

# FIRST HARTFORD CORPORATION AND SUBSIDIARIES

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**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

<b>ASSETS</b>	<b><u>January 31, 2025</u></b>	<b><u>April 30, 2024</u></b>
Real estate and equipment:		
Developed properties and property under construction	\$263,766,929	\$277,289,300
Equipment and leasehold improvements	<u>3,754,789</u>	<u>4,107,619</u>
	267,521,718	281,396,919
Less accumulated depreciation and amortization	<u>(60,022,061)</u>	<u>(72,845,959)</u>
	207,499,657	208,550,960
Property held for sale	2,490,488	20,164,438
Cash and cash equivalents	5,991,755	7,589,163
Cash and cash equivalents – restricted	462,999	585,928
Marketable securities	2,107,401	90,320
Accounts and notes receivable, net	4,158,326	5,347,895
Other receivables	12,964	-0-
Deposits and escrow accounts	15,005,154	30,272,103
Prepaid expenses	1,408,363	1,938,668
Deferred expenses	7,952,047	5,610,922
Investments in affiliates	592,253	1,267,415
Due from related parties and affiliates	2,209,339	19,988
Derivative asset	<u>410,903</u>	<u>1,796,476</u>
Total assets	<u>\$250,301,649</u>	<u>\$283,234,276</u>

See accompanying notes.

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS (continued)**  
**(Unaudited)**

**LIABILITIES AND SHAREHOLDERS' EQUITY**

	<u><b>January 31, 2025</b></u>	<u><b>April 30, 2024</b></u>
Liabilities:		
Mortgages and notes payable:		
Construction loans payable	\$36,232,326	\$30,615,523
Mortgages payable	164,462,484	192,969,096
Mortgages payable – held for sale	-0-	19,791,313
Notes payable	1,704,697	1,704,697
Lines of credit	7,700,000	9,970,000
Less: Deferred debt issuance costs, net	<u>(2,422,089)</u>	<u>(3,155,160)</u>
	207,677,418	251,895,469
Accounts payable	4,971,580	9,879,431
Other payables	1,402,558	1,399,264
Accrued liabilities	7,223,887	8,367,255
Derivative liability	-0-	-0-
Deferred income	619,134	592,325
Due to related parties and affiliates	71,823	337,132
Deferred tax liability	<u>3,108,166</u>	<u>3,108,166</u>
Total liabilities	<u>225,074,566</u>	<u>275,579,042</u>
Shareholders' Equity:		
First Hartford Corporation:		
Preferred stock, \$1 par value; \$.50 cumulative and convertible; authorized 4,000,000 shares; no shares issued and outstanding	-0-	-0-
Common stock, \$1 par value; authorized 6,000,000 shares; issued 3,175,908 shares and outstanding 2,278,664 shares	3,175,908	3,175,908
Capital in excess of par	4,714,538	4,714,538
Accumulated earnings	28,171,141	13,366,539
Treasury stock, at cost, 897,244 shares	<u>(4,994,594)</u>	<u>(4,994,594)</u>
Total First Hartford Corporation	31,066,993	16,262,391
Noncontrolling interests	<u>(5,839,910)</u>	<u>(8,607,157)</u>
Total shareholders' equity	<u>25,227,083</u>	<u>7,655,234</u>
Total liabilities and shareholders' equity	<u>\$250,301,649</u>	<u>\$283,234,276</u>

See accompanying notes.

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS)**  
**(Unaudited)**

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>Jan. 31, 2025</b>	<b>Jan. 31, 2024</b>	<b>Jan. 31, 2025</b>	<b>Jan. 31, 2024</b>
Operating revenues:				
Rental income	\$7,111,320	\$9,082,194	\$26,758,976	\$26,794,761
Service income	1,112,062	344,767	2,056,551	1,124,938
Sales of real estate	9,433,520	4,793,181	62,303,289	15,296,181
Other revenues	<u>602,875</u>	<u>1,129,266</u>	<u>1,908,465</u>	<u>2,667,440</u>
	18,259,777	15,349,408	93,027,281	45,883,320
Operating costs and expenses:				
Rental expenses	5,208,160	6,052,809	16,170,643	16,807,442
Service expenses	190,915	146,295	595,350	457,677
Cost of real estate sales	8,910,133	6,286,989	48,145,142	14,883,749
Other expenses	575,895	1,227,297	1,854,642	2,716,198
Selling, general and administrative expenses	<u>2,821,937</u>	<u>2,584,039</u>	<u>8,542,933</u>	<u>7,777,630</u>
	<u>17,707,040</u>	<u>16,297,429</u>	<u>75,308,710</u>	<u>42,642,696</u>
Income from operations	552,737	(948,021)	17,718,571	3,240,624
Non-operating income (expense):				
Interest expense	(3,136,215)	(2,861,528)	(10,374,837)	(8,730,994)
Other income (loss)	8,168,846	9,206	8,255,217	302,765
Gain (loss) on derivatives	173,426	(1,254,679)	(972,110)	150,123
Equity in earnings of unconsolidated subsidiaries	<u>(7,029)</u>	<u>141,973</u>	<u>272,815</u>	<u>355,767</u>
	<u>5,199,028</u>	<u>(3,965,028)</u>	<u>(2,818,915)</u>	<u>(7,922,339)</u>
Income (loss) before income taxes	5,751,765	(4,913,049)	14,899,656	(4,681,715)
Income tax expense (benefit)	<u>(30,628)</u>	<u>(61,407)</u>	<u>(546,834)</u>	<u>791,459</u>
Consolidated net income (loss)	5,782,393	(4,851,642)	15,446,490	(5,473,174)
Net (income) loss attributable to noncontrolling interests	<u>(274,264)</u>	<u>(107,075)</u>	<u>(641,888)</u>	<u>(956,143)</u>
Net income (loss) attributable to First Hartford Corporation	<u>\$5,508,129</u>	<u>\$(4,958,717)</u>	<u>\$14,804,602</u>	<u>\$(6,429,317)</u>
Net income (loss) per share – basic	<u>\$2.42</u>	<u>\$(2.18)</u>	<u>\$6.50</u>	<u>\$(2.82)</u>
Net income (loss) per share – diluted	<u>\$2.42</u>	<u>\$(2.18)</u>	<u>\$6.50</u>	<u>\$(2.82)</u>
Shares used in basic per share computation	2,278,664	2,278,664	2,278,664	2,278,664
Shares used in diluted per share computation	2,278,664	2,278,664	2,278,664	2,278,664

See accompanying notes.

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**(Unaudited)**

	Common <u>Stock</u>	Capital in Excess of <u>Par</u>	Accumulated <u>Earnings (Deficit)</u>	Treasury <u>Stock</u>	Total First <u>Hartford Corporation</u>	Noncontrolling <u>Interests</u>	<u>Total</u>
Balance, April 30, 2023	\$3,175,908	\$4,974,876	\$17,179,038	\$(4,994,594)	\$20,335,228	\$(6,523,205)	\$13,812,023
Distributions	-0-	-0-	-0-	-0-	-0-	(449,507)	(449,507)
Purchase of former noncontrolling interests in Rockland and Clarendon	-0-	(260,338)	-0-	-0-	(260,338)	(2,870,537)	(3,130,875)
Net income (loss)	<u>-0-</u>	<u>-0-</u>	<u>(3,812,499)</u>	<u>-0-</u>	<u>(3,812,499)</u>	<u>1,236,092</u>	<u>(2,576,407)</u>
Balance, April 30, 2024	3,175,908	4,714,538	13,366,539	(4,994,594)	16,262,391	(8,607,157)	7,655,234
Legal settlement	-0-	-0-	-0-	-0-	-0-	3,057,964	3,057,964
Distributions	-0-	-0-	-0-	-0-	-0-	(932,605)	(932,605)
Net income (loss)	<u>-0-</u>	<u>-0-</u>	<u>14,804,602</u>	<u>-0-</u>	<u>14,804,602</u>	<u>641,888</u>	<u>15,446,490</u>
Balance, January 31, 2025	<u>\$3,175,908</u>	<u>\$4,714,538</u>	<u>\$28,171,141</u>	<u>\$(4,994,594)</u>	<u>\$31,066,993</u>	<u>\$(5,839,910)</u>	<u>\$25,227,083</u>

See accompanying notes.

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Unaudited)**

	<b><u>Nine Months Ended</u></b>	
	<b><u>January 31, 2025</u></b>	<b><u>January 31, 2024</u></b>
Operating activities:		
Consolidated net income (loss)	\$15,446,490	\$(5,473,174)
Adjustments to reconcile consolidated net income to net cash provided by (used in) operating activities:		
(Gain) on legal settlement	(8,129,162)	-0-
Equity in losses (earnings) of unconsolidated subsidiaries	(272,815)	(355,767)
Loss (gain) on sale of real estate	(14,158,147)	(412,432)
Depreciation of real estate and equipment	4,932,510	5,133,099
Amortization of deferred expenses	456,290	362,550
Deferred income taxes	-0-	-0-
Forgiveness of debt	-0-	-0-
Unrealized (gains) losses on marketable securities	(17,081)	(11,285)
(Gain) loss on derivatives	972,110	(150,123)
Changes in operating assets and liabilities:		
Accounts, notes, and other receivables	95,815	1,013,923
Deposits and escrow accounts	806,937	271,150
Prepaid expenses	453,394	(801,126)
Deferred expenses	(2,874,798)	(902,823)
Accrued liabilities	(734,321)	1,877,872
Deferred income	54,154	42,922
Accounts and other payables	<u>(1,502,124)</u>	<u>601,792</u>
Net cash provided by (used in) operating activities	<u>(4,470,748)</u>	<u>1,196,578</u>
Investing activities:		
Investments in marketable securities	(2,000,000)	-0-
Proceeds from sale of marketable securities	-0-	-0-
Purchase of equipment and tenant improvements	(551,758)	(757,530)
Proceeds from sale of real estate	27,137,461	15,296,181
Proceeds from sale of Rockland	13,469,039	-0-
Distributions from unconsolidated subsidiaries	592,930	325,625
Legal settlement	(739,037)	-0-
Purchase of former noncontrolling interests in Rockland and Clarendon	-0-	(3,130,875)
Additions to developed properties and properties under construction	<u>(36,028,671)</u>	<u>(27,047,956)</u>
Net cash provided by (used in) investing activities	<u>1,879,964</u>	<u>(15,314,555)</u>

See accompanying notes.

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)**  
**(Unaudited)**

	<u>Nine Months Ended</u>	
	<u>January 31, 2025</u>	<u>January 31, 2024</u>
Financing activities:		
Distributions to noncontrolling interests	\$(932,605)	\$(45,051)
Repurchase of common stock	-0-	-0-
Proceeds from:		
Construction loans	13,064,665	15,070,398
Mortgage loans	9,981,586	4,311,000
Notes	-0-	-0-
Credit lines	7,010,000	9,695,000
Principal payments on:		
Construction loans	(7,447,862)	(7,075,804)
Mortgage loans	(11,476,671)	(3,708,528)
Notes	-0-	-0-
Credit lines	(9,280,000)	(2,250,000)
Payments from (to) related parties and affiliates, net	<u>(48,666)</u>	<u>51,564</u>
Net cash provided by (used in) financing activities	<u>870,447</u>	<u>16,048,579</u>
Net change in cash and cash equivalents and restricted cash	(1,720,337)	1,930,602
Cash and cash equivalents and restricted cash, beginning of period	<u>8,175,091</u>	<u>4,024,891</u>
Cash and cash equivalents and restricted cash, end of period	<u>\$6,454,754</u>	<u>\$5,955,493</u>
Cash paid during the period for interest	\$10,630,086	\$8,623,665
Cash paid during the period for income taxes	\$(546,834)	\$791,459
Debt refinancing in 1 <sup>st</sup> -3 <sup>rd</sup> quarter:		
New mortgage loans	\$-0-	\$-0-
Debt reduced	(0)	(0)
Escrow funded	<u>(0)</u>	<u>(0)</u>
Net cash from refinancing in 1 <sup>st</sup> -3 <sup>rd</sup> quarter	<u>\$-0-</u>	<u>\$-0-</u>

See accompanying notes.

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**1. Business and Significant Accounting Policies:**

Business

First Hartford Corporation (the Company or FHC) was incorporated in Maine in 1909 and is engaged in the purchase, development, ownership, management, and sale of real estate, all of which is considered the “Real Estate Operations” segment. The Company has a second segment “Fee for Service” in which the Company is engaged as a preferred developer for CVS, Cumberland Farms, and others (see Revenue Recognition below).

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company, its wholly-owned subsidiaries, and all other entities in which the Company has a controlling financial interest. The latter includes those in which the Company has been determined to be the primary beneficiary of a variable interest entity or otherwise meets certain criteria as a sole general partner or managing member in accordance with the consolidation guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). As such, included in the consolidated financial statements are the accounts of Rockland Place Apartments Limited Partnership (“Rockland”) and Clarendon Hill Somerville Limited Partnership (“Clarendon”). As of April 30, 2023, the Company’s ownership percentage in these variable interest entity partnerships was nominal.

On May 19, 2023, the Company bought out the 99.99% limited partnership interests in both Rockland and Clarendon for \$930,140 and \$2,200,735, respectively. After these transactions, the Company owns 100% and 99.99%, respectively, of Rockland and Clarendon. There was no income statement impact as a result of these two equity transactions.

All significant intercompany balances and transactions have been eliminated in consolidation.



**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**1. Business and Significant Accounting Policies (continued):**

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles for interim financial information. Accordingly, they do not include all the information and footnotes required by U.S. generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals and adjustments) considered necessary for a fair presentation have been included. Operating results for the interim periods are not necessarily indicative of the results that may be expected for the entire year. The condensed consolidated balance sheet as of April 30, 2024 was derived from the audited financial statements for the year then ended. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's audited financial statements for the fiscal year ended April 30, 2024.

Because the Company is engaged in the development and sale of real estate at various stages of construction, the operating cycle may extend beyond one year. Accordingly, following the usual practice of the real estate industry, the accompanying condensed consolidated balance sheets are unclassified.

Revenue Recognition

The Company accounts for revenue in accordance with ASC Topic 606, "Revenue from Contracts with Customers". Revenue is recognized when, or as control of, the promised services or goods is transferred to our customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services. The Company's contracts typically contain only one performance obligation.

The following is a description of the Company's revenue recognition policies, updated for the effects of Topic 606, for the Company's principal activities separated by our reportable segments as discussed further within this Note 1.

Real Estate Operations Segment:

*Rental Income* – Rental income is recognized on a straight-line basis over the terms of the respective leases and consists of base rent and reimbursements for certain costs such as real estate taxes, utilities, insurance, common maintenance, and other recoverable costs as provided in the lease agreements. There are no contingent rents. If conditions of rent are not met, certain tenants may have rights to pay percentage rent not to exceed stated rent. Currently, there are a very limited number of tenants on percentage rent.

*Management Service Income* – The Company provides management and maintenance services to third parties, primarily the Company's unconsolidated Claymont, DE and Bronx, NY properties. The Company is compensated for such services through a monthly management fee earned based on a specified percentage of the monthly rental income generated from the property under management. Property management services represent a series of distinct daily services rendered over time.

*Sales of Real Estate* – The Company recognizes sales of real estate as revenue at a point in time when control is transferred, and the Company has satisfied its performance obligation.

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**1. Business and Significant Accounting Policies (continued):**

*Development Services* – The Company typically satisfies its performance obligations as services are rendered over time, measured by the ratio of costs incurred up to a given date to estimated total costs for each contract. This cost-to-cost measure is used because management considers it to be the best available measure of progress on these contracts.

*Construction Income* – Construction revenues are recognized as performance obligations are satisfied over time (formerly known as percentage-of-completion method), measured by the ratio of costs incurred up to a given date to estimated total costs for each contract. This cost-to-cost measure is used because management considers it to be the best available measure of progress on these contracts.

*Other Revenues* – Other revenues primarily represent retail sales revenues from its new Bojangles restaurant that opened on January 4, 2024. In the prior year, other revenues primarily represented retail sales from the Company's liquor store it operated at the North Adams, MA shopping center that was sold on April 28, 2023. The Company's liquor store was closed on February 12, 2024. The Company recognizes these revenues at a point in time when control of the goods is transferred to its customers.

Fee for Service Segment:

*Preferred Developer Services* – The Company is party to preferred developer agreements with CVS, Cumberland Farms, and others. Under these agreements, the Company satisfies its performance obligation over time as services are provided. Fees are typically payable upon contractually defined events, like project milestones. These fees are included in service income in the consolidated statements of operations.

Accounts Receivable and Allowance for Doubtful Accounts

We record accounts receivable for our unconditional rights to consideration arising from our performance under contracts with customers. The carrying value of such receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value. We estimate our allowance for doubtful accounts for specific accounts receivable balances based on historical collection trends, the age of outstanding accounts receivables and existing economic conditions associated with the receivables. Past-due accounts receivable balances are written off when our internal collection efforts have been unsuccessful. As a practical expedient, we do not adjust the promised amount of consideration for the effects of a significant financing component when we expect, at contract inception, that the period between our transfer of a promised service to a customer and when the customer pays for that service will be one year or less. We do not typically include extended payment terms in our contracts with customers.

The Company records accounts receivable for its unconditional rights to consideration arising from its performance under contracts with customers. The carrying value of such receivables, net of the allowance for credit losses, represents their estimated net realizable value. The Company evaluates the credit worthiness of customers prior to extending credit to customers. The Company records an allowance for credit losses that is estimated based upon historical account write-off trends, facts about the current financial condition of the debtor, forecasts of future operating results based upon current trends and macroeconomic factors. Credit quality is monitored through the timing of payments compared to payment terms and known facts regarding the financial condition of debtors. Accounts receivable balances are charged off against the allowance for credit losses after recovery efforts have ceased. As a practical expedient, the Company does not adjust the promised amount of consideration for the effects of a significant financing component when it expects, at contract inception, that the period between the transfer of a promised service to a customer and when the customer pays for that service will be one year or less. The Company does not typically include extended payment terms in its contracts with customers.

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**1. Business and Significant Accounting Policies (continued):**

Remaining Performance Obligations

Remaining performance obligations represent the aggregate transaction prices for contracts where our performance obligations have not yet been satisfied. On January 31, 2025 and April 30, 2024, the Company had no remaining performance obligations relating to construction projects.

Contract Assets and Contract Liabilities

Contract assets represent assets for revenue that has been recognized in advance of billing the customer and for which the right to bill is contingent upon something other than the passage of time. Included in contract assets are costs and estimated earnings in excess of billings, uninstalled materials, and other costs related to long-term construction contracts.

When the Company receives consideration, or such consideration is unconditionally due, from a customer prior to transferring services to the customer under the terms of the services contract, the Company records a contract liability. Included in contract liabilities are billings in excess of costs and estimated earnings and deferred revenue.

Such deferred revenue typically results from milestone payments pertaining to future services not yet rendered. The Company recognizes the contract liability as revenue once it has transferred control of service to the customer and all revenue recognition criteria are met.

Contract assets and contract liabilities are determined for each contract on a net basis. Contract liabilities totaling \$150,000 and \$150,000 as of January 31, 2025 and April 30, 2024, respectively, are included in deferred income in the accompanying consolidated balance sheets. The remaining balance of deferred income consists primarily of prepayments of monthly rent.

Contract Costs

Contract costs include all direct material, direct labor and benefits, materials unique to or installed in the project, subcontract costs and allocations of indirect construction costs. Provisions for estimated losses on contracts in progress are made in the period in which such losses are determined.

As long-term contracts extend over one or more years, revisions in estimates of costs and earnings during the course of the contract are reflected in the accounting period in which the facts that require the revision become known. Applying the contract cost practical expedient, the Company recognizes the incremental costs of obtaining contracts as an expense when incurred if the amortization period of the assets that it otherwise would have recognized is one year or less.

Earnings (Loss) Per Share (EPS)

Basic earnings (loss) per share amounts are determined using the weighted-average outstanding common shares for the year. Diluted earnings (loss) per share amounts include the weighted-average outstanding common shares as well as potentially dilutive common stock options and warrants using the "treasury stock" method. There were no options outstanding on January 31, 2025 or April 30, 2024.

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**1. Business and Significant Accounting Policies (continued):**

Financial Instruments and Fair Value

The Company's financial instruments include cash and cash equivalents, accounts receivable, marketable securities, accounts payable, accrued expenses, and debt. The fair values of accounts receivable, accounts payable and accrued expenses are estimated to approximate their carrying amounts because of their relative short-term nature. In general, the carrying amount of variable rate debt approximates its fair value. Further, the carrying amount of fixed rate debt approximates fair value since the interest rates on the debt approximates the Company's current incremental borrowing rate. Marketable securities consist of equity securities and are stated at fair value based on the last sale of the period obtained from recognized stock exchanges (i.e., Level 1).

Property Held for Sale

The Company classifies property as "held for sale" if management commits to sell the property and actively markets the property to potential buyers at fair market value, the property is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such property, and the sale is probable within one year.

Segment Information

The factors used by the Company to identify reportable segments include differences in products and services and segregated operations within the Company. The first segment, "Real Estate Operations" participates in the purchase, development, management, ownership, and sale of real estate. Within its second segment, "Fee for Service," the Company provides preferred developer services to CVS, Cumberland Farms Inc., and others in certain geographic areas. Summary financial information for the two reportable segments is as follows:

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>January 31</u>		<u>January 31</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenues:				
Real Estate Operations	\$18,259,777	\$15,278,408	\$92,923,281	\$45,586,820
Fee for Service	<u>-0-</u>	<u>71,000</u>	<u>104,000</u>	<u>296,500</u>
Total	<u>\$18,259,777</u>	<u>\$15,349,408</u>	<u>\$93,027,281</u>	<u>\$45,883,320</u>
Operating Costs & Expenses:				
Real Estate Operations	\$14,829,268	\$13,660,448	\$66,560,137	\$34,664,522
Fee for Service	55,835	52,942	205,640	200,544
Administrative Expenses	<u>2,821,937</u>	<u>2,584,039</u>	<u>8,542,933</u>	<u>7,777,630</u>
Total	<u>\$17,707,040</u>	<u>\$16,297,429</u>	<u>\$75,308,710</u>	<u>\$42,642,696</u>

All costs after operating expenses are costs of the real estate operation.

The only assets in the balance sheet belonging to the Fee for Service segment is restricted cash of \$174,648 on January 31, 2025 and \$175,447 on April 30, 2024 and receivables of \$12,964 on January 31, 2025 and \$60,683 on April 30, 2024.

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**2. Investments in Affiliated Partnerships:**

The Company accounts for its 50% ownership interest in Dover Parkade, LLC under the equity method of accounting. A summary of the operating results for this entity follows:

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>January 31, 2025</u>	<u>January 31, 2024</u>	<u>January 31, 2025</u>	<u>January 31, 2024</u>
Dover Parkade, LLC:				
Revenue	\$780,439	\$699,619	\$2,318,521	\$2,264,005
Expenses	<u>778,070</u>	<u>443,483</u>	<u>1,821,768</u>	<u>1,550,219</u>
Net income	<u>\$2,369</u>	<u>\$256,136</u>	<u>\$496,753</u>	<u>\$713,786</u>

*Cranston, RI Tenancies in Common*

On June 8, 2021, the Company's joint venture, CP Associates, LLC, distributed assets (the Former School Property and the Restaurant parcels in Cranston, RI, excluding the police station parcel) to its Members as Tenants in Common. Also on June 8, 2021, the Company's joint venture, Trolley Barn, LLC, distributed its assets (vacant land in Cranston, RI, "Trolley Barn") to its Members as Tenants in Common and was dissolved. After these transactions, one of the Members of these three properties, Brewery Parkade, which is a wholly-owned subsidiary of the Company, directly owned 50% of each of these properties. Tenancy in common provides each holder a distinct, separately transferable interest in the property. While these changes had no impact on the Company's net income (loss), the financial statements were impacted in that, while these properties were previously consolidated, they were instead accounted for using the equity method of accounting since the Company did not have the stand-alone power to make decisions regarding the financing, development, sale, or operations of these properties.

On April 7, 2022, the Former School Property was sold for \$16,000,000. The Company's 50% share on the profit on this sale was \$5,909,208 and \$6,020,849 was distributed to the Company. There remained approximately 2.96 acres of land within that tenancy in common. This TIC was dissolved as part of the legal settlement described in Note 5 below and that land is now 100% owned directly by the Company.

On March 31, 2023, the Company exchanged its 50% interest in the Restaurant property for the other 50% interest in the Trolley Barn tenancy in common. As part of the transaction, the Company paid \$1,250,000 which represented the difference between the fair value of the Restaurant property given up and the Trolley Barn property acquired, plus additional transaction costs totaling \$50,542. As a result of the transaction the Company owns 100% of the Trolley Barn property and is now consolidating the assets and liabilities related to this property in its financial statements. There was no gain or loss resulting from this transaction.

Below is the financial activity in the Former School Property for the nine months ended January 31, 2025 and 2024:

	<u>Nine Months Ended</u>	
	<u>January 31,</u>	
	<u>2025</u>	<u>2024</u>
Investment, May 1, 2024 and 2023	\$433,539	\$452,066
Equity (loss) in earnings	24,437	(1,126)
Distributions	(102,930)	(25,625)
Dissolution of TIC upon legal settlement	<u>(355,046)</u>	<u>-0-</u>
Investment, January 31	<u>\$-0-</u>	<u>\$425,315</u>

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**3. Revenue from Contracts with Customers:**

Disaggregated Revenue:

The following tables represent a disaggregation of revenue from contracts with customers for the three and nine months ended January 31, 2025 and 2024 by type of service:

<b>Three Months Ended January 31, 2025</b>	<u>Real Estate Operations Segment</u>	<u>Fee for Service Segment</u>	<u>Total</u>
Topic 606 Revenue:			
Rental Income	\$7,111,320	\$-0-	\$7,111,320
Management & Other Services	1,112,062	-0-	1,112,062
Preferred Developer Services	-0-	-0-	-0-
Construction Income	-0-	-0-	-0-
Sales of Real Estate	9,433,520	-0-	9,433,520
Other Revenues	<u>602,875</u>	<u>-0-</u>	<u>602,875</u>
Total Revenues	<u>\$18,259,777</u>	<u>\$-0-</u>	<u>\$18,259,777</u>

<b>Three Months Ended January 31, 2024</b>	<u>Real Estate Operations Segment</u>	<u>Fee for Service Segment</u>	<u>Total</u>
Topic 606 Revenue:			
Rental Income	\$9,082,194	\$-0-	\$9,082,194
Management & Other Services	420,604	-0-	420,604
Preferred Developer Services	-0-	71,000	71,000
Construction Income	(146,837)	-0-	(146,837)
Sales of Real Estate	4,793,181	-0-	4,793,181
Other Revenues	<u>1,129,266</u>	<u>-0-</u>	<u>1,129,266</u>
Total Revenues	<u>\$15,278,408</u>	<u>\$71,000</u>	<u>\$15,349,408</u>

<b>Nine Months Ended January 31, 2025</b>	<u>Real Estate Operations Segment</u>	<u>Fee for Service Segment</u>	<u>Total</u>
Topic 606 Revenue:			
Rental Income	\$26,758,976	\$-0-	\$26,758,976
Management & Other Services	1,952,551	-0-	1,952,551
Preferred Developer Services	-0-	104,000	104,000
Construction Income	-0-	-0-	-0-
Sales of Real Estate	62,303,289	-0-	62,303,289
Other Revenues	<u>1,908,465</u>	<u>-0-</u>	<u>1,908,465</u>
Total Revenues	<u>\$92,923,281</u>	<u>\$104,000</u>	<u>\$93,027,281</u>

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**3. Revenue from Contracts with Customers (concluded):**

Disaggregated Revenue (concluded):

<b>Nine Months Ended January 31, 2024</b>	<b>Real Estate <u>Operations Segment</u></b>	<b>Fee for Service <u>Segment</u></b>	<b><u>Total</u></b>
Topic 606 Revenue:			
Rental Income	\$26,794,761	\$-0-	\$26,794,761
Management Services	975,275	-0-	975,275
Preferred Developer Services	-0-	296,500	296,500
Construction Income	(146,837)	-0-	(146,837)
Sales of Real Estate	15,296,181	-0-	15,296,181
Other Revenues	<u>2,667,440</u>	<u>-0-</u>	<u>2,667,440</u>
Total Revenues	<u>\$45,586,820</u>	<u>\$296,500</u>	<u>\$45,883,320</u>

**4. Income Taxes:**

The Company files a Federal consolidated tax return to report all income and deductions for its subsidiaries. The Company and its subsidiaries file income tax returns in several states. The tax returns are filed by the entity that owns the real estate or provides services in such state. Some states do not allow a consolidated or combined tax filing. This sometimes creates income taxes to be greater than expected as income for some subsidiaries cannot be offset by other subsidiaries with operating losses.

Income taxes are recorded on a cash basis each quarter and trued-up in the fourth quarter of each fiscal year.

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**5. Litigation:**

In 2019, 234 Realty, LLC and 287 Realty, LLC filed two lawsuits against the Company in Providence County Superior Court (the “Court”) concerning over \$8,000,000 in commissions purportedly due to 234 Realty, LLC and 287 Realty, LLC (the “234/287 Lawsuits”). The Company asserted several affirmative defenses, as well as counterclaims, in the 234/287 Lawsuits. In July 2024, the Company’s subsidiary, Brewery Parkade, Inc., filed a separate lawsuit in the Court against entities owned by one of the principals of 234 Realty, LLC and 287 Realty, LLC (the “BP Lawsuit”). In September 2024, the parties to the 234/287 Lawsuits and the BP Lawsuit agreed to settle their respective claims and counterclaims. On January 29, 2025, a Master Settlement Agreement (MSA) was executed that formally settled all matters between the parties.

The MSA, which is largely effective on September 30, 2024, includes the following provisions: the transfer of the Company’s 50% interest in the partnership that owned the Cranston, RI shopping center, inclusive of all related assets and liabilities, to its former partner, and the transfer of the 50% interest held by the former members in the Former School Property in Cranston, RI, inclusive of all related assets and liabilities, to the Company, resulting in 100% ownership by the Company. As a result, the Tenancy in Common (TIC) that held the Former School Property was dissolved and these assets and liabilities were transferred to Brewery Parkade, LLC, a 100% owned subsidiary of the Company.

After this agreement, the Company continues to hold a 50% interest in CP Associates, LLC, which owns and leases a police station in Cranston, RI.

All claims between the parties were settled, including those made as part of the 234/287 Lawsuits.

As a result of this MSA, the Company recorded a gain of \$8,129,162 in the quarter ended January 31, 2025. The gain is comprised of the following:

Gain on transfer of 50% interest of shopping center to former partner (negative basis)	\$3,724,621
Gain on transfer of 50% interest of Former School Property from former TIC members (recorded at fair value)	1,039,045
Gain on reversal of accrued disputed fees	<u>3,365,496</u>
Total	\$8,129,162

This gain is included in Other income on the Consolidated Statement of Income (Loss).



**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**6. Loans:**

*Montgomery, TX – Construction Loan:* On May 29, 2024, the Company obtained a \$2,930,000 construction loan to construct a single-tenant building at its Montgomery, TX property. Proceeds at closing of \$572,763 were used to pay off a prior construction loan from a different bank of \$509,751, as well as closing costs. The new loan requires monthly interest-only payments through November 29, 2025, after which principal and interest payments using a 22-year amortization are required until the maturity date of November 30, 2030, at which time all remaining balances are due. The interest rate on the loan is the One-Month Term SOFR (with a Floor of 1.00%) rate plus 2.85%. There are no prepayment penalties. The Company is a guarantor on the loan.

*Katy, TX (Cinco Ranch) –Mortgage Loan:* On June 28, 2024, the Company obtained a \$1,550,000 mortgage loan on its property in Katy, TX. Proceeds at closing were \$1,495,838. The new loan requires monthly interest-only payments through June 30, 2025, after which principal and interest payments using a 25-year amortization are required until the maturity date of June 28, 2026, at which time all remaining balances are due. The interest rate on the loan is the Prime Rate, as defined, plus 0.50% with an overall minimum rate of 9.00%. There are no prepayment penalties. The Company is a guarantor on the loan.

*New Term Note:* On December 30, 2024, the Company obtained a \$2,000,000 term note from a local bank in MA. The interest rate on this Note is 5.95% for the first sixteen months. Thereafter, the interest rate will be adjusted to a rate equal to the then-current interest rate on Certificates of Deposits (CDs) offered by the bank plus 2.75%. Interest only is payable monthly until maturity on December 31, 2029, at which time payment of all principal and interest is due. The Company is a guarantor of the note.

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**7. Property Purchases:**

*Texas City, TX (Lago Mar NWC) – Land Purchase:* On August 29, 2024, the Company purchased a 6.63-acre parcel of land in Texas City, TX for \$4,476,443 plus closing costs. The Company plans on subdividing this parcel into four lots and either selling or leasing them. This purchase was financed with proceeds from a new construction loan (\$2,800,000) and working capital. Key terms of the construction loan are as follows:

Maximum Loan Amount:	\$2,800,000
Maturity Date:	August 30, 2025
Interest Rate:	11% per annum
Payments:	Interest only payable monthly with full principal balance due at the Maturity Date.
Prepayment:	Prepayments are permitted, subject to both Prepayment and Exit Fees, as defined.
Guarantee:	The Company (Corporate).

*Cypress, TX – Land Purchase:* On November 1, 2024, the Company purchased a parcel of land in Cypress, TX for \$1,154,554 plus closing costs. The Company plans on constructing a single tenant build-to-suit building on this parcel. This purchase was financed with working capital. Simultaneously, the Company obtained a new construction loan (\$4,520,000) for this project. Key terms of the construction loan are as follows:

Maximum Loan Amount:	\$4,520,000
Maturity Date:	November 1, 2029
Interest Rate:	Wall Street Journal Prime less 0.50%, with a floor of 6.50% and ceiling of 8.50%
Payments:	Interest only payable monthly through November 1, 2026; thereafter, principal and interest payable monthly using a 25-year amortization.
Prepayment:	A prepayment penalty of \$325,000 less interest paid to date. Once interest paid has reached \$325,000, there is no prepayment penalty.
Guarantee:	The Company (Corporate).

*Texas City, TX (Lago Mar SWC) – Land Purchase:* On November 25, 2024, the Company purchased a 30.43-acre parcel of land in Texas City, TX for \$13,305,450 plus closing costs and simultaneously sold a 14.30 acre lot for \$6,230,520 (approximate cost of \$6,583,000), leaving a 16.13 acre parcel of land. The Company plans on subdividing this parcel into multiple lots and either selling or leasing them. This purchase was financed with proceeds from a new land loan (\$5,284,500) and working capital. Key terms of the construction loan are as follows:

Maximum Loan Amount:	\$5,284,500
Maturity Date:	November 25, 2025
Interest Rate:	10% per annum
Payments:	Interest only payable monthly with full principal balance due at the Maturity Date.
Prepayment:	Prepayments are permitted, subject to both Prepayment and Exit Fees, as defined.
Guarantee:	The Company (Corporate).

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**7. Property Purchases (concluded):**

*Rockland, MA – Land and Building Purchase:* On December 13, 2024, the Company purchased an 0.89-acre property that includes a former school building for \$1,485,000 plus closing costs. The Company plans on renovating the building to allow for approximately 27 apartments. The Company funded this acquisition through one of its lines of credit. Subsequently, on February 12, 2025, the Company amended the Partnership that owns the property to admit Alliant Properties, LLC (Alliant) as the Investor Limited Partner and WD ALP 2025, LLC (WD) as the Administrative Limited Partner with a 99.98% and 0.01% ownership, respectively. Accordingly, Alliant and WD contributed equity of \$1,914,507 and \$100, respectively. Despite now owning just 0.01% of the Partnership, the Company will continue to consolidate the Partnership because it is deemed to be the controlling entity by virtue of it being the Managing Partner. In addition, a subsidiary of the Company will manage the property, for which it is being paid a property management fee equal to 5% of gross rental receipts. The Company, through a wholly-owned subsidiary, will be the general contractor for the renovation of this property, which will cost approximately \$10,148,000. Finally, a developer fee of \$1,459,888 will be paid to a subsidiary of the Company pursuant to the terms of the Development Services Agreement. Also on February 13, 2025, the Partnership obtained initial funding of \$1,500,940 on a \$13,500,000 construction loan, with an interest rate of 6.40% per annum, a term of 24 months (subject to one six-month extension), and payments of interest-only due until maturity, at which point all outstanding principal and accrued but unpaid interest shall be due and payable in full.

**8. Sale of Rockland**

*Rockland, MA – Sale of Property:* On October 9, 2024, the Company sold its property in Rockland, MA for \$15,505,000 plus the assumption of its remaining debt on the property. This transaction resulted in a gain of \$10,612,791. The impact on the Company's balance sheet and statement of operations because of this transaction is as follows:

Balance Sheet:

Cash and cash equivalents	\$13,469,039
Cash and cash equivalents - restricted	-0-
Deposits and escrow accounts	(3,166,682)
Properties held for sale	(18,802,702)
Mortgages payable – held for sale	19,660,828
Deferred debt issuance costs	(547,692)
Accounts payable	-0-
Accrued liabilities	-0-
Retained earnings	(10,612,791)

Statement of Operations:

Sales of real estate	\$35,165,828
Cost of real estate sales	(24,553,037)
Gain on sale	<u>\$10,612,791</u>

**FIRST HARTFORD CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**9. Subsequent Events:**

The Company has evaluated for subsequent events through April 16, 2025, the date the financial statements were issued.

*Austin, TX (Easton Park) – Partial Sale of Property:* On February 13, 2025, the Company sold a 1.90 acre lot of its property in Austin, TX for \$2,445,000 (cost of approximately \$1,056,000). The Company continues to own a single-tenant property plus 6.65 acres after this sale.

*First Hartford Corporation 2025 Stock Option and Incentive Plan* – The FHC 2025 Stock Option and Incentive Plan ("Plan") was adopted by the Board of Directors in December 2024 by written consent and approved by the stockholders on February 19, 2025, in order to further the Company's growth and development by providing, through stock ownership in the Company, an incentive to key employees, officers, directors, and consultants ("Contributors") who are in a position to contribute materially to the prosperity of the Company, to increase such person's interests in the Company's welfare, and to aid in recruiting outstanding candidates for service to the Company.

The Plan provides: (i) an aggregate of two hundred thousand (200,000) shares of common stock of the Company are hereby reserved for issuance by the Company or transfer from the Company's treasury for the issuance as bonus shares, or issuance of options and exercise of the options to purchase the underlying shares; (ii) options and bonus shares may be granted through February 18, 2035; (iii) options granted will be exercisable on a cumulative basis ordinarily as to 20% of the total number of shares covered thereby at any time immediately after the date the option is granted and 20% of such total number of shares after the end of each consecutive year thereafter until the option has vested and become exercisable as to all of such total number of shares, unless varied by the board of directors, or unless accelerated pursuant to terms approved by the board of directors; (iv) bonus awards may be awarded such that the shares are deliverable concurrently with the award, or on a cumulative basis as to percentages of the total number of shares awarded on specified vesting dates, as determined by the Board; (v) the purchase price for the exercise of shares subject to any option, and the value of the shares subject to any bonus, shall not be less than 100% of the fair market value of the shares of common stock of the Company on the effective date and in no event shall be less than the par value of the common stock; (vi) each option and bonus award shall be non-transferable by the Contributor during one's lifetime but may be exercised by one's heirs or devisees within one year after date of death; (vii) the board of directors, or if it so delegates, a committee, will be responsible for administering the Plan and may modify or terminate the Plan at any time provided termination or modification shall not adversely affect any option or bonus award then outstanding without the consent of the Contributor; and (viii) the shares to be issued or transferred under the Plan shall bear a legend restrictive as to transfer of the shares subject to an available exemption.

*Manville, RI (The Village at Manville) – Purchase of Companies:* On February 28, 2025, the Company purchased three legal entities (TVM Managing Member, LLC; TVM Developer, LLC; TVM Owner, LLC) for \$503,096. Collectively, these entities own 4.12 acres of land in Manville, RI. The Company intends to build 72 units of affordable housing on this property.

*Austin, TX (Easton Park West) – Partial Sale of Property:* On March 31, 2025, the Company sold a 1.25 acre lot of its property in Austin, TX for \$1,850,000 (cost of approximately \$669,000). The Company continues to own 3.95 acres after this sale.

**Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines**

**First Hartford Corporation**

149 Colonial Road  
Manchester, CT 06042  
(860) 646-6555  
<https://firsthartford.com/>  
[EHarrington@firsthartford.com](mailto:EHarrington@firsthartford.com)  
NAICS code: 53. NAICS subcode: 531190

**Quarterly Report**

**For the period ending January 31, 2025 (the "Reporting Period")**

**Outstanding Shares**

The number of shares outstanding of our Common Stock was:

2,278,664 as of January 31, 2025

2,278,664 as of April 30, 2024

**Shell Status**

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

**Change in Control**

Indicate by check mark whether a Change in Control<sup>4</sup> of the company has occurred during this reporting period:

Yes: ☐ No: ☒

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<sup>4</sup> "Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

**1) Name and address(es) of the issuer and its predecessors (if any)**

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

**None in past forty years.**

Current State and Date of Incorporation or Registration: **Maine**

Standing in this jurisdiction: (e.g. active, default, inactive): **In Good Standing in Maine.**

Prior Incorporation Information for the issuer and any predecessors during the past five years:

**N/A.**

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

**None.**

List any stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

**None in past 12 months**

Address of the issuer's principal executive office:

**149 Colonial Road**  
**Manchester, CT 06042**

Address of the issuer's principal place of business:

*Check if principal executive office and principal place of business are the same address (x):*

**149 Colonial Road**  
**Manchester, CT 06042**

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

\_\_\_\_\_

**2) Security Information**

**Transfer Agent**

Name: Continental Stock Transfer & Trust Company

Phone: (212) 845-3212

Email: proxy@continentalstock.com

Address: 1 State Street, 30<sup>th</sup> Floor  
New York, NY 1004-1561

**Publicly Quoted or Traded Securities:**

*The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.*

Trading symbol:	FHRT
Exact title and class of securities outstanding:	Common Stock
CUSIP:	320488199
Par or stated value:	\$1.00
Total shares authorized:	6,000,000 as of January 31, 2025
Total shares outstanding:	2,278,664 as of January 31, 2025
Total number of shareholders of record:	170 as of January 31, 2025

*Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.*

N/A

**Other classes of authorized or outstanding equity securities that do not have a trading symbol:**

*The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.*

Exact title and class of the security:	Preferred stock
CUSIP (if applicable):	N/A
Par or stated value:	\$1.00
Total shares authorized:	4,000,000 as of January 31, 2025
Total shares outstanding (if applicable):	N/A
Total number of shareholders of record (if applicable):	N/A

*Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.*

N/A

**Security Description:**

*The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:*

**1. For common equity, describe any dividend, voting and preemption rights.**

There are no special dividend or voting rights. There are preemption rights under the Company's certificate of incorporation and Title 13-C of the Maine Business Corporation Act.

**2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.**

N/A. Preferred stock is authorized but none are issued or outstanding.

**3. Describe any other material rights of common or preferred stockholders.**

N/A.

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

N/A.

### 3) Issuance History

*The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities in the past two completed fiscal years and any subsequent interim period.*

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

#### A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☒ Yes: ☐ (If yes, you must complete the table below)

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>April 30, 2023</u> Common: <u>2,278,664</u> Preferred: <u>0</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to.  *You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g., for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Shares Outstanding on Date of This Report: <u>Ending Balance:</u> Date <u>Jan 31, 2025</u> Common: <u>2,278,664</u> Preferred: <u>0</u>									

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, 2024, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2023 through December 31, 2024 pursuant to the tabular format above.

Any additional material details, including footnotes to the table are below:

N/A.



## B. Convertible Debt

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

☒ Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance (\$)	Outstanding Balance (\$) (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion <sup>5</sup>	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)
Total Outstanding Balance:				Total Shares:				

Any additional material details, including footnotes to the table are below:

N/A.

## 4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. Ensure that these descriptions are updated on the Company's Profile on [www.OTCMarkets.com](http://www.OTCMarkets.com).

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")  
First Hartford Corporation and its subsidiaries (collectively, the "Company") is engaged in two business segments: (1) the purchase, development, ownership, management, and sale of real estate, and (2) providing preferred developer services for corporate franchise operators (i.e., "Fee for Service").
- B. List any subsidiaries, parent company, or affiliated companies (wholly-owned by the Company unless otherwise noted).

### Name of Subsidiary

Parkade Center, Inc.  
Hartford Lubbock Limited Partnership II (1.99%)  
FHRC Management Corp.  
EH&NU Inc.  
First Hartford Realty Corporation  
First GL Buda, LLC  
First BTS West Lake, LLC  
First BTS Little Ferry, LLC  
First BTS Humble, LLC

### State in which Incorporated

Texas  
Texas  
Delaware  
Massachusetts  
Delaware  
Texas  
Texas  
New Jersey  
Texas

<sup>5</sup> The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any "blockers" or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g. most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.

First BTS Magnolia, LLC	Texas
William Cannon Associates, LLC	Texas
William Cannon Associates II, LLC	Texas
Cranston Street Associates, LLC	Rhode Island
FH Edinburg Multifamily, LLC	Texas
First WF Horsham, LLC	Pennsylvania
First WF Lewisville, LLC	Texas
First WF Prosper, LLC	Texas
First WF Wylie, LLC	Texas
First WF North Richland Hills, LLC	Texas
First Biscuit Enterprises, LLC	Texas
First Biscuit Wylie, LLC	Texas
First Biscuit Mansfield, LLC	Texas
McKinney Falls Associates, LLC	Texas
Mansfield Retail Associates, LLC	Texas
Springwell Parkway Associates, LLC	Texas
Greenmoor Retail Associates, LLC	Texas
Katy Spring Green Associates, LLC	Texas
Fairway Commercial Real Estate, LLC	Connecticut
Montgomery SH 105 Associates, LLC	Texas
Plainfield Parkade, Inc.	Connecticut
EH&N Construction Company	Delaware
DE 150 Corp.	Delaware
Main Street NA Parkade, LLC	Connecticut
Brewery Parkade, Inc.	Rhode Island
CP Associates, LLC (50.00%)	Rhode Island
Tri-City Plaza, Inc.	New Jersey
Dover Parkade, LLC (50.00%)	Delaware
1150 Union Street Corp.	Massachusetts
First BTS Mid-City Manager, Inc.	Louisiana
First BTS Mid-City, LLC	Louisiana
FHRC Plumbing, Inc.	Massachusetts
First Hartford Rio Grande Valley, Inc.	Texas
The Shoppes at Rio Grande Valley, LP	Texas
Edinburg SRGV, LLC	Delaware
LTI Environmental Services, Inc.	Massachusetts
Steeple City Liquors, Inc.	Massachusetts
999 Realty, LLC	Delaware
Del Valle Parkade, LLC	Texas
First LB Cypress, LLC	Texas
First BTS Fulshear, LLC	Texas
Shoppes at Lago Mar NWC, LLC	Texas
Shoppes at Lago Mar SWC, LLC	Texas
Connolly & Partners, LLC	Massachusetts
Clarendon Hill Somerville, LLC (49.00%)	Massachusetts
Clarendon Hill Somerville LP (99.99%)	Massachusetts
Rockland Place Apartments, LLC	Massachusetts
Rockland Place Apartments, LP	Massachusetts
Rockland Place Developers, LLC	Massachusetts
Connolly Claymont, LLC	Delaware
B'nai B'rith Claymont LP (0.005%)	Delaware
Schoolhouse Apartments Rockland, LLC	Massachusetts
Schoolhouse Apartments Rockland, LP (0.01%)	Massachusetts
Schoolhouse Apartments Rockland Developer, LP	Massachusetts

BBNH Manager, LLC (49.00%)	Connecticut
B'nai B'rith New Haven, LLC (49.00%)	Connecticut
FHNH Developer, LLC	Connecticut
BBR Manager, LLC (1.00%)	Pennsylvania
B'nai B'rith Reading, LLC (1.00%)	Pennsylvania
Connolly Elmwood, LLC	New Jersey
Connolly Chesilhurst, LLC	New Jersey
Connolly Clarendon Investor, LLC	Massachusetts
Connolly Rockland Investor, LLC	Massachusetts
TVM Managing Member, LLC	Rhode Island
TVM Owner, LLC	Rhode Island
TVM Developer, LLC	Rhode Island
Connolly Bronx, LLC	New York
Project Hope Bronx, LLC (0.005%)	New York

C. Describe the issuers' principal products or services.

**Business Narrative:**

**First business segment:**

The principal activity of the Company's first segment of business is the purchase, development, ownership, management, and sale of real estate. The real estate, owned and/or managed by the Company through various subsidiaries and joint ventures, is located in Connecticut, Delaware, Louisiana, Massachusetts, New York, New Jersey, New Mexico, Rhode Island, and Texas. Non-residential tenants are obtained through brokers and employed representatives of the Company, by means of Industry Trade Shows, direct contacts with retail stores and other potential commercial tenants, and an occasional inquiry by potential tenants at the Company's on-site offices. Residential tenants are obtained through advertisements and inquiry at on-site offices.

The Company has a comprehensive investment strategy when it comes to new projects or acquisitions. Before investing, the Company conducts comprehensive due diligence that includes researching demographics, traffic, nearby vacancies, competition, and nearby market conditions. After a potential investment has been fully vetted, a decision is made.

The Company's real estate business is diversified by geographical locations, type of commercial property, and form of ownership or management. The commercial real estate business is not divided further into significant separate classes of products or services. When profitable opportunities arise, the Company will buy and sell certain properties.

The Company opened a Bojangles restaurant at its property in Wylie, TX on January 4, 2024.

The Company owned and operated a liquor store at one of its former properties; this store was closed on February 12, 2024.

Please also see Note 10 of the FY 2024 Audited Financial Statements.

**Second business segment:**

The principal activity of the Company's second segment of business is providing preferred developer services to CVS Health (CVS), Cumberland Farms Inc., and others in certain geographic areas. The Company is also exploring similar arrangements with other companies.

CVS: The Company has an agreement with CVS to be a preferred developer in Texas within the Rio Grande Valley and Houston, in New York within Long Island and portions of Rockland County, in New Jersey, in most of Connecticut, in Louisiana, and in Maryland and Washington, DC. This is a fee for service agreement by which the Company will locate a site, negotiate a letter of intent, prepare store development budgets, demographics, arrange traffic counts and submit for CVS Real Estate Committee approval. Once so approved, the Company will negotiate a purchase or lease of such property and obtain permits. The Company will invoice 75% of the total fee when the property is purchased or leased, and a building permit is issued. Fees vary based on location and style of the store. A CVS pre-qualified third-party contractor is selected who will work through the Company. The Company will manage the construction and administrate the contracts and payments. When a Certificate of Occupancy is obtained, the Company will invoice 15% of the total fee. After the store is

opened and all the open construction items are completed, the Company will invoice the final 10% of the total fee. Income is recognized as required services, as outlined in the development agreement, are completed. The entire process will normally take 1-3 years.

*Cumberland Farms:* The Company is also a preferred developer for Cumberland Farms Inc. within Connecticut, New York, Massachusetts, Vermont, Maine, and Rhode Island. Its scope of work is less than the CVS arrangement above as the Company is not involved in the construction management of the store. This is a fee for service agreement by which the Company will locate a site, negotiate a letter of intent, prepare store development budgets, demographics, arrange traffic counts and submit for Cumberland Farms Real Estate Committee approval. Once so approved, the Company will negotiate a purchase or lease of such property and obtain state and local approval and associated permits for construction. The Company invoices at various benchmarks, including after executing a purchase/sale agreement or ground lease, completion of Due Diligence Period (DDP), full entitlement of the site, after release of the building permit, at closing of the property, and after receiving the Certificate of Occupancy. Income is recognized as required services, as outlined in the development agreement, are completed. The entire process will normally take 1-2 years.

Please also see Note 10 of the FY 2024 Audited Financial Statements.

*Miscellaneous Business Reporting:*

The Company does not produce or offer any products, and as such, it has no foreign operations, no inventory (except small amounts at its restaurant) and does not export products or services. Its present business segments are not seasonal in nature. The Company does not have any patents, licenses, concessions, or royalty agreements. The Company is not conducting any research and development. The Company's subsidiaries involved with residential rental properties have some contracts or subcontracts, including loans, with the United States government via Housing & Urban Development (HUD).

The Company's operations and property are subject to various federal, state, and local laws and regulations concerning the protection of the environment, including air and water quality, hazardous or toxic substances and human health safety. There is no significant environmental litigation involving any of the Company's properties.

The Company has a backlog, or pipeline, of potential development projects with CVS, Cumberland Farms, and other companies. The Company does not believe backlog is a useful measure of past performance or continuing performance because the life of each project ranges from one to three years and the number of future projects is not predictable.

The Company's economic performance and the value of its real estate are subject to the risks incidental to the development, construction, and ownership of real estate properties, as well as the economic well-being of its tenants.

*Employment:* The Company employs approximately 78 people full-time and 70 people part-time / stipend.

*Competition:* The Company competes with many other established companies and entities, many of which are larger and possess substantially greater financial resources and substantially larger staffs.

*Risks:* In addition to the competitive pressures on the business noted above, the Company faces numerous risks and challenges.

The fee-for-service business has been sharply declining for several years (segment revenue peaked in fiscal year 2015 at \$6.8 million; in fiscal year 2024 it was \$0.4 million), reflecting lower revenue at both CVS and Cumberland Farms. Also, the opportunities with WFF have been sharply curtailed and likely ended. The Company is attempting to cultivate new relationships with multi-store customers to offset this lower volume but there is no guarantee this effort will be successful.

In recent years, the Company has been highly dependent on its ability to buy, develop, and sell real estate at a profit and, because of the decreasing fee-for-service business and the increasingly difficult environment surrounding commercial real estate, this dependency is increasing. Annual profits on these sales averaged approximately \$6.7 million over the ten fiscal years 2015-2024. Recent increases in interest rates have made it more difficult to sell properties at prices that the Company would have achieved in recent years. If the Company is unable to realize profitable real estate sales at a level at least equal to recent years, there would be an adverse impact on the Company's liquidity and financial results.

The sources of future borrowings that may be needed for new construction loans, property purchases, or balloon payments on existing loans are unclear at this time. Also, the Company depends on its lines of credit for working capital and, if any of these lines are not renewed, there is no guarantee that they can be replaced. The Company's liquidity could also be adversely impacted by continued higher interest rates and regulatory changes in Federal affordable housing programs.

With respect to other revenues, the Company's movie theater in North Adams, MA was closed in 2023 after years of operating at a loss. The Company's liquor store in North Adams, MA was closed on February 12, 2024. The Company opened a Bojangles restaurant in Wylie, TX on January 4, 2024 and operated at a loss through April 30, 2024.

If these trends continue, there is no guarantee that the Company will be able to mitigate the negative impact on the Company's liquidity and financial condition.

## 5) Issuer's Facilities

*The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.*

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

**Facilities:** The following table shows the location, general character, ownership status, and cost of the materially important physical properties of the Company:

<u>Property</u>	<u>Type</u>	<u>Ownership %</u>	<u>Book Value</u>
<b>Consolidated Properties:</b>			
Spring, TX (Glennloch) (1.81 acres of land)	Development Property	100%	\$ 417,519
Texas City, TX (0.75 acres of land)	Development Property	100%	118,695
Humble, TX (2.62 acres of land)	Development Property	100%	1
149 Colonial Rd., Manchester, CT (FHRC Office)	Corporate HQ	100%	139,371
Woodlands (Magnolia), TX - (2.27 acres of land)	Development Property	100%	815,579
Cranston, RI (Achievement First) (2.96 acres of land)	Excess Land	100%	1,137,431
Katy, TX (Cinco Ranch) (3.48 acres of land)	Development Property	100%	2,884,796
Schoolhouse Rockland Apartments, LP (0.89 acres of land)	Development Property - Residential	100%	1,605,346
Roswell, NM	Development Property	100%	15,304
Clarendon Hill Towers (Somerville, MA)	Residential Housing Property	99.99%	49,239,787
CP Associates (Police Station) (Cranston, RI)	Police Station	50%	3,006,076
Hartford Lubbock (Lubbock ,TX)	Commercial Shopping Center	1.99%	5,255,957
Union Parkade (West Springfield, MA)	Commercial Shopping Center	100%	4,568,501
New Orleans/Mid-City Shopping Center (New Orleans. LA)	Commercial Shopping Center	100%	7,923,196
Plainfield Parkade (Plainfield, CT)	Commercial Shopping Center	100%	1,695,424
The Shoppes at Rio Grande Valley	Commercial Shopping Center / Development Property	100%	38,607,708
Little Ferry, NJ (CVS)	Single Tenant Build-To-Suit	100%	10,471,607
Montgomery, TX (17.09 acres of land and strip mall)	Commercial Shopping Center / Development Property	100%	11,794,746
Austin, TX (Easton Park) (CVS and excess land - 8.55 acres)	Development Property	100%	14,863,552
Austin, TX (Easton Park West) (5.20 acres of land)	Development Property	100%	4,667,009
Houston, TX (West Lake) (14.23 acres of land)	Development Property	100%	14,869,060
Mansfield, TX (5.90 acres of land)	Development Property	100%	4,009,207
Buda, TX (9.72 Acres of Land)	Development Property	100%	7,099,587
Cranston, RI (Trolley Barn) (6.61 acres)	Development Property	100%	8,813,943
Texas City, TX (Shoppes at Lago Mar NWC) (6.63 acres of land)	Development Property	100%	4,500,669
Texas City, TX (Shoppes at Lago Mar SWC) (16.13 acres of land)	Development Property	100%	7,074,282
Cypress, TX (Land for Lightbridge BTS)	Development Property	100%	1,192,842
Wylie, TX (Bojangles equipment)	Restaurant	100%	574,564
Wylie, TX (Bojangles)	Restaurant	100%	2,456,920
Equipment			171,467
			<b><u>\$ 209,990,145</u></b>
<b>Unconsolidated Properties:</b>			
Tri City, New Jersey	Commercial Shopping Center	50%	\$ 7,962,690
B'nai B'rith, Claymont, DE	Residential Housing Property	0.01%	8,233,609
Bronx, NY	Residential Housing Property	0.01%	28,401,522
			<b><u>\$ 44,597,821</u></b>

## 6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.

If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

*The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.*

<b>Individual Name</b> (First, Last) or <b>Entity Name</b>	<b>Position/Company</b> <b>Affiliation</b> (ex: CEO, 5% Control person)	<b>City and State</b> (Include Country if outside U.S.)	<b>Number of</b> <b>Shares</b> <b>Owned</b> (List common, preferred,	<b>Class of</b> <b>Shares</b> <b>Owned</b>	<b>Percentage of</b> <b>Class of</b> <b>Shares</b> <b>Owned</b> (undiluted)
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(Include names of control person(s) if a corporate entity)			warrants and options separately)		
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Officers and Directors						
Neil H. Ellis	Chairman of the Board, and a director	c/o First Hartford Corp., 149 Colonial Road, Manchester, CT 06040	1,317,914 <sup>(1)</sup>	Common	57.8%	
John Toic	President, and a director	c/o First Hartford Corp., 149 Colonial Road, Manchester, CT 06040	-0-		0%	
Jonathan R. Bellock	Vice President, and a director	c/o First Hartford Corp., 149 Colonial Road, Manchester, CT 06040	23,763	Common	1.0%	
Eric Harrington	Treasurer	c/o First Hartford Corp., 149 Colonial Road, Manchester, CT 06040	-0-		0%	
David Burns	Secretary	c/o First Hartford Corp., 149 Colonial Road, Manchester, CT 06040	-0-		0%	
Jeff Carlson	a director	c/o First Hartford Corp., 149 Colonial Road, Manchester, CT 06040	-0-		0%	
William Connolly	a former director	c/o First Hartford Corp., 149 Colonial Road, Manchester, CT 06040	100	Common	0.004%	

Other 5% Beneficial Owners						
John Filippelli	Shareholder	P.O. Box 205, Spring Glen, NY 12483	204,110	Common	9.0%	
Joel Lehrer	Shareholder	156 East Cedar St. Apt 3302, Livingston, NJ 07039	204,000	Common	9.0%	

NOTES:

- (1) Includes 417,183 shares owned by a corporation, which is wholly owned by Mr. Ellis. Excludes 14,250 shares held as trustee for the Jonathan G. Ellis Leukemia Foundation (a charitable foundation).

Confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com). If any updates are needed to your public company profile, log in to [www.OTCIQ.com](http://www.OTCIQ.com) to update your company profile.

## 7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None for the officers and directors of the Company.

None for Messrs. Filippelli and Lehrer; each have stated none via email.

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

None for the officers and directors of the Company.

None for Messrs. Filippelli and Lehrer; each have stated none via email.

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

None for the officers and directors of the Company.

None for Messrs. Filippelli and Lehrer; each have stated none via email.

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None for the officers and directors of the Company.

None for Messrs. Filippelli and Lehrer; each have stated none via email.

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None for the officers and directors of the Company.

None for Messrs. Filippelli and Lehrer; each have stated none via email.

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

None for the officers and directors of the Company.



None for Messrs. Filippelli and Lehrer; each have stated none via email.

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

234 Realty, LLC and 287 Realty, LLC v. First Hartford Realty Corporation

In 2019, 234 Realty, LLC and 287 Realty, LLC filed two lawsuits against the Company in Providence County Superior Court (the “Court”) concerning over \$8,000,000 in commissions purportedly due to 234 Realty, LLC and 287 Realty, LLC (the “234/287 Lawsuits”). The Company asserted several affirmative defenses, as well as counterclaims, in the 234/287 Lawsuits. In July 2024, the Company’s subsidiary, Brewery Parkade, Inc., filed a separate lawsuit in the Court against entities owned by one of the principals of 234 Realty, LLC and 287 Realty, LLC (the “BP Lawsuit”). In September 2024, the parties to the 234/287 Lawsuits and the BP Lawsuit agreed to settle their respective claims and counterclaims. On January 29, 2025, a Master Settlement Agreement (MSA) was executed that formally settled all matters between the parties.

The MSA, which is largely effective on September 30, 2024, includes the following provisions: the transfer of the Company’s 50% interest in the partnership that owned the Cranston, RI shopping center, inclusive of all related assets and liabilities, to its former partner, and the transfer of the 50% interest held by the former members in the Former School Property in Cranston, RI, inclusive of all related assets and liabilities, to the Company, resulting in 100% ownership by the Company. As a result, the Tenancy in Common (TIC) that held the Former School Property was dissolved and these assets and liabilities were transferred to Brewery Parkade, LLC, a 100% owned subsidiary of the Company.

After this agreement, the Company continues to hold a 50% interest in CP Associates, LLC, which owns and leases a police station in Cranston, RI.

All claims between the parties were settled, including those made as part of the 234/287 Lawsuits.

As a result of this MSA, the Company recorded a gain of \$8,129,162 in the quarter ended January 31, 2025. The gain is comprised of the following:

Gain on transfer of 50% interest of shopping center to former partner (negative basis)	\$3,724,621
Gain on transfer of 50% interest of Former School Property from former TIC members (recorded at fair value)	1,039,045
Gain on reversal of accrued disputed fees	<u>3,365,496</u>
Total	\$8,129,162

This gain is included in Other income on the Consolidated Statement of Income (Loss).

**8) Third Party Service Providers**

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com). If any updates are needed to your public company profile, update your company profile.

### Securities Counsel

Name: Kenneth Lerman  
Firm: Kenneth B. Lerman, P.C.  
Address 1: 100 Pearl Street  
Address 2: Hartford, CT 06105  
Phone: 860-724-7000  
Email: info@KBLpc.com

### Accountant or Auditor

Name: Michael Sabol  
Firm: Mahoney Sabol & Co., LLP  
Address 1: 180 Glastonbury Boulevard, Suite 180  
Address 2: Glastonbury, CT 06033  
Phone: 860-541-2000  
Email: msabol@mahoneysabol.com

### Investor Relations

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

*All other means of Investor Communication:*

Twitter: \_\_\_\_\_  
Discord: \_\_\_\_\_  
LinkedIn: \_\_\_\_\_  
Facebook: \_\_\_\_\_  
[Other ] \_\_\_\_\_

### Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Nature of Services: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

## **9) Disclosure & Financial Information**

A. This Disclosure Statement was prepared by (name of individual):

Name: Eric Harrington  
Title: Treasurer  
Relationship to Issuer: Officer

B. The following financial statements were prepared in accordance with:

☐ IFRS  
☒ U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: Eric Harrington

Title: Treasurer

Relationship to Issuer: Officer

Describe the qualifications of the person or persons who prepared the financial statements:<sup>6</sup> CPA

Provide the following qualifying financial statements:

- a. Audit letter, if audited;
- b. Balance Sheet;
- c. Statement of Income;
- d. Statement of Cash Flows;
- e. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- f. Financial Notes

**Financial Statement Requirements:**

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

**10) Issuer Certification**

*Principal Executive Officer:*

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Neil H Ellis, certify that:

1. I have reviewed this Disclosure Statement for First Hartford Corporation;
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 16, 2025 [Date]

/s/ Neil H Ellis, as Chairman

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

*Principal Financial Officer:*

I, Eric Harrington, certify that:

1. I have reviewed this Disclosure Statement for First Hartford Corporation;

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<sup>6</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 16, 2025 [Date]

/s/ Eric Harrington, as Treasurer

(Digital Signatures should appear as "/s/ [OFFICER NAME]")