

AGREEMENT FOR
TENANCY IN COMMON OWNERSHIP OF REAL PROPERTY

This Agreement ("Agreement") is effective _____, by and among LARRY ("Larry"), MO ("Mo") and CURLY ("Curly") (collectively "owners") with regard to the following facts:

A. On _____, the owners purchased the real property described as Assessor Parcel No. _____, commonly known as _____ California ("Property"), further described in the preliminary title report issued by _____ on _____, which was attached to and incorporated in the Agreement as Exhibit A. A drawing of the Property, with boundary lines based on Assessor's Map Bk. _____, and with all existing structures shown with their approximate dimensions, was attached and fully incorporated in the Agreement as Exhibit B and was referred to as the "Property Map."

B. The purchase price of the Property was \$ _____.

C. The owners intend that the rights and duties set out in this Agreement shall supersede all statutory incidents of ownership to which they are entitled as tenants in common.

WHEREFORE IT IS AGREED:

1. Term. This Agreement shall become effective on the date first shown above and shall terminate upon final distribution of proceeds of sale of the Property or upon agreement of the owners.

2. Ownership. The owners shall hold the Property as tenants in common in the following percentages:

LARRY	-	%
MO	-	%
CURLY	-	%

3. Physical Division and Possession of the Property

3.1 Larry shall have exclusive possession and control, subject to this Agreement, of that area on the Property Map shown in red and referred to as the "Cabin."

3.2 Mo shall have exclusive possession and control, subject to this Agreement, of that area on the Property Map shown in blue and referred to as the "House."

3.3 Curly shall have exclusive possession and control, subject to this Agreement, of that area on the Property Map shown in green and referred to as the "Studio."

3.4 The owners shall have equal rights of possession and control over the common areas of the Property, which are all areas not described above.

4. Use of Individual Areas

4.1 Each owner shall use her/his individual area as a personal residence, which may include work and storage space, and shall have sole discretion over occupancy and co-occupancy of her/his individual area so long as s/he continues to occupy the area.

4.2 If an owner chooses not to occupy her/his area, s/he may rent the area, subject to prior approval of the tenants by the non-renting owners, and shall be entitled to all rental income.

4.2.1 Any lease shall be substantially similar to the Residential Lease which was attached to and fully incorporated in the Agreement as Exhibit C.

4.2.2 The renting owner shall reimburse the non-renting owners for any costs that they incur because of the tenants.

4.2.3 If necessary, the renting owner shall execute a power of attorney naming the other owners as her/his agents with unlimited powers to negotiate with or take action against the tenants.

5. Repairs, Maintenance and Improvements

5.1 Each owner shall maintain, at own expense, her/his individual area in good order and repair and shall be solely responsible for repairs.

5.2 No repair or improvement that will involve structural or exterior work or that affects the value of the Property shall be made by an owner without consultation with the other owners.

5.3 Work on common areas shall require the prior approval of all owners, and the costs shall be shared among the owners as they agree.

6. Obligations of Owners.

6.1 Each owner shall maintain, at own cost, a homeowners insurance policy on her/his dwelling.

6.2 The owners shall pay property taxes and any other assessments and liens from government agencies, including any property tax increases due to improvements on the Property, in accordance with the percentage ownership interests.

6.3 The monthly payment of each owner of the promissory notes/deeds of trust shall be based on (a) the percentage share of all money borrowed to refinance the original mortgage, any second mortgages and any previous refinancing and the costs of each borrowing and (b) the money borrowed by the owner for personal use.

7. Default in Payments

7.1 In the event that any owner cannot pay her/his share of any of the payments set out in section 6, the other owners shall make those payments for a period not to exceed two months; the period may be extended upon agreement of the owners. Such payments shall be considered a loan to the non-paying owner and shall be repaid according to terms agreed upon at the time that the first payment is advanced.

7.2 If the failure to make payments continues beyond the period set out in section 7.1, the owners, by unanimous agreement, shall choose one of the following options:

7.2.1 The area of the non-paying owner shall be rented, and the rental income shall be paid directly to the other owners. They shall pay from the rental income the section 6. monthly expenses of the non-paying owner plus any other necessary Property expenses expected to occur in the next two

months. Any rental income in excess of expenses shall be paid to the non-paying owner;

7.2.2 The owners shall apply to commercial or private lenders to secure additional financing on the Property;

7.2.3 The non-paying owner shall sell her/his interest in the Property in accordance with section 8;

8. Restrictions on Transfer of Interest

8.1 An owner shall give written notice to the other owners of her/his intention to sell or otherwise transfer her/his interest in the Property or of receipt of any offer for her/his interest, before sale or transfer of the interest.

8.2 Such notice shall specify the Property interest to be transferred, the price, terms and conditions sought by the seller or contained in any offer already received and shall name any proposed transferee.

8.3 If one or both of the non-selling owners wish to purchase the interest, an appraisal of the Property interest shall be obtained in accordance with section 12. The price shall be determined by multiplying the appraised value of the Property by the selling owner's percentage interest. The acquiring owners shall agree on the percentage of the interest which each shall purchase. The sale shall be completed no later than six months from the giving of notice unless changed by agreement of the owners.

8.4 If neither of the non-selling owners is willing or able to purchase the interest, the offering owner may sell or transfer her/his interest to any buyer, subject to approval of the buyer by the non-selling owners.

8.5 If the non-selling owners are not willing or able to purchase the interest or no buyer has been found or approved after six months from notice of intent to sell, the Property shall be sold and the proceeds of sale divided in accordance with section 10.

8.6 Before any sale or transfer of interest in the Property may be completed, the prospective buyer and the non-selling owners shall enter into an agreement regarding their

ownership of the Property with terms substantially similar to those contained in this Agreement.

9. Terms of Purchase. If an owner chooses to purchase another owner's interest, s/he shall pay for that interest in cash or by promissory note, solely at the option of the selling owner.

10. Sale. If the Property is sold, the costs of sale shall be shared equally by the owners. The payoff of the promissory notes/deeds of trust shall be prorated among the owners according to their percentage shares (section 6.3). The net proceeds of sale shall be divided among the owners according to each owner's percentage interest (section 2).

11. Death of an Owner

11.1 Upon the death of an owner, her/his personal representative shall make all payments and fulfill all obligations under this Agreement and shall be bound by all provisions in this Agreement.

11.2 The surviving owners shall have the absolute right to purchase the interest of the deceased owner or to approve any prospective buyer, in accordance with section 8. With consent of the surviving owners, the heirs of the deceased owner may continue to hold the inherited Property interest; thereafter, the heirs and the surviving owners shall enter into an agreement regarding their ownership of the Property with terms substantially similar to those contained in this Agreement.

11.3 If one or both of the surviving owners choose to purchase the interest of the deceased owner, the purchase price shall be determined in accordance with section 8.3. A sale to surviving owners shall not be subject to any overbid proceeding required by the California Probate Code.

11.4 Each owner shall include in her/his will direction to the personal representative to administer her/his Property interest in accordance with this Agreement; however, the failure of any owner to make such provision in her/his will shall not affect the validity or enforceability of this

Agreement. Any provision in an owner's will that conflicts with the Agreement shall not be binding on the other owners.

12. Appraisals. The appraised value of the Property or an owner's interest in the Property for purposes of this Agreement shall be determined as follows:

12.1 In the event of a proposed sale or transfer, within ten days after the notice required by section 8.1 or in the event of an owner's death or legal disability, within ten days after appointment of the personal representative, the owners shall jointly appoint an appraiser, who may be a local realtor, or, failing this joint action, shall each separately designate an appraiser.

12.2 If, within 30 days after the appointment of all appraisers, a majority of the appraisers concur on the value of the Property and of the owner's interest that is subject to appraisal, such appraisal shall be binding and conclusive. If a majority of the appraisers do not concur within that period, the determination of value shall be based on the median of all appraisals and shall be binding and conclusive. The owners shall share the appraisal expenses equally.

13. Mediation and Arbitration

13.1 Any unresolved dispute relating to this Agreement or to the ownership, management or control of the Property shall be submitted to mediation. The owners shall share equally the costs of mediation.

13.2 If mediation is not successful, the owners shall submit the dispute to arbitration in accordance with the rules of the American Arbitration Association, and any award rendered by the arbitrator shall be binding. The prevailing owners shall have legal costs and attorney fees paid by the other owners.

14. General Provisions

14.1 Each owner shall indemnify and hold harmless the other owners from any and all expense and liability resulting from or arising out of any negligence or misconduct on her/his part or on the part of her/his agent, representative or tenant to the extent that such expense and costs of liability exceed the applicable insurance carried on the Property.

14.2 Each owner shall perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Agreement.

14.3 All notices and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the owner to whom notice is to be given or within 72 hours after mailing if mailed to the owner at her/his address set forth on the signature page of this Agreement or any other address that an owner may designate by written notice to the others.

14.4 This Agreement contains all representations and the entire understanding and agreement among the owners. Correspondence, memoranda or agreements, whether written or oral, originating before the date of this Agreement are replaced in total by this Agreement unless otherwise specifically stated. The provisions of this Agreement may be amended only upon the written consent of all owners.

14.5 This Agreement shall be binding on and shall inure to the benefit of the owners' heirs, legal representatives, successors and assigns.

14.6 If any part of this Agreement is determined to be illegal or unenforceable, all other parts shall be given effect separately and shall not be affected. This Agreement shall be governed by the laws of California.

IN WITNESS WHEREOF, the owners have executed this Agreement as of the date first shown above.

LARRY

MO

CURLY

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT