of the subject property, any proceeds will first be used to repay to the OWNER the Investment Contribution (whether cash or financing); second, to reimburse all cash advances by both parties; and lastly towards profits. Contractor shall provide to OWNER a closing statement and an accounting of any and all expenses incurred, including receipts, and detailing how the new profit figure is obtained and distributed. After both parties have been repaid, as described above, then any remaining money will be distributed equally (50/50) between the parties. In no event shall Contractor be entitled to any profits until the subject property is sold to an arms-length third party. Net rent income will be distributed equally (50/50) between the parties.

13. DEATH OF PARTNER. Except as provided in this paragraph, each of the parties will not dispose (i.e., transfer, devise, convey, lease, mortgage or otherwise encumber his undivided interest) in the subject property without the written consent of the other party.

(A) The death of the partner shall not act to terminate the joint venture. The state of the deceased partner shall continue to be considered a partner hereunder and shall share in any profits and/or losses.

14. PARTITION. Each of the parties irrevocably waives any and all right that he may have to maintain any action for partition with respect to his undivided interest in the property or to compel any sale of the property under any law now existing or hereafter enacted.

15. LOANS/MORTGAGES. If applicable, the OWNER shall, during the term of this agreement, be responsible for all payments of taxes, fees and insurance.

16. INSURANCE. The Contractor will see to it that the property has builder's risk insurance at all times for full market value. Any sums payable under said policy of insurance shall be used exclusively to replace or repair the damage or theft for which said sums are paid unless the parties agree otherwise in writing.

17. VACANCY. The subject property shall remain vacant during rehabilitation unless otherwise agreed to by both parties in writing.

18. TITLE. Title shall be in the name(s) of 3Packet.com Inc. If in the name of a trust, both parties will be listed at 50/50 beneficiaries of that trust in the trust agreement.

19. CONTRACTOR DUTIES AND RESPONSIBILITIES. Contractor shall:

(A) Review and research references, credentials and licenses, if applicable, of any contractor or repairmen which are chosen to perform repairs and renovations on the Property.

(B) Negotiate and contract, on behalf of the OWNER, with contractors and repairmen to provide services and supervise said contractors and repairmen and their work at the Property. Funds are to be allocated to contractors on a percentage of completion as deemed necessary with any initial percentage payment exceeding 30% to be approved by OWNER in writing.

(C) Purchase all materials, supplies and equipment as needed for the property maintenance, repair and renovations and operation of the Property in a cost effective manner.

(D) Endeavor to keep monthly expenses at a minimum by pursing effective methods and procedures of cost reduction and control and advise OWNER on cast saving initiatives.

(E) Obtain all necessary lien waivers, sworn contractor statements and contracts from contractors and repairmen for payments made for work performed on the Property.

(F) Routinely and regularly inspect the subject property and make recommendations to the OWNER regarding the rehabilitation, repair, or maintenance of the Property.

(G) Communicate with OWNER on not less than a weekly basis on progress of renovation.

(H) Cause to be kept books of account in which shall be entered fully and accurately each and every transaction of the joint venture including bills paid.

19. INCOME TAXES. Each party shall be liable for any tax consequences created by the sale or rent income of the subject property based on his/her percentage split of the profits/losses distributed to him/her.

20. CONVEYANCE. Neither partner shall convey, sell, or transfer his interest in the joint venture unless agreed to in writing by the other partner.

21. MISCELLANEOUS PROVISIONS

(A) This agreement supersedes any and all prior agreement of the parties, whether oral or written.

(B) The parties agree to execute any and all documents necessary to carry out the terms and intent of this agreement.

(C) Section headings contained in this agreement are included for convenience only and form no part of the agreement between the parties.

(D) If any provisions of this agreement is or becomes invalid, illegal or unenforceable in the jurisdiction governing the Property, such provision shall be deemed amended to conform to applicable laws so as to be valid and enforceable or if it cannot be so amended without materially altering the intention of the parties, it shall be stricken and the remainder of this agreement shall remain in full force and effect.

(E) Unless specially disallowed by law, should litigation arise hereunder, service of process may be obtained thru certified mail, return receipt requested, the parties hereto waiving any and all rights they may have to object to the method by which service was perfected.

(F) No waiver of any right under this agreement shall be deemed effective unless contained in a writing signed by the parties charged with such waiver, and no waiver of any right arising from any breach of any future such right or of any other right arising under this agreement.

(G) This instrument contains the entire agreement of the parties with respect to the subject matter hereof, and the terms and conditions thereof may not be further modified except by a writing signed by all the partners. This instrument shall under no circumstances be recorded.

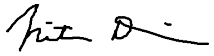
(H) In the event that litigation results from or arises out of this agreement or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees, court costs and all other expenses whether or not taxable by the court as costs, in addition to any other relief to which the prevailing party may be entitled. All or any of the above in this section may be deducted from the profits of the non-prevailing party.

(I) This agreement and all transactions contemplated hereby, shall be governed by, construed and

enforced in accordance wit the laws of the state of California. The parties herein waive trial by jury and agree to submit to the personal jurisdiction and venue of a court of subject matter located in the County of Orange, state of California.

(J) This agreement may not be assigned by either party without the express written consent of the non-assigning party. This agreement shall be binding upon, and share inure to the benefit of the parties hereto, their respective heirs, and successors, as the case may be.

(K) OWNER may buy out CONTRACTOR's interests in the partnership at any time by reimbursing the CONTRACTOR all the monies invested by the CONTRACTOR plus 10%.

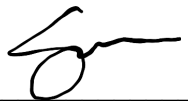


__11/18/2020_____

OWNER DATE

Mitesh Damania

President of 3Packet.com Inc.



___11/18/2020_____

CONTRACTOR DATE

Peter Yahiayan

President of Property Lovers LLC