
Example: Letter of Intention for JV Partnership

March 1st, 2025

Their name

And address

Re: Joint Venture Partnership between Your name ("JV General Partner A") and ("JV Money Partner B")

Dear (their name):

This is great news that you are interested in working with me as a joint venture money partner. We are glad that you also feel optimistic about the real estate climate in Canada over the next decade. I will be searching diligently for a strong multi family property for you and the other investors.

Please take the time to fill out the partnership questionnaire if you have not already. If you have, thank you. This helps us navigate the best possible win-win strategy for all of us in this long term wealth creation strategy. My aim is to make sure I can provide a good experience and help you grow your wealth in this economic climate!

It's so important to me to find a deal that meets all of our expectations.

I have spent over a decade honing my skills as a sophisticated real estate investor by buying and managing my own properties, doing my first JV deal, getting coaching, taking courses and joining a well respected real estate investing network.

This year I plan on completing my 6th deal and expanding my portfolio by creating win-win partnerships with investors like yourself. My goal is to put together deals that allow you to profit alongside me. As I likely mentioned already I follow a proven system for creating long term wealth. My system is founded on three investment pillars:

1. **I always buy using a proven system:** The system I use is called the Authentic Canadian Real Estate System (ACRE), as described in the book and manual "Real Estate Investing in Canada 2.0".
2. **I establish key relationships:** I have spent years building my team out. It consists of realtors, mortgage brokers, property managers, lawyers and more,

who work with me to create profitable investments. Each member is an expert who has investment experience.

3. **I am committed to follow through:** I started my entrepreneurial journey and my real estate investing journey in 2012 when I bought my first deal. I still own it today and it continues to perform and provide cash flow. I have been through 2 recessions and weathered both of them. Moving forward my ability to buy the right properties in the right locations will be something I will expand with Joint venture partners, thus allowing others to profit from my deals.

The following will be a working document outlining our agreement in principle until further paperwork is drafted:

1. Property Specifications:
 - Property will be purchased within 6 months from today
 - Price range between \$950,000 - \$3,000,000
 - Multi Family / Multi Unit
 - 1500 sq. ft or larger
 - 4 Units (or more)
 - located in <Somewhere, AB or BC >
 - located in a city or town that has strong fundamentals 4% historical growth = 12% ROI with 30% Leverage)
2. Estimated Financial Contribution:
 - JV Partner to make a commitment to contribute a minimum of \$100,000
 - Amount will be dependant on purchase price, closing costs and initial repairs needed on property – all of these costs are considered as your capital investment
 - JV Partner A makes a commitment to conduct and oversee all business relating to the acquisition, administration and management, and final closing on property.
3. Property Ownership will be as follows:
 - JV Partners: 70 - 30% share depending on the deal
 - Managing Partner: 30 - 45% share depending on the deal
4. Targeted Closing Date on property:

- On or before August 15th, 2025, unless no suitable property is found and passes all due diligence.
5. Mortgage Funding:
- The corporation, property and manager will be qualifying for the Loan
 - Personal guarantees will likely need to be signed though from investors
6. Title on Property:
- Title to be held in corporations name. Limited partnership. The business holds the property as a trustee for all the partners.
 - All money partners will own proportional shares
 - Joint venture agreement will be registered on title with lawyer, therefore, property cannot be sold without parties consent.
7. Length of Hold:
- Both parties agree that this is a long term investment and agree to hold the property for 6 - 8 years unless both parties agree to change this time period.
 - Refinance is the longer term plan to pay back initial investments
8. Cash Flow and Equity Appreciation:
- Will be split according to share ownership after investors are all paid back.
 - Cash Flow is defined as all Property Revenues less all Property Expenses
9. Upon Sale or Refinance:
- After 8 years, upon sale or refinance of property, JV Partners will receive capital investment first (as outlined in point #2) and then remaining funds will be split 45/55.

The primary key to my success is my focus on positive cash flow and strong active management. Further to that it would be the discipline to only buy at the right price and the willingness to walk away from a deal that doesn't fit my system or check all the boxes on my checklists.

Once you have completed the questionnaire the next step would be to discuss further how an investment strategy together can help us both build wealth.

To help you understand what I do better I have included some example deals and what we are going for.

Thanks in advance!

Brad 😊

We agree to the above mentioned terms and conditions of this Letter of Intent:

This document is not legally binding. It's a vote of reassurance to the intent we are wanting to create a deal from. And this give me your commitment so that I can start searching and not waste my time with people who are not serious.

Joint Venture Money Partner A:

Print Name

Signature

Print Name

Signature

Please return a signed copy of this document to (Your Name) and the other signed copy is to be mailed to the lawyer with an initial deposit which will be held in trust.

Amount of initial deposit: \$1,000 (which will form part of the initial deposit on property once subjects have been removed).

Cheque made payable to: Law Office in trust (insert your lawyers details)

Lawyers information:

{Insert}

Initials _____