

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): **February 11, 2024**

**SAFE AND GREEN DEVELOPMENT CORPORATION**  
(Exact Name of Registrant as Specified in its Charter)

**Delaware**

(State or Other Jurisdiction  
of Incorporation)

**001-41581**

(Commission File Number)

**87-1375590**

(I.R.S. Employer  
Identification Number)

**100 Biscayne Blvd., #1201**  
**Miami, FL 33132**

(Address of Principal Executive Offices, Zip Code)

Registrant's telephone number, including area code: 646-240-4235

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.001	SGD	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 1.01. Entry Into a Material Definitive Agreement.**

On February 11, 2025, Safe and Green Development Corporation (the “Company”) entered into an Amendment (this “Amendment”) to the Operating Agreement, dated June 24, 2021 (the “Operating Agreement”), for JDI-Cumberland Inlet, LLC, a Georgia limited liability company (“JDI-Cumberland”), by and between the Company and Jacoby Development Inc., a Georgia corporation (“JDI”), and a Forced Sale Agreement by and between the Company and JDI, pursuant to which JDI-Cumberland acquired the Company’s 10% equity interest (the “LLC Interest”) in JDI-Cumberland in exchange for a promissory note (the “Note”) from JDI-Cumberland in the principal amount of \$4.5 million. The Note bears interest at the rate of 6.5% per annum, matures on February 6, 2026 and is secured by a pledge of a 10% equity interest in JDI-Cumberland. Payment of the Note is also guaranteed by JDI.

The foregoing description of the Amendment and Forced Sale Agreement does not purport to be complete and is subject to, and qualified in its entirety by reference to, the full text of the Amendment and Forced Sale Agreement, copies of which are attached hereto as Exhibit 10.1 and Exhibit 10.2 and incorporated herein by reference.

**Item 2.01 Completion of Acquisition or Disposition of Assets.**

The information set forth under Item 1.01 above of this Current Report on Form 8-K is incorporated by reference in this Item 2.01.

**Item 3.01. Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.**

As previously reported, on August 26, 2024, the Company received a letter from The Nasdaq Stock Market (“Nasdaq”) stating that the Company was not in compliance with Nasdaq Listing Rule 5550(b)(1) (the “Rule”) because the stockholders’ equity of the Company of \$2,018,263 as of June 30, 2024, as reported in the Company’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission (the “SEC”) on August 14, 2024, was below the minimum requirement of \$2,500,000 (the “stockholders’ equity requirement”). As of the date of this Current Report on Form 8-K, the Company does not have a market value of listed securities of \$35 million, or net income from continued operations of \$500,000 in the most recently completed fiscal year or in two of the last three most recently completed fiscal years, the alternative quantitative standards for continued listing on the Nasdaq Capital Market.

Pursuant to Nasdaq's Listing Rules, the Company submitted to Nasdaq a plan to evidence compliance with the Rule (a "Compliance Plan") and requested an extension through February 24, 2025 to evidence compliance with the Rule. In its Submission, the Company outlined multiple initiatives (the "Initiatives") to evidence and sustain compliance with the Rule which included negotiating the sale of certain land parcels and working on independent and joint business development. Based on the Company's submission on January 22, 2025, the Company received written notification from Nasdaq granting the Company's request for an extension through February 24, 2025 to evidence compliance with the Rule.

The terms of the extension are as follows: on or before February 24, 2025, the Company must complete a significant portion of its Initiatives and may evidence compliance with the Rule by furnishing to the SEC and Nasdaq a publicly available report including:

1. A disclosure of Staff's deficiency letter and the specific deficiency(ies) cited;
2. A description of the completed transaction or event that enabled the Company to satisfy the stockholders' equity requirement for continued listing;
3. An affirmative statement that, as of the date of the report, the Company believes it has regained compliance with the stockholders' equity requirement based upon the specific transaction or event referenced in Step 2; and
4. A disclosure stating that Nasdaq will continue to monitor the Company's ongoing compliance with the stockholders' equity requirement and, if at the time of its next periodic report the Company does not evidence compliance, that it may be subject to delisting.

The Company believes that it has regained compliance with the stockholders' equity requirement as a result of the sale to JDI of its LLC Interest in JDI-Cumberland set forth under Item 1.01 above of this Current Report on Form 8-K.

Nasdaq will continue to monitor the Company's ongoing compliance with the stockholders' equity requirement and, if at the time of its next periodic report the Company does not evidence compliance it may be subject to delisting.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

The following exhibits are filed with this Current Report on Form 8-K:

<b>Exhibit Number</b>	<b>Exhibit Description</b>
10.1	<a href="#">Amendment to Operating Agreement, by and between the Company and Jacoby Development Inc., dated February 11, 2025</a>
10.2	<a href="#">Forced Sale Agreement, by and between the Company and Jacoby Development Inc., dated February 11, 2025</a>
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: February 12, 2025

Safe and Green Development Corporation

By: /s/ Nicolai Brune

Name: Nicolai Brune

Title: Chief Financial Officer

**AMENDMENT TO JDI CUMBERLAND INLET, LLC OPERATING AGREEMENT**

This Amendment (this "Amendment"), effective as of the 11<sup>th</sup> day of February 2025, to the JDI Cumberland Inlet, LLC Operating Agreement, dated June 24, 2021 (the "Purchase Agreement"), by and between Safe and Green Development Corp., formerly SG Development Corp, a Delaware corporation (the "SG Dev"), Jacoby Development Inc, a Georgia Corporation (the "JDI"). Capitalized terms used herein without definition shall have the meanings assigned in the Operating Agreement.

**RECITALS**

**WHEREAS**, SG Dev and JDI are parties to that certain Operating Agreement dated June 24, 2021 (the "Operating Agreement"), which governs their respective rights and obligations with respect to JDI-Cumberland Inlet, LLC (the "Company"); and

**WHEREAS**, the Operating Agreement includes a provision in Section 8.7 titled "Forced Sale," granting JDI the right to buy out SG Dev's ownership interest in the Company under specified terms; and

**WHEREAS**, SG Dev and JDI wish to amend Section 8.7 of the Operating Agreement to modify the terms and conditions of the Forced Sale provision to align with their mutual understanding and agreement; and

**WHEREAS**, in connection with this Amendment, SG Dev and JDI have executed a separate Forced Sale Agreement (the "**Forced Sale Agreement**"), attached hereto as Exhibit A, which outlines the terms of the buyout, including the purchase price, payment terms, and related guarantees; and

**WHEREAS**, SG Dev and JDI have further executed a Promissory Note, attached hereto as **Exhibit B** (the "**Promissory Note**"), under which JDI promises to pay to the order of SG Dev the principal sum of **\$4,500,000**, with terms and conditions including repayment provisions, interest rates, default clauses, and a security interest in 10% of JDI's shares in the Company as collateral for the repayment of the loan. The security interest shall remain in effect until the loan, including any accrued interest and charges, is fully repaid.

**NOW THEREFORE**, the parties desire to amend the Operating Agreement as set forth herein to ensure consistency with the Forced Sale Agreement and the Promissory Note and to provide for the enforceability of the terms and conditions outlined therein.

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## ARTICLES

### 1. Amendment.

Section 8.7 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

At any time following the funding from SG DEV of its capital contribution through and including the second anniversary of the execution hereof, JDI shall have the right at its discretion to purchase the interest of SG DEV, by (i) returning to SG DEV its \$3,000,000 capital contribution and (ii) providing an Annual Internal Rate of Return (IRR) of forty (40%) Percent (i.e. \$1,200,000 per year). Provided SG DEV has funded its capital contribution, at any time after second anniversary of the execution hereof, JDI shall have the right at its discretion to purchase the interest of SG DEV by (i) returning to SG DEV its \$3,000,000 capital contribution and (ii) providing an Annual Internal Rate of Return (IRR) of seventeen (17%) Percent (i.e. \$500,000 per year). The exercise by JDI of the buyout right set forth in this Section 8.7 shall annul SG DEV's rights and interests in and to the Service Provider agreement with the Company, all of which shall be voided.

2. Severability. The provisions of this Amendment are severable and if any part or it is found to be unenforceable the other paragraphs shall remain fully valid and enforceable.

3. No Other Amendments; Confirmation. All other terms of the Agreement shall remain in full force and effect. The Purchase Agreement, as amended by this Amendment, constitutes the entire agreement between the parties with respect to the subject matter thereof.

4. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original but both of which together shall constitute one and the same instrument.

5. Governing Law. This Amendment is made and shall be construed and performed under the laws of the State of Georgia without regard to its choice or conflict of law principles and the parties agree to Delaware as the exclusive venue for any disputes arising hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to the Operating Agreement to be duly executed as of the day and year first above written.

**SAFE AND GREEN DEVELOPMENT CORPORATION**

By: /s/ Nicolai Brune  
Name: Nicolai Brune  
Title: Chief Financial Officer  
Date: February 11, 2025

**JACOBY DEVELOPMENT INC**

By: /s/ James F Jacoby  
Name: James F. Jacoby  
Title: Chairman  
Date: February 11, 2025

## Exhibit A

### Forced Sale Agreement

This Forced Sale Agreement (the “**Agreement**”) is made and entered into on this 11th day of February 2025, (the “**Effective Date**”) by and between Jacoby Development Inc, a Georgia Corporation (“**JDI**”), and Safe and Green Development Corporation, a Delaware Corporation (“**SG Dev**”).

#### RECITALS

**WHEREAS**, JDI and SG DevCo are parties to an Operating Agreement dated June 24th, 2021 (the “**Operating Agreement**”) further amended on January 7th, 2025, which governs their respective rights and obligations in relation to JDI-Cumberland Inlet, LLC (the “**Company**”); and

**WHEREAS**, the Operating Agreement includes a provision in Section 8.7 titled “**Forced Sale**,” granting JDI the right to buyout SG DevCo’s interests in the Company; and

**WHEREAS**, JDI wishes to exercise its right under Section 8.7 of the Operating Agreement the “**Forced Sale**” provision.

**WHEREAS**, the details of the payment will be outlined in **Exhibit B** hereto, which is a Promissory Note between JDI Cumberland Inlet, LLC and SG Dev, guaranteed by Jacoby Development Inc. and secured by a pledge of 10% of JDI’s shares in JDI Cumberland Inlet, LLC as collateral for the repayment of the loan; and

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

#### ARTICLES

1. **Consideration:** This buyout includes the repurchase of SGD’s 10% non-dilutable ownership interest in JDI Cumberland Inlet, LLC for Four Million Five Hundred Thousand Dollars and no Cents (**\$4,500,000**) pursuant to the terms of the Operating Agreement.
2. **Payment Terms:** The payment terms and conditions shall be as set forth in Exhibit B hereto, which is incorporated by reference into this Agreement.
3. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed an original but both of which together shall constitute one and the same instrument.
4. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the state of Georgia, without regard to its conflict of laws principles.
5. **Entire Agreement:** This Agreement, together with the Operating Agreement and any exhibits or attachments hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior discussions, negotiations, and agreements, whether oral or written.

IN WITNESS WHEREOF, the parties hereto have executed this Forced Sale Agreement as of the Effective Date.

**SAFE AND GREEN DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
Name: Nicolai Brune  
Title: Chief Financial Officer

**JACOBY DEVELOPMENT INC**

By: \_\_\_\_\_  
Name: James F. Jacoby  
Title: Chairman

**Exhibit B**

**PROMISSORY NOTE**

\$4,500,000

Date: February 11, 2025

For value received, the undersigned JDI Cumberland Inlet, LLC (the "Borrower"), at 8200 Roberts Drive, Suite 475, Atlanta, Georgia 30350, promises to pay to the order of Safe and Green Development Corporation (the "Lender"), at 100 Biscayne Boulevard, Suite 1201, Miami, Florida 33132 (or at such other place as the Lender may designate in writing), the sum of \$4,500,000 with interest from February 11th, 2025, on the unpaid principal at the rate of 6.5% per annum.

**I. TERMS OF REPAYMENT**

**A. Payments**

This Note shall have a term of 360 days from the Effective Date (the "Term"). At the end of the Term, the Borrower shall make a balloon payment of the outstanding Principal Amount and accrued interest. The Principal Amount shall bear interest at a rate of ten percent (6.5%) per annum.

**THE BORROWER UNDERSTANDS THAT THE PAYMENT OF THE ABOVE PAYMENTS MAY NOT FULLY AMORTIZE THE PRINCIPAL BALANCE OF THE NOTE, AND THEREFORE, A BALLOON PAYMENT SHALL BE DUE ON THE DUE DATE.**

**B. Application of Payments**

All payments on this Note shall be applied first in payment of accrued interest and any remainder in payment of principal.

**C. Acceleration of Debt**

If any payment is not paid when due, the remaining unpaid principal balance and accrued interest shall become due immediately at the option of the Lender.

**II. PREPAYMENT**

The Borrower reserves the right to prepay this Note (in whole or in part) prior to the Due Date with no prepayment penalty.

**III. COLLECTION COSTS**

If any payment obligation under this Note is not paid when due, the Borrower promises to pay all costs of collection, including reasonable attorney fees, whether or not a lawsuit is commenced as part of the collection process.

**IV. DEFAULT**

If any of the following events of default occur, this Note and any other obligations of the Borrower to the Lender, shall become due immediately, without demand or notice:

- 1) the failure of the Borrower to pay the principal and any accrued interest when due;
- 2) the death of the Borrower or Lender;
- 3) the filing of bankruptcy proceedings involving the Borrower as a Debtor;

- 4) the application for the appointment of a receiver for the Borrower;
- 5) the making of a general assignment for the benefit of the Borrower's creditors;
- 6) the insolvency of the Borrower;
- 7) a misrepresentation by the Borrower to the Lender for the purpose of obtaining or extending credit.

#### **V. EXTENSION**

The Borrower will have the option to extend the Term for an additional 360 days each time, up to three (3) times, at a fee of \$45,000.00 per extension (the "**Extension Fee**"). The Borrower must exercise each option by providing written notice to the Lender at least 30 days prior to the end of the Initial Term.

#### **VI. SECURITY INTEREST**

In consideration for the loan provided by the Lender, the Borrower agrees to pledge 10% of its shares in JDI Cumberland Inlet, LLC as collateral security for the full repayment of the loan, including any accrued interest and charges. This pledge shall remain in effect until the loan is fully satisfied.

Both parties acknowledge and agree that this security interest provision is a material and binding part of the loan agreement and shall be enforceable against the Borrower, its successors, assigns, and legal representatives.

#### **VII. SEVERABILITY**

If any one or more of the provisions of this Note are determined to be unenforceable, in whole or in part, for any reason, the remaining provisions shall remain fully operative.

#### **VIII. MISCELLANEOUS**

All payments of principal and interest on this Note shall be paid in the legal currency of the United States. The Borrower waives presentment for payment, protest, and notice of protest and demand of this Note.

No delay in enforcing any right of the Lender under this Note, or assignment by Lender of this Note, or failure to accelerate the debt evidenced hereby by reason of default in the payment of a monthly installment or the acceptance of a past-due installment shall be construed as a waiver of the right of Lender to thereafter insist upon strict compliance with the terms of this Note without notice being given to Borrower. All rights of the Lender under this Note are cumulative and may be exercised concurrently or consecutively at the Lender's option.

#### **IX. GOVERNING LAW**

This Note shall be construed in accordance with the laws of the State of Georgia.

#### **X. GUARANTY**

Jacoby Development Inc., unconditionally guarantees all the obligations of the Borrower under this Note and agrees that any modifications of the terms of payment or extension of time of payment shall in no way impair its guarantee and expressly agrees its guarantee of any modifications or extensions of this Note.

#### **XI. ENTIRE AGREEMENT**

This payment clause constitutes the entire agreement between the Borrower and the Lender regarding the payment terms of the promissory note and supersedes any prior agreements or understandings.

IN WITNESS WHEREOF, this Agreement has been executed and delivered in the manner prescribed by law as of the date first written above.

**BORROWER:**

JDI Cumberland Inlet, LLC

By: \_\_\_\_\_  
James F. Jacoby  
on behalf of Jacoby Development, Inc. Member of JDI Cumberland Inlet,  
LLC.

Date: February 11, 2025

**LENDER:**

Safe and Green Development Corporation

By: \_\_\_\_\_  
Nicolai A. Brune

Date: February 11, 2025

**GUARANTOR:**

Jacoby Development, Inc.

By: \_\_\_\_\_  
James F. Jacoby

Date: February 11, 2025

**Forced Sale Agreement**

This Forced Sale Agreement (the “**Agreement**”) is made and entered into on this 11th day of February 2025, (the “**Effective Date**”) by and between Jacoby Development Inc, a Georgia Corporation (“**JDI**”), and Safe and Green Development Corporation, a Delaware Corporation (“**SG Dev**”).

**RECITALS**

**WHEREAS**, JDI and SG DevCo are parties to an Operating Agreement dated June 24th, 2021 (the “**Operating Agreement**”) further amended on January 7th, 2025, which governs their respective rights and obligations in relation to JDI-Cumberland Inlet, LLC (the “**Company**”); and

**WHEREAS**, the Operating Agreement includes a provision in Section 8.7 titled “**Forced Sale**,” granting JDI the right to buyout SG DevCo’s interests in the Company; and

**WHEREAS**, JDI wishes to exercise its right under Section 8.7 of the Operating Agreement the “Forced Sale” provision.

**WHEREAS**, the details of the payment will be outlined in **Exhibit B** hereto, which is a Promissory Note between JDI Cumberland Inlet, LLC and SG Dev, guaranteed by Jacoby Development Inc. and secured by a pledge of 10% of JDI’s shares in JDI Cumberland Inlet, LLC as collateral for the repayment of the loan; and

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**ARTICLES**

1. **Consideration:** This buyout includes the repurchase of SGD’s 10% non-dilutable ownership interest in JDI Cumberland Inlet, LLC for Four Million Five Hundred Thousand Dollars and no Cents (**\$4,500,000**) pursuant to the terms of the Operating Agreement.
  2. **Payment Terms:** The payment terms and conditions shall be as set forth in Exhibit B hereto, which is incorporated by reference into this Agreement.
  3. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed an original but both of which together shall constitute one and the same instrument.
  4. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the state of Georgia, without regard to its conflict of laws principles.
  5. **Entire Agreement:** This Agreement, together with the Operating Agreement and any exhibits or attachments hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior discussions, negotiations, and agreements, whether oral or written.
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IN WITNESS WHEREOF, the parties hereto have executed this Forced Sale Agreement as of the Effective Date.

**SAFE AND GREEN DEVELOPMENT CORPORATION**

By: /s/ Nicolai Brune  
Name: Nicolai Brune  
Title: Chief Financial Officer

**JACOBY DEVELOPMENT INC**

By: /s/ James F Jacoby  
Name: James F. Jacoby  
Title: Chairman

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**Exhibit B**

**PROMISSORY NOTE**

\$4,500,000

Date: February 11, 2025

For value received, the undersigned JDI Cumberland Inlet, LLC (the "Borrower"), at 8200 Roberts Drive, Suite 475, Atlanta, Georgia 30350, promises to pay to the order of Safe and Green Development Corporation (the "Lender"), at 100 Biscayne Boulevard, Suite 1201, Miami, Florida 33132 (or at such other place as the Lender may designate in writing), the sum of \$4,500,000 with interest from February 11th, 2025, on the unpaid principal at the rate of 6.5% per annum.

**I. TERMS OF REPAYMENT**

**A. Payments**

This Note shall have a term of 360 days from the Effective Date (the "Term"). At the end of the Term, the Borrower shall make a balloon payment of the outstanding Principal Amount and accrued interest. The Principal Amount shall bear interest at a rate of ten percent (6.5%) per annum.

**THE BORROWER UNDERSTANDS THAT THE PAYMENT OF THE ABOVE PAYMENTS MAY NOT FULLY AMORTIZE THE PRINCIPAL BALANCE OF THE NOTE, AND THEREFORE, A BALLOON PAYMENT SHALL BE DUE ON THE DUE DATE.**

**B. Application of Payments**

All payments on this Note shall be applied first in payment of accrued interest and any remainder in payment of principal.

**C. Acceleration of Debt**

If any payment is not paid when due, the remaining unpaid principal balance and accrued interest shall become due immediately at the option of the Lender.

**II. PREPAYMENT**

The Borrower reserves the right to prepay this Note (in whole or in part) prior to the Due Date with no prepayment penalty.

**III. COLLECTION COSTS**

If any payment obligation under this Note is not paid when due, the Borrower promises to pay all costs of collection, including reasonable attorney fees, whether or not a lawsuit is commenced as part of the collection process.

**IV. DEFAULT**

If any of the following events of default occur, this Note and any other obligations of the Borrower to the Lender, shall become due immediately, without demand or notice:

- 1) the failure of the Borrower to pay the principal and any accrued interest when due;
  - 2) the death of the Borrower or Lender;
  - 3) the filing of bankruptcy proceedings involving the Borrower as a Debtor;
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- 4) the application for the appointment of a receiver for the Borrower;
- 5) the making of a general assignment for the benefit of the Borrower's creditors;
- 6) the insolvency of the Borrower;
- 7) a misrepresentation by the Borrower to the Lender for the purpose of obtaining or extending credit.

#### **V. EXTENSION**

The Borrower will have the option to extend the Term for an additional 360 days each time, up to three (3) times, at a fee of \$45,000.00 per extension (the "Extension Fee"). The Borrower must exercise each option by providing written notice to the Lender at least 30 days prior to the end of the Initial Term.

#### **VI. SECURITY INTEREST**

In consideration for the loan provided by the Lender, the Borrower agrees to pledge 10% of its shares in JDI Cumberland Inlet, LLC as collateral security for the full repayment of the loan, including any accrued interest and charges. This pledge shall remain in effect until the loan is fully satisfied.

Both parties acknowledge and agree that this security interest provision is a material and binding part of the loan agreement and shall be enforceable against the Borrower, its successors, assigns, and legal representatives.

#### **VII. SEVERABILITY**

If any one or more of the provisions of this Note are determined to be unenforceable, in whole or in part, for any reason, the remaining provisions shall remain fully operative.

#### **VIII. MISCELLANEOUS**

All payments of principal and interest on this Note shall be paid in the legal currency of the United States. The Borrower waives presentment for payment, protest, and notice of protest and demand of this Note.

No delay in enforcing any right of the Lender under this Note, or assignment by Lender of this Note, or failure to accelerate the debt evidenced hereby by reason of default in the payment of a monthly installment or the acceptance of a past-due installment shall be construed as a waiver of the right of Lender to thereafter insist upon strict compliance with the terms of this Note without notice being given to Borrower. All rights of the Lender under this Note are cumulative and may be exercised concurrently or consecutively at the Lender's option.

#### **IX. GOVERNING LAW**

This Note shall be construed in accordance with the laws of the State of Georgia.

#### **X. GUARANTY**

Jacoby Development Inc., unconditionally guarantees all the obligations of the Borrower under this Note and agrees that any modifications of the terms of payment or extension of time of payment shall in no way impair its guarantee and expressly agrees its guarantee of any modifications or extensions of this Note.

#### **XI. ENTIRE AGREEMENT**

This payment clause constitutes the entire agreement between the Borrower and the Lender regarding the payment terms of the promissory note and supersedes any prior agreements or understandings.

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IN WITNESS WHEREOF, this Agreement has been executed and delivered in the manner prescribed by law as of the date first written above.

**BORROWER:**

JDI Cumberland Inlet, LLC

By: /s/ James F Jacoby  
James F. Jacoby  
on behalf of Jacoby Development, Inc.  
Member of JDI Cumberland Inlet, LLC.

Date: February 11, 2025

**LENDER:**

Safe and Green Development Corporation

By: /s/ Nicolai Brune  
Nicolai A. Brune

Date: February 11, 2025

**GUARANTOR:**

Jacoby Development, Inc.

By: /s/ James F Jacoby  
James F Jacoby

Date: February 11, 2025

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