



OPERATING AGREEMENT

of Invest 200 Sober Homes LLC

Effective as of May 05, 2025

Article 1. Formation

This Limited Liability Company (“LLC”) Operating Agreement (“Agreement”) is made by and among Invest 200 Sober Homes LLC, a Massachusetts limited liability company (the “Company”), and the Persons executing a Subscription Agreement and accepted by the Company as Members.

Article 2. Purpose

The Company is formed to:

- Acquire, hold, lease, finance, refinance, operate, and dispose of residential real estate properties, primarily for sober home operations in partnership with Middlesex Transitions LLC;
- Lease properties to Middlesex Transitions LLC and share in 50% of Middlesex Transitions LLC’s operational profits;
- Conduct all lawful activities related or incidental to the foregoing.

Article 3. Principal Office

The principal office of the Company is located at:

940 Broadway, Everett, Massachusetts, 02149

The Company may change its address as determined by the Managing Member.

Invest 200 Sober Homes LLC

Info@Invest200.com

781.367.8210.

www.Invest200.com



Article 4. Members and Classes

4.1 Classes of Membership

The Company shall have three (3) classes of membership interests:

Class	Description	Rights
Class A	Managing Member (Founder/GP)	Full operational control
Class B	Early Limited Partners	Preferred LP returns + Bonus 30% GP profit share
Class C	Standard Limited Partners	Preferred LP returns only

4.2 Managing Member (Founder)

- The Managing Member holds 100% of the Class A Units.
- The Managing Member is responsible for all operational, investment, and business decisions.

4.3 Early Limited Partners

- Early LPs (Class B) contribute capital and receive enhanced returns (see Section 6).
- Early LPs have **no voting rights**.

4.4 Standard Limited Partners

- Standard LPs (Class C) contribute capital for preferred returns and equity participation.
- Standard LPs have **no voting rights**.

Article 5. Management

- The Company shall be managed **exclusively** by the Managing Members.
- No Member other than the Managing Members shall participate in management, except as expressly authorized in this Agreement.

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Article 6. Capital Contributions

6.1 Required Contributions

Each Member shall contribute the amount set forth in their executed Subscription Agreement.

6.2 Additional Contributions

Additional contributions may be requested at the sole discretion of the Managing Member but are not mandatory unless agreed in writing.

Article 7. Allocations and Distributions

7.1 Return of Capital

All distributions will first be made to LP Members until the full return of each Member's contributed capital.

7.2 Preferred Return

Each Early LP and Standard LP shall receive a cumulative, **non-compounded preferred return** of **8% per annum** on their unreturned capital.

7.4 Profit Splits:

Tier	Distribution
First 8% IRR	100% to LPs
8% - 10% IRR	100% to GP
10% - 20%+ IRR	80% to LPs / 20% to GP
20% - 30% IRR	70% to LPs / 30% to GP
30%+ IRR	50% to LPs / 50% to GP

7.5 Early LP Bonus

Early LPs (Class B) shall also participate pro-rata in **30% of GP Net Profit**



Article 8. Transfers of Interests, Early Exit, and Exit Fees

- No Member may sell, assign, pledge, or otherwise transfer their membership Units without prior written consent of the Managing Member.
- **Lock-Up Period.**
No Member may transfer, assign, sell, pledge, or otherwise dispose of any Membership Units for a period of **twenty-four (24) months** following their investment date without the prior written consent of the Managing Member.
- **Right of First Refusal (ROFR).**
After the Lock-Up Period, any exiting Member must first offer their Membership Units to the Managing Member, who has **thirty (30) days** to accept at Fair Market Value (FMV).
- **Offer to Other Members.**
If the Managing Member declines, the Membership Units must be offered to existing Members on a **pro-rata basis** at FMV, with **thirty (30) days** to accept.
- **Exit Fees.**
 - **Early Exit Fee (24 – 60 months):**
A Member exiting within (60) months after their investment date shall be subject to an **Early Exit Fee of five percent (5%)** of the gross proceeds payable to them.
 - **Waiver of Fees Upon Public Offering:**
No exit fees shall apply in the event of a public offering, liquidity event, or Company-approved redemption.
- **Prohibition on Public Sale.**
No Membership Units may be sold publicly, listed, or transferred outside the Company or its Members until twenty-four (24) months have passed unless otherwise approved in writing by the Managing Member.
- **Approval Required for Transfers.**
All transfers require Managing Member approval and compliance with applicable KYC/AML and securities laws.



Article 9. Dissolution and Liquidation

The Company shall be dissolved upon:

- Sale of substantially all Company assets;
- Consent of the Managing Member;
- Entry of a decree of judicial dissolution.

Upon dissolution:

1. Pay creditors,
2. Return capital to Members,
3. Distribute any remaining assets according to the waterfall structure.

Article 10. Indemnification

The Company shall indemnify the Managing Member and its officers, employees, and agents to the fullest extent permitted by law.

Article 12. Miscellaneous

- Governing Law: Massachusetts.
- Entire Agreement: This Agreement, together with Subscription Agreements and PPM, constitutes the entire agreement among the parties.
- Amendments: Only by written agreement of the Managing Member.

Signatures

Managing Member (Invest 200 LLC Founder/GP):

Name: _____

Signature: _____ Date: _____

Investor (as accepted Early LP / LP):

Name: _____

Signature: _____ Date: _____

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