

**GREEN BUILDERS, INC**  
**QUARTER ENDING DECEMBER 31, 2011**

- ITEM 1.**        **EXACT NAME OF ISSUER AND ADDRESS OF ITS PRINCIPAL OFFICERS**
- ITEM 2.**        **SHARES OUTSTANDING**
- ITEM 3.**        **INTERIM FINANCIAL STATEMENTS**

**ITEM 1. EXACT NAME OF ISSUER AND ADDRESS OF ITS PRINCIPAL OFFICERS**

Green Builders, Inc.  
110 Wild Basin Rd South Ste 300  
Austin, TX 78746  
512-314-6759

**ITEM 2. SHARES OUTSTANDING**

As of December 31, 2011 there are:  
100,000,000 common shares authorized  
22,848,508 common shares issued and outstanding

**GREEN BUILDERS, INC.**  
Balance Sheet  
As of December 31, 2011

	(Unaudited) December 31, 2011
Cash and cash equivalents	\$ 330,925
Inventory	
Land and land development	5,921,911
Homebuilding inventories	<u>195,112</u>
Total inventory	6,117,023
Other assets	47,381
Debt issuance costs, net of amortization	257,917
Property, and equipment, net of accumulated depreciation and amortization	<u>2,291</u>
Total assets	<u><u>\$ 6,755,537</u></u>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	
Accounts payable	\$ 304,313
Accrued real estate taxes payable	114,822
Accrued liabilities and expenses	118,565
Accrued interest	2,762,018
Deferred revenue	-
Notes payable	2,752,633
Subordinated convertible debt, net of \$825,712 discount	<u>15,674,288</u>
Total liabilities	<u>21,726,639</u>
<b>STOCKHOLDERS' DEFICIT</b>	
Common stock, \$0.001 par value, 100,000,000 shares authorized and 22,848,508 issued and outstanding	22,849
Additional paid in capital	28,123,585
Retained deficit	<u>(43,071,008)</u>
Total stockholders' deficit	<u>(14,924,574)</u>
Commitments and contingencies	<u>-</u>
Total liabilities and stockholders' deficit	<u><u>\$ 6,802,065</u></u>

**GREEN BUILDERS, INC.**  
Statements of Operations  
As of December 31, 2011

(Unaudited)

12/31/2011

Revenues:

Homebuilding and related services	\$ -
Land sales	258,887
Remodeling sales	<u>-</u>
Total revenues	<u>258,887</u>

Cost of revenues:

Homebuilding and related services	(88,612)
Land sales	226,383
Remodeling sales	-
Inventory impairments and land option cost write-offs	<u>-</u>
Total cost of revenues	<u>137,771</u>

Total gross profit	<u>121,116</u>
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Costs and expenses:

Corporate general and administration	194,868
Sales and marketing	<u>160,947</u>
Total costs and expenses	<u>355,815</u>

Operating loss	<u>(234,699)</u>
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Other income (expense):

Gain on restrucured debt	-
Gain or (Loss) on Sale of Assets	-

Interest and other income	1,907
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Interest expense	<u>(500,792)</u>
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Total other expense	<u>(498,885)</u>
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Income before income taxes	(733,584)
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Basic and diluted loss per share	<u><u>(0.03)</u></u>
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