

# INTERNATIONAL LAND ALLIANCE INC.

## **FORM 10-Q** (Quarterly Report)

Filed 06/06/25 for the Period Ending 03/31/25

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CIK	0001657214
Symbol	ILAL
SIC Code	6552 - Land Subdividers and Developers (No Cemeteries)
Industry	Construction & Engineering
Sector	Industrials
Fiscal Year	12/31

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

**FORM 10-Q**

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

For the quarterly period ended March 31, 2025

☐ **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: 000-56111

**INTERNATIONAL LAND ALLIANCE, INC.**

(Exact name of registrant as specified in its charter)

**Wyoming**

(State or other jurisdiction of  
incorporation or organization)

**46-3752361**

(I.R.S. Employer  
Identification No.)

**350 10th Avenue, Suite 1000, San Diego, California 92101**

(Address of principal executive offices) (Zip Code)

**(877) 661-4811**

(Registrant's telephone number, including area code)

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

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 (Sec.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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of June 6, 2025, the registrant had 104,470,465 shares of common stock, \$0.001 par value per share, outstanding.

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**PART I — FINANCIAL INFORMATION**

Item 1. Financial Statements

**INTERNATIONAL LAND ALLIANCE, INC.  
CONSOLIDATED BALANCE SHEETS**

	March 31, 2025	December 31, 2024
<b>ASSETS</b>		
Current assets		
Cash	\$ 187,013	\$ 26,120
Accounts receivable	1,264,183	1,264,634
Prepaid and other current assets	435,897	255,516
Total current assets	1,887,093	1,546,270
Non-current assets		
Land	15,776,526	15,776,526
Buildings, net	1,833,021	1,833,021
Furniture and equipment, net	-	-
Other non-current assets	141,902	408,064
Goodwill	11,118,187	11,118,187
Total assets	\$ 30,756,729	\$ 30,682,068
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 1,294,126	\$ 1,141,338
Accounts payable and accrued liabilities related parties	-	326,947
Accrued interest	1,655,407	1,394,889
Contract liability	143,683	143,680
Deposits	20,500	20,500
Derivative liability	103,110	161,136
Convertible notes, net of debt discounts	600,000	600,000
Promissory notes, net of debt discounts	432,762	432,762
Promissory notes, net discounts – Related Parties	445,509	347,374
Other loans	8,782,061	8,553,338
Total current liabilities	13,477,158	13,121,964
Convertible notes, net of current portion	2,502,000	2,502,000
Total liabilities	15,979,158	15,623,964
Commitments and Contingencies (Note 11)	-	-
Preferred Stock Series B (Temporary Equity)	293,500	293,500
Preferred Stock Series C (Temporary Equity)	310,000	310,000
Total Temporary Equity	603,500	603,500
Stockholders' Equity		
Preferred stock; \$0.001 par value; 2,010,000 shares authorized; 117,000 and 117,000 Series A shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	117	117
1,000 Series B shares issued and outstanding as of March 31, 2025 and December 31, 2024	1	1
3,100 Series C shares issued and outstanding as of March 31, 2025 and December 31, 2024	3	3
17,000 Series D shares issued and outstanding as of March 31, 2025 and December 31, 2024	17	17
Common stock; \$0.001 par value; 150,000,000 shares authorized; 104,385,465 and 101,385,465 shares issued and outstanding as of March 31, 2025, respectively, and 97,602,713 and 94,602,713 shares issued and outstanding as of December 31, 2024, respectively	104,385	97,603
Additional paid-in capital	39,475,312	38,803,819
Treasury stock (3,000,000 shares as of March 31, 2025 and December 31, 2024)	(300,000)	(300,000)
Accumulated deficit	(25,105,764)	(24,146,956)
Total stockholders' equity	14,174,071	14,454,604
Total liabilities and stockholders' equity	\$ 30,756,729	\$ 30,682,068

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

**INTERNATIONAL LAND ALLIANCE, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(unaudited)**

	For the three months ended	
	March 31, 2025	March 31, 2024
Net revenues and lease income	\$ 548,624	\$ 5,088,874
Cost of revenues	274,180	183,588
Gross profit	274,444	4,905,286
Operating expenses		
Sales and marketing	187,511	167,689
Impairment loss	-	189,369
General and administrative expenses	924,594	295,001
Total operating expenses	1,112,105	652,059
Income (loss) from operations	(837,661)	4,253,227
Other income (expense)		
Change in fair value derivative liability	58,026	(22,748)
Interest expense	(179,171)	(580,329)
Total other expense, net	(121,145)	(603,077)
Net income (loss)	\$ (958,806)	\$ 3,650,150
Earnings (loss) per common share - basic and diluted	\$ (0.01)	\$ 0.05
Weighted average common shares outstanding - basic and diluted	97,574,930	79,308,430

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

**INTERNATIONAL LAND ALLIANCE, INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)**  
**For the Three Months Ended March 31, 2025 and 2024**  
**(unaudited)**

*Activity for the Three Months Ended March 31, 2025*

	Series A Preferred Stock		Series B Preferred Stock		Series C Preferred Stock		Series D Preferred Stock		Common Stock		Treasury	Additional Paid-in	Common Stock	Accumulated	Total
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Stock	Capital	Payable	Deficit	Stockholders' Equity
Balance, December 31, 2024	117,000	\$ 117	1,000	\$ 1	3,100		3	17,000	\$ 17	97,602,713	\$ 97,603	\$(300,000)	\$38,803,819	\$ 31,939	\$(24,146,956) \$ 14,454,604
Common shares issued pursuant to promissory notes and consulting services	-	-	-	-	-	-	-	-	-	6,782,752	6,783	-	671,492	-	- 678,275
Net income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(958,806) (958,806)
Balance, March 31, 2025	<u>117,000</u>	<u>\$ 117</u>	<u>1,000</u>	<u>\$ 1</u>	<u>3,100</u>	<u></u>	<u>3</u>	<u>17,000</u>	<u>\$ 17</u>	<u>104,385,465</u>	<u>\$104,385</u>	<u>\$(300,000)</u>	<u>\$39,475,312</u>	<u>\$ -</u>	<u>\$(25,105,764) \$ 14,174,071</u>

*Activity for the Three Months Ended March 31, 2024*

	Series A Preferred Stock		Series B Preferred Stock		Series C Preferred Stock		Series D Preferred Stock		Common Stock		Treasury Stock	Additional Paid-in Capital	Common Stock Payable	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount					
Balance, December 31, 2023	28,000	\$ 28	1,000	\$ 1	3,100	3	17,000	\$ 17	79,658,165	\$79,658	\$(300,000)	\$28,476,622	\$ 31,939	\$(27,194,738)	\$ 1,093,530
Dividend on Series C Preferred	-	-	-	-	-	-	-	-	94,827	95	-	(95)	-	-	-
Common shares issued for exercise of warrants	-	-	-	-	-	-	-	-	2,484,832	2,485	-	(2,485)	-	-	-
Common shares issued pursuant to promissory notes	-	-	-	-	-	-	-	-	50,000	50	-	34,915	(31,939)	-	3,026
Stock-based compensation	-	-	-	-	-	-	-	-	-	-	-	78,047	-	-	78,047
Common stock issued for consulting services	-	-	-	-	-	-	-	-	1,552,595	1,553	-	99,367	-	-	100,919
Common stock issued from debt conversion	-	-	-	-	-	-	-	-	1,223,776	1,224	-	47,902	-	-	49,126
Series A Preferred shares issued for the conversion of related party debt	89,000	89	-	-	-	-	-	-	-	-	-	9,456,161	-	-	9,456,250
Net income	-	-	-	-	-	-	-	-	-	-	-	-	-	3,650,150	3,650,150
Balance, March 31, 2024	<u>117,000</u>	<u>\$ 117</u>	<u>1,000</u>	<u>\$ 1</u>	<u>3,100</u>	<u>3</u>	<u>17,000</u>	<u>\$ 17</u>	<u>85,064,195</u>	<u>\$85,064</u>	<u>\$(300,000)</u>	<u>\$38,190,434</u>	<u>\$ -</u>	<u>\$(23,544,588)</u>	<u>\$ 14,431,048</u>

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

**INTERNATIONAL LAND ALLIANCE, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Unaudited)**

	For the three months ended	
	March 31, 2025	March 31, 2024
<b>Cash Flows from Operating Activities</b>		
Net income (loss)	\$ (958,806)	\$ 3,650,150
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Stock based compensation	678,275	213,932
Impairment loss	-	189,369
Depreciation and amortization	-	51,531
Amortization of debt discount	-	-
Change in fair value of derivative liability	(58,026)	22,748
<b>Changes in operating assets and liabilities</b>		
Accounts Receivable	450	146,374
Prepaid and other current assets	(180,381)	-
Other non-current assets	266,162	(282,543)
Accounts payable and accrued liabilities	(174,157)	608,001
Deferred revenue	-	(4,521,222)
Accrued interest	310,074	63,348
Contract liability	-	50,000
Net cash (used in) provided by operating activities	(116,409)	191,688
<b>Cash Flows from Investing Activities</b>		
Additional expenditures on land	-	(259,867)
Net cash used in investing activities	-	(259,867)
<b>Cash Flows from Financing Activities</b>		
Cash payments on promissory notes- related parties	-	(51,267)
Cash payments on promissory notes	-	(5,000)
Cash payments on convertible notes	-	(32,003)
Cash proceeds other loans	179,167	78,058
Cash proceeds from promissory notes	98,135	75,000
Net cash provided by financing activities	277,302	64,788
<b>Net increase (decrease) in cash</b>	<b>160,893</b>	<b>(3,391)</b>
<b>Cash, beginning of period</b>	<b>26,120</b>	<b>140,247</b>
<b>Cash, end of period</b>	<b>\$ 187,013</b>	<b>\$ 136,856</b>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid for interest	\$ 126,153	\$ 13,456
Cash paid for income tax	\$ -	\$ -
<b>Non-Cash investing and financing transactions</b>		
Dividend on Series B	\$ -	\$ -
Common shares issued with convertible debt	\$ 2,000,000	\$ 49,126
Series A shares issued for the conversion of related party notes payable	\$ -	\$ 9,456,250
Common shares issued for services	\$ 4,782,752	\$ 213,931

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



**INTERNATIONAL LAND ALLIANCE, INC.**  
**Notes to the Consolidated Financial Statements**  
**For the three months ended March 31, 2025**

**NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN**

***Nature of Operations***

International Land Alliance, Inc. (the “Company”) was incorporated under the laws of the State of Wyoming on September 26, 2013. The Company is a residential land development company with target properties located in the Baja California, Northern region of Mexico and Southern California. The Company’s principal activities are purchasing properties, obtaining zoning and other entitlements required to subdivide the properties into residential and commercial building plots, securing financing for the purchase of the plots, improving the properties infrastructure and amenities, and selling the plots to homebuyers, retirees, investors, and commercial developers.

In May 2021, the Company acquired a 25% investment in Rancho Costa Verde Development LLC (“RCVD”). RCVD is a 1,100-acre master planned second home, retirement home and vacation home real estate community located on the east coast of Baja California. RCV is a self-sustained solar powered green community that takes advantage of the advances in solar and other green technology. On January 3, 2023, the Company completed the acquisition of the remaining 75% interest in RCVD for a contractual price of \$13.5 million, paid through a combination of a promissory note, common stock and common stock purchase warrants. As a result of the transaction, RCVD became a wholly owned subsidiary of the Company. The transaction was accounted for as a business acquisition pursuant to ASC 805 *Business Combinations*.

Certain information and note disclosures included in the financial statements prepared in accordance with United States generally accepted accounting principles (“U.S. GAAP” or “GAAP”) have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 2025, are not necessarily indicative of the results that may be expected for the year ending December 31, 2025. For further information, refer to the audited financial statements and notes for the year ended December 31, 2024, included in the Company’s Annual Report on Form 10-K filed with the SEC on May 21, 2025.

***Liquidity and Going Concern***

The accompanying consolidated unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business.

Management evaluated all relevant conditions and events that are reasonably known or reasonably knowable, in the aggregate, as of the date the consolidated financial statements were available to be issued and determined that substantial doubt exists about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern is dependent on the Company’s ability to generate revenues and raise capital. The Company has faced significant liquidity shortages as shown in the accompanying financial statements. As of March 31, 2025, the Company’s current liabilities exceeded its current assets by approximately \$11.6 million. The Company has recorded a net loss of \$1.0 million for the three months ended March 31, 2025 and has an accumulated deficit of approximately \$25.1 million as of March 31, 2025. These factors raise substantial doubt about the Company’s ability to continue as a going concern.

The Company continues to raise additional capital through the issuance of debt instruments and equity to fund its ongoing operations, which may have the effect of potentially diluting the holdings of existing shareholders.

Management anticipates that the Company’s capital resources will significantly improve if its plots of land gain wider market recognition and acceptance resulting in increased plot sales and house construction. If the Company is not successful with its marketing efforts to increase sales, the Company will continue to experience a shortfall in cash, and it will be necessary to obtain funds through equity or debt financing in sufficient amounts or to further reduce its operating expenses in a manner to avoid the need to curtail its future operations subsequent to March 31, 2025. The direct impact of these conditions is not fully known.

However, there can be no assurance that the Company would be able to secure additional funds if needed and that if such funds were available on commercially reasonable terms or in the necessary amounts, and whether the terms or conditions would be acceptable to the Company. In such a case, the reduction in operating expenses might need to be substantial in order for the Company to generate positive cash flow to sustain the operations of the Company. (See Note 12 regarding subsequent events).

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### *Basis of Presentation*

The Company maintains its accounting records on an accrual basis in accordance with GAAP. These consolidated financial statements are presented in United States dollars. The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q. All adjustments which are, in the opinion of management, necessary for a fair presentation of the results of operations for the interim periods have been made and are of a recurring nature unless otherwise disclosed herein.

### *Principles of Consolidation*

The accompanying consolidated financial statements include the accounts of the Company, its wholly owned subsidiaries, ILA Fund I, LLC (the “ILA Fund”), a company incorporated in the State of Wyoming, International Land Alliance, S.A. de C.V., a company incorporated in Mexico (“ILA Mexico”), Emerald Grove Estates LLC, incorporated in the State of California, Oasis Park Resort, LLC, incorporated in the state of Wyoming, Plaza Bajamar, LLC, incorporated in State of Wyoming, Plaza Valle Divino, LLC, incorporated in the State of Wyoming and Rancho Costa Verde Development, LLC incorporated in State of Nevada.

ILA Fund includes cash as its only assets with minimal expenses as of March 31, 2025. The sole purpose of this entity is strategic funding for the operations of the Company. ILA Mexico has plots held for sale for the Oasis Park Resort, no liabilities, and minimal expenses as of March 31, 2025. As of March 31, 2025, Emerald Grove Estates LLC, Plaza Bajamar LLC, and Plaza Valle Divino LLC have no operations. All intercompany balances and transactions are eliminated in consolidation.

The Company’s consolidated subsidiaries and/or entities were as follows:

<b>Name of Consolidated Subsidiary or Entity</b>	<b>State or Other Jurisdiction of Incorporation or Organization</b>	<b>Attributable Interest</b>
ILA Fund I, LLC	Wyoming	100%
International Land Alliance, S.A. de C.V. (ILA Mexico)	Mexico	100%
Emerald Grove Estates, LLC	California	100%
Oasis Park Resort LLC	Wyoming	100%
Plaza Bajamar LLC	Wyoming	100%
Plaza Valle Divino, LLC	Wyoming	100%
Rancho Costa Verde Development, LLC	Nevada	100%

On January 1, 2023, the Company executed a securities purchase agreement pursuant to which the Company acquired all of the issued and outstanding units of Rancho Costa Verde Development, LLC, for a total contractual consideration of \$13,500,000, paid through a combination of a promissory note, common stock and common stock purchase warrants.

### *Reclassification*

Certain numbers from 2024 have been reclassified to conform with the current year presentation.

### *Investments - Equity Method*

The Company accounts for equity method investments at cost, adjusted for the Company’s share of the investee’s earnings or losses, which are reflected in the consolidated statements of operations. The Company periodically reviews the investments for other than temporary declines in fair value below cost and more frequently when events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. On January 3, 2023, the Company acquired a controlling financial interest in its previous equity method investment, which resulted in the consolidation pursuant to ASC 805 *Business Combinations* of such entity on the effective date.

### *Use of 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 amounts of revenues and expenses during the reporting period. Management regularly evaluates estimates and assumptions related to the valuation of assets and liabilities. Management bases its estimates and assumptions on current facts, historical experience, and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from management's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected. Significant estimates include:

- Liability for legal contingencies.
- Useful life of buildings.
- Assumptions used in valuing equity instruments.
- Deferred income taxes and related valuation allowances.
- Going concern.
- Assessment of long-lived assets for impairment.
- Significant influence or control over the Company's investee.
- Revenue recognition.

### *Segment Reporting*

The Company operates as one reportable segment under ASC 280, Segment Reporting. The Chief Operating Decision Maker ("CODM") regularly reviews the financial information of the Company at a consolidated level in deciding how to allocate resources and in assessing performances.

### *Cash and Cash Equivalents*

The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents. The Company did not have any cash equivalents as of March 31, 2025, and December 31, 2024, respectively.

### *Fair Value of Financial Instruments and Fair Value Measurements*

Accounting Standards Codification ("ASC") 820 *Fair Value Measurements and Disclosures*, requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1: uses quoted market prices in active markets for identical assets or liabilities.

Level 2: uses observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: uses unobservable inputs that are not corroborated by market data.

As defined by ASC 820, the fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale, which was further clarified as the price that would be received to sell an asset or paid to transfer a liability ("an exit price") in an orderly transaction between market participants at the measurement date.

The reported fair values for financial instruments that use Level 2 and Level 3 inputs to determine fair value are based on a variety of factors and assumptions. Accordingly, certain fair values may not represent actual values of the Company's financial instruments that could have been realized as of any balance sheet dates presented or that will be recognized in the future, and do not include expenses that could be incurred in an actual settlement.

The carrying amounts of the Company's financial assets and liabilities, such as cash, accounts receivable, prepaid, and other current assets, accounts payable and accrued liabilities, contracts liability, deposits, promissory notes, net of debt discounts and promissory notes related party, deferred revenue, other notes approximate fair value due to their relatively short maturities. Equity-method investment is recorded at cost, which approximates its fair value since the consideration transferred includes cash and a non-monetary transaction, in the form of the Company's common stock, which was valued based on a combination of a market and asset approach.

The fair value of the Company's recorded derivative liability is determined based on unobservable inputs that are not corroborated by market data, which require a Level 3 classification. A Black-Sholes option valuation model was used to determine the fair value. The Company records derivative liability on the consolidated balance sheets at fair value with changes in fair value recorded in the consolidated statements of operation.

The following table presents balances of the liabilities with significant unobservable inputs (Level 3) as of March 31, 2025:

	Fair Value Measurements at March 31, 2025 Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Derivative liability	\$ -	\$ -	\$ 103,110	\$ 103,110
Total	\$ -	\$ -	\$ 103,110	\$ 103,110

The following table presents changes of the liabilities with significant unobservable inputs (Level 3) for the three months ended March 31, 2025:

	Derivative Liability
Balance December 31, 2024	\$ 161,136
Change in estimated fair value	(58,026)
Balance March 31, 2025	\$ 103,110

#### *Derivative Liability*

As of March 31, 2025, the Company has variable rate convertible promissory notes, which contained variable conversion rates based on unknown future prices of the Company's common stock. This resulted in the recognition of a derivative liability as the conversion feature failed the scope exception for derivative accounting due to the variability of its conversion price. The Company measures the derivative liability using the Black-Scholes option valuation model using the following assumptions:

	For the Three Months Ending March 31,	
	2025	2024
Expected term	1 month – 1 year	1 month – 1 year
Exercise price	\$0.10 - \$0.14	\$0.05 - \$0.10
Expected volatility	176% - 232 %	139% - 163%
Expected dividends	None	None
Risk-free interest rate	5.03% - 5.55 %	4.74% - 5.09%
Forfeitures	None	None

The assumptions used in determining fair value represent management's best estimates, but these estimates involve inherent uncertainties and the application of management's judgment. As a result, if factors change, including changes in the market value of the Company's common stock, managements' assessment, or significant fluctuations in the volatility of the trading market for the Company's common stock, the Company's fair value estimates could be materially different in the future.

The Company computes the fair value of the derivative liability at each reporting period and the change in the fair value is recorded as non-cash expense or non-cash income. The key component in the value of the derivative liability is the Company's stock price, which is subject to significant fluctuation and is not under its control, and the assessment of volatility. The resulting effect on net loss is therefore subject to significant fluctuation and will continue to be so until the Company's variable convertible notes, which the convertible feature is associated with, are converted into common stock or paid in full with cash. Assuming all other fair value inputs remain constant, the Company will record non-cash expense when its stock price increases and non-cash income when its stock price decreases.

#### *Cost Capitalization*

The cost of buildings and improvements includes the purchase price of the property, legal fees, and other acquisition costs. Costs directly related to planning, developing, initial leasing and constructing a property are capitalized and classified as Buildings in the consolidated balance sheets. Capitalized development costs include interest, property taxes, insurance, and other direct project costs incurred during the period of development are also capitalized.

A variety of costs are incurred in the acquisition, development, and leasing of properties. After determination is made to capitalize a cost, it is allocated to the specific component of a project that is benefited. Determination of when a development project is substantially complete, and capitalization must cease involves a degree of judgment. Our capitalization policy on development properties is guided by *ASC 835-20 Interest – Capitalization of Interest* and *ASC 970 Real Estate - General*. The costs of land and buildings under development include specifically identifiable costs. The capitalized costs include pre-construction costs essential to the development of the property, development costs, construction costs, interest costs, real estate taxes, salaries and related costs and other costs incurred during the period of development. We consider a construction project as substantially completed and held available for occupancy or sale upon the receipt of certificates of occupancy, but no later than one year from cessation of major construction activity. We cease capitalization on the portion (1) substantially completed and (2) occupied or held available for occupancy, and we capitalize only those costs associated with the portion under construction.

#### *Land Held for Sale*

The Company considers properties to be assets held for sale when (1) management commits to a plan to sell the property; (2) the property is available for immediate sale in its present condition and (3) the property is actively being marketed for sale at a price that is reasonable given our estimate of current market value. Upon designation of a property as an asset held for sale, we record the property's value at the lower of its' carrying value or its estimated net realizable value.

#### *Land and Buildings*

Land and buildings are stated at cost. Depreciation is provided by the use of the straight-line and accelerated methods for financial and tax reporting purposes, respectively, over the estimated useful lives of the assets. Buildings have an estimated useful life of 20 years. Land is an indefinite-lived asset that is stated at fair value at date of acquisition.

#### *Construction in progress ("CIP")*

A CIP asset reflects the cost of construction work undertaken, but not yet completed on land not currently owned by the Company. For construction in progress assets, no depreciation is recorded until the asset is placed in service. When construction is completed, the assets should be reclassified as building, building improvement, infrastructure or land improvement and should be capitalized and depreciated. The land is currently owned by companies controlled by our chairman of the board.

#### *Fixed Assets*

Fixed assets are stated at cost, less accumulated depreciation, and amortization. Depreciation is computed using the double declining balance method over the estimated useful lives of the respective assets:

	Classification	Life
Buildings		20 years
Furniture and equipment		5 years

### *Revenue Recognition*

The Company determines revenue recognition pursuant to Accounting Standards Codification (“ASC”) 606, Revenue from Contracts with Customers, through the following steps:

- Identification of the contract, or contracts, with a customer.
- Identification of the performance obligations in the agreement(s) for the sale of plots or house construction.
- Determination of the transaction price.
- Allocation of the transaction price to the performance obligation(s) in the contract.
- Recognition of revenue when, or as the Company satisfies a performance obligation.

Revenue is measured based on considerations specified in the agreements with our customers. A contract exists when it becomes a legally enforceable agreement with a customer. The contract is based on either the acceptance of standard terms and conditions as stated in our agreement of plot sales or house construction with customers. These contracts define each party’s rights, payment terms and other contractual terms and conditions of the sale. The transaction price of a contract is allocated to each distinct performance obligation and recognized as revenue when or as the customer receives the benefit of the performance obligation. The transaction price is determined based on the consideration which we will expect to receive in exchange for execution of the performance obligation(s).

The Company applies judgment in determining the customer’s ability and intention to pay the consideration which the Company is entitled to. A performance obligation is a promise in a contract or agreement to transfer a distinct product or item to the customer. Performance obligations promised in a contract are identified based on the property that will be transferred to the customer that are both capable of being distinct and are distinct in the context of the contract, whereby the transfer of the property is separately identifiable from other promises in the contract. Management considers the retention of title as merely a protective right, which would not disallow revenue recognition for the full consideration to which the Company is entitled upon the execution of a contract for deed.

Currently, upon execution of each contract for deed, the Company has not developed sufficient controls and procedures to provide reasonable assurance that collection of the consideration, which the Company is entitled to, is probable. In addition, the title of the land for the various projects (Bajamar and Divino) is held by an entity that is controlled by the Company’s chairman of the board.

The Company’s principal activities in the real estate development industry from which it generates its revenues, are the sale of developed and undeveloped land and house construction.

Rancho Costa Verde Development or RCVD generates revenue from the following sources: (1) lot sales, (2) home construction calculated as a set percentage of builders’ costs, (3) administrative income for loan servicing, (4) interest income resulting from monthly payments from financed loans made to customers on lot sales, (5) resale income as commission for selling homes for owners that have purchased lots at RCVD and (6) utilities revenue from waste water systems and solar systems.

The Company identified the following performance obligations related to the operations of RCVD: (1) subdivision of the developer parcel, (ii) casita free week for each customer allowing them to enjoy a free week to a casita per year. The Company determined that there was a significant financing component in most arrangements with customers, which results in the recognition of interest income.

The Company recognized \$548,624 and \$5,088,874, respectively, of net revenue during the three months ended March 31, 2025, and 2024.

### *Advertising costs*

The Company expenses advertising costs when incurred. Advertising costs incurred amounted to \$187,511 and \$167,689 for the three months ended March 31, 2025, and 2024, respectively.

### *Debt issuance costs and debt discounts*

Debt issuance costs and debt discounts are being amortized over the term of the related financings on a straight-line approach, which approximates the effective interest method. Costs and discounts are presented as a reduction of the related debt in the accompanying consolidated balance sheets.

### *Stock-Based Compensation*

The fair value of stock options is estimated on the grant date using the Black-Scholes option pricing model, based on weighted average assumptions. Expected volatility is based on historical volatility of our common stock. The Company has elected to use the simplified method described in the Securities and Exchange Commission Staff Accounting Bulletin Topic 14C to estimate the expected term of employee stock options. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant. The value of stock awards is determined using the fair value of the Company's common stock on the date of grant. The Company accounts for forfeitures as they occur. Any compensation cost previously recognized for an unvested award that is forfeited because of a failure to satisfy a service condition is reversed in the period of the forfeiture. Compensation expense is recognized on a straight-line basis over the requisite service period of the award. Stock-based compensation includes the fair value of options, warrants and restricted stocks issued to employees, directors, and non-employees.

### *Income Taxes*

The Company accounts for income taxes using the asset and liability method in accordance with ASC 740, *Income Taxes*. The asset and liability method provide that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax basis of assets and liabilities, and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

When tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would be ultimately sustained. In accordance with the guidance of ASC 740, the benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold are measured as the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above should be reflected as a liability for unrecognized tax benefits in the accompanying balance sheets along with any associated interest and penalties that would be payable to the taxing authorities upon examination. Management makes estimates and judgments about our future taxable income that are based on assumptions that are consistent with our plans and estimates. Should the actual amounts differ from our estimates, the amount of our valuation allowance could be materially impacted. Any adjustment to the deferred tax asset valuation allowance would be recorded in the income statement for the periods in which the adjustment is determined to be required. Management does not believe that it has taken any positions that would require the recording of any additional tax liability, nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next year.

### *Net Earnings (Loss) Per Share*

The Company computes earnings (loss) per share in accordance with ASC 260 – *Earnings per Share*. ASC 260 requires presentation of both basic and diluted earnings per share ("EPS") on the face of the consolidated statements of operations. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible notes payable using the if-converted method. Diluted EPS excludes all dilutive potential shares if their effect is antidilutive. During periods of net loss, all common stock equivalents are excluded from the diluted EPS calculation because they are antidilutive.

Securities that are excluded from the calculation of weighted average dilutive common shares because their inclusion would have been antidilutive are:

	<b>For the three months ended March 31, 2025</b>	<b>For the three months ended March 31, 2024</b>
Options	-	6,000,000
Warrants	38,107,500	38,107,500
Total potentially dilutive shares	<u>38,107,500</u>	<u>44,107,500</u>

#### *Concentration of Credit Risk*

The Company maintains its cash in bank and financial institution deposits that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts through March 31, 2025.

#### *Impairment of Long-lived Assets*

The Company reviews its long-lived assets for impairment whenever events or changes in business circumstances indicate that the carrying amount of assets may not be fully recoverable or that the useful lives of these assets are no longer appropriate. If impairment is indicated, the asset is written down to its estimated fair value. The Company fully impaired its long-lived assets due to the uncertainty in title transfer of the land not currently owned by the Company and the estimated fair value of its construction in progress during the three months ended March 31, 2025.

#### *Accounts Receivable*

The Company uses the specific identification method for recording the provision for doubtful accounts, which was \$0 at March 31, 2025 and December 31, 2024, respectively. Account receivables are written off when all collection attempts have failed.

#### *Convertible Promissory Note*

The Company accounts for convertible promissory notes in accordance with ASC 470-20, Debt with Conversion and Other Options. The Company evaluates embedded conversion features within convertible debt to determine whether the embedded conversion feature should be bifurcated from the host instrument and accounted for as a derivative at fair value with changes in fair value recorded in the Income Statement. If the conversion feature does not require recognition of a bifurcated derivative, the convertible debt instrument is evaluated for consideration of any beneficial conversion feature ("BCF") requiring separate recognition. When the Company records a BCF, the intrinsic value of the BCF is recorded as a debt discount against the face amount of the respective debt instrument with an offset to additional paid-in capital and amortized to interest expense over the life of the debt using the effective interest method.



**NOTE 3 – LAND, BUILDING, NET AND CONSTRUCTION IN PROCESS**

Land, buildings, net and construction in process as of March 31, 2025, and December 31, 2024:

	Useful life	March 31, 2025	December 31, 2024
Land – Emerald Grove		\$ 203,419	\$ 203,419
Land – Rancho Costa Verde Development		\$ 15,573,107	\$ 15,573,107
Building	20 years	2,674,471	2,674,471
Less: Accumulated depreciation		(844,127)	(844,127)
Building, net		\$ 1,833,021	\$ 1,833,021

Depreciation expense was approximately \$nil and \$51,531 for the three months ended March 31, 2025, and 2024, respectively.

***Valle Divino***

The Valle Divino is the Company’s premier wine country development project in Ensenada, Baja California. This land project consists of 20 acres to be acquired from Baja Residents Club, a Company controlled by our chairman of the board and developed into Valle Divino resort. The acquisition of title to the land for this project is subject to approval from the Mexican government in Baja, California. The Company broke ground of the Valle Divino development in July 2020 and has commenced site preparation for two model homes including a 1-bedroom and 2- bedroom option. The first Phase of the development includes 187 homes. This development will also have innovative microgrid solutions by our partner to power the model home and amenities.

The construction contractor is also an entity controlled by our chairman of the board. Construction began during the year ended December 31, 2020. The balance of construction in process for Valle Divino was \$0 as of March 31, 2025, and December 31, 2024. The Company fully impaired the accumulated costs related to its Valle Divino project due to the uncertainty pertaining to the title transfer for a total amount of \$457,275 during the year ended December 31, 2022.

***Plaza Bajamar***

The Plaza Bajamar community is an 80-unit development located within the internationally renowned Bajamar Ocean Front Hotel and Golf Resort. The Bajamar Ocean Front Golf Resort is an expertly planned, well-guarded, and gated wine and golf community located 45 minutes South of the San Diego-Tijuana Border along the scenic toll road to Ensenada on the Pacific Ocean.

Phase I will include 22 “Merlot” 1,150 square-foot single-family homes that feature two bedrooms and two baths. The home includes two primary bedroom suites – one on the first floor and one upstairs, as well as fairway and ocean views from a rooftop terrace. The Merlot villas will come with the installation of solar packages construction in mind. Planned amenities include a pool, wellness and fitness center and available office space.

The Company has not yet taken title to this property, which is currently owned by Valdeland, S.A. de C.V. (“Valdeland”), an entity controlled and 100% owned by Roberto Valdes, the Company’s chairman of the board. In September 2019, the Company executed a land purchase agreement with Valdeland, under which the Company is to acquire from Valdeland the Plaza Bajamar property free of liens and encumbrances for a total consideration of \$1,000,000.

In November and December 2019, \$250,000 was paid to the Company's chairman of the board, Roberto Valdes, of which \$150,000 was used for the construction of two model Villas at our planned Plaza Bajamar development and \$100,000 as a down payment towards the acquisition of the land from Valdeland. As of March 31, 2025 and December 31, 2024, the Company has issued 250,000 shares of the Company's common stock for a total amount of \$150,000 reported under Prepaid and other current assets in the consolidated balance sheets towards the purchase of the land. The balance was fully impaired during the year ended December 31, 2022.

Valdeland has completed a two-bedroom model home, an enhanced entrance, and interior roads as well as site preparation for four (4) new homes adjacent to the model home. It has commenced construction on four residential lots following the payment of the required minimum deposits from buyers.

The Company funded the construction by an additional \$179,700 during the year ended December 31, 2023. Valdeland is the construction contractor is also an entity controlled and owned by Roberto Valdes.

The balance of construction in process for Plaza Bajamar totaled \$0 as of March 31, 2025 and December 31, 2024. During the year ended December 31, 2023, the Company fully impaired the accumulated costs related to Plaza Bajamar, due to the uncertainty pertaining to title transfer for a total amount of \$179,700.

Within the "restricted zone," a foreigner can purchase the beneficial interest in real property through a bank trust or "fideicomiso." Indeed, a bank trust must be used when acquiring property within the restricted zone. In this bank trust, the buyer of the property is designated as the "fideicomisario" or the beneficiary of the trust. While legal title is held by the bank, (specifically the trustee of the trust or the "fiduciario,") the trustee must administer the property in accordance with the instructions of the buyer (the beneficiary of the trust). The property is not an asset of the bank, and the trustee is obligated to follow every lawful instruction given by the beneficiary to perform legal action. The Company has not yet established the bank trust, which is anticipated to occur before the end of the fiscal year 2025.

As of March 31, 2025, Valdeland sold six (6) house constructions on residential lots for estimated price of \$1.5 million, of which \$0.5 million has been paid and collected by the Company and initially presented under contract liability in the consolidated balance sheets. However, the Company offset the balance of construction in process with the contract liability with the net balance written off due to the uncertainty pertaining to the transfer of title.

#### ***Rancho Costa Verde Development ("RCVD")***

RCVD is a 1,000 acre, 1,200 lot master planned community in Baja, California, located few miles from the Company's Oasis Park resort on the sea of Cortez. To date, RCVD has sold over 1,000 residential lots and built 55 single-family homes with approximately 30 under construction. This is in addition to a completed boutique hotel and clubhouse.

#### **NOTE 4 – RELATED PARTY TRANSACTIONS**

##### ***Chief Executive Officer – Frank Ingrande***

In May 2021, the Company executed an employment agreement with Frank Ingrande.

The Company has not accrued or paid any salary to Frank Ingrande for the three months ended March 31, 2025 and 2024, respectively. The accrued compensation balance owed is \$66,846 as of March 31, 2025, and December 31, 2024, respectively.

Frank Ingrande was the co-founder and owner of 33% of the Company's equity-method investee RCVD. During the year ended December 31, 2023, the Company acquired the remaining 75% interest in RCVD, which became the Company's wholly owned subsidiary as of January 2023 (Note 8).

On December 1, 2022, the Company issued 465,834 stock options under the 2022 Plan with a strike price of \$0.20, vesting 25% on grant date and the remaining 75% monthly over a twelve-month period from grant date with an estimated fair value of approximately \$90,188. The Company recognized approximately \$16,900 of stock-based compensation related to these stock options during the three months ended March 31, 2024. These shares have expired as of March 31, 2025.

***Chief Financial Officer – Jason Sunstein***

Effective January 1, 2020, the Company executed an employment agreement with Jason Sunstein.

The Company has not accrued or paid any salary to Jason Sunstein for the three months ended March 31, 2025 and 2024, respectively. The accrued compensation balance owed is \$66,846 as of March 31, 2025, and December 31, 2024, respectively.

On December 1, 2022, the Company issued 465,834 stock options under the 2022 Plan with a strike price of \$0.20, vesting 25% on grant date and the remaining 75% monthly over a twelve-month period from grant date with an estimated fair value of approximately \$90,188. The Company recognized approximately \$16,900 of stock-based compensation related to these stock options during the three months ended March 31, 2024. These shares have expired as of March 31, 2025.

Jason Sunstein is also the managing member of Six Twenty Management LLC, an entity that has been providing ongoing capital support to the Company (See Note 7).

Jason Sunstein also facilitated the Emerald Grove asset purchase.

***Chairman of the Board – Roberto Valdes***

Effective January 1, 2020, the Company executed an employment agreement with Roberto Valdes.

The Company has not accrued or paid any salary to Roberto Valdes for the three months ended March 31, 2025 and 2024, respectively. The accrued compensation balance owed is \$66,846 as of March 31, 2025, and 2024.

As of March 31, 2025, the Company funded an aggregate amount of \$1.4 million for construction on residential lots, projects amenities and towards the acquisition of land to companies controlled by Roberto Valdes. The land for the Plaza Bajamar and Valle Divino is currently owned by two entities controlled by Roberto Valdes (Valdeland S.A de C.V. and Valdetierra S.A de C.V) and all parties executed a land purchase agreement for each project to transfer title of the land to a bank trust or “fideicomiso”, in which the Company will be named the beneficiary of the trust (“fideicomisario”).

The Company has funded an aggregate amount of approximately \$251,000 to the construction companies owned by Roberto Valdes for the two projects in Ensenada, Baja California. The Company has not yet established the bank trust, which is anticipated to occur before the end of the fiscal year 2025. The properties at Valle Divino and Plaza Bajamar have executed promise to purchase agreements between the Company and Roberto Valdes, which require the transfer of titles of the land free of liens and encumbrances to the Company. There can be no assurance as to what and if any profit might have been received by Roberto Valdes, in his separate company as a result of these transactions.

On December 1, 2022, the Company issued 465,834 stock options under the 2022 Plan with a strike price of \$0.20, vesting 25% on grant date and the remaining 75% monthly over a twelve-month period from grant date with an estimated fair value of approximately \$90,188. The Company recognized approximately \$16,900 of stock-based compensation related to these stock options during the three months ended March 31, 2024. These shares have expired as of March 31, 2025.

***International Real Estate Development, LLC. ("IRED")***

Frank Ingrande was an owner of 33% of IRED at the time of the 25% initial investment in RCVD in May 2021 and subsequent to this transaction became a shareholder and President of the Company. On January 3, 2023, the remaining 75% interest was acquired by the Company and as of March 31, 2025 and December 31, 2024, Mr. Ingrande was still the President of the Company and a 33% owner in IRED. As such, any transactions with IRED are deemed to be related party transactions.

On January 1, 2023, the Company issued a convertible promissory note pursuant to the acquisition of RCVD for a total principal of \$8,900,000, carrying a 5% coupon and maturing on September 30, 2024. The convertible note was payable in quarterly installment of \$2,225,000 starting on March 31, 2023. The convertible note includes a twelve percent (12%) default interest. Although, this convertible promissory note payable is part of the consideration to the business combination in stages (Note8) which is not deemed a related party transaction, the convertible promissory note payable is with a related party and deemed a related party convertible promissory note payable. During the three months ended March 31, 2024, the Company converted the entire principal and interest balance of the promissory note into 89,000 Series A Preferred Shares. See Note 6 and Note 8 for additional information related to this convertible promissory note.

**NOTE 5 – PROMISSORY NOTES**

Promissory notes consisted of the following at March 31 2025 and December 31, 2024:

	March 31, 2025	December 31, 2024
Cash Call note payable, due June 30, 2025	\$ 24,785	\$ 24,785
Elder note payable, 10% interest, due June 30, 2025	1,500	1,500
Elder note Payable, 15% interest, due June 30, 2025	76,477	76,477
Griffith note Payable, 15% interest, due June 30, 2025	250,000	250,000
Banker note Payable, 15% interest, due June 30, 2025	42,500	42,500
Robles note Payable, 10% interest, due June 30, 2025	37,500	37,500
	-	-
Total Promissory notes payable	\$ 432,762	\$ 432,762
Less discounts	-	-
Total Promissory notes, net of discount	432,762	432,762
Less current portion	(432,762)	(432,762)
Total Promissory notes, net of discount - long term	\$ -	\$ -

***Cash Call, Inc.***

On March 19, 2018, the Company issued a promissory note to CashCall, Inc. for \$75,000 of cash consideration. The note bears interest at 94%. The Company also recorded a \$7,500 debt discount due to origination fees due at the beginning of the note, which was fully amortized as of December 31, 2023. There was no activity during the three months ended March 31, 2025.

On August 2, 2022, the Company and Cash Call settled for an aggregate principal of \$23,641 payable in one lump sum or a series of 9 installments of \$3,152. No payment was made under this settlement agreement during the three months ended March 31, 2025 and 2024, respectively.

As of March 31, 2025 and December 31, 2024, the remaining principal balance was \$24,785, respectively. The Company has not incurred any interest expense related to this promissory note during the three months ended March 31, 2025, due to the agreed upon settlement amount.

*Christopher Elder*

On December 15, 2020, the Company entered into a promissory note pursuant to which the Company borrowed \$126,477. Interest under the promissory note in default is 18%, and the principal and all accrued but unpaid interest is due upon maturity.

There was no activity during the three months ended March 31, 2025. As of both March 31, 2025 and December 31, 2024, the remaining principal balance was \$76,477.

Accrued interest was \$46,443 as of March 31, 2025 and December 31, 2024, respectively.

*Bobbie Allen Griffith*

On September 5, 2023, the Company entered into a promissory note pursuant to which the Company borrowed \$215,000. Interest under the promissory note is 15% per annum, and the principal and all accrued but unpaid interest is due upon maturity.

The Company repaid the note in full during the year ended December 31, 2023. During the year ended December 31, 2023, the Company was advanced an additional \$250,000. As of March 31, 2025 and December 31, 2024, the remaining principal balance was \$250,000.

The Company initially recognized a debt discount and stock payable on this note of \$20,777, which was fully amortized as of December 31, 2023.

*George Banker*

On August 11, 2023, the Company entered into a promissory note pursuant to which the Company borrowed \$150,000. Interest under the promissory note is 15% per annum, and the principal and all accrued but unpaid interest was due on October 11, 2023. The note is in technical default as it is past maturity date, and the Company failed to repay the outstanding principal and accrued interest.

Accrued interest was \$45,000 as of March 31, 2025 and December 31, 2024, respectively. As of March 31, 2025, and December 31, 2024, the remaining principal balance was \$42,500.

The Company initially recognized a debt discount and stock payable on this note of \$5,769, which was fully amortized as of December 31, 2023.

*George Robles*

On September 1, 2023, the Company entered into a promissory note pursuant to which the Company borrowed \$100,000. Interest under the promissory note is 5% per month with a default rate of 10% per month, and the principal and all accrued but unpaid interest is due upon maturity.

Accrued interest was \$15,000 as of March 31, 2025 and December 31, 2024, respectively. As of March 31, 2025, and December 31, 2024, the remaining principal balance was \$37,500.

The Company initially recognized a debt discount and stock payable on this note of \$5,393, which was fully amortized as of December 31, 2023.

## NOTE 6 – CONVERTIBLE NOTES

Convertible notes consisted of the following at March 31, 2025 and December 31, 2024:

	March 31, 2025	December 31, 2024
Mast Hill convertible note, 16% interest, due June 2025	250,000	250,000
Blue Lake convertible note, 16% interest, due June 2025	250,000	250,000
Mast convertible note, Emerald Grove, due December 2027	2,780,000	2,780,000
Cobra convertible note, 20% interest, due June 2025	125,000	125,000
Total convertible notes	\$ 3,405,000	\$ 3,405,000
Less discounts	(303,000)	(303,000)
Total convertible notes, net of discount	3,102,000	3,102,000
Less current portion	(600,000)	(600,000)
Total convertible notes, net of discount - long term	\$ 2,502,000	\$ 2,502,000

### ***Mast Hill Fund, L.P (“Mast note”)***

On March 23, 2022, the Company issued a convertible promissory note pursuant to which it borrowed gross proceeds of \$250,000 for net proceeds of \$211,250, net of issuance costs of \$13,750 and original issuance discount of \$25,000. The interest rate under the convertible promissory note in default is 16%, and the principal and all accrued but unpaid interest are due on March 23, 2023, but has been extended until the second quarter of 2025. The note requires eight (8) mandatory monthly installments of \$35,000 starting in July 2022.

Additionally, as an incentive to the note holder, the securities purchase agreement also provided for the issuance of 225,000 shares of common stock with fair value of approximately \$101,000, which were fully earned at issuance, and 343,750 warrants to purchase an equivalent number of shares of common stock at an exercise price of \$0.80 and a term of five years. The note is convertible upon an event of default at the noteholder’s option into shares of our common stock at a fixed conversion price of \$0.35, subject to standard anti-dilutive rights and down round protection. The conversion price of the convertible debt and the strike price of the warrants should be adjusted to the new effective conversion price following subsequent dilutive issuances.

During the year ended December 31, 2023, the Company converted approximately \$133,096 of interest and default premium into 1,664,857 shares of common stock.

The principal balance owed to Mast Hill Fund was \$250,000 as of March 31, 2025, and December 31, 2024.

The Company has not yet received any default notice from the investor. Upon an event of default, the Company is required to pay the outstanding principal plus accrued interest and a default penalty which is equal to 25% of the principal and accrued interest.

The Company initially recognized \$219,832 of debt discount resulting from the original issue discount, the deferred financing costs, the fair value assigned to the commitment shares and the warrants. The balance of the unamortized debt discount was \$0 as of both March 31, 2025, and December 31, 2024.

***Blue Lake Partners LLC (“Blue Lake note”)***

On March 28, 2022, the Company issued a convertible promissory note pursuant to which it borrowed gross proceeds of \$250,000 for net proceeds of \$211,250, net of issuance costs of \$13,750 and original issuance discount of \$25,000. The interest rate under the convertible promissory note in default is 16%, and the principal and all accrued but unpaid interest were due on March 28, 2023. The note requires eight (8) mandatory monthly installments of \$35,000 starting in July 2022. Additionally, as an incentive to the note holder, the securities purchase agreement provided for the issuance of 225,000 shares of common stock with fair value of approximately \$101,000, which were fully earned at issuance, and 343,750 warrants for the purchase of an equivalent number of shares of common stock at an exercise price of \$0.80 and a term of five years.

The note is convertible upon an event of default at the noteholder’s option into shares of our common stock at a fixed conversion price of \$0.35, subject to standard anti-dilutive rights and down round provisions. With the issuance of a variable rate transaction with any new investor, the conversion price of the convertible debt and the strike price of the warrants should be adjusted down to the new effective conversion price.

The principal balance owed to Blue Lake was \$250,000 as of both March 31, 2025, and December 31, 2024.

The Company has not yet received any default notice from the investor. Upon event of default, the Company is required to pay the outstanding principal plus accrued interest and a default penalty which is equal to 25% of the principal and accrued interest.

The Company initially recognized \$219,607 of debt discount resulting from the original issue discount, the deferred financing costs, the fair value assigned to the commitment shares and the warrants. The balance of the unamortized debt discount was \$0 as of both March 31, 2025, and December 31, 2024.

***1800 Diagonal Lending Inc. (“Diagonal note”)***

***Diagonal note #5***

On September 13, 2023, the Company issued a convertible promissory note pursuant to which it borrowed gross proceeds of \$55,000 for net proceeds of \$50,000, net of issuance costs of \$5,000. Interest under the convertible promissory note is 9% per year and a default coupon of 22%.

The maturity date of the note was June 15, 2024. At any time after issuance, the note is convertible into shares of our common stock at the greater of a fixed conversion rate or discount to the market price. The note includes a prepayment feature at a premium of up to 25% from the issuance date and up to 180 days. The note includes a 50% penalty premium on unpaid principal and interest upon an event of default.

Diagonal note #5 was repaid in full during the year ended December 31, 2024.

***Diagonal note #6***

On September 6, 2023, the Company issued a convertible promissory note pursuant to which it borrowed gross proceeds of \$92,000 for net proceeds of \$75,000, net of issuance costs of \$17,000. Interest under the convertible promissory note is 10% per year and a default coupon of 22%.

The maturity date of the note was September 6, 2024. At any time after issuance, the note is convertible into shares of our common stock at the greater of a fixed conversion rate or discount to the market price. The note includes a prepayment feature at a premium of up to 25% from the issuance date and up to 180 days. The note includes a 50% penalty premium on unpaid principal and interest upon an event of default.

Diagonal note #6 was repaid in full during the year ended December 31, 2024.

#### *Diagonal note #7*

On December 5, 2023, the Company issued a convertible promissory note pursuant to which it borrowed gross proceeds of \$61,600 for net proceeds of \$55,000, net of issuance costs of \$6,600. Interest under the convertible promissory note is 10% per year and a default coupon of 22%.

The maturity date of the note was September 15, 2024. At any time after issuance, the note is convertible into shares of our common stock at the greater of a fixed conversion rate or discount to the market price. The note includes a prepayment feature at a premium of up to 25% from the issuance date and up to 180 days. The note includes a 50% penalty premium on unpaid principal and interest upon an event of default.

Diagonal note #7 was repaid in full during the year ended December 31, 2024.

#### ***International Real Estate Development, LLC.***

On January 1, 2023, the Company issued a convertible promissory note pursuant to the acquisition of RCVD for a total principal of \$8,900,000, carrying a 5% coupon and maturing on September 30, 2024. The convertible note is payable in quarterly installment of \$2,225,000 starting on March 31, 2023. The convertible note includes a twelve percent (12%) default interest. The Company failed to make the first installment in accordance with the terms of the agreement.

The convertible note is convertible commencing on April 1, 2023, at the option of the holder into shares of common stock at a 10% discount to market price. The Company can prepay the convertible note at any time.

In March 2024, the Company converted the entire principal balance of \$8,900,000 and accrued interest of \$556,250 into 89,000 shares of Series A Preferred shares. See Note 11 for further discussion.

#### ***Mast Emerald Grove convertible note payable (“Mast Emerald Grove note”)***

In December 2024, the Company issued a convertible promissory note pursuant to which it borrowed gross proceeds of \$2,780,000 for net proceeds of \$2,502,000, net of issuance costs of \$278,000. Interest under the convertible promissory note is 12% per year and a default coupon of 16%.

The maturity date of the note is December 31, 2027. At any time after issuance, the note is convertible into shares of our common stock at the greater of a fixed conversion rate or discount to the market price.

The Company initially recognized \$278,000 of debt discount resulting from the original issue discount and the deferred financing costs. The Company amortized \$0 through interest expenses during the three months ended March 31, 2025. The balance of the unamortized debt discount was \$278,000 as of March 31, 2025, and December 31, 2024, respectively.

The balance of the convertible note was \$2,502,000 as of both March 31, 2025, and December 31, 2024.

#### ***Cobra (“Cobra convertible note”)***

In August 2024, the Company issued a convertible promissory note pursuant to which it borrowed gross proceeds of \$125,000 for net proceeds of \$100,000, net of issuance costs of \$25,000.

The maturity date of the note is February 28, 2025 but has been cooperating with the lender to make progress payments and avoid additional default terms. At any time after default, the note is convertible into shares of our common stock at a conversion rate with a discount to the market price.

The Company initially recognized \$25,000 of debt discount resulting from the original issue discount and the deferred financing costs.

The balance of the Cobra convertible note was \$100,000 as of March 31, 2025, and December 31, 2024, respectively.



## NOTE 7 – PROMISSORY NOTE – RELATED PARTY

Related party promissory note consisted of the following at March 31, 2025, and December 31, 2024:

	March 31, 2025	December 31, 2024
	\$ -	\$ -
Lisa Landau – On demand	445,509	347,374
Total promissory note, current	\$ 445,509	\$ 347,374

### *Lisa Landau*

Lisa Landau is a relative of the Company's Chief Financial Officer. During the three months ended March 31, 2025 and the year ended December 31, 2024, Lisa Landau advanced funds to the Company for general corporate expenses and paid directly towards the Diagonal convertible notes.

The principal balance was \$445,509 and \$347,374 as of March 31, 2025 and December 31, 2024, respectively. The advances are on demand but do not carry any interest.

## NOTE 8 – BUSINESS ACQUISITION IN STAGES

On January 3, 2023, the Company completed the acquisition in stages of International Real Estate Development, LLC ("IREDD" or the "seller"), for the purchase of the remaining seventy five percent (75%) of the issued and outstanding membership interest in Rancho Costa Verde Development, LLC ("RCVD") for a total consideration of \$13.4 million. The consideration was paid through (i) a secured convertible promissory note in the principal amount of \$8,900,000 (Note 5 and 7), (ii) issuance of 20,000,000 shares of common stock with a fair value of \$1.8 million and (iii) 33,000,000 common stock warrants to purchase an equivalent number of shares of common stock with a fair value of approximately \$2.7 million. The Company issued the 20,000,000 shares of common stock to International Real Estate Development, LLC ("IREDD") on January 3, 2023.

Prior to the acquisition of a controlling financial interest in RCVD, the Company held a twenty five percent (25%) interest in RCVD, which was previously acquired and accounted for in May 2021 as an equity method investment under ASC 323 *Investments – Equity Method and Joint Ventures* (Note 10). It was determined that the Company did not have the power to direct the activities that most significantly impact RCVD's economic performance, and therefore, the Company was not the primary beneficiary of RCVD and RCVD was not consolidated under the variable interest model. The investment was initially recorded at cost, which was determined to be \$2,680,000. The carrying value was fully written down to \$0 as of December 31, 2022.

As outlined in the letter of intent with IREDD and RCVD dated April 2021, in addition to various communications with both parties, the Company had strategized and intended to acquire the remaining 75% of RCVD from the original discussions that began in 2018. The Company's Chief Executive Officer and director was the previously the owner of one third of the issued and outstanding interest in International Real Estate Development LLC and has been disclosed as a related party since the acquisition of the initial 25% interest in RCVD.

The Company has accounted for this transaction as a business combination in stages under ASC 805 *Business Combinations* as the Company took control of RCVD in January 2023. Accordingly, and as of January 3, 2023, the assets acquired, and the liabilities assumed were recorded at their estimated fair value as of the closing date of the acquisition.

The secured convertible promissory note has a principal amount of \$8,900,000 and is payable in quarterly installments of \$2,225,000, carries a five percent (5%) coupon. The note carries a default coupon of twelve percent (12%) on the unpaid principal after the maturity date. The note includes standard events of default, which will result in the principal and accrued interest to be payable immediately. The note is convertible at any time commencing on April 1, 2023, at the option of the holder, into shares of common stock of the company at a 10% discount to market. The note may be prepaid at any time without penalties. The Company did not make the first installment by December 31, 2023, but the Company obtained a default waiver from IREDD. The Company incurred approximately \$111,250 of interest during the year ending December 31, 2024. The note and all accrued interest were converted into common stock during the year ended December 31, 2024 (Note 6).

RCVD was originally formed in the State of Nevada. RCVD is a 1,100-acre master planned second home, retirement home, and vacation home real estate community located on the east coast of Baja California, Mexico. It is just south of the small fishing village of San Felipe, where the Oasis Park Resort project of the Company is located.

As of December 31, 2023, the Company finalized its purchase price allocation and valuation for the acquisition of RCVD.

The acquisition-date fair value of the consideration transferred is as follows:

	<b>January 3, 2023</b>
Fair value of common stock	\$ 1,800,000
Fair value of common stock warrants	2,674,972
Promissory notes	\$ 8,900,000
Fair value of consideration transferred	<u>\$ 13,374,972</u>

The following is the purchase price allocation as of the January 3, 2023, acquisition date:

	<b>January 3, 2023</b>
Cash	\$ 321,916
Accounts receivable	1,900,388
Other current assets	342,574
Fixed Assets	16,213,967
Accounts payable and accrued expenses	(652,329)
Mortgage loans	(6,576,566)
Related party notes	(16,545)
Deferred revenue	(9,276,620)
Net Assets Acquired	\$ 2,256,785
Goodwill	11,118,187
Total consideration	<u>\$ 13,374,972</u>

#### *Pro Forma Financial Information*

The following unaudited pro forma consolidated results of operations for the years ended December 31, 2023 and 2022 assume the acquisition was completed on January 1, 2022:

	<b>Years Ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Pro forma net revenues	1,090,617	1,516,622
Pro forma net loss	(1,110,022)	(926,798)

Pro forma data does not purport to be indicative of the results that would have been obtained had these events actually occurred at the beginning of the periods presented and is not intended to be a projection of future results.

#### *Common Stock warrants*

At acquisition date, the Company measures the fair value of the common stock warrant using the Black-Scholes option valuation model using the following assumptions as of December 31, 2023:

Expected term	5 years
Exercise price	\$ 0.10
Expected volatility	145%
Risk-free interest rate	3.94%
Forfeitures	None

The assumptions used in determining fair value represent management's best estimates, but these estimates involve inherent uncertainties and the application of management's judgment. As a result, if factors change, including changes in the market value of the Company's common stock, managements' assessment, or significant fluctuations in the volatility of the trading market for the Company's common stock, the Company's fair value estimates could be materially different in the future.

The Company computes the fair value of the common stock warrants at the acquisition date, which does not have to be updated at each reporting period.

## NOTE 9 – EQUITY METHOD INVESTMENT

In May 2021, the Company acquired a 25% investment in RCVD in exchange for 3,000,000 shares of the Company's common stock at a determined fair value of \$0.86 per share and \$100,000 in cash for total consideration of \$2,680,000. The fair value of the non-monetary exchange was determined based on a valuation report obtained from an independent third-party valuation firm. The fair value of the Company's common stock was determined based on weighted combination of market approach and asset approach. The market approach estimates fair value based on a weighted average between the listed price of the Company's common shares and the Company's recent private transaction adjusted for a lack of marketability discount.

The investment has been accounted for under the equity method. It was determined that the Company does not have the power to direct the activities that most significantly impact RCVD's economic performance, and therefore, the Company is not the primary beneficiary of RCVD and RCVD has not been consolidated under the variable interest model.

The investment was initially recorded at cost, which was determined to be \$2,680,000. The Company impaired the remaining balance of its equity-method investment for a total amount of \$2,089,337 for the year ended December 31, 2022.

On January 3, 2023, the Company executed a securities purchase agreement with International Real Estate Development, LLC, for the purchase of the remaining seventy five percent (75%) of the issued and outstanding membership interest in RCVD for a total contractual consideration of \$13,500,000.

The Company acquired a controlling financial interest and accounted for this transaction as a business combination in stages under ASC 805 (Note 8). Upon the acquisition of such controlling interest, the Company re-measured the previously held equity method interest to fair value as part of the accounting for the business combination, see Note 8.

## NOTE 10 – COMMITMENTS AND CONTINGENCIES

### *Commitment to Purchase Land (Valle Divino)*

The land project consisting of 20 acres to be acquired from Baja Residents Club (a Company controlled by our chairman of the board Roberto Valdes) and developed into Valle Divino resort in Ensenada, Baja California, the acquisition of title to the land for this project is subject to approval from the Mexican government in Baja, California. Although management believes that the transfer of title to the land will be approved before the end of the Company fiscal year end 2025, there is no assurance that such transfer of title will be approved in that time frame or at all. The Company has promised to transfer title to the plots of land to the investors who have invested in the Company once the Company receives an approval of change in transfer of title to the Company through a Fideicomiso.

### *Land purchase- Plaza Bajamar.*

On September 25, 2019, the Company, entered into a definitive Land Purchase Agreement with Valdeland, S.A. de C.V., a Company controlled by our chairman of the board Roberto Valdes, to acquire approximately one acre of land with plans and permits to build 34 units at the Bajamar Ocean Front Golf Resort located in Ensenada, Baja California. Pursuant to the terms of the Agreement, the total purchase price is \$1,000,000, payable in a combination of a new series of preferred stock (with a stated value of \$600,000), 250,000 shares of common stock, a promissory note in the amount of \$150,000, and an initial construction budget of \$150,000 payable upon closing. The closing is subject to obtaining the necessary approval by the City of Ensenada and transfer of title, which includes the formation of a wholly owned Mexican subsidiary. As of March 31, 2025, and December 31 2024, the agreement has not yet closed.

The total budget was established at approximately \$1,556,000, inclusive of lots construction, of which approximately \$995,747 has been paid, leaving a firm commitment of approximately \$560,250 as of March 31, 2025, and December 31 2024.

### *Commitment to Sell Land (IntegraGreen)*

On September 30, 2019, the Company entered into a contract for deed agreement "Agreement" with IntegraGreen whose principal, Christopher Elder, is also a creditor. Under the agreement the Company agreed to the sale of 20 acres of vacant land and associated improvements located at the Emerald Grove property in Hemet, California for a total purchase price of \$630,000, \$63,000 was paid upon execution and the balance is payable in a balloon payment on October 1, 2026, with interest only payments due on the 1st of each month beginning April 1, 2020. During the duration of the Agreement the Company retains title and is allowed to encumber the property with a mortgage at its discretion, however IntegraGreen has the right to use the property. The Company may also evict IntegraGreen from the premises in the case of default under the agreement.

The Company has fully impaired the carrying balance of its account receivable owed by IntegraGreen in the accompanying consolidated balance sheets.

#### *Oasis Park Resort construction budget*

During the year ended December 31, 2021, the Company engaged a general contractor to complete phase I of the project including the two-mile access road and the community entrance structure. The contractor also commenced phase II construction including the waterfront clubhouse, casitas, and model homes. The total budget was established at approximately \$512,000, of which approximately \$118,600 has been paid, leaving a firm commitment of approximately \$393,400 as of March 31, 2025, and December 31 2024.

#### *Litigation Costs and Contingencies*

From time to time, the Company may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. Litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm business. Management is currently not aware of any such legal proceedings or claims that could have, individually or in the aggregate, a material adverse effect on our business, financial condition, or operating results.

#### **NOTE 11 – STOCKHOLDERS’ EQUITY (DEFICIT)**

The Company’s equity at March 31, 2025, consisted of 150,000,000 authorized common shares and 2,010,000 authorized preferred shares, all with a par value of \$0.001 per share. As of March 31, 2025, there were 104,385,465 shares issued and 101,385,465 shares outstanding. As of December 31, 2024, there were 97,602,713 shares issued and 94,602,713 shares outstanding.

As of March 31, 2025, there were 117,000 shares of Series A Preferred Stock issued and outstanding, 1,000 shares of Series B Preferred Stock issued and outstanding, 3,100 shares of Series C Preferred Stock issued and outstanding and 17,000 of Series D Preferred Stock issued and outstanding.

As of December 31, 2024, there were 117,000 shares of Series A Preferred Stock issued and outstanding, 1,000 shares of Series B Preferred Stock issued and outstanding, 3,100 shares of Series C Preferred Stock issued and outstanding and 17,000 of Series D Preferred Stock issued and outstanding.

#### ***Equity Incentive Plans***

##### *2024 Equity Incentive Plan*

On November 29, 2024, the Company’s board of directors approved the 2024 equity incentive plan (the “2024 Plan”). The 2024 Plan enables the Company’s board of directors to provide equity-based incentives through grants of awards to the Company’s present and future employees, directors, consultants, and other third-party service providers. The Company has reserved a total of 15,000,000 shares of the Company’s common stock for issuance under the 2024 Plan. The Company had no options issued and outstanding under the 2024 Plan as of March 31, 2025 and December 31, 2024.

##### *2022 Equity Incentive Plan*

On December 1, 2022, the Company’s Board of Directors approved a 2022 Equity Incentive Plan (the “2022 Plan”). Pursuant to the 2022 Plan, the Company has reserved a total of 5,000,000 shares of the Company’s common stock to be available under the 2022 Plan. The Company granted 2,150,000 options during the year ended December 31, 2022. There was no activity during the three months ended March 31, 2025. The options were fully expired as of March 31, 2025 and December 31, 2024.

##### *2020 Equity Incentive Plan*

On August 26, 2020, the Company’s Board of Directors approved the 2020 Equity Incentive Plan (the “2020 Plan”). The Company has reserved a total of 3,000,000 shares of the authorized common stock for issuance under the 2020 Plan. The Company granted 1,700,000 options under the 2020 Plan in years prior to 2024. There was no activity during the three months ended March 31, 2025. The options were fully expired as of March 31, 2025 and December 31, 2024.

### *2019 Equity Incentive Plan*

On February 11, 2019, the Company's Board of Directors approved a 2019 Equity Incentive Plan (the "2019 Plan"). In order for the 2019 Plan to grant "qualified stock options" to employees, it required approval by the Corporation's shareholders within 12 months from the date of the 2019 Plan. The 2019 Plan was never approved by the shareholders. Therefore, any options granted under the 2019 Plan prior to shareholder approval will be "non-qualified". Pursuant to the 2019 Plan, the Company has reserved a total of 3,000,000 shares of the Company's common stock to be available under the 2019 Plan. No options under the 2019 Plan were issued, cancelled, forfeited, or exercised during the three months ended March 31, 2024. The Company had 2,150,000 options issued and outstanding under the 2019 Plan as of December 31, 2023. The options were fully expired as of March 31, 2025 and December 31, 2024.

#### *Activity during the three months ended March 31, 2025*

During the three months ended March 31, 2025, the Company issued 6,782,751 shares of common stock pursuant to consulting agreements, services and debt terms for a total fair value of approximately \$678,275.

#### *Activity during the three months ended March 31, 2024*

During the three months ended March 31, 2024, the Company issued 1,552,595 shares of common stock pursuant to consulting agreements for a total fair value of approximately \$100,919.

During the three months ended March 31, 2024, the Company issued 1,223,776 shares of common stock pursuant to the conversion of convertible notes payable.

During the three months ended March 31, 2024, the Company issued 2,484,832 shares of common stock pursuant to the exercise of warrants.

During the three months ended March 31, 2024, the Company issued 50,000 shares of common stock pursuant to a promissory note agreement. The shares were valued at \$34,915.

During the three months ended March 31, 2024, the Company issued 94,824 shares of common stock pursuant to a stock dividend arrangement for Series C Preferred Stock.

#### Preferred Stock

On November 6, 2019, the Company authorized and issued 1,000 shares of Series B Preferred Stock ("Series B") and 350,000 shares of common stock to CleanSpark Inc. in a private equity offering for \$500,000. Management determined that the Series B should not be classified as liability per the guidance in ASC 480 Distinguishing Liabilities from Equity as of December 31, 2022, even though the conversion would require the issuance of variable number of shares since such obligation is not unconditional. As of December 31, 2022, and 2021, Management recorded the value attributable to the Series B of \$293,500 as temporary equity on the consolidated balance sheets since the instrument is contingently redeemable at the option of the holder. The Company recognized the beneficial conversion feature ("BCF") that arises from a contingent conversion feature, since the instrument reached maturity during the year ended December 31, 2020. The Company recognized such BCF as a discount on the convertible preferred stock. The amortization of the discount created by a BCF recognized as a result of the resolution of the contingency is treated as a deemed dividend that reduced net income in arriving at income available to common stockholders. The holder can convert the Series B into shares of common stock at a discount of 35% to the market price.

The terms and conditions of the Series B include an in-kind accrual feature, which provides for a cumulative accrual at a rate of 12% per annum of the face amount of the Series B. The Company has recognized a total dividend on Series B for a total accrual to \$1,212,822 as of March 31, 2025 and December 31, 2024, respectively. The recognition of the in-kind accrual was reported in Additional Paid In Capital on the Company's consolidated balance sheets.

The Securities Purchase Agreement ("SPA") states that the in-kind accrual rate should be increased by 10% per annum upon each occurrence of an event of default. In addition, the SPA further states that the conversion price initially set at a discount of 35% to the market price should be further increased by an additional 10% upon each occurrence of an event of default. At the date of their Annual Report, CleanSpark claims that the Company was in default in three instances triggering further discount to the market price for the conversion feature and additional accrual rate. Management has recorded for this additional default and interest expense as noted in the previous paragraph. The Company has not been served with any notice of default stating the specific default events but will continue to accrue the additional default interest until the matter is resolved. As of the date of the filing of this Annual Report, the parties are cooperating to resolve this matter. The Company did not issue any shares of Series B preferred stock during the three months ended March 31, 2025.

During the year ended December 31, 2024, the Company issued 89,000 shares of Series A preferred stock pursuant to the conversion of the note payable to IRED for \$8,900,000. The total principal balance along with accrued interest of \$556,250 has been converted. The Company did not issue any shares of Series A preferred stock during the three months ended March 31, 2025.

On June 2, 2023, the Company authorized and issued 10,000 and 3,100 shares, respectively, of Series C Preferred Stock ("Series C") to Bigger Capital Fund, LP in a private equity offering for \$310,000. Management determined that the Series C should not be classified as liability per the guidance in ASC 480 Distinguishing Liabilities from Equity as of March 31, 2025 and December 31, 2024, even though the conversion would require the issuance of variable number of shares since such obligation is not unconditional. As of March 31, 2025 and December 31, 2024, Management recorded the value attributable to the Series C of \$310,000 as temporary equity on the consolidated balance sheets since the instrument is contingently redeemable at the option of the holder. The Company recognized the beneficial conversion feature ("BCF") that arises from a contingent conversion feature. The Company recognized such BCF as a discount on the convertible preferred stock. The discount created by a BCF recognized as a result of the resolution of the contingency is treated as a deemed dividend. The holder can convert the Series C into shares of common stock at a variable discount to the market price.

The terms and conditions of the Series C include an in-kind accrual feature, which provides for a cumulative accrual at a rate of 12% per annum of the face amount of the Series C. The Company recognized a deemed dividend of \$60,003 based on a discount to the purchase price on the Series C during the year ended December 31, 2023. The recognition of the in-kind accrual was reported in Additional Paid In Capital on the Company's consolidated balance sheets. During the year ended December 31, 2024, the Company issued 94,827 shares of common stock pursuant to the stock dividend terms in the agreement. The Company did not issue any shares of Series C preferred stock during the three months ended March 31, 2025.

The Securities Purchase Agreement ("SPA") states that the in-kind accrual rate should be increased by 8% per annum upon each occurrence of an event of default.

Concurrently with this SPA, the Company entered into a Warrant Inducement Agreement ("Inducement"). Previously, on July 26, 2021, the Company entered into a Warrant Purchase Agreement with Bigger Capital Fund, LP where the Company issued common stock purchase warrants at an exercise price of \$0.68 (the "Existing Warrants"). As further consideration for Bigger Capital Fund, LP agreeing to enter in the Series C Preferred Stock Securities Purchase Agreement (the "New Purchase Agreement"), the Company offered an additional 1,240,000 Warrant Shares, and (b) a reduction of the exercise price of the Existing Warrants to \$0.07 per Warrant Share. As such, upon accepting this offer, the terms to the Existing Warrant issued pursuant to the Inducement have been amended and restated to refer to 2,740,000 Warrant Shares in the aggregate and all Existing Warrants issued pursuant to the Inducement will have an updated exercise price per share of \$0.07.

In October 2023, the Company filed and adopted a Certificate of Designations, Preferences and Rights of the Series D Convertible Preferred Stock (the “Certificate of Designations”) with the Wyoming Secretary of State, authorizing the issuance of up to 20,000 shares of Series D Convertible Preferred Stock, par value \$0.001 per share (the “Series D Preferred Stock”), each having a stated value equal to \$100.00 (the “Stated Value”). The Series D Preferred Stock has no stated maturity and is subject to a mandatory redemption at 110% of the Stated Value, plus all unpaid dividends in respect of such share (the “Additional Amount”) thereon.

The Series D Preferred Stock ranks senior with respect to the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding up of the Company to all other shares of capital stock of the Company, including all other outstanding shares of preferred stock as of the filing date of the Certificate of Designations, except, however, the Series D Preferred Stock is subordinate to the series of preferred stock of the Company designated as “Series C Convertible Preferred Stock.” The Company shall be permitted to issue capital stock, including preferred stock, that is junior in rank to the Series D Preferred Stock with respect to the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding up of the Company.

Holders of shares of Series D Preferred Stock are entitled to receive, on each dividend payment date, (i) cumulative cash dividends on each share of Series D Preferred Stock, on a quarterly basis, at a rate of 12% per annum of the Stated Value, plus the Additional Amount thereon, and (ii) dividends in the form of shares of common stock on each share of Series D Preferred Stock, on a quarterly basis, at a rate of 8% per annum on the Stated Value.

At any time after the earlier of (i) a Qualified Offering (as defined below) or (ii) the date that is 18 months from the date the first share of Series D Preferred Stock is issued to any holder thereof, each holder of Series D Preferred Stock shall be entitled to convert any portion of the outstanding Series D Preferred Stock, including any Additional Amount, held by such holder into shares of common stock at the Conversion Price (as defined below) by following the mechanics of conversion set forth in the Certificate of Designations.

The amount of shares of common stock issuable upon a conversion for each Series D Preferred Stock shall be the Stated Value of such share plus the Additional Amount divided by the Conversion Price (as defined below). The “Conversion Price” for each Series D Preferred Stock is, the lower of the price per share at which a Qualified Offering (as defined below) is made (the “Qualified Offering Price”) or 80% of the average of the closing sale price for the 10 consecutive trading days immediately preceding, but not including, the effective date of the applicable conversion notice. A “Qualified Offering” means an offering of common stock (or units consisting of common stock and warrants to purchase common stock) resulting in the listing for trading of the common stock on the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market or the New York Stock Exchange (or any successors to any of the foregoing).

During the year ended December 31, 2023, the Company converted \$1,414,338 of principal and \$171,825 of interest payable due to Six Twenty Management LLC into 17,000 shares of Series D Convertible Preferred Stock. The previous amounts due to the related party are discussed further in Note 8 of these financial statements. There was no activity during the three months ended March 31, 2025.

## Warrants

A summary of the Company's warrant activity during the three months ended March 31, 2025, is presented below:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Contract Term (Year)
Outstanding at December 31, 2024	38,107,500	\$ 0.16	3.17
Granted	-	-	-
Exercised	-	-	-
Forfeited-Canceled	-	-	-
Outstanding at March 31, 2025	<u>38,107,500</u>	<u>\$ 0.16</u>	<u>2.67</u>
Exercisable at March 31, 2025	<u>38,107,500</u>		

The aggregate intrinsic value as of March 31, 2025, and December 31, 2024, was \$0, respectively.

## Options

A summary of the Company's option activity during the three months ended March 31, 2025, is presented below:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contract Term (Year)
Outstanding at December 31, 2024	-	\$ -	-
Granted	-	-	-
Exercised	-	-	-
Forfeited-Canceled	-	-	-
Outstanding at March 31, 2025	<u>-</u>	<u>\$ -</u>	<u>-</u>
Exercisable at March 31, 2025	<u>-</u>		

Options outstanding as of March 31, 2025, and December 31, 2024, had aggregate intrinsic value of \$0, respectively.

## NOTE 12 – SUBSEQUENT EVENTS

The Company has evaluated subsequent events for adjustment to or disclosure in its consolidated financial statements through the date of this report, and has not identified any recordable or disclosable events, not otherwise reported in these consolidated financial statements or the notes thereto, except those noted below.



## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

### Overview of Our Company

The Company was incorporated pursuant to the laws of the State of Wyoming on September 26, 2013. We are based in San Diego, California. We are a residential land development company with target properties located primarily in the Baja California Norte region of Mexico and Southern California. Our principal activities are purchasing properties, obtaining zoning and other entitlements required to subdivide the properties into residential and commercial building plots, securing financing for the purchase of the plots, improving the properties' infrastructure and amenities, and selling the lots to homebuyers, retirees, investors, and commercial developers. We offer the option of financing (i.e. taking a promissory note from the buyer for all or part of the purchase price) with a guaranteed acceptance on any purchase for every customer.

### Overview

The real estate market in Northern Baja California has continued to significantly improve and has fully recover from the negative impact of Covid-19. The housing prices has continued to rise in the Southwest U.S., and inventory has remained severely low, which generated additional attraction from home buyers seeking second homes or vacation homes.

The Company's current portfolio includes residential, resort and commercial properties comprising the following projects:

- **Oasis Park Resort** is a 497-acres master planned real estate community including 1,344 residential home sites, south of San Felipe, Baja California, which offers a 180-degree sea and mountain views. In addition to the residential lots, there is a planned boutique hotel, a spacious commercial center, and a nautical center.

The Company recently allowed prospective homeowners and existing lot holders to tour the property again. As of the date of this report, 75 of the 1,344 planned residential lots were pre-sold to initial shareholders. The Company has made significant progress on the project, which included the completion of the two-mile access road and the community entrance structure. The Company also started construction of the waterfront clubhouse, and model homes.

- **Valle Divino** is a self-contained solar 650-home site project in Ensenada, Baja California, with test vineyard at the property. This resort includes 137 residential lots and 3 commercial lots on 20 acres of land. This represents an estimated \$60 million in gross sales opportunity.
- **Plaza Bajamar Resort** is an 80-unit project located at the internationally renowned Bajamar Ocean front hotel and golf resort. The Bajamar oceanfront golf resort is a master planned golf community located 45 minutes south of the San Diego-Tijuana border along the scenic toll road to Ensenada. The first Phase will include 22 "Merlot" 1,150 square-foot single-family homes that features two bedrooms and two baths. The home includes two primary bedroom suites - one on the first floor and one upstairs, as well as fairway and ocean views from a rooftop terrace. The Merlot villas will come with the installation of solar packages.
- **Emerald Grove Estates** is the Company's newly renovated Southern California property, used for organized events at this 8,000 square foot event venue.
- **Rancho Costa Verde ("RCVD")** is a 1,100-acre master planned second home, retirement home and vacation home real estate community located on the east coast of Baja California. RCVD is a self-sustained solar powered green community that takes advantage of the advances in solar and other green technology. In May 2021, the Company acquired a 25% investment in RCVD in exchange for \$100,000 and 3,000,000 shares of the Company's common stock, and such investment was initially recorded as an equity-method investment in the Company's condensed consolidated financial statements. On January 3, 2023, the Company acquired the remaining 75% membership interest in RCVD for a contractual consideration of \$13,500,000, paid through \$8,900,000 secured convertible note, 20,000,000 shares of common stock and 33,000,000 common stock warrants. Such transaction was recorded pursuant to ASC 805 *Business Combinations*.

Summary of key operational and financial events:

- During the year ended December 31, 2023, the Company collected an aggregate amount of \$312,175 from house construction at the Plaza Bajamar project, which was initially recorded and presented as contract liability in the consolidated balance sheets. However, the Company offset the balance with the additional cash funded for the construction of amenities at Bajamar, with the net balance presented as impairment loss in the consolidated statement of operations. There were no collections during the three months ended March 31, 2025.
- Continued our research and marketing efforts to identify potential home buyers in the United States, Canada, Europe, and Asia. Through the formation of a partnership with a similar development company in the Baja California Norte Region of Mexico, we have been able to leverage additional resources with the use of their established and proven marketing plan which can help us with sophisticated execution and the desired results for residential plot sales and development.
- Title of Oasis Park Resort in San Felipe was assumed during 2019. We are expecting the transfer of title on Valle Divino in Ensenada, Baja California and Plaza Bajamar in Ensenada, Baja California before the end of our fiscal year 2025, as we continue to follow the necessary steps to complete this legal process.

**Results of Operations for the Three Months Ended March 31, 2025, compared to the Three Months Ended March 31, 2024**

	For the three months ended	
	March 31, 2025	March 31, 2024
Revenue, net	\$ 548,624	\$ 5,088,874
Cost of revenue	274,180	183,588
Gross profit	274,443	4,905,286
Operating expenses		
Sales and marketing	187,511	167,889
Impairment loss	-	189,369
General and administrative expenses	924,593	295,001
Total operating expenses	1,112,103	652,059
Income (loss) from operations	(837,660)	4,253,228
Other income (expense)		
Change in fair value of derivative	58,026	(22,748)
Interest expense	(179,171)	(580,329)
Total other expense, net	(121,145)	(603,077)
Net income (loss)	\$ (958,806)	\$ 3,650,150

**Revenue**

Revenue decreased by \$4,540,250 to \$548,624 for the three months ended March 31, 2025, from \$5,088,874 for the three months ended March 31, 2024. The revenue recognized during the three months ended March 31, 2025 includes real estate sales, interest from financed sales, financing fees, previously deferred revenues, and components of home construction.

**Cost of revenue**

Cost of revenue increased by \$90,592 to \$274,180 for the three months ended March 31, 2025, from \$183,588 for the three months ended March 31, 2024. Cost of revenue includes land cost and related land improvements including infrastructure and subdivision costs.

**Operating Expenses**

Operating expenses increased by \$460,044 to \$1,112,103 for the three months ended March 31, 2025, from \$652,059 for the three months ended March 31, 2024.

Sales and marketing costs decreased by \$19,622, to \$187,511 in the three months ended March 31, 2025, from \$167,689 in the three months ended March 31, 2024. Such decrease mainly relates to the reduced marketing efforts incurred by RCVD and ILAL during the three months ended March 31, 2025 as the Company was in process of raising additional capital. Sales costs are related to real estate's sales commissions. Marketing costs include advertising, prospective customers' education, travel, and accommodation.

General and administrative costs increased by \$629,592, to \$924,593 in the three months ended March 31, 2025, compared to \$295,001 for the three months ended March 31, 2024. General and administrative increased for mainly due to a large increase in stock-based compensation expenses during the three months ended March 31, 2024. Other general and administrative costs mainly include commissions paid attributable to sales.

### ***Other expense***

Other expenses decreased by \$481,932 to \$121,145 in the three months ended March 31, 2025, from \$603,077 in the three months ended March 31, 2024. Such change is primarily due to a reduction in the change in fair value of the Company's derivative liability with interest expense remaining consistent period over period.

### ***Net Income (Loss)***

The Company finished the three months ended March 31, 2025, with net loss of \$958,806, as compared to net income of \$3,650,150 for the three months ended March 31, 2024. The decrease in our net income resulted from the reasons outlined above.

The factors that will most significantly affect future operating results will be:

- The positive effect of implemented sales and marketing initiatives to drive opportunities into our various projects.
- The quality of our amenities.
- The global economy and the demand for vacation homes.
- The sale price of future plots and home construction compared to the sale price in other resorts in Mexico.
- The prime location of our projects.

Other than the foregoing we do not know of any trends, events or uncertainties that have had, or are reasonably expected to have, a material impact on our revenues or expenses.

### **Capital Resources and Liquidity**

Cash was \$187,013 and \$26,120 as of March 31, 2025, and December 31, 2024, respectively. As shown in the accompanying financial statements, we recorded net loss of \$1.0 million for the three months ended March 31, 2025. Our working capital deficit as of March 31, 2025, was \$11.6 million. These factors and our ability to raise additional capital to accomplish our objectives, raises substantial doubt about our ability to continue as a going concern. We expect our expenses will continue to increase during the foreseeable future as a result of increased operations, increased construction activity and the development of current and future projects which include our current business operations.

We anticipate generating increased revenues over the next twelve months, as we continue to market the sale of plots held for sale at our various projects, generate cash from the sale of house construction at our properties.

If the Company is not successful with its marketing efforts to increase sales, the Company will continue to experience a shortfall in cash, and it will be necessary to obtain funds through equity or debt financing in sufficient amounts or to further reduce its operating expenses in a manner to avoid the need to curtail its future operations.

### **Operating Activities**

Net cash flows used operating activities for the three months ended March 31, 2025, was \$116,409 which resulted primarily due to net loss of \$958,806, non-cash share-based compensation of \$678,275, and change in fair value of derivative liability of \$58,026, offset by net change in assets and liabilities of \$222,148.

Net cash flows provided by operating activities for the three months ended March 31, 2024, was \$191,688 which resulted primarily due to net income of \$3,650,150, non-cash share-based compensation of \$213,931, depreciation of \$51,531, and change in fair value of derivative liability of \$22,748, offset by impairment loss of \$189,369 and net change in assets and liabilities of \$3,557,304.

### Investing Activities

Net cash flows used in investing activities was \$259,867 for the three months ended March 31, 2024. The funds were used for the development of the various projects and additional investment for land development. There was no activity during the three months ended March 31, 2025.

### Financing Activities

Net cash flows provided by financing activities for the three months ended March 31, 2025, was \$277,302, primarily from cash proceeds from other loans for \$179,167 and cash proceeds from promissory notes of \$98,135.

Net cash flows provided by financing activities for the three months ended March 31, 2024, was \$64,788, primarily from cash payments to related parties for aggregate amount of \$51,267, cash payments for convertible notes of \$32,003, cash proceeds from other loans for \$78,057, cash proceeds from promissory notes of \$75,000, and cash payments on promissory notes of \$5,000.

As a result of these activities, we experienced an increase in cash of \$160,893 for the three months ended March 31, 2025.

Our ability to continue as a going concern is dependent on our success in obtaining additional financing from investors or from the sale of our common shares.

### **Critical Accounting Policies**

In December 2001, the SEC requested that all registrants list their “critical accounting policies” in the Management Discussion and Analysis. The SEC indicated that a “critical accounting policy” is one which is both important to the portrayal of a company’s financial condition and results, and requires management’s most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. Our accounting policies are disclosed in Note 2 of our audited consolidated financial statements included herein. We consider the following accounting policies critical to the understanding of the results of our operations:

- Going concern. It requires to rely on management’s representation on financial forecast.
- Revenue recognition. It requires judgement to determine when a contract exists, when performance obligations are met and the estimated variable consideration if any.
- Issuance of debt with attached financial instruments. Some instruments carry embedded features that require bifurcation from host instrument and accounting as derivative liability.
- Accounting of the Company’s equity-method investment. Indeed, it requires judgement by management to determine whether there is significant influence or control over the Company’s investee. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over these policies.

There have been no material changes to our critical accounting policies as compared to the critical accounting policies and significant judgments and estimates disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on May 21, 2025.

### **Off-balance Sheet Arrangements**

During the period ended March 31, 2025, we have not engaged in any off-balance sheet arrangements.

### **New and Recently Adopted Accounting Standards**

For a listing of our new and recently adopted accounting standards, see Note 2, Summary of Significant Accounting Policies, to the Notes to the condensed consolidated financial statements in “Part I, Item 1. condensed consolidated financial statements” of this Quarterly Report.

### **Item 3. Quantitative and Qualitative Disclosures about Market Risk**

Not required under Regulation S-K for “smaller reporting companies.”

### **Item 4. Controls and Procedures**

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company’s reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, including the Chief Executive Officer (Principal Executive Officer) and the Chief Financial Officer (Principal Financial Officer), to allow for timely decisions regarding required disclosure. In designing and evaluating disclosure controls and procedures, the Company recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

The Company conducted an evaluation under the supervision and with the participation of management, including the Principal Executive Officer and Principal Financial Officer, of the effectiveness of its disclosure controls and procedures as of March 31, 2025, as defined in Rule 13a -15(e) and Rule 15d -15(e) under the Exchange Act. This evaluation was carried out under supervision and with the participation of our Chief Executive Officer and Chief Financial Officer. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2025, our disclosure controls and procedures were not effective due to material weaknesses in internal control over financial reporting related to the lack of adequate accounting and finance personnel, inadequate controls over maintenance of records, inadequate internal controls relating to the authorization, recognition, capture, and review of transactions, facts, circumstances, and events that could have a material impact on the Company’s financial reporting process as further discussed in our Annual Report on Form 10-K for the year ended December 31, 2024, and which the Company determined continued to exist as of March 31, 2025.

### ***Changes in Internal Control over Financial Reporting***

There were no changes in our internal control over financial reporting that occurred during the three months ended March 31, 2025, that have materially affected, or are reasonably likely to materially affect, the Company’s internal controls over financial reporting.

## PART II — OTHER INFORMATION

### Item 1. Legal Proceedings

On April 8, 2025, CleanSpark, Inc. (“CleanSpark”) initiated a civil action against the Company in the United States District Court for the Southern District of California (Civil Action No. 25CV829 RBMMSB) (the “Action”), in which CleanSpark alleges that the Company has breached the Securities Purchase Agreement, dated October 31, 2019, by and through which CleanSpark purchased shares of Series B Preferred Stock from the Company, and CleanSpark alleges that thirty-four events have occurred triggering pricing adjustment. CleanSpark asserts claims for breach of contract and breach of the implied duty of good faith and fair dealing. The lawsuit is at its inception. The Company denies any liability or breaches of the Agreement, and it intends to vigorously defend the Action.

Other than as set forth above, the Company is not currently involved in any material disputes or litigation matters.

### Item 1A. Risk Factors

You should carefully review and consider the information regarding certain factors that could materially affect our business, financial condition or future results set forth under Part I, Item 1A, *Risk Factors*, contained in our Annual Report on Form 10-K for Fiscal 2024, as filed with the SEC on May 21, 2025. The risk factors described in the fiscal year ended 2024 Form 10-K have not materially changed.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None besides shares issued for share-based compensation.

### Item 3. Defaults upon Senior Securities

None.

### Item 4. Mine Safety Disclosures

Not Applicable.

### Item 5. Other Information

None.

### Item 6. Exhibits

(a) Exhibits

Exhibit No.	Description
31.1*	<a href="#">Certification of Chief Executive Officer pursuant to section 302 of the Sarbanes-Oxley Act of 2002</a>
31.2*	<a href="#">Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
32.1*	<a href="#">Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
32.2*	<a href="#">Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
101*	Inline XBRL Document set for the financial statements and accompanying notes in Part I, Item 1, of this Quarterly Report on Form 10-Q
104*	Inline XBRL for the cover page of this Quarterly Report on Form 10-Q, included in the Exhibit 101 Inline XBRL Document Set.

Exhibits designated by the symbol \* are filed or furnished with this Quarterly Report on Form 10-Q

## SIGNATURES

Pursuant to the requirements 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.

Dated: June 6, 2025

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**International Land Alliance, Inc.**

By: /s/ Frank Ingrande

Chief Executive Officer, (Principal Executive Officer)

By: /s/ Jason Sunstein

Chief Financial Officer, (Principal Financial and Accounting Officer)

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002

I, Frank Ingrande, certify that:

1. I have reviewed this quarterly report on Form 10-Q of International Land Alliance, Inc.
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(s) 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 the 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 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(s) 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 June 6, 2025

/s/ **Frank Ingrande**

Frank Ingrande

Principal Executive Officer and a Director

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CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002

I, Jason Sunstein, certify that:

1. I have reviewed this quarterly report on Form 10-Q of International Land Alliance, Inc.
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(s) 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 the 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 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(s) 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: June 6, 2025

/s/ Jason Sunstein

Jason Sunstein

Principal Financial and Accounting Officer and a Director

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CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002

I, Roberto Jesus Valdes, Principal Executive Officer and Director of International Land Alliance, Inc. (the “Company”), certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002 that:

(1) The Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2025 (the “Report”) fully complies with the requirements of § 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 as of and for the periods covered in the Report.

Date: June 6, 2025

/s/ **Frank Ingrande**

Frank Ingrande

Principal Executive Officer and a Director

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CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002

I, Jason Sunstein, Chief Financial Officer, Principal Financial Officer and Director of International Land Alliance, Inc. (the “Company”), certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002 that:

(1) The Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2025 (the “Report”) fully complies with the requirements of § 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 as of and for the periods covered in the Report.

Date: June 6, 2025

**/s/ Jason Sunstein**

Jason Sunstein

Principal Financial and Accounting Officer and a Director

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