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

FORM 10-K

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

For the fiscal year ended **December 31, 2024**

OR

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

For the transition period from _____ to _____

Commission file number: 001-41581

SAFE AND GREEN DEVELOPMENT CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**87-1375590**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
100 Biscayne Blvd., Floor 12, Suite 1201 Miami, Florida	**33132**
(Address of principal executive offices)	(Zip Code)

904-496-0027
(Registrant's telephone number, including area code)

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 per share	SGD	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		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. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the common stock held by non-affiliates of Safe and Green Development Corporation based on the closing price of the shares of common stock on the Nasdaq Capital Market on June 30, 2024 was approximately $3,503,309. Shares of the registrant's common stock held by each executive officer, director and holder of 5% or more of the outstanding common stock have been excluded in that such persons may be deemed to be affiliates. This calculation does not reflect a determination that certain persons are affiliates of the registrant for any other purpose.

As of March 31st, 2025, the issuer had a total of 1,916,034 shares of common stock outstanding and 44 record holders.

DOCUMENTS INCORPORATED BY REFERENCE

None

SAFE AND GREEN DEVELOPMENT CORPORATION
FORM 10-K

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FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K (the "Annual Report") contains "forward-looking statements" that involve risks and uncertainties. Our actual results could differ materially from those discussed in the forward-looking statements. The statements contained in this report that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the "Securities Act", and Section 21E of the Securities Exchange Act of 1934, as amended, or the "Exchange Act." Forward-looking statements are often identified by the use of words such as, but not limited to, "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "intend," "may," "plan," "project," "seek," "should," "strategy," "target," "will," "would" and similar expressions or variations intended to identify forward-looking statements. These statements are based on the beliefs and assumptions of our management based on information currently available to management. Such forward-looking statements are subject to risks, uncertainties and other important factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed in the section titled "Risk Factors" included under Part I, Item 1A below. Furthermore, such forward-looking statements speak only as of the date of this report. Except as required by law, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

Although we believe that our assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this report will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by us or any other person that the objectives and plans of ours will be achieved. Investors are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date on which such statements are made. Any forward-looking statements made by us or on our behalf speak only as of the date they are made, and we do not undertake to update any forward-looking statement that may be made from time to time on our behalf.

As used in this Annual Report, unless the context requires otherwise, references to "SG DevCo", "the Company", "we", "us", and "our" refer to Safe and Green Development Corporation and its subsidiaries, as the context requires. References to Common Stock refer to the Company's common stock, par value $0.001 per share.

"SG DevCo" and the SG logo are our trademarks. All other trademarks and service marks appearing in this Annual Report are the property of their respective owners.

Summary of Risk Factors

An investment in our Company is subject to a number of risks, including risks relating to our business, and risks related to our Common Stock. Set forth below is a high-level summary of some, but not all, of these risks. You should review and consider carefully the risks and uncertainties described in more detail in "Part I, Item 1A. Risk Factors" of this Annual Report, which includes a more complete discussion of the risks summarized below as well as a discussion of other risks related to our business and an investment in our Common Stock.

Risks Related to Our Business Generally

- Our limited operating history makes it difficult for us to evaluate our future business prospects.
- We have no long-term history of operating as an independent company, and our historical information is not necessarily representative of the results that we would have achieved.
- Our auditors have expressed substantial doubt about our ability to continue as a going concern.
- Our financial condition and results of operations could be negatively affected if we fail to grow or fail to manage our growth or investments effectively.
- We intend to enter into a new line of business and there can be no assurance that we will be successful in such line of business
- We identified a material weakness in our internal control over financial reporting and determined that our disclosure controls and procedures were ineffective as of June 30, 2024.
- The long-term sustainability of our operations as well as future growth depends in part upon our ability to acquire land parcels suitable for residential projects at reasonable prices.
- We operate in a highly competitive market for investment opportunities, and we may be unable to identify and complete acquisitions of real property assets.
- Our property portfolio has a high concentration of properties located in certain states.
- There can be no assurance that the properties in our development pipeline will be completed in accordance with the anticipated timing or cost.
- Our insurance coverage on our properties may be inadequate to cover any losses we may incur and our insurance costs may increase.
- Our operating results may be negatively affected by potential development and construction delays and resultant increased costs and risks.
- We rely on third-party suppliers and long supply chains, and if we fail to identify and develop relationships with a sufficient number of qualified suppliers, or if there is a significant interruption in our supply chains, our ability to timely and efficiently access raw materials that meet our standards for quality could be adversely affected.
- Previously undetected environmentally hazardous conditions may adversely affect our business.
- Legislative, regulatory, accounting or tax rules, and any changes to them or actions brought to enforce them, could adversely affect us
- If we were deemed to be an investment company, applicable restrictions could make it impractical for us to continue our business as contemplated and could have an adverse effect on our business.
- Our industry is cyclical and adverse changes in general and local economic conditions could reduce the demand for housing and, as a result, could have a material adverse effect on us.
- Fluctuations in real estate values may require us to write-down the book value of our real estate assets.
- We could be impacted by our investments through joint ventures, which involve risks not present in investments in which we are the sole owner.

- We may not be able to sell our real property assets when we desire.
- Access to financing sources may not be available on favorable terms, or at all, which could adversely affect our ability to maximize our returns.
- If we were to default in our obligation to repay the loan we received from BCV S&G DevCorp or Peak One Opportunity Fund, L.P ("Peak One"), it could disrupt or adversely affect our business and our stock price could decline.
- Future outbreaks of any highly infectious or contagious diseases, could materially and adversely impact our performance, financial condition, results of operations and cash flows.

  Disruptions in the supply chain for key inputs could adversely affect our operations

  Compliance with environmental regulations is costly and subject to change

  Environmental liabilities from contamination or hazardous substances may expose us to financial risk

  Product quality issues or contamination could result in liability and damage customer relationships

  Fluctuations in market demand and economic conditions could negatively impact revenue

  We face intense competition and pressure from alternative products

  Operational hazards at processing sites pose safety and business continuity risk

  Odor, noise, and other nuisance issues may lead to community opposition or litigation

  Dependence on government policies and incentives could affect long-term viability

  Logistical challenges could disrupt supply chains and limit our market reach

  If the proposed acquisition of Resource Group is not consummated, our strategic growth plans and anticipated benefits may not be realized
- We may have indemnification liabilities to SG Holdings under the separation and distribution agreement.

Risks Related to Our Common Stock

- Our failure to meet the continued listing requirements of The Nasdaq Capital Market could result in a delisting of our Common Stock.
- Some of our directors and officers may have actual or potential conflicts of interest because of their equity ownership in SG Holdings.
- We currently do not intend to pay dividends on our Common Stock. Consequently, our stockholders' ability to achieve a return on their investment will depend on appreciation in the price of our Common Stock.
- If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline
- Provisions in our corporate charter documents and under Delaware law could make an acquisition of our company, more difficult and may prevent attempts by our stockholders to replace or remove our management.
- Our stockholders' will have limited ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.

Risks Related to Resource Group, its Business and its Acquisition

- Disruptions in the supply chain for key inputs could adversely affect our operations
- Compliance with environmental regulations is costly and subject to change
- Environmental liabilities from contamination or hazardous substances may expose us to financial risk
- Product quality issues or contamination could result in liability and damage customer relationships
- Fluctuations in market demand and economic conditions could negatively impact revenue
- We face intense competition and pressure from alternative products
- Operational hazards at processing sites pose safety and business continuity risks
- Odor, Noise, and other nuisance issues may lead to community opposition or litigation
- Dependence on government policies and incentives could affect long-term viability
- Logistical challenges could disrupt supply chains and limit our market reach
- If the proposed acquisition of Resource Group is not consummated, our strategic growth plans and anticipated benefits may not be realized
- Even if the proposed acquisition of Resource Group is successfully consummated, we may not realize the anticipated strategic benefits of the transaction.
- Our stockholders will experience dilution as a result of the acquisition of Resource Group, and they may not realize a benefit from the acquisition commensurate with the ownership dilution they will experience in connection therewith.
- In order to realize the intended benefits of acquiring Resource Group, we will have to devote significant resources to Resource Group's business, and we may be unable to successfully integrate the businesses with our current management and structure.

PART I

Item 1. Business.

Company Overview

We were formed in 2021 by Safe & Green Holdings Corp. ("SG Holdings") for the purpose of real property development utilizing SG Holdings' proprietary technologies and SG Holdings' manufacturing facilities. During 2023 and 2024, our business focus was primarily on the direct acquisition and indirect investment in properties nationally to be developed in the future into green single or multi-family projects and increasing our presence in markets with favorable job formation and a favorable demand/supply ratio for multifamily and/or single-family housing. To date, we have generated minimal revenue and our activities have consisted mostly of the acquisition and entitlement of three properties, an investment in two entities that have acquired two properties to be further developed, entry into three joint ventures with the intention of developing properties in the Texas market and an investment in real-estate related artificial intelligence ("AI") assets and entities, as further described below.

In January 2024, we announced that we would strategically look to monetize our real estate holdings throughout 2024 by identifying markets where our land may have increased in value, as demonstrated by third-party appraisals and selling those properties. In connection with this strategy, we have entered into agreements to sell our St. Mary's site and our Lago Vista site described in more detail below. Additionally, we expect to subdivide our McLean property into buildable single family lots that can subsequently be sold to developers or developed internally. We intend to develop the properties that we own and invest the proceeds of sales of our securities and future financings, both at the corporate and project level, and/or sale proceeds from properties that are sold. However, our ability to develop any properties will be subject to our ability to raise capital either through the sale of equity or by incurring debt for which there can be no assurance.'

In August 2024, we entered into joint ventures with Milk & Honey LLC, Sugar Phase I LLC and Hacienda Olivia Phase II LLC, with the intention of developing green single-family homes in the Southern Texas market. To date, we have completed construction of five single family homes in the Sugar Phase joint venture which were delivered during the first quarter of 2025. Additionally, we were developing 57 single family lots through our Hacienda Olivia. We have also entered into a joint venture named Pulga Internacional with the intention of developing an eco-friendly commercial retail outlet.

In February 2025, we entered into a Membership Interest Purchase Agreement (the "Membership Interest Purchase Agreement") with Resource Group US Holdings LLC ("Resource Group") and its members to acquire 100% of the membership interests of Resource Group. See "Membership Interest Purchase Agreement" below for additional information about the Membership Interest Purchase Agreement. Upon the closing of the acquisition we intend to shift our primary focus to the business conducted by Resource Croup, which is the transformation of targeted organic green waste materials into engineered, environmentally friendly soil and mulch products. As a result, we have started the process of strategically realigning the business focus towards Resource Group's core business by monetizing real estate holdings held by us and in our joint ventures. We will continue this process and expect that by the end of 2025 the Company will be focused solely on the engineered soils business. Following the acquisition of Resource Group, we also intend to reevaluate the projects, technologies, and operations of our real-estate related AI assets.

Upcycling, Composting and Logistics Business

Resource Group Acquisition

On February 25, 2025, we entered into a Membership Interest Purchase Agreement (the "RG Purchase Agreement") with Resource Group US Holdings LLC, a Florida limited liability company ("Resource Group"), and the members of RG (the "RG Equityholders") to acquire 100% of the membership interests of Resource Group. Resource Group is a next-generation, full-service organic recycling and compost technology company specializing in transforming targeted organic green waste materials into engineered, environmentally friendly soil and mulch products. In addition, Resource Group offers year-round collection and disposal services through high-capacity grapple trucks, open-top walking floor trailers, and variable-sized containers serving green waste generators, landscaping companies, golf courses, communities, and municipalities. Resource Group works to streamline operations by internalizing transportation services, reducing over-the-road mileage, lowering disposal costs, and maximizing efficiency. The purchase price for the membership interests of Resource Group is $480,000 in cash, the issuance of shares of our restricted common stock (the "RG Closing Shares") equal to 19% of our outstanding shares of common stock at closing and a convertible note (the "RG Convertible Note") in an amount to be determined at closing, convertible into shares of our restricted common stock subject to the receipt of our shareholders' approval post-closing in accordance with Nasdaq rules. The RG Closing Shares and the shares of our common stock to be issuable under the RG Convertible Note will together equal 49% of our outstanding shares of common stock at closing. The transaction is expected to close early in the second quarter of 2025 subject to customary closing conditions and the completion of Resource Group's audit.

The RG Purchase Agreement provides that our board of directors will be reorganized at closing such that four current directors will remain on the board of directors and three new directors will be appointed to the board of directors by Resource Group. The RG Purchase Agreement further provides that on or prior to the three-month anniversary of the closing, we will use our best efforts to have on file with and approved by the Securities and Exchange Commission an effective registration statement on Form S-1 or any other allowable form providing for the resale by the RG Equityholders on a pro rata basis of the RG Closing Shares issued to them.

Upcycling, Composting, Logistics Industry and Business Opportunity

We believe the upcycling, composting, and logistics industries present timely and strategic opportunities for our company, particularly through our engagement with innovative waste-to-resource and supply chain optimization technologies. We have identified Resource Group's suite of products and services as a valuable complement to our sustainability-driven business model. Their offerings include organic waste processing units, dewatering systems, and composting equipment designed for on-site use at universities, hospitals, municipalities, and private enterprises. These systems enable the efficient transformation of food and organic waste into usable compost, significantly reducing hauling costs and landfill dependency. Additionally, Resource Group is expanding into upcycling solutions that repurpose materials otherwise destined for disposal, transforming them into high-value products for commercial and industrial use. This aligns with circular economy principles and opens new revenue streams by converting waste into functional assets. In parallel, Resource Group is exploring logistics applications that enhance operational efficiency across waste and materials handling, including route optimization, on-site processing coordination, and supply chain integration for upcycled materials. Their turnkey services—which include installation, maintenance, and monitoring—help clients meet environmental goals and comply with evolving regulations. We view this business line as an important component of our long-term growth strategy and anticipate increased demand for the services they provide as organizations seek cost-effective, environmentally responsible, and logistically sound waste management and resource recovery solutions.

Competition

The market for upcycling, composting, and related logistics technologies is highly competitive and rapidly evolving, driven by increasing regulatory pressure, expanding sustainability mandates, and a growing demand for environmentally conscious supply chain solutions. We recognize that Resource Group operates in a landscape populated by both established waste management firms and emerging clean technology companies offering composting, upcycling, and organic waste processing systems. However, Resource Group differentiates itself through its integrated, end-to-end solutions that include equipment, site-specific logistics planning, and ongoing operational support tailored for institutions such as universities, hospitals, and municipalities. While many competitors offer isolated components—such as equipment without service, or processing without logistics—Resource Group provides a unified approach that lowers total costs and maximizes efficiency. Their focus on localized, decentralized solutions also gives them an edge over national waste firms that prioritize centralized processing, enabling clients to reduce transportation, emissions, and costs. We believe this positioning offers a strategic advantage as public and private sector clients increasingly seek agile, scalable, and sustainable alternatives to conventional waste and logistics models.

Regulatory Matters

Resource Group is subject to a range of federal, state, and local regulations that govern its waste management and environmental operations. At the federal level, applicable laws include the Resource Conservation and Recovery Act (RCRA), which oversees the handling and disposal of solid and hazardous waste, as well as the Clean Air Act and Clean Water Act, which may apply to emissions or discharges associated with organic material processing.

In Florida, where Resource Group is currently located and will conduct business for the foreseeable future, the company is primarily regulated by the Florida Department of Environmental Protection (FDEP). The FDEP enforces state-specific regulations related to solid waste management, composting, and recycling, including permitting requirements, operational standards, and reporting obligations for facilities engaged in organic waste processing. Resource Group's operations may also fall under Florida Administrative Code Chapters 62-701 (Solid Waste Management) and 62-709 (Composting Facilities), which establish the framework for compliance with design, siting, and performance standards.

At the local level, county and municipal governments in Florida may impose additional regulations through zoning ordinances, environmental health codes, and nuisance abatement standards. These can include rules related to odor control, vector prevention, and site-specific permitting or inspection processes.

Resource Group is responsible for maintaining compliance with all applicable federal, state, and local laws and continuously monitors regulatory developments in Florida that may affect its business operations.

AI and Software Development Projects

AI Platform Acquisition I

On February 7, 2024, we entered into a Membership Interest Purchase Agreement ("MIPA") to acquire Majestic World Holdings LLC ("Majestic"). Majestic is a prop-tech company that has created an AI software platform (the "AI Powered Platform"). The AI Powered Platform, which was launched in April 2024, aims to decentralize the real estate marketplace, creating an all-in-one solution that brings banks, institutions, home builders, clients, agents, vendors, gig workers, and insurers into a seamlessly integrated and structured AI-driven environment.

The aggregate consideration payable for the outstanding membership interests (the "Membership Interests') of Majestic consisted of 500,000 shares of our restricted stock (the "Stock Consideration") and $500,000 in cash (the "Cash Consideration"). Pursuant to the terms of the MIPA and a related side letter we agreed to (i) issue 500,000 shares of our common stock to the members of Majestic, which shares were issued on the closing date, February 7, 2024; and (ii) to pay 100% of the Cash Consideration in five equal installments of $100,000 each on the first day of each of the five quarterly periods following the Closing. In addition, pursuant to a profit sharing agreement entered into as of February 7, 2024 (the "Profit Sharing Agreement"), we agreed to pay the former members of Majestic a 50% share of the net profits for a period of five years that are directly derived from the technology and intellectual property utilized in the real estate focused software as a service offered and operated by Majestic and its subsidiaries.

On November 4th, 2024, we and the members of Majestic entered into an amendment to the MIPA. The amendment reduced the cash consideration for the purchase of Majestic from $500,000 to $154,675. Members to whom less than $5,000 was due were paid their share of cash consideration on October 30th, 2024. Members to whom more than $5,000 was due were paid 50% of their consideration on October 30th, 2024 and the remainder on December 1st, 2024 (the "Final Payment Date"), with the exception of Vikash Jain, who shall be paid over a 12-month term. On the Final Payment Date the remaining 31.75% interest in Majestic was transferred to us. The amendment also stipulates those commercial notes totaling $337,226 would be cancelled and deemed satisfied in full and retired on the Final Payment Date.

Following the acquisition of Resource Group, we intend to reevaluate the projects, technologies, and operations currently under development by Majestic to determine how or if they will be integrated into our broader business structure. This evaluation will consider alignment with our strategic objectives, operational synergies, and the scalability of Majestic's AI Powered Platform in light of the regulatory and market environments in which Resource Group operates. Final determinations regarding integration, restructuring, or continuation of these projects will be made after a thorough post-closing review.

MyVonia

On June 6, 2024, we completed the acquisition of all of the assets related to the AI technology known as My Virtual Online Intelligent Assistant ("MyVONIA") pursuant to an Asset Purchase Agreement, dated as of May 7, 2024, by and between us and Dr. Axely Congress (the "APA"). MyVONIA, is an advanced AI assistant, that utilizes machine learning and natural language processing algorithms to provide users with human-like conversational interactions, tailored to their specific needs. MyVONIA does not require an app, or website but is accessible to subscribers via text messaging. The APA provides that the purchase price for MyVONIA is up to 500,000 shares of our common stock. Of such shares, 200,000 shares of common stock were issued at the closing on June 6, 2024, with an additional 300,000 shares of common stock issuable upon the achievement of certain benchmarks. Pursuant to the APA, Dr. Congress has agreed to a non-compete. In connection with the closing, Dr. Congress also entered into a consulting agreement with us (the "Consulting Agreement") to continue to develop MyVONIA and provide such other services as are required pursuant thereto under which Dr. Congress will receive a consulting fee of $10,000 a month. The Consulting Agreement has a term of two years and has a non-compete.

AI and Software Development Business

AI Industry and Business Opportunity

We believe the artificial intelligence industry presents a transformative opportunity for our company, particularly as it relates to the deployment of intelligent digital tools that enhance user engagement, operational efficiency, and industry-specific automation. Our acquisitions of MyVONIA and Majestic World Holdings represent key milestones in our strategic entry into the AI sector. MyVONIA utilizes advanced natural language processing and machine learning algorithms to deliver personalized, human-like interactions via text messaging—without the need for an app or web interface. This frictionless and highly accessible format positions MyVONIA to serve a wide range of industries, including real estate, customer service, and administrative automation.

In addition, Majestic's AI Powered Platform, launched in April 2024, offers an integrated software ecosystem designed to decentralize and streamline the real estate marketplace. This AI-driven environment brings together banks, institutions, home builders, clients, agents, vendors, gig workers, and insurers into a unified, intelligent interface that simplifies complex workflows and improves transactional transparency. We view these platforms as highly complementary and well-aligned with macroeconomic trends, including labor shortages, rising demand for digitization, and the accelerating adoption of conversational and generative AI. Together, they reflect our broader vision to integrate scalable, user-friendly, and industry-specific AI applications across our operations and commercial partnerships.

Competition

The artificial intelligence and prop-tech software markets are highly competitive and rapidly evolving. We face competition from a range of companies, including major technology firms offering enterprise-grade AI platforms, as well as niche startups developing specialized tools for conversational AI, customer automation, and real estate technology. MyVONIA is uniquely positioned within the conversational AI space due to its text-first interface, which does not require users to download a dedicated app or navigate a web platform—making it broadly accessible and easy to adopt across diverse use cases.

Majestic's AI Powered Platform differentiates itself in the real estate sector through its vertical integration and AI-driven structuring of industry participants. While many competitors in the prop-tech space offer isolated tools or data solutions, Majestic's platform unites the entire transaction ecosystem—financial institutions, builders, clients, and service providers—into one seamless digital environment. We believe this comprehensive, AI-structured approach, combined with MyVONIA's accessible communication interface, gives us a competitive edge by addressing real-world inefficiencies with tailored, user-centric solutions. As the market continues to expand, we intend to capitalize on this strategic positioning by focusing on vertical-specific deployment, data-driven enhancements, and scalable commercial integration.

Regulatory Matters

We remain mindful of the evolving regulatory landscape surrounding artificial intelligence, software platforms, and digital privacy. The development, deployment, and commercialization of both MyVONIA and the AI Powered Platform are subject to a growing number of regulatory frameworks at federal, state, and international levels. These include regulations concerning data protection, digital communications, algorithmic transparency, and AI ethics.

In particular, our operations must comply with the California Consumer Privacy Act (CCPA), the General Data Protection Regulation (GDPR) where applicable, and other emerging legislation focused on AI accountability and consumer rights. We are committed to ensuring that the architecture of both platforms is built with privacy, data integrity, and user consent as core principles. In support of this commitment, our product teams are focused on integrating compliance-driven features and maintaining adherence to industry best practices. We believe that a proactive and responsible approach to regulatory matters will not only safeguard our users and stakeholders but also serve as a competitive differentiator as public scrutiny and legal oversight of AI technologies continue to increase.

Current Real Estate Projects and Development Sites

Lago Vista

On May 10, 2021, LV Peninsula Holding LLC ("LV Holding"), our wholly-owned subsidiary, acquired a 50+ acre site in Lago Vista, Texas for $3,500,000, paid in cash, pursuant to an Unimproved Property Contract, dated February 25, 2021, with Northport Harbor LLC. The acquired parcel sits on Lake Travis on the Colorado River in central Texas. We acquired the property and were able to successfully obtain approval to establish a planned development district (PDD) consisting of 174 condominium units with an allowance for 30% short-term rental. As a result of obtaining the site approval and market conditions, we believe that the property's value has increased significantly from the time of purchase.

On July 14, 2021, we issued a Real Estate Lien Note, dated July 14, 2021, in the principal amount of $2,000,000 (the "Short Term Note"), secured by a Deed of Trust, dated July 14, 2021, on the Lake Travis project site in Lago Vista, Texas and a related Assignment of Leases and Rents, dated July 8, 2021, for net loan proceeds of $1,945,233 after fees. The Short-Term Note had a term of one (1) year, provided for payments of interest only at a rate of twelve percent (12%) per annum and could be prepaid without penalty commencing nine (9) months after its issuance date. If the Short-Term Note was prepaid prior to nine (9) months after its issuance date, a 0.5% prepayment penalty would be due. This Short-Term Note was initially extended until January 14, 2023 and was further extended until February 1, 2024. In addition, on September 8, 2022, we issued a Second Lien Note in the principal amount of $500,000 (the "Second Short-Term Note") also secured by a Deed of Trust on the Lake Travis project site in Lago Vista, Texas. The Second Short-Term Note provided for payments of interest only at a rate of twelve percent (12%) per annum and originally matured on January 14, 2023, which maturity date was extended until February 1, 2024.

On March 31, 2023, LV Peninsula Holding LLC ("LV Holding"), our wholly-owned subsidiary and the owner of the Lago Vista property, pursuant to a Loan Agreement, dated March 30, 2023 (the "Loan Agreement"), issued a promissory note, in the principal amount of $5,000,000 (the "LV Note"), secured by a Deed of Trust and Security Agreement, dated March 30, 2023 (the "Deed of Trust") on our Lake Travis project site in Lago Vista, Texas, a related Assignment of Contract Rights, dated March 30, 2023 ("Assignment of Rights"), on our project site in Lago Vista, Texas and McLean site in Durant, Oklahoma and a Mortgage, dated March 30, 2023 ("Mortgage"), on our site in Durant, Oklahoma.

The proceeds of the LV Note were used to pay off the Short-Term Note and the Second Short-Term Note. The LV Note requires monthly installments of interest only, is due in full on April 1, 2024 and bears interest at the prime rate as published in the Wall Street Journal (currently 8.0%) plus five and 50/100 percent (5.50%), currently equaling 13.5%; provided that in no event will the interest rate be less than a floor rate of 13.5%. The LV Holding obligations under the LV Note have been guaranteed by us pursuant to a Guaranty, dated March 30, 2023 (the "Guaranty"), and may be prepaid by LV Holding at any time without interest or penalty. The net loan proceeds were approximately $1,337,000, after loan commission fees of $250,000, broker fees of $125,000, the escrow of a 12-month $675,000 interest reserve, other closing fees and the repayment of the Short-Term Note and Second Short-Term Note. LV Holdings expects to execute extension documents in the first week of April to extend the maturity of the LV Note to April 1, 2026 unless the property is sold before.

On October 10, 2024, we retained the $45,000 of non-refundable earnest money pursuant to the terms of the Contract of Sale since the buyer did not perform under their obligations.

On January 30, 2025, the Company entered into a definitive agreement (the "Purchase Agreement") with Lithe, for the sale of the Lago Vista Site. The agreed-upon purchase price for the property is $6,575,000.

Prior to the execution of the Lago Purchase Agreementwe had entered into a Contract of Sale with Lithe to sell approximately 60 acres of waterfront property at the Lago Vista Site for $5,825,000. The Contract of Sale provided for a 70-day due diligence period followed by a 30-day closing period. The Purchase Agreement executed on January 30, 2025, supersedes the Contract of Sale and reflects updated terms, including the revised purchase price.

The closing of the transaction under the Purchase Agreement is expected to occur on or before April 1st, 2025. This decision is consistent with our decision to strategically realign the business towards engineered soils and logistics.

On July 23, 2024, we entered into a Joint Venture Agreement (the "JV Agreement") with Milk & Honey LLC, a Texas limited liability company ("Milk & Honey"), for the purpose of establishing a joint venture to be conducted under the name of Sugar Phase I LLC (the "Joint Venture") for the purpose of developing and constructing single-family homes (the "Project") on five parcels of land located in Edinburg Texas (the "Land"). We and Milk & Honey are each referred to as a "Joint Venturer" and collectively are referred to as the "Joint Venturers."

Pursuant to JV Agreement, we have agreed to contribute capital in the amount of $100,000 to the Joint Venture to be used for the development and construction of single-family homes on the Land, and Milk & Honey has agreed to contribute the Land, valued at $317,500, to the Joint Venture. The Joint Venturers shall make such other capital contributions required to enable the Joint Venture to carry out its purposes as set forth in the JV Agreement as the Joint Venturers may mutually agree upon. The Joint Venturers shall arrange for or provide any financing as may be required by the Joint Venture for carrying out the purposes of the Joint Venture.

The JV Agreement provides that we will have a 60% interest and Milk & Honey will have a 40% interest in the Joint Venture. In addition, it provides that net profits of the Joint Venture as they accrue will be distributed 45% to the Company and 55% to Milk & Honey, and that the expenses of the Joint Venture will be paid by the Joint Venturers, in the ratio which the contribution of each Joint Venturer bears to the total contributions.

Pursuant to Joint Venture in the event the Joint Venturers are divided on a material issue and cannot agree on the conduct of the business and affairs of Sugar Phase JV, a deadlock shall be deemed to have occurred in which the Company (the "Offerer") may elect to purchase the Joint Venture interest of the other Joint Venturer (the "Offeree") at an agreed upon valuation of $1,100,000 or the Company shall make the final decision to break the deadlock.

On October 1, 2024, we entered into a JV Agreement with Milk & Honey for the purpose of establishing a joint venture to be conducted under the name of Hacienda Olivia Phase II LLC (the "2nd Joint Venture") for the purpose of developing and constructing a single family homes (the "Second Project") on fifty-seven (57) lots of land located in Hidalgo County, Texas (the "Second Land"). We are the manager of the 2nd Joint Venture.

Pursuant to 2nd JV Agreement, we agreed to contribute $10,000 to the 2nd Joint Venture as an initial capital contribution for the specific purpose of satisfying the existing mortgage on the Second Land, and Milk & Honey has agreed to contribute the Second Land to the 2nd Joint Venture. The terms of the 2nd Joint Venture are similar to the Joint Venture.

On November 18 2024, we entered into a JV Agreement with Milk & Honey, for the purpose of establishing a joint venture to be conducted under the name of Hacienda Olivia Phase III LLC (the "3rd Joint Venture") for the purpose of developing and constructing single family homes on twelve (12) acres of land representing 77 lots located in Hidalgo County, Texas (the "Third Land"). We are the manager of the 3rd Joint Venture.

Pursuant to the 3rd JV Agreement, we agreed to contribute $10,000 to the 3rd Joint Venture as an initial capital contribution, and Milk & Honey has agreed to contribute the Third Land to the Joint Venture. The terms of the 3rd Joint Venture are similar to the Joint Venture.

As of January 16, 2025, the Joint Venture, acquired twenty-two (22) lots in South Texas (the "Property") for a purchase price of $440,000 for development of its residential development project (the "January Project"). In connection with the acquisition of the Property, the Joint Venture entered into a Loan Agreement, dated as of January 16, 2025 (the "Loan Agreement"), for the periodic draw down of up to $1,092,672.75 in principal amount of loan proceeds to be used for the completion of the construction of the January Project, the payment of the lender's expenses related to the Loan Agreement and the payment of expenses related to the acquisition by the Joint Venture of the Property. The loan bears interest at the greater of the 1-Month Term Secured Overnight Financing Rate plus 5.710%, as adjusted monthly, or 9.740%, includes a loan origination fee of $23,110, matures on March 12, 2026 and is secured by the Property and other related collateral. The loan is also guaranteed by us and Properties by Milk & Honey (each a "Guarantor") pursuant to an Unconditional Guaranty, dated January 16, 2025 (the "Guaranty"). The obligations of each Guarantor are joint and several. The Guaranty may be enforced against any Guarantor without attempting to collect from the Joint Venture any other Guarantor or any other person, and without attempting to enforce lender's rights in any of the collateral. We, Properties by Milk & Honey and the principals of Properties by Milk & Honey also entered into an Indemnity Agreement, dated January 16, 2025 (the "Indemnity Agreement"), for the benefit of the lender under the Loan Agreement, with respect to the January Project's compliance with Environmental Laws, Hazardous Substances Laws and Building Laws (as such terms are defined in the Indemnity Agreement).

On March 6, 2025, Safe and Green Development Corporation (the "Company") entered into a Buyout Agreement (the "Buyout Agreement") with Properties by Milk & Honey LLC, a Texas limited liability company ("Milk & Honey"), pursuant to which the Company agreed to sell to Milk & Honey the Company's 60% membership interest (the "Interest") in Sugar Phase I LLC, a joint venture (the "JV") established under a Joint Venture Agreement with Milk & Honey, dated July 23, 2024, for a purchase price of $700,415.24, reflecting amounts contributed and costs incurred by the Company in connection with the Sugar Phase I project, to be evidenced by a one-year promissory note (the "Note") in the principal amount of $700,415.24, bearing interest at 10% per annum.

The Buyout Agreement and Note provide that the Company's Interest will be transferred to Milk & Honey incrementally as the Note is repaid. The closing under the Buyout Agreement occurred on March 7, 2025. In connection therewith, Milk & Honey prepaid $120,000.00 of the principal amount due under the Note and the Company transferred 10.27% of the Company's Interest in the JV. The Company currently holds a 49.73% in the JV. This decision is consistent with our decision to strategically realign the business towards engineered soils and logistics.

Norman Berry Village

On May 31, 2021, we acquired a 50% membership interest for $600,000 in a limited liability company, Norman Berry II Owners, LLC ("NB Owners"), that is building affordable housing in the Atlanta, Georgia metropolitan area to be known as "Norman Berry Village." We partnered with CMC Development Group ("CMC"), a New York City-based real estate development firm with national expertise providing design build services. CMC owns the other 50% membership interest in NB Owners. The NB Owners' operating agreement provides that NB Owners will initially have two managers, one designated by CMC (the "CMC Manager") and one designated by us. Pursuant to the operating agreement, the CMC Manager will manage the day-to-day business and affairs of NB Owners and all non-routine decisions requires the approval of members owning a majority of the outstanding membership interests. The operating agreement also provides that any fee earned by CMC in connection with the acquisition and development of the Norman Berry Village and related real property will be split 75% to CMC and 25% to us. We have no obligation under the operating agreement to make any additional capital contributions to NB Owners. In addition, neither we nor CMC may voluntarily make any additional capital contributions to NB Owners. In accordance with the operating agreement, we are entitled to a preferred return equal to 10% per annum on our unreturned capital contributions which return will (i) accrue from the date on which our capital contributions were actually contributed to NB Owners until the date such capital contributions are returned to us, and (ii) compound annually. We expect the project to develop 125,000 square feet of space and build approximately 134 multi-family rental apartments in two buildings. We expect the project to commence in the third quarter of 2024, subject to available funding, and to be completed within three years of commencement. The estimated development costs for this project are approximately $35,000,000. NB Owners recently received approval from the city of Eastpoint to purchase the right of way approval to begin developing the Norman Berry Village. On March 11, 2024, NB Owners, pursuant to a loan agreement dated March 11, 2022, issued a promissory note in the amount of $200,000. The note has a maturity date of March 11, 2025 and provides for interest only payments at a rate of 12%. To secure the full payment of the note, the note is secured by a security deed in the Norman Berry property. As of March 31, 2025, NB Owners is in negotiations regarding the extension of the loan agreement through August 11, 2025.

Cumberland Inlet

On June 24, 2021, we, as a member, entered into an Operating Agreement, with Jacoby Development, Inc., a Georgia corporation ("JDI"), as manager, dated June 24, 2021 (the "Operating Agreement"), for JDI-Cumberland Inlet, LLC, a Georgia limited liability company ("JDI-Cumberland"), pursuant to which we acquired a 10% non-dilutable equity interest ("LLC Interest") in JDI-Cumberland for $3,000,000. JDI-Cumberland has purchased a 1,298 acre waterfront parcel in downtown historic St. Mary's, Georgia and expects to develop approximately 352 acres thereof (the "Cumberland Inlet Project"). We, in conjunction with JDI, expect to develop a mixed-use destination community. The location will serve as home to 3,500 units made up of single family, multi-family, vacation and hospitality use, as well as a full-service marina, village, and upscale Eco-Tourism park inclusive of camping, yurts, cabins and cottages. JDI-Cumberland recently received all approvals to build out the marina portion of the project.

We have no obligation under the Operating Agreement to make any additional capital contributions to JDI-Cumberland. The Operating Agreement provides JDI with the right, at its option, to purchase the LLC Interest from us on or before June 24, 2023 for $3,000,000, plus an amount equal to an annual internal rate of return (IRR) on such funds of forty (40%) percent (i.e., $1,200,000 annualized). After June 24, 2023, the Operating Agreement provides JDI with the right, at its option, to purchase the LLC Interest from us for $3,000,000 million, plus an amount equal to an IRR of thirty-two and one-half (32.5%) percent (i.e., $975,000 annualized). The Operating Agreement also provides that if JDI receives a good faith, bona fide written offer from an unaffiliated third party to purchase all or any portion of the Cumberland Inlet Project, JDI shall first offer the Cumberland Inlet Project to us at the same price and upon substantially the same terms as are contained in the offer. The Operating Agreement contains certain protective provisions that prevent JDI, as manager, from determining to, or taking, certain significant actions without our consent. SG Echo, a subsidiary of SG Holdings, entered into a Fabrication and Building Services Agreement ("Building Services Agreement") with JDI-Cumberland to design, fabricate and install various improvements for the Cumberland Inlet Project using modular structures, pursuant to budgets prepared by SG Echo submitted for approval to JDI-Cumberland, including a marina, town center, apartments and single family units, townhomes, commercial, retail and lodging buildings/structures, eco-tourism park, camping yurts, cabins and cottages. The Building Services Agreement has an initial term of three years, with two-year automatic renewal provisions. During the term of the Building Services Agreement, SG Echo will have a right of first refusal with respect to each phase of the construction of the project buildings. If SG Echo's quote for a given phase is no more than five percent more than the average of all bona fide, arm's length bids that JDI-Cumberland obtains from reputable, unaffiliated builders, the phase will be awarded to SG Echo. In the event that SG Echo's quote for a given phase is more than five percent more than the average of all bona fide arm's length bids JDI-Cumberland obtains from reputable, unaffiliated builders, SG Echo will have the right to match such best bona fide, arm's length offer and secure the work.

On February 11, 2025, we entered into an Amendment (this "Amendment") to the Operating Agreement, dated June 24, 2021 for JDI-Cumberland Inlet, LLC, a Georgia limited liability company, by and between us and Jacoby Development Inc., a Georgia corporation, and a Forced Sale Agreement by and between the Company and JDI, pursuant to which JDI-Cumberland acquired our 10% equity interest 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. This decision to sell our interest is consistent with our decision to strategically realign the business towards engineered soils and logistics.

St Mary's Site

On August 18, 2022, we purchased, for $296,870 approximately 27 acres of land adjacent to our Cumberland Inlet Project from the Camden County Joint Development Authority (JDA). We had planned to build a 120,000 square foot state of the art manufacturing facility on this site. In connection with the purchase of the St. Mary's Site, we entered into a promissory note in the amount of $148,300. This note had a maturity date of September 1, 2023, subject to our right to extend for 6 months upon payments of a fee equal to 1% of the principal balance of the note and provides for payments of interest only at a rate of nine and three quarters percent (9.75%) per annum. During August 2023, such note was extended for a one-year period. This note could be prepaid without penalty, provided, however, if the lender has not received six months of interest, we must pay the lender an amount equivalent to the months of interest necessary to complete six months of interest. In addition, at the time of payment in full of the note, we must pay the lender an amount equivalent to half of one percent (0.50%) of the original loan amount. To secure payment in full of the note, the note is secured by a security deed in the property with power of the lender to sell the property. On March 7, 2024, we entered into a modification agreement to the promissory note to increase the loan amount to $200,000. The promissory note was paid off in connection with the sale described below.

On January 31, 2024, we entered into an Agreement of Sale with Pigmental Studios to sell the St. Mary's Site. On October 14, 2024, we entered into a Modification Agreement with Palermo Lender LLC ("Palermo"), effective as of October 2, 2024 (the "Modification Agreement"), to modify the Deed of Trust (the "Security Deed") securing our promissory note issued to Palermo in the original principal amount of $148,300.00, as subsequently modified to increase the principal amount to $200,000.00, to extend the maturity date to March 1, 2025 and to change the interest rate from 10.99% with ACH to 11.99% without ACH.

On November 13th, 2024 we entered into an amendment to the Agreement of Sale (the "Second Amendment") that amended the closing date to November 15th, 2024 and increased the purchase price to $1,400,000 payable $439,328 in cash and $960,672 by the issuance of a promissory note to us. The promissory note will bear 10% interest per annum, provide for monthly interest payments and mature on March 15, 2025 with the option to extend up to three times by paying $10,000 for each extension.

On March 23, 2025, Pigmental Studios exercised the first of its three extension options by making the required $10,000 payment, which was received. As a result, the new maturity date of the promissory note is April 22, 2025. The promissory note contains all the same provisions as the original note; only the maturity date was extended.

McLean Mixed Use Site

On November 10, 2021, we entered into a Purchase Agreement ("Purchase Agreement) with the Durant Industrial Authority to acquire 100% ownership of approximately 114 mixed-use acres in Durant, Oklahoma for $868,000. We anticipate building approximately 800 residential units and up to 1.1 million square feet of industrial manufacturing space on the mixed-use property. The closing on the 114 mixed-use acres occurred in the first quarter of 2022. We had planned to build a 120,000 square foot state of the art manufacturing facility. The property is zoned for an additional 1.0 million square feet of industrial space. We are currently marketing the additional space to potential tenants.

As of March 31st, 2025 we expect to subdivide our McLean property into buildable single family lots that can subsequently be sold to developers or developed internally. We analyzed market conditions and determined that this process is expected to yield the highest return without having to take on construction related risks. This decision is consistent with our decision to strategically realign the business towards engineered soils and logistics.

Real Estate Development Business

Housing Industry

The U.S. housing market experienced notable activity in early 2025, with single-family home production increasing in response to limited existing inventory, while multifamily development began to show signs of stabilization after a prolonged period of softness. Several structural and economic factors continue to influence residential construction activity, including:

- limited availability of existing single-family homes for sale, driving new construction;
- persistent shortages of buildable lots and skilled labor;
- elevated construction costs, including those attributable to tariffs on key building materials;
- tight financing conditions and ongoing concerns around housing affordability;
- continued regional variation in residential construction activity; and
- a decline in building permit issuance, signaling cautious sentiment for future development.

According to data released by the U.S. Department of Housing and Urban Development and the U.S. Census Bureau, total housing starts increased by 11.2% in February 2025 to a seasonally adjusted annual rate of 1.50 million units. Within this total, single-family housing starts rose by 11.4% to an annualized rate of 1.11 million units, the highest level recorded since February 2024. Multifamily housing starts, which include apartments and condominiums, increased by 10.7% to a 393,000-unit annual rate, representing the first monthly gain after 18 consecutive months of declines.

Despite these gains in starts, the issuance of building permits—a leading indicator of future construction—declined 1.2% in February 2025 to a seasonally adjusted annual rate of 1.46 million units and was 6.8% lower than the same period in the prior year. Single-family permits decreased by 0.2% to a 992,000-unit pace, while multifamily permits declined by 3.1% to a 464,000-unit rate.

On a regional, year-to-date basis, combined single-family and multifamily housing starts were down 4.7% in the Northeast, 21.5% in the Midwest, and 8.3% in the South, but increased by 20.2% in the West. Permit activity followed a similar trend, with year-to-date declines of 30.1% in the Northeast, 12.5% in the West, and 2.1% in the South, while the Midwest experienced a 2.3% increase.

According to the National Association of Home Builders (NAHB), single-family housing starts are expected to remain relatively flat in 2025, with the potential benefits of a more favorable regulatory environment offset by ongoing uncertainty related to tariffs and construction costs. Multifamily construction activity is projected to remain soft through the first half of the year due to financing constraints, but may stabilize in the second half of 2025 as market conditions evolve.

Joint Venture and Partnership Activities

We have entered into, and may continue in the future to enter into, joint ventures (including limited liability companies or partnerships) through which we would own an indirect economic interest of less than 100% of the property owned directly by such joint ventures. Our decision to develop a property either on our own or through a joint venture is based on a variety of factors and considerations, including: (i) the economic and tax terms required by the seller of land; (ii) our desire to diversify our portfolio of communities by market, submarket and product type; (iii) our desire at times to preserve our capital resources to maintain liquidity or balance sheet strength; and (iv) our projections, in some circumstances, that we could achieve higher returns on our invested capital or reduce our risk if a joint venture vehicle is used. Each joint venture agreement is individually negotiated, and our ability to operate and/or dispose of a development project may be limited to varying degrees depending on the terms of the joint venture agreement.

Conflicts of Interest

We expect that numerous conflicts of interest will exist after the Separation and Distribution based upon the numerous arrangements and/or agreements between the parties.

Competition

We face competition in the real estate development and housing industries. Real estate developers compete for, among other things, residents, desirable land parcels, financing, raw materials, and skilled labor. Increased competition may prevent us from acquiring attractive land parcels or make such acquisitions more expensive, hinder our market share expansion, or lead to pricing pressures that may adversely impact our margins and revenues. Competitors may independently develop land and construct housing units that are superior or substantially similar to our products and because they are or may be significantly larger, have a longer operating history, and have greater resources or lower cost of capital than us, may be able to compete more effectively in one or more of the markets in which we operate or plan to operate. We believe we can distinguish ourselves from our competitors on the basis of our quality and construction time savings.

In addition, we will compete with public and private funds, commercial and investment banks, commercial financing companies and public and private REITs to make some of the investments that we plan to make. Many of such competitors are substantially larger and have considerably greater financial, technical and marketing resources than us. In addition, some of such competitors may have higher risk tolerances or different risk assessments, allowing them to pay higher consideration, consider a wider variety of investments and establish more effective relationships than us.

Regulation and Environmental Matters

Our real estate investments are subject to extensive local, city, county and state rules and regulations regarding permitting, zoning, subdivision, utilities and water quality as well as federal rules and regulations regarding air and water quality, and protection of endangered species and their habitats. Such regulation may delay development of our properties and may result in higher development and administrative costs. See “Part I, Item 1A. “Risk Factors” for further discussion.

We have made, and will continue to make, expenditures for the protection of the environment with respect to our real estate development activities. Emphasis on environmental matters will result in additional costs in the future. Further, regulatory and societal responses intended to reduce potential climate change impacts may increase our costs to develop, operate and maintain our properties. Based on an analysis of our operations in relation to current and presently anticipated environmental requirements, we currently do not anticipate that these costs will have a material adverse effect on our future operations or financial condition.

Sustainability

We are committed to protecting the environment and developing sustainable properties. We emphasize sustainable design, construction and operations as essential goals in developing and operating our properties. Our projects begin with a careful site assessment, taking into account unique and environmentally sensitive site features, including vegetation, slopes, soil profiles and water resources. Our sites are then engineered to protect our environment and promote their natural attributes. Our projects utilize advanced, commercially available technologies that result in our homes having better insulation, more eco-friendly lighting and being generally energy efficient.

Human Capital

As of the date hereof, we have six employees: a Chief Executive Officer, a Chief Financial Officer, a Senior In-House Counsel, a Vice President of Development, a Director of Business Development and a Development Director all of whom work full-time for us.

Corporate Information

We were incorporated in Delaware on February 27, 2021. Our principal executive office is located at 100 Biscayne Blvd., Floor 12, Suite 1201, Miami, Florida 33132, and our phone number is (786) 600 4739 . We maintain a website at *www.sgdevco.com*. The reference to our website is intended to be an inactive textual reference only. The information contained on, or that can be accessed through, our website is not part of this Annual Report.

In December 2022, SG Holdings, the then owner of 100% of our issued and outstanding securities, announced its plan to separate SG DevCo and SG Holdings into two separate publicly traded companies (the "Separation"). To implement the Separation, on September 27, 2023 (the "Distribution Date"), SG Holdings, effected a pro rata distribution to SG Holdings' stockholders of approximately 30% of the outstanding shares of our Common Stock (the "Distribution"). In connection with the Distribution, each SG Holdings' stockholder received 0.930886 shares of our Common Stock for every five (5) shares of SG Holdings common stock held as of the close of business on September 8, 2023, the record date for the Distribution, as well as a cash payment in lieu of any fractional shares. Immediately after the Distribution, we were no longer a wholly owned subsidiary of SG Holdings and SG Holdings held approximately 70% of our issued and outstanding securities. On September 28, 2023, our Common Stock began trading on the Nasdaq Capital Market under the symbol "SGD."

Implications of Being an Emerging Growth Company

We qualify as an "emerging growth company" as defined under the Securities Act. As a result, we are permitted to, and intend to, rely on exemptions from certain disclosure requirements that are otherwise applicable to public companies. These provisions include, but are not limited to:

- being permitted to present only two years of audited financial statements and only two years of related "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Annual Report;
- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as amended (the "Sarbanes-Oxley Act");
- reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

In addition, an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This provision allows an emerging growth company to delay the adoption of some accounting standards until those standards would otherwise apply to private companies. We have elected to avail ourselves of this extended transition period. We will remain an emerging growth company until the earliest to occur of: (i) our reporting $1.235 billion or more in annual gross revenues; (ii) the end of fiscal year 2028; (iii) our issuance, in a three year period, of more than $1 billion in non-convertible debt; and (iv) the last day of the fiscal year in which we are deemed to be a large accelerated filer, which generally means that we have been public for at least 12 months, have filed at least one annual report, and the market value of our Common Stock that is held by non-affiliates exceeds $700 million as of the last day of our then-most recently completed second fiscal quarter.

We have elected to take advantage of certain of the reduced disclosure obligations and may elect to take advantage of other reduced reporting requirements in future filings. As a result, the information that we provide to our stockholders may be different than the information you might receive from other public reporting companies in which you hold equity interests.

We also qualify as a "smaller reporting company," as such term is defined in Rule 12b-2 under the Exchange Act, and to the extent we continue to qualify as a "smaller reporting company," after we cease to qualify as an "emerging growth company," certain of the exemptions available to us as an "emerging growth company" may continue to be available to us as a smaller reporting company, including: (1) not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act; (2) scaled executive compensation disclosures; and (3) the ability to provide only two years of audited financial statements, instead of three years.

Available Information

We are subject to the informational requirements of the Exchange Act, and in accordance therewith, we file reports, proxy and information statements and other information with the SEC. You can read our SEC filings over the Internet at the SEC's website at *www.sec.gov*. Our filings with the SEC are also available free of charge through the investor relations section of our website at *www.sgdevco.com*. Reports are available free of charge as soon as reasonably practicable after we electronically file them with, or furnish them to, the SEC. From time to time, we also use multiple social media channels to communicate with the public about SG DevCo. It is possible that the information we post on social media could be deemed to be material information. Therefore, we encourage you to review the information we post on the social media channels listed on our investor relations website, if any.

Information contained on or accessible through the websites and social media channels referred to above is not incorporated by reference in, or otherwise a part of, this Annual Report, and any references to these websites and social media channels are intended to be inactive textual references only.

Item 1A. Risk Factors.

Investing in our Common Stock involves a high degree of risk. You should consider carefully the following risks, together with all the other information in this Annual Report, including the section titled "Forward-Looking Statements," and "Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the accompanying notes included elsewhere in this Annual Report. The risks described below are not the only ones we face. Any of the following risks could materially and adversely affect our business. If any of the following risks actually materializes, our operating results, financial condition and liquidity could be materially adversely affected. As a result, the trading price of our Common Stock could decline and you could lose part or all of your investment. Our business, financial condition and results of operations could also be harmed by risks and uncertainties not currently known to us or that we currently do not believe are material.

Risks Related to Our Business Generally

Our limited operating history makes it difficult for us to evaluate our future business prospects.

We were incorporated in February 2021. We cannot assure you that we will be able to operate our business successfully or profitably or find additional suitable investments. We only have a few years of audited financial statements. Any investment decision will not be made with the same data as would be available as if we had a longer history of public reporting. There can be no assurance that we will be able to generate sufficient revenue from operations to pay our operating expenses. The results of our operations and the execution on our business plan depends on the demand for the recycling and composting services we intend to provide upon the acquisition of Resource Group, the demand for our AI technology, the availability of additional land parcels, the performance of our currently held properties, competition, the ability to obtain building permits, the availability of adequate equity and debt financing, and conditions in the financial markets and economic conditions.

You should consider our business and prospects in light of the risks and significant challenges we face as a new entrant into our industry. If we fail to adequately address any or all of these risks and challenges, our business, prospects, financial condition, results of operations, and cash flows may be materially and adversely affected.

We are entering into a new line of business which may not be successful.

Upon the closing of the acquisition of Resource Group we will be entering into a new line of business- transforming targeted organic green waste materials into engineered, environmentally friendly soil and mulch products. Our current management team has no experience in this new market. There can be no assurance that there will be demand for our services in this market. Even if such a market develops, there can be no assurance that we would be able to maintain that market.

Our auditors have expressed substantial doubt about our ability to continue as a going concern.

We have generated minimal revenue and have incurred significant net losses in each year since inception. For the year ended December 31, 2024 we incurred a net loss of $8,908,475 as compared to a net loss of $4,200,541 for year ended December 31, 2023. We expect to incur increasing losses in the future when we commence development of the properties we own. We cannot offer any assurance as to our future financial results. Our inability to achieve profitability from our current operating plans or to raise capital to cover any potential shortfall would have a material adverse effect on our ability to meet our obligations as they become due. If we are not able to secure additional funding, if, and when needed, we would be forced to curtail our operations or take other action in order to continue to operate. A significant portion of our funding was historically provided by SG Holdings. These and other factors raise substantial doubt about our ability to continue as a going concern. If we are unable to meet our obligations and are forced to curtail or cease our business operations, our stockholders could suffer a complete loss of any investment made in our securities.

Our business strategy includes growth plans. Our financial condition and results of operations could be negatively affected if we fail to grow or fail to manage our growth or investments effectively.

Our prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in significant growth stages of development. We cannot assure you that we will be able to successfully develop any of our properties or that we will have access to additional development opportunities or that we will generate revenue from our AI technology or new composting business in which we intend to engage. Failure to manage potential transactions to successful conclusions, or failure more generally to manage our growth effectively, could have a material adverse effect on our business, future prospects, financial condition or results of operations and could adversely affect our ability to successfully implement our business strategy.

We will need to raise additional capital to support our long-term business plans and our failure to obtain funding when needed may force us to delay, reduce or eliminate our development plans.

During the year ended December 31, 2024, our operating activities used net cash of approximately $2.6 million and as of December 31, 2024, our cash was $296,202. We have experienced significant losses since inception and have a significant accumulated deficit as of December 31, 2024 totaling $16 million. We expect to incur additional operating losses in the future and therefore expect our cumulative losses to increase. We do not derive substantial revenue from the properties we own or have an interest in. We expect to potentially generate revenue through our strategy of strategically monetizing the land parcels and joint venture partnerships by selling them in the next years. We do not expect to generate revenue from our AI for years. The payoff of the St. Mary's note is subject to conditions and there can be no assurance that the sale will be consummated or if consummated that the borrowers will fulfill their obligations under the note .We expect our expenses to increase if and when we are able to close the acquisition of Resource Group.

We will need to raise additional capital to fund our business expansion plans and we cannot be certain that funding will be available to us on acceptable terms on a timely basis, or at all. To meet our financing needs, we are considering multiple alternatives, including, but not limited to, additional equity and debt financings. Our ability to raise capital through the sale of securities may be limited by our number of authorized shares of common stock and various rules of the SEC and Nasdaq that place limits on the number and dollar amount of securities that we may sell. Any additional sources of financing will likely involve the issuance of our equity or debt securities, which will have a dilutive effect on our stockholders, assuming we are able to sufficiently increase our authorized number of shares of common stock. To the extent that we raise additional funds by issuing equity securities, our stockholders may experience significant dilution. Any debt financing, if available, may involve restrictive covenants that may impact our ability to conduct our business. Our current outstanding debentures prohibit us from engaging in certain types of financing while the debentures are outstanding. Although our agreement with the holder of our debentures provides for the issuance of additional debentures, there are conditions to be met in order for us to be able to issue additional debentures and there can be no assurance that we will be able to satisfy the conditions. Our equity line also requires that certain conditions be met before we can use the equity line and there can be no assurance that such conditions will be met. If we fail to raise additional funds on acceptable terms, we may be unable to complete planned development work.

If we default on payments or other covenants pursuant to the debentures that we issued in August 2024 and October 2024, the lender could foreclose on our assets.

The debentures that we issued in August 2024 and October 2024 are secured by a lien on our assets. If we should fail to pay the amounts owed under the debentures when due or fail to comply with any other covenants or obligations thereunder, the lender could foreclose on our assets.

We do not anticipate generating substantial revenue from our development activities for many years.

We have not yet developed any of the properties that we have acquired. We do not expect to derive significant revenue from the sale of the properties we develop for several years.

The long-term sustainability of our real estate development operations as well as future growth in this sector depends in part upon our ability to acquire land parcels suitable for residential projects at reasonable prices.

The long-term sustainability of our real estate development operations, as well as future growth in this sector, depends in large part on the price at which we are able to obtain suitable land parcels for development or homebuilding operations. Our ability to acquire land parcels for various residential projects may be adversely affected by changes in the general availability of land parcels, the willingness of land sellers to sell land parcels at reasonable prices, competition for available land parcels, availability of financing to acquire land parcels, zoning, regulations that limit housing density, the ability to obtain building permits, environmental requirements and other market conditions and regulatory requirements. If suitable lots or land at reasonable prices become less available, the number of units we may be able to build and sell could be reduced, and the cost of land could be increased substantially, which could adversely impact us. As competition for suitable land increases, the cost of undeveloped lots and the cost of developing owned land could also rise and the availability of suitable land at acceptable prices may decline, which could adversely impact us. The availability of suitable land assets could also affect the success of our land acquisition strategy, which may impact our ability to maintain or increase the number of our active communities, as well as to sustain and grow our revenues and margins, and achieve or maintain profitability. Additionally, developing undeveloped land is capital intensive and time consuming and we may develop land based upon forecasts and assumptions that prove to be inaccurate, resulting in projects that are not economically viable.

We operate in a highly competitive market for investment opportunities, and we may be unable to identify and complete acquisitions of real property assets.

The housing industry is highly competitive, and we face competition from many sources, including from other housing communities both in the immediate vicinity and the geographic market where our properties are and will be located. Furthermore, housing communities we invest in compete, or will compete, with numerous housing alternatives in attracting residents, including owner occupied single and multifamily homes available to rent or purchase. Increased competition may prevent us from acquiring attractive land parcels or make such acquisitions more expensive, hinder our market share expansion, or lead to pricing pressures that may adversely impact our margins and revenues. Competitors may independently develop land and construct housing units that are superior or substantially similar to our products and because they are or may be significantly larger, have a longer operating history, and have greater resources or lower cost of capital than us, may be able to compete more effectively in one or more of the markets in which we operate or plan to operate.

We will also compete with public and private funds, commercial and investment banks, commercial financing companies and public and private REITs to make certain of the investments that we plan to make. Many of such competitors are substantially larger and have considerably greater financial, technical and marketing resources than us. In addition, some of our competitors may have higher risk tolerances or different risk assessments, allowing them to pay higher consideration, consider a wider variety of investments and establish more effective relationships than us.

These competitive conditions could adversely affect our ability to make investments. Moreover, our ability to close transactions will be subject to our ability to access financing within stipulated contractual time frames, and there is no assurance that we will have access to such financing on terms that are favorable to us, if at all.

Our compost business and AI platforms will be subject to competition

The market for upcycling, composting, and related logistics technologies is highly competitive and rapidly evolving, driven by increasing regulatory pressure, expanding sustainability mandates, and a growing demand for environmentally conscious supply chain solutions. Resource Group operates in a landscape populated by both established waste management firms and emerging clean technology companies offering composting, upcycling, and organic waste processing systems, many of whom have greater financial resources than we do.

The artificial intelligence and prop-tech software markets are highly competitive and rapidly evolving. We face competition from a range of companies, including major technology firms offering enterprise-grade AI platforms, as well as niche startups developing specialized tools for conversational AI, customer automation, and real estate technology many of whom have greater financial resources than we do.

Our property portfolio has a high concentration of properties located in certain states.

To date, our properties are located in Georgia, Texas and Oklahoma. Certain of our properties are located in areas that may experience catastrophic weather and other natural events from time to time, including hurricanes or other severe weather, flooding fires, snow or ice storms, windstorms or earthquakes. These adverse weather and natural events could cause substantial damages or losses to our properties which could exceed our insurance coverage. In the event of a loss in excess of insured limits, we could lose our capital invested in the affected property, as well as anticipated future revenue from that property. We could also continue to be obligated to repay any mortgage indebtedness or other obligations related to the property. Any such loss could materially and adversely affect our business and our financial condition and results of operations.

In addition, Resource Group has only performed services in the State of Florida and its business will be subject to catastrophic weather and other natural events from time to time.

To the extent that significant changes in the climate occur, we may experience extreme weather and changes in precipitation and temperature and rising sea levels, all of which may result in physical damage to or a decrease in demand for properties located in these areas or affected by these conditions. Should the impact of climate change be material in nature, including destruction of our properties, or occur for lengthy periods of time, our financial condition or results of operations may be adversely affected. In addition, changes in federal and state legislation and regulation on climate change could result in increased capital expenditures to improve the energy efficiency of our existing properties or to protect them from the consequence of climate change.

There can be no assurance that the properties in our development pipeline will be completed in accordance with the anticipated timing or cost.

The development of the projects in our pipeline is subject to numerous risks, many of which are outside of our control, including:

- inability to obtain entitlements;
- inability to obtain financing on acceptable terms;
- default by any of the contractors we engage to construct our projects;
- site accidents; and
- failure to secure tenants or residents in the anticipated time frame, on acceptable terms, or at all.

We can provide no assurances that we will complete any of the projects in our development pipeline on the anticipated schedule or within the budget, or that, once completed, these properties will achieve the results that we expect. If the development of these projects is not completed in accordance with our anticipated timing or cost, or the properties fail to achieve the financial results we expect, it could have a material adverse effect on our business, financial condition, results of operations and cash flows and ability to repay our debt, including project-related debt.

Our insurance coverage on our properties may be inadequate to cover any losses we may incur and our insurance costs may increase.

We maintain insurance on our properties. However, there are certain types of losses, generally of a catastrophic nature, such as floods or acts of war or terrorism that may be uninsurable or not economical to insure. Further, insurance companies often increase premiums, require higher deductibles, reduce limits, restrict coverage, and refuse to insure certain types of risks, which may result in increased costs or adversely affect our business. We use our discretion when determining amounts, coverage limits and deductibles, for insurance, based on retaining an acceptable level of risk at a reasonable cost. This may result in insurance coverage that, in the event of a substantial loss, would not be sufficient to pay the full current market value or current replacement cost of our lost investment. In addition, we may become liable for injuries and accidents at our properties that are underinsured. A significant uninsured loss or increase in insurance costs could materially and adversely affect our business, liquidity, financial condition and results of operations.

Our operating results may be negatively affected by potential development and construction delays and resultant increased costs and risks.

We have acquired properties upon which we will construct improvements. In connection with our development activities, we are subject to uncertainties associated with re-zoning for development, environmental concerns of governmental entities or community groups and our contractor's or partner's ability to build in conformity with plans, specifications, budgeted costs, and timetables. Performance also may be affected or delayed by conditions beyond our control. We may incur additional risks when we make periodic progress payments or other advances to builders before they complete construction. If a builder or development partner fails to perform, we may resort to legal action to rescind the purchase or the construction contract or to compel performance, but there can be no assurance any legal action would be successful. These and other factors can result in increased costs of a project or loss of our investment. In addition, we will be subject to normal lease-up risks relating to newly constructed projects. We also must rely on rental income and expense projections and estimates of the fair market value of property upon completion of construction when agreeing upon a price at the time we acquire the property. If our projections are inaccurate, we may pay too much for a property, and our return on our investment could suffer.

We rely on third-party suppliers and long supply chains, and if we fail to identify and develop relationships with a sufficient number of qualified suppliers, or if there is a significant interruption in our supply chains, our ability to timely and efficiently access raw materials that meet our standards for quality could be adversely affected.

Our ability to identify and develop relationships with qualified suppliers who can satisfy our standards for quality and our need to access products and supplies in a timely and efficient manner will be a significant challenge. We may be required to replace a supplier if their products do not meet our quality or safety standards. In addition, our suppliers could discontinue selling products at any time for reasons that may or may not be in our control or the suppliers' control. Our operating results and inventory levels could suffer if we are unable to promptly replace a supplier who is unwilling or unable to satisfy our requirements with a supplier providing similar products. Our suppliers' ability to deliver products may also be affected by financing constraints caused by credit market conditions, which could negatively impact our revenue and costs, at least until alternate sources of supply are arranged.

The construction of manufacturing facilities involves significant risks.

We have limited experience constructing manufacturing facilities and doing so is a complex and lengthy undertaking that requires sophisticated, multi-disciplinary planning and precise execution. The construction of manufacturing facilities is subject to a number of risks. In particular, the construction costs may materially exceed budgeted amounts, which could adversely affect our results of operations and financial condition. For example, we may suffer construction delays or cost overruns as a result of a variety of factors, such as labor and material shortages, defects in materials and workmanship, adverse weather conditions, transportation constraints, construction change orders, site changes, labor issues and other unforeseen difficulties, any of which could delay or prevent the completion of our planned facilities. While our goal is to negotiate contracts with engineering, procurement and construction firms that minimize risk, any delays or cost overruns we encounter may result in the renegotiation of our construction contracts, which could increase our costs.

In addition, the construction of manufacturing facilities may be subject to the receipt of approvals and permits from various regulatory agencies. Such agencies may not approve the projects in a timely manner or may impose restrictions or conditions on a production facility that could potentially prevent construction from proceeding, lengthen its expected completion schedule and/or increase its anticipated cost. If construction costs are higher than we anticipate, we may be unable to achieve our expected investment return, which could adversely affect our business and results of operations.

Discovery of previously undetected environmentally hazardous conditions may adversely affect our business.

We are subject to various federal, state and local laws and regulations that (a) regulate certain activities and operations that may have environmental or health and safety effects, such as the management, generation, release or disposal of regulated materials, substances or wastes, (b) impose liability for the costs of cleaning up, and damages to natural resources from, past spills, waste disposals on and off-site, or other releases of hazardous materials or regulated substances, and (c) regulate workplace safety. Compliance with these laws and regulations could increase our operational costs. Violation of these laws may subject us to significant fines, penalties or disposal costs, which could negatively impact our results of operations, financial position and cash flows. Under various federal, state and local environmental laws, a current or previous owner or operator of currently or formerly owned, leased or operated real property may be liable for the cost of removal or remediation of hazardous or toxic substances on, under or in such property. The costs of removal or remediation could be substantial. Such laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of such hazardous or toxic substances. Accordingly, we may incur significant costs to defend against claims of liability, to comply with environmental regulatory requirements, to remediate any contaminated property, or to pay personal injury claims.

Moreover, environmental laws also may impose liens on property or other restrictions on the manner in which property may be used or businesses may be operated, and these restrictions may require substantial expenditures or prevent us or our lessees from operating such properties. Compliance with new or more stringent laws or regulations or stricter interpretation of existing laws may require us to incur material expenditures. Future laws, ordinances or regulations or the discovery of currently unknown conditions or non-compliances may impose material liability under environmental laws.

New lines of business or new products and services may subject us to additional risks.

From time to time, we may implement or acquire new lines of business, including those outside of the real estate development industry such as the business to be acquired from Resource Holdings. There are risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed or are evolving. In developing and marketing new lines of business and new products and services, we may invest significant time and resources. In addition, new business ventures may require different strategic management competencies and risk considerations compared to those of our existing management team. External factors, such as regulatory compliance obligations, competitive alternatives, and shifting market preferences, may also impact the successful implementation of a new line of business or a new product or service. Failure to successfully manage these risks in the development and implementation of new lines of business or new products or services could have an adverse effect on our business, results of operations, and financial condition.

The acquisitions of Majestic World Holdings, MyVonia, and Resource Group (the "Acquired Businesses") may not result in the strategic benefits that we anticipated prior to consummating such Acquisitions.

The acquisitions of the Acquired Businesses are expected to provide certain strategic benefits to all parties that would not be realized if such acquisitions were not completed. Specifically, we believe the Acquired Businesses should provide certain strategic benefits which would enable us to bring value to our stockholders. The market price of our common stock however may decline as a result of the acquisitions if we do not achieve the perceived benefits of the acquisitions as rapidly or to the extent anticipated by us or investors, financial analysts, or industry analysts. There can be no assurance that these anticipated benefits of the acquisitions will materialize or that if they materialize will result in increased stockholder value or revenue stream to the combined company.

We may be unable to successfully integrate the Acquired Businesses with our current management and structure.

Our failure to successfully complete the integration of Acquired Businesses could have an adverse effect on our prospects, business activities, cash flow, financial condition, results of operations and stock price. Integration challenges may include the following:

- assimilating the Acquired Businesses' technology and retaining personnel;
- estimating the capital, personnel and equipment required for the Acquired Businesses based on the historical experience of management with the businesses they are familiar with; and
- minimizing potential adverse effects on existing business relationships.

Legislative, regulatory, accounting or tax rules, and any changes to them or actions brought to enforce them, could adversely affect us.

We are subject to a wide range of legislative, regulatory, accounting and tax rules. The costs and efforts of compliance with these laws, or of defending against actions brought to enforce them, could adversely affect us. In addition, if there are changes to the laws, regulations or administrative decisions and actions that affect us, we may have to incur significant expenses in order to comply, or we may have to restrict or change our operations.

We have invested, and expect to continue to invest, in real property assets which are subject to laws and regulations relating to the protection of the environment and human health and safety. These laws and regulations generally govern wastewater discharges, noise levels, air emissions, the operation and removal of underground and above-ground storage tanks, the use, storage, treatment, transportation and disposal of solid and hazardous materials and the remediation of contamination associated with disposals. Environmental laws and regulations may impose joint and several liabilities on tenants, owners or operators for the costs to investigate and remediate contaminated properties, regardless of fault or whether the acts causing the contamination were legal. This liability could be substantial. In addition, the presence of hazardous substances, or the failure to properly remediate these substances, could adversely affect our ability to sell, rent or pledge an affected property as collateral for future borrowings. We intend to take commercially reasonable steps when we can to protect ourselves from the risks of environmental law liability; however, we may not obtain independent third-party environmental assessments for every property we acquire. In addition, any such assessments that we do obtain may not reveal all environmental liabilities, or whether a prior owner of a property created a material environmental condition not known to us. In addition, there are various local, state and federal fire, health, safety and similar regulations with which we may be required to comply, and that may subject us to liability in the form of fines or damages. In all events, the existing condition of land when we buy it, operations in the vicinity of our properties or activities of unrelated third parties could all affect our properties in ways that lead to costs being imposed on us.

Any material expenditures, fines, damages or forced changes to our business or strategy resulting from any of the above could adversely affect our financial condition and results of operations.

If we were deemed to be an investment company under the Investment Company Act of 1940, as amended (the "1940 Act") as a result of our ownership of minority interests in limited liability companies, applicable restrictions could make it impractical for us to continue our business as contemplated and could have an adverse effect on our business.

Under Sections 3(a)(1)(A) and (C) of the 1940 Act, a company generally will be deemed to be an "investment company" for purposes of the 1940 Act if: (i) it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities or (ii) it engages, or proposes to engage, in the business of investing, reinvesting, owning, holding or trading in securities and it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. We do not believe that we are an "investment company," as such term is defined in either of those sections of the 1940 Act as a result of our ownership of minority interests in Norman Berry II Owners LLC and JDI-Cumberland Inlet LLC and our plans to potentially make other minority investments, and we intend to conduct our operations so that we will not be deemed an investment company.

However, if we were to be deemed an investment company, we would be required to register as an investment company under the 1940 Act and incur significant registration and compliance costs. Additionally, the 1940 Act requires that a number of structural safeguards, such as an independent board of directors and a separate investment adviser whose contract must be approved by a majority of the company's stockholders, be put in place within such companies. The 1940 Act also imposes significant disclosure and reporting requirements beyond those found in the Securities Act and the Exchange Act. Likewise, the 1940 Act contains its own anti-fraud provisions and private remedies, and it strictly limits investments made by one investment company in another to prevent pyramiding of investment companies, leading to consolidated investment companies acting in the interest of other investment companies rather than in the interest of securities holders. The labeling of the Company as an investment company could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business and prospects. Compliance with the 1940 Act is prohibitively expensive for small companies, in our estimation, and even if it meant divestiture of assets, we would intend to avoid being classified as an investment company.

Our business, results of operations, cash flows and financial condition are greatly affected by the performance of the real estate industry.

The U.S. real estate industry is highly cyclical and is affected by global, national and local economic conditions, general employment and income levels, availability of financing, interest rates, and consumer confidence and spending. Other factors impacting real estate businesses include over-building, changes in traffic patterns, changes in demographic conditions, changes in tenant and buyer preferences and changes in government requirements, including tax law changes. These factors are outside of our control and may have a material adverse effect on our business, profits and the timing and amounts of our cash flows.

The real estate industry is cyclical and adverse changes in general and local economic conditions could reduce the demand for housing and, as a result, could have a material adverse effect on us.

Our business can be substantially affected by adverse changes in general economic or business conditions that are outside of our control, including changes in short-term and long-term interest rates; employment levels and job and personal income growth; housing demand from population growth, household formation and other demographic changes, among other factors; availability and pricing of mortgage financing for homebuyers; consumer confidence generally and the confidence of potential homebuyers in particular; consumer spending; financial system and credit market stability; private party and government mortgage loan programs (including changes in FHA, USDA, VA, Fannie Mae and Freddie Mac conforming mortgage loan limits, credit risk/mortgage loan insurance premiums and/or other fees, down payment requirements and underwriting standards), and federal and state regulation, oversight and legal action regarding lending, appraisal, foreclosure and short sale practices; federal and state personal income tax rates and provisions, including provisions for the deduction of mortgage loan interest payments, real estate taxes and other expenses; supply of and prices for available new or resale multifamily units; interest of financial institutions or other businesses in purchases; and real estate taxes. Adverse changes in these conditions may affect our business nationally or may be more prevalent or concentrated in particular submarkets in which we operate. Inclement weather, natural disasters (such as earthquakes, hurricanes, tornadoes, floods, prolonged periods of precipitation, droughts, and fires), other calamities and other environmental conditions can delay the delivery of our units and/or increase our costs. Civil unrest or acts of terrorism can also have a negative effect on our business. If the housing industry experiences a significant or sustained downturn, it would materially adversely affect our business and results of operations in future years. The potential difficulties described above can cause demand and prices for our units to fall or cause us to take longer and incur more costs to develop the land and build our units. We may not be able to recover these increased costs by raising prices because of market conditions.

Fluctuations in real estate values may require us to write-down the book value of our real estate assets.

The housing and land development industries are subject to significant variability and fluctuations in real estate values. As a result, we may be required to write-down the book value of our real estate assets in accordance with generally accepted accounting principles in the United States of America ("GAAP"), and some of those write-downs could be material. Any material write-downs of assets could have a material adverse effect on our business, prospects, liquidity, financial condition, and results of operations. In addition, valuations of real estate properties do not necessarily represent the price at which a willing buyer would purchase such property; therefore, there can be no assurance that we would realize the values underlying estimated valuations of our properties if we were to sell such properties.

We may be required to take write-downs or write-offs, restructuring, and impairment or other charges that could have a significant negative effect on our financial condition, results of operations, and our stock price, which could cause you to lose some or all of your investment.

Factors outside of our business and outside of our control may arise. As a result of these factors, we may be forced to write down or write off assets, restructure operations, or incur impairment or other charges that could result in losses. Further, unexpected risks may arise, and previously known risks may materialize in a manner not consistent with our risk analysis. Even though these charges may be non-cash items and not have an immediate impact on our liquidity, the fact that we report charges of this nature could contribute to negative market perceptions about us or our securities. Accordingly, our securities could suffer a reduction in value.

Inflation could adversely affect our business and financial results.

Inflation could adversely affect our business and financial results by increasing the costs of land, raw materials and labor needed to operate our business. If our markets have an oversupply of housing, relative to demand, we may be unable to offset any such increases in costs with corresponding higher sales prices for our units or buildings. Inflation may also accompany higher interest rates, which could adversely impact potential customers' ability to obtain financing on favorable terms, thereby further decreasing demand. If we are unable to raise the prices of our units or buildings to offset the increasing costs of our operations, our margins could decrease. Furthermore, if we need to lower the price of our units to meet demand, the value of our land inventory may decrease. Inflation may also raise our costs of capital and decrease our purchasing power, making it more difficult to maintain sufficient funds to operate our business.

We could be impacted by our investments through joint ventures, which involve risks not present in investments in which we are the sole owner.

We have and may continue to fund development projects through the use of joint ventures. Joint ventures involve risks including, but not limited to, the possibility that the other joint venture partners may possess the ability to take or force action contrary to our interests or withhold consent contrary to our requests, have business goals which are or become inconsistent with ours, or default on their financial obligations to the joint venture, which may require us to fulfill the joint venture's financial obligations as a legal or practical matter. We and our joint venture partners may each have the right to initiate a buy-sell arrangement, which could cause us to sell our interest, or acquire a joint venture partner's interest, at a time when we otherwise would not have entered into such a transaction. In addition, a sale or transfer by us to a third party of our interests in the joint venture may be subject to consent rights or rights of first refusal in favor of our partners which would restrict our ability to dispose of our interest in the joint venture. Each joint venture agreement is individually negotiated, and our ability to operate, finance, or dispose of a joint venture project in our sole discretion is limited to varying degrees depending on the terms of the applicable joint venture agreement.

Risks associated with our land and lot inventories could adversely affect our business or financial results.

Risks inherent in controlling, purchasing, holding, and developing land are substantial. The risks inherent in purchasing and developing land parcels increase as consumer demand for housing decreases and the holding period increases. As a result, we may buy and develop land parcels on which housing units cannot be profitably built and sold. In certain circumstances, a grant of entitlements or development agreement with respect to a particular parcel of land may include restrictions on the transfer of such entitlements to a buyer of such land, which could negatively impact the price of such entitled land by restricting our ability to sell it for its full entitled value. In addition, inventory carrying costs can be significant and can result in reduced margins or losses in a poorly performing community or market. The time and investment required for development may adversely impact our business. In the event of significant changes in economic or market conditions, we may have to sell units or buildings at significantly lower margins or at a loss, if we are able to sell them at all. Additionally, deteriorating market conditions could cause us to record significant inventory impairment charges. The recording of a significant inventory impairment could negatively affect our reported earnings per share and negatively impact the market perception of our business.

Our quarterly results may fluctuate.

We could experience fluctuations in our quarterly operating results due to a number of factors, including variations in the returns on our current and future investments, the interest rates payable on any outstanding debt, the level of our expenses, the levels and timing of the recognition of our realized and unrealized gains and losses, the seasonal nature of travel if the community is a vacation destination, the degree to which we encounter competition in our markets and other business, market and general economic conditions. Consequently, our results of operations for any current or historical period should not be relied upon as being indicative of performance in any future period.

We may not be able to sell our real property assets when we desire.

Investments in real property are relatively illiquid compared to other investments. Accordingly, we may not be able to sell real property assets when we desire or at prices acceptable to us. This could substantially reduce the funds available for satisfying our obligations, including any debt obligations.

Access to financing sources may not be available on favorable terms, or at all, which could adversely affect our ability to maximize our returns.

Our access to third-party sources of financing will depend, in part, on:

- general market conditions;
- the market's perception of our growth potential;
- with respect to acquisition and/or development financing, the market's perception of the value of the land parcels to be acquired and/or developed;
- our current debt levels;

- our current and expected future earnings;
- our cash flow; and
- the market price per share of our Common Stock.

The global credit and equity markets and the overall economy can be extremely volatile, which could have a number of adverse effects on our operations and capital requirements. For the past decade, the domestic financial markets have experienced a high degree of volatility, uncertainty and, during certain periods, tightening of liquidity in both the high yield debt and equity capital markets, resulting in certain periods where new capital has been both more difficult and more expensive to access. If we are unable to access the credit markets, we could be required to defer or eliminate important business strategies and growth opportunities in the future. In addition, if there is volatility and weakness in the capital and credit markets, potential lenders may be unwilling or unable to provide us with financing that is attractive to us or may increase collateral requirements or may charge us prohibitively high fees in order to obtain financing. Consequently, our ability to access the credit market in order to attract financing on reasonable terms may be adversely affected. Investment returns on our assets and our ability to make acquisitions could be adversely affected by our inability to secure additional financing on reasonable terms, if at all. Depending on market conditions at the relevant time, we may have to rely more heavily on additional equity financings or on less efficient forms of debt financing that require a larger portion of our cash flow from operations, thereby reducing funds available for our operations, future business opportunities and other purposes. We may not have access to such equity or debt capital on favorable terms at the desired times, or at all.

In order for us to access capital from the sale of the debentures or shares pursuant to our equity line of credit we need to meet certain conditions and we may not be able to meet the conditions.

If we were to default in our obligation to repay the loan we received from BCV S&G DevCorp, which loan is secured by 100,000 Treasury Shares, it could disrupt or adversely affect our business and our stock price could decline.

To date, we have received $1,750,000 as a secured loan from BCV S&G DevCorp, a Luxembourg-based specialized investment fund, and have entered into a loan agreement with BCV S&G DevCorp to receive up to $3,000,000 as a secured loan. The loan matures on December 1, 2025 and is secured by 100,000 Treasury Shares. If we were to default in our obligation to repay the loan when due it could disrupt or adversely affect our business and our stock price could decline if the lender were to seek to sell the pledged shares.

The outbreak of any highly infectious or contagious diseases, such as COVID-19, could materially and adversely impact our performance, financial condition, results of operations and cash flows.

Throughout 2021 and to date, the COVID-19 pandemic has severely impacted global economic activity and caused significant volatility and negative pressure in financial markets. The outbreak of any highly infectious or contagious diseases could have material and adverse effects on our performance, financial condition, results of operations and cash flows due to, among other factors:

- a complete or partial closure of, or other operational issues at, one or more of our properties resulting from government actions;
- difficulty accessing equity and debt capital on attractive terms, or at all, and a severe disruption and instability in the global financial markets
- difficulty obtaining capital necessary to fund business operations;
- delays in construction at our properties may adversely impact our ability to commence operations and generate revenues from projects, including:
- construction moratoriums by local, state or federal government authorities;
- delays by applicable governmental authorities in providing the necessary authorizations to commence construction;
- reductions in construction team sizes to effectuate social distancing and other requirements;

- infection by one or more members of a construction team necessitating a partial or full shutdown of construction; and
- manufacturing and supply chain disruptions for materials sourced from other geographies which may be experiencing shutdowns and shipping delays.

The extent to which COVID-19 or a future pandemic impacts our operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence.

Changes in general economic conditions, geopolitical conditions, domestic and foreign trade policies, monetary policies and other factors beyond our control may adversely impact our business and operating results.

The uncertain financial markets, disruptions in supply chains, mobility restraints, and changing priorities as well as volatile asset values also affect our business operations and our ability to enter into collaborations and joint ventures. A number of other economic and geopolitical factors both in the U.S. and abroad, could ultimately have material adverse effects on our business, financial condition, results of operations or cash flows, including the following:

- effects of significant changes in economic, monetary and fiscal policies in the U.S. and abroad including currency fluctuations, inflationary pressures and significant income tax changes;
- the war in the Middle East;
- supply chain disruptions;
- a global or regional economic slowdown;
- changes in government policies and regulations affecting the Company;
- postponement of spending, in response to tighter credit, financial market volatility and other factors; and
- rapid material escalation of the cost of regulatory compliance and litigation.

In connection with the Separation we agreed to indemnify SG Holdings for certain liabilities. If we are required to pay under these indemnities to SG Holdings, our financial results could be negatively impacted. In addition, the SG Holdings indemnities may not be sufficient to hold us harmless from the full amount of liabilities for which SG Holdings will be allocated responsibility, and SG Holdings may not be able to satisfy its indemnification obligations in the future.

Pursuant to the separation and distribution agreement and certain other agreements between SG Holdings and us, each party agreed to indemnify the other for certain liabilities. Third parties could also seek to hold us responsible for any of the liabilities that SG Holdings has agreed to retain. Any amounts we are required to pay pursuant to these indemnification obligations and other liabilities could require us to divert cash that would otherwise have been used in furtherance of our operating business. Further, the indemnities from SG Holdings for our benefit may not be sufficient to protect us against the full amount of such liabilities, and SG Holdings may not be able to fully satisfy its indemnification obligations.

Moreover, even if we ultimately succeed in recovering from SG Holdings any amounts for which we are held liable, we may be temporarily required to bear these losses ourselves. Each of these risks could negatively affect our business, results of operations and financial condition.

We are increasingly dependent on information technology, and our systems and infrastructure face certain risks, including cybersecurity and data leakage risks.

Significant disruptions to our information technology systems or breaches of information security could adversely affect our business especially the business of MWH, including the Xene Platform, and MyVonia. In the ordinary course of business, we collect, store and transmit large amounts of confidential information, and it is critical that we do so in a secure manner to maintain the confidentiality and integrity of such confidential information. The size and complexity of our information technology systems, and those of our third-party vendors with whom we contract, make such systems potentially vulnerable to service interruptions and security breaches from inadvertent or intentional actions by our employees, partners or vendors, from attacks by malicious third parties, or from intentional or accidental physical damage to our systems infrastructure maintained by us or by third parties. Maintaining the secrecy of this confidential, proprietary, or trade secret information is important to our competitive business position. While we have taken steps to protect such information and invested in information technology, there can be no assurance that our efforts will prevent service interruptions or security breaches in our systems or the unauthorized or inadvertent wrongful use or disclosure of confidential information that could adversely affect our business operations or result in the loss, dissemination, or misuse of critical or sensitive information. A breach of our security measures or the accidental loss, inadvertent disclosure, unapproved dissemination, misappropriation or misuse of trade secrets, proprietary information, or other confidential information, whether as a result of theft, hacking, fraud, trickery or other forms of deception, or for any other reason, could enable others to produce competing products, use our proprietary technology or information, or adversely affect our business or financial condition. Further, any such interruption, security breach, loss or disclosure of confidential information, could result in financial, legal, business, and reputational harm to us and could have a material adverse effect on our business, financial position, results of operations or cash flow.

Risks Related to Our Common Stock

Our failure to meet the continued listing requirements of the Nasdaq Capital Market could result in a delisting of our Common Stock.

Our shares of Common Stock are currently listed on the Nasdaq Capital Market. If we fail to satisfy the continued listing requirements of Nasdaq, such as the corporate governance requirements, minimum bid price requirement or the minimum stockholder's equity requirement, The Nasdaq Stock Market LLC may take steps to delist our Common Stock. Any delisting would likely have a negative effect on the price of our Common Stock and would impair stockholders' ability to sell or purchase their Common Stock when they wish to do so.

On April 16, 2024, we received a letter from the Listing Qualifications Department of Nasdaq stating that we were not in compliance with Nasdaq Listing Rule 5550(b)(1) (the "Rule") because our stockholders' equity of $1,887,777 as of December 31, 2023, as reported in our Annual Report on Form 10-K filed with the SEC on April 1, 2024, was below the minimum requirement of $2,500,000. Pursuant to Nasdaq's Listing Rules, we had 45 calendar days (until May 31, 2024), to submit a plan to evidence compliance with the Rule (a "Compliance Plan"). We submitted a Compliance Plan within the required time. On July 22, 2024, we received a letter from Nasdaq stating that based on the Quarterly Report on Form 10-Q that we filed with the Securities and Exchange Commission for the period ended March 31, 2024, and our submission to the Staff, dated May 29, 2024, it determined that we were in compliance with Nasdaq Listing Rule 5550(b)(1). The letter further stated that if we fail to evidence compliance with Nasdaq Listing Rule 5550(b)(1) upon filing our next periodic report we may be subject to delisting.

On August 26, 2024, we received a letter from Nasdaq stating that the Company was not in compliance with 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 SEC on August 14, 2024, was below the minimum requirement of $2,500,000.

Pursuant to Nasdaq's Listing Rules, we had 45 calendar days (until October 10, 2024), to submit a Compliance Plan. We submitted a Compliance Plan within the required time, which was accepted; however, there can be no assurance that the Compliance Plan will be fully implemented. We were granted an extension of up to 180 calendar days until October 10, 2024, to evidence compliance with the Rule. In the event the Compliance Plan is not accepted by Nasdaq, or in the event the Compliance Plan is accepted but we fail to evidence compliance within the extension period, we will have the right to a hearing before Nasdaq's Hearing Panel. The hearing request would stay any suspension or delisting action pending the conclusion of the hearing process and the expiration of any additional extension period granted by the panel following the hearing.

On October 22, 2024, we received a notice from the Listing Qualifications Department (the "Staff") of The Nasdaq Stock Market LLC notifying the Company that the Staff had determined that for 10 consecutive business days, from October 8, 2024 to October 21, 2024, the closing bid price of our common stock had been at $1.00 per share or greater. Accordingly, the Staff had determined that we regained compliance with Nasdaq Listing Rule 5550(a)(2) and indicated that the matter is now closed.

If Nasdaq delists our securities from trading on its exchange at some future date, we could face significant material adverse consequences, including:

- a limited availability of market quotations for our securities;
- reduced liquidity with respect to our securities;
- a determination that our common stock is a "penny stock" which will require brokers trading in our ordinary shares to adhere to more stringent rules, possibly resulting in a reduced level of trading activity in the secondary trading market for our ordinary shares;
- a limited amount of news and analyst coverage for our company; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

We identified a material weakness in our internal control over financial reporting and determined that our disclosure controls and procedures were ineffective as of June 30, 2024 and continue to be ineffective as of December 31, 2024. In the future, we may identify additional material weaknesses or otherwise fail to maintain an effective system of internal control over financial reporting or adequate disclosure controls and procedures, which may result in material errors in our financial statements or cause us to fail to meet our period reporting obligations.

Management and our Audit Committee, in consultation with M&K CPAS PLLC ("M&K"), our independent registered public accounting firm, determined that there was a material weakness in our internal controls as of December 31, 2024. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be prevented or detected on a timely basis. Since June 30, 2024 we have identified weaknesses in internal controls.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, as amended, our management is required to report on the effectiveness of our internal control over financial reporting. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation. Annually, we perform activities that include reviewing, documenting and testing our internal control over financial reporting. In addition, if we fail to maintain the adequacy of our internal control over financial reporting, we will not be able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act of 2002. If we fail to achieve and maintain an effective internal control environment, we could suffer misstatements in our financial statements and fail to meet our reporting obligations, which would likely cause investors to lose confidence in our reported financial information. This could result in significant expenses to remediate any internal control deficiencies and lead to a decline in our stock price.

We cannot provide assurance that we have identified all, or that we will not in the future have additional, material weaknesses in our internal control over financial reporting. As a result, we may be required to implement further remedial measures and to design enhanced processes and controls to address deficiencies. If we do not effectively remediate the material weaknesses identified by management and maintain adequate internal controls over financial reporting in the future, we may not be able to prepare reliable financial reports and comply with our reporting obligations under the Exchange Act on a timely basis. Any such delays in the preparation of financial reports and the filing of our periodic reports may result in a loss of public confidence in the reliability of our financial statements, which, in turn, could materially adversely affect our business, the market value of our common stock and our access to capital markets.

As a result of being a public company, we are obligated to develop and maintain proper and effective internal control over financial reporting in order to comply with Section 404 of the Sarbanes-Oxley Act. We may not complete our analysis of our internal control over financial reporting in a timely manner, or these internal controls may not be determined to be effective, which may adversely affect investor confidence in us and, as a result, the value of our Common Stock.

As a result of becoming a public company we are subject to SEC reporting and other regulatory requirements. We have incurred and will continue to incur expenses and diversion of our management's time in its efforts to comply with Section 404 of the Sarbanes-Oxley Act regarding internal controls over financial reporting. Effective internal controls over financial reporting are necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation could cause us to fail to meet our reporting obligations. In addition, any testing by us conducted in connection with Section 404 of the Sarbanes-Oxley Act, or the subsequent testing by our independent registered public accounting firm when, and if, required, may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses or that may require prospective or retrospective changes to our financial statements or identify other areas for further attention or improvement. If we are unable to assert that our internal controls over financial reporting are effective, we could lose investor confidence in the accuracy and completeness of our financial reports, which would cause the price of our Common Stock to decline, and we may be subject to investigation or sanctions by the SEC. We identified a material weakness in our internal control over financial reporting and determined that our disclosure controls and procedures were ineffective as of June 30, 2024 and continue to be ineffective as of December 31, 2024.

On January 29, 2025, we entered into a mutual release and discharge agreement (the "Mutual Release") with SG Holdings pursuant to we have forgiven and released SG Holdings from its obligations to us under that certain promissory note, dated August 9, 2023, in the principal amount of $908,322.95 and in respect of $815,522 of inter-company advances from us to SG Holdings(which amounts had been written off our balance sheet as of December 31, 2023) in exchange for SG Holdings forgiving $394,329 of inter-company debt owed to SG Holdings by us and for SG Holdings transferring 276,425 shares (the "Shares") of our Common Stock owned by SG Holdings to us. SG Holdings has agreed to return the Shares to us within 48 hours. We currently plan to hold the Shares in our treasury. As a result of this agreement, SG Holdings is no longer a stockholder of ours.

We incur significant costs as a result of operating as a public company and our management devotes substantial time to new compliance initiatives.

As a public company, we have incurred and will continue to incur significant legal, accounting and other expenses that we did not incur as a private company. We are subject to the reporting requirements of the Exchange Act, the other rules and regulations of the SEC, and the rules and regulations of Nasdaq. Compliance with the various reporting and other requirements applicable to public companies requires considerable time and attention of management. For example, the Sarbanes-Oxley Act and the rules of the SEC and national securities exchanges have imposed various requirements on public companies, including requiring establishment and maintenance of effective disclosure and financial controls. Our management and other personnel are devoting and will continue to need to devote a substantial amount of time to these compliance initiatives. These rules and regulations will continue to increase our legal and financial compliance costs and will make some activities more time-consuming and costly.

We currently do not intend to pay dividends on our Common Stock. Consequently, our stockholders' ability to achieve a return on their investment will depend on appreciation in the price of our Common Stock.

We do not expect to pay cash dividends on our Common Stock. Any future dividend payments are within the absolute discretion of our Board of Directors and will depend on, among other things, our results of operations, working capital requirements, capital expenditure requirements, financial condition, level of indebtedness, contractual restrictions with respect to payment of dividends, business opportunities, anticipated cash needs, provisions of applicable law and other factors that our Board of Directors may deem relevant.

We cannot be certain that an active trading market for our Common Stock will develop or be sustained and our stock price may fluctuate significantly.

We cannot guarantee that we can sustain an active trading market for our Common Stock, nor can we predict the prices at which shares of our Common Stock may trade. Until the market has fully evaluated our business as a standalone entity, the prices at which shares of our Common Stock trade may fluctuate more significantly than might otherwise be typical, even with other market conditions, including general volatility, held constant. The market price of our Common Stock may fluctuate significantly due to a number of factors, some of which may be beyond our control, including:

- actual or anticipated fluctuations in our operating results;
- changes in earnings estimated by securities analysts or our ability to meet those estimates;
- the operating and stock price performance of comparable companies;
- changes to the regulatory and legal environment under which we operate; and
- domestic and worldwide economic conditions.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our securities will depend in part on the research and reports that securities or industry analysts publish about us or our business. If only a limited number of securities or industry analysts commence coverage of our Company, the trading price for our securities would likely be negatively impacted. In the event securities or industry analysts initiate coverage, if one or more of the analysts who covers us downgrades our stock or publishes unfavorable research about our business, our stock price may decline. If one or more of these analysts ceases coverage of our Company or fails to publish reports on us regularly, demand for our securities could decrease, which might cause our stock price and trading volume to decline.

We are an emerging growth company and a smaller reporting company within the meaning of the Securities Act, and we are taking advantage of certain exemptions from disclosure requirements available to emerging growth companies or smaller reporting companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies.

We are an "emerging growth company," as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), and are taking advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a registration statement under the Securities Act declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies, but any such an election to opt out is irrevocable. We have elected not to opt out of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company, which is neither an emerging growth company nor an emerging growth company that has opted out of using the extended transition period, difficult or impossible because of the potential differences in accounting standards used.

We will remain an emerging growth company until the earlier of: (1) the last day of the fiscal year (a) following the fifth anniversary of the date of the first sale of our Common Stock pursuant to an effective registration statement under the Securities Act, (b) in which we have total annual revenue of at least $1.235 billion, or (c) in which we are deemed to be a large accelerated filer, which generally means the market value of our common equity that is held by non-affiliates exceeds $700 million as of the end of the prior fiscal year's second fiscal quarter; and (2) the date on which we have issued more than $1 billion in non-convertible debt securities during the prior three-year period. References herein to "emerging growth company" have the meaning associated with it in the JOBS Act.

Additionally, we are a "smaller reporting company" as defined in Item 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. We will remain a smaller reporting company until the last day of any fiscal year for so long as either (1) the market value of our shares of Common Stock held by non-affiliates did not equal or exceed $250 million as of the prior June 30, or (2) our annual revenues did not equal or exceed $100 million during such completed fiscal year and the market value of our shares of Common Stock held by non-affiliates did not equal or exceed $700 million as of the prior December 31.

Because we are subject to the above listed reduced reporting requirements, investors may not be able to compare us to other companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies.

Your percentage ownership in us may be diluted by future issuances.

We expect that significant additional capital will be needed in the future to continue our planned operations. To the extent we raise additional capital by issuing equity securities, our stockholders may experience substantial dilution. Pursuant to the Safe and Green Development Corporation 2023 Incentive Compensation Plan (our "2023 Plan"), our management may grant equity awards to our employees, directors and consultants. We may sell Common Stock, convertible securities or other equity securities in one or more transactions at prices and in a manner we determine from time to time, any of which may result in material dilution to our existing stockholders. New investors could also be issued securities with rights superior to those of our existing stockholders. Such future equity issuances will have a dilutive effect on the number of SG DevCo shares outstanding, and therefore on our earnings per share, which could adversely affect the market price of our Common Stock. In addition, if we issue additional convertible debentures and the debentures are converted into share of common stock, stockholders will experience additional dilution.

We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our Common Stock, which could depress the price of our Common Stock.

Our amended and restated certificate of incorporation authorizes us to issue one or more series of preferred stock. Our Board of Directors has the authority to determine the preferences, limitations and relative rights of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our stockholders. Our preferred stock could be issued with voting, liquidation, dividend and other rights superior to the rights of our Common Stock. The potential issuance of preferred stock may delay or prevent a change in control of us, discouraging bids for our Common Stock at a premium to the market price, and materially adversely affect the market price and the voting and other rights of the holders of our Common Stock.

Provisions in our corporate charter documents and under Delaware law could make an acquisition of our company, which may be beneficial to our stockholders, more difficult and may prevent attempts by our stockholders to replace or remove our management.

Provisions in our amended and restated certificate of incorporation and our amended and restated bylaws may discourage, delay or prevent a merger, acquisition or other change in control of our company that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our Common Stock, thereby depressing the market price of our Common Stock. In addition, because our Board of Directors is responsible for appointing the members of our management team, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our management by making it more difficult for stockholders to replace members of our Board of Directors. Among other things, these provisions provide:

- our Board of Directors is divided into three classes, one class of which is elected each year by our stockholders with the directors in each class to serve for a three-year term;
- the authorized number of directors can be changed only by resolution of our Board of Directors;
- directors may be removed by stockholders only for cause;
- our amended and restated bylaws may be amended or repealed by our Board of Directors or by the affirmative vote of sixty-six and two-thirds percent (66 2/3%) of our stockholders;
- stockholders may not call special meetings of the stockholders or fill vacancies on the Board of Directors;
- our Board of Directors will be authorized to issue, without stockholder approval, preferred stock, the rights of which will be determined at the discretion of the Board of Directors and that, if issued, could operate as a "poison pill" to dilute the stock ownership of a potential hostile acquirer to prevent an acquisition that our Board of Directors does not approve;
- our stockholders do not have cumulative voting rights, and therefore our stockholders holding a majority of the shares of Common Stock outstanding will be able to elect all of our directors; and
- our stockholders must comply with advance notice provisions to bring business before or nominate directors for election at a stockholder meeting.

Moreover, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which prohibits a person who owns in excess of 15% of our outstanding voting stock from merging or combining with us for a period of three years after the date of the transaction in which the person acquired in excess of 15% of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware will be the exclusive forum for certain types of state actions that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.

Our amended and restated certificate of incorporation provides that, unless we consent to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the exclusive forum for (i) any derivative action or proceeding brought on behalf of us, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, or other employees to us or our stockholders, (iii) any action arising pursuant to any provision of the DGCL or our amended and restated certificate of incorporation or bylaws (as either may be amended from time to time), or (iv) any action asserting a claim governed by the internal affairs doctrine. The exclusive forum provision does not apply to suits brought to enforce any liability or duty created by the Securities Act or the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. To the extent that any such claims may be based upon federal law claims, Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder.

These exclusive-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, employees, control persons, underwriters, or agents, which may discourage lawsuits against us and our directors, employees, control persons, underwriters, or agents. Additionally, a court could determine that the exclusive forum provision is unenforceable, and our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. If a court were to find these provisions of our bylaws inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business, financial condition, or results of operations.

Risks Related to Resource Group, its Business and its Acquisition

Disruptions in the supply chain for key inputs could adversely affect our operations

Our operations rely heavily on a consistent and cost-effective supply of organic feedstocks and amendments such as yard waste, food scraps, biosolids, wood chips, and bulking agents, many of which are subject to seasonal availability, local collection programs, and third-party contracts. Any disruption to this supply chain—caused by extreme weather events, transportation bottlenecks, labor shortages, or geopolitical instability—could constrain production, increase costs, and impact our ability to meet contractual obligations or serve growing markets.

Compliance with environmental regulations is costly and subject to change

The engineered soils and composting industry is subject to complex environmental regulations at the federal, state, and local levels, governing areas such as permitting, emissions, stormwater runoff, leachate control, and zoning. Maintaining compliance with these laws requires ongoing investments in monitoring, equipment, and staff training, and changes in regulations—such as stricter air or water standards—could increase operating costs or limit expansion. Failure to comply with such regulations could result in fines, permit revocation, or reputational harm.this

Environmental liabilities from contamination or hazardous substances may expose us to financial risk

The presence of persistent environmental contaminants such as PFAS chemicals or heavy metals in feedstocks or end products presents significant liability risks. These substances, even in trace amounts, may lead to regulatory enforcement, litigation, or cleanup costs if found in compost products, surrounding soil, or water. As environmental scrutiny increases, particularly around "forever chemicals," we may face escalating compliance costs, legal exposure, and reputational damage from contamination claims.

Product quality issues or contamination could result in liability and damage customer relationships

We must ensure the safety and quality of our engineered soil and compost products, which are subject to standards related to maturity, nutrient content, pathogens, metals, and physical contaminants. Failure to detect or prevent contamination—such as persistent herbicides, pathogens, or foreign objects—could result in crop damage, product recalls, liability claims, or a loss of customer trust. A significant quality incident could also lead to reputational harm and reduced demand for our products.

Fluctuations in market demand and economic conditions could negatively impact revenue

Demand for compost and engineered soils can vary based on broader economic cycles, and customer budgets in sectors such as landscaping, agriculture, and construction. Economic downturns or slowdowns in real estate and infrastructure investment may lead to decreased product sales. Additionally, market shifts or temporary demand spikes—such as those seen during the COVID-19 pandemic—pose forecasting challenges that can result in overcapacity or missed opportunities.

We face intense competition and pressure from alternative products

The composting and engineered soils industry is fragmented and competitive, with numerous private companies, municipalities, and vertically integrated waste management firms offering similar products. We also face competition from synthetic fertilizers, topsoil, and emerging soil technologies. Price sensitivity in the market and the commoditized nature of many products limit our pricing flexibility and may require significant investments in innovation and customer service to maintain or grow market share.

Operational hazards at processing sites pose safety and business continuity risks

Our facilities involve risks associated with high-temperature microbial decomposition, heavy machinery, and exposure to bioaerosols. Operational hazards such as fires, equipment failure, and occupational injuries can disrupt production, endanger employees, and expose us to regulatory enforcement or lawsuits. Proper training, maintenance, and safety protocols are essential to prevent incidents that could affect worker safety or lead to costly shutdowns or remediation.

Odor, noise, and other nuisance issues may lead to community opposition or litigation

Composting operations generate odors and, to a lesser extent, dust, noise, and truck traffic, which can affect neighboring communities. Despite efforts to manage these impacts, we may face nuisance complaints, lawsuits, or regulatory action if our operations are perceived as detrimental to public welfare. Community resistance to composting sites can also hinder our ability to expand or renew permits, particularly in urban or suburban locations.

Dependence on government policies and incentives could affect long-term viability

Our industry benefits from supportive government policies, including landfill bans, organics diversion mandates, and infrastructure grants. Changes in these policies—such as reduced funding, weak enforcement, or political opposition—could limit feedstock availability, restrict product markets, or curtail expansion opportunities. The success of our operations partly depends on the continuation and effective implementation of these public programs.

Logistical challenges could disrupt supply chains and limit our market reach

The collection, transport, and distribution of organic materials and finished compost products require efficient logistics coordination. Challenges such as rising fuel costs, trucking shortages, weather disruptions, and regulatory constraints on vehicle access can hinder material flows, increase costs, or delay delivery. Because many of our products are bulky and have a limited shelf life, our profitability depends on cost-effective and reliable transportation and logistics systems.

If the proposed acquisition of Resource Group is not consummated, our strategic growth plans and anticipated benefits may not be realized

We have entered into a definitive agreement to acquire Resource Group, a company operating in the engineered soils and composting industry; however, there is no guarantee that the transaction will be completed as contemplated or at all. The successful consummation of the acquisition is subject to a number of conditions, including regulatory approvals, completion of due diligence, finalization of transaction documentation, and the absence of any material adverse developments affecting either party. Any failure to satisfy these conditions or unexpected delays could prevent the closing of the transaction. If the acquisition of Resource Group is not completed, we may forgo strategic benefits such as market entry into the engineered soils sector, expansion of our customer base, and operational synergies. Additionally, we may incur substantial transaction-related expenses without realizing any return on investment and lose momentum in our broader growth strategy. Even if the transaction is ultimately consummated, there is no assurance that the integration of Resource Group's operations will proceed as expected or result in the anticipated financial or strategic advantages. Failure to complete or successfully integrate the proposed acquisition could have a material adverse effect on our business, results of operations, and future growth prospects.

Even if the proposed acquisition of Resource Group is successfully consummated, we may not realize the anticipated strategic benefits of the transaction.

The acquisition of Resource Group is expected to provide certain strategic benefits to our company that would not otherwise be realized. Specifically, we believe the acquisition should provide certain strategic benefit, such as market entry into the engineered soils sector, expansion of our customer base, and operational synergies. The market price of our common stock however may decline as a result of the acquisition if we do not achieve the perceived benefits of the acquisition as rapidly or to the extent anticipated by us or investors, financial analysts, or industry analysts. There can be no assurance that these anticipated benefits of the acquisition will materialize or that if they materialize will result in increased stockholder value or revenue stream to our company.

Our stockholders will experience dilution as a result of the acquisition of Resource Group, and they may not realize a benefit from the acquisition commensurate with the ownership dilution they will experience in connection therewith.

In connection with our acquisition of Resource Group, we will pay to the members of Resource Group consideration including shares of our restricted common stock and a note convertible into shares of our restricted common stock. The issuance of the shares as consideration and upon the conversion of the convertible note will have the effect of diluting the ownership interests of our existing stockholders. If we are unable to realize the full strategic and financial benefits currently anticipated from the acquisition of Resource Group, our stockholders will may experience substantial dilution of their ownership interests in our company without receiving any commensurate benefit, or only receiving part of the commensurate benefit to the extent we are able to realize only part of the strategic and financial benefits currently anticipated from the acquisition.

In order to realize the intended benefits of acquiring Resource Group, we will have to devote significant resources to Resource Group's business, and we may be unable to successfully integrate the businesses with our current management and structure.

Our failure to successfully complete the integration of Resource Group could have an adverse effect on our prospects, business activities, cash flow, financial condition, results of operations and stock price. Integration challenges may include the following:

- assimilating Resource Group's technology and retaining personnel;
- estimating the capital, personnel and equipment required for Resource Group based on the historical experience of management with the businesses they are familiar with; and
- minimizing potential adverse effects on existing business relationships.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity

We maintain a cyber risk management program designed to identify, assess, manage, mitigate, and respond to cybersecurity threats. Maintenance of IT assets, including daily security patch management. Periodic vulnerability scanning, identity access management controls including restricted access of privileged accounts (Multi-factor authentication enforced). Network integrity is safeguarded by employing web-based software, including endpoint protection, endpoint detection and response, spam gateway filtering, data loss prevention policies, SaaS monitoring, and remote monitoring on all devices. Industry-standard encryption protocols on workstations and email, critical data backups, and infrastructure maintenance. Incident response, cybersecurity strategy, and cyber risk advisory, assessment and remediation are maintained and supplied by a third party Security Operations Center (Solutions Granted) that is NIST 800-171 compliant.

In addition, our cybersecurity framework is crafted to anticipate and address threats before they can cause harm. Our Security Operations Center (SOC) is operational 24/7, utilizing threat detection tools that meet SOCII requirements, guaranteeing an immediate response capability. We implement stringent access control policies to ensure that only authorized individuals can interact with sensitive client data. Our Identity and Access Management (IAM) systems conform to ISO/IEC 27001 standards, offering secure authentication processes that encompass multi-factor authentication (MFA) and role-based access controls (RBAC). These safeguards are essential in preserving the integrity and confidentiality of client information. We also employ Randtronics remote encryption technology to provide security for client data, whether it's in use or at rest. We regularly evaluate and refine our encryption protocols to thwart new cryptographic challenges.

The Audit Committee of the Board of Directors oversees our cybersecurity risk exposures and the steps taken by management to monitor and mitigate cybersecurity risks. Member(s) of management assigned with cybersecurity oversight responsibility, including Nicolai A. Brune our Chief Financial Officer and/or third-party consultants providing cyber risk services brief the Audit Committee on cyber vulnerabilities identified through the risk management process, the effectiveness of our cyber risk management program, and the emerging threat landscape and new cyber risks. This includes updates on our processes to prevent, detect, and mitigate cybersecurity incidents. The Audit Committee and management have engaged a third-party firm to oversee the complete audit of our cybersecurity and risk management systems to ensure the integrity of the systems that are in place.

We face risks from cybersecurity threats that could have a material adverse effect on its business, financial condition, results of operations, cash flows or reputation. We acknowledge that the risk of cyber incident is prevalent in the current threat landscape and that a future cyber incident may occur in the normal course of its business. To date, we have not had a cybersecurity incident. We proactively seek to detect and investigate unauthorized attempts and attacks against our IT assets, data, and services, and to prevent their occurrence and recurrence where practicable through changes or updates to internal processes and tools and changes or updates to service delivery; however, potential vulnerabilities to known or unknown threats will remain. Further, there is increasing regulation regarding responses to cybersecurity incidents, including reporting to regulators, investors, and additional stakeholders, which could subject us to additional liability and reputational harm. In response to such risks, we have implemented initiatives such as implementation of the cybersecurity risk assessment process and development of an incident response plan. See Item 1A. "Risk Factors" for more information on cybersecurity risks.

Item 2. Properties.

Headquarters and Other Office Space

Pursuant to the shared services agreement with SG Holdings, we utilize rented office space in Miami, Florida for our corporate headquarters which is located at 100 Biscayne Blvd., Floor 12, Suite 1201, Miami, Florida 33132. We believe that our current office space is adequate for our current needs.

Properties To Be Developed

We own three properties and have an investment in two entities that have acquired two properties to be further developed; however we have not yet commenced any development activities.

Current Projects/Development Sites

Lago Vista. On May 10, 2021, we acquired Lago Vista a 50+ acre site in Lago Vista, Texas. The acquired parcel sits on Lake Travis on the Colorado River in central Texas. We acquired the property and were able to successfully get a PDD approved for 174 condominium units, which was further amended to include the option of building rental units on the property. On November 28, 2023, LV Holding entered into a Contribution Agreement with Preserve Acquisitions, LLC pursuant to which LV Holding will contribute the Lago Vista Property to a joint venture as a capital contribution to be valued at $11,500,000. See "Part I, Item 1 Business – Recent Developments – Contribution Agreement." There can be no assurance the Closing of the Joint Venture will occur. In addition, if we should receive a favorable purchase offer for the Lago Vista Property, we may choose not to form the Joint Venture.

Norman Berry Village. On May 31, 2021, we acquired a 50% membership interest for $600,000 in a limited liability company, Norman Berry II Owners, LLC, that is building affordable housing in the Atlanta, Georgia metropolitan area to be known as "Norman Berry Village." We expect the project to develop 125,000 square feet of space and build approximately 134 multi-family rental apartments in two buildings.

Cumberland Inlet. On June 24, 2021, we, as a member, entered into an Operating Agreement, with Jacoby Development, Inc. ("JDI"), as manager, for JDI-Cumberland Inlet, LLC ("JDI-Cumberland"), pursuant to which we acquired a 10% non-dilutable equity interest in JDI-Cumberland for $3.0 million. JDI-Cumberland has purchased a 1,298 acre waterfront parcel in downtown historic St. Mary's, Georgia and expects to develop approximately 352 acres thereof. We, in conjunction with JDI, expect to develop a mixed-use destination community. The location will serve as home to 3,500 units made up of single family, multi-family, vacation and hospitality use, as well as a full-service marina, village, and upscale Eco-Tourism park inclusive of camping, yurts, cabins and cottages.

St Mary's Industrial Site. On August 18, 2022, we purchased approximately 27 acres of land adjacent to our Cumberland Inlet Project from the Camden County Joint Development Authority (JDA). On January 31, 2024, we entered into an Agreement of Sale with Pigmental, LLC to sell the St. Mary's Site. See "Part I, Item 1 Business – Recent Developments – St. Mary's Site."

McLean Mixed Use Site. During the first quarter of 2022, we acquired 100% ownership of approximately 114 mixed-use acres in Durant, Oklahoma for $868,000. We anticipate building approximately 800 residential units and up to 1.1 million square feet of industrial manufacturing space on the mixed-use property. We plan to build, and SG Echo will occupy, a 120,000 square foot state of the art manufacturing facility. The property is zoned for an additional 1.0 million square feet of industrial space. We are currently marketing the additional space to potential tenants.

Item 3. Legal Proceedings.

We are not currently subject to any material legal proceedings. We may, however, in the ordinary course of business face various claims brought by third parties, and we may, from time to time, make claims or take legal actions to assert our rights, including intellectual property rights as well as claims relating to employment matters. Any of these claims could subject us to costly litigation. If this were to happen, the payment of any such awards could have a material adverse effect on our business, financial condition and results of operations. Additionally, any such claims, whether or not successful, could damage our reputation and business.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

Our Common Stock is traded on the Nasdaq Capital Market under the symbol "SGD."

Holders

As of the close of business on March 31, 2025, there were approximately 44 holders of record of our Common Stock.

Dividend Policy

We have never paid any cash dividends on our Common Stock and do not anticipate paying cash dividends in the foreseeable future. The payment of dividends by us will depend on our future earnings, financial condition and such other business and economic factors as our management may consider relevant.

Recent Sales of Unregistered Securities

We did not sell any unregistered securities from January 1, 2024 through December 31, 2024 that were not previously disclosed in our filings with the SEC.

Equity Compensation Plan Information

For information regarding our equity compensation plans, see "Part III, Item 12, "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters."

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Introduction and Certain Cautionary Statements

The following discussion and analysis of the financial condition and results of our operations should be read in conjunction with our consolidated financial statements and related notes and schedules included elsewhere in this Annual Report. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those discussed below. Factors that could cause or contribute to such differences include, but are not limited to, intensified competition and operating problems in our operating business projects and their impact on revenues and profit margins or additional factors, and those discussed in the section entitled "Risk Factors" in Part I, Item 1A of this Annual Report. In addition, certain information presented below is based on unaudited financial information.

Overview

We were formed in 2021 by Safe & Green Holdings Corp. ("SG Holdings") for the purpose of real property development utilizing SG Holdings' proprietary technologies and SG Holdings' manufacturing facilities. During 2023 and 2024, our business focus was primarily on the direct acquisition and indirect investment in properties nationally to be developed in the future into green single or multi-family projects and increasing our presence in markets with favorable job formation and a favorable demand/supply ratio for multifamily and/or single-family housing. To date, we have generated minimal revenue and our activities have consisted mostly of the acquisition and entitlement of three properties, an investment in two entities that have acquired two properties to be further developed, entry into three joint ventures with the intention of developing properties in the Texas market and an investment in real-estate related artificial intelligence ("AI") assets and entities, as further described below.

In January 2024, we announced that we would strategically look to monetize our real estate holdings throughout 2024 by identifying markets where our land may have increased in value, as demonstrated by third-party appraisals and selling those properties. In connection with this strategy, we have entered into agreements to sell our St. Mary's site and our Lago Vista site described in more detail below. Additionally, we expect to subdivide our McLean property into buildable single family lots that can subsequently be sold to developers or developed internally. We intend to develop the properties that we own and invest the proceeds of sales of our securities and future financings, both at the corporate and project level, and/or sale proceeds from properties that are sold. However, our ability to develop any properties will be subject to our ability to raise capital either through the sale of equity or by incurring debt for which there can be no assurance.'

In August 2024, we entered into joint ventures with Milk & Honey LLC, Sugar Phase I LLC and Hacienda Olivia Phase II LLC, with the intention of developing green single-family homes in the Southern Texas market. To date, we have started construction on five single family homes in the Sugar Phase joint venture. The homes were delivered during the first quarter of 2025. Additionally, we were developing 57 single family lots through our Hacienda Olivia. We have also entered into a joint venture named Pulga Internacional with the intention of developing an eco-friendly commercial retail outlet.

In February 2025, we entered into a Membership Interest Purchase Agreement (the "Membership Interest Purchase Agreement") with Resource Group US Holdings LLC ("Resource Group") and its members to acquire 100% of the membership interests of Resource Group. See "Membership Interest Purchase Agreement" below for additional information about the Membership Interest Purchase Agreement. Upon the closing of the acquisition we intend to shift our primary focus to the business conducted by Resource Croup, which is the transformation of targeted organic green waste materials into engineered, environmentally friendly soil and mulch products. As a result, we have started the process of strategically realigning the business focus towards Resource Group's core business by monetizing real estate holdings held by us and in our joint ventures. We will continue this process and expect that by the end of 2025 the Company will be focused solely on the engineered soils business. Following the acquisition of Resource Group, we also intend to reevaluate the projects, technologies, and operations of our real-estate related AI assets.

Recent Developments

Credit Agreement

On March 1, 2024, we entered into a Credit Agreement which provided for a $250,000 Line of Credit. For a description of the Credit Agreement, see "Liquidity and Capital Resources – Financing Activities."

Reverse Stock Split

On October 8, 2024, we effected a 1-for-20 reverse stock split of our then-outstanding Common Stock ("Reverse Split"). Except as specifically provided, all share and per share amounts and related option and warrant information presented herein, including our financial statements and accompanying footnotes, has been retroactively adjusted to give effect to the Reverse Split.

Increase in Authorized Shares

On November 7, 2024, we filed a Certificate of Amendment to its Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware (the "Certificate of Amendment") that was effective on such date that increased the number of our authorized shares of common stock, $0.001 par value per share from 50,000,000 shares to 100,000,000 shares.

Results of Operations

The following table sets forth, for the periods indicated, the dollar value represented by certain items in our Statements of Operations:

	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Total revenue	$ 207,552	$ -
Total cost of revenue	182,656	-
Total payroll and related expenses	3,622,018	1,125,603
Total other operating expenses	2,961,784	1,897,845
Operating loss	$ (6,558,906)	(3,023,448)
Interest expense	(3,474,344)	(1,178,311)
Gain on sale	1,067,540	-
Interest income	12,107	-
Other income	45,128	1,218
Net loss	$ (8,908,475)	$ (4,200,541)

Results of Operations for the Years Ended December 31, 2024 and 2023

Sales

During the year ended December 31, 2024 we generated revenues from commissions on residential real estate purchases and sale transactions amounting to $207,552. There were no sales for the year ended December 31, 2023. This increase in sales was due to the new lines of business entered into during 2024.

Payroll and Related Expenses

Payroll and related expenses for the year ended December 31, 2024 were $3,622,018 compared to $1,125,603 for the year ended December 31, 2023. This increase of $2,496,415 in expenses resulted primarily from stock-based compensation of $2,169,075 being recognized during the year ended December 31, 2024, as well as additional salaried employees during 2024.

Other Operating Expenses (General and administrative expenses and marketing and business development expenses)

Other operating expenses for the year ended December 31, 2024 were $2,961,784 compared to $1,897,845 for the year ended December 31, 2023. During the year ended December 31, 2023, these expenses were primarily allocated to us by SG Holdings and consisted of legal fees, professional fees, rent, office expenses, insurance and other general and administrative expenses. During the year ended December 31, 2024, these expenses were primarily professional and consulting fees. This increase of $1,063,939 in expenses is primarily attributable to an increase in legal fees, professional fees and other fees incurred in connection with operating as a public company.

Gain on Sale

During the year ended December 31, 2024, we recognized a gain in the amount of $1,067,540 which resulted from the sale of land.

Interest Expense

Interest expense for the year ended December 31, 2024 was $3,474,344 compared to $1,178,311 for the year ended December 31, 2023. This increase of $2,296,033 in interest expense is primarily attributable to an increase in the interest expense and amortization of debt issuance costs in connection with an increase in notes payable balances.

Income Tax Provision

A 100% valuation allowance was provided against the deferred tax asset consisting of available net operating loss carry forwards and, accordingly, no income tax benefit was provided.

Our operations for the year ended December 31, 2024 and the year ended December 31, 2023 may not be indicative of our future operations.

Liquidity and Capital Resources

We have generated limited revenue and have incurred significant net losses in each year since inception. For the year ended December 31, 2024 we incurred a net loss of $8,908,475 as compared to a net loss of $4,200,541 for year ended December 31, 2023. We expect to incur increasing losses in the future when we commence development of the properties we own. As of December 31, 2024 and December 31, 2023, we had cash of $296,202 and $3,236, respectively. Prior to us becoming a public company, our operations were primarily been funded through advances from SG Holdings and we had been largely dependent upon SG Holdings for funding. We have recently funded our operations through bridge note financing, project level financing, and the issuance of our equity and debt securities. We intend to finance Resource Group’s expansion from the proceeds of sales of our securities to Peak One, Arena Investors LP and future financings, both at the corporate and project level, and/or sale proceeds from properties that are sold. Additional financing will be required to continue operations, which may not be available at acceptable terms, if at all. If we are unable to obtain additional funding when it becomes necessary, we would likely be forced to delay, reduce, or terminate some or all of our operating activities. There is no guarantee we will be successful in raising capital outside of our current sources. These and other factors raise substantial doubt about our ability to continue as a going concern. The report of our independent registered public accounting firm includes an explanatory paragraph that our auditors have expressed substantial doubt that we will be able to continue as a going concern.

Financing Activities

SG Holdings. We issued a note to SG Holdings, dated December 19, 2021, in the principal amount of $4,200,000 for loans that SG Holdings made to us that were used to acquire properties. The note was due upon demand and was non-interest bearing. On August 9, 2023, we entered into a Note Cancellation Agreement with SG Holdings, effective as of July 1, 2023, pursuant to which SG Holdings cancelled and forgave the remaining $4,000,000 balance then due on that certain promissory note, dated December 19, 2021, made by us in favor of SG Holdings in the original principal amount of $4,200,000. In addition, as of December 31, 2023, $1,720,844 is due from SG Holdings for advances made by us. As of December 31, 2023, the Company does not believe there is certainty in the collectability of the advances we have made to SG Holdings and therefore has recorded a reserve against the $1,720,844, which is included in additional paid-in capital.

BCV Loan Agreement. On June 23, 2023, we entered into the BCV Loan Agreement with BCV S&G DevCorp, a Luxembourg-based specialized investment fund DevCorp to receive up to $2,000,000 as a secured loan. To date, we have received $1,750,000 as a secured loan from BCV S&G DevCorp. The loan matures on December 1, 2024 and is secured by 1,999,999 of SG Holdings' shares of our Common Stock, which were pledged pursuant to an escrow agreement with our transfer agent. The BCV Loan Agreement provides that the loan provided thereunder will bear interest at 14% per annum. The loan may be repaid by us at any anytime following the twelve-month anniversary of its issue date. The fees associated with the issuance include $70,000 paid to BCV S&G for the creation of the BCV Loan Agreement and $27,500 payable to BCV S&G per annum for maintaining the BCV Loan Agreement. Additionally, $37,500 in broker fees was paid to Bridgeline Capital Partners S.A. on the principal amount raised of $1,250,000. The BCV Loan Agreement, as amended, further provides that if our shares of Common Stock were not listed on The Nasdaq Stock Market before September 30, 2023 or if following such listing the total market value of the Pledged Shares shall fall below twice the face value of the loan, the loan will be further secured by our St. Mary's Site. Following the listing, the total market value of the pledged shares has fallen below twice the face value of the loan and we and BCV S&G DevCorp are in discussions regarding alternatives, if any.

Lago Vista Financing. On July 14, 2021, we issued a Real Estate Lien Note, dated July 14, 2021, in the principal amount of $2,000,000 (the "Short Term Note"), secured by a Deed of Trust, dated July 14, 2021, on the Lake Travis project site in Lago Vista, Texas and a related Assignment of Leases and Rents, dated July 8, 2021, for net loan proceeds of $1,945,234 after fees. This Short-Term Note was initially extended until January 14, 2023 and was further extended until February 1, 2024. In addition, on September 8, 2022, we issued a Second Lien Note in the principal amount of $500,000 (the "Second Short-Term Note") also secured by a Deed of Trust on the Lake Travis project site in Lago Vista, Texas. The Second Short-Term Note originally matured on January 14, 2023, which maturity date was extended until February 1, 2024.

On March 31, 2023, LV Holding, pursuant to a Loan Agreement, dated March 30, 2023 (the "Loan Agreement"), issued a promissory note, in the principal amount of $5,000,000 (the "LV Note"), secured by a Deed of Trust and Security Agreement, dated March 30, 2023 (the "Deed of Trust") on our Lake Travis project site in Lago Vista, Texas, a related Assignment of Contract Rights, dated March 30, 2023 ("Assignment of Rights"), on our project site in Lago Vista, Texas and McLean site in Durant, Oklahoma and a Mortgage, dated March 30, 2023 ("Mortgage"), on our site in Durant, Oklahoma. The LV Note requires monthly installments of interest only, is due on April 1, 2024 and bears interest at the prime rate as published in the Wall Street Journal (currently 8.0%) plus five and 50/100 percent (5.50%), currently equaling 13.5%; provided that in no event will the interest rate be less than a floor rate of 13.5%. The LV Holding obligations under the LV Note have been guaranteed by us pursuant to a Guaranty, dated March 30, 2023 (the "Guaranty"), and may be prepaid by LV Holding at any time without interest or penalty. The net loan proceeds were approximately $1,337,000, after loan commission fees of $250,000, broker fees of $125,000, the escrow of a 12-month $675,000 interest reserve, other closing fees and the repayment of the Short-Term Note and Second Short-Term Note. LV Holding is currently in discussions with the lender to extend the maturity of the LV Note to April 1, 2025.

St. Mary's Financing. In connection with the purchase of the St. Mary's Site, we entered into a promissory note in the amount of $148,300. The secured note on the St. Mary's Site had a maturity date of September 1, 2023, subject to our right to extend for 6 months upon payment of a fee equal to 1% of the principal balance of the note and provides for payments of interest only at a rate of nine and three quarters percent (9.75%) per annum. During August 2023, such note was extended for a one-year period. This note could be prepaid without penalty. In addition, at the time of payment in full of the note, we must pay the lender an amount equivalent to half of one percent (0.50%) of the original loan amount. To secure payment in full of the note, the note is secured by a security deed in the property with power of the lender to sell the property. On March 7, 2024, the Company entered into a modification agreement to the promissory note to increase the loan amount to $200,000.

Peak One Private Placement. On November 30, 2023, we entered into a Securities Purchase Agreement with Peak One pursuant to which we issued, in a private placement offering an 8% convertible debenture in principal amount of $700,000 (the "First Debenture") and a warrant to purchase up to 350,000 shares of our Common Stock. The First Debenture was sold to Peak One for a purchase price of $630,000, representing an original issue discount of ten percent (10%). In connection with the offering, we paid $17,500 as a non-accountable fee to Peak One to cover its accounting fees, legal fees and other transactional costs incurred in connection with the transactions contemplated by the Securities Purchase Agreement and issued an aggregate total of 100,000 shares of our restricted Common Stock as commitment shares. The Securities Purchase Agreement provided that a closing of a second tranche may occur subject to the mutual written agreement of Peak One and us and satisfaction of the closing conditions set forth in the Securities Purchase Agreement at any time after January 29, 2024, upon which we would issue and sell to Peak One on the same terms and conditions a second 8% convertible debenture in the principal amount of $500,000 for a purchase price of $450,000, representing an original issue discount of ten percent (10%).

On February 15, 2024, we entered into an amendment to the Securities Purchase Agreement with Peak One. The Amendment provides that the second tranche be separated into two tranches (the second and third tranche) wherein which we would issue in each tranche an 8% convertible debenture in the principal amount of $250,000 at a purchase price of $225,000, representing an original issue discount of ten percent (10%). In addition, the Amendment provides that we will issue (i) 35,000 shares of our Common Stock on the closing of each of the second tranche and the third tranche as a commitment fee in connection with the issuance of the second debenture and the third debenture, respectively; (ii) a common stock purchase warrant for the purchase of 125,000 shares of common stock on the closing of each of the second tranche and the third tranche; and (iii) pay $6,500 of Peak One's non-accountable fees in connection with each of the second tranche and the third tranche.

The closing of the second tranche was consummated on February 16, 2024 and we issued an 8% convertible debenture in the principal amount of $250,000 (the "Second Debenture") and a warrant to purchase up to 125,000 shares of the Company's Common Stock. In connection with the closing of the second tranche, we paid $6,500 as a non-accountable fee to Peak One to cover its accounting fees, legal fees and other transactional costs incurred in connection with the second tranche and issued an aggregate total of 35,000 shares of our Common Stock as commitment shares.

The closing of the third tranche was consummated on March 20, 2024 and we issued an 8% convertible debenture in the principal amount of $250,000 (the "Third Debenture" and together with the First Debenture and the Second Debenture, the "Debentures") and a warrant to purchase up to 125,000 shares of the Company's Common Stock. In connection with the closing of the third tranche, we paid $6,500 as a non-accountable fee to Peak One to cover its accounting fees, legal fees and other transactional costs incurred in connection with the third tranche and issued an aggregate total of 35,000 shares of our Common Stock as commitment shares.

The Debentures had a maturity date of twelve months from their date of issuance and bore interest at a rate of 8% per annum payable on the maturity date. The Debentures were convertible, at the option of the holder, at any time, into such number of shares of our Common Stock equal to the principal amount of the Debentures plus all accrued and unpaid interest at a conversion price equal to $2.14, subject to adjustment for any stock splits, stock dividends, recapitalizations and similar events, as well as anti-dilution price protection provisions that are subject to a floor price as set forth in the Debentures.

The Debentures were redeemable by us at a redemption price equal to 110% of the sum of the principal amount to be redeemed plus accrued interest, if any. While the Debentures were outstanding, if we received cash proceeds of more than $1,500,000.00 ("Minimum Threshold") in the aggregate from any source or series of related or unrelated sources, we shall, within two (2) business days of our receipt of such proceeds, inform the holder of such receipt, following which the holder had the right in its sole discretion to require us to immediately apply up to 50% of all proceeds received by us (from any source except with respect to proceeds from the issuance of equity or debt to our officers and directors) after the Minimum Threshold is reached to repay the outstanding amounts owed under the Debentures.

The Debentures contained customary events of default. If an event of default occurs, until it is cured, Peak One may increase the interest rate applicable to the Debentures to the lesser of eighteen percent (18%) per annum and the maximum interest rate allowable under applicable law and accelerate the full indebtedness under the Debentures, in an amount equal to 110% of the outstanding principal amount and accrued and unpaid interest. The Debentures prohibited us from entering into a Variable Rate Transaction (as defined in the Debentures) until the Debentures are paid in full.

The Debentures were paid in full on August 12, 2024.

The Warrants expire five years from their date of issuance. The Warrants are exercisable, at the option of the holder, at any time, for shares of our Common Stock at an exercise price equal to $2.53, subject to adjustment for any stock splits, stock dividends, recapitalizations, and similar events, as well as anti-dilution price protection provisions that are subject to a floor price as set forth in the Warrants. The Warrants provide for cashless exercise under certain circumstances.

ELOC. On November 30, 2023, we also entered into an Equity Purchase Agreement with Peak One, pursuant to which we have the right, but not the obligation, to direct Peak One to purchase up to $10,000,000 in shares of our Common Stock in multiple tranches. Pursuant to the terms of the Equity Purchase Agreement, we issued 100,000 shares of our Common Stock as commitment shares. As of December 31, 2024, we have sold approximately 986,000 shares (49,300 as adjusted for the Stock Split) under the EP Agreement for gross proceeds of approximately $749,733.

Credit Agreement. On March 1, 2024, we entered into a Credit Agreement with the Bryan Leighton Revocable Trust Dated December 13, 2023 (the "Lender") pursuant to which the Lender agreed to provide us with a Line of Credit up to the maximum amount of $250,000 from which we may draw down, at any time and from time to time, during the term of the Line of Credit. The initial "Maturity Date" of the Line of Credit is September 1, 2024 which was extended to June 1st, 2025. At any time prior to the Maturity Date, upon mutual written consent of us and the Lender, the Maturity Date may be extended for up to an additional six-month period. The advanced and unpaid principal of the Line of Credit from time to time outstanding bears interest at a Fixed Rate per annum equal to 12.0%. On the first day of each month, we will pay to the Lender interest, in arrears, on the aggregate outstanding principal indebtedness of the Line of Credit at the Fixed Rate. The entire principal indebtedness of the Line of Credit and any accrued interest thereon is due and payable on the Maturity Date. In consideration for the extension of the Line of Credit, we issued 154,320 shares of the Company's restricted common stock to Lender. On March 4, 2024, we drew down $60,000.00 from the Line of Credit.

ELOC

Arena Investors LP Debentures. On August 12, 2024, we entered into a Securities Purchase Agreement, dated August 12, 2024 (the "Arena Purchase Agreement") with the purchasers named therein ("Arena Investors"), related to a private placement offering (the "Arena Offering") of up to five tranches of secured convertible debentures to Arena Investors in the aggregate principal amount of $10,277,777 (the "Arena Debentures") together with warrants to purchase a number of shares of the Company's common stock equal to 20% of the total principal amount of the Arena Debentures sold divided by 92.5% of the lowest daily VWAP (as defined in the Purchase Agreement) for our common stock during the ten consecutive trading day period preceding the respective closing dates (the "Arena Warrants").

The closing of the first tranche was consummated on August 12, 2024 (the "First Closing Date") and we issued to Arena Investors 10% original issue discount secured convertible debentures in principal amount of $1,388,888.75 (the "First Closing Arena Debentures") and a warrant (the "First Closing Arena Warrants") to purchase up to 1,299,242 shares of our common stock (64,962 as adjusted for the Stock Split). The First Closing Arena Debentures were sold to Arena Investors for a purchase price of $1,250,000, representing an original issue discount of ten percent (10%). In connection with the closing, we reimbursed Arena Investors $55,000 for its legal fees and expenses and placed $250,000 in escrow, to be released to us upon the First Registration Statement Effectiveness Date (as defined in the Purchase Agreement).

The First Closing Arena Debentures were to mature eighteen months from their date of issuance and bears interest at a rate of 0% per annum. The First Closing Arena Debentures were convertible, at the option of the holder, at any time, into such number of shares of common stock of the Company equal to the principal amount of the First Closing Arena Debentures plus all accrued and unpaid interest at a conversion price equal to the lesser of (i) $0.279 ($5.58 as adjusted for the Stock Split), and (ii) 92.5% of lowest daily volume weighted average price (VWAP) of our common stock during the ten trading day period ending on such conversion date (the "Conversion Price"), subject to adjustment for any stock splits, stock dividends, recapitalizations and similar events, as well as anti-dilution price protection provisions, and subject to a floor price of $0.04854 ($0.9704 as adjusted for the Stock Split).

The First Closing Arena Warrants expire five years from its date of issuance. The First Closing Arena Warrants are exercisable, at the option of the holder, at any time, for up to 1,299,242 of shares of our common stock (64,962 as adjusted for the Stock Split) at an exercise price equal to $0.279 (the "Exercise Price") ($5.58 as adjusted for the Stock Split), subject to adjustment for any stock splits, stock dividends, recapitalizations, and similar events, as well as anti-dilution price protection provisions that are subject to a floor price as set forth in the First Closing Arena Warrants. The First Closing Arena Warrants provide for cashless exercise under certain circumstances.

We entered into a Registration Rights Agreement, dated August 12, 2024 (the "RRA"), with Arena Investors where we agreed to file with the SEC an initial registration statement within 30 days to register the maximum number of Registrable Securities (as defined in the RRA) issuable under the First Closing Arena Debentures and the First Closing Arena Warrants as shall be permitted to be included thereon in accordance with applicable SEC rules The registration statement was declared effective on September 30, 2024.

Under the Arena Purchase Agreement, a closing of the second, third, fourth or fifth tranche together (the "Additional Tranches" may occur subject to the mutual written agreement of Arena Investors and us and satisfaction of the closing conditions set forth in the Purchase Agreement on the later (y) the fifth trading day following the First, Second, Third or Fourth Registration Statement Effectiveness Date (or if such day is not a trading day, on the next succeeding trading day) and (z) such date as the outstanding principal balance of the prior Arena Debenture issued is less than $100,000.00, unless the parties mutually agree in writing to consummate the second, third, fourth or fifth closing on a different date, upon which we would issue and sell to Arena Investors on the same terms and conditions a second, third, fourth or fifth 10% original issue discount secured convertible debentures each in the principal amount of $2,222,222 (the "Additional Closing Arena Debentures") and a warrant (the "Additional Closing Warrants") to purchase a number of shares of our common stock equal to 20% of the total principal amount of the Additional Closing Arena Debentures divided by 92.5% of the lowest daily VWAP (as defined in the Purchase Agreement) for the common stock during the ten consecutive trading day period ended on the last trading day immediately preceding the closing of the additional tranches, provided the additional Closings are also contingent on the satisfaction of the following additional condition, unless waived mutually by the parties: the median daily turnover of our common stock on its principal trading market for the thirty consecutive trading day period ended as of the last trading day immediately preceding the date of the proposed second Closing must be greater than $200,000, subject to a floor price.

The Additional Closing Arena Debentures would be sold to Arena Investors each for a purchase price of $2,000,000, representing an original issue discount of ten percent (10%). In connection with each closing of the additional tranches, the Company will enter into a registration rights agreement pursuant to which the Company will agree to register the maximum number of shares of the Company's common stock issuable under the Second, Third, Fourth or Fifth Closing Debentures and the Second, Third, Fourth, or Fifth Closing Arena Warrants as shall be permitted with terms substantially similar as the terms provided in the RRA. We also has agreed to reimburse Arena Investors for its legal fees and expenses related to such each closing.

Without giving effect to the Exchange Cap discussed below, assuming we issued all of the Arena Debentures and converted accrued interest in full on each of the Debentures into its common stock at the floor price (assuming each of such Arena Debentures accrued interest for a period one year), approximately 232,912,128 shares of our common stock would be issuable upon conversion.

The Arena Purchase Agreement prohibits us from entering into a Variable Rate Transaction (other than the Arena ELOC described below) until such time as no Arena Debentures remain outstanding.

We entered into a Security Agreement, dated August 12, 2024 (the "Security Agreement"), with Arena Investors where we granted Arena Investors a security interest in all of its assets to secure the prompt payment, performance and discharge in full of all of our obligations under the Arena Debentures. In addition, each of the Company's subsidiaries entered into a Guaranty Agreement, dated August 12, 2024 (the "Subsidiary Guaranty"), with Arena Investors pursuant to which they agreed to guarantee the prompt payment, performance and discharge in full of all of our obligations under the Arena Debentures.

The Arena Purchase Agreement and the Registration Rights Agreement contain customary representations, warranties, agreements and conditions to completing future sale transactions, indemnification rights and obligations of the parties. Among other things, Arena Investors represented to the Company, that it is an "accredited investor" (as such term is defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended (the "Securities Act")), and the Company sold the securities in reliance upon an exemption from registration contained in Section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder.

Arena Investors ELOC

On August 12, 2024 , we also entered into an Purchase Agreement (the "Arena ELOC") with Arena Business Solutions Global SPC II, LTD ("Arena Global"), pursuant to which we have the right, but not the obligation, to direct Arena Global to purchase up to $50,000,000.00 (the "Maximum Commitment Amount") in shares of our common stock in multiple tranches upon satisfaction of certain terms and conditions contained in the Arena ELOC, which includes, but is not limited to, filing a registration statement with the SEC and registering the resale of any shares sold to Arena Global. Further, under the Arena ELOC and subject to the Maximum Commitment Amount, we have the right, but not the obligation, to submit an Advance Notice (as defined in the Arena ELOC) from time to time to Arena Global calculated as follows: (a) if the Advance Notice is received by 8:30 a.m. Eastern Time. the lower of: (i) an amount equal to seventy percent (70%) of the average of the Daily Value Traded (as defined in the Arena ELOC) of the Company's common stock on the ten trading days immediately preceding an Advance Notice, or (ii) $20 million, (b) if the Advance Notice is received after 8:30 a.m. Eastern Time but prior to 10:30 a.m. Eastern Time, the lower of (i) an amount equal to forty percent (40%) of the average of the Daily Value Traded of the Company's common stock on the ten trading days immediately preceding an Advance Notice, or (ii) $15 million, and (c) if the Advance Notice is received after 10:30 a.m. Eastern Time but prior to 12:30 p.m. Eastern Time, the lower of (i) an amount equal to twenty percent (20%) of the average of the Daily Value Traded of the Company's common stock on the ten trading days immediately preceding an Advance Notice, or (ii) $10 million.

During the Commitment Period (as defined below), the purchase price to be paid by Arena Investors for the common stock under the EP Agreement will be 96% of the Market Price, defined as the daily volume weighted average price (VWAP) of our common stock, on the trading day commencing on the date of the Advance Notice. There is a per share floor price of $0.9704.

In connection with the Arena ELOC, we agreed, among other things, to issue to Arena Global, in two separate tranches, as a commitment fee, that number of shares of its restricted common stock ("Commitment Fee Shares") equal to (i) with respect to the first tranche ("First Tranche"), 500,000 divided by the simple average of the daily VWAP of the common stock during the five trading days immediately preceding the effectiveness of the initial registration statement (the "Initial Registration Statement") on which the Commitment Fee Shares are registered (the "First Tranche Price"), promptly the effectiveness of the Registration Statement (the "Initial Issuance") and (ii) with respect to the second tranche ("Second Tranche"), 250,000 divided by the simple average of the daily VWAP of the Common Shares during the five trading days immediately preceding the three month anniversary (the "Anniversary") of the effectiveness of the registration statement on which the Commitment Fee Shares are registered (the "Second Tranche Price"), promptly after the Anniversary.

The Commitment Fee Shares are subject to a true-up after each issuance pursuant to which we are obligated issue to Arena Global common stock having an aggregate dollar value equal to (i) with respect to the First Tranche, 500,000 based on the lower of (A) the First Tranche Price and (B) the lower of (a) the simple average of the three lowest daily intraday trade prices over the twenty trading days after (and not including) the date of effectiveness of the Initial Registration Statement and (b) the closing price on the twentieth trading day after the effectiveness of the Registration Statement, and (ii) with respect to the Second Tranche, 250,000 based on the lower of (A) the Second Tranche Price and (B) the lower of (a) the simple average of the three lowest daily intraday trade prices over the twenty trading days after (and not including) the Anniversary and (b) the closing price on the twentieth trading day after the Anniversary.

In connection with the Arena ELOC, we filed a registration statement registering the common stock issued or issuable to Arena Global under the Arena ELOC for resale with the SEC which was declared effective on [ ].

The obligation of Arena Global to purchase our common stock under the Arena ELOC begins on the date of the Arena ELOC, and ends on the earlier of (i) the date on which Arena Global shall have purchased common stock pursuant to the Arena ELOC equal to the Commitment Amount, (ii) thirty six (36) months after the date of the Arena ELOC or (iii) written notice of termination by us (the "Commitment Period"). The Arena ELOC contains customary representations, warranties, agreements and conditions to completing future sale transactions, indemnification rights and obligations of the parties. Among other things, Arena Global represented to us, that it is an "accredited investor" (as such term is defined in Rule 501(a) of Regulation D under the Securities Act, and we will sell the securities in reliance upon an exemption from registration contained in Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder.

On August 30, 2024, we and Arena Global entered into an amendment (the "Amendment") to the purchase agreement dated August 12, 2024 (as amended, the "ELOC Purchase Agreement).

The Amendment revises the manner in which our obligation to issue shares of our common stock, par value $0.001 per share (the "Common Stock"), to Arena Global as a commitment fee is determined. The Amendment provides that we issue or cause to be issued to Arena Global, in two separate tranches, that number of Common Stock equal to (i) with respect to the first tranche (the "First Tranche"): 925,000 shares of Common Stock together with a warrant to purchase 1,075,000 shares of Common Stock, at an exercise price of $0.01 per share, (the "Warrant Shares" and together with the 925,000 shares of Common Stock issued to Arena Global, the "Initial Commitment Fee Shares") and (ii) with respect to the second tranche ("Second Tranche"), $250,000 divided by the simple average of the daily VWAP (as defined in the ELOC Purchase Agreement) of the Company's Common Stock during the five (5) trading days immediately preceding the three month anniversary (the "Anniversary") of the effectiveness of the registration statement on which the Initial Commitment Fee Shares are registered (the "Second Tranche Price"), promptly (but in no event later than one (1) trading day) after the Anniversary (the "Second Tranche Commitment Fee Shares," and together with the Initial Commitment Fee Shares, the "Commitment Fee Shares")."

The Amendment also has a provision that provides for the issuance of additional shares of Common Stock as commitment fee shares in the event the value of the Initial Commitment Fee Shares is less than $500,000 measured during a specified period and the value of the Second Tranche Commitment Fee Shares is less than $250,000 measured during a specified period.

In addition, the Amendment adjusts our obligation related to registering the resale of shares of the Company's Common Stock issued or issuable pursuant to the ELOC Purchase Agreement. The Amendment provides that we will (i) register the resale of the Initial Commitment Fee Shares as soon as practicable and (ii) prepare and file a registration statement registering the Common Stock issuable to Arena Global under the equity line pursuant to the ELOC Purchase Agreement and the Commitment Fee Shares (to the extent then outstanding or issuable pursuant to a then outstanding convertible security) for resale as soon as practicable following the earlier of (A) the Company filing an amendment to its amended and restated certificate of incorporation to increase the number of shares of Common Stock authorized for issuance, or (B) the Company effecting a reverse stock split of its Common Stock.

On September 19, 2024, we and Arena Special Opportunities Partners II, LP, Arena Special Opportunities (Offshore) Master, LP, Arena Special Opportunities Partners III, LP, and Arena Special Opportunities Fund, LP (collectively, the "Arena Investors") entered into a Global Amendment to 10% Original Issue Discount Secured Convertible Debentures (the "Amendment"). The Amendment amends the interest provision of the debentures issued on August 12, 2024 (the "First Closing Debentures") to the Arena Investors. The First Closing Debentures were issued together with warrants (the "First Closing Warrants") to purchase up to 1,299,242 shares of our common stock pursuant to a Securities Purchase Agreement, dated August 12, 2024 (the "SPA") between us and the Arena Investors. The SPA related to a private placement offering of up to five secured convertible debentures to the Arena Investors in the aggregate principal amount of $10,277,777 together with warrants to purchase a number of shares of our common stock equal to 20% of the total principal amount of the Debentures sold divided by 92.5% of the lowest daily VWAP (as defined in the SPA) for our common stock during the ten consecutive trading day period preceding the respective closing dates.

Pursuant to the Amendment, the First Closing Debentures bear interest at a rate of 10% per annum paid-in-kind ("PIK Interest") unless there is an event of default under the applicable First Closing Debenture. The PIK Interest shall be added to the outstanding principal amount of the applicable First Closing Debenture on a monthly basis as additional principal obligations thereunder for all purposes thereof (including the accrual of interest thereon at the rates applicable to the principal amount generally). Upon the occurrence and during the continuance of an event of default under the applicable First Closing Debenture, interest shall accrue on the outstanding principal amount of such First Closing Debenture at the rate of two percent (2%) per month and such default interest shall be due and payable monthly in arrears in cash on the first of each month following the occurrence of any event of default for default interest accrued through the last day of the prior month.

The ELOC Agreement referenced above provides that we have the right, but not the obligation, to direct Arena Global to purchase up to $50.0 million in shares of our common stock. Pursuant to the ELOC Agreement, the Company issued 925,000 commitment shares together with a warrant (the "Arena Global Warrant") to purchase 1,075,000 shares of the Company's common stock, at an exercise price of $0.01 per share (the "Commitment Fee Warrant Shares" and together with the 925,000 shares of Common Stock issued to Arena Global, the "Initial Commitment Fee Shares").

On November 15, 2024, we and Arena Global entered into an amendment (the "Amendment") to the purchase agreement dated August 12, 2024, as amended on August 30, 2024 (as amended, the "ELOC Purchase Agreement).

The Amendment accelerated the payment of the second tranche commitment shares and provided for the issuance to Arena Global of a pre-funded warrant to purchase 83,333 shares of our common stock (the "Second Tranche Commitment Fee Shares") on November 15, 2024. The Amendment also has a provision that provides for the issuance of additional shares of our Common Stock as commitment fee shares in the event the value of the Second Tranche Commitment Fee Shares is less than $250,000 measured during a specified period.

Arena Investors Second Tranche

On October 25, 2024, we closed the second tranche of our private placement offering (the "Offering") with Arena Special Opportunities Partners II, LP, Arena Special Opportunities (Offshore) Master, LP, Arena Special Opportunities Partners III, LP, and Arena Special Opportunities Fund, LP (collectively, the "Arena Investors") under a Securities Purchase Agreement, dated August 12, 2024, as amended on August 30, 2024 (the "Purchase Agreement"), between us and the Arena Investors, pursuant to which we issued 10% convertible debentures (the "Second Closing Debentures") in the aggregate principal amount of Two Million Two Hundred Twenty-Two Thousand Two Hundred and Twenty-Two Dollars ($2,222,222) to the Arena Investors and warrants (the "Second Closing Warrants") to purchase up to 170,892 shares (the "Warrant Shares") of our common stock, $0.001 par value per share (the "Common Stock").

The Second Closing Debentures were sold to the Arena Investors for a purchase price of $2,000,000, representing an original issue discount of ten percent (10%). The Second Closing Debentures mature eighteen months from their date of issuance and bears interest at a rate of 10% per annum paid-in-kind ("PIK Interest"), unless there is an event of default under the applicable Second Closing Debenture. The PIK Interest shall be added to the outstanding principal amount of the applicable Second Closing Debenture on a monthly basis as additional principal obligations thereunder for all purposes thereof (including the accrual of interest thereon at the rates applicable to the principal amount generally). Each Second Closing Debenture is convertible, at the option of the holder, at any time, into such number of shares of our Common Stock equal to the principal amount of such Second Closing Debenture plus all accrued and unpaid interest at a conversion price equal to the lesser of (i) $3.48, and (ii) 92.5% of lowest daily volume weighted average price (VWAP) of our Common Stock during the ten trading day period ending on such conversion date (the "Conversion Price"), subject to adjustment for any stock splits, stock dividends, recapitalizations and similar events, as well as anti-dilution price protection provisions, and subject to a floor price of $0.90 (subject to proportional adjustment for stock splits). Based upon the floor price, the maximum number of shares issuable upon conversion of the Second Closing Debentures is 3,268,197 shares of Common Stock. In connection with the closing of the second tranche, the Company reimbursed Arena Investors $10,000 for its legal fees and expenses.

The Second Closing Warrants expire five years from their date of issuance. The Second Closing Warrants are exercisable, at the option of the holder, at any time, for up to 170,892 shares of our Common Stock at an exercise price equal to $3.476 (the "Exercise Price"), subject to adjustment for any stock splits, stock dividends, recapitalizations, and similar events, as well as anti-dilution price protection provisions. The Second Closing Warrants provide for cashless exercise under certain circumstances.

We entered into a Registration Rights Agreement, dated October 25, 2024 (the "RRA"), with the Arena Investors where we agreed to file with the Securities and Exchange Commission (the "SEC") an initial registration statement within 30 days to register the maximum number of Registrable Securities (as defined in the RRA) issuable under the Second Closing Debentures and the Second Closing Warrants as shall be permitted to be included thereon in accordance with applicable SEC rules and to use its reasonable best efforts to have the registration statement declared effective by the SEC no later than the "Second Registration Statement Effectiveness Date", which is defined in the Purchase Agreement as the 30th calendar day following the Second Closing Date (or, in the event of a "full review" by the SEC, no later than the 120th calendar day following the Second Closing Date); provided, however, that if the registration statement will not be reviewed or is no longer subject to further review and comments, the Second Registration Statement Effectiveness Date will be the fifth trading day following the date on which the Company is so notified if such date precedes the date otherwise required above.

On October 31, 2024, we and the Arena Investors entered into a Global Amendment No. 2 (the "Amendment") to the 10% Original Issue Discount Secured Convertible Debentures issued on August 12, 2024, as amended (the "First Closing Debentures"). Pursuant to the Amendment, the parties to the First Closing Debentures, in order to comply with Nasdaq rules, amended the First Closing Debentures to provide that the Floor Price was set at a fixed price subject to proportional adjustment for stock splits and deleted the prior language which allowed for the floor price to be reduced upon the written consent of the Company and the holder.

Cash Flow Summary

	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Net cash provided by (used in):		
Operating activities	$ (2,600,562)	$ (4,548,393)
Investing activities	(718,547)	(81,819)
Financing activities	3,612,075	4,632,728
Net increase in cash and cash equivalents	$ 292,966	$ 2,516

Operating activities used net cash of $2,600,562 during the year ended December 31, 2024 and used net cash of $4,548,393 during the year ended December 31, 2023. Cash used in operating activities decreased by $1,947,831 due to an increase of net loss of $4,707,934, , offset by an increase of $2,997 of depreciation and amortization, increase of $1,699,756 in amortization of debt issuance cost, $2,169,075 of stock based compensation, $1,067,540 of a gain on sale, $297,871 worth of common stock for services, $513,871 common stock for debt and warrants, a decrease of $891,642 in prepaid asset ,$347,588 decrease in accounts payable and accrued expenses, and a decrease of $1,800,505 due to affiliates.

Investing activities used net cash of $718,547 during the year ended December 31, 2024 and $81,819 net cash during the year ended December 31, 2023 resulting in an increase in cash used of $636,728. This change results from $540,394 of property and equipment purchases, $153,593 cash used in asset acquisitions, $295,593 of intangible asset purchases, $403,738 from the proceeds of the sale of land, land acquired from our JV of $331,562, $231,562 of JV activity and $21,293 of project development costs for the year ended December 31, 2024 that we did not have for the year ended December 31, 2023 or were increased.

Cash provided from financing activities was $3,612,075 during the year ended December 31, 2024 and $4,632,728 during the year ended December 31, 2023. This change results from additional debt issuance costs of $2,083,938, proceeds from short-term notes payable of $313,108, repayment of short-term notes payable of $947,258, proceeds from the issuance of common stock of $750,719, proceeds from the issuance of common stock from prefunded warrants of $11,584.

Off-Balance Sheet Arrangements

As of December 31, 2024 and 2023, we had no material off-balance sheet arrangements to which we are a party.

Critical Accounting Estimates

Our financial statements have been prepared using GAAP. In connection with the preparation of the financial statements, we are required to make assumptions and estimates and apply judgments that affect the reported amounts of assets, liabilities, revenue, and expenses, and the related disclosures. We base our assumptions, estimates, and judgments on historical experience, current trends, and other factors that we believe to be relevant at the time the financial statements are prepared. On a regular basis, we review the accounting policies, assumptions, estimates, and judgments to ensure that our financial statements are presented fairly and in accordance with GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such differences could be material.

Our significant accounting policies are discussed in "Note 2— Summary of Significant Accounting Policies" of the notes to our financial statements for the years ended December 31, 2024 and 2023 included elsewhere in this Annual Report. We believe that the following accounting policies are the most critical in fully understanding and evaluating our reported financial results.

Investment Entities – On May 31, 2021, we agreed to contribute $600,000 to acquire a 50% membership interest in Norman Berry II Owner LLC ("Norman Berry"). We contributed $350,329 and $114,433 of the initial $600,000 in the second quarter and third quarter of 2021 respectively, with the remaining $135,183 funded in the fourth quarter of 2021. The purpose of Norman Berry is to develop and provide affordable housing in the Atlanta, Georgia metropolitan area. We have determined we are not the primary beneficiary of Norman Berry and thus will not consolidate the activities in our financial statements. We use the equity method to report the activities as an investment in our financial statements.

On June 24, 2021, we entered into an operating agreement with Jacoby Development for a 10% non-dilutable equity interest for JDI-Cumberland Inlet, LLC ("Cumberland"). We contributed $3,000,000 for our 10% equity interest. The purpose of Cumberland is to develop a waterfront parcel in a mixed-use destination community. We have determined we are not the primary beneficiary of Cumberland and thus will not consolidate the activities in our financial statements. We use the equity method to report the activities as an investment in our financial statements.

During the years ended December 31, 2024 and 2023, Norman Berry and Cumberland did not have any material earnings or losses as the investments are in development. In addition, management believes there was no impairment as of December 31, 2024.

Property, plant and equipment – Property, plant and equipment is stated at cost. Depreciation is computed using the straight-line method over the estimated lives of each asset. Repairs and maintenance are charged to expense when incurred.

On May 10, 2021 we acquired a 50+ acre Lake Travis project site in Lago Vista, Texas ("Lago Vista") for $3,576,130 which is recorded in assets held for sale on the accompanying balance sheets.

During February 2022 and September 2022, we acquired properties in Oklahoma and Georgia for $893,785 and $296,870, respectively, which is recorded as land on the accompanying balance sheets. In addition, during 2024, through its JV Agreements, the Company acquired land with a value of $482,395 in Texas.

Project Development Costs – Project development costs are stated at cost. At December 31, 2024, our project development costs are expenses incurred related to development costs on various projects that are capitalized during the period the project is under development.

Assets Held For Sale – During 2022, management implemented a plan to sell Lago Vista, which met all of the criteria required to classify it as an Assets Held for Sale. Including the project development costs associated with Lago Vista of $824,231, the book value is now $4,400,361.

JOBS Act

The JOBS Act permits an emerging growth company such as us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies until those standards would otherwise apply to private companies. We have elected to avail ourselves of the extended transition period for complying with new or revised financial accounting standards.

We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year (a) following the fifth anniversary of the date of the first sale of our Common Stock pursuant to an effective registration statement under the Securities Act, (b) in which we have total annual revenue of at least $1.235 billion, or (c) in which we are deemed to be a large accelerated filer, which generally means the market value of our common equity that is held by non-affiliates exceeds $700 million as of the end of the prior fiscal year's second fiscal quarter; and (2) the date on which we have issued more than $1 billion in non-convertible debt securities during the prior three-year period.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

Item 8. Financial Statements and Supplementary Data.

The information required by this Item is set forth in the consolidated financial statements and notes thereto beginning on page F-1 of this of this Annual Report.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

(a) Disclosure Controls and Procedures.

We maintain disclosure controls and procedures designed to provide reasonable assurance that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosures.

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, conducted an evaluation, as of the end of the period covered by this report, of the effectiveness of our disclosure controls and procedures, as such term is defined in Exchange Act Rule 13a-15(e). Based on this evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures, as defined in Rule 13a-15(e), were ineffective at the reasonable assurance level.

(b) Management's Annual Report on Internal Control over Financial Reporting

Our management, including our Chief Executive Officer and Chief Financial Officer, are responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) under the Exchange Act). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Internal control over financial reporting includes policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect our transactions and asset dispositions;
- provide reasonable assurance that transactions are recorded as necessary to permit the preparation of our financial statements in accordance with generally accepted accounting principles;
- provide reasonable assurance that receipts and expenditures are made only in accordance with authorizations of our management and board of directors (as appropriate); and
- provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on our financial statements.

Due to its inherent limitations, any system of internal control over financial reporting, no matter how well defined, may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2024, based on the framework set forth in Internal Control — Integrated Framework by The Committee of Sponsoring Organizations of the Treadway Commission (COSO) (2013). Based on this assessment using this framework, our management concluded that our internal control over financial reporting was ineffective as of December 31, 2024.

Material Weakness

During the course of the review of the Annual Report on Form 10-K for the year ended December 31, 2024, we identified a material weakness in our controls relating to the ineffective design of certain management review controls across a portion of the Company's financial statements. The company carried out adjustments to the financial statements as a result of the audits for 2024 and due to the number of adjustments the company's internal controls over financial reporting were determined to be ineffective.

In order to remediate these material weaknesses, we added additional external consultants to assist in the preparation of our financial statements.

We are committed to maintaining a strong internal control environment and implementing measures designed to help ensure that control deficiencies contributing to the material weaknesses are remediated as soon as possible.

Notwithstanding the material weaknesses described above, management has concluded that the consolidated financial statements included in this Annual Report on Form 10-K for the year ended December 31 2024 present fairly, in all material respects, our financial position, results of operations and cash flows in conformity with GAAP.

This Annual Report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting because Safe and Green Development Corporation is not an accelerated filer or a large accelerated filer, and it is not subject to the attestation requirement.

(c) Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during the quarter ended December 31, 2024, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

10b5-1 Trading Arrangements

During the fourth quarter of 2024, none of our directors or executive officers adopted or terminated any "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" (as each term is defined in Item 408(a) of Registration S-K).

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Executive Officers

The following table sets forth information as of December 31, 2024 regarding the individuals who currently serve as executive officers of SG DevCo.

Name	Age	Position
David Villarreal	73	President and Chief Executive Officer
Nicolai Brune	27	Chief Financial Officer

Set forth below is biographical information about our executive officers identified above.

David Villarreal has served as the President and Chief Executive Officer of SG DevCo since February 3, 2023. Mr. Villarreal was appointed as a director of SG DevCo effective April 11, 2023 and has served as a director of SG Holdings from May 28, 2021 until October 22, 2024. Mr. Villarreal's career spans over 40 years in various management, business and leadership capacities, beginning in 1977 when he served as Deputy Mayor and Senior Deputy Economic Development Advisor, under Mayor Tom Bradley in the City of Los Angeles. From August 2014 until March 2023, Mr. Villarreal served as the Chief Administrative Officer of affinity Partnerships, LLC, a Costco national mortgage services platform provider, with annual closed loan production of $8+ billion through a network of ten national mortgage lenders. From March 2011 to August 2014, he served as the President -Corporate Business Development, of Prime Source Mortgage, Inc. From September 2008 to September 2012, he served as a Consultant to the International Brotherhood of Teamsters.

Nicolai Brune has served as the Chief Financial Officer of SG DevCo since February 14, 2023. From March 2022 to February 2023, Mr. Brune served as Director of Acquisition for SG Holdings responsible for financial evaluation and modeling of all potential acquisitions, investments and divestitures. Prior to joining SG Holdings, Mr. Brune served as a Treasury Analyst at GL Homes, a large private real estate developer/home builder in the state of Florida, from June 2020 to March 2022. At GL Homes, Mr. Brune was tasked with reviewing financial transactions, examining cash flows and maintaining and preparing monthly performance reports. From June 2017 until June 2020, Mr. Brune worked at Generation Nine, a company that he founded in the clothing industry.

Directors

Subject to the rights of holders of any series of our preferred stock with respect to the election of directors, our amended and restated certificate of incorporation provides for our Board of Directors to be divided into three classes. The directors designated as Class I directors have terms expiring at the 2027 annual meeting of stockholders, and each director nominee elected to succeed any such Class I director as a Class I director will hold office for a three-year term and until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal. The directors designated as Class II directors have terms expiring at the 2025 annual meeting of stockholders, and each director nominee elected to succeed any such Class II director as a Class II director will hold office for a three-year term and until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal. The directors designated as Class III directors have terms expiring at the 2026 annual meeting of stockholders, and each director nominee elected to succeed any such Class III director as a Class III director will hold office for a three-year term and until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal.

The following table sets forth information as of March __, 2025 regarding the individuals who currently serve on SG DevCo's Board of Directors and who will continue to serve on our Board of Directors until their respective successors are duly elected and qualified, together with the class designation of each such director.

Name	Age	Class
Yaniv Blumenfeld	52	Class III
Paul Galvin	62	Class I
Peter G. DeMaria	62	Class III
John Scott Magrane, Jr.	78	Class II
Christopher Melton	53	Class I
Alyssa L. Richardson	35	Class III
Jeffrey Tweedy	62	Class I
David Villarreal	73	Class II

Set forth below is biographical information about our directors identified above, as well as a description of the specific skills and qualifications such directors provide to our Board of Directors.

Yaniv Blumenfeld was appointed as a director of SG DevCo effective April 28, 2023 and has served as a director of SG Holdings from April 2018 through April 2023. He founded Glacier Global Partners LLC in 2009 and is responsible for its strategic direction and oversees its investments and day-to-day management, including origination, underwriting, closing, investor relations and asset management functions. Mr. Blumenfeld has over 20 years of real estate experience, 13 years of which have been with leading Wall Street firms, where he was responsible for structuring, underwriting, pricing, securitizing and syndicating over $16 billion of commercial real estate loans and equity transactions. Prior to founding Glacier Global Partners LLC, Mr. Blumenfeld was a Managing Director at The Bear Stearns Companies, Inc. and JPMorgan Chase & Co., and, in such role, was responsible for structuring and closing over $2 billion in real estate debt and equity transactions for institutional clientele. Prior to that, Mr. Blumenfeld was a Managing Director and Head of the CMBS Capital Markets Group for the U.S. at EuroHypo AG, then world's largest real estate investment bank. In that capacity, Mr. Blumenfeld expanded the large loan CMBS group and oversaw the structuring, pricing, securitization and syndication functions and served on the bank's investment committee in charge of approving all transactions. He designed and implemented risk-control measures, standardized underwriting and pricing models and structured over $4 billion of real estate loans. Other positions previously held by Mr. Blumenfeld include Senior Vice President at Lehman Brothers, PaineWebber/UBS and Daiwa Securities. Prior to joining the banking industry, Mr. Blumenfeld worked as a real estate consultant at Ernst & Young real estate consulting group, advising real estate owners and operators, and various investment banks. Mr. Blumenfeld received a Bachelor of Science in real estate finance from Cornell University School of Hotel Administration. He is a member of the CRE Finance Council, was a guest lecturer at Columbia University, and was a recipient of the Young Jewish Professional NYC Real Estate Entrepreneur & Achievement Award in 2013. He is also involved with various philanthropic organizations, including The American Israel Public Affairs Committee, White Plains Hospital, American Friends of Rabin Medical Center and is on the board of directors of Arts Westchester and the White Plains Business Improvement District.

We selected Mr. Blumenfeld to serve on our Board of Directors because he brings extensive knowledge of the real estate finance industry. Mr. Blumenfeld's pertinent experience, qualifications, attributes and skills include expertise in real estate finance, risk-control, developments, investment banking and capital raising.

Paul M. Galvin was appointed as a director of SG DevCo upon its incorporation in February 2021. Mr. Galvin is a founder of SG Blocks, LLC, the predecessor entity of SG Holdings. He served as the Chief Executive Officer of SG Holdings from April 2009 until and as a director of SG Holdings since January 2007. Mr. Galvin's employment agreement with SG Holdings as it Chief Executive Officer was not renewed and his employment ended with SG Holdings on December 31st, 2024. Mr. Galvin has been a managing member of TAG Partners, LLC ("TAG"), an investment partnership formed for the purpose of investing in the Company, since October 2007. Mr. Galvin brings over 30 years of experience developing and managing real estate, including residential condominiums, luxury sales and market rate and affordable rental projects. Prior to his involvement in real estate, he founded a non-profit organization that focused on public health, housing and child survival, where he served for over a decade in a leadership position. During that period, Mr. Galvin designed, developed and managed emergency food and shelter programs through New York City's Human Resources Administration and other federal and state entities. From November 2005 to June 2007, Mr. Galvin was Chief Operating Officer of a subsidiary of Yucaipa Investments, where he worked with religious institutions that needed to monetize underperforming assets. While there, he designed and managed systems that produced highest and best use analyses for hundreds of religious assets and used them to acquire and re-develop properties across the U.S. Mr. Galvin holds a Bachelor of Science in Accounting from LeMoyne College and a Master's Degree in Social Policy from Fordham University. He was formerly an adjunct professor at Fordham University's Graduate School of Welfare. Mr. Galvin previously served for 10 years on the Sisters of Charity Healthcare System Advisory Board and six years on the board of SentiCare, Inc. In 2011, the Council of Churches of New York recognized Mr. Galvin with an Outstanding Business Leadership Award.

We selected Mr. Galvin to serve on our Board of Directors because he brings extensive knowledge of the real estate and finance industries experience. Mr. Galvin's pertinent experience, qualifications, attributes and skills include his expertise in real estate development, management and finance.

Peter G. DeMaria, CFA was appointed as a director of SG DevCo effective April 11, 2023. Mr. DeMaria is a senior banking and finance professional with over thirty-eight years of experience with middle market, mid-corporate, financial sponsor and real estate clients in both domestic and international markets. From December 2018 through May 2022, Mr. DeMaria served as a Senior Managing Director/Group Manager for the middle-market and corporate banking group at PNC Bank where he and his team advised middle market and large corporate clients in the New Jersey and New York City regions. Prior to PNC Bank, Mr. DeMaria served as Managing Director at JPMorgan (December 1984 through November 2018) where he spent nearly 34 years specializing in cash flow and asset-based lending, capital markets and investment banking products. Mr. DeMaria received his BS in Finance and Accounting from Lehigh University (1984). He received a Masters in Business Administration from the Stern School of Business at New York University (1991) and an Executive Management Certificate at the Fuqua School of Business at Duke University (1998).

We selected Mr. DeMaria to serve on our Board of Directors because he brings extensive knowledge of the banking and finance industry. Mr. DeMaria's pertinent experience, qualifications, attributes and skills include financial literacy and expertise, managerial experience and the knowledge and experience he has attained through his banking and finance activities.

John Scott Magrane, Jr. was appointed as a director of SG DevCo effective April 11, 2023. Mr. Magrane is an investment banking professional with over thirty-five years of experience advising power-related enterprises, including utilities, independent power companies, rural electric cooperatives, governments and energy technology companies. Mr. Magrane currently serves as Vice Chairman at Coady Diemar Partners, LLC, a registered broker dealer and boutique investment bank which he founded that provides M&A, strategic and financial advisory, and private capital market services, and from March 2018 to July 2020, served as Chairman and CEO of the firm. From July 2021 until August 2023, Mr. Magrane served on the board of directors of Hydromer (HYDI Pink), global business-to-business (B2B) surface modification and coating solutions provider offering polymer research & development, and manufacturing services capabilities for a wide variety of applications. Prior to Coady Diemar Partners, LLC, from July 1987 to December 2001 Mr. Magrane was employed by Goldman Sachs & Co. where his responsibilities encompassed all manner of corporate finance and strategic advisory activities. While at Goldman, he started the firm's Energy Technology effort. Mr. Magrane began his career and spent 10 years with Blyth, Eastman Dillon & Co. and Paine Webber where he specialized in energy and power project finance. Mr. Magrane earned his undergraduate degree in economics from The College of Wooster in 1970 and his MBA from The Wharton School of the University of Pennsylvania in 1973.

We selected Mr. Magrane to serve on our Board of Directors because he brings extensive knowledge of the investment banking and finance industry. Mr. Magrane's pertinent experience, qualifications, attributes and skills include financial literacy and expertise, managerial experience and the knowledge and experience he has attained through his investment banking and finance activities.

Christopher Melton was appointed as a director of SG DevCo effective April 11, 2023 and has served as a director of SG Holdings since November 4, 2011. Mr. Melton is a licensed real estate salesperson in the States of South Carolina and Georgia and until June 2019 was a principal of Callegro Investments, LLC, a specialist land investor investing in the southeastern U.S., which he founded 2012. Since June 2019 he has served as a specialist Land Advisor with SVN International Corp. Mr. Melton also serves on several public and private boards, including JFB Construction Holdings since March 2025, Safety Shot Holdings, Inc. (formerly Jupiter Wellness, Inc.) since August 2019 and SRM Entertainment, Inc. since June 2023. From February 2018 until June 2019, he served as chief investment officer and analyst at TNT Capital Advisors, a capital advisory firm based in Florida. He also served as a sales agent as MSK Commercial Services, a commercial real estate company, from February 2018 to June 2019. From 2000 to 2008, Mr. Melton was a Portfolio Manager for Kingdon Capital Management ("Kingdon") in New York City, where he ran an $800 million book in media, telecom and Japanese investment. Mr. Melton opened Kingdon's office in Japan, where he set up a Japanese research company. From 1997 to 2000, Mr. Melton served as a Vice President at JPMorgan Investment Management as an equity research analyst, where he helped manage $500 million in REIT funds under management. Mr. Melton was a Senior Real Estate Equity Analyst at RREEF Funds in Chicago from 1995 to 1997. RREEF Funds is the real estate investment management business of Deutsche Bank's Asset Management division. Mr. Melton earned a Bachelor of Arts in Political Economy of Industrial Societies from the University of California, Berkeley in 1995. Mr. Melton earned Certification from University of California, Los Angeles's Anderson Director Education Program in 2014. Mr. Melton earned a certificate in cybersecurity for managers from M.I.T. in 2021 and certificate in AI strategy from Cornell in 2023.

We selected Mr. Melton to serve on our Board of Directors because he brings extensive knowledge of the finance and the real estate industry. Mr. Melton's pertinent experience, qualifications, attributes and skills include financial literacy and expertise, managerial experience and the knowledge and experience he has attained through his real estate investment and development activities.

Alyssa L. Richardson was appointed as a director of SG DevCo effective May 11, 2023. Ms. Richardson is an accomplished real estate executive and political strategist committed to improving economic opportunities and driving capital to under-resourced communities. Since September 2023 she has served as CEO of Develop South Carolina, LLC, a development and consulting firm founded by her which provides creative solutions for developing and financing community-impact projects across the state of South Carolina, with an emphasis on affordable and workforce housing. She is also of-counsel with the Wyche law firm, where she focuses on economic development and tax incentive law. Previously, Ms. Richardson served from January 2023 to September 2023 as CEO of Palmetto Community Developers, LLC and served from March 2020 to January 2023 as Deputy Chief of Staff and State Director to United States Senator Tim Scott. This role included legal counsel, policy recommendations, and on-the-ground advocacy in South Carolina and in Washington, D.C., with special attention to housing and economic development policy as it related to Senator Scott's assignment on the Banking, Housing and Urban Affairs Committee. From October 2016 to February 2020, Ms. Richardson served as a federal prosecutor in Columbia, SC, for the Department of Justice. Her focus area was civil rights and public corruption, to include misuse of federal funds, tax fraud, and abuse of power. Ms. Richardson is a graduate of Harvard Law School. She also holds a summa cum laude economics degree from Furman University.

We selected Ms. Richardson to serve on our Board of Directors because she brings extensive knowledge of working with state and local government officials to develop and finance real estate development projects. Ms. Richardson's pertinent experience, qualifications, attributes and skills include her expertise in real estate development, management and finance.

Jeffrey Tweedy was appointed as a director of SG DevCo effective April 11, 2023. Mr. Tweedy is an accomplished, multi-faceted leader with approximately thirty years of executive experience in the fashion and retail industries. Since March 2021 Mr. Tweedy has served as a Brand Advisor to Sean Jean Clothing, an award-winning clothing and lifestyle brand founded by Sean Combs. From November 2007 to March 2021, Mr. Tweedy served as President and CEO of Sean John, having previously served as Executive Vice President from February 1998 to March 2005, building the brand into a market leader, maximizing sales, including across international markets, and conceptualizing and launching a ground-breaking, profitable and highly visible menswear company distinguished by its sophisticated young men's image. Mr. Tweedy has served on the Advisory Board of the Fashion Institute of Technology since January 2020.

We selected Mr. Tweedy to serve on our Board of Directors because he brings extensive knowledge of building brands and maximizing sales. Mr. Tweedy's pertinent experience, qualifications, attributes and skills include financial literacy and expertise, managerial experience and the knowledge and experience he has attained through his executive experience in the fashion and retail industries.

David Villarreal's biographical information is set forth above under "– Executive Officers".

We selected Mr. Villarreal to serve on our Board of Directors because he brings extensive knowledge of mortgage and real estate industry. Mr. Villarreal's pertinent experience, qualifications, attributes and skills include financial literacy and expertise, managerial experience and the knowledge and experience he has attained through his real estate investment activities.

Committees of the Board of Directors

There are currently three standing committees of the Board of Directors – an Audit Committee, a Compensation Committee and a Nominating and Governance Committee. The Board of Directors has adopted written charters for each committee, which are available on our website at *www.sgdevco.com*.

The tables below set forth the responsibilities of each of the standing Board committees. The Audit Committee is comprised of Peter DeMaria, John Scott Magrane, Jr. and Christopher Melton, with Christopher Melton serving as the Chairman. The Compensation Committee is comprised of Peter DeMaria, John Scott Magrane, Jr. and Jeffrey Tweedy, with John Scott Magrane, Jr. serving as the Chairman. The Nominating and Governance Committee is comprised of Peter DeMaria, Christopher Melton, Alyssa Richardson and Jeffrey Tweedy, with Jeffrey Tweedy serving as the Chairman. Each of the Audit Committee, Compensation Committee and Nominating and Governance Committee are comprised solely of directors who have been determined by the Board of Directors to be independent in accordance with SEC regulations and Nasdaq listing standards (including the heightened independence standards for members of the Audit Committee and the Compensation Committee).

AUDIT COMMITTEE	**Responsibilities**
	● Be directly responsible for the appointment, compensation, retention and oversight of the work of the Company's independent auditors
	● Pre-approve all audit and permitted non-audit services to be provided by the independent auditors
	● Discuss with management and the independent auditors significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements
	● Review with the independent auditors the matters required to be discussed by the applicable auditing standards adopted by the PCAOB and approved by the SEC from time to time
	● Review and discuss the Company's annual and quarterly financial statements with management and the independent auditors
	● Review and discuss with management the Company's earnings press releases
	● Discuss Company policies and practices with respect to risk assessment and risk management
	● Establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters
	● Review related party transactions
	● Each member of the Audit Committee is able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement, and the Board of Directors has determined that Christopher Melton qualifies as an "audit committee financial expert" under applicable SEC rules.

COMPENSATION COMMITTEE	**Responsibilities**
	● Annually determine and approve the CEO's compensation, based upon an evaluation of the CEO's performance in light of approved corporate goals and objectives
	● Annually review and approve the compensation of the Company's other executive officers
	● Review and approve and, when appropriate, recommend to the Board of Directors for approval, incentive compensation plans and equity-based plans of the Company
	● Review and approve and, when appropriate, recommend to the Board of Directors for approval any employment agreements and any severance arrangements or plans, including any benefits to be provided in connection with a change in control, for the CEO and other executive officers
	● Review, approve and, when appropriate, recommend to the Board of Directors for approval, stock ownership guidelines and monitor compliance therewith
	● Review, approve and, when appropriate, recommend to the Board of Directors for approval, the creation or revision of any clawback policy and oversee the application thereof
	● Annually review the potential risk to the Company from its compensation policies and practices
	● Periodically review the compensation paid to non-employee directors for their service and make recommendations to the Board of Directors for any adjustments
NOMINATING AND GOVERNANCE COMMITTEE	**Responsibilities**
	● Periodically make recommendations to the Board of Directors regarding the size and composition of the Board of Directors
	● Develop and recommend to the Board of Directors criteria for the selection of individuals to be considered as candidates for election to the Board of Directors
	● Identify and screen individuals qualified to become members of the Board of Directors
	● Review and make recommendations to the full Board whether members of the Board of Directors should stand for re-election
	● Recommend to the Board of Directors director nominees to fill vacancies
	● Recommend to the Board of Directors director nominees for stockholder approval at each annual or any special meeting of stockholders at which one or more directors are to be elected
	● Make recommendations to the Board of Directors regarding Board of Directors committee memberships
	● Develop and recommend to the Board of Directors a set of corporate governance guidelines and oversee the Company's corporate governance practices
	● Review the Company's strategies, activities, and policies regarding ESG matters and make recommendations to the Board of Directors
	● Oversee an annual evaluation of the Board of Directors and its committees

Delinquent Section 16(a) Reports

Section 16(a) of the Exchange Act requires the Company's directors and executive officers, and persons who own more than ten percent of a registered class of the Company's equity securities, to file with the SEC initial reports of ownership and reports of changes in ownership of common stock and other equity securities of the Company. Officers, directors and greater than ten percent stockholders are required by SEC regulation to furnish the Company with copies of all Section 16(a) forms they file.

To the Company's knowledge, based solely on a review of the copies of such reports filed on the SEC's EDGAR system, during the fiscal year ended December 31, 2024, as well as during prior periods which were unreported, all Section 16(a) filing requirements applicable to the Company's officers, directors and greater than ten percent beneficial owners were complied with other than as follows: Safe & Green Holdings Corp. filed a Form 4 on April 3, 2024 reporting one transaction; David Villarreal and Nicolai Brune each filed a Form 4 on October 7, 2024 reporting one transaction.

Corporate Code of Business Conduct and Ethics

The Board of Directors has adopted a Corporate Code of Business Conduct and Ethics that applies to all of the Company's directors, officers, and employees. The Corporate Code of Business Conduct and Ethics covers areas such as conflicts of interest, insider trading and compliance with laws and regulations. The Code of Business Conduct and Ethics is available on our website at *www.sgdevco.com*. We intend to post any amendments to or waivers from our Code of Business Conduct and Ethics at this location on our website.

Insider Trading Policy

We have adopted an Insider Trading Policy that is designed to promote compliance with federal and state securities laws and regulations, as well as the rules and regulations of Nasdaq. The Trading Policy provides our standards on trading and causing the trading of our securities while in possession of material non-public information. It prohibits trading in certain circumstances and applies to all of our directors, officers and employees as well as independent contractors or consultants. Additionally, our Trading Policy imposes special additional trading restrictions applicable to all of our directors and executive officers and to such persons' family members who live in such persons' households. The Trading Policy also requires us to comply with all insider trading laws, rules and regulations, and any applicable listing standards when engaging in transactions in our own securities.

Item 11. Executive Compensation.

We are an "emerging growth company" and a "smaller reporting company" under applicable federal securities laws and therefore permitted to take advantage of certain reduced public company reporting requirements. As such, we provide in this Annual Report the scaled disclosure permitted under the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, including the compensation disclosures required of a "smaller reporting company," as that term is defined in Rule 12b-2 promulgated under the Exchange Act.

Summary Compensation Table

The following table sets forth all compensation awarded to, paid to or earned by the following named executive officers for the fiscal year ended December 31, 2024:

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)[1]	All Other Compensation ($)[2]	Total ($)
David Villarreal,	2024	$ 450,000	$ 28,125	$ 240,720	$ 1,000	$ 719,845
President and Chief Executive Officer[3]	2023	$ 275,000	$ 71,025	$ 1,131,000	$ 1,250	$ 1,478,275
Nicolai Brune,	2024	$ 302,000	$ 56,580	$ 113,280	$ 12,750	$ 484,880
Chief Financial Officer[3]	2023	$ 217,000	$ 55,875	$ 348,000	$ 1,250	$ 622,125

(1) For 2024, the amounts reported are based on the closing price of the Company's common stock at the time of grant. For 2023, the amounts reported are based on an assumed grant date value of $34.80, which was the closing price of the Company's common stock on September 28, 2023, the day the Company's common stock began trading on the Nasdaq Capital Market. As of December 31, 2023, no shares had been issued pursuant to such restricted stock units. The shares underlying such restricted stock units were issued in the first quarter of 2024. These amounts do not reflect actual payments made to our named executive officers. There can be no assurance that the assumed grant date fair value will ever be realized by any named executive officer. For further information on assumptions made in the valuation of stock awards, see "Note 2—Summary of Significant Accounting Policies" of the notes to our financial statements for the years ended December 31, 2024 and 2023 included elsewhere in this Annual Report.

(2) For 2024 and 2023, all other compensation consisted of $1,250 in cell phone reimbursements.

(3) Mr. Villarreal was appointed President and Chief Executive Officer on February 3, 2023. Mr. Brune was appointed Chief Financial Officer on February 14, 2023.

Narrative Disclosure to Summary Compensation Table

Employment Agreements

David Villarreal

On February 3, 2023, we entered into an executive employment agreement (as amended, the "Villarreal Employment Agreement") with David Villarreal to employ Mr. Villarreal as the Company's President and Chief Executive Officer for an initial term of two (2) years, which provides for an annual base salary of $300,000, a discretionary bonus of up to 25% of his base salary upon achievement of objectives as may be determined by the Company's Board of Directors and severance in the event of a termination without cause in amount equal to equal to one year's annual base salary and benefits. On February 2, 2024, the Company entered into an employment agreement amendment with Mr. Villarreal to increase Mr. Villarreal's annual base salary to $450,000, effective as of November 1, 2023. Pursuant to the terms of the employment agreement, subject to Board of Directors approval, we agreed to issue to Mr. Villarreal an RSU award under the Company's 2023 Plan, as and when adopted, for 32,500 shares of the Company's Common Stock. See "- RSUs – David Villarreal." Mr. Villarreal is subject to a one-year post-termination non-compete and non-solicit of employees and clients. He is also bound by confidentiality provisions. Mr. Villarreal's employment may be terminated by us in the event of death or disability; for cause (as defined in the Villarreal Employment Agreement) upon 10 day's written notice, or without cause upon 30 days' written notice. In the event of a termination for cause, Mr. Villarreal would be entitled to only his accrued salary and vacation time through the termination date. In the event of a termination for any reason other than for cause, Mr. Villarreal would be entitled to receive severance equal to one (1) year's salary and benefits, including, among other things, accelerated vesting of RSU's at the discretion of the Compensation Committee.

Nicolai Brune

On February 14, 2023, we entered into an executive employment agreement (as amended, the "Brune Employment Agreement") with Nicolai Brune to employ Mr. Brune as the Company's Chief Financial Officer for an initial term of two (2) years, which provides for an annual base salary of $250,000, a discretionary bonus of up to 20% of his base salary upon achievement of objectives as may be determined by the Company's board of directors and severance in the event of a termination without cause on or after June 30, 2023 in amount equal to equal to one year's annual base salary and benefits. On February 2, 2024, the Company entered into an employment agreement amendment with Mr. Brune to increase Mr. Brune's annual base salary to $302,000, effective as of November 1, 2023. Pursuant to the terms of the employment agreement, subject to Board of Directors approval, we agreed to issue to Mr. Brune an RSU award under the Company's 2023 Plan, as and when adopted, for 10,000 shares of the Company's Common Stock. See "- RSUs – Nicolai Brune." Mr. Brune is subject to a one-year post-termination non-compete and non-solicit of employees and clients. He is also bound by confidentiality provisions. Mr. Brune's employment may be terminated by us in the event of death or disability; for cause (as defined in the Brune Employment Agreement) upon 10 day's written notice, or without cause upon 30 days' written notice. In the event of a termination for cause, Mr. Brune would be entitled to only his accrued salary and vacation time through the termination date. In the event of a termination for any reason other than for cause, Mr. Brune would be entitled to receive severance equal to one (1) year's salary and benefits.

Bonuses

David Villarreal

On September 15, 2023, the Compensation Committee approved the payment of a $42,900 cash bonus to Mr. Villarreal for his service to the Company in connection with the Separation and Distribution. In addition, on February 2, 2024, the Compensation Committee awarded Mr. Villarreal a cash bonus equal to three weeks of his annual salary, or $28,125, for his contribution to the Company during 2023, to be paid out at management's discretion. This bonus was paid in two installments: the first on December 10, 2023, and the second on June 4, 2024

Nicolai Brune.

In June 2023, the Company paid Mr. Brune a discretionary cash bonus of $15,000. On September 15, 2023, the Compensation Committee approved the payment of a $22,000 cash bonus to Mr. Brune for his service to the Company in connection with the Separation and Distribution. In addition, on February 2, 2024, the Compensation Committee awarded Mr. Brune a cash bonus equal to three weeks of his annual salary, or $18,875, for his contribution to the Company during 2023, to be paid out at management's discretion. This bonus was paid in two installments: the first on December 10, 2023, and the second on June 4, 2024Equity Awards

David Villarreal.

On April 11, 2023, we granted RSUs under the 2023 Plan to David Villarreal representing 32,500 shares of our Common Stock, vesting fifty percent (50%) upon issuance, with the balance vesting quarterly on a pro-rata basis over the next eighteen (18) months of continuous service ("Mr. Villarreal's Initial RSU Grant"). On February 2, 2024, the Compensation Committee accelerated the vesting of the balance of Mr. Villarreal's Initial RSU Grant.

On October 1, 2024, we granted RSUs under the 2023 Plan to David Villarreal representing 42,500 shares of our Common Stock, vesting twenty-five percent (25%) upon issuance, with the balance vesting in equal installments on each of December 31, 2024, March 30, 2025 and June 30, 2025.

Nicolai Brune.

On April 11, 2023, we granted RSUs under the 2023 Plan to Nicolai Brune representing 10,000 shares of our Common Stock, vesting fifty percent (50%) upon issuance, with the balance vesting quarterly on a pro-rata basis over the next eighteen (18) months of continuous service ("Mr. Brune's Initial RSU Grant"). On February 2, 2024, the Compensation Committee accelerated the vesting of the balance of Mr. Brune's Initial RSU Grant.

On October 1, 2024, we granted RSUs under the 2023 Plan to Nicolai Brune representing 10,000 shares of our Common Stock, vesting twenty-five percent (25%) upon issuance, with the balance vesting in equal installments on each of December 31, 2024, March 30, 2025 and June 30, 2025.

Retirement, Health, Welfare, and Additional Benefits

Our executive officers are eligible to participate in our employee benefit plans and programs, including medical benefits, flexible spending accounts, short and long-term disability and life insurance, to the same extent as our other full-time employees, subject to the terms and eligibility requirements of those plans. Our executive officers are also eligible to participate in a tax-qualified 401(k) defined contribution plan to the same extent as our other full-time employees. Currently, we do match contributions made by participants in the 401(k) plan or make other contributions to participant accounts.

Outstanding Equity Awards at Fiscal Year-End

The following table sets forth information regarding the outstanding option awards held by the named executive officers as of December 31, 2024:

	Stock Awards	
Name	**Number of shares or units of stock that have not vested (#) [1]**	**Market value of shares or units of stock that have not vested ($) [2]**
David Villarreal	21,250	$ 1,134,750
Nicolai Brune	10,000	$ 534,000

(1) Represents restricted stock units which vest fifty percent (50%) upon issuance, with the balance vesting quarterly on a pro-rata basis over eighteen (18) months.
(2) Calculated by multiplying the closing price per share of the Company's common stock on December 31, 2024, $2.67 by the number of shares.

2023 Incentive Compensation Plan

The 2023 Plan was approved and adopted on February 28, 2023 by our Board of Directors as well as SG Holdings, our sole stockholder on such date. The principal provisions of the 2023 Plan are summarized below.

Administration

The 2023 Plan vests broad powers in a committee to administer and interpret the 2023 Plan. Our Board of Directors has initially designated the Compensation Committee to administer the 2023 Plan. Except when limited by the terms of the 2023 Plan, the Compensation Committee has the authority to, among other things: select the persons to be granted awards; determine the type, size and term of awards; establish performance objectives and conditions for earning awards; determine whether such performance objectives and conditions have been met; and accelerate the vesting or exercisability of an award. In its discretion, the Compensation Committee may delegate all or part of its authority and duties with respect to granting awards to one or more of our officers, subject to certain limitations and provided applicable law so permits.

Our Board of Directors may amend, alter or discontinue the 2023 Plan and the Compensation Committee may amend any outstanding award at any time; provided, however, that no such amendment or termination may adversely affect awards then outstanding without the holder's permission. In addition, any amendments seeking to increase the total number of shares reserved for issuance under the 2023 Plan or modifying the classes of participants eligible to receive awards under the 2023 Plan will require ratification by our stockholders in accordance with applicable law. Additionally, as described more fully below, neither the Compensation Committee nor the Board of Directors is permitted to reprice outstanding options or stock appreciation rights without stockholder consent.

Eligibility

Any of our employees, directors, consultants, and other service providers, or those of our affiliates, are eligible to participate in the 2023 Plan and may be selected by the Compensation Committee to receive an award.

Vesting

The Compensation Committee determines the vesting conditions for awards. These conditions may include the continued employment or service of the participant, the attainment of specific individual or corporate performance goals, or other factors as determined in the Compensation Committee's discretion (collectively, "Vesting Conditions").

Shares of Stock Available for Issuance

Subject to certain adjustments, the maximum number of shares of Common Stock that may be issued under the 2023 Plan in connection with awards is 200,000 shares (as adjusted to reflect the Reverse Stock Split). In addition, the maximum number of shares of Common Stock that may be issued under the 2023 Plan will automatically increase on January 1 of each calendar year for a period of ten years commencing on January 1, 2024 and ending on (and including) January 1, 2033, in a number of shares of Common Stock equal to 4.5% of the total number of shares of Common Stock outstanding on December 31 of the preceding calendar year; provided, however that the Board of Directors may act prior to January 1 of a given calendar year to provide that the increase for such year will be a lesser number of shares of Common Stock. All available shares may be utilized toward the grant of any type of award under the 2023 Plan. The 2023 Plan imposes a limitation on the total number of shares of Common Stock with respect to which awards may be granted to any non-employee director in his or her capacity as a non-employee director in any single calendar year of 50,000 shares (as adjusted to reflect the Reverse Stock Split).

In the event of any merger, consolidation, reorganization, recapitalization, stock split, reverse stock split, split up, spin-off, combination of shares, exchange of shares, stock dividend, dividend in kind, or other like change in capital structure (other than ordinary cash dividends), or other similar corporate event or transaction that affects our Common Stock, the Compensation Committee shall make adjustments to the number and kind of shares authorized by the 2023 Plan and covered under outstanding 2023 Plan awards as it determines appropriate and equitable. Shares subject to 2023 Plan awards that expire without being fully exercised or that are otherwise forfeited, cancelled or terminated may again be made available for issuance under the 2023 Plan. However, shares withheld in settlement of a tax withholding obligation, or in satisfaction of the exercise price payable upon exercise of an option, will not again become available for issuance under the 2023 Plan.

Types of Awards

The following types of awards may be granted to participants under the 2023 Plan include: (i) incentive stock options, or ISOs; (ii) nonqualified stock options, or NQOs and together with ISOs, options, (iii) stock appreciation rights, (iv) restricted stock, or (v) restricted stock units.

Stock Options. An option entitles the holder to purchase from us a stated number of shares of Common Stock. An ISO may only be granted to an employee of ours or our eligible affiliates. The Compensation Committee will specify the number of shares of Common Stock subject to each option and the exercise price for such option, provided that the exercise price may not be less than the fair market value of a share of Common Stock on the date the option is granted. Notwithstanding the foregoing, if ISOs are granted to any 10% stockholder, the exercise price shall not be less than 110% of the fair market value of Common Stock on the date the option is granted.

Generally, options may be exercised in whole or in part through a cash payment. The Compensation Committee may, in its sole discretion, permit payment of the exercise price of an option in the form of previously acquired shares based on the fair market value of the shares on the date the option is exercised, through means of "net settlement," which involves the cancellation of a portion of the option to cover the cost of exercising the balance of the option or by such other means as it deems acceptable.

All options shall be or become exercisable in accordance with the terms of the applicable award agreement. The maximum term of an option shall be determined by the Compensation Committee on the date of grant but shall not exceed 10 years (5 years in the case of ISOs granted to any 10% stockholder). In the case of ISOs, the aggregate fair market value (determined as of the date of grant) of Common Stock with respect to which such ISOs become exercisable for the first time during any calendar year cannot exceed $100,000. ISOs granted in excess of this limitation will be treated as non-qualified stock options.

Stock Appreciation Rights. A stock appreciation right represents the right to receive, upon exercise, any appreciation in a share of Common Stock over a particular time period. The base price of a stock appreciation right shall not be less than the fair market value of a share of Common Stock on the date the stock appreciation right is granted. This award is intended to mirror the benefit the participant would have received if the Compensation Committee had granted the participant an option. The maximum term of a stock appreciation right shall be determined by the Compensation Committee on the date of grant but shall not exceed 10 years. Distributions with respect to stock appreciation rights may be made in cash, shares of Common Stock, or a combination of both, at the Compensation Committee's discretion.

Unless otherwise provided in an award agreement or determined by the Compensation Committee, if a participant terminates employment with us (or our affiliates) due to death or disability, the participant's unexercised options and stock appreciation rights may be exercised, to the extent they were exercisable on the termination date, for a period of twelve months from the termination date or until the expiration of the original award term, whichever period is shorter. If the participant terminates employment with us (or our affiliates) for cause, (i) all unexercised options and stock appreciation rights (whether vested or unvested) shall terminate and be forfeited on the termination date, and (ii) any shares in respect of exercised options or stock appreciation rights for which we have not yet delivered share certificates will be forfeited and we will refund to the participant the option exercise price paid for those shares, if any. If the participant's employment terminates for any other reason, any vested but unexercised options and stock appreciation rights may be exercised by the participant, to the extent exercisable at the time of termination, for a period of ninety days from the termination date (or such time as specified by the Compensation Committee at or after grant) or until the expiration of the original option or stock appreciation right term, whichever period is shorter. Unless otherwise provided by the Compensation Committee, any options and stock appreciation rights that are not exercisable at the time of termination of employment shall terminate and be forfeited on the termination date.

Restricted Stock. A restricted stock award is a grant of shares of Common Stock, which are subject to forfeiture restrictions during a restriction period. The Compensation Committee will determine the price, if any, to be paid by the participant for each share of Common Stock subject to a restricted stock award. The restricted stock may be subject to Vesting Conditions. If the specified Vesting Conditions are not attained, the participant will forfeit the portion of the restricted stock award with respect to which those conditions are not attained, and the underlying Common Stock will be forfeited to us. At the end of the restriction period, if the Vesting Conditions have been satisfied, the restrictions imposed will lapse with respect to the applicable number of shares. Unless otherwise provided in an award agreement or determined by the Compensation Committee, upon termination a participant will forfeit all restricted stock that then remains subject to forfeiture restrictions.

Restricted Stock Units. Restricted stock units are granted in reference to a specified number of shares of Common Stock and entitle the holder to receive, on the achievement of applicable Vesting Conditions, shares of Common Stock. Unless otherwise provided in an award agreement or determined by the Compensation committee, upon termination a participant will forfeit all restricted stock units that then remain subject to forfeiture.

Change in Control

In the event of a change in control, the Compensation Committee may, on a participant-by-participant basis: (i) cause any or all outstanding awards to become vested and immediately exercisable (as applicable), in whole or in part; (ii) cause any outstanding option or stock appreciation right to become fully vested and immediately exercisable for a reasonable period in advance of the change in control and, to the extent not exercised prior to that change in control, cancel that option or stock appreciation right upon closing of the change in control; (iii) cancel any unvested award or unvested portion thereof, with or without consideration; (iv) cancel any award in exchange for a substitute award; (v) redeem any restricted stock or restricted stock unit for cash and/or other substitute consideration with value equal to the fair market value of an unrestricted share on the date of the change in control; (vi) cancel any outstanding option or stock appreciation right with respect to all Common Stock for which the award remains unexercised in exchange for a cash payment equal to the excess (if any) of the fair market value of the Common Stock subject to the option or stock appreciation right over the exercise price of the option or stock appreciation right; (vii) impose vesting terms on cash or substitute consideration payable upon cancellation of an award that are substantially similar to those that applied to the cancelled award immediately prior to the change in control, and/or earn-out, escrow, holdback or similar arrangements, to the extent such arrangements are applicable to any consideration paid to stockholders in connection with the change in control; (viii) take such other action as the Compensation Committee shall determine to be reasonable under the circumstances; and/or (ix) in the case of any award subject to Section 409A of the Code, the Compensation Committee shall only be permitted to use discretion to alter the settlement timing of the award to the extent that such discretion would be permitted under Section 409A of the Code.

Repricing

Neither our Board of Directors nor the Compensation Committee may, without obtaining prior approval of our stockholders: (i) implement any cancellation/re-grant program pursuant to which outstanding options or stock appreciation rights under the 2023 Plan are cancelled and new options or stock appreciation rights are granted in replacement with a lower exercise per share; (ii) cancel outstanding options or stock appreciation rights under the 2023 Plan with an exercise price per share in excess of the then current fair market value per share for consideration payable in our equity securities; or (iii) otherwise directly reduce the exercise price in effect for outstanding options or stock appreciation rights under the 2023 Plan.

Miscellaneous

Generally, awards granted under the 2023 Plan shall be nontransferable except by will or by the laws of descent and distribution. No participant shall have any rights as a stockholder with respect to shares covered by options or restricted stock units, unless and until such awards are settled in shares of Common Stock. The Company's obligation to issue shares or to otherwise make payments in respect of 2023 Plan awards will be conditioned on the Company's ability to do so in compliance with all applicable laws and exchange listing requirements. The awards will be subject to our recoupment and stock ownership policies, as may be in effect from time to time. The 2023 Plan will expire 10 years after it becomes effective.

Clawback Policy

The Board has adopted a clawback policy which requires the clawback of erroneously awarded incentive-based compensation of past or current executive officers awarded during the three full fiscal years preceding the date on which the issuer is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the federal securities laws. There is no fault or misconduct required to trigger a clawback.

The Compensation Committee shall determine, in its sole discretion, the timing and method for promptly recouping such erroneously awarded compensation, which may include without limitation: (a) seeking reimbursement of all or part of any cash or equity-based award, (b) cancelling prior cash or equity-based awards, whether vested or unvested or paid or unpaid, (c) cancelling or offsetting against any planned future cash or equity-based awards, (d) forfeiture of deferred compensation, subject to compliance with Section 409A of the Internal Revenue Code and the regulations promulgated thereunder, and (e) any other method authorized by applicable law or contract. Subject to compliance with any applicable law, the Compensation Committee may affect recovery under this policy from any amount otherwise payable to the executive officer, including amounts payable to such individual under any otherwise applicable Company plan or program, including base salary, bonuses or commissions and compensation previously deferred by the executive officer.

Company Policies and Practices Related to the Grant of Certain Equity Awards Close in Time to the Release of Material Nonpublic Information

We do not have a formal policy on the timing of awards of options in relation to our disclosure of material nonpublic information. The Board and the Compensation Committee do not seek to time equity grants to take advantage of information, either positive or negative, about our company that has not been publicly disclosed. Option grants are effective on the date the award determination is made by the Board and/or the Compensation Committee, and the exercise price of options is the closing market price of our Common Stock on the date of the grant or, if the grant is made on a weekend or holiday, on the prior business day.

Director Compensation

Non-Employee Director Compensation 2024 Program

Our non-employee director compensation program is designed to provide competitive compensation necessary to attract and retain high quality outside directors and to encourage ownership of Company stock to further align their interests with those of our stockholders. For 2024, each director was given the option to select one of the following three compensation options quarterly (with payments to be made on or about April 1, 2024, July 1, 2024, October 1, 2024 and January 1, 2025):

Option A	Option B	Option C
• A cash retainer of $20,000, and • A grant of 20,000 restricted stock units ("RSUs") that will vest after three months of continued service by the director.	• A cash retainer of $10,000; and • A grant of 30,000 RSUs that will vest after three months of continued service by the director.	• A grant of 40,000 RSUs that will vest after three months of continued service by the director.

Director Compensation Table for Fiscal 2024

The following table sets forth information regarding all forms of compensation that were both earned by and paid to our Executive Chairman and each of our non-employee directors during the year ended December 31, 2024. Mr. Villarreal, our President and Chief Executive Officer, receives no compensation for his service as a director and is not included in the table below. The compensation arrangements for Mr. Villarreal are disclosed in the Summary Compensation Table set forth in the "Executive Compensation" section of this Annual Report.

Name	Fees Earned or Paid in Cash ($)[1]	Stock Awards[2]	Total
John Scott Magrane, Jr.	$ 80,000	$ 64,535	$ 144,535
Jeffrey Tweedy	$ 40,000	$ 56,090	$ 96,090
Peter DeMaria	$ 80,000	$ 64,535	$ 144,535
Paul Galvin [3]	$ 80,000	$ 56,090	$ 126,090
Alyssa Richardson	$ 40,000	$ 56,090	$ 96,090
Yaniv Blumenfeld	$ 80,000	$ 39,200	$ 119,200
Christopher Melton	$ 80,000	$ 64,535	$ 114,535

(1) The amounts reported in this column represent the prorated portions paid or accrued in 2024 of: the annual cash retainer of $80,000 for serving on our board of directors, and cash retainers of $5,000 for serving as chair of our Audit Committee (in the case of Mr. Melton), $5,000 for serving as chair of our Compensation Committee (in the case of Mr. Magrane), $5,000 for serving as chair of our Nominating and Corporate Governance Committee (in the case of Mr. Tweedy) and $5,000 for serving as our Lead Director (in the case of Mr. Melton).

(2) The amounts reported are based on the closing price of the Company's common stock on the date of grant. These amounts do not reflect actual payments made to our directors. There can be no assurance that the assumed grant date fair value will ever be realized by any director.

(3) Mr. Galvin resigned from his position as a director of the Company on December 31, 2024.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table sets forth certain information regarding the beneficial ownership of our common stock as of March [●], 2025 by: (i) each current director, (ii) each named executive officer, (iii) each person who we know to be the beneficial owner of more than 5% of our common stock, and (iv) all current directors and executive officers as a group. As of the March [●], 2025, 14,351,248 shares of our common stock were outstanding. The persons named in the table have sole voting and investment power with respect to all shares of our common stock shown as beneficially owned by them. Unless otherwise indicated, the address of each beneficial owner listed in the table below is c/o Safe and Green Development Corporation, 100 Biscayne Blvd., Floor 12, Suite 1201, Miami, Florida 33132.

Name of Beneficial Owner	Shares of Common Stock Beneficially Owned[(1)]	Percentage of Common Stock Beneficially Owned[(1)]
David Villarreal	459,146	3.2%
Nicolai Brune	167,472	1.2%
John Scott Magrane	52,500	*
Jeffrey Tweedy	52,500	*
Alyssa Richardson	52,500	*
Peter DeMaria	52,500	*
Christopher Melton	68,568	*
Yaniv Blumenfeld	73,219	*
All current executive officers and directors as a group (8 persons)	1,840,368	12.8%
5% Stockholders other than executive officers and directors		
Safe & Green Holdings Corp.	6,353,508	44.3%
Arena Investors, LP and affiliated entities[(2)]	131,406	7.3%

* Represents beneficial ownership of less than one percent.

(1) The securities "beneficially owned" by a person are determined in accordance with the definition of "beneficial ownership" set forth in the regulations of the SEC and, accordingly, may include securities owned by or for, among others, the spouse, children or certain other relatives of such person as well as other securities as to which the person has or shares voting or investment power. The same shares may be beneficially owned by more than one person. Shares of common stock currently issuable or issuable within 60 days of March [●], 2025 upon the vesting of restricted stock units are deemed to be outstanding in computing the beneficial ownership and percentage of beneficial ownership of the person holding such securities, but they are not deemed to be outstanding in computing the percentage of beneficial ownership of any other person. Beneficial ownership does not include restricted stock units which have not vested as of, and will not vest within 60 days of, the record date. Beneficial ownership may be disclaimed as to certain of the securities.

(2) Information was derived from a Schedule 13G filing with the SEC filed on February 27, 2025 by Arena Investors LP, (the "Investment Manager"), who serves as investment manager to the Arena Funds (as defined below) and as subadvisor to Arena Global (as defined below); (ii) Arena Investors GP, LLC, who serves as the general partner of the Investment Manager (the "IM General Partner"); (iii) Arena Business Solutions Global SPC II, LTD. ("Arena Global"); (iv) Arena Special Opportunities (Offshore) Master, LP ("ASOFM"); (v) Arena Special Opportunities Fund (Offshore) II GP, LP, who serves as the general partner of ASOFM (the "ASOFM General Partner"); (vi) Arena Special Opportunities Fund, LP ("ASOF"); (vii) Arena Special Opportunities Fund (Onshore) GP, LLC, who serves as the general partner of ASOF (the "ASOF General Partner"); (viii) Arena Special Opportunities Partners II, LP ("ASOPII"); (ix) Arena Special Opportunities Partners (Onshore) GP II, LLC, who serves as the general partner of ASOPII (the "ASOPII General Partner"); (x) Arena Special Opportunities Partners III, LP ("ASOPIII"; and collectively with ASOFM, ASOF and ASOPII, the "Arena Funds"); and (xi) Arena Special Opportunities Partners III GP, LLC , who serves as the general partner of ASOPIII (the "ASOPIII General Partner"); The Arena Funds and Arena Global directly beneficially own the Common Stock reported above. The Investment Manager and the IM General Partner may be deemed to beneficially own the Common Stock directly beneficially owned by the Arena Funds and Arena Global. The ASOFM General Partner may be deemed to beneficially own the Common Stock directly beneficially owned by ASOFM. The ASOF General Partner may be deemed to beneficially own the Common Stock directly beneficially owned by ASOF. The ASOPII General Partner may be deemed to beneficially own the Common Stock directly beneficially owned by ASOPII. The ASOPIII General Partner may be deemed to beneficially own the Common Stock directly beneficially owned by ASOPIII. The principal business office of Arena Investors LP and its affiliated entities is 2500 Westchester Avenue, Suite 41, Purchase, New York 10577.

Equity Compensation Plan Information

The following table details information regarding our existing equity compensation plans as of December 31, 2024:

Plan Category	Number of Shares Issuable Upon Exercise of Outstanding Options, Warrants or Rights (a)[1]	Weighted-Average Exercise Price of Outstanding Options (b)	Number of Shares Remaining Available for Issuance Under Equity Compensation Plans (Excluding Shares Reflected in Column (a))(c)[2]
Equity compensation plans approved by security holders	1,831,250	$ N/A	2,168,750
Equity compensation plans not approved by security holders	-	-	-
Total	1,831,250	$ N/A	2,168,750

(1) Includes 1,831,250 shares issuable upon the vesting of restricted stock units outstanding under the 2023 Plan.

(2) The maximum number of shares of Common Stock that may be issued under the 2023 Plan will automatically increase on January 1 of each calendar year for a period of ten years commencing on January 1, 2024 and ending on (and including) January 1, 2033, in a number of shares of Common Stock equal to 4.5% of the total number of shares of Common Stock outstanding on December 31 of the preceding calendar year; provided, however that the Board of Directors may act prior to January 1 of a given calendar year to provide that the increase for such year will be a lesser number of shares of Common Stock. On January 1, 2025, [•] shares of the Company's common stock were added to the 2023 Plan pursuant to the provisions described above.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Related Party Transactions

Procedures for Approval of Related Person Transactions

The Company has a written related person transaction policy regarding the review and approval or ratification of related person transactions.

The related person transaction policy applies to any transaction in which SG DevCo is a participant, the amount involved exceeds the lesser of $120,000 or 1% of the average of the Company's total assets as of the end of the last two completed fiscal years and a related party has or will have a direct or indirect material interest. A related party means any director or executive officer, any nominee for director, any stockholder known to SG DevCo to be the beneficial owner of more than 5% of any class of the Company's voting securities, any immediate family member of any such persons, any entity in which any of such persons is employed or occupies a similar position, and any entity in which any of such persons has a direct or indirect ownership interest in such entity that, when aggregated with the ownership interests of all the persons identified above, amounts to a 10% or greater ownership interest.

It is the responsibility of the Audit Committee to review related party transactions and approve, ratify, revise or reject such transactions. It is our policy to enter into or ratify related party transactions only when it is determined that the related party transaction in question is in, or is not inconsistent with, the best interests of SG DevCo and its stockholders. In determining whether to approve or ratify a related party transaction, the Audit Committee is able to consider, among other factors it deems appropriate, whether the proposed transaction would occur in the ordinary course of business; the purpose and benefits of the proposed transaction to SG DevCo; the terms and conditions of the proposed transaction; and the terms and conditions available to unrelated third parties in arms-length negotiations in respect of similar transactions. No director will be able to participate in the deliberations or vote regarding a transaction in which he or she, or a member of his or her immediate family, has a direct or indirect interest.

Our related person transaction policy provides that certain types of transactions are deemed to be pre-approved, including compensation of executive officers and directors approved by the Compensation Committee and transactions involving competitive bids or at rates fixed by governmental authority.

Related Party Transactions since Inception

On August 9, 2023, we and SG Holdings entered into a Note Cancellation Agreement, effective as of July 1, 2023, pursuant to which SG Holdings cancelled and forgave the remaining $4,000,000 balance then due on that certain promissory note, dated December 19, 2021, made by us in favor of SG Holdings in the original principal amount of $4,200,000.

As of December 31, 2024, $1,720,844 was due from SG Holdings for advances made by the Company. As of December 31, 2023, the Company did not believe there was certainty in the collectability of the advances we have made to SG Holdings and therefore recorded a reserve against the $1,720,844, which is included in additional paid-in capital. On January 29, 2025, we entered into a mutual release and discharge agreement (the "Mutual Release") with SG Holdings pursuant to us forgiving and releasing from its obligations to us under that certain promissory note, dated August 9, 2023, in the principal amount of $908,322.95 and in respect of $815,522 of inter-company advances from us to SG Holdings (which amounts had been written off of our balance sheet as of December 31, 2023) in exchange for SG Holdings forgiving $394,329 of inter-company debt owed to SG Holdings by us and for SG Holdings transferring 276,425 shares (the "Shares") of our Common Stock owned by SG Holdings to us. SG Holdings has agreed to return the Shares to the Company within 48 hours. The Company currently plans to hold the Shares in its treasury. As a result of this agreement, SG Holdings will no longer be a stockholder of the Company.

The Separation from SG Holdings

In connection with the Separation and Distribution, we entered into a separation and distribution agreement and several other agreements with SG Holdings to effect the Separation and provide a framework for our relationship with SG Holdings and its subsidiaries after the Separation. These agreements provide for the allocation between us, on the one hand, and SG Holdings and its subsidiaries on the other hand, of the assets, liabilities and obligations associated with the Spin-Off Business, on the one hand, and SG Holdings other current businesses, on the other hand, and will govern the relationship between our company, on the one hand, and SG Holdings and its subsidiaries, on the other hand, subsequent to the Separation and Distribution (including with respect to transition services, employee matters and tax matters).

Separation and Distribution Agreement

The separation and distribution agreement governs the overall terms of the Separation and Distribution and specified those conditions that must be satisfied or waived by SG Holdings prior to the completion of the Separation. We and SG Holdings each agreed to indemnify the other and each of the other's current and former directors, officers, and employees, and each of the heirs, executors, administrators, successors, and assigns of any of them, against certain liabilities incurred in connection with the Separation and Distribution and our and SG Holdings' respective businesses. The amount of either SG Holdings or our indemnification obligations will be reduced by any net insurance proceeds the party being indemnified receives. The separation and distribution agreement also establishes procedures for handling claims subject to indemnification and related matters.

Tax Matters Agreement

In connection with the Separation, we and SG Holdings entered into a tax matters agreement that contains certain tax matters arrangements and governs the parties' respective rights, responsibilities, and obligations with respect to taxes, including taxes arising in the ordinary course of business and taxes incurred as a result of the Separation and the Distribution. The tax matters arrangement also sets forth the respective obligations of the parties with respect to the filing of tax returns, the administration of tax contests, and assistance and cooperation on tax matters.

The tax matters agreement governs the rights and obligations that we and SG Holdings have after the Separation with respect to taxes for both pre- and post-closing periods. Under the tax matters arrangement, we will be responsible for (i) any of our taxes for all periods prior to and after the Distribution and (ii) any taxes of the SG Holdings group for periods prior to the Distribution to the extent attributable to the real estate development business. SG Holdings generally will be responsible for any of the taxes of the SG Holdings group other than taxes for which we are responsible. In addition, SG Holdings will be responsible for its taxes arising as a result of the Separation and Distribution. Notwithstanding the foregoing, sales, use, transfer, real property transfer, intangible, recordation, registration, documentary, stamp or similar taxes imposed on the Distribution shall be borne fifty percent (50%) by us and fifty percent (50%) by SG Holdings. We shall be entitled to any refund (and any interest thereon received from the applicable tax authority) of taxes for which we are responsible for under the tax matters agreement and SG Holdings shall be entitled to any refund (and any interest thereon received from the applicable tax authority) of taxes for which SG Holdings is responsible for under the tax matters agreement.

Each of SG Holdings and SG DevCo will indemnify each other against any taxes allocated to such party under the tax matters agreement and related out-of-pocket costs and expenses.

Shared Services Agreement

In connection with the Separation, we entered into a shared services agreement with SG Holdings which sets forth the terms on which SG Holdings provides to us certain services or functions that the companies historically have shared. Shared services will include various administrative, accounting, communications/investor relations, human resources, operations/construction services, and strategic management and other support services.

In consideration for such services, we pay fees to SG Holdings for the services provided, and those fees are generally in amounts intended to allow SG Holdings to recover all of its direct and indirect costs incurred in providing those services. SG Holdings charges us a fee for services performed by (i) its employees which is a percentage of each employee's base salary based upon an allocation of their business time spent providing such services and (ii) third parties, the fees charged by such third parties. We also pay SG Holdings for general and administrative expenses incurred by SG Holdings attributable to both the operation of SG Holdings (other than the provision of the services performed by SG Holdings' employees) and the provision of the shared services, including but not limited to information technology, data subscription and corporate overhead expenses, the portion of such costs and expenses that are attributable to the provision of the shared services, as reasonably determined by SG Holdings. The personnel performing services under the shared services agreement are employees and/or independent contractors of SG Holdings and are not under our direction or control. As such, conflicts of interest may arise in connection with to the performance of the services by SG Holdings personnel and the allocation of priority to the services requested by us. We also reimburse SG Holdings for direct out-of-pocket costs incurred by SG Holdings for third party services provided to us. During the years ended December 31, 2024 and 2023, the fees we paid under the shared services agreement amounted to $0 and $180,000, respectively. We expect to terminate the shared services agreement in the second quarter of 2025.

Other Related Party Transactions

Indemnification Agreements

We have entered into separate indemnification agreements with each of our directors and executive officers, in addition to the indemnification that is provides for in our amended and restated certificate of incorporation and bylaws. The indemnification agreements and our amended restated certificate of incorporation and bylaws require us to indemnify our directors and executive officers to the fullest extent permitted by Delaware law. See the section titled "Description of Capital Stock—Limitations on Liability and Indemnification of Officers and Directors" for additional information.

Fabrication Agreement

On December 2, 2022, we entered into the Fabrication Agreement with SG Echo for the fabrication of approximately 800 multifamily market rate rental units, equal to approximately 800,000 square feet of new modular buildings to be located at the McLean site (the "Project"). The Fabrication Agreement provided that SG Echo would be paid a fee equal to 15% of the cost of the Project. The Project would be fabricated in Phases of 100 to 150 units per phase, with the schedule of the phasing to be determined in our sole discretion. The terms of payment were as follows: (i) down payment of 30% upon release of project for fabrication; (ii) stage payment of 65% upon completion of fabrication, testing and inspection of each unit as it leaves the facility; and (iii) final payment of 5% upon completion of installation on site, including acceptance of punch list items, startup of equipment and City of Durant inspection. Notwithstanding the foregoing, we were entitled to withhold 10%, as retainage, from the payment otherwise due, to be reduced to 5% after field install is watertight and 2.5% after all punch list items have been complete. The Fabrication Agreement could be terminated for cause by either party upon 30-days written notice to the other party, subject to each party's right to cure a default or breach, except for fraud or bad faith. In the event of termination, SG Echo would be entitled to be paid for all services rendered through the date of termination. In the event the termination by us is without cause, we would also pay any expenses incurred as a result of the termination (including without limitation supplier and vendor cancellation fees, restocking fees, subcontractor termination or cancellation fees, or other similar termination costs), plus a 15% markup as compensation for SG Echo's anticipated profit on the value of services not performed by SG Echo. In connection with the entry into the Master Purchase Agreement, on December 18, 2023, the Company and SG Echo terminated that certain Fabrication Agreement, dated December 2, 2022, between the parties relating to the McLean mixed-use site. [During the year ended December 31, 2023, we did not pay any fees under the Fabrication Agreement.

Master Purchase Agreement

On December 17, 2023, we entered into a Master Purchase Agreement with SG Echo pursuant to which we may engage SG Echo from time to time to provide modular construction design, engineering, fabrication, delivery and other services (collectively, the "Work") on such terms as the parties may mutually agree. The Master Purchase Agreement provides that if we should desire that SG Echo provide services in connection with any location, we will request from SG Echo a written proposal and that within 15 business days SG Echo will provide us with an itemized cost proposal for the services to be performed and a firm schedule for performing the services based upon the information contained in the request. If the proposal and schedule is satisfactory to us, the Master Purchase Agreement provides that the substance of such proposal will then be incorporated into a project order, including specific information regarding the project, the project site and services to be performed, to be executed by both parties.

The Master Purchase Agreement provides that SG Echo will be paid a fee equal to 12% of the agreed cost of each project. The Master Purchase Agreement further provides that payment terms for all design work and the completion of the pre-fabricated container and module shall be made in accordance with the following schedule: (a) a deposit equal to 40% of the cost of the pre- fabricated container and module only shall be paid by us to SG Echo within 5 business days of the mutual execution of a project order; (b) a progress payment (not to exceed to 35% of the cost of the pre-fabricated container and module) shall be paid by us to SG Echo monthly in proportion to the percentage of Work completed, which payment shall be made within 10 business days of the Company receipt of SG Echo's invoice; (c) a progress payment equal to 15% of the cost of the pre-fabricated container and module shall be paid by us to SG Echo within 10 business days of the delivery of the pre-fabricated container and module to the specific project site; and (d) the final payment equal to 10% of the cost of the pre-fabricated container and module only shall be paid by us to SG Echo within 10 business days of the substantial completion of the Work. Substantial completion of the Work shall be as defined by the applicable project order. Notwithstanding the foregoing, we may withhold 10% of the invoiced amount, as retainage, which will be paid to SG Echo once the specific project is completed (including any punch list items). The Master Purchase Agreement may be terminated by either party if there is a material default by the other party and such default continues for a period of 20 days after receipt by the defaulting party of written notice thereof. If we terminate the Master Purchase Agreement or any project order as a result of a default by SG Echo, SG Echo will not be entitled to receive further payment until the Work is finished. If the unpaid balance of the amount set forth in the project order for the project is less than the cost of finishing the Work, SG Echo will pay the difference to us. In no event will SG Echo be entitled to receive any compensation if the cost to us of performing the balance of the Work is less than the unpaid balance. In addition, we may terminate the Master Purchase Agreement or any project order without cause. In the event the termination by us is without cause, SG Echo will be entitled to payment for all work and costs incurred prior to termination date plus the applicable fee owed to SG Echo thereon as more particularly described in the applicable project order.

The initial project for which modular construction services are anticipated to be provided to us by SG Echo is our Magnolia Gardens residential project to be built on our McLean mixed-use site in Durant, Oklahoma, consisting of 800 residential units. In accordance with the Master Purchase Agreement, SG Echo will provide us with an itemized cost proposal for the services to be performed for the Magnolia Gardens residential project and a firm schedule for performing the services. If the proposal and schedule is satisfactory to the Company, the proposal will be then incorporated into a project order to be executed by both parties.

Employment Relationships

During 2023, Derek Villarreal, son of David Villarreal, our Chief Executive Officer, was employed by the Company as a Senior Project Manager and received a salary of $140,000 and is scheduled to receive an annual salary in 2024 of $140,000 and 100,000 restricted stock units subject to the approval of the Compensation Committee. In addition, Marc Brune, father of Nicolai Brune, our Chief Financial Officer, provides consulting services to the Company and is scheduled to receive in 2024 $10,000 a month and 100,000 restricted stock units subject to the approval of the Compensation Committee. The Audit Committee has approved both transactions in accordance with the related person transaction policy.

Director Independence

An "independent director" is defined generally as a person other than an officer or employee of the Company or its subsidiaries or any other individual having a relationship that, in the opinion of the Company's Board of Directors, would interfere with the director's exercise of independent judgment in carrying out the responsibilities of a director. The Board of Directors has affirmatively determined that each of Yaniv Blumenfeld**,** Peter DeMaria, John Scott Magrane, Jr., Christopher Melton, Alyssa Richardson and Jeffrey Tweedy qualify as independent directors in accordance with the Nasdaq listing rules.

Item 14. Principal Accountant Fees and Services.

Change in Certifying Accountant

The Board of Directors of the Company, through its Audit Committee, conducted a competitive process to determine the Company's independent registered public accounting firm commencing with the audit of the Company's books and financial records for the year ending December 31, 2024. The Audit Committee invited several independent registered public accounting firms to participate in this process.

Following review of proposals from the independent registered public accounting firms that participated in the process, on December 13, 2023, upon recommendation from the Audit Committee, the Board of Directors of the Company approved the engagement of M&K CPAS PLLC ("M&K") as the Company's independent registered public accounting firm for the Company's fiscal year ending December 31, 2023. On December 15, 2023, the Company (i) entered into an engagement letter with M&K and engaged M&K as the Company's independent registered public accounting firm effective immediately and (ii) dismissed Whitley Penn LLP ("Whitley Penn").

Independent Registered Public Accounting Firm Fees

Aggregate fees for professional services rendered by our independent registered public accounting firms to us as of and for the fiscal years ended December 31, 2024 and December 31, 2023 are set forth in the tables below:

Services Rendered[(a)]	**2024**	**2023**
Audit fees	$ 96,966	$ 169,664
Audit-related fees	—	—
Tax fees	—	—
All other fees	—	—
Totals	$ 96,966	$ 169,664

(a) The aggregate fees included in Audit Fees are fees billed for the fiscal years. The aggregate fees included in each of the other categories are fees billed in the fiscal years.

Audit fees include fees for professional services rendered for the audit for our annual financial statements and reviews of the financial statements included in our Quarterly Reports on Form 10-Q and fees related to securities registration statements and related comfort letter procedures, as well as services related to various offerings and our Form 10.

The Audit Committee has considered and determined that the services provided by each of M&K and Whitley Penn are compatible with each of M&K and Whitley Penn maintaining their respective independence.

Pre-Approval Policies and Procedures

The Audit Committee has implemented pre-approval procedures consistent with the rules adopted by the SEC. All audit services to be provided to the Company by our independent public accounting firms are pre-approved by the Audit Committee prior to the initiation of such services (except for items exempt from pre-approval requirements under applicable laws and rules).

PART IV

Item 15. Exhibit and Financial Statement Schedules.

(a)(1) INDEX TO 2024 CONSOLIDATED FINANCIAL STATEMENTS:

Our financial statements and the notes thereto appear beginning on page F-1 of this Annual Report. See of the Consolidated Financial Statements included in this Annual Report.

(a)(2) FINANCIAL STATEMENT SCHEDULES

All financial statement schedules are omitted because they are not applicable, not material or the required information is shown in the financial statements or notes thereto.

(a)(3) EXHIBITS

The information required by this Item is listed in the accompanying Exhibit Index below on the page immediately preceding the signature page.

Item 16. Form 10-K Summary.

Not applicable.

Exhibit Index

Exhibit No.	Description
2.1	Separation and Distribution Agreement by and between Safe & Green Holdings Corp. and the Registrant (incorporated herein by reference to Exhibit 2.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on September 28, 2023 (File No. 001-41581)).
2.2	Asset Purchase Agreement, dated May 7, 2024, by and between the Company and Dr. Axely Congress (incorporated herein by reference to Exhibit 2.1 to the Form 10-Q filed by the Registrant with the Securities and Exchange Commission on August 14, 2024 (File No. 001-41581)).
3.1	Amended and Restated Certificate of Incorporation (incorporated herein by reference to Exhibit 3.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on September 19, 2023 (File No. 001-41581)).
3.2	Amended and Restated Bylaws (incorporated herein by reference to Exhibit 3.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on September 19, 2023 (File No. 001-41581)).
3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of the Current Report on Form 8-K filed with the Securities and Exchange Commission on October 8, 2024 (File No. 001-41581))
3.4	Certificate of Amendment to the Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of the Current Report on Form 8-K filed with the Securities and Exchange Commission on November 14, 2024 (File No. 001-41581))
4.1	Debenture, dated November 30, 2023, in the principal amount of $700,000 (incorporated herein by reference to Exhibit 4.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on December 1, 2023 (File No. 001-41581)).
4.2	Warrant, dated November 30, 2023 (incorporated herein by reference to Exhibit 4.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on December 1, 2023 (File No. 001-41581)).
4.3	Debenture, dated February 15, 2024 in the principal amount of $250,000 (incorporated herein by reference to Exhibit 4.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 22, 2024 (File No. 001-41581)).
4.4	Warrant, dated February 15, 2024 (incorporated herein by reference to Exhibit 4.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 22, 2024 (File No. 001-41581)).
4.5*	Description of Securities
4.6	Debenture, dated March 21, 2024 in the principal amount of $250,000 (incorporated herein by reference to Exhibit 4.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on March 25, 2024 (File No. 001-41581)).
4.7	Warrant, dated March 21, 2024 (incorporated herein by reference to Exhibit 4.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on March 25, 2024 (File No. 001-41581)).
4.8	Debenture, dated April 29, 2024, in the principal amount of $350,000 (incorporated herein by reference to Exhibit 4.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on May 3, 2024 (File No. 001-41581)).
4.9	Warrant, dated April 29, 2024 (incorporated herein by reference to Exhibit 4.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on May 3, 2024 (File No. 001-41581)).

4.10	Debenture, dated May 23, 2024, in the principal amount of $350,000 (incorporated herein by reference to Exhibit 4.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on May 24, 2024 (File No. 001-41581)).
4.11	Warrant, dated May 23, 2024 in the principal amount of $350,000 (incorporated by reference Exhibit 4.2 to the Current Report on Form 8-K as filed by the Registrant with the Securities and Exchange Commission on May 24, 2024 (File No. 001-41581))
4.12	Form of Debenture dated August 12, 2024 (incorporated by reference to Exhibit 4.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on August 14, 2024, File No. 001-41581)
4.13	Form of Warrant, dated August 12, 2024 (incorporated by reference to Exhibit 4.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on August 14, 2024, File No. 001-41581)
4.14	Form of Warrant to Arena Business Solutions Global SPC II Ltd (incorporated by reference to Exhibit 4.13 to the Registration Statement on Form S-1 filed by the Registrant with the Securities and Exchange Commission on August 30, 2024, File No. 333-281889)
4.15	Global Amendment to 10% Original Issue Discount Secured Convertible Debentures (incorporated by reference to Exhibit 4.14 to the Registration Statement on Form S-1/A filed by the Registrant with the Securities and Exchange Commission on September 20, 2024, File No. 333-281889)
4.16	Form of Debenture dated October 25, 2024 (incorporated by reference to Exhibit 4.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on October 31, 2024, File No. 001-41581)
4.17	Form of Warrant dated October 25, 2024 (incorporated by reference to Exhibit 4.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on October 31, 2024, File No. 001-41581)
4.18	Global Amendment No. 2 to 10% Original Issue Discount Secured Convertible Debentures dated October 31, 2024 (incorporated by reference to Exhibit 4.3 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on October 31, 2024, File No. 001-41581)
10.1	Shared Services Agreement by and between Safe & Green Holdings Corp. and the Registrant (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on September 28, 2023 (File No. 001-41581)).
10.2	Tax Matters Agreement by and between Safe & Green Holdings Corp. and the Registrant (incorporated herein by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on September 28, 2023 (File No. 001-41581)).
10.3	Form of Indemnification Agreement to be entered into between the Registrant and each of its directors and executive officers (incorporated herein by reference to Exhibit 10.3 to the Amendment No. 1 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on February 6, 2023 (File No. 001-41581)).
10.4	Fabrication Agreement by and between SG Echo, LLC and the Registrant (incorporated herein by reference to Exhibit 10.4 to the Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on December 23, 2022 (File No. 001-41581)).
10.5+	Form of 2023 Incentive Compensation Plan (incorporated herein by reference to Exhibit 10.5 to the Amendment No. 2 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on May 1, 2023 (File No. 001-41581)).
10.6	Renewal & Extension of Real Estate Note and Lien between the Registrant and Weinritter Realty, LP (incorporated herein by reference to Exhibit 10.6 to the Amendment No. 1 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on February 6, 2023 (File No. 001-41581)).

10.7	Second Lien Deed of Trust between the Registrant and Weinritter Realty, LP (incorporated herein by reference to Exhibit 10.7 to the Amendment No. 1 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on February 6, 2023 (File No. 001-41581)).
10.8	Promissory Note between the Registrant and Palermo Lender LLC (incorporated herein by reference to Exhibit 10.8 to the Amendment No. 1 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on February 6, 2023 (File No. 001-41581)).
10.9	Promissory Note between the Registrant and SG Blocks, Inc. (incorporated herein by reference to Exhibit 10.9 to the Amendment No. 1 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on February 6, 2023 (File No. 001-41581)).
10.10	Operating Agreement of JDI Cumberland Inlet, LLC (incorporated herein by reference to Exhibit 10.10 to the Amendment No. 1 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on February 6, 2023 (File No. 001-41581)).
10.11	Amended and Restated Operating Agreement of Norman Berry II Owners, LLC (incorporated herein by reference to Exhibit 10.11 to the Amendment No. 1 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on February 6, 2023 (File No. 001-41581)).
10.12+	Employment Agreement, dated February 3, 2023, with David Villarreal (incorporated herein by reference to Exhibit 10.12 to the Amendment No. 1 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on February 6, 2023 (File No. 001-41581)).
10.13+	Employment Agreement, dated February 14, 2023, with Nicolai Brune (incorporated herein by reference to Exhibit 10.13 to the Amendment No. 2 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on May 1, 2023 (File No. 001-41581)).
10.14	Loan Agreement, dated March 30, 2023, between LV Peninsula Holding LLC and Austerra Stable Growth Fund, LP (incorporated herein by reference to Exhibit 10.14 to the Amendment No. 2 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on May 1, 2023 (File No. 001-41581)).
10.15	Promissory Note, issued by LV Peninsula Holding LLC, dated March 30, 2023 (incorporated herein by reference to Exhibit 10.15 to the Amendment No. 2 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on May 1, 2023 (File No. 001-41581)).
10.16	Deed of Trust and Security Agreement, dated March 30, 2023 (incorporated herein by reference to Exhibit 10.16 to the Amendment No. 2 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on May 1, 2023 (File No. 001-41581)).
10.17	Assignment of Contract Rights, dated March 30, 2023 (incorporated herein by reference to Exhibit 10.17 to the Amendment No. 2 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on May 1, 2023 (File No. 001-41581)).
10.18	Mortgage, dated March 30, 2023 (incorporated herein by reference to Exhibit 10.18 to the Amendment No. 2 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on May 1, 2023 (File No. 001-41581)).
10.19	Guaranty, dated March 30, 2023 (incorporated herein by reference to Exhibit 10.19 to the Amendment No. 2 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on May 1, 2023 (File No. 001-41581)).
10.20	Loan Agreement, dated as of June 16, 2023, between Registrant and BCV S&G DevCorp (incorporated herein by reference to Exhibit 10.20 to the Amendment No. 4 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on June 30, 2023 (File No. 001-41581)).
10.21	Escrow Agreement, dated as of June 21, 2023, among Registrant, Bridgeline Capital Partners S.A, acting on behalf BCV S&G DevCorp, and American Stock Transfer & Trust Company, LLC, as Escrow Agent (incorporated herein by reference to Exhibit 10.21 to the Amendment No. 4 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on June 30, 2023 (File No. 001-41581)).

10.22	Note Cancellation Agreement, effective as of July 1, 2023, by and between Safe & Green Holdings Corp. and Safe and Green Development Corporation (incorporated herein by reference to Exhibit 10.22 to the Amendment No. 6 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on August 18, 2023 (File No. 001-41581)).
10.23	Promissory Note, in the principal amount of $908,322.95, in favor of Safe and Green Development Corporation (incorporated herein by reference to Exhibit 10.23 to the Amendment No. 6 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on August 18, 2023 (File No. 001-41581)).
10.24	Amendment No. 1 to Loan Agreement, dated as of August 25, 2023, between Registrant and BCV S&G DevCorp. (incorporated herein by reference to Exhibit 10.24 to the Amendment No. 7 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on August 28, 2023 (File No. 001-41581)).
10.25+	Form of Director Offer Letter (incorporated herein by reference to Exhibit 10.25 to the Amendment No. 7 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on August 28, 2023 (File No. 001-41581)).
10.26	Amendment No. 2 to Loan Agreement, dated as of August 25, 2023, between Registrant and BCV S&G DevCorp. (incorporated herein by reference to Exhibit 10.26 to the Amendment No. 8 to Form 10 Registration Statement as filed by the Registrant with the Securities and Exchange Commission on September 12, 2023 (File No. 001-41581)).
10.27	Consulting Agreement between the Company and William Rogers entered into as of October 20, 2023 (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on October 25, 2023 (File No. 001-41581)).
10.28	Securities Purchase Agreement, dated November 30, 2023 (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on December 1, 2023 (File No. 001-41581)).
10.29	Registration Rights Agreement, dated November 30, 2023 (incorporated herein by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on December 1, 2023 (File No. 001-41581)).
10.30	Equity Purchase Agreement, dated November 30, 2023 (incorporated herein by reference to Exhibit 10.3 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on December 1, 2023 (File No. 001-41581)).
10.31	Registration Rights Agreement, dated November 30, 2023 (incorporated herein by reference to Exhibit 10.4 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on December 1, 2023 (File No. 001-41581)).
10.32	Contribution Agreement between LV Peninsula Holding LLC and Preserve Acquisitions, LLC entered into as of November 28, 2023 (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on December 4, 2023 (File No. 001-41581)).
10.33	Master Purchase Agreement, dated December 17, 2023, by and between SG Echo LLC and Safe and Green Development Corporation (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on December 21, 2023 (File No. 001-41581))
10.34	Agreement of Sale between Safe and Green Development Corporation and Pigmental, LLC, dated January 31, 2024 (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 6, 2024 (File No. 001-41581)).

10.35+	Amendment to Employment Agreement by and between the Company and David Villarreal dated February 2, 2024 (incorporated herein by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 6, 2024 (File No. 001-41581)).
10.36+	Amendment to Employment Agreement by and between the Company and Nicolai Brune dated February 2, 2024 (incorporated herein by reference to Exhibit 10.3 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 6, 2024 (File No. 001-41581)).
10.37	Membership Interests Purchase Agreement, dated as of February 7, 2024, by and among Safe and Green Development Corporation, the members of Majestic World Holdings LLC listed therein, Majestic World Holdings LLC and Sellers Representative (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 13, 2024 (File No. 001-41581)).
10.38	Side Letter Agreement, dated as of February 7, 2024, by and among Safe and Green Development Corporation, Majestic World Holdings LLC and Sellers Representative (incorporated herein by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 13, 2024 (File No. 001-41581)).
10.39^	Profit Sharing Agreement, dated as of February 7, 2024, by and between Safe and Green Development Corporation and Matthew A. Barstow on behalf of and as the duly authorized representative of the members identified therein (incorporated herein by reference to Exhibit 10.3 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 13, 2024 (File No. 001-41581)).
10.40	Amendment No. 1 to the Securities Purchase Agreement, dated February 15, 2024 (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 22, 2024 (File No. 001-41581)).
10.41	Amendment No. 1 to the Registration Rights Agreement, dated February 15, 2024 (incorporated herein by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 22, 2024 (File No. 001-41581)).
10.42	Credit Agreement Dated March 1, 2024 (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on March 11, 2024 (File No. 001-41581)).
10.43	Employment Agreement by and between Derek Villarreal and the Company (incorporated herein by reference to Exhibit 10.42 to the Form 10-K filed by the Registrant with the Securities and Exchange Commission on April 1, 2024 (File No. 001-41581)).
10.44	Consulting Agreement by and between Marc Brune and the Company (incorporated herein by reference to Exhibit 10.43 to the Form 10-K filed by the Registrant with the Securities and Exchange Commission on April 1, 2024 (File No. 001-41581)).
10.45	Extension Agreement, effective April 1, 2024, between LV Peninsula Holding LLC and Austerra Stable Growth Fund, LP (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on April 9, 2024 (File No. 001-41581)).
10.46	Loan Agreement, dated April 3, 2024, between LV Peninsula Holding LLC and Austerra Stable Growth Fund, LP (incorporated herein by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on April 9, 2024 (File No. 001-41581))
10.47	Promissory Note, issued by LV Peninsula Holding LLC, dated April 3, 2024 (incorporated herein by reference to Exhibit 10.3 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on April 9, 2024 (File No. 001-41581))
10.48	Deed of Trust and Security Agreement, dated April 3, 2024 (incorporated herein by reference to Exhibit 10.4 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on April 9, 2024 (File No. 001-41581))

10.49	Modification to Real Estate Mortgage, dated April 3, 2024 (incorporated herein by reference to Exhibit 10.5 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on April 9, 2024 (File No. 001-41581))
10.50	Guaranty, dated April 3, 2024 (incorporated herein by reference to Exhibit 10.6 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on April 9, 2024 (File No. 001-41581))
10.51	Amendment to Real Estate Sales Contract, dated as of April 29, 2024 (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on May 1, 2024 (File No. 001-41581))
10.52	Commercial Contract between Safe and Green Development Corporation and Lithe Development Inc. (incorporated herein by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on May 1, 2024 (File No. 001-41581))
10.53	Securities Purchase Agreement, dated April 29, 2024 (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on May 3, 2024 (File No. 001-41581)).
10.54	Registration Rights Agreement (incorporated herein by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on May 3, 2024 (File No. 001-41581)).
10.55	Amendment to Real Estate Sales Contract, dated as of May 17, 2024 (incorporated herein by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on May 20, 2024 (File No. 001-41581)).
10.56	Amendment No. 1 to Securities Purchase Agreement, dated May 22, 2024 (incorporated herein by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on May 24, 2024 (File No. 001-41581)).
10.57	Amendment No. 1 to Registration Rights Agreement, dated May 22, 2024 (incorporated herein by reference to Exhibit 10.3 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on May 24, 2024 (File No. 001-41581)).
10.58	Commercial Contract Amendment between Safe and Green Development Corporation and Lithe Development Inc. effective as of July 18, 2024 (incorporated by reference to Exhibit 10.14 to the Form 10-Q filed by the Registrant with the Securities and Exchange Commission on August 14, 2024, File No. 001-41581)
10.59	Joint Venture Agreement dated July 23, 2024 between Safe and Green Development Corporation and Milk & Honey LLC (Sugar Phase I LLC) (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on July 29, 2024, File No. 001-41581)
10.60	Commercial Contract Amendment between Safe and Green Development Corporation and Lithe Development Inc. effective as of July 25, 2024 (incorporated by reference to Exhibit 10.15 to the Form 10-Q filed by the Registrant with the Securities and Exchange Commission on August 14, 2024, File No. 001-41581)
10.61	Commercial Contract Amendment between Safe and Green Development Corporation and Lithe Development Inc. effective as of August 8th, 2024 (incorporated by reference to Exhibit 10.16 to the Form 10-Q filed by the Registrant with the Securities and Exchange Commission on August 14, 2024, File No. 001-41581)
10.62^	Securities Purchase Agreement, dated August 12, 2024 (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on August 14, 2024, File No. 001-41581)
10.63	Registration Rights Agreement, dated August 12, 2024 (incorporated by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on August 14, 2024, File No. 001-41581)
10.64	Security Agreement, dated August 12, 2024 (incorporated by reference to Exhibit 10.3 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on August 14, 2024, File No. 001-41581)

10.65	Guaranty, dated August 12, 2024 (incorporated by reference to Exhibit 10.4 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on August 14, 2024, File No. 001-41581)
10.66	Purchase Agreement, dated August 12, 2024 (incorporated by reference to Exhibit 10.5 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on August 14, 2024, File No. 001-41581)
10.67	Amendment to Purchase Agreement, dated August 30, 2024 (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on September 6, 2024, File No. 001-41581)
10.68^	Joint Venture Agreement, dated September 2, 2024, (incorporated by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on September 6, 2024, File No. 001-41581)
10.69^	Joint Venture Agreement dated October 2, 2024 between Safe and Green Development Corporation and Properties by Milk & Honey LLC (Hacienda Oliva Phase II LLC) (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on October 7, 2024, File No. 001-41581)
10.70	Modification Agreement, effective October 2, 2024 between SGB Development Corp. and Palermo Lender LLC (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on October 18, 2024, File No. 001-41581)
10.71	Credit Extension Agreement, effective as of October 21, 2024, between Safe and Green Development Corporation and Bryan Leighton Revocable Trust dated 13 December 2023 (incorporated by reference to Exhibit 10.14 of the Current Report on Form 10-Q filed with the Securities and Exchange Commissions on November 14, 2024 (File No. 001-41581))
10.72	Registration Rights Agreement dated October 25, 2024, (incorporated by reference to Exhibit 10.2 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on October 31, 2024, File No. 001-41581)
10.73^	Amendment to the Membership Interest Purchase Agreement, dated November 4, 2024 (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on November 5, 2024, File No. 001-41581)
10.74	Amendment to Joint Venture Agreement between Safe and Green Development Corporation and Properties by Milk & Honey LLC effective as of November 8, 2024 (amending JV Agreement with Sugar Phase I LLC dated July 23, 2024) (incorporated by reference to Exhibit 10.17 to the Form 10-Q filed by the Registrant with the Securities and Exchange Commission on November 14, 2024, File No. 001-41581)
10.75	Amendment to Joint Venture Agreement between Safe and Green Development Corporation and Milk & Honey LLC effective as of November 8, 2024 (amending JV Agreement with Pulga Internacional LLC dated September 2, 2024) (incorporated by reference to Exhibit 10.18 to the Form 10-Q filed by the Registrant with the Securities and Exchange Commission on November 14, 2024, File No. 001-41581)
10.76	Amendment to Joint Venture Agreement between Safe and Green Development Corporation and Milk & Honey LLC effective as of November 8, 2024 (amending JV Agreement with Hacienda Olivia Phase II dated September 24, 2024) (incorporated by reference to Exhibit 10.19 to the Form 10-Q filed by the Registrant with the Securities and Exchange Commission on November 14, 2024, File No. 001-41581)
10.77	Amendment to Purchase Agreement, dated November 15, 2024 (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on November 15, 2024, File No. 001-41581)
10.78	Promissory Note issued by Pigmental, LLC, dated November 15, 2024 (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on November 21, 2024, File No. 001-41581)

10.79	Amendment to Real Estate Sales Contract with Pigmental Studios dated November 13, 2024 (incorporated by reference to Exhibit 10.5 to the Form 8-K filed by the Registrant with the Securities and Exchange Commission on November 21, 2024, File No. 001-41581)
10.80	Joint Venture Agreement, dated November 18, 2024 (incorporated by reference to Exhibit 10.1 to Form 8-K filed by the Registrant with the Securities and Exchange Commission on November 22, 2024 (File No. 001-41581))
10.81	Joint Venture Agreement, dated November 18, 2024 (incorporated by reference to Exhibit 10.2 to Form 8-K filed by the Registrant with the Securities and Exchange Commission on November 22, 2024 (File No. 001-41581))
10.82^	Loan Agreement, dated January 16, 2025 (incorporated by reference to Exhibit 10.1 to Form 8-K filed by the Registrant with the Securities and Exchange Commission on January 22, 2025 (File No. 001-41581))
10.83	Unconditional Guaranty, dated January 16, 2025 (incorporated by reference to Exhibit 10.2 to Form 8-K filed by the Registrant with the Securities and Exchange Commission on January 22, 2025 (File No. 001-41581))
10.84	Indemnity Agreement, dated January 16, 2025 (incorporated by reference to Exhibit 10.3 to Form 8-K filed by the Registrant with the Securities and Exchange Commission on January 22, 2025 (File No. 001-41581))
10.85	Mutual Release and Discharge, dated January 29, 2025, between Safe and Green Development Corporation and Safe & Green Holdings Corp. (incorporated by reference to Exhibit 10.1 to Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 3, 2025 (File No. 001-41581))
10.86	Commercial Contract between LV Peninsula Holding, LLC and Lithe Development Inc. (incorporated by reference to Exhibit 10.1 to Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 5, 2025 (File No. 001-41581))
10.87	Amendment to Operating Agreement, by and between the Company and Jacoby Development Inc., dated February 11, 2025 (incorporated by reference to Exhibit 10.1 to Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 12, 2025 (File No. 001-41581))
10.88	Forced Sale Agreement, by and between the Company and Jacoby Development Inc., dated February 11, 2025 (incorporated by reference to Exhibit 10.2 to Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 12, 2025 (File No. 001-41581))
10.89^	Membership Interest Purchase Agreement, dated February 25, 2025, by and among Safe and Green Development Corporation, Resource Group US Holdings LLC and the members of Resource Group (incorporated by reference to Exhibit 10.1 to Form 8-K filed by the Registrant with the Securities and Exchange Commission on February 27, 2025 (File No. 001-41581))
10.90	Buyout Agreement, by and between Safe and Green Development Corporation and Properties by Milk & Honey LLC, dated March 6, 2025 (incorporated by reference to Exhibit 10.1 to Form 8-K filed by the Registrant with the Securities and Exchange Commission on March 11, 2025 (File No. 001-41581))
19.1	Insider Trading Policy (incorporated herein by reference to Exhibit 19.1 to the Form 10-K filed by the Registrant with the Securities and Exchange Commission on April 1, 2024 (File No. 001-41581)).
21.1*	Subsidiaries of the Registrant
23.1*	Consent of Independent Registered Public Accounting Firm, M&K CPAS PLLC
31.1*	Certification by Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification by Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1*	Certification by Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification by Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
97.1	Clawback Policy (incorporated herein by reference to Exhibit 97.1 to the Form 10-K filed by the Registrant with the Securities and Exchange Commission on April 1, 2024 (File No. 001-41581)).
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith
\+ Management contract or compensatory plan or arrangement.
^ Exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted exhibit to the SEC upon request.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SAFE AND GREEN DEVELOPMENT CORPORATION

By: /s/ David Villarreal
David Villarreal
Chief Executive Officer
(Principal Executive Officer)

Date: March 31, 2025

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints David Villarreal and/or Nicolai Brune, as his or her attorney-in-fact, each with the power of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Annual Report on Form 10-K and any and all amendments to this report on Form 10-K, and to file the same, with all exhibits thereto and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that such attorneys-in-fact and agents or any of them or his or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

Person	Capacity	Date
/s/ David Villarreal David Villarreal	Chief Executive Officer and Director (Principal Executive Officer)	March 31, 2025
/s/ Nicolai Brune Nicolai Brune	Chief Financial Officer (Principal Financial and Accounting Officer)	March 31, 2025
Yaniv Blumenfeld	Director	March 31, 2025
/s/ Paul Galvin Paul Galvin	Chairman	March 31, 2025
/s/ Peter G. DeMaria Peter G. DeMaria	Director	March 31, 2025
/s/ John Scott Magrane, Jr. John Scott Magrane, Jr.	Director	March 31, 2025
/s/ Christopher Melton Christopher Melton	Director	March 31, 2025
/s/ Allyssa L. Richardson Alyssa L. Richardson	Director	March 31, 2025
/s/ Jeffrey Tweedy Jeffrey Tweedy	Director	March 31, 2025

SAFE AND GREEN DEVELOPMENT CORPORATION
AND SUBSIDIARIES

Consolidated Financial Statements

December 31, 2024 and 2023

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders
Safe and Green Development Corporation

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Safe and Green Development Corporation (the Company) as of December 31, 2024 and 2023, and the related statements of operations, stockholders' equity, and cash flows for the two-year period then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has suffered net losses from operations and has a net capital deficiency, which raises substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters are discussed in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB .

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and the significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Going Concern

Due to the net loss and negative cash flows from operations for the year, the Company evaluated the need for a going concern.

Auditing management's evaluation of a going concern can be a significant judgment given the fact that the Company uses management estimates on future revenues and expenses which are not able to be easily substantiated.

To evaluate the appropriateness of the lack of going concern paragraph in our audit opinion, we examined and evaluated the financial information that was the initial cause for this consideration along with management's plans to mitigate the going concern.

/s/ M&K CPAS, PLLC

M&K CPAS, PLLC

We have served as the Company's auditor since 2024

The Woodlands, TX

March 31, 2025

PART I. FINANCIAL INFORMATION
ITEM 1. Financial Statements
Safe and Green Development Corporation
Consolidated Balance Sheets

	December 31, 2024	*December 31, 2023*
Assets		
Current assets:		
Cash	$ 296,202	$ 3,236
Prepaid assets and other current assets	547,296	231,989
Notes receivable	960,672	-
Current Assets	1,804,170	235,225
Assets held for sale	4,400,361	4,400,361
Land	1,225,347	1,190,655
Property and equipment, net	546,756	3,569
Project development costs and other non-current assets	96,239	65,339
Equity-based investments	3,642,607	3,642,607
Intangible assets, net	1,038,312	22,210
Total Assets	$ 12,753,792	$ 9,559,966
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	$ 1,301,276	$ 601,292
Due to affiliates	399,660	260,000
Short-term notes payable, net	8,699,721	6,810,897
Total current liabilities	10,400,657	7,672,189
Long-term notes payable, net	1,499,957	-
Total liabilities	11,900,614	7,672,189
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.001 par value, 5,000,000 shares authorized, 0 issued and outstanding	-	-
Common stock, $0.001 par value, 100,000,000 shares authorized, 1,486,872 issued and outstanding as of December 31, 2024 and 510,000 shares authorized, issued and outstanding as of December 31, 2023	1,487	510
Additional paid-in capital	16,659,151	9,017,814
Accumulated deficit	(16,039,022)	(7,130,547)
Non-controlling interest	231,562	-
Total stockholders' equity	853,178	1,887,777
Total Liabilities and Stockholders' Equity	$ 12,753,792	$ 9,559,966

The accompanying notes are an integral part of these financial statements.

Safe and Green Development Corporation
Consolidated Statements of Operations

	For the Year Ended December 31, 2024	*For the Year Ended December 31, 2023*
Revenue:		
Sales	$ 207,552	$ -
Total	207,552	-
Cost of revenue:		
Commissions	182,656	-
Total	182,656	-
Gross profit	24,896	-
Operating expenses:		
Payroll and related expenses	$ 3,622,018	$ 1,125,603
General and administrative expenses	2,489,475	1,771,389
Marketing and business development expense	472,309	126,456
Total	6,583,802	3,023,448
Operating loss	(6,558,906)	(3,023,448)
Other expense:		
Interest expense	(3,474,344)	(1,178,311)
Gain on sale of land	1,067,540	-
Interest income	12,107	-
Other income	45,128	1,218
	(2,349,569)	(1,177,093)
Net loss	$ (8,908,475)	$ (4,200,541)
Net loss per share		
Basic and diluted	$ (9.78)	$ (28.65)
Weighted average shares outstanding:		
Basic and diluted	910,476	146,628

The accompanying notes are an integral part of these financial statements.

Safe and Green Development Corporation
Consolidated Statements of Changes in Stockholder's Equity (Unaudited)

	$0.001 Par Value Common Stock		*Additional Paid-in*	*Accumulated*	*Non-*	*Total Stockholder's*
	Shares	*Amount*	*Capital*	*Deficit*	*controlling*	*Equity*
Balance at January 1, 2023	50	$ -	$ 5,095,346	$ (2,930,006)	-	$ 2,165,340
Issuance of common stock	499,950	500	(500)	-	-	-
Capital contributions	-	-	959,384	-	-	959,384
Forgiveness of due to affiliate	-	-	2,279,156	-	-	2,279,156
Issuance of common stock for notes payable debt discount and commitment fees	10,000	10	684,428	-	-	684,428
Net loss	-	-	-	(4,200,541)	-	(4,200,541)
Balance at December 31, 2023	510,000	$ 510	$ 9,017,814	$ (7,130,547)	-	$ 1,887,777
					-	
Balance at January 1 , 2024	510,000	$ 510	$ 9,017,814	$ (7,130,547)	-	$ 1,887,777
Share adjustment	(67)	-	-	-	-	-
Conversion of notes payable and accrued interest	500,501	501	2,675,455	-	-	2,675,956
Issuance of common stock from EP agreement	49,300	49	750,670	-	-	750,719
Issuance of stock for debt and warrant issuance	65,466	65	1,198,244	-	-	1,198,309
Issuance of stock for services	45,174	45	297,826	-	-	297,871
Issuance of common stock from restricted stock units	91,138	91	2,168,984	-	-	2,169,075
Cashless warrant exercise	50,976	51	(51)	-	-	-
Issuance of common stock - exercise of prefunded warrant	53,750	54	11,530	-	-	11,584
Issuance of common stock - commitment shares	85,634	86	(86)	-	-	-
Issuance of stock for purchase of Majestic	25,000	25	434,975	-	-	435,000
Issuance of stock for purchase of MVONIA	10,000	10	103,790	-	-	103,800
Contribution of land			-		231,562	231,562
Net loss	-	-	-	(8,908,475)	-	(8,908,475)
Balance at December 31, 2024	1,486,872	$ 1,487	$ 16,659,151	$ (16,039,022)	231,562	$ 853,178

The accompanying notes are an integral part of these financial statements.

Safe and Green Development Corporation
Consolidated Statements of Cash Flows

	For the Year Ended December 31, 2024	*For the Year Ended December 31, 2023*
Cash flows from operating activities:		
Net loss	$ (8,908,475)	$ (4,200,541)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	1,012	236
Amortization of intangible assets	2,221	-
Amortization of debt issuance costs	2,189,008	489,252
Stock based compensation	2,169,075	-
Gain on sale of land	(1,067,540)	-
Common stock for debt discount and commitment fees	1,198,309	684,438
Common stock for services	297,871	-
Changes in operating assets and liabilities:		
Prepaid asset and other current assets	684,693	(206,949)
Due from affiliates	139,660	(1,660,845)
Accounts payable and accrued expenses	693,604	346,016
Net cash used in operating activities	(2,600,562)	(4,548,393)
Cash flows from investing activities:		
Assets held for sale	-	(3,535)
Cash used in asset acquisitions	(153,593)	-
Intangible assets	(293,593)	(22,210)
Purchase of property and equipment	(544,199)	(3,805)
Proceeds from sale of land	403,738	-
Joint venture activity	231,562	-
Land acquired from JV	(331,562)	-
Additions to project development costs	(30,900)	(9,607)
Equity-based investments	-	(42,662)
Net cash used in investing activities	(718,547)	(81,819)
Cash flows from financing activities:		
Debt issuance costs paid	(2,525,763)	(441,825)
Proceeds from short-term notes payable, net of debt issuance costs	6,928,277	6,615,169
Repayment of short-term note payable	(1,552,742)	(2,500,000)
Issuance of common stock from EP	750,719	-
Issuance of common stock – prefunded warrants	11,584	-
Contributions	-	959,384
Net cash provided by financing activities	3,612,075	4,632,728
Net change in cash	292,966	2,516
Cash – beginning of period	3,236	720
Cash – end of period	$ 296,202	$ 3,236
Supplemental disclosure of non-cash operating activities:		
Prepaid interest held back from proceeds from short-term notes payable	$ 1,000,000	$ 675,000
Forgiveness of due from affiliate	$ -	$ 2,279,156
Conversion of notes payable	$ 2,675,955	$ -
Intangible assets acquired in asset acquisition	$ 103,800	$ -
Assets and liabilities acquired in asset acquisition:		
Intangible assets	$ 620,930	$ -
Accounts payable and accrued expenses	$ 32,337	$ -

The accompanying notes are an integral part of these financial statements.

1. Description of Business

Safe and Green Development Corporation (the "Company" or "SG DevCo"), previously known as SGB Development Corp., a Delaware corporation, was incorporated on February 17, 2021. The Company was formed in 2021 for the purposes of real property development using purpose-built, prefabricated modules built from both wood and steel. The Company's current business focus is primarily on the direct acquisition and indirect investment in properties nationally that will be further developed in the future into green single or multi-family projects. We are focused on increasing our presence in markets with favorable job formation and a favorable demand/supply ratio for multifamily and/or single-family housing. Our business model is flexible and we anticipate developing properties on our own and also through joint ventures in which we partner with third-party equity investors or other developers. To date, we have generated minimal revenue and our activities have consisted mostly of the acquisition and entitlement of three properties, an investment in two entities that have acquired two properties to be further developed, entered into three joint ventures with the intention of developing properties in the Texas market and have invested in real-estate related AI assets and entities. In January 2024, we announced that we would strategically look to monetize our real estate holdings by identifying markets where our land may have increased in value, as demonstrated by third-party appraisals. In connection with this strategy, we have entered into agreements to sell our two of our properties. During the year ended December 31, 2024, the Company entered into joint venture agreements with Milk & Honey LLC ("Milk & Honey"), for the purpose of establishing two joint ventures to be conducted under the names of Sugar Phase I LLC ("Sugar Phase") and Pulga Internacional LLC ("Pulga"), together the ("JV Agreements"). The purpose of the joint ventures are to develop single family homes and an eco-friendly retail outlet in Texas.

Going Concern

The Company began operations during 2021 and has incurred net losses since inception and has a net capital deficiency, which raises substantial doubt about its ability to continue as a going concern. Prior to becoming a public company, the Company's operations had primarily been funded through advances from Safe & Green Holdings Corp., the Company's then parent company ("Parent") and the Company had been largely dependent upon Parent for funding. The Company has also funded its operations through bridge note financing, project level financing, and the issuance of its equity and debt securities. The above conditions raise substantial doubt about the Company's ability to continue as a going concern. The Company has initiated strategic monetization of properties, which may yield additional financing proceeds to fund operations, however there is no assurance that the Company will be successful in achieving its objectives.

Separation and Distribution

In December 2022, Parent and then owner of 100% of our issued and outstanding securities, announced its plan to separate the Company and Parent into two separate publicly traded companies (the "Separation"). To implement the Separation, on September 27, 2023 (the "Distribution Date"), Parent, effected a pro rata distribution to Parent's stockholders of approximately 30% of the outstanding shares of the Company's common stock (the "Distribution"). In connection with the Distribution, each Parent stockholder received 0.930886 shares of the Company's common stock for every five (5) shares of Parent common stock held as of the close of business on September 8, 2023, the record date for the Distribution, as well as a cash payment in lieu of any fractional shares. Immediately after the Distribution, the Company was no longer a wholly owned subsidiary of Parent and Parent held approximately 70% of the Company's issued and outstanding securities. On September 28, 2023, the Company's common stock began trading on the Nasdaq Capital Market under the symbol "SGD."

In connection with the Separation and Distribution, the Company entered into a separation and distribution agreement and several other agreements with Parent. These agreements provide for the allocation between Parent and the Company of the assets, employees, liabilities and obligations (including, among others, investments, property, employee benefits and tax-related assets and liabilities) of Parent and its subsidiaries attributable to periods prior to, at and after the Separation and will govern the relationship between the Company and Parent subsequent to the completion of the Separation. In addition to the separation and distribution agreement, the other principal agreements entered into with Parent included a tax matters agreement and a shared services agreement.

1. Description of Business (cont.)

Reverse Stock Split

On October 8, 2024, the Company effected a 1-for-20 reverse stock split of its then-outstanding common stock ("Stock Split"). All share and per share amounts set forth in the consolidated financial statements of the Company have been retroactively restated to reflect the 1-for-20 reverse stock split as if it had occurred as of the earliest period presented and unless otherwise stated, all other share and per share amounts for all periods presented in this Annual Report on Form 10-K for the year ended December 31, 2024 have been adjusted to reflect the reverse stock split effected in October 2024.

2. Summary of Significant Accounting Policies

Basis of presentation and principals of consolidation — The financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") and the applicable rules and regulations of the United States Securities and Exchange Commission ("SEC") and include the accounts of the Company and its wholly owned subsidiaries, LV Peninsula Holding, LLC ("LV Holding") and MyVonia Innovations LLC ("MyVonia LLC"), as well as Sugar Phase and Pulga which are described below.

Recently adopted accounting pronouncements — New accounting pronouncements implemented by the Company are discussed below or in the related notes, where appropriate.

Accounting estimates — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition – The Company determines, at contract inception, whether it will transfer control of a promised good or service over time or at a point in time, regardless of the length of contract or other factors. The recognition of revenue aligns with the timing of when promised goods or services are transferred to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. To achieve this core principle, the Company applies the following five steps in accordance with its revenue policy:

(1) Identify the contract with a customer

(2) Identify the performance obligations in the contract

(3) Determine the transaction price

(4) Allocate the transaction price to performance obligations in the contract

(5) Recognize revenue as performance obligations are satisfied

The revenue the Company has generated to date resulted from commissions related to residential real estate purchases and sales transactions, as well as the sale of land held. For commissions revenue, the Company applies recognition of revenue when the customer obtains control over such service, which is at a point in time.

For the sale of land, the Company applies recognize of revenue when the customer obtained control of the asset, which is also at a point in time.

2. Summary of Significant Accounting Policies (cont.)

On November 13th, 2024 the Company entered into an amendment to the Agreement of Sale (the "Second Amendment") for its St. Mary's Site (as defined below) that amended the closing date to November 15th, 2024 and increased the purchase price to $1,400,000 payable $439,328 in cash and $960,672 by the issuance of a promissory note to the Company. Such amount is recorded as note receivable on the accompanying consolidated balance sheet. The promissory note will bear 10% interest per annum, provide for monthly interest payments and mature on March 15th, 2025 with the option to extend up to three times by paying $10,000 for each extension. Each extension period is 30 days. In connection with this sale, the Company recorded a gain in the amount of $1,067,540.

Variable Interest Entities – The Company accounts for certain legal entities as variable interest entities ("VIE"). When evaluating a VIE for consolidation, the Company must determine whether or not there is a variable interest in the entity. Variable interests are investments or other interests that absorb portions of an entity's expected losses or receive portions of the entity's expected returns. If it is determined that the Company does not have a variable interest in the VIE, no further analysis is required and the VIE is not consolidated. If the Company holds a variable interest in a VIE, the Company consolidates the VIE when there is a controlling financial interest in the VIE and therefore are deemed to be the primary beneficiary. The Company is determined to have a controlling financial interest in a VIE when it has both the power to direct the activities of the VIE that most significantly impact the VIE economic performance and the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to that VIE. This determination is evaluated periodically as facts and circumstances change.

On July 23, 2024, the Company entered into a Joint Venture Agreement with Milk & Honey, for the purpose of establishing a joint venture to be conducted under the name of Sugar Phase for the purpose of developing and constructing single-family homes on five parcels of land located in Edinburg Texas ("Sugar Phase JV"). Each of the Company and Milk & Honey are referred to as a "Joint Venturer" and collectively are referred to as the "Joint Venturers."

Pursuant to the Sugar Phase JV, as amended, the Company has agreed to contribute capital in the amount of $100,000 to the Sugar Phase JV to be used for the development and construction of single-family homes on land, with an estimated appraisal value of $317,500, contributed by Milk & Honey, to the Sugar Phase JV. The Joint Venturers will make such other capital contributions required to enable the Sugar Phase JV to carry out its purposes as set forth in the Sugar Phase JV as the Joint Venturers may mutually agree upon. The Joint Venturers shall arrange for or provide any financing as may be required by the Sugar Phase JV for carrying out the purposes of the Sugar Phase JV.

The Sugar Phase JV provides that the Company will have a 60% interest and Milk & Honey will have a 40% interest in the Sugar Phase JV. In addition, it provides that net profits of the Sugar Phase JV as they accrue will be distributed 45% to the Company and 55% to Milk & Honey, and that the expenses of the Sugar Phase JV will be paid by the Joint Venturers, in the ratio which the contribution of each Joint Venturer bears to the total contributions.

The Sugar Phase JV provides that the Company will act as the manager of Sugar Phase JV and shall be responsible for overseeing and dictating all responsibilities associated with managing a real estate development project, including: (i) overseeing the planning, development, and construction phases of the Project to ensure that it is completed on time and within budget, (ii) coordinating with architects, contractors, suppliers, and other relevant parties to facilitate smooth project execution, and (iii) ensuring compliance with all applicable laws, regulations, and industry standards throughout the duration of the project. The Company will also oversee the financial management of the Sugar Phase JV, including the establishment and maintenance of financial accounts and records.

The Sugar Phase JV provides that Milk & Honey will be responsible for the construction and development aspects of the project, including: (i) overseeing and managing all aspects of the construction process, including the selection and supervision of contractors, subcontractors, and suppliers and (ii) ensuring that all construction activities are carried out in accordance with the approved development plan, building codes, and industry standards.

2. Summary of Significant Accounting Policies (cont.)

The Sugar Phase JV provides that the following powers may be exercised only upon the mutual consent of the Joint Venturers: (i) the power to borrow money on the general credit of Sugar Phase JV in any amount, or to create, assume, or incur any indebtedness to any person or entity; (ii) the power to make loans in any amount, to guarantee obligations of any person or entity, or to make any other pledge or extension of credit; (iii) the power to purchase or otherwise acquire any other property except in the ordinary course of business of Sugar Phase JV; (iv) the power to sell, encumber, mortgage or refinance any loan or mortgage on any of the Joint Venture property; (v) the power to confess any judgment against Sugar Phase JV, or to create, assume, incur or consent to any charge (including any deed of trust, pledge, encumbrance or security interest of any kind) upon any property or assets of Sugar Phase JV; (vi) the power to spend any renovation or remodeling funds or to make any other expenditures except for routine day-to-day maintenance and operation of Sugar Phase JV.

Pursuant to Sugar Phase JV in the event the Joint Venturers are divided on a material issue and cannot agree on the conduct of the business and affairs of Sugar Phase JV, a deadlock shall be deemed to have occurred in which the Company (the "Offerer") may elect to purchase the Joint Venture interest of the other Joint Venturer (the "Offeree") at an agreed upon valuation of $1,100,000 or the Company shall make the final decision to break the deadlock.

See subsequent events footnote, for the sale of the Company's interest in the Sugar Phase JV.

On September 2, 2024, the Company entered into a second Joint Venture Agreement with Milk & Honey, for the purpose of establishing a joint venture to be conducted under the name of Pulga Internacional for the purpose of developing an eco-friendly retail outlet on land located in Weslaco Texas ("Pulga JV"). The terms of the Pulga JV are similar to the Sugar Phase JV, with the exception that the land Milk & Honey has contributed land with an estimated appraisal value of $164,895, and the net profits of the Pulga JV shall be distributed 50% to the Company and 50% to Milk & Honey.

On October 1, 2024, the Company entered into a JV Agreement with Milk & Honey for the purpose of establishing a joint venture to be conducted under the name of Hacienda Olivia Phase II LLC (the "2nd Joint Venture") for the purpose of developing and constructing a single family homes (the "Second Project") on fifty-seven (57) lots of land located in Hidalgo County, Texas (the " Second Land"). We are the manager of the 2nd Joint Venture.

Pursuant to 2nd JV Agreement, we agreed to contribute $10,000 to the 2nd Joint Venture as an initial capital contribution for the specific purpose of satisfying the existing mortgage on the Second Land, and Milk & Honey has agreed to contribute the Second Land to the 2nd Joint Venture. The terms of the 2nd Joint Venture are similar to the Joint Venture. As of December 31, 2024 there has been no activity in the 2nd Joint Venture.

On November 18 2024, we entered into a JV Agreement with Milk & Honey, for the purpose of establishing a joint venture to be conducted under the name of Hacienda Olivia Phase III LLC (the "3rd Joint Venture") for the purpose of developing and constructing single family homes on twelve (12) acres of land representing 77 lots located in Hidalgo County, Texas (the "Third Land"). We are the manager of the 3rd Joint Venture.

Pursuant to the 3rd JV Agreement, we agreed to contribute $10,000 to the 3rd Joint Venture as an initial capital contribution, and Milk & Honey has agreed to contribute the Third Land to the Joint Venture. The terms of the 3rd Joint Venture are similar to the Joint Venture. As of December 31, 2024 there has been no activity in the 3rd Joint Venture.

Investment Entities — On May 31, 2021, the Company agreed to contribute $600,000 to acquire a 50% membership interest in Norman Berry II Owner LLC ("Norman Berry"). The Company contributed $350,329 and $114,433 of the initial $600,000 in the second quarter and third quarter of 2021 respectively, with the remaining $135,183 funded in the fourth quarter of 2021. The purpose of Norman Berry is to develop and provide affordable housing in the Atlanta, Georgia metropolitan area. The Company has determined it is not the primary beneficiary of Norman Berry and thus will not consolidate the activities in its financial statements. The Company will use the equity method to report the activities as an investment in its financial statements.

2. Summary of Significant Accounting Policies (cont.)

On June 24, 2021, the Company entered into an operating agreement with Jacoby Development for a 10% non-dilutable equity interest for JDI-Cumberland Inlet, LLC ("Cumberland"). The Company contributed $3,000,000 for its 10% equity interest. During the year ended December 31, 2023, the Company contributed an additional $25,000. The purpose of Cumberland is to develop a waterfront parcel in a mixed-use destination community. The Company has determined it is not the primary beneficiary of Cumberland and thus will not consolidate the activities in its financial statements. The Company will use the equity method to report the activities as an investment in its financial statements.

During the years ended December 31, 2024 and 2023, Norman Berry and Cumberland did not have any material earnings or losses as the investments are in development. In addition, management believes there was no impairment as of December 31, 2024 and 2023

Cash and cash equivalents — The Company considers cash and cash equivalents to include all short-term, highly liquid investments that are readily convertible to known amounts of cash and have original maturities of three months or less upon acquisition. The Company has minimal cash and cash equivalents on hand as of December 31, 2024 and 2023.

Property, plant and equipment — Property, plant and equipment is stated at cost. Depreciation is computed using the straight-line method over the estimated lives of each asset which is 5 years for computer equipment and software. Repairs and maintenance are charged to expense when incurred.

Intangible assets — Intangible assets consist of $22,210 of website costs that will be amortized over 5 years, and $1,096,173 of software development acquired in connection with the asset acquisitions described below and additional additions which will be amortized over 3 years, As of December 31, 2024 the software development are not in service.

Project Development Costs — Project development costs are stated at cost. At December 31, 2024 and 2023, the Company's project development costs are expenses incurred related to development costs on various projects that are capitalized during the period the project is under development.

Assets Held For Sale — During 2022, management implemented a plan to sell a 50+ acre Lake Travis project site in Lago Vista, Texas ("Lago Vista"), which meets all of the criteria required to classify it as an Asset Held For Sale. Including previous project development costs associated with Lago Vista of $824,231, the book value is now $4,400,361.

On April 25, 2024, the Company entered into a Commercial Contract (the "Contract of Sale") with Lithe Development Inc., a Texas corporation ("Lithe"), to sell the Lago Vista Property for $5.825 million. The Contract of Sale provides that the closing of the sale by the Company to Lithe of the Lago Vista Property is expected to occur after a 70-day due diligence period and a subsequent 30-day closing period. On July 18th, 2024 the Company entered into an amendment to the Contract of Sale to extend the closing date to August 4th, The contract was further amended on July 25th, 2024, to increase the sales price to $5.84 million. On August 8, 2024, the Company entered into an additional amendment to the Contract of Sale to extend the closing date to August 20th, 2024 and increase the price sales price to $5.86M. On August 29, 2024, the Company entered into an additional amendment to the Contract of Sale to extend the closing date to October 10th, 2024. Currently, these potential sales did not materialize, and Lago Vista continued to be actively marketed.

2. Summary of Significant Accounting Policies (cont.)

On January 30, 2025, the Company entered into a definitive agreement (the "Purchase Agreement") with Lithe Development Inc., a Texas corporation ("Lithe"), for the sale of the Lago Vista Site. The agreed-upon purchase price for the property is $6,575,000.

Prior to the execution of the Purchase Agreement, as previously disclosed in the Current Report on Form 8-K filed by the Company with the SEC, on April 25, 2024, the Company had entered into a Contract of Sale with Lithe to sell approximately 60 acres of waterfront property at the Lago Vista Site for $5,825,000. The Contract of Sale provided for a 70-day due diligence period followed by a 30-day closing period. The Purchase Agreement executed on January 30, 2025, supersedes the Contract of Sale and reflects updated terms, including the revised purchase price.

The closing of the transaction under the Purchase Agreement is expected to occur on or before February 12, 2025, subject to final approvals and financing conditions required to complete the sale.

Fair value measurements — Financial instruments, including accounts payable and accrued expenses are carried at cost, which the Company believes approximates fair value due to the short-term nature of these instruments. The short-term note payable is carried at cost which approximates fair value due to corresponding market rates.

The Company measures the fair value of financial assets and liabilities based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value.

The Company uses three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Quoted prices for similar assets and liabilities in active markets or inputs that are observable.

Level 3 Inputs that are unobservable (for example, cash flow modeling inputs based on assumptions).

Transfer into and transfers out of the hierarchy levels are recognized as if they had taken place at the end of the reporting period.

Income taxes — The Company accounts for income taxes utilizing the asset and liability approach. Under this approach, deferred taxes represent the future tax consequences expected to occur when the reported amounts of assets and liabilities are recovered or paid. The provision for income taxes generally represents income taxes paid or payable for the current year plus the change in deferred taxes during the year. Deferred taxes result from the differences between the financial and tax bases of the Company's assets and liabilities and are adjusted for changes in tax rates and tax laws when changes are enacted.

2. Summary of Significant Accounting Policies (cont.)

The calculation of tax liabilities involves dealing with uncertainties in the application of complex tax regulations. The Company recognizes liabilities for anticipated tax audit issues based on the Company's estimate of whether, and the extent to which, additional taxes will be due. If payment of these amounts ultimately proves to be unnecessary, the reversal of the liabilities would result in tax benefits being recognized in the period when the liabilities are no longer determined to be necessary. If the estimate of tax liabilities proves to be less than the ultimate assessment, a further charge to expense would result.

Business Combinations — The Company accounts for business acquisitions using the acquisition method of accounting in accordance with ASC 805 "Business Combinations", which requires recognition and measurement of all identifiable assets acquired and liabilities assumed at their fair value as of the date control is obtained. The Company determines the fair value of assets acquired and liabilities assumed based upon its best estimates of the acquisition-date fair value of assets acquired and liabilities assumed in the acquisition. Goodwill represents the excess of the purchase price over the fair value of the net tangible and identifiable intangible assets acquired. Subsequent adjustments to fair value of any contingent consideration are recorded to the Company's consolidated statements of operations. Costs that the Company incurs to complete the business combination are charged to general and administrative expenses as they are incurred.

For acquisitions of assets that do not constitute a business, any assets and liabilities acquired are recognized at their cost based upon their relative fair value of all asset and liabilities acquired.

Concentrations of credit risk — Financial instruments, that potentially subject the Company to concentration of credit risk, consist principally of cash and cash equivalents. The Company places its cash with high credit quality institutions. At times, such amounts may be in excess of the FDIC insurance limits. The Company has not experienced any losses in such account and believes that it is not exposed to any significant credit risk on the account.

Accounting Standards Recently Adopted - On November 27, 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-07 Segment Reporting (Topic 280):

Improvements to Reportable Segment Disclosures. Among other new disclosure requirements, ASU 2023-07 requires companies to disclose significant segment expenses that are regularly provided to the chief operating decision maker. ASU 2023-07 is effective for annual periods beginning on January 1, 2024 and interim periods beginning on January 1, 2025.ASU 2023-07 must be applied retrospectively to all prior periods presented in the financial statements. The Company adopted ASU 2023-07 during the year ended December 31, 2024.

3. Property and Equipment and Intangible Assets

Property and equipment are stated at cost less accumulated depreciation and amortization and depreciated using the straight-line method over their useful lives. At December 31, 2024 and December 31, 2023 the Company's property and equipment, net consisted of the following:

	2024	2023
Computer equipment and software	$ 7,293	$ 3,805
Construction in progress	540,711	-
Less: accumulated depreciation	(1,248)	(236)
Property, plant and equipment, net	$ 546,756	$ 3,569

Depreciation expense for the year ended December 31, 2024 and 2023 amounted to $1,012 and $236, respectively.

At December 31, 2024 and December 31, 2023 the Company's intangible assets consisted of the following:

	2024	2023
Software development	$ 1,018,323	$ -
Website costs	22,210	22,210
Less: accumulated amortization	(2,221)	-
	$ 1,038,312	$ 22,210

Amortization expense for the year ended December 31, 2024 amounted to $2,221.

The following table represents the total estimated amortization of intangible assets for the succeeding years:

For the year ending December 31:	Estimated amortization expense
2025	$ 287,310
2026	343,884
2027	343,884
2028	61,005
2029	2,229
	$ 1,038,312

4. Equity-based investments

As of December 31, 2024, the Company's investment in Norman Barry and Cumberland amounted to $617,607 and $3,025,000, respectively. The approximate combined financial position of the Company's equity-based investments are summarized below as of December 31, 2024 and 2023:

Condensed balance sheet information:	**2024**	**2023**
	(Unaudited)	**(Unaudited)**
Total assets	$ 40,400,000	$ 39,800,000
Total liabilities	$ 10,200,000	$ 9,700,000
Members' equity	$ 30,200,000	$ 30,100,000

5. Note Payable

St. Mary's During August 2022, in connection with the purchase of the St. Mary's property in Georgia, the Company entered into a promissory note in the amount of $148,300 ("St. Mary's Note"). This note has a term of one (1) year, provided for payments of interest only at a rate of nine and three quarters percent (9.75%) per annum. During August 2023, such note was extended for a one-year period. During March 2024, the note was modified and the principal amount was increased to $200,000. This note was paid off in connection with the Second Amendment" for the Mary's Site as disclosed in Note 2.

LV Note

On March 31, 2023, LV Peninsula Holding LLC ("LV Peninsula"), a Texas limited liability company and wholly owned subsidiary of SG DevCo, pursuant to a Loan Agreement, dated March 30, 2023 (the "Loan Agreement"), issued a promissory note, in the principal amount of $5,000,000 (the "LV Note"), secured by a Deed of Trust and Security Agreement, dated March 30, 2023 (the "Deed of Trust") on the Lake Travis project site in Lago Vista, Texas, a related Assignment of Contract Rights, dated March 30, 2023 ("Assignment of Rights"), on the Company's project site in Lago Vista, Texas and McLean site in Durant, Oklahoma and a Mortgage, dated March 30, 2023 ("Mortgage"), on the Company's site in Durant, Oklahoma.

The proceeds of the LV Note were used to pay off the Short-Term Note and Second Short-Term Note. The LV Note requires monthly installments of interest only, is due on April 1, 2024 and bears interest at the prime rate as published in the Wall Street Journal (currently 8.0%) plus five and 50/100 percent (5.50%), currently equaling 13.5%; provided that in no event will the interest rate be less than a floor rate of 13.5%. The LV Peninsula obligations under the LV Note have been guaranteed by SG DevCo pursuant to a Guaranty, dated March 30, 2023 (the "Guaranty"), and may be prepaid by LV Peninsula at any time without interest or penalty. The Company incurred $406,825 of debt issuance costs and remitted $675,000 in prepaid interest in connection with the LV Note. The LV Note had an original maturity date of April 1, 2024.

On April 3, 2024, LV Holding, entered into a Modification and Extension Agreement, effective as of April 1, 2024 (the "Extension Agreement"), to extend to April 1, 2025 the maturity date of the LV Note. As consideration for the Extension Agreement, LV Holding agreed to pay an extension fee of $50,000. Additionally, the Extension Agreement provides for the LV Note's interest rate to be increased to a fixed rate of 17.00%. In addition, pursuant to a loan agreement dated April 3, 2024 (the "2nd Lien Loan Agreement"), LV Holding issued a promissory note, in the principal amount of $1,000,000 (the "2nd Lien Note"), secured by a revised Deed of Trust and Security Agreement, dated April 3, 2024 (the "Revised Deed of Trust") on the Company's Lago Vista site, and a Modification to Real Estate Mortgage, dated April 3, 2024 ("Mortgage Modification"), to the mortgage, dated March 30, 2023, on the Company's McLean site in Durant, Oklahoma. The 2nd Lien Note is subordinate to the LV Note. The 2nd Lien Note requires monthly installments of interest only, is due in full on April 1, 2025, bears interest at fixed rate of 17.00% and may be prepaid by LV Holding at any time without interest or penalty. LV Holding's obligations under the 2nd Lien Note have been guaranteed by the Company pursuant to a Guaranty, dated April 3, 2024.

Parent

On August 9, 2023, Parent and the Company entered into a Note Cancellation Agreement, effective as of July 1, 2023, pursuant to which Parent cancelled and forgave the remaining balance then due on that certain promissory note, dated December 19, 2021, made by the Company in favor of Parent in the original principal amount of $4,200,000.

5. Note Payable (cont.)

BCV

On June 23, 2023, the Company entered into a Loan Agreement (the "BCV Loan Agreement") with a Luxembourg-based specialized investment fund, BCV S&G DevCorp ("BCV S&G"), for up to $2,000,000 in proceeds, under which it initially received $1,250,000. The Loan Agreement provides that the loan provided thereunder will bear interest at 14% per annum and mature on December 1, 2024. The loan may be repaid by the Company at any time following the twelve-month anniversary of its issue date. The loan is secured by 1,999,999 (100,000 as adjusted for the Stock Split) of Parent's shares of the Company's common stock (the "Pledged Shares"), which were pledged pursuant to an escrow agreement (the "Escrow Agreement") with the Company's transfer agent. The fees associated with the issuance include $70,000 paid to BCV S&G for the creation of the BCV Loan Agreement and $27,500 payable to BCV S&G per annum for maintaining the BCV Loan Agreement. Additionally, $37,500 in broker fees was paid to Bridgeline Capital Partners S.A. on the principal amount raised of $1,250,000. The Company has paid $55,000 in debt issuance costs. The BCV Loan Agreement further provided that if the Company's shares of common stock were not listed on The Nasdaq Stock Market before August 30, 2023 or if following such listing the total market value of the Pledged Shares fell below twice the face value of the loan, the loan would be further secured by the Company's St. Mary's industrial site, consisting of 29.66 acres and a proposed manufacturing facility in St. Mary's, Georgia (the "St. Mary's Site").

On August 16, 2023, the Company secured an additional $500,000 in bridge funding from BCV S&G under the BCV Loan Agreement.

On August 25, 2023, SG DevCo and BCV S&G amended the BCV Loan Agreement ("Amendment No. 1") to change the date upon which SG DevCo's shares must be listed on The Nasdaq Stock Market from August 30, 2023 to September 15, 2023. According to Amendment No. 1, if SG DevCo's shares of common stock were not listed on The Nasdaq Stock Market before September 15, 2023 or if following such listing the total market value of the Pledged Shares fell below twice the face value of the loan, the loan will be further secured by a security interest in the St. Mary's Site.

On September 11, 2023, the Company and BCV S&G amended the BCV Loan Agreement ("Amendment No. 2") to change the date upon which the Company's shares must be listed on The Nasdaq Stock Market from September 15, 2023 to September 30, 2023. According to Amendment No. 2, if the Company's shares of common stock were not listed on The Nasdaq Stock Market before September 30, 2023 or if following such listing the total market value of the Pledged Shares fell below twice the face value of the loan, the loan would be further secured by a security interest in the St. Mary's Site. Following the listing, the total market value of the Pledged Shares fell below twice the face value of the loan and this condition has since been waived by BCV.

The BCV Loan Agreement is currently due December 1, 2025.

Peak

On November 30, 2023, the Company entered into a Securities Purchase Agreement, dated November 30, 2023 (the "Securities Purchase Agreement") with Peak One Opportunity Fund, L.P. ("Peak One"), pursuant to which the Company agreed to issue, in a private placement offering (the "Offering") upon the satisfaction of certain conditions specified in the Securities Purchase Agreement, two debentures to Peak One in the aggregate principal amount of $1,200,000.

The closing of the first tranche was consummated on November 30, 2023 and the Company issued an 8% convertible debenture in principal amount of $700,000 (the "First 2023 Debenture") to Peak One and a warrant (the "First 2023 Warrant") to purchase up to 350,000 shares of the Company's common stock (17,500 as adjusted for the Stock Split), to Peak One's designee as described in the Purchase Agreement. The First 2023 Debenture was sold to Peak One for a purchase price of $630,000, representing an original issue discount of ten percent (10%). In connection with the offering, the Company paid $17,500 as a non-accountable fee to Peak One to cover its accounting fees, legal fees and other transactional and issued to Peak One and its designee an aggregate total of 100,000 shares of its restricted common stock (5,000 as adjusted for the Stock Split) as commitment shares.

5. Note Payable (cont.)

The First 2023 Debenture had a maturity date twelve months from its date of issuance and bore interest at a rate of 8% per annum payable on the maturity date. The First 2023 Debenture was convertible, at the option of the holder, at any time, into such number of shares of common stock of the Company equal to the principal amount of the First 2023 Debenture plus all accrued and unpaid interest at a conversion price equal to $2.14 ($42.80 as adjusted for the Stock Split), subject to adjustment for any stock splits, stock dividends, recapitalizations and similar events, as well as anti-dilution price protection provisions that are subject to a floor price of $0.39 ($7.80 as adjusted for the Stock Split).

The First 2023 Warrant's expiration date was five years from its date of issuance. The First 2023 Warrant was exercisable, at the option of the holder, at any time, for up to 350,000 of shares of common stock (17,500 as adjusted for the Stock Split) of the Company at an exercise price equal to $2.53 ($50.60 as adjusted for the Stock Split), subject to adjustment for any stock splits, stock dividends, recapitalizations, and similar events, as well as anti-dilution price protection provisions that are subject to a floor price of $0.39 ($7.80 as adjusted for the Stock Split). The First 2023 Warrant provided for cashless exercise under certain circumstances.

Under the Purchase Agreement, a closing of the second tranche could occur subject to the mutual written agreement of Peak One and the Company and satisfaction of the closing conditions set forth in the Purchase Agreement at any time after January 29, 2024, upon which the Company would issue and sell to Peak One on the same terms and conditions a second 8% convertible debenture in the principal amount $500,000.

In connection with the Purchase Agreement, the Company incurred a total of $75,393 in debt issuance costs. In addition, the initial fair value of the First 2023 Warrant amounted to $294,438 and the fair value of the commitment shares amounted to $195,000, both of which have been recorded as a debt discount and will be amortized over the effective rate method.

During the year ended December 31, 2024 the balance of $700,000 from the First 2023 Debenture was converted into 998,905 shares of common stock (49,945 as adjusted for the Stock Split) and the Company issued 305,831 shares of the Company's common stock (15,292 as adjusted for the Stock Split) in connection with the exercise, in full of the First 2023 Warrant, on a cashless basis. The conversion was within the terms of the agreement and there was no gain or loss recognized.

On February 15, 2024, the Company entered into an amendment (the "Amendment") to the Purchase Agreement with Peak One.

The Amendment provided that the second tranche be separated into two tranches (the second and third tranche) wherein which the Company would issue in each tranche an 8% convertible debenture in the principal amount of $250,000 at a purchase price of $225,000 (representing an original issue discount of ten percent (10%) with the same terms as the First 2023 Debenture). In addition, the Amendment provided that the Company would issue (i) 35,000 shares of its Common Stock (1,750 as adjusted for the Stock Split) on the closing of each of the second tranche and the third tranche as a commitment fee in connection with the issuance of the Second 2023 Debenture and the Third 2023 Debenture, respectively; (ii) a common stock purchase warrant (with the same terms as the First 2023 Warrant) for the purchase of 125,000 shares of common stock (6,250 as adjusted for the Stock Split) on the closing of each of the second tranche and the third tranche; and (iii) pay $6,500 of Peak One's non-accountable fees in connection with each of the second tranche and the third tranche.

The closing of the second tranche was consummated on February 16, 2024. In connection with the second tranche, the Company incurred a total of $20,000 in debt issuance costs. In addition, the initial fair value of the warrant issued at the February 2024 closing of the second tranche amounted to $60,030 and the fair value of the commitment shares issued at the February 2024 closing of the second tranche amounted to $28,350, both of which have been recorded as a debt discount and will be amortized over the effective rate method.

The closing of the third tranche was consummated on March 20, 2024. In connection with the third tranche, the Company incurred a total of $20,000 in debt issuance costs. In addition, the initial fair value of the warrant issued at the March 2024 closing of the third tranche amounted to $64,333 and the fair value of the commitment shares issued at the March 2024 closing of the third tranche amounted to $30,800, both of which were recorded as a debt discount and were amortized over the effective rate method.

5. Note Payable (cont.)

On April 29, 2024, the Company entered into a Securities Purchase Agreement, dated April 29, 2024 (the "April 2024 Purchase Agreement") with Peak One, pursuant to which the Company agreed to issue, in a private placement offering upon the satisfaction of certain conditions specified in the April 2024 Purchase Agreement, three Debentures to Peak One in the aggregate principal amount of $1,200,000. The closing of the first tranche was consummated on April 29, 2024 and the Company issued an 8% convertible debenture in principal amount of $350,000 (the "First 2024 Debenture") to Peak One and a warrant (the "First 2024 Warrant") to purchase up to 262,500 shares of the Company's common stock (13,125 as adjusted for the Stock Split), to Peak One's designee as described in the April 2024 Purchase Agreement. The First 2024 Debenture was sold to Peak One for a purchase price of $315,000, representing an original issue discount of ten percent (10%). In connection with the closing of the first tranche, the Company paid $10,000 as a non-accountable fee to Peak One to cover its accounting fees, legal fees and other transactional costs and issued to Peak One and its designee an aggregate total of 80,000 shares of its restricted common stock (4,000 as adjusted for the Stock Split) as commitment shares.

The First 2024 Debenture had a maturity date of twelve months from its date of issuance and bore interest at a rate of 8% per annum payable on the maturity date. The First 2024 Debenture was convertible, at the option of the holder, at any time, into such number of shares of common stock of the Company equal to the principal amount of the First 2024 Debenture plus all accrued and unpaid interest at a conversion price equal to $0.70 ($14 as adjusted for the Stock Split), subject to adjustment for any stock splits, stock dividends, recapitalizations and similar events, as well as anti-dilution price protection provisions that are subject to a floor price of $0.165 ($3.30 as adjusted for the Stock Split).

The First 2024 Warrant's expiration date was five years from its date of issuance. The First 2024 Warrant was exercisable, at the option of the holder, at any time, for up to 262,500 of shares of common stock (13,125 as adjusted for the Stock Split) of the Company at an exercise price equal to $0.76 ($15.20 as adjusted for the Stock Split), subject to adjustment for any stock splits, stock dividends, recapitalizations, and similar events, as well as anti-dilution price protection provisions that are subject to a floor price of $0.165 ($3.30 as adjusted for the Stock Split). The First 2024 Warrant provided for cashless exercise under certain circumstances.

On May 24, 2024, the Company closed the second tranche of its private placement offering under the April 2024, Purchase Agreement pursuant to which the Company issued an 8% convertible debenture in principal amount of $350,000 (the "Second 2024 Debenture") to Peak One and a warrant (the "Second 2024 Warrant") to purchase up to 262,500 shares of the Company's common stock (13,125 as adjusted for the Stock Split) to Peak One's designee as described in the Purchase Agreement.

The Second 2024 Debenture was sold to Peak One for a purchase price of $315,000, representing an original issue discount of ten percent (10%). The Second Debenture had a maturity of twelve months from its date of issuance and bore interest at a rate of 8% per annum payable on the maturity date. The Second 2024 Debenture was convertible, at the option of the holder, at any time, into such number of shares of Common Stock of the Company equal to the principal amount of the Second 2024 Debenture plus all accrued and unpaid interest at a conversion price equal to $0.60 ($12 as adjusted for the Stock Split), subject to adjustment for any stock splits, stock dividends, recapitalizations and similar events, as well as anti-dilution price protection provisions that are subject to a floor price of $0.165 ($3.30 as adjusted for the Stock Split). In connection with the closing of the second tranche, the Company paid $10,000 as a non-accountable fee to Peak One to cover its accounting fees, legal fees and other transactional costs and issued to Peak One and its designee an aggregate total of 80,000 shares of its restricted Common Stock (4,000 as adjusted for the Stock Split) as commitment shares as described in the Purchase Agreement.

The Second 2024 Warrant's expiration date was five years from its date of issuance. The Second 2024 Warrant was exercisable, at the option of the holder, at any time, for up to 262,500 of shares of Common Stock (13,125 as adjusted for the Stock Split) of the Company at an exercise price equal to $0.65 ($13 as adjusted for the Stock Split), subject to adjustment for any stock splits, stock dividends, recapitalizations, and similar events, as well as anti-dilution price protection provisions that are subject to a floor price as set forth in the Second 2024 Warrant. The Second 2024 Warrant provided for cashless exercise under certain circumstances.

5. Note Payable (cont.)

In connection with the First 2024 Debenture and the Second 2024 Debenture the Company incurred $96,491 in debt issuance costs. In addition, the initial fair value of the warrants issued amounted to $188,074 and the fair value of the commitment shares issued amounted to $90,232, both of which were recorded as a debt discount and were amortized over the effective rate method.

During the year ended December 31, 2024, $700,000 from the debentures entered into during 2024 were converted into 1,500,447 shares of common stock (75,022 as adjusted for the Stock Split) within the terms of the original agreement, and there was no gain or loss recognized.

On August 13, 2024 the Company exercised its option to repay Peak One at a 10% premium pursuant to Section 2(b)(i) of the Peak Debentures. The investor and the Company agreed that the outstanding principal was currently $500,000 with accrued interest of $17,911 for a total repayment of $569,702.

As of December 31, 2024 there was no outstanding balance on the debentures.

Leighton

On March 1, 2024, the Company entered into a credit agreement with the Bryan Leighton Revocable Trust Dated December 13, 2023 (the "Lender") pursuant to which the Lender agreed to provide the Company with a line of credit facility (the "Line of Credit") up to the maximum amount of $250,000 from which the Company may draw down, at any time and from time to time, during the term of the Line of Credit. The "Maturity Date "of the Line of Credit is September 1, 2024. At any time prior to the Maturity Date, upon mutual written consent of the Company and the Lender, the Maturity Date may be extended for up to an additional six-month period. The advanced and unpaid principal of the Line of Credit from time to time outstanding will bear interest at a fixed rate per annum equal to 12.0% (the "Fixed Rate"). On the first day of each month, the Company will pay to the Lender interest, in arrears, on the aggregate outstanding principal indebtedness of the Line of Credit at the Fixed Rate. The entire principal indebtedness of the Line of Credit and any accrued interest thereon will be due and payable on the Maturity Date. In consideration for the Line of Credit, on March 1, 2024, the Company issued 154,320 shares of the Company's restricted common stock (7,716 as adjusted for the Stock Split) to Lender. The fair value of the shares issued to Lender amounted to $125,000 and has been recorded as a debt discount and will be amortized over the effective rate method. On November 12, 2024 the Company entered into Credit Extension Agreement (the "Extension") for the agreement with the Bryan Leighton Revocable Trust dated December 13, 2023. The Extension extends the maturity date from September 1, 2024 to December 15, 2024. The Company paid an extension fee of $8,750 dollars and issued an additional 2,500 shares of the Company's restricted common stock as consideration for the extension. The rate of interest also increased from 12% per annum to 14% per annum retroactive to September 1, 2024. During the year ended December 31, 2024, the Company drew down $250,000 from the Line of Credit.

1800 Diagonal

On July 10, 2024, the Company issued a promissory note (the "1800 Diagonal Note") in favor of 1800 Diagonal Lending LLC ("1800 Diagonal") in the principal amount of $64,400 for a purchase price of $56,000, representing an original issue discount of $8,400. Under the terms of the 1800 Diagonal Note, beginning on August 15, 2024, the Company is required to make nine monthly payments of accrued, unpaid interest and outstanding principal, subject to adjustment, in the amount of $8,086. The Company has the right to accelerate payments or prepay in full at any time with no prepayment penalty. In connection with the 1800 Diagonal Note, the Company incurred $11,000 in debt issuance costs.

On July 24, 2024, the Company issued a promissory note (the "Second 1800 Diagonal Note") in favor of 1800 Diagonal in the principal amount of $49,000 for a purchase price of $40,000, representing an original issue discount of $9,000. Under the terms of the Second 1800 Diagonal Note, beginning on August 30, 2024, the Company is required to make nine monthly payments of accrued, unpaid interest and outstanding principal, subject to adjustment, in the amount of $6,261. The Company has the right to accelerate payments or prepay in full at any time with no prepayment penalty. In connection with the Second 1800 Diagonal Note, the Company incurred $10,000 in debt issuance costs.

On September 6, 2024, the Company issued a promissory note (the "Third 1800 Diagonal Note") in favor of 1800 Diagonal in the principal amount of $49,000 for a purchase price of $40,000, representing an original issue discount of $9,000. Under the terms of the Second 1800 Diagonal Note, beginning on October 9, 2024, the Company is required to make payments of accrued, unpaid interest and outstanding principal, subject to adjustment, in the amount of $7,044, with $42,263 being due during October 2024. The Company has the right to accelerate payments or prepay in full at any time with no prepayment penalty. In connection with the Third 1800 Diagonal Note, the Company incurred $10,000 in debt issuance costs.

5. Note Payable (cont.)

Cedar

On September 17, 2024, the Company entered into a Cash Advance Agreement (the "Cash Advance Agreement") with Cedar Advance LLC ("Cedar") pursuant to which the Company sold to Cedar $40,470 of its future receivables for a purchase price of $28,500, less underwriting fees and expenses paid and the repayment of prior amounts due Cedar, for net funds provided of $25,000. Pursuant to the Cash Advance Agreement, Cedar is expected to withdraw $1,500 a week directly from the Company until the $40,470 due to Cedar is paid in full. In the event of a default (as defined in the Cash Advance Agreement), Cedar, among other remedies, can demand payment in full of all amounts remaining due under the Cash Advance Agreement.

Arena

On August 12, 2024, the Company entered into a Securities Purchase Agreement, dated August 12, 2024 (the "Arena Purchase Agreement") with the purchasers named therein ("Arena Investors") related to a private placement of up to five tranches of secured convertible debentures after satisfaction of certain conditions specified in the Arena Purchase Agreement in the aggregate principal amount of $10,277,777 (the "Arena Debentures") together with warrants to purchase a number of shares of the Company's common stock equal to 20% of the total principal amount of the Arena Debentures sold divided by 92.5% of the lowest daily VWAP (as defined in the Arena Purchase Agreement) and subject to a floor price of $0.045 ($0.90 as adjusted for the Stock Split) (subject to proportional adjustment for stock splits), for the Company's common stock during the ten consecutive trading day period preceding the respective closing dates (the "Arena Warrants").

The closing of the first tranche was consummated on August 12, 2024 (the "First Closing Date") and the Company issued to the Arena Investors 10% original issue discount secured convertible debentures in the aggregate principal amount of $1,388,889 (the "First Closing Arena Debentures") and warrants (the "First Closing Arena Warrants") to purchase up to and aggregate of 1,299,242 shares of the Company's common stock (64,962 as adjusted for the Stock Split). The First Closing Arena Debentures were sold to Arena Investors for a purchase price of $1,250,000, representing an original issue discount of ten percent (10%). In connection with the closing, the Company incurred $175,000 of debt issuance costs. In connection with the closing of the first tranche, we reimbursed the Debenture Selling Stockholders $55,000 for their legal fees and expenses In addition, the initial fair value of the First Closing Arena Warrants, as described below, amounted to $214,267 and has been recorded as a debt discount and will be amortized over the effective rate method.

Each First Closing Arena Debenture matures eighteen months from its date of issuance and bears interest at a rate of 10% per annum paid-in-kind ("PIK Interest") unless there is an event of default under the applicable First Closing Arena Debenture. The PIK Interest shall be added to the outstanding principal amount of the applicable First Closing Arena Debenture on a monthly basis as additional principal obligations thereunder for all purposes thereof (including the accrual of interest thereon at the rates applicable to the principal amount generally). Each First Closing Arena Debenture is convertible, at the option of the holder, at any time, into such number of shares of the Company's common stock equal to the principal amount of such First Closing Arena Debenture plus all accrued and unpaid interest at a conversion price equal to the lesser of (i) $0.279 ($5.58 as adjusted for the Stock Split), and (ii) 92.5% of lowest daily volume weighted average price (VWAP) of our common stock during the ten trading day period ending on such conversion date, subject to adjustment for any stock splits, stock dividends, recapitalizations and similar events, as well as anti-dilution price protection provisions, and subject to a floor price of $0.045 ($0.90 as adjusted for the Stock Split) (subject to proportional adjustment for stock splits).

The First Closing Arena Debentures are redeemable by the Company at a redemption price equal to 115% of the sum of the principal amount to be redeemed plus accrued interest, if any. While the First Closing Arena Debentures are outstanding, if the Company or any of its subsidiaries receives cash proceeds from the issuance of equity or indebtedness (other than the issuance of additional secured convertible debentures as contemplated by the Arena Purchase Agreement), in one or more financing transactions, whether publicly offered or privately arranged (including, without limitation, pursuant to the Arena ELOC (as defined below), the Company shall, within two (2) business days of Company's receipt of such proceeds, inform the holder of such receipt, following which the holder shall have the right in its sole discretion to require the Company to immediately apply up to 20% of all proceeds received by the Company to repay the outstanding amounts owed under the First Closing Arena Debentures.

5. Note Payable (cont.)

The First Closing Arena Debentures contain customary events of default. Upon the occurrence and during the continuance of an event of default under the applicable First Closing Arena Debenture, interest shall accrue on the outstanding principal amount of such First Closing Debenture at the rate of two percent (2%) per month and such default interest shall be due and payable monthly in arrears in cash on the first of each month following the occurrence of any event of default for default interest accrued through the last day of the prior month. If an event of default occurs, the holder may accelerate the full indebtedness under the applicable First Closing Arena Debenture, in an amount equal to 150% of the outstanding principal amount plus 100% of accrued and unpaid interest. Subject to limited exceptions set forth in the First Closing Arena Debentures, the First Closing Arena Debentures prohibit us and, as applicable, our subsidiaries from incurring any new indebtedness that is not subordinated to our and, as applicable, any subsidiary's obligations in respect of the First Closing Debentures until the First Closing Debentures are paid in full.

The First Closing Arena Warrants expire five years from its date of issuance. The First Closing Arena Warrants are exercisable, at the option of the holder, at any time, for up to 1,299,242 of shares of the Company's common stock (64,962 as adjusted for the Stock Split) at an exercise price equal to $0.279 ($5.58 as adjusted for the Stock Split), subject to adjustment for any stock splits, stock dividends, recapitalizations, and similar events, as well as anti-dilution price protection provisions that are subject to a floor price as set forth in the First Closing Arena Warrants. The First Closing Arena Warrants provide for cashless exercise under certain circumstances.

We entered into a Registration Rights Agreement, dated August 12, 2024 (the "First Closing RRA"), with the Arena Investors where we agreed to file with the SEC an initial registration statement within 30 days to register the maximum number of Registrable Securities (as defined in the First Closing RRA) issuable under the First Closing Arena Debentures and the First Closing Arena Warrants as shall be permitted to be included thereon in accordance with applicable SEC rules. We have filed a registration statement registering the securities issuable upon conversion or exercise of the First Closing Arena Debentures and First Closing Arena Warrants, in order to satisfy our obligations under the First Closing RRA, and such registration statement was declared effective by the SEC on September 30, 2024. In the event the number of shares available under such registration statement is insufficient to cover the securities issuable upon conversion or exercise of the First Closing Arena Debentures or First Closing Arena Warrants, we are obligated to file one or more new registration statements until such time as all securities issuable upon conversion or exercise of the First Closing Arena Debentures or First Closing Arena Warrants have been included in registration statements that have been declared effective and the prospectus contained therein is available for use by the Arena Investors.

Under the Arena Purchase Agreement, a closing of the second, third, fourth or fifth tranche together (the "Additional Tranches" may occur subject to the mutual written agreement of Arena Investors and the Company and satisfaction of the closing conditions set forth in the Purchase Agreement on the later (y) the fifth trading day following the First, Second, Third or Fourth Registration Statement Effectiveness Date (or if such day is not a trading day, on the next succeeding trading day) and (z) such date as the outstanding principal balance of the prior Arena Debenture issued is less than $100,000.00, unless the parties mutually agree in writing to consummate the second, third, fourth or fifth closing on a different date, upon which the Company would issue and sell to Arena Investors on the same terms and conditions a second, third, fourth or fifth 10% original issue discount secured convertible debentures each in the principal amount of $2,222,222 (the "Additional Closing Arena Debentures") and a warrant (the "Additional Closing Warrants") to purchase a number of shares of the Company's common stock equal to 20% of the total principal amount of the Additional Closing Arena Debentures divided by 92.5% of the lowest daily VWAP (as defined in the Purchase Agreement) and subject to a floor price of $0.045 ($0.90 as adjusted for the Stock Split) (subject to proportional adjustment for stock splits), for the common stock during the ten consecutive trading day period ended on the last trading day immediately preceding the closing of the additional tranches, provided the additional Closings are also contingent on the satisfaction of the following additional condition, unless waived mutually by the parties: the median daily turnover of the Company's common stock on its principal trading market for the thirty consecutive trading day period ended as of the last trading day immediately preceding the date of the proposed Closing must be greater than $200,000.

The Additional Closing Arena Debentures would be sold to Arena Investors each for a purchase price of $2,000,000, representing an original issue discount of ten percent (10%). In connection with each closing of the additional tranches, the Company will enter into a registration rights agreement pursuant to which the Company will agree to register the maximum number of shares of the Company's common stock issuable under the Second, Third, Fourth or Fifth Closing Debentures and the Second, Third, Fourth, or Fifth Closing Arena Warrants as shall be permitted with terms substantially similar as the terms provided in the RRA. The Company also has agreed to reimburse Arena Investors for its legal fees and expenses related to such each closing.

5. Note Payable (cont.)

The Arena Purchase Agreement prohibits the Company from entering into a Variable Rate Transaction (other than the Arena ELOC described below) until such time as no Arena Debentures remain outstanding. In addition, the Arena Purchase Agreement states that neither the Company nor any subsidiary may issue, during specified time periods, any Common Stock or Common Stock equivalents, except for certain exempted issuances (i.e., stock options, employee grants, shares issuable pursuant to outstanding securities, acquisitions and strategic transactions) and the Arena ELOC.

The Company entered into a Security Agreement, dated August 12, 2024 (the "Security Agreement"), with Arena Investors where it agreed to grant Arena Investors a security interest in all of its assets to secure the prompt payment, performance and discharge in full of all of the Company's obligations under the Arena Debentures. In addition, each of the Company's subsidiaries entered into a Guaranty Agreement, dated August 12, 2024 (the "Subsidiary Guaranty"), with Arena Investors pursuant to which they agreed to guarantee the prompt payment, performance and discharge in full of all of the Company's obligations under the Arena Debentures.

During the year ended December 31, 2024, $1,250,000 from First Closing Arena Debenture were converted into 375,533 shares of common stock within the terms of the original agreement, and there was no gain or loss recognized.

On October 25, 2024, the Company closed the second tranche of its private placement offering (the "Offering") with the Arena Investors) under the Arena Purchase Agreement to which the Company issued 10% convertible debentures (the "Second Closing Debentures") in the aggregate principal amount of Two Million Two Hundred Twenty-Two Thousand Two Hundred and Twenty-Two Dollars ($2,222,222) to the Arena Investors and warrants (the "Second Closing Warrants") to purchase up to 170,892 shares (the "Warrant Shares") of the Company's common stock, $0.001 par value per share (the "Common Stock").

The Second Closing Debentures were sold to the Arena Investors for a purchase price of $2,000,000, representing an original issue discount of ten percent (10%). The Second Closing Debentures mature eighteen months from their date of issuance and bears interest at a rate of 10% per annum paid-in-kind ("PIK Interest"), unless there is an event of default under the applicable Second Closing Debenture. The PIK Interest shall be added to the outstanding principal amount of the applicable Second Closing Debenture on a monthly basis as additional principal obligations thereunder for all purposes thereof (including the accrual of interest thereon at the rates applicable to the principal amount generally). Each Second Closing Debenture is convertible, at the option of the holder, at any time, into such number of shares of our Common Stock equal to the principal amount of such Second Closing Debenture plus all accrued and unpaid interest at a conversion price equal to the lesser of (i) $3.48, and (ii) 92.5% of lowest daily volume weighted average price (VWAP) of our Common Stock during the ten trading day period ending on such conversion date (the "Conversion Price"), subject to adjustment for any stock splits, stock dividends, recapitalizations and similar events, as well as anti-dilution price protection provisions, and subject to a floor price of $0.90 (subject to proportional adjustment for stock splits). Based upon the floor price, the maximum number of shares issuable upon conversion of the Second Closing Debentures is 3,268,197 shares of Common Stock. In connection with the closing of the second tranche, the Company reimbursed Arena Investors $10,000 for its legal fees and expenses. In addition, the initial fair value of the Second Closing Arena Warrants, as described below, amounted to $390,939 and has been recorded as a debt discount and will be amortized over the effective rate method.

The Second Closing Warrants expire five years from their date of issuance. The Second Closing Warrants are exercisable, at the option of the holder, at any time, for up to 170,892 shares of the Company's Common Stock at an exercise price equal to $3.476 (the "Exercise Price"), subject to adjustment for any stock splits, stock dividends, recapitalizations, and similar events, as well as anti-dilution price protection provisions. The Second Closing Warrants provide for cashless exercise under certain circumstances.

The Company entered into a Registration Rights Agreement, dated October 25, 2024 (the "RRA"), with the Arena Investors where it agreed to file with the Securities and Exchange Commission (the "SEC") an initial registration statement within 30 days to register the maximum number of Registrable Securities (as defined in the RRA) issuable under the Second Closing Debentures and the Second Closing Warrants as shall be permitted to be included thereon in accordance with applicable SEC rules and to use its reasonable best efforts to have the registration statement declared effective by the SEC no later than the "Second Registration Statement Effectiveness Date", which is defined in the Purchase Agreement as the 30th calendar day following the Second Closing Date (or, in the event of a "full review" by the SEC, no later than the 120th calendar day following the Second Closing Date); provided, however, that if the registration statement will not be reviewed or is no longer subject to further review and comments, the Second Registration Statement Effectiveness Date will be the fifth trading day following the date on which the Company is so notified if such date precedes the date otherwise required above.

On October 31, 2024, the Company and the Arena Investors entered into a Global Amendment No. 2 (the "Amendment") to the 10% Original Issue Discount Secured Convertible Debentures issued on August 12, 2024, as amended (the "First Closing Debentures"). Pursuant to the Amendment, the parties to the First Closing Debentures, in order to comply with Nasdaq rules, amended the First Closing Debentures to provide that the Floor Price was set at a fixed price subject to proportional adjustment for stock splits and deleted the prior language which allowed for the floor price to be reduced upon the written consent of the Company and the holder.

5. Note Payable (cont.)

Sugar Phase

On November 7, 2024, Sugar Phase entered into a loan agreement with Construction Loan Services II LLC for a committed loan amount up to $554,223 (the "Sugar Phase Loan"). The current maturity date of the Sugar Phase Loan is November 2, 2025, and has a maximum loan to value percentage of 58.34%. The Sugar Phase Loan is for financing on certain underlying properties held by Sugar Phase ("Properties") and is secured by the Properties. The Sugar Phase Loan bears interest equal to the Index Rate plus the Margin Rate as defined in the underlying agreements. As of December 31, 2024, the current interest rate was 11.89%. Monthly payments of interest are due until the maturity date at which point the entire principal balance shall be due. As of December 31, 2024, the principal balance amounted to $338,066.

Scheduled maturities of notes payable is as follows for the years ending December 31,:

2025	$ 8,962,724
2026	2,361,111
	11,323,835
Less: debt discount and debt issuance costs	(1,124,157)
	10,199,678
Less: current maturities	(8,699,721)
	$ 1,499,957

For the year ended December 31, 2024, the Company recognized amortization of debt issuance costs and debt discount of $2,189,008 on all debt outstanding. For the year ended December 31, 2023, the Company recognized amortization of debt issuance costs of $208,412 on all debt outstanding. As of December 31, 2024, the unamortized debt issuance costs and discount amounted to $1,124,157.

6. Acquisition of Assets

On February 7, 2024, the Company, entered into a Membership Interest Purchase Agreement ("MIPA") to acquire Majestic World Holdings LLC ("Majestic"). The MIPA provided that the aggregate consideration to be paid by the Company for the outstanding membership interests (the "Membership Interests") of Majestic would consist of 500,000 shares of the Company's restricted stock (20,000 as adjusted for the Stock Split) the "Stock Consideration") and $500,000 in cash (the "Cash Consideration"). The MIPA and a related side letter provided that the aggregate purchase price be paid as follows: (i) the Stock Consideration was issued at the closing (the "Closing") on February 7, 2024; and (ii) 100% of the Cash Consideration was to be paid in five equal installments of $100,000 each on the first day of each of the five quarterly periods following the Closing. In addition, pursuant to a profit sharing agreement entered into as of February 7, 2024 (the "Profit Sharing Agreement"), the Company agreed to pay the former members of Majestic a 50% share of the net profits for a period of five years that are directly derived from the technology and intellectual property utilized in the real estate focused software as a service offered and operated by Majestic and its subsidiaries. As of December 31, 2024, the Company has not incurred any amount related to the Profit Sharing Agreement. On October 30, 2024, the Company and the members of Majestic entered into an amendment to the MIPA. The amendment reduced the cash consideration for the purchase of Majestic from $500,000 to $154,675. Members receiving less than $5,000 were to be paid their share of cash consideration by October 30th, 2024. Members receiving more than $5,000 shall be 50% of the consideration of each of October 30th, 2024 and December 1st, 2024 (the "Payment Date"). The exception is the Vikash Jain who shall be paid over a 12-month term. In conjunction with this acquisition, the Company incurred $38,423 of legal fees which have been capitalized to intangible assets.

The Majestic acquisition is accounted for as an asset acquisition. The Majestic acquisition was made for the purpose of expanding the Company's footprint into technology space.

The purchase consideration amounted to:

Cash	$ 154,675
Equity compensation	435,000
	$ 589,675

The following table summarizes the allocation of the purchase price to the assets acquired and liabilities assumed for the Majestic Acquisition:

Cash and cash equivalents	$ 1,082
Intangible assets	620,930
Accounts payable and accrued expenses	(32,337)
	$ 589,675

6. Acquisition of Assets (cont.)

As of May 7, 2024, the Company entered into an Asset Purchase Agreement (the "APA") with Dr. Axely Congress to purchase all of the assets related to the A.I technology known as My Virtual Online Intelligent Assistant ("MyVONIA"). MyVONIA, an advanced artificial intelligence (AI) assistant which utilizes machine learning and natural language processing algorithms to provide users with human-like conversational interactions, tailored to their specific needs. MyVONIA does not require an app, or website but is accessible to subscribers via text messaging.

On June 6, 2024, the Company completed the acquisition of all of the assets related to MyVONIA pursuant to the APA. The purchase price for MyVONIA is up to 500,000 shares of the Company's common stock (25,000 as adjusted for the Stock Split). Of such shares, 200,000 shares of common stock (10,000 as adjusted for the Stock Split) were issued at the closing on June 6, 2024, with an additional 300,000 shares of common stock (15,000 as adjusted for the Stock Split) issuable upon the achievement of certain benchmarks. The additional consideration will be paid at each of the following events: 100,000 shares of common stock (5,000 as adjusted for the Stock Split) at 2,500 Qualified Users, 100,000 shares of common stock (5,000 as adjusted for the Stock Split) at 5,000 Qualified Users and 100,000 shares of common stock (5,000 as adjusted for the Stock Split) at 10,000 Qualified Users. The purchase of MyVONIA was determined to be an acquisition of assets, of which intangible assets were acquired. The fair value of the purchase amounted to $103,800 which resulted from the 200,000 shares of common stock issued (10,000 as adjusted for the Stock Split). As of the date of acquisition and December 31, 2024, the issuance of the contingent shares was not probable and thus not recorded. In conjunction with this acquisition, the Company incurred $35,439 of legal fees which have been capitalized to intangible assets.

The purchase consideration amounted to:

Equity compensation	$	103,800

The following table summarizes the allocation of the purchase price to the assets acquired:

Intangible assets	$	103,800

7. Net Loss Per Share

Basic net loss per share is computed by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. Diluted net loss per share is computed by dividing the net loss for the period by the weighted average number of common and potentially dilutive common shares outstanding during the period. Potentially dilutive common shares consist of the common shares issuable upon the exercise of stock options and warrants. Potentially dilutive common shares are excluded from the calculation if their effect is antidilutive.

At December 31, 2024, there were 357,937 warrants outstanding that could potentially dilute future net loss per share.

8. Stockholder's Equity

As of December 31, 2024, the Company has 1,486,872 shares of common stock post-split issued and outstanding.

On September 27, 2023, Parent effected a pro rata distribution to Safe & Green Holdings Corp.'s stockholders of approximately 30% of the then outstanding shares of their common stock ("Distribution"). In connection with the Distribution, each Parent stockholder received 0.930886 shares of our common stock for every five (5) shares of SG Holdings common stock held as of the close of business on September 8, 2023, the record date for the Distribution, as well as a cash payment in lieu of any fractional shares. Immediately after the Distribution, the Company was no longer a wholly owned subsidiary of Parent and Parent held approximately 70% of the Company's issued and outstanding securities.

During the year ended December 31, 2024, the Company issued 45,174 shares of common stock for services with a value of $297,871. Additionally, during the year ended December 31, 2024, the Company issued 65,466 shares of common stock for the issuance of debt and warrants with a value of $1,198,309, as previously disclosed, as well as 53,750 shares of common stock from the exercise of warrants.

During the year ended December 31, 2024, the Company issued 500,501 shares of common stock resulting from the conversion of an aggregate of $2,675,955 of First Closing Arena Debenture principal amount and accrued interest.

Equity Purchase Agreement

On November 30, 2023, the Company entered into an Equity Purchase Agreement (the "EP Agreement") with Peak One, pursuant to which the Company shall have the right, but not the obligation, to direct Peak One to purchase up to $10,000,000 (the "Maximum Commitment Amount") in shares of the Company's common stock in multiple tranches upon satisfaction of certain terms and conditions. Further, under the EP Agreement and subject to the Maximum Commitment Amount, the Company has the right, but not the obligation, to submit a Put Notice (as defined in the EP Agreement) from time to time to Peak One (i) in a minimum amount not less than $25,000.00 and (ii) in a maximum amount up to the lesser of (a) $750,000 or (b) 200% of the Average Daily Trading Value (as defined in the EP Agreement).

In connection with the EP Agreement, the Company agreed, among other things, to issue to Peak One's designee 100,000 shares of its restricted common stock (5,000 as adjusted for the Stock Split) as commitment shares. As of December 31, 2024, the Company has sold approximately 986,000 shares (49,300 as adjusted for the Stock Split) under the EP Agreement with a value of$750,719.

ELOC

On August 12, 2024 , the Company also entered into an ELOC Purchase Agreement, which was amended on August 30, 2024, (the "ELOC Purchase Agreement") with Arena Business Solutions Global SPC II, LTD ("Arena Global"), pursuant to which the Company shall have the right, but not the obligation, to direct Arena Global to purchase up to $50.0 million (the "Commitment Amount") in shares of the Company's common stock in multiple tranches upon satisfaction of certain terms and conditions contained in the ELOC Purchase Agreement, which includes, but is not limited to, filing a registration statement with the SEC and registering the resale of any shares sold to Arena Global. Further, under the ELOC Purchase Agreement and subject to the Commitment Amount, the Company has the right, but not the obligation, to submit an Advance Notice (as defined in the ELOC Purchase Agreement) from time to time to Arena Global calculated as follows: (a) if the Advance Notice is received by 8:30 a.m. Eastern Time. the lower of: (i) an amount equal to seventy percent (70%) of the average of the Daily Value Traded (as defined in the ELOC Purchase Agreement) of the Company's common stock on the ten trading days immediately preceding an Advance Notice, or (ii) $20.0 million, (b) if the Advance Notice is received after 8:30 a.m. Eastern Time but prior to 10:30 a.m. Eastern Time, the lower of (i) an amount equal to forty percent (40%) of the average of the Daily Value Traded of the Company's common stock on the ten trading days immediately preceding an Advance Notice, or (ii) $15.0 million, and (c) if the Advance Notice is received after 10:30 a.m. Eastern Time but prior to 12:30 p.m. Eastern Time, the lower of (i) an amount equal to twenty percent (20%) of the average of the Daily Value Traded of the Company's common stock on the ten trading days immediately preceding an Advance Notice, or (ii) $10.0 million.

8. Stockholder's Equity (cont.)

During the Commitment Period (as defined below), the purchase price to be paid by Arena Global for the common stock under the ELOC Purchase Agreement will be 96% of the Market Price, defined as the daily volume weighted average price (VWAP) of the Company's common stock, on the trading day commencing on the date of the Advance Notice.

In connection with the ELOC Purchase Agreement the Company agreed, among other things, to issue to Arena Global, in two separate tranches, as a commitment fee, that number of shares of the Company's restricted common stock equal to (i) with respect to the first tranche, 925,000 (46,250 as adjusted for the Stock Split) shares of common stock together with a warrant (the "Arena Global Warrant") to purchase 1,075,000 (53,750 as adjusted for the Stock Split) shares of the Company's common stock, at an exercise price of $4.00 ($0.20 per share as adjusted for the Stock Split) (the "Commitment Fee Warrant Shares" and together with the 925,000 (46,250 as adjusted for the Stock Split) shares of Common Stock issued to Arena Global, the "Initial Commitment Fee Shares") and (ii) with respect to the second tranche, $250,000 divided by the simple average of the daily VWAP (as defined in the ELOC Purchase Agreement) of the Company's common stock during the five trading days immediately preceding the three month anniversary of the effectiveness of the registration statement on which the Initial Commitment Fee Shares were registered (the "Second Tranche Commitment Fee Shares," and together with the Initial Commitment Fee Shares, the "Commitment Fee Shares").

The ELOC Purchase Agreement also has a provision that provides for the issuance of additional shares of rgw the Company's common stock as commitment fee shares in the event the value of the Initial Commitment Fee Shares is less than $500,000 measured during a specified period and the value of the Second Tranche Commitment Fee Shares is less than $250,000 measured during a specified period.

In connection with the ELOC Purchase Agreement, the Company agreed to file a registration statement registering the common stock issued or issuable to Arena Global under the Arena ELOC for resale with the SEC within 30 calendar days of the Arena ELOC.

The obligation of Arena Global to purchase the Company's common stock under the ELOC Purchase Agreement begins on the date of the ELOC Purchase Agreement, and ends on the earlier of (i) the date on which Arena Global shall have purchased common stock pursuant to the ELOC Purchase Agreement equal to the Commitment Amount, (ii) thirty six (36) months after the date of the Arena ELOC or (iii) written notice of termination by the Company (the "Commitment Period"). As of December 31, 2024, there have been no share issuances under the ELOC Purchase Agreement.

Warrants

In conjunction with the issuance of the First Debenture in November 2023, the Company issued the First Warrant to purchase 350,000 shares of common stock. The First Warrant expires five years from its date of issuance. The First Warrant is exercisable, at the option of the holder, at any time, for up to 350,000 of shares of common stock of the Company at an exercise price equal to $2.53, subject to adjustment for any stock splits, stock dividends, recapitulations, and similar events, as well as anti-dilution price protection provisions that are subject to a floor price as set forth in the First Warrant. The initial fair value of the First Warrant amounted to $294,438 and was recorded as a debt discount at the time of issuance of the First Debenture. The fair value was calculated using a Black-Scholes Value model, with the following assumptions:

Risk-free interest rate	4.48%
Contractual term	5 years
Dividend yield	0%
Expected volatility	103%

In conjunction with the issuance of the second and third Peak debentures in February and March 2024, the Company issued the second and third Peak warrants to purchase an aggregate of 250,000 shares of common stock. (12,500 as adjusted for the Stock Split) The second and third Peak warrants each expire five years from their respective date of issuance. The second and third Peak warrants each is exercisable, at the option of the holder, at any time, for up to 125,000 shares of common stock (6,250 as adjusted for the Stock Split) of the Company at an exercise price equal to $2.53 ($50.60 as adjusted for the Stock Split), subject to adjustment for any stock splits, stock dividends, recapitulations, and similar events, as well as anti-dilution price protection provisions that are subject to a floor price of $0.39 ($7.80 as adjusted for the Stock Split). The initial fair value of the second and third Warrants amounted to an aggregate of $124,363 and was recorded as a debt discount at the time of issuance of the second and third Debenture, as applicable. The fair value was calculated using a Black-Scholes Value model, with the following assumptions.

Risk-free interest rate	4.22%
Contractual term	5 years
Dividend yield	0%
Expected volatility	131%

8. Stockholder's Equity (cont.)

In conjunction with the issuance of First 2024 Debenture and Second 2024 Debenture in April and May 2024, the Company issued warrants to purchase an aggregate of 525,000 shares of common stock (26,250 as adjusted for the Stock Split). The warrants each expire five years from their respective date of issuance. The warrants are exercisable, at the option of the holder, at any time, for up to 262,500 and 262,500 shares of common stock (13,125 as adjusted for the Stock Split) of the Company at an exercise price equal to $0.65 and $0.76 ($13 and $15.20 as adjusted for the Stock Split), respectively, subject to adjustment for any stock splits, stock dividends, recapitulations, and similar events, as well as anti-dilution price protection provisions that are subject to a floor price of $0.39 ($7.80 as adjusted for the Stock Split). The initial fair value of warrants amounted to an aggregate of $188,074 and was recorded as a debt discount at the time of issuance of the debentures, as applicable. The fair value was calculated using a Black-Scholes Value model, with the following assumptions.

Risk-free interest rate	4.52 – 4.65%
Contractual term	5 years
Dividend yield	0%
Expected volatility	133-138%

In conjunction with the issuance of First Closing Arena Warrants in August 2024, the Company issued warrants to purchase an aggregate of 1,299,242 shares of common stock (64,962 as adjusted for the Stock Split). The warrants each expire five years from their respective date of issuance. The warrants are exercisable, at the option of the holder, at any time, for up to 1,299,242 shares of common stock (64,962 as adjusted for the Stock Split) of the Company at an exercise price equal to $0.279 ($5.58 as adjusted for the Stock Split), subject to adjustment for any stock splits, stock dividends, recapitulations, and similar events, as well as anti-dilution price protection provisions that are subject to a floor price as described in the First Closing Arena Warrants agreement. The initial fair value of warrants amounted to an aggregate of $214,267 and was recorded as a debt discount at the time of issuance of the debenture, as applicable. The fair value was calculated using a Black-Scholes Value model, with the following assumptions.

Risk-free interest rate	3.75%
Contractual term	5 years
Dividend yield	0%
Expected volatility	136%

In conjunction with the issuance of Second Closing Warrants in October 2024, the Company issued warrants to purchase an aggregate of 170,892 shares of common stock. The warrants each expire five years from their respective date of issuance. The warrants are exercisable, at the option of the holder, at any time, for up to 170,892 shares of common stock of the Company at an exercise price equal to $3.476 subject to adjustment for any stock splits, stock dividends, recapitulations, and similar events, as well as anti-dilution price protection provisions that are subject to a floor price as described in the Second Closing Warrants agreement. The initial fair value of warrants amounted to an aggregate of $390,939 and was recorded as a debt discount at the time of issuance of the debenture, as applicable. The fair value was calculated using a Black-Scholes Value model, with the following assumptions.

Risk-free interest rate	4.07%
Contractual term	5 years
Dividend yield	0%
Expected volatility	136%

Warrant activity or the year ended December 31, 2024 are summarized as follows:

Warrants	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding and exercisable - January 1, 2024	17,500	$ 50.60	4.90	-
Granted	404,187	3.55	5.00	
Exercised	(63,750)			
Outstanding and exercisable - December 31, 2024	357,937	$ 4.01	4.60	$ -

9. Share-based Compensation

On February 28, 2023, the Company's Board of Directors approved the issuance of up to 200,000 shares of the Company's common stock in the form of incentive stock options, nonqualified stock options, options, stock appreciation rights, restricted stock, or restricted stock units ("2023 Plan"). The 2023 Plan expires February 2033 and is administered by the Company's Compensation Committee of the Board of Directors. Any employee, director, consultant, and other service provider, or affiliates, are eligible to participate in the 2023 Plan. The maximum number of shares of common stock that may be issued under the 2023 Plan will automatically increase on January 1 of each calendar years for a period of ten years commencing on January 1, 2024, in a number of shares of common stock equal to 4.5% of the total number of shares of common stock outstanding on December 31 of the preceding calendar year, provided, however that the Board of Directors may act prior to January 1 of a given calendar year to provide that the increase for such year will be a lesser number of shares of Common Stock. All available shares may be utilized toward the grant of any type of award under the 2023 Plan. On January 1, 2024, 459,000 shares of the Company's common stock were added to the 2023 Plan pursuant to the evergreen provision. The 2023 Plan imposes a $250,000 limitation on the total grant date fair value of awards granted to any non-employee director in his or her capacity as a non-employee director in any single calendar year.

As of December 31, 2023, 1,831,250 restricted stock unit awards (91,563 as adjusted for the Stock Split) had been approved to be issued to directors, officers, and service providers. During the three months ended March 31, 2024, 2,017,500 restricted stock units (100,875 as adjusted for the Stock Split) were formally accepted, which includes the 1,831,250 restricted stock unit award (91,563 as adjusted for the Stock Split) which were formally issued. These units were issued at the fair value between $0.74 and $1.10 per share, which represents the closing price of the Company's common stock upon acceptance of the grant The fair value of these units upon issuance amounted to $1,865,400.

On May 20, 2024, 150,000 restricted stock units (7,500 as adjusted for the Stock Split) were issued at a fair value of $0.84 which represents the closing price of the Company's common stock. The fair value of these units upon issuance amounted to $126,675. These restricted stock units were issued pursuant to the Director Compensation Program 2024 as follows:

For fiscal 2024, each director was given the option to select one of the following three compensation options quarterly (with payments to be made on April 1, 2024, July 1, 2024, October 1, 2024 and January 1, 2025):

Option A	**Option B**	**Option C**
● A cash retainer of $20,000, and	● A cash retainer of $10,000; and	● A grant of 40,000 RSUs that will vest after three months of continued service by the director.
● A grant of 20,000 restricted stock units ("RSUs") that will vest after three months of continued service by the director.	● A grant of 30,000 RSUs that will vest after three months of continued service by the director.	

On October 1, 2024, an aggregate of 1,250,000 restricted stock units were issued at a fair value of $0.28 which represents the closing price of the Company's common stock to the chief executive officer and chief financial officer. The fair value of these units upon issuance amounted to $354,000.

For the year ended December 31, 2024, the Company recorded stock-based compensation expense of $2,169,075, which is included in the payroll and related expenses in the accompanying consolidated statement of operations. The Company used the simplified or plain vanilla method of estimating the term of the granted restricted stock units. As of December 31, 2024, there was a total of $177,000 of unrecognized compensation costs related to non-vested restricted stock units. As of December 31, 2024, there were 289,859 shares of the Company's common stock available for issuance under the 2023 Plan.

9. Share-based Compensation (cont.)

The following table summarized restricted stock unit Activities during the nine months ended September 30, 2024:

	Number of Shares
Non – vested balance at January 1,2024	-
Granted	1,358,375
Vested	(733,375)
Forfeited/Expired	-
Non – vested balance at September 30, 2024	625,000

10. Related Party Transactions

On August 9, 2023, Parent and the Company entered into a Note Cancellation Agreement, effective as of July 1, 2023, pursuant to which the Parent cancelled and forgave the remaining balance then due on that certain promissory note, dated December 19, 2021, made by the Company in favor of the Parent in the original principal amount of $4,200,000. As such, $4,000,000 was recorded as additional paid in capital during 2023.

In addition, as of December 31, 2023, $1,720,844 is due from the Parent for advances made by the Company. The Company intends to formalize the amount due into a promissory note. As of December 31, 2023, the Company has recorded a reserve against the $1,720,844, which is included in additional paid in capital. See subsequent notes for formal discharge.

In connection with the Separation and Distribution, the Company and the Parent entered into a shared services agreement which sets forth the terms on which the Parent provides to us certain services or functions that the companies historically have shared. Shared services will include various administrative, accounting, communications/investor relations, human resources, operations/construction services, and strategic management and other support services. During the year ended December 31, 2023 such fees amounted to $180,000.

On December 17, 2023, the Company entered into a Master Purchase Agreement with SG Echo pursuant to which we may engage SG Echo from time to time to provide modular construction design, engineering, fabrication, delivery and other services (collectively, the “Work”) on such terms as the parties may mutually agree. The Master Purchase Agreement provides that if we should desire that SG Echo provide services in connection with any location, we will request from SG Echo a written proposal and that within 15 business days SG Echo will provide us with an itemized cost proposal for the services to be performed and a firm schedule for performing the services based upon the information contained in the request. If the proposal and schedule is satisfactory to us, the Master Purchase Agreement provides that the substance of such proposal will then be incorporated into a project order, including specific information regarding the project, the project site and services to be performed, to be executed by both parties.

10. Related Party Transactions (cont.)

The Master Purchase Agreement provides that SG Echo will be paid a fee equal to 12% of the agreed cost of each project. The Master Purchase Agreement further provides that payment terms for all design work and the completion of the pre-fabricated container and module shall be made in accordance with the following schedule: (a) a deposit equal to 40% of the cost of the pre- fabricated container and module only shall be paid by us to SG Echo within 5 business days of the mutual execution of a project order; (b) a progress payment (not to exceed to 35% of the cost of the pre-fabricated container and module) shall be paid by us to SG Echo monthly in proportion to the percentage of Work completed, which payment shall be made within 10 business days of the Company receipt of SG Echo's invoice; (c) a progress payment equal to 15% of the cost of the pre-fabricated container and module shall be paid by us to SG Echo within 10 business days of the delivery of the pre-fabricated container and module to the specific project site; and (d) the final payment equal to 10% of the cost of the pre-fabricated container and module only shall be paid by us to SG Echo within 10 business days of the substantial completion of the Work. Substantial completion of the Work shall be as defined by the applicable project order. Notwithstanding the foregoing, we may withhold 10% of the invoiced amount, as retainage, which will be paid to SG Echo once the specific project is completed (including any punch list items). The Master Purchase Agreement may be terminated by either party if there is a material default by the other party and such default continues for a period of 20 days after receipt by the defaulting party of written notice thereof. If we terminate the Master Purchase Agreement or any project order as a result of a default by SG Echo, SG Echo will not be entitled to receive further payment until the Work is finished. If the unpaid balance of the amount set forth in the project order for the project is less than the cost of finishing the Work, SG Echo will pay the difference to us. In no event will SG Echo be entitled to receive any compensation if the cost to us of performing the balance of the Work is less than the unpaid balance. In addition, we may terminate the Master Purchase Agreement or any project order without cause. In the event the termination by us is without cause, SG Echo will be entitled to payment for all work and costs incurred prior to termination date plus the applicable fee owed to SG Echo thereon as more particularly described in the applicable project order.

As of December 31, 2024 and 2023 included in accounts payable and accrued expenses is $460,000 and $145,000, respectively, due to the Company's board members. This includes pro-rated cash retainer for the 3rd and 4th quarter of 2024.

11. Income Taxes

The Company's provision (benefit) for income taxes consists of the following for the year end and period ended December 31, 2024 and 2023:

Deferred:	**2024**	**2023**
Federal	$ (1,790,407)	$ (332,456)
State and local	(125,018)	(22,820)
Total deferred	(1,915,425)	(355,276)
Total provision (benefit) for income taxes	(1,915,425)	(355,276)
Less: valuation reserve	1,915,425	355,276
Income tax provision	$ -	$ -

A reconciliation of the federal statutory rate to 0.0% for the year ended December 31, 2024 and the year ended December 31, 2023 to the effective rate for income from operations before income taxes is as follows:

Benefit for income taxes at federal statutory rate	21.0%
State and local income taxes, net of federal benefit	1.4
Less valuation allowance	(22.4)
Effective income tax rate	0.0%

The tax effects of these temporary differences along with the net operating losses, net of an allowance for credits, have been recognized as deferred tax assets at December 31, 2024 and 2023 as follows:

	2024	**2023**
Net operating loss carryforward	$ 1,790,468	$ 355,276
Stock-based compensation	480,233	-
Valuation allowance	(2,270,701)	(355,276)
Net deferred tax asset	$ -	$ -

11. Income Taxes (cont.)

The Company establishes a valuation allowance, if based on the weight of available evidence, it is more likely than not that some portion or all of the deferred assets will not be realized. The valuation allowance increased by $1,915,425 and $355,276 during the year ended December 31, 2024 and the year ended December 31, 2023, respectively.

As of December 31, 2024, the Company had a net operating loss carryforward of approximately $8,000,000 for Federal and State tax purposes. This net operating losses will carryforward indefinitely and be available to offset up to 80% of future taxable income each year. The Company's net operating loss carryforward may be subject to annual limitations, which could reduce or defer the utilization of the losses as a result of an ownership change as defined in Section 382 of the Internal Revenue Code.

As required by the provisions of ASC 740, the Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the consolidated financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. Differences between tax positions taken or expected to be taken in a tax return and the net benefit recognized and measured pursuant to the interpretation are referred to as "unrecognized benefits." A liability is recognized (or amount of net operating loss or amount of tax refundable is reduced) for an unrecognized tax benefit because it represents an enterprise's potential future obligation to the taxing authority for a tax position that was not recognized as a result of applying the provisions of ASC 740.

The Company recognizes interest and penalties related to uncertain tax positions in general and administrative expenses. As of December 31, 2024 and 2023, the Company has no unrecognized tax positions, including interest and penalties. The 2022 tax year is still open to examination by the major tax jurisdictions in which the Company operates. The Company files returns in the United States Federal tax jurisdiction and various other state jurisdictions.

12. Commitments and Contingencies

At times the Company may be subject to certain claims and lawsuits arising in the normal course of business. The Company will assess liabilities and contingencies in connection with outstanding legal proceedings utilizing the latest information available. Where it is probable that the Company will incur a loss and the amount of the loss can be reasonably estimated, the Company will record a liability in our financial statements. These legal accruals may be increased or decreased to reflect any relevant developments on a quarterly basis. Where a loss is not probable or the amount of the loss is not estimable, the Company will not record an accrual, consistent with applicable accounting guidance. The Company is not currently involved in any legal proceedings.

13. Segment Reporting

The Company's Chief Operating Decision Maker ("CODM") as defined under GAAP, who is the Company's Chief Financial Officer, has determined that the Company is currently organized its operations into two segments: real estate development and technology. The real estate segment is currently the Company's main focus, with the technology segment resulting from the acquisitions of Majestic and MyVONIA. These segments reflect the way our executive team evaluates the Company's business performance and manages its operations. The CODM used the below financial information to assess financial performance and allocate resources. Information for the Company's segments, is provided in the following table:

	Real Estate Development	Technology	Consolidated
Fiscal Year Ended December 31, 2024			
Revenue	$ -	$ 207,552	$ 207,552
Cost of revenue	-	182,656	182,656
Operating expenses:			
Payroll and related expenses	3,442,507	179,511	3,622,018
Professional fees	1,846,005	7,820	1,853,825
Other operating expenses	984,322	123,637	1,107,959
Total operating expenses	6,272,834	310,968	6,583,802
Operating loss	(6,272,834)	(286,072)	(6,558,906)
Other expense	(2,349,569)	—	(2,349,569)
Net loss	$ (8,622,403)	$ (286,072)	$ (8,908,475)

13. Segment Reporting (cont.)

	Real Estate Development	Technology	Consolidated
Fiscal Year Ended December 31, 2023			
Revenue	$ -	$ -	$ -
Cost of revenue	-	-	-
Operating expenses:			
Payroll and related expenses	1,125,603	-	1,125,603
Professional fees	1,291,269	-	1,291,269
Other operating expenses	606,576	-	606,576
Total operating expenses	3,023,448	-	3,023,448
Operating loss	(3,023,448)	-	(3,023,448)
Other expense	(1,177,093)	—	(1,177,093)
Net loss	$ (4,200,541)	$ -	$ (4,200,541)

14. Subsequent Events

On January 29, 2025, the Company into a mutual release and discharge agreement (the "Mutual Release") with SG Holdings pursuant to us forgiving and releasing from its obligations to us under that certain promissory note, dated August 9, 2023, in the principal amount of $908,322.95 and in respect of $815,522 of inter-company advances from us to SG Holdings (which amounts had been written off of our balance sheet as of December 31, 2023) in exchange for SG Holdings forgiving $394,329 of inter-company debt owed to SG Holdings by us and for SG Holdings transferring 276,425 shares (the "Shares") of our Common Stock owned by SG Holdings to us. SG Holdings has agreed to return the Shares to the Company within 48 hours. The Company currently plans to hold the Shares in its treasury. As a result of this agreement, SG Holdings will no longer be a stockholder of the Company.

As of January 16, 2025, the Joint Venture, acquired twenty-two (22) lots in South Texas (the "Property") for a purchase price of $440,000 for development of its residential development project (the "January Project"). In connection with the acquisition of the Property, the Joint Venture entered into a Loan Agreement, dated as of January 16, 2025 (the "Loan Agreement"), for the periodic draw down of up to $1,092,673 in principal amount of loan proceeds to be used for the completion of the construction of the January Project, the payment of the lender's expenses related to the Loan Agreement and the payment of expenses related to the acquisition by the Joint Venture of the Property. The loan bears interest at the greater of the 1-Month Term Secured Overnight Financing Rate plus 5.710%, as adjusted monthly, or 9.740%, includes a loan origination fee of $23,110, matures on March 12, 2026 and is secured by the Property and other related collateral. The loan is also guaranteed by the Company and Properties by Milk & Honey (each a "Guarantor") pursuant to an Unconditional Guaranty, dated January 16, 2025 (the "Guaranty"). The obligations of each Guarantor are joint and several. The Guaranty may be enforced against any Guarantor without attempting to collect from the Joint Venture any other Guarantor or any other person, and without attempting to enforce lender's rights in any of the collateral. The Company, Properties by Milk & Honey and the principals of Properties by Milk & Honey also entered into an Indemnity Agreement, dated January 16, 2025 (the "Indemnity Agreement"), for the benefit of the lender under the Loan Agreement, with respect to the January Project's compliance with Environmental Laws, Hazardous Substances Laws and Building Laws (as such terms are defined in the Indemnity Agreement).

On February 11, 2025, the Company entered into an Amendment (this "February Amendment") to the Operating Agreement, dated June 24, 2021 (the "Operating Agreement"), for 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 Cumberland acquired the Company's 10% equity interest (the "LLC Interest") in Cumberland in exchange for a promissory note (the "Cumberland Note") from Cumberland in the principal amount of $4.5 million. The Cumberland 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 Cumberland. Payment of the Cumberland Note is also guaranteed by JDI.

On February 14, 2025, the Company" received a letter from The Nasdaq Stock Market ("Nasdaq") stating that based on the Company's Form 8-K, as filed with the Securities and Exchange Commission on February 12, 2025, Nasdaq has determined that the Company now complies with the stockholders' equity requirement as set forth in Nasdaq Listing Rule 5550(b)(1). As previously reported, on August 26, 2024, the Company had received a letter from Nasdaq stating that the Company did not comply with the minimum $2.5 million stockholders' equity, $35 million market value of listed securities, or $500,000 in net income from continuing operations requirements for continued listing on The Nasdaq Capital Market as set forth in Nasdaq Listing Rules 5550(b)(1), 5550(b)(2), or 5550(b)(3), respectively.

14. Subsequent Events (cont.)

On February 25, 2025, the Company" entered into an Membership Interest Purchase Agreement (the "Resource Purchase Agreement") with Resource Group US Holdings LLC, a Florida limited liability company ("Resource Group"), and the members of Resource Group (the "Equityholders") to acquire 100% of the membership interests of Resource Group. Resource Group is a next-generation, full-service organic recycling and compost technology company specializing in transforming targeted organic green waste materials into engineered, environmentally friendly soil and mulch products. The purchase price for the membership interests of Resource Group is $480,000 in cash, the issuance of shares of the Company's restricted common stock (the "Closing Shares") equal to 19% of the Company's outstanding shares of common stock at closing and a convertible note (the "Convertible Note") in an amount to be determined at closing, convertible into shares of the Company's restricted common stock subject to the receipt of the Company shareholder approval post-closing in accordance with Nasdaq rules. The Closing Shares and the shares of the Company's common stock to be issuable under the Convertible Note will together equal 49% of the Company's outstanding shares of common stock at closing. The transaction is expected to close early in the second quarter of 2025 subject to customary closing conditions and the completion of Resource Group's audit.

The Resource Purchase Agreement provides that the Company's board of directors will be reorganized at closing such that four current directors will remain on the Company's board of directors and three new directors will be appointed to the Company's board of directors by Resource Group. The Resource Purchase Agreement further provides that on or prior to the three-month anniversary of the closing, the Company will use its best efforts to have on file with and approved by the Securities and Exchange Commission an effective registration statement on Form S-1 or any other allowable form providing for the resale by the Equityholders on a pro rata basis of the Closing Shares issued to them.

On March 5, 2025, the Board of the Company" approved a stock dividend from its treasury (the "Stock Dividend") of 0.05 shares of the Company's common stock per each outstanding share of the Company's common stock owned, such that holders of the common stock will receive one (1) share of the Company's common stock for every 20 (twenty) shares held. Cash will be distributed in lieu of fractional shares based on the opening price of a share of common stock on April 8, 2025. The Stock Dividend will be distributed after close of trading on April 23, 2025, to stockholders of record at the close of business on April 7, 2025. Trading is expected to begin on a stock dividend-adjusted basis at market open on April 23, 2025.

On March 6, 2025, the Company entered into a Buyout Agreement (the "Buyout Agreement") with Properties by Milk & Honey, pursuant to which the Company agreed to sell to Milk & Honey the Company's 60% membership interest (the "Interest") in Sugar Phase, for a purchase price of $700,415, reflecting amounts contributed and costs incurred by the Company in connection with the Sugar Phase I project, to be evidenced by a one-year promissory note (the "Note") in the principal amount of $700,415, bearing interest at 10% per annum.

The Buyout Agreement and Note provide that the Company's Interest will be transferred to Milk & Honey incrementally as the Note is repaid. The closing under the Buyout Agreement occurred on March 7, 2025. In connection therewith, Milk & Honey prepaid $120,000.00 of the principal amount due under the Note and the Company transferred 10.27% of the Company's Interest in the JV. The Company currently holds a 49.73% in the JV.

Exhibit 4.5

DESCRIPTION OF SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF THE
SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

Safe and Green Development Corporation ("SG DevCo," the "Company," "we," "us," and "our") has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which is our common stock, par value $0.001 per share (the "common stock").

General

The following is a description of the material terms of our common stock. This is a summary only and does not purport to be complete. It is subject to and qualified in its entirety by reference to our amended and restated certificate of incorporation, and our amended and restated bylaws, each of which are incorporated by reference as an exhibit to our most recent Annual Report on Form 10-K. We encourage you to read our amended and restated certificate of incorporation, our amended and restated bylaws and the applicable provisions of the Delaware General Corporation Law (the "DGCL"), for additional information.

Common Stock

Our authorized capital stock consists of 100,000,000 shares of Common Stock, par value $0.001 per share. Holders of shares of our Common Stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders. Except as otherwise provided in our amended and restated certificate of incorporation or as required by law, all matters to be voted on by our stockholders, other than matters relating to the election and removal of directors and the amendment of our amended and restated bylaws, must be approved by a majority of the shares present in person or by proxy at the meeting and entitled to vote on the subject matter. The holders of our Common Stock do not have cumulative voting rights in the election of directors.

Holders of shares of our Common Stock are entitled to receive dividends when and if declared by our Board of Directors out of funds legally available therefor, subject to any statutory or contractual restrictions on the payment of dividends and to any restrictions on the payment of dividends imposed by the terms of any outstanding preferred stock.

Upon our dissolution or liquidation, after payment in full of all amounts required to be paid to creditors and subject to any rights of preferred stockholders, the holders of shares of our Common Stock will be entitled to receive pro rata our remaining assets available for distribution.

Holders of shares of our Common Stock do not have preemptive, subscription, redemption, or conversion rights. There are no redemption or sinking fund provisions applicable to the Common Stock.

Forum Selection

Our amended and restated certificate of incorporation and amended and restated bylaws provides that unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, in the event that the Court of Chancery does not have subject matter jurisdiction, the federal district court of the State of Delaware) is the exclusive forum for (i) any derivative action or proceeding brought on our behalf; (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer, employee or agent of the Company to the Company or our stockholders; (iii) any action asserting a claim arising pursuant to the provisions of the Delaware General Corporation Law, our amended and restated certificate of incorporation, our amended and restated bylaws or as to which the Delaware General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware; or (iv) any action asserting a claim against us or any director, officer or employee of the Company that is governed by the internal affairs doctrine of the State of Delaware. Our amended and restated certificate of incorporation and amended and restated bylaws also provide that the federal district courts of the United States of America is the exclusive forum for the resolution of any complaint asserting a cause of action against under the Securities Act. Notwithstanding the foregoing, the exclusive forum provision will not apply to suits brought to enforce any liability or duty created by the Exchange Act. Nothing in our amended and restated certificate of incorporation or amended and restated bylaws will preclude stockholders that assert claims under the Exchange Act from bringing such claims in state or federal court, subject to applicable law.

Anti-Takeover Provisions

Our amended and restated certificate of incorporation and our amended and restated bylaws contain provisions that may delay, defer, or discourage another party from acquiring control of us. We expect that these provisions, which are summarized below, will discourage coercive takeover practices or inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our Board of Directors, which we believe may result in an improvement of the terms of any such acquisition in favor of our stockholders. However, they will also give our Board of Directors the power to discourage acquisitions that some stockholders may favor.

Section 203 of the DGCL. We are subject to Section 203 of the DGCL. Subject to certain exceptions, Section 203 prevents a publicly held Delaware corporation from engaging in a "business combination" with any "interested stockholder" for three years following the date that the person became an interested stockholder, unless the interested stockholder attained such status with the approval of our Board of Directors or unless the business combination is approved in a prescribed manner. A "business combination" includes, among other things, a merger or consolidation involving us and the "interested stockholder" and the sale of more than 10% of our assets. In general, an "interested stockholder" is any entity or person beneficially owning 15% or more of our outstanding voting stock and any entity or person affiliated with or controlling or controlled by such entity or person.

Blank Check Preferred Stock. Our Board of Directors has the right to issue preferred stock in one or more series and to determine the designations, rights, preferences of such preferred stock without stockholder approval. As a result, our Board of Directors could, without stockholder approval, authorize the issuance of preferred stock with voting, dividend, redemption, liquidation, sinking fund, conversion and other rights that could proportionately reduce, minimize or otherwise adversely affect the voting power and other rights of holders of the Company's capital stock or that could have the effect of delaying, deferring or preventing a change in control.

Classified Board of Directors. Our amended and restated certificate of incorporation divides our Board of Directors into three classes serving three-year terms, with one class being elected each year by a plurality of the votes cast by the stockholders entitled to vote on the election.

Removal of Directors. Our amended and restated certificate of incorporation and our amended and restated bylaws provide that, (i) subject to the rights of holders of any series of preferred stock or any limitation imposed by law, the Board of Directors or any individual director may be removed from office at any time with cause by the affirmative vote of the holders of majority of the voting power of all the then-outstanding shares of capital stock of the Corporation entitled to vote generally at an election of directors; and (ii) subject to the rights of holders of any series of preferred stock, neither the Board of Directors nor any individual director may be removed without cause.

Board Vacancies. Our amended and restated certificate of incorporation and our amended and restated bylaws, provide that any vacancy on our Board of Directors, including a vacancy resulting from an enlargement of our Board of Directors, may be filled only by the affirmative vote of a majority of our directors then in office, even though less than a quorum of the Board of Directors.

Stockholder Action by Written Consent. Our amended and restated certificate of incorporation and our amended and restated bylaws prohibit stockholders from acting by written consent. Accordingly, stockholder action must take place at an annual or a special meeting of the Company's stockholders.

Special Meetings of Stockholders. Our amended and restated bylaws also provide that, except as otherwise required by law, special meetings of the stockholders may only be called by our Board of Directors, Chairman of the Board of Directors or our Chief Executive Officer.

Advance Notice Requirements for Stockholder Proposals and Director Nominations. Stockholders wishing to nominate persons for election to our Board of Directors or to propose any business to be considered by our stockholders at an annual meeting must comply with certain advance notice and other requirements which are set forth in our amended and restated bylaws. Likewise, if our Board of Directors has determined that directors shall be elected at a special meeting of stockholders, stockholders wishing to nominate persons for election to our Board of Directors at such special meeting must comply with certain advance notice and other requirements which are set forth in our amended and restated bylaws.

Amendment of Certificate of Incorporation or Bylaws. The DGCL provides generally that the affirmative vote of a majority of the shares entitled to vote on any matter is required to amend a corporation's certificate of incorporation or bylaws, unless a corporation's certificate of incorporation or bylaws, as the case may be, requires a greater percentage. Our amended and restated bylaws may be amended or repealed by a majority vote of our Board of Directors or by the affirmative vote of the holders of at least 66 2/3% of the votes which all our stockholders would be eligible to cast in an election of directors.

Limitations on Liability and Indemnification of Officers and Directors

As permitted by Delaware law, our amended and restated certificate of incorporation includes provisions that eliminate the personal liability of our directors and officers for monetary damages resulting from breaches of certain fiduciary duties as a director or officer, as applicable, except to the extent such an exemption from liability thereof is not permitted under the DGCL. The effect of these provisions are to restrict our rights and the rights of our stockholders in derivative suits to recover monetary damages against a director or officer for breach of fiduciary duties as a director or officer, subject to certain exceptions in which case the director or officer would be personally liable. An officer may not be exculpated for any action brought by or in the right of the corporation. A director may not be exculpated for improper distributions to stockholders. Further, pursuant to Delaware law, a director or officer may not be exculpated for:

- any breach of his duty of loyalty to us or our stockholders;
- acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; and
- any transaction from which the director or officer derived an improper personal benefit.

These limitations of liability will not apply to liabilities arising under the federal or state securities laws and do not affect the availability of equitable remedies such as injunctive relief or rescission.

In addition, our amended and restated bylaws provide that we will indemnify our directors and executive officers to the fullest extent permitted by law, and may indemnify other officers, employees and other agents. Our amended and restated bylaws also provide that we are obligated to advance expenses incurred by a director or executive officer in advance of the final disposition of any action or proceeding. We entered into separate indemnification agreements with our directors and executive officers that may, in some cases, be broader than the specific indemnification provisions contained under Delaware law. These agreements, among other things, require us to indemnify our directors and officers for expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such directors or officers or on his or her behalf in connection with any action or proceeding arising out of their services as one of our directors or officers, or any of our subsidiaries or any other company or enterprise to which the person provides services at our request provided that such person follows the procedures for determining entitlement to indemnification and advancement of expenses set forth in the indemnification agreement. We believe that these bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Dissenters' Rights of Appraisal and Payment

Under the DGCL, with certain exceptions, our stockholders will have appraisal rights in connection with a merger or consolidation of SG DevCo. Pursuant to the DGCL, stockholders who properly request and perfect appraisal rights in connection with such merger or consolidation will have the right to receive payment of the fair value of their shares as determined by the Delaware Court of Chancery.

Stockholders' Derivative Actions

Under the DGCL, any of our stockholders may bring an action in our name to procure a judgment in our favor, also known as a derivative action, provided that the stockholder bringing the action is a holder of our shares at the time of the transaction to which the action relates or such stockholder's stock thereafter devolved by operation of law.

Transfer Agent and Registrar

Our transfer agent and registrar for SG DevCo Common Stock is Equiniti Trust Company, LLC.

Listing

Our Common Stock is listed on the Nasdaq Capital Market under the ticker symbol "SGD."

Exhibit 21.1

Subsidiaries of the Registrant

Subsidiary	Jurisdiction of Incorporation or Organization
LV Peninsula Holding LLC	Texas
JDI Cumberland Inlet, LLC [1]	Georgia
Majestic World Holdings LLC [2]	Wyoming
Norman Berry II Owners, LLC [3]	Georgia
Sugar Phase I, LLC [4]	Texas
Hacienda Olivia Phase II LLC [5]	Texas
Hacienda Olivia Phase III LLC [5]	Texas
Hacienda Olivia Phase IV LLC [5]	Texas
Myvonia Innovations LLC	Delaware

(1) 10% owned by Safe and Green Development Corporation

(2) 87.3% owned by Safe and Green Development Corporation as of December 31, 2024. The remaining 12.7% will be transferred to Safe and Green Development Corporation in equal installments of 6.35% each on the first day of each of the five quarterly periods following such date.

(3) 50% owned by Safe and Green Development Corporation

(4) 18.5% owned by Safe and Green Development Corporation

(5) 60% owned by Safe and Green Development Corporation

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in Registration Statements on Form S-8 Nos. 333-275143 and 333-278563 of our report dated March 31, 2025, relating to the audit of the financial statements of Safe and Green Development Corporation as of December 31, 2024 and for the period then ended, included in this Annual Report on Form 10-K for the year ended December 31, 2024.

/s/ M&K CPA's, PLLC

The Woodlands, TX

March 31, 2025

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14 OR RULE 15d-14 OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002

I, David Villarreal, certify that:

1. I have reviewed this Annual Report on Form 10-K of Safe and Green Development Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 31, 2025

By: /s/ David Villarreal
Name: David Villarreal
Title: Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULE 13a-14 OR RULE 15d-14 OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002

I, Nicolai Brune, certify that:

1. I have reviewed this Annual Report on Form 10-K of Safe and Green Development Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 31, 2025

By: /s/ Nicolai Brune
Name: Nicolai Brune
Title: Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. §1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Safe and Green Development Corporation (the "Company") on Form 10-K for the period ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David Villarreal, the Chief Executive Officer of the Company, does hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge and belief that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 31, 2025

/s/ David Villarreal

Name: David Villarreal
Title: Chief Executive Officer
(Principal Executive Officer)

This certification accompanies each Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. §1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Safe and Green Development Corporation (the "Company") on Form 10-K for the period ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Nicolai Brune, the Chief Financial Officer of the Company, does hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge and belief that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 31, 2025

/s/ Nicolai Brune

Name: Nicolai Brune
Title: Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

This certification accompanies each Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.