

AMERICAN HIGH-PERFORMANCE HOMES, LLC SUBSCRIPTION AGREEMENT

Confidential Private Offering of Non-Voting Preferred Equity Units

Date: _____, 2025

FROM:

Subscriber/Investor #1 _____

Subscriber/Investor #2 _____

Please choose one:

☐

Tenants in Common

Why Choose Tenants in Common (TIC):

Investing as Tenants in Common allows each investor to hold a specific ownership percentage in the project, which can reflect different investment amounts or financial goals. Unlike Joint Tenancy, each investor's share passes to their estate or designated heirs upon death rather than automatically transferring to the other investor. This structure provides greater flexibility for estate planning, asset allocation, and tax treatment while maintaining the same access to project returns and protections under the Operating Agreement.

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Joint Investors (Two Individuals – JTWROS Ownership)

NOTE: Election Required

*Why Choose Joint Tenancy with Right of Survivorship (JTWROS):
Investing as Joint Tenants with Right of Survivorship provides equal, undivided ownership for both investors. In this structure, each investor owns the full interest together, and upon the death of one party, the surviving investor automatically becomes the sole owner. JTWROS is often preferred by married couples or long-term partners who want simplicity in ownership transfer, clear survivorship rights, and unified management of their joint investment interest.*

Tenants in Common

The undersigned joint subscribers hereby elect to hold their Units as Tenants in Common (TIC). Each subscriber holds the ownership percentage specified below. Upon death, each subscriber's interest passes to their estate/heirs, not to the other subscriber. This election cannot be changed without written consent of both subscribers.

SUBSCRIBER 1:

Print Name: _____

Ownership Percentage: _____%

SUBSCRIBER 2:

Print Name: _____

Ownership Percentage: _____%

NOTE: Total Ownership Percentage must equal 100%

INVESTMENT OPPORTUNITY SUMMARY

21.4% Target ROI in 12-14 Months

Investment Highlights:

- \$25,000 Minimum Investment (5 Units at \$5,000 each)
- 21.4% Expected Return in just 12-14 months
- 14% Preferred Return plus 70% of profits above preferred return
- Upside Potential: Best case scenario delivers 31.9% ROI

1. SUBSCRIPTION FOR UNITS

1.1 Subscription

- (a) This Subscription Agreement;
- (b) The Private Placement Memorandum dated August 30, 2025 (the "PPM");
- (c) The Company's Operating Agreement (the "Operating Agreement");
- (d) All other offering documents provided to the Subscriber.

1.2 Unit Pricing and Investment Structure

- (a) Each Unit is priced at \$5,000.

- (b) The minimum initial subscription is five (5) Units (\$25,000).
- (c) Additional investments may be made in increments of one (1) Unit (\$5,000), subject to Company acceptance.
- (d) The maximum offering amount is \$912,400 representing 182.48 Units.
- (e) Total project capitalization: \$937,400 (\$912,400 from investors + \$25,000 from sponsor).

1.3 Subscription Details

Number of Units Subscribed: _____ Units

Total Subscription Amount: \$ _____ (\$ 5,000 × _____ Units)

1.4 Expected Returns

Based on the Company's base-case financial projections:

- Target ROI: 21.4% in 12-14 months
- 14% Preferred Return (simple annual, non-cumulative)
- 70% of residual profits after preferred return
- Upside potential: 31.9% ROI in optimistic scenario
- Downside protection: 14% preferred return even in worst case

2. TERMS OF ACCEPTANCE

2.1 Conditional Acceptance

This subscription is made subject to acceptance by the Company in its sole and absolute discretion. The Company reserves the right to:

- (a) Accept or reject any subscription in whole or in part;
- (b) Accept subscriptions for fewer Units than requested;
- (c) Terminate this offering at any time without prior notice.

2.2 Escrow Arrangements and Capital Deployment

Immediate Capital Deployment: Upon subscription closing, \$268,000 of project funds — including \$200,000 for land acquisition and \$68,000 of investor funds for design, development, and construction mobilization — will be deployed immediately to ensure rapid project commencement.

(c) If this subscription is rejected or the minimum offering amount is not achieved, all funds will be returned to the Subscriber without interest or deduction within thirty (30) days.

2.3 Minimum Offering

The Company has established a minimum offering amount of \$456,200 (50% of target raise) which must be achieved before any subscriptions will be accepted and funds released from escrow.

3. REPRESENTATIONS, WARRANTIES, AND ACKNOWLEDGMENTS OF SUBSCRIBER

The Subscriber hereby represents, warrants, covenants, and acknowledges to the Company that:

3.1 Authority and Capacity

(a) The Subscriber has full legal capacity, power, and authority to execute this Agreement and perform the obligations hereunder.

(b) If the Subscriber is an entity, it is duly organized, validly existing, and in good standing under the laws of its jurisdiction of formation.

(c) This Agreement has been duly executed and delivered and constitutes a legal, valid, and binding obligation of the Subscriber.

3.2 Accredited Investor Status

(a) The Subscriber is an "accredited investor" as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended.

(b) The Subscriber has provided or will provide satisfactory verification of accredited investor status as required by the Company.

(c) The specific basis for accredited investor status is indicated in Section 4 below.

3.3 Investment Sophistication and Risk Acknowledgment

(a) The Subscriber has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of this investment in high-performance real estate development.

Immediate Capital Deployment: Upon subscription closing, \$268,000 of project funds — including \$200,000 for land acquisition and \$68,000 of investor funds for design, development, and construction mobilization — will be deployed immediately to ensure rapid project commencement.

3.4 Investment Purpose and Holding Period

(a) The Subscriber is acquiring the Units for investment for its own account and not with a view to resale or distribution.

(b) The Subscriber understands that the Units must be held indefinitely unless subsequently registered under securities laws or an exemption from registration is available.

(c) The Subscriber can afford to bear the economic risk of this investment and can afford a complete loss of the investment.

(d) The Subscriber understands the 12-14 month expected timeline for project completion and return of capital.

3.5 Review of Offering Documents

(a) The Subscriber has received, carefully read, and fully understands the PPM, Operating Agreement, and this Subscription Agreement, including the financial projections and energy market analysis.

(b) The Subscriber has had the opportunity to ask questions and receive answers concerning the Company, the high-performance home development strategy, and this investment.

(c) The Subscriber has had the opportunity to obtain additional information to verify the accuracy of information contained in the offering documents.

3.6 Independent Investigation and Advice

(a) The Subscriber has conducted its own independent investigation and analysis of the Company and this investment opportunity, including the energy demand trends and market opportunity for high-performance homes.

(b) The Subscriber has consulted, or has had adequate opportunity to consult, with its own legal, tax, accounting, and financial advisors regarding this investment.

(c) The Subscriber is not relying on the Company or its affiliates for legal, tax, or investment advice.

3.7 Compliance with Laws

The Subscriber's purchase of Units will not violate any applicable federal or state securities laws or any other applicable laws or regulations.

3.8 Financial Information and Energy Market Understanding

(a) All financial and other information provided by the Subscriber to the Company is true, complete, and accurate as of the date hereof.

(b) The Subscriber understands the energy demand growth projections and their impact on the value proposition of high-performance homes.

4. SUBSCRIBER INFORMATION AND ACCREDITED INVESTOR VERIFICATION

4.1 Subscriber Details

Subscriber 1 Name: _____

Home Address: _____

City: _____ State: _____ ZIP: _____

Telephone: _____ Email: _____

Social Security Number: _____

Subscriber 2 Name: _____

Home Address: _____

City: _____ State: _____ ZIP: _____

Telephone: _____ Email: _____

Social Security Number: _____

4.2 Accredited Investor Qualification

Check all that apply to you:

- ☐ Individual with net worth exceeding \$1,000,000 (excluding primary residence)
- ☐ Individual with income exceeding \$200,000 in each of the two most recent years (or \$300,000 joint income with spouse) with reasonable expectation of reaching the same income level in the current year

4.3 Accredited Investor Verification

To complete your investment, please email us a verification letter from your accountant, CPA, attorney, or other licensed financial professional confirming that you meet the SEC's accredited investor requirements. The letter must include the professional's full name, firm name, license state, and license number. This verification is required under Regulation D, Rule 506(c), and must be dated within the past 90 days. Please email your documents to: glenn@newengland-builders.com

5. PAYMENT INSTRUCTIONS AND PROCEDURES

5.1 Payment Method

The Subscription Amount shall be paid by:

- ☐ Wire transfer
- ☐ Certified check or cashier's check
- ☐ Personal check

5.2 Wire Transfer Instructions

Payable to: American High-Performance Homes, LLC
800 Flander Road
Mystic Business Park, Building 12-2
Mystic, CT 06355

Bank Information:

Chelsea Groton Bank
391 Norwich Westerly Road North
Stonington, CT 06359

Routing Number: 211173357
Account Number: 1115091380

5.3 Payment Timing and Immediate Deployment

(a) The Subscription Amount must be received within ten (10) business days of execution of this Agreement, or this subscription may be deemed invalid at the Company's discretion.

Capital Deployment: Upon subscription closing, \$268,000 of project funds — including \$200,000 for land acquisition and \$68,000 of investor funds for design, development, and construction mobilization — will be deployed immediately to ensure rapid project commencement.

6. ADDITIONAL ACKNOWLEDGMENTS AND AGREEMENTS

6.1 No Registration and Securities Law Compliance

The Subscriber understands that:

- (a) The Units have not been registered under federal or state securities laws;
- (b) The Units are being offered in reliance on exemptions from registration under Rule 506(c) of Regulation D;
- (c) No governmental authority has reviewed or approved this offering;
- (d) The Units may not be resold unless registered or an exemption from registration is available.

6.2 Confidentiality and Market Sensitive Information

The Subscriber agrees to keep confidential all non-public information received about the Company, its business affairs, development plans, energy market analysis, and proprietary construction methods.

6.3 Limited Power of Attorney

The Subscriber hereby grants to the Manager a limited power of attorney to:

- (a) Execute documents required for tax reporting and compliance;
- (b) Make tax elections on behalf of the Subscriber as a Member of the Company;
- (c) Execute amendments to the Operating Agreement that do not materially and adversely affect the Subscriber's economic rights;
- (d) Execute documents necessary for project development and completion.

6.4 Anti-Money Laundering and Compliance

The Subscriber represents that:

- (a) The investment funds are not derived from illegal activities;
- (b) The Subscriber is not subject to economic sanctions or on any government watch lists;
- (c) The Subscriber will provide additional documentation as required for anti-money laundering compliance, including beneficial ownership information if applicable;
- (d) All information provided is accurate and complete.

7. INDEMNIFICATION

The Subscriber agrees to indemnify, defend, and hold harmless the Company, the Manager, and their respective officers, directors, employees, agents, and affiliates from and against any and all losses, claims, damages, liabilities, costs, and expenses (including reasonable attorneys' fees) arising from or relating to:

- (a) Any breach of representations, warranties, or covenants made by the Subscriber herein;
- (b) Any violation of securities laws in connection with the Subscriber's purchase or proposed transfer of Units;
- (c) Any claim that the Subscriber was not eligible to participate in this offering or was not properly qualified as an accredited investor;
- (d) Any claim related to the Subscriber's consent to immediate capital deployment for pre-development activities.

8. MISCELLANEOUS PROVISIONS

8.1 Governing Law and Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut. Any disputes shall be resolved in accordance with the dispute resolution provisions of the Operating Agreement.

8.2 Amendments

This Agreement may not be amended except by written agreement signed by both the Subscriber and the Company.

8.3 Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, executors, administrators, successors, and permitted assigns, subject to transfer restrictions in the Operating Agreement.

8.4 Severability

If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

8.5 Counterparts and Electronic Signatures

This Agreement may be executed in counterparts and by electronic signature, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

8.6 Entire Agreement

This Agreement, together with the Operating Agreement and PPM, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations, representations, or agreements relating to such subject matter.

9. SIGNATURES

ACCREDITED INVESTOR VERIFICATION CHECKLIST

If you are not providing a letter from your Account, Lawyer or Financial professional. Please provide documentation supporting your accredited investor status. Submit only one of the following. Please email your documents to: glenn@newengland-builders.com

1. Income-Based Qualification (choose one or more):

- ☐ Tax returns for the two most recent years
- ☐ W-2s, 1099s, or other income verification
- ☐ CPA letter confirming income

2. Net Worth-Based Qualification (choose one or more):

- ☐ Personal financial statement dated within 90 days
- ☐ Bank or investment account statements
- ☐ Real estate appraisals (excluding primary residence)
- ☐ CPA or attorney verification letter (if applicable)

IMPORTANT LEGAL DISCLAIMERS

SECURITIES LAW NOTICE: The Units offered hereby have not been registered under the Securities Act of 1933 or any state securities laws. The Units are being offered and sold in reliance on exemptions from registration under Rule 506(c) of Regulation D. The Units may not be resold unless registered or an exemption from registration is available.

INVESTMENT RISK WARNING: This investment involves substantial risks, including potential loss of entire investment. The projected 21.4% ROI is a target based on current market analysis and is not guaranteed. Actual results may vary significantly.

Immediate Capital Deployment: Upon subscription closing, \$268,000 of project funds — including \$200,000 for land acquisition and \$68,000 of investor funds for design, development, and construction mobilization — will be deployed immediately to ensure rapid project commencement.

NO GUARANTEES: No person has been authorized to make any representations or warranties concerning the Company or this offering other than those contained in the offering documents. Any such representations or warranties should not be relied upon.

LEGAL AND TAX ADVICE: Each investor should consult with their own legal, tax, and financial advisors before making an investment decision. This offering may have significant tax implications and transfer restrictions.

SUBSCRIBERS:

Signature of Subscriber 1: _____ Date: _____

Print Name of Subscriber 1: _____

Signature of Subscriber 2: _____ Date: _____

Print Name of Subscriber 2: _____

ACCEPTED BY:
AMERICAN HIGH-PERFORMANCE HOMES, LLC

By: _____ Date: _____

Glenn Callahan, Managing Member