

0001589061 2026-01-01 2026-03-31 0001589061 2026-03-31 0001589061 2023-10-12 2023-10-12 0001589061  
2025-01-01 2025-12-31 0001589061 2024-01-01 2024-12-31 0001589061 2023-01-01 2023-12-31 0001589061  
2022-01-01 2022-12-31 0001589061 2021-01-01 2021-12-31 0001589061 2020-01-01 2020-12-31 0001589061  
2020-01-01 0001589061 us-gaap:RestrictedStockMember 2026-01-01 2026-03-31 0001589061  
gyro:Director4Member us-gaap:RestrictedStockMember 2026-01-01 2026-03-31 0001589061  
gyro:Director3Member us-gaap:RestrictedStockMember 2026-01-01 2026-03-31 0001589061  
gyro:Director2Member us-gaap:RestrictedStockMember 2026-01-01 2026-03-31 0001589061  
gyro:Director1Member us-gaap:RestrictedStockMember 2026-01-01 2026-03-31 0001589061  
gyro:StockPlanMember 2023-11-14 2023-11-14 0001589061 gyro:RightsOfferingMember 2023-11-14 2023-11-14  
0001589061 gyro:StockPlanMember 2023-11-14 0001589061 srt:DirectorMember 2023-09-05 2023-09-05  
0001589061 srt:OfficerMember 2026-03-31 0001589061 srt:ChiefOperatingOfficerMember 2026-03-31  
0001589061 srt:ChiefExecutiveOfficerMember 2026-03-31 0001589061 srt:ChiefOperatingOfficerMember 2026-  
01-01 2026-03-31 0001589061 srt:ChiefExecutiveOfficerMember 2026-01-01 2026-03-31 0001589061  
srt:ChiefExecutiveOfficerMember gyro:BonusPayableMember 2025-12-31 0001589061  
gyro:ManagementEmploymentAgreementsWithBonusAndSeveranceCommitmentContingenciesMember 2025-12-  
31 0001589061 gyro:TenantThreeMember gyro:RentalIncomeMember us-  
gaap:CustomerConcentrationRiskMember 2026-01-01 2026-03-31 0001589061 gyro:TenantTwoMember  
gyro:RentalIncomeMember us-gaap:CustomerConcentrationRiskMember 2026-01-01 2026-03-31 0001589061  
gyro:TenantOneMember gyro:RentalIncomeMember us-gaap:CustomerConcentrationRiskMember 2026-01-01  
2026-03-31 0001589061 gyro:OneOfLargestTenantsMember us-gaap:AccountsReceivableMember us-  
gaap:CustomerConcentrationRiskMember 2026-03-31 0001589061 gyro:OneOfLargestTenantsMember us-  
gaap:AccountsReceivableMember us-gaap:CustomerConcentrationRiskMember 2026-01-01 2026-03-31  
0001589061 us-gaap:AccountsReceivableMember us-gaap:CustomerConcentrationRiskMember 2026-01-01 2026-  
03-31 0001589061 2024-12-31 0001589061 2025-12-31 0001589061 gyro:InvoicePayableStarting2025Member  
2025-01-01 0001589061 gyro:InvoicePayableThrough2024Member 2024-12-31 0001589061 2024-02-02 2024-02-  
02 0001589061 2024-02-01 2024-02-01 0001589061 gyro:MortgageLoanMember 2026-01-01 0001589061  
gyro:MortgageLoanMember 2026-01-01 2026-01-01 0001589061 gyro:MortgageLoanMember 2023-12-27  
0001589061 gyro:MortgageLoanMember us-gaap:PrimeRateMember 2023-12-27 2023-12-27 0001589061  
gyro:MortgageLoanMember 2023-12-27 2023-12-27 0001589061 gyro:CortlandtManorMedicalCenterMember us-  
gaap:AssetPledgedAsCollateralMember 2026-03-31 0001589061 gyro:TermLoanMember 2026-03-31 0001589061  
gyro:IfMaturityDateIsExtendedMember gyro:TermLoanMember 2021-09-15 0001589061  
gyro:ExtendedTermLoanMember us-gaap:UsTreasuryUstInterestRateMember 2021-09-15 2021-09-15  
0001589061 gyro:ExtendedTermLoanMember 2021-09-15 0001589061 gyro:NonrevolvingCreditLine3Member  
gyro:TermLoanMember 2021-09-15 2021-09-15 0001589061 gyro:NonrevolvingCreditLine3Member 2021-09-15  
2021-09-15 0001589061 gyro:TermLoanMember 2021-09-15 0001589061 gyro:FlowerfieldIndustrialParkMember  
gyro:RealEstateSecuringMortgageLoanMember 2026-03-31 0001589061 gyro:NonrevolvingCreditLine2Member  
2026-03-31 0001589061 gyro:NonrevolvingCreditLine2Member gyro:AfterInterestOnlyPaymentPeriodMember  
2019-01-24 2019-01-24 0001589061 srt:MinimumMember gyro:NonrevolvingCreditLine2Member  
gyro:AfterInterestOnlyPaymentPeriodMember gyro:FederalHomeLoanBankRateMember 2019-01-24 2019-01-24  
0001589061 gyro:NonrevolvingCreditLine2Member 2021-05-20 0001589061  
gyro:NonrevolvingCreditLine2Member 2019-01-24 0001589061 gyro:NonrevolvingCreditLineMember 2026-03-  
31 0001589061 gyro:NonrevolvingCreditLineMember gyro:AfterInterestOnlyPaymentPeriodMember  
gyro:FederalHomeLoanBankRateMember 2021-04-01 2021-04-01 0001589061 srt:MinimumMember  
gyro:NonrevolvingCreditLineMember gyro:AfterInterestOnlyPaymentPeriodMember  
gyro:FederalHomeLoanBankRateMember 2021-04-30 2021-04-30 0001589061  
gyro:NonrevolvingCreditLineMember 2021-04-30 0001589061 gyro:NonrevolvingCreditLineMember 2018-03-21  
0001589061 gyro:StJamesFlowerfieldComplexMember gyro:StJamesNewYorkMember 2026-01-06 0001589061  
gyro:StJamesFlowerfieldComplexMember gyro:StJamesNewYorkMember 2025-07-30 2025-07-30 0001589061  
gyro:StJamesFlowerfieldComplexMember gyro:StJamesNewYorkMember 2025-07-30 0001589061  
srt:MaximumMember gyro:StJamesFlowerfieldComplexMember gyro:StJamesNewYorkMember 2025-07-30  
0001589061 srt:MinimumMember gyro:StJamesFlowerfieldComplexMember gyro:StJamesNewYorkMember  
2025-07-30 0001589061 gyro:ApproximateMember 2026-03-31 0001589061 srt:ScenarioForecastMember 2026-  
04-01 2026-12-31 0001589061 2015-09-01 2015-09-01 0001589061 gyro:MultiTenantIndustrialParkMember  
gyro:FlowerfieldPropertiesIncMember gyro:StJamesNewYorkMember 2026-03-31 0001589061

gyro:FlowerfieldPropertiesIncMember gyro:StJamesNewYorkMember gyro:ControlledByParentCompanyMember 2026-03-31 0001589061 gyro:CortlandtManorMedicalCenterMember gyro:CortlandtNewYorkMember 2026-03-31 0001589061 gyro:TheCorporationMember 2026-01-01 2026-03-31 0001589061 gyro:RetailUseMember gyro:CortlandtManorMedicalCenterMember gyro:CortlandtNewYorkMember 2023-03-20 0001589061 gyro:MedicalUseMember gyro:CortlandtManorMedicalCenterMember gyro:CortlandtNewYorkMember 2023-03-20 0001589061 gyro:CortlandtManorMedicalCenterMember gyro:CortlandtNewYorkMember 2023-03-20 0001589061 2026-05-13 pure shares iso4217:USD utr:acre iso4217:USD shares utr:sqft Q1 2026 --12-31 false 0001589061 2 2 P3Y 0 0 1 2023 2024 2025 2 2 P3Y P2Y P5Y P5Y 2 10-Q true 2026-03-31 false 001-37547 Gyrodyne, LLC NY 46-3838291 1 Flowerfield, Suite 24 St. James NY 11780 631 584-5400 Common Shares of Limited Liability Company Interests GYRO NASDAQ Yes Yes Non-accelerated Filer true false false 2199308 53990000 53990000 3950227 4529597 151001 155205 15899 15899 58107127 58690701 2103102 2086306 2354960 2312459 16083 0 208899 229790 10790194 10868531 16709887 17334618 32183125 32831704 25924002 25858997 25858997 65005 65005 25924002 <table border="0" cellpadding="0" cellspacing="0" style="width: 100%; text-indent: 0px;"> <tbody><tr style="vertical-align: top;"> <td style="width: 18pt;"> <p style="font-family: 'Times New Roman', Times, serif;font-size: 10pt;font-variant:normal;margin:0pt;"><b>1.</b></p> </td> <td style="width: auto;"> <p style="font-family: 'Times New Roman', Times, serif;font-size: 10pt;font-variant:normal;margin:0pt;"><b>The Company</b></p> </td> </tr> </tbody></table> <p style="font-family: Times New Roman;font-size:10pt;font-variant:normal;text-align:center;margin:0pt;"><i>Strategic Overview</i></p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;">Gyrodyne, LLC’s (including its subsidiaries, “Gyrodyne”, the “Company” or the “Registrant”) corporate strategy is to pursue entitlements on our <span style="-sec-ix-hidden:c71">two</span> remaining properties, so that they can be sold to one or more developers with increased development flexibility at higher prices, thereby maximizing value and distributions. Gyrodyne intends to dissolve after we complete the disposition of our assets, apply the proceeds to settle debts and claims, and then pay liquidating distributions to our shareholders.</p> <p style="font-family:Times New Roman;font-size:10pt;font-variant:normal;text-align:justify;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;">Gyrodyne filed subdivision applications in March 2017 with respect to Cortlandt Manor and Flowerfield. The COVID-19 pandemic caused significant delays in the regulatory approval process, as state, county and local staff charged with processing our subdivision applications all postponed activity due to work-from-home transitions.</p> <p style="font-family:Times New Roman;font-size:10pt;font-variant:normal;text-align:justify;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;"><b><i>Flowerfield</i></b></p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; margin: 0pt 0pt 0pt 18pt; text-align: justify;">On March 30, 2022, the Town of Smithtown Planning Board (the “Planning Board”) voted four to zero with one abstention to grant Gyrodyne’s application for preliminary approval to divide the Flowerfield property into eight lots, subject to certain conditions (the “Flowerfield Subdivision Application”).</p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;">On April 26, 2022, the Incorporated Village of Head of the Harbor and certain other parties (collectively, the “Petitioners”), commenced a special proceeding under Article 78 of New York’s Civil Practice Law & Rules (the “Article 78 Proceeding”) against the Town of Smithtown and certain other parties, including Gyrodyne, seeking to annul the Planning Board’s determinations relating to the Flowerfield Subdivision Application. Specifically, the petition commencing the Article 78 Proceeding (the “Petition”) seeks to annul the Planning Board’s (i) approval of a findings statement pursuant to the State Environmental Quality Review Act (“SEQRA”), dated September 16, 2021, and adopted by the Planning Board on March 30, 2022 (the “Findings Statement”), concerning the Flowerfield Subdivision Application, and (ii) preliminary approval on March 30, 2022 of the Flowerfield Subdivision Application. The arguments made in the Petition are substantially similar to those made by opponents of the Flowerfield Subdivision Application during the SEQRA and subdivision process. Gyrodyne and the Town of Smithtown are vigorously defending the Planning Board’s determinations against the Petition. In June 2022, Gyrodyne and the Town of Smithtown filed motions to dismiss the Petition (the “Motions”). On February 6, 2024, the Supreme Court of the State of New York, Suffolk County issued an order (the “Order”), denying the Motions in part and granting them in part. Specifically, the Order (i) denied the Motions as to three individual Petitioners and

the St. James-Head of the Harbor Neighborhood Preservation Coalition, Inc., (ii) granted the Motions as to the remaining twenty (20) individual Petitioners and the Village of Head of the Harbor, (iii) denied the branch of Gyrodyne's motion alleging that Petitioners failed to state a claim. On October 11, 2024, the Supreme Court of the State of New York issued a ruling in favor of the Company dismissing the Petition in its entirety. On October 28, 2024, the Company received a notice of appeal filed by the petitioners in this proceeding seeking to appeal the court's dismissal of the Article 78 petition, citing as grounds for appeal "whether the court erred in denying the petition and dismissed the Article 78 proceeding, and any and all other issues which may arise upon further review of the record on appeal".

On November 12, 2024, the petitioners filed a notice of motion to renew and reargue, seeking to have the court direct the respondents to undertake a supplemental environmental impact statement to address retaining of storm water at the property being developed in light of a recent storm, and to annul the resolution approving the preliminary site plan.

On March 17, 2025, the Supreme Court of the State of New York, Suffolk County issued an order denying the appellants motion to stay enforcement of the order, pending hearing and determination of appeal. On March 21, 2025, the Supreme Court of the State of New York, Suffolk County issued an order denying the Petitioners motion to renew and reargue. On April 16, 2025 the Petitioners filed a notice of appeal seeking to appeal the March 17, 2025 order denying the appellants motion to stay enforcement of the order dismissing the Petition pending the appeal.

On April 28, 2025 the Petitioners perfected their appeal on the original Petition. The Petitioners' memorandum of law largely repeats their earlier position and arguments, which the Supreme Court previously found to be an insufficient basis for overturning the Planning Board's determinations. Gyrodyne filed its response to the Appeal on July 25, 2025 and the Town submitted its reply to the Appeal on July 28, 2025.

Pleadings filed in the Article 78 Proceeding may be accessed through a link (and related instructions) to the New York State Unified Court System which appears on the Company's website at <https://www.gyrodyne.com>.

Gyrodyne remains confident in its defense of the appeal, the motion to renew and reargue and the motion to appeal the denial of the Petitioners' motion to stay enforcement of the order. Gyrodyne believes that both the Article 78 Proceeding and the process of negotiating purchase agreements, securing final subdivision approval and final unappealable site plan approval and consummating the sale of our properties will extend into 2028, although there can be no assurance that Gyrodyne and the Town of Smithtown will be successful in the defense of the appeals and any other motions or that other factors beyond our control will not necessitate a further extension of the timeline.

The estimated timeline assumes that Flowerfield is not sold until the culmination of the Article 78 Proceeding. The developed portion of Flowerfield, situated on two separate lots, may be sold together or separately upon the resolution of the Article 78 Proceeding and the filing of the final subdivision map without site plan approval.

***Cortlandt Manor***

On March 20, 2023, the Town of Cortlandt Town Board adopted the SEQRA findings statement and approved local law establishing the Medical Oriented Zoning District (the "MOD") which includes Gyrodyne's Cortlandt Manor property (the "CM Findings Statement"). Pursuant to the adopted MOD, Gyrodyne received designation for total density of 154,000 square feet to be comprised of 150,000 square feet of medical use and 4,000 square feet of retail use.

*Timeline and Marketing*

Campaign

Various other factors will continue to impact the timeline to achieve approvals, including the backlog of land use applications, zoning authority labor shortages and environmental concerns. Nevertheless, we will continue to market the properties and, although there can be no assurances, the Company believes subdivision approval will be received in the third quarter of 2026 for Flowerfield, and in 2027 for Cortlandt Manor.

On July 30, 2025, GSD Flowerfield LLC, a New York limited liability company (“GSD”) wholly-owned by the Company, entered into a Purchase and Sale Agreement (as amended, the “B2K Agreement”) for the sale of an approximately 49 acre parcel of vacant land to B2K Smithtown LLC (“B2K”), an affiliate of B2K Development LLC, which property forms a portion of the Company’s Flowerfield complex in St. James, New York, for a purchase price of between \$24,000,000 and \$28,740,000, subject to conditions and contingencies set forth in the B2K Agreement. Included among the conditions set forth in the B2K Agreement is receipt of subdivision and site plan approval. Based on the terms of the B2K Agreement, we estimate the gross value of the B2K Agreement is \$28,740,000, contingent on a pending site plan submission, which we believe will be approved by the Smithtown Planning Department. Under the terms of the B2K Agreement, the Company is required to issue B2K a credit at closing for the industrial park’s proportionate share of costs for a sewer treatment plant (“STP”) and on-site infrastructure costs aggregating \$4,020,222, which is included in the Company’s estimated costs in excess of receipts. The incremental value impact, if any, to the industrial building lots associated with access to an on-site STP is not estimable at this time as it is contingent on many unknown factors, including but not limited to the markets assessment of the probability of closing of the B2K transaction, timing for completion of the STP, and the future associated market demand for industrial space containing an STP amenity.

We anticipate that future purchase agreements for Flowerfield or Cortlandt or any portions thereof will similarly identify receipt of subdivision and site plan approval as conditions to closing which the Company believes can be pursued simultaneously rather than sequentially.

Consistent with the Company’s plan of liquidation the Company continues to engage JLL to identify potential purchasers for the remaining Flowerfield and Cortlandt Manor properties as individual lots or combined. In addition, Gyrodyne would entertain offers for the acquisition of the Company itself if we believe such acquisition from a timing and value perspective would maximize the net asset in liquidation value for Gyrodyne’s shareholders.

*Business*

Gyrodyne is a limited liability company formed under the laws of the State of New York whose primary business is the management of, and the pursuit of entitlements on, a portfolio of medical office and industrial properties located in Suffolk (“Flowerfield”) and Westchester Counties (“Cortlandt Manor”), New York State.

Substantially all of our developed properties are subject to leases in which the tenant reimburses the Company for a portion, all of or substantially all of the costs and/or cost increases for utilities, insurance, repairs, maintenance and real estate taxes. Certain leases provide that the Company is responsible for certain operating expenses.

Our efforts to generate the highest values for Flowerfield and Cortlandt Manor may involve in limited circumstances other strategies to manage risk and or enhance the net value of Flowerfield and Cortlandt Manor to maximize the returns for our shareholders. Gyrodyne intends to dissolve after we complete the disposition of all of our real property assets, apply the proceeds of such dispositions first to settle any debts and claims, pending or otherwise, against Gyrodyne, and then pay distributions to holders of Gyrodyne common shares. The process of seeking entitlements

and the amount and timing of distributions from proceeds of asset sales involve risks and uncertainties. As such, it is impossible at this time to determine with certainty the ultimate amount of proceeds that will actually be distributed to our shareholders or the timing of such payments. Accordingly, no assurance can be given that the distributions will equal or exceed the estimate of net assets presented in our consolidated statements of net assets. The actual nature, amount and timing of all distributions will be determined by Gyrodyne's Board in its sole discretion and will depend in part upon the Company's ability to convert our remaining assets into cash in compliance with our obligations under the Stipulation entered into in connection with a class action lawsuit settled in 2015 (See Note 13 – Contingencies) and satisfy our remaining liabilities and obligations. Under Gyrodyne's Amended and Restated Limited Liability Company Agreement (the "LLC Agreement"), such dissolution may be effected upon an election to dissolve the Company by the Board that is approved by the vote of holders of a majority of Gyrodyne common shares or, in the Board's sole discretion and without any separate approval by the holders of Gyrodyne common shares, at any time the value of Gyrodyne's assets, as determined by the Board in good faith, is less than \$1,000,000.

The Company's two remaining real estate properties, each of which is held in a single asset limited liability company wholly owned by the Company, consist of:

		<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">●</p>		<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt; text-align: justify;">Cortlandt Manor: 13.8 acres in Cortlandt Manor, New York, consisting of the 31,000 square foot Cortlandt Manor Medical Center; and</p>
--	--	--	--	--

		<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">●</p>		<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt; text-align: justify;">Flowerfield: 63 acres in St. James, New York, including a 14-acre multi-tenanted industrial park comprising 135,000 rentable square feet.</p>
--	--	--	--	---

154000 150000 4000 49 24000000 28740000 28740000 4020222 1000000 13.8 31000 63 14 135000

	<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">2.</p>		<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;"><b>Basis of Quarterly Presentations</b></p>
--	---	--	--

The accompanying interim quarterly financial statements have been prepared in conformity with accounting principles generally accepted in the United States ("GAAP"). The consolidated financial statements of the Company included herein have been prepared by the Company pursuant to the rules and regulations of the SEC and, in the opinion of management, reflect all adjustments which are necessary to present fairly the results for the three-months ended March 31, 2026.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations; however, management believes that the disclosures are adequate to make the information presented not misleading.

This report should be read in conjunction with the audited consolidated financial statements and footnotes therein included in the Annual Report on Form 10-K for the year ended December 31, 2025.

	<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;"><b>3.</b></p>	
--	--	--

**Summary of Significant Accounting Policies**

Gyrodyne intends to dissolve after we complete the disposition of all of our real property assets, apply the proceeds of such dispositions first to settle any debts and claims, pending or otherwise, against Gyrodyne, and then pay distributions to holders of Gyrodyne common shares. Therefore, effective September 1, 2015 Gyrodyne adopted the liquidation basis of accounting. This basis of accounting is considered appropriate when, among other things, liquidation of the entity is “imminent”, as defined in ASC 205-30, Presentation of Financial Statements Liquidation Basis of Accounting. Under the LLC Agreement, the Board may elect, in its sole discretion and without any separate approval by shareholders, to dissolve the Company at any time the value of the Company’s assets, as determined by the Board in good faith, is less than \$1 million. The LLC Agreement also provides that the Company will dissolve, and its affairs wound up, upon the sale, exchange or other disposition of all the real properties of the Company. As a result, liquidation is deemed to be “imminent” in accordance with the guidance provided in ASC 205-30.

**Principles of Consolidation** - The consolidated financial statements include the accounts of Gyrodyne and all subsidiaries. All consolidated subsidiaries are wholly owned. All inter-company balances and transactions have been eliminated.

**Basis of Presentation - Liquidation Basis of Accounting** - Under the liquidation basis of accounting the consolidated balance sheet and consolidated statements of operations, equity, comprehensive income and cash flows are no longer presented. The consolidated statements of net assets and the consolidated statements of changes in net assets are the principal financial statements presented under the liquidation basis of accounting.

Under the liquidation basis of accounting, all the Company’s assets have been stated at their estimated net realizable value, or liquidation value, (which represents the estimated amount of cash that Gyrodyne will collect on the disposal of assets (prior to any credits for contribution amounts which are reflected in the costs in excess of receipts) as it carries out the plan of liquidation), which is based on independent third-party appraisals, estimates and other indications of sales value. All liabilities of the Company, including those estimated costs associated with implementing the plan of liquidation, have been stated at their estimated settlement amounts. These amounts are presented in the accompanying statements of net assets. These estimates are periodically reviewed and adjusted as appropriate. There can be no assurance that these estimated values will be realized. Such amounts should not be taken as an indication of the timing or amount of future distributions or our actual dissolution. The valuation of assets at their net realizable value and liabilities at their anticipated settlement amount represent estimates, based on present facts and circumstances, of the net realizable value of the assets and the costs associated with carrying out the plan of liquidation. The actual values and costs associated with carrying out the plan of liquidation may differ from amounts reflected in the accompanying consolidated financial statements because of the plan’s inherent uncertainty. These differences may be material. In particular, the estimates of our costs will vary with the length of time necessary to complete the plan of liquidation, which is currently anticipated to be completed in 2028.

The Company (and B2K for the respective property lots pursuant to the B2K Agreement) is in the process of pursuing entitlements and density approvals, and our ability to obtain required permits and authorizations is subject to factors beyond our control, including environmental concerns of governmental entities, community groups and purchasers. The process has involved extensive analysis at the government entity level, as well as between government entities such as town planning departments and Gyrodyne and or purchasers, and will continue up until such time as entitlement and density decisions (which may also include site plan approval of prospective purchasers) are made by the relevant government entities. The Company hopes to secure favorable decisions on entitlements and density so that we can then seek the sale of our remaining properties with increased development flexibility. Any deviation in use or density between what we are pursuing in our entitlement efforts and what is ultimately permitted could have a material impact on values.

variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;">The Company believes the process of negotiating purchase agreements, securing final approvals and consummating the sale of our properties will culminate in 2028. The Company is actively marketing its properties and intends to negotiate contracts in an effort to complete the process as soon as practicable with the ultimate timeline being largely dependent on factors outside the Company's control, including without limitation the Article 78 Proceeding and delays in securing final regulatory approvals caused by the ongoing backlog of land use applications, zoning authority labor shortages and environmental concerns. Consequently, there can be no assurance that the Company will be able to meet our formal stated target of 2028.

</p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;">The Company's assumptions and estimates (including the sales proceeds of all its real estate holdings, selling costs, retention bonus payments, rental revenues, rental expenses, capital expenditures, land entitlement costs, general and administrative fees, director and officer liability and reimbursement, post liquidation insurance tail coverage policy and final liquidation costs) are based on completing the liquidation in 2028. On an ongoing basis, Gyrodyne evaluates the estimates and assumptions that can have a significant impact on the reported net assets in liquidation and will update respective information accordingly for any costs and value associated with a change in the duration of the liquidation, as we cannot give any assurance on the timing of the ultimate sale of all the Company's properties.</p> <p style="font-family:Times New Roman;font-size:10pt;font-variant:normal;text-align:justify;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;"><b><i>Management Estimates </i></b>—<b><i> </i></b>In preparing the consolidated financial statements in conformity with U.S. Generally Accepted Accounting Principles ("GAAP") and the liquidation basis of accounting, management is required to make estimates and assumptions that affect the reported amounts of assets, including net assets in liquidation, and liabilities, and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of receipts and expenditures for the reporting period. Actual results could differ from those estimates. The real estate market is cyclical in nature. Property values are affected by, among other things, the availability of capital, occupancy rates, rental rates, interest rates and inflation rates. As a result, determining real estate values involves many assumptions. Amounts ultimately realized may vary significantly from the net assets in liquidation values presented. The Company's most significant accounting estimate relates to the determination of the value of net assets in liquidation.</p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;"><b><i>Fair Value of Real Estate - </i></b>The Company also considers in its valuation estimates the receipt of any expressions of interest/letters from perspective buyers adjusted to reflect the Company's best estimate of any contingent financial terms inclusive of approval density and related site plans. <b><i> </i></b></p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;"><b><i>Cash equivalents -</i></b> The Company considers all certificates of deposits, money market funds, treasury securities and other highly liquid debt instruments purchased with short-term maturities to be cash equivalents.</p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;"><b><i>Allowance for doubtful accounts </i></b>— Rent receivable is carried at net realizable value. Management makes estimates of the collectability of rents receivable. Management specifically analyzes receivables and historical bad debts, tenant concentrations, tenant creditworthiness, current economic trends and changes in tenant payment patterns when evaluating the adequacy of the allowance for doubtful accounts.</p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;"><b><i>Estimated Distributions per Share</i></b> – Under the liquidation basis of accounting, the Company reports estimated distributions per share data by dividing net assets in liquidation by the number of shares outstanding. </p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;"><b><i>Industry Segments - </i></b>Gyrodyne's corporate strategy is to enhance the value of Flowerfield and Cortlandt Manor by pursuing entitlement opportunities to provide purchasers increased development flexibility, and by enhancing the value of our leases, and then selling our properties in an orderly manner at higher values. The Company manages this strategy on an aggregated, single

segment basis for purposes of assessing performance and making decisions (inclusive of capital allocation, leasing, entitlements and sales). Therefore, the Company has only one reporting segment.

As reported, the Company is on a liquidation basis of accounting. The detailed information regularly provided to the chief operating decision maker (“CODM”), the President and CEO, is reported in Note 5 in detail supporting the estimated liquidation and operating costs net of estimated receipts. This information allows the CODM to manage and forecast any impact the operations have on the estimated real estate value and in the aggregate allows the CODM to calculate estimated distributions. The net assets in liquidation as of March 31, 2026 (\$25,924,002) and December 31, 2025 (\$25,858,997) results in estimated distributions of approximately \$11.79 and \$11.76 per common share, respectively, based on 2,199,308 shares outstanding.

**New Accounting Pronouncements**

Management has evaluated the impact of newly issued accounting pronouncements, whether effective or not as of March 31, 2026, and has concluded that they will not have a material impact on the Company’s consolidated financial statements since the Company reports on a liquidation basis.

**Principles of Consolidation**

The consolidated financial statements include the accounts of Gyrodyne and all subsidiaries. All consolidated subsidiaries are wholly owned. All inter-company balances and transactions have been eliminated.

**Basis of Presentation - Liquidation Basis of Accounting**

Under the liquidation basis of accounting the consolidated balance sheet and consolidated statements of operations, equity, comprehensive income and cash flows are no longer presented. The consolidated statements of net assets and the consolidated statements of changes in net assets are the principal financial statements presented under the liquidation basis of accounting.

Under the liquidation basis of accounting, all the Company’s assets have been stated at their estimated net realizable value, or liquidation value, (which represents the estimated amount of cash that Gyrodyne will collect on the disposal of assets (prior to any credits for contribution amounts which are reflected in the costs in excess of receipts) as it carries out the plan of liquidation), which is based on independent third-party appraisals, estimates and other indications of sales value. All liabilities of the Company, including those estimated costs associated with implementing the plan of liquidation, have been stated at their estimated settlement amounts. These amounts are presented in the accompanying statements of net assets. These estimates are periodically reviewed and adjusted as appropriate. There can be no assurance that these estimated values will be realized. Such amounts should not be taken as an indication of the timing or amount of future distributions or our actual dissolution. The valuation of assets at their net realizable value and liabilities at their anticipated settlement amount represent estimates, based on present facts and circumstances, of the net realizable value of the assets and the costs associated with carrying out the plan of liquidation. The actual values and costs associated with carrying out the plan of liquidation may differ from amounts reflected in the accompanying consolidated financial statements because of the plan’s inherent uncertainty. These differences may be material. In particular, the estimates of our costs will vary with the length of time necessary to complete the plan of liquidation, which is currently anticipated to be completed in 2028.

The Company (and B2K for the respective property lots pursuant to the B2K Agreement) is in the process of pursuing entitlements and density approvals, and our ability to obtain required permits and authorizations is subject to factors beyond our control, including environmental concerns of governmental entities, community groups and purchasers. The process has involved extensive analysis at the government entity level, as well as between government entities such as town planning departments and Gyrodyne and or purchasers, and will continue up until such time as entitlement and density decisions (which may also include site plan approval of prospective purchasers) are made by the relevant government entities. The Company hopes to secure favorable decisions on entitlements and density so that we can then seek the sale of our remaining properties with increased development

flexibility. Any deviation in use or density between what we are pursuing in our entitlement efforts and what is ultimately permitted could have a material impact on values.

The Company believes the process of negotiating purchase agreements, securing final approvals and consummating the sale of our properties will culminate in 2028. The Company is actively marketing its properties and intends to negotiate contracts in an effort to complete the process as soon as practicable with the ultimate timeline being largely dependent on factors outside the Company's control, including without limitation the Article 78 Proceeding and delays in securing final regulatory approvals caused by the ongoing backlog of land use applications, zoning authority labor shortages and environmental concerns. Consequently, there can be no assurance that the Company will be able to meet our formal stated target of 2028.

The Company's assumptions and estimates (including the sales proceeds of all its real estate holdings, selling costs, retention bonus payments, rental revenues, rental expenses, capital expenditures, land entitlement costs, general and administrative fees, director and officer liability and reimbursement, post liquidation insurance tail coverage policy and final liquidation costs) are based on completing the liquidation in 2028. On an ongoing basis, Gyrodyne evaluates the estimates and assumptions that can have a significant impact on the reported net assets in liquidation and will update respective information accordingly for any costs and value associated with a change in the duration of the liquidation, as we cannot give any assurance on the timing of the ultimate sale of all the Company's properties.

**Management Estimates**—In preparing the consolidated financial statements in conformity with U.S. Generally Accepted Accounting Principles ("GAAP") and the liquidation basis of accounting, management is required to make estimates and assumptions that affect the reported amounts of assets, including net assets in liquidation, and liabilities, and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of receipts and expenditures for the reporting period. Actual results could differ from those estimates. The real estate market is cyclical in nature. Property values are affected by, among other things, the availability of capital, occupancy rates, rental rates, interest rates and inflation rates. As a result, determining real estate values involves many assumptions. Amounts ultimately realized may vary significantly from the net assets in liquidation values presented. The Company's most significant accounting estimate relates to the determination of the value of net assets in liquidation.

**Fair Value of Real Estate**—The Company also considers in its valuation estimates the receipt of any expressions of interest/letters from perspective buyers adjusted to reflect the Company's best estimate of any contingent financial terms inclusive of approval density and related site plans.

**Cash equivalents**—The Company considers all certificates of deposits, money market funds, treasury securities and other highly liquid debt instruments purchased with short-term maturities to be cash equivalents.

**Allowance for doubtful accounts**—Rent receivable is carried at net realizable value. Management makes estimates of the collectability of rents receivable. Management specifically analyzes receivables and historical bad debts, tenant concentrations, tenant creditworthiness, current economic trends and changes in tenant payment patterns when evaluating the adequacy of the allowance for doubtful accounts.

**Estimated Distributions per Share**—Under the liquidation basis of accounting, the Company reports estimated distributions per share data by dividing net assets in liquidation by the number of shares outstanding.

**Industry Segments**—Gyrodyne's corporate strategy is to enhance the value of Flowerfield and Cortlandt Manor by pursuing entitlement opportunities to

provide purchasers increased development flexibility, and by enhancing the value of our leases, and then selling our properties in an orderly manner at higher values. The Company manages this strategy on an aggregated, single segment basis for purposes of assessing performance and making decisions (inclusive of capital allocation, leasing, entitlements and sales). Therefore, the Company has only one reporting segment.

As reported, the Company is on a liquidation basis of accounting. The detailed information regularly provided to the chief operating decision maker (“CODM”), the President and CEO, is reported in Note 5 in detail supporting the estimated liquidation and operating costs net of estimated receipts. This information allows the CODM to manage and forecast any impact the operations have on the estimated real estate value and in the aggregate allows the CODM to calculate estimated distributions. The net assets in liquidation as of March 31, 2026 (\$25,924,002) and December 31, 2025 (\$25,858,997) results in estimated distributions of approximately \$11.79 and \$11.76 per common share, respectively, based on 2,199,308 shares outstanding.

25924002 25858997 11.79 11.76 2199308 2199308 2199308 2199308

**New Accounting Pronouncements** Management has evaluated the impact of newly issued accounting pronouncements, whether effective or not as of March 31, 2026, and has concluded that they will not have a material impact on the Company’s consolidated financial statements since the Company reports on a liquidation basis.

<p><b>4.</b></p> <p><b>Statements of Net Assets in Liquidation</b></p>	<p>Net assets as of March 31, 2026 and December 31, 2025 would result in estimated liquidating distributions of \$25,924,002 and \$25,858,997, respectively, or approximately \$11.79 and \$11.76 per common share, respectively, based on 2,199,308 shares outstanding. The increase of \$65,005 in estimated liquidating distributions is mainly attributable to a favorable variance in the actual expenses (versus the forecast) for the quarter ending March 31, 2026.</p> <p>The cash balance at the end of the liquidation period (currently estimated to be December 31, 2028, although the estimated completion of the liquidation period may change), excluding any interim distributions, is estimated based on adjustments for the following items which are estimated through December 31, 2028:</p> <table border="0"> <tr> <td style="width: 36pt;">1.</td> <td style="width: 18pt;"> <p>The estimated cash receipts from the operation of the Company’s properties net of rental property related expenditures as well as costs expected to be incurred to preserve or improve the net realizable value of the properties at their estimated gross sales proceeds.</p> </td> </tr> <tr> <td style="width: 36pt;">2.</td> <td style="width: 18pt;"> <p>Net proceeds from the sale of all the Company’s real estate holdings.</p> </td> </tr> <tr> <td style="width: 36pt;">3.</td> <td style="width: 18pt;"> <p>The general and administrative expenses and or liabilities associated with operations and the liquidation of the Company including severance, director and officer liability coverage including post liquidation</p> </td> </tr> </table>	1.	<p>The estimated cash receipts from the operation of the Company’s properties net of rental property related expenditures as well as costs expected to be incurred to preserve or improve the net realizable value of the properties at their estimated gross sales proceeds.</p>	2.	<p>Net proceeds from the sale of all the Company’s real estate holdings.</p>	3.	<p>The general and administrative expenses and or liabilities associated with operations and the liquidation of the Company including severance, director and officer liability coverage including post liquidation</p>
1.	<p>The estimated cash receipts from the operation of the Company’s properties net of rental property related expenditures as well as costs expected to be incurred to preserve or improve the net realizable value of the properties at their estimated gross sales proceeds.</p>						
2.	<p>Net proceeds from the sale of all the Company’s real estate holdings.</p>						
3.	<p>The general and administrative expenses and or liabilities associated with operations and the liquidation of the Company including severance, director and officer liability coverage including post liquidation</p>						

tail policy coverage, and financial and legal fees (inclusive of the Article 78 Proceeding) to complete the liquidation.

		<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">4.</p>
		<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt; text-align: justify;">Costs for the pursuit of entitlements on the Flowerfield and Cortlandt Manor properties.</p>
		<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">5.</p>
		<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt; text-align: justify;">Retention bonus amounts (see Note 12).</p>
		<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">6.</p>

Debt service on the Company's credit facilities.

The Company estimates the net realizable value of its real estate assets by using income and market valuation techniques. The Company may estimate net realizable values using market information such as broker opinions of value, appraisals, and recent sales data for similar assets or discounted cash flow models, which primarily rely on Level 3 inputs, as defined under FASB ASC Topic No. 820, Fair Value Measurement. The Company also considers in its valuation estimates the receipt of any credible expressions of interest/letters from perspective buyers adjusted to reflect the Company's best estimate of any contingent financial terms such as approved density and related site plans. The cash flow models include estimated cash inflows and outflows over a specified holding period. These cash flows may include contractual rental revenues, projected future rental revenues and expenses and forecasted capital improvements and lease commissions based upon market conditions determined through discussion with local real estate professionals and relevant Company experience with its current and previously owned properties. Capitalization rates and discount rates utilized in these models are estimated by management based upon rates that management believes to be within a reasonable range of current market rates for the respective properties based upon an analysis of factors such as property and tenant quality, geographical location, local supply and demand observations and no sewage treatment plant. To the extent the Company underestimates or overestimates forecasted cash outflows (capital improvements, lease commissions, operating costs and credit costs) or overestimates or underestimates forecasted cash inflows (rental revenue rates) or other unfavorable or favorable variances of the aforementioned assumptions, the estimated net realizable value of its real estate assets could be overstated or understated.

The Company estimates that it will incur approximately \$1,228,500 in land entitlement costs (included in the consolidated statement of net assets as part of the estimated liquidation and operating costs net of receipts, (see Note 5)) from April 2026 through the end of the liquidation period, currently estimated to conclude in 2028, in an effort to obtain entitlements, including special permits. The Company believes the commitment of these resources will enable the Company to position the properties for sale with all entitlements necessary to maximize the aggregate Flowerfield and Cortlandt Manor property values and resulting distributions. During the three-months ended March 31, 2026, the Company incurred approximately \$97,500 of land entitlement costs, consisting predominately of engineering fees, legal fees and real estate taxes. The Company believes the remaining balance of \$1,228,500 (inclusive of real estate taxes of \$408,000 and regulatory fees of \$407,000) will be incurred from April 2026 through the end of the liquidation period. The Company does not intend on developing the properties but rather positioning the properties for increased development flexibility in the shortest period of time with the least amount of risk to the Company. The costs and time frame to achieve the entitlements could change due to a range of factors including a shift in the value of certain entitlements making it more profitable to pursue a different mix of entitlements and the dynamics of the real estate market. As a result, the Company has focused and will continue to focus its land entitlement efforts on achieving the highest and best use while considering the time and direct and indirect costs necessary to achieve such entitlements. During the process of pursuing such entitlements, the







Roman	(44,590
Roman	(4,722,342
<p>Capital expenditures</p>	
Roman	(350,000
Roman	79,768
Roman	-
Roman	(270,232
<p>Land entitlement costs</p>	
Roman	(1,325,969
Roman	97,507
Roman	-
Roman	(1,228,462
<p></p>	



(3,041,600	)	)	(2,234,824	)	)	(17,334,618	)	)	559,726	)	)	\$
<p style="margin: 0pt 0pt 0pt 18pt; text-indent: -9pt;">Retention bonus payments to officers and employees*</p>												
<p style="margin: 0pt 0pt 0pt 18pt; text-indent: -9pt;">Liability for estimated liquidation and operating costs net of estimated receipts</p>												
\$												







		(1,325,969			97,507			(1,228,462
		(4,020,222			(4,020,222			(9,438,950
		567,596						

10pt;	116,443				(8,754,911	)
Selling costs on real estate assets						
		(3,055,351	)		13,751	
			(3,041,600	)	Retention bonus payments to officers and employees*	
		(2,234,824			)	

border-bottom: 1px solid rgb(0, 0, 0);">(2,234,824</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; padding-bottom: 1px;"></td> <tr style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; background-color: rgb(255, 255, 255);"> <td style="font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt;"> <p style="font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt 0pt 0pt 18pt; text-indent: -9pt;">Liability for estimated liquidation and operating costs net of estimated receipts</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; padding-bottom: 3px;"> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);">\$</td> <td style="width: 9%; text-align: right; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);">(17,334,618</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);"></td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 3px double rgb(0, 0, 0);"></td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);">\$</td> <td style="width: 9%; text-align: right; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);">559,726</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);"></td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 3px double rgb(0, 0, 0);"></td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);">\$</td> <td style="width: 9%; text-align: right; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);">65,005</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);"></td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 3px double rgb(0, 0, 0);"></td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);">\$</td> <td style="width: 9%; text-align: right; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);">(16,709,887</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; padding-bottom: 3px;"></td> </tr> </tbody></table> 7793680 709515 6848 7077317 506396 21007 0 485389 5209378 -531626 44590 4722342 350000 -79768 0 270232 1325969 -97507 0 1228462 4020222 -0 -0 4020222 9438950 -567596 116443 8754911 3055351 -13751 -0 3041600 2234824 -0 0 2234824 17334618 559726 65005 16709887 <table border="0" cellpadding="0" cellspacing="0" style="width: 100%; text-indent: 0px;"> <tbody><tr style="vertical-align: top;"> <td style="width: 18pt;"> <p style="font-family: 'Times New Roman', Times, serif;font-size: 10pt;font-variant:normal;margin:0pt;"><b>6.</b></p> </td> <td style="width: auto;"> <p style="font-family: 'Times New Roman', Times, serif;font-size: 10pt;font-variant:normal;margin:0pt;"><b>Disposition Activities</b></p> </td> </tr> </tbody></table> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;"><b><i>Purchase and Sale Agreement with B2K Smithtown LLC </i></b></p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;">On July 30, 2025, GSD Flowerfield LLC, a <i>New</i> York limited liability company (“GSD”) wholly-owned by the Company, entered into a Purchase and Sale Agreement (as amended, the “B2K Agreement”) for the sale of an approximately 49 acre parcel of vacant land to B2K Smithtown LLC (“B2K”), an affiliate of B2K Development LLC, which property forms a portion of the Company’s Flowerfield complex in St. James, New York, for a purchase price of between \$24,000,000 and \$28,740,000, subject to conditions and contingencies set forth in the B2K Agreement. Included among the conditions set forth in the B2K Agreement is receipt of subdivision and site plan approval. Based on the terms of the B2K Agreement, we estimate the gross value of the B2K Agreement is \$28,740,000, contingent on a pending site plan submission, which we believe will be approved by the Smithtown Planning Department. Under the terms of the B2K Agreement, the Company is required to issue B2K a credit at closing for the industrial park’s proportionate share of costs for a sewer treatment plant (“STP”) and on-site infrastructure costs aggregating \$4,020,222, which is included in the Company’s estimated costs in excess of receipts. The incremental value

impact, if any, to the industrial building lots associated with access to an on-site STP is not estimable at this time as it is contingent on many unknown factors, including but not limited to the markets assessment of the probability of closing of the B2K transaction, timing for completion of the STP, and the future associated market demand for industrial space containing an STP amenity.

Among other provisions, the B2K Agreement provides for: (i) an earnest money deposit of \$250,000 to be delivered to the escrow agent, subject to a 90-day investigation period, during which time B2K will have the right to terminate the B2K Agreement by written notice to GSD if B2K will not be fully satisfied, in B2K's sole discretion, as to the status of title, suitability of the Premises and all factors concerning same, prior to the expiration of the investigation period, in which case B2K will have the right to receive a refund of its earnest money deposit; and (ii) unless B2K terminates the B2K Agreement on or prior to the end of the investigation period (the "Investigation Period Notice Date"), the closing to occur on the earlier of: (A) that certain date that is no later than eight (8) months after the Town of Smithtown grants Site Plan Approval (as defined in the B2K Agreement), or (B) sixty (60) days after B2K waives the Site Plan Approval contingency. Such closing date is estimated to occur no later than October 2028 or alternatively by June 30, 2029, if B2K exercises both of its site plan extension options. Based on the above, the Company's estimated timeline to complete the liquidation is December 31, 2028.

The B2K Agreement is also contingent on the receipt of Subdivision Approval (as defined in the B2K Agreement) and B2K obtaining, at B2K's sole cost and expense, certain other required approvals (the "Approvals") beyond all relevant appeal periods within 18 months following the later of: (i) a designated number of days following the Investigation Period Notice Date or (ii) a designated number of days following the issuance of Subdivision Approval (the "Approval Period").

If B2K fails to obtain the Approvals prior to the expiration of the Approval Period (subject to certain extension rights), B2K may terminate the B2K Agreement or waive the foregoing approval contingencies and close title within 60 days.

The B2K Agreement also contains additional customary covenants, conditions, representations and warranties.

The foregoing description of the B2K Agreement is only a summary of its material terms, does not purport to be a complete description of the rights and obligations of the parties thereunder and is qualified in its entirety by reference to the full text of the B2K Agreement, which was filed as an exhibit to the Company's Current Report on Form 8-K on August 4, 2025.

On October 28, 2025, the Company entered into the first amendment to the B2K Agreement which extended the investigation period to December 5, 2025.

On January 6, 2026, the Company entered into the second amendment to the B2K Agreement which among other provisions provides as follows:

	●
<b>On-Site Improvements.</b>	

At closing, the Company will credit B2K \$1,520,222 toward the purchase price for specified on-site improvements to Lots 1 and 3 of Flowerfield (which is in addition to the \$2.5 million cap for the Company's proportionate share of the STP as reflected in the original agreement), with no increase if additional work is required. B2K will be responsible for constructing all common facilities and offsite improvements, while the Company will use commercially reasonable efforts to cooperate by providing access at no cost to the Company.

●

**Investigation Period.** The parties acknowledge that the investigation period, as extended, has expired and that B2K’s right to terminate the Agreement under Section 3.1(D) of the Agreement is null and void and of no further force nor effect.

49 24000000 28740000 28740000 4020222 250000 P90D P8M P60D P18M P60D 1520222 2500000

<p><b>7.</b></p>	<p><b>Loans Payable</b></p>
------------------	-----------------------------

The Company secured a non-revolving credit line for up to \$3,000,000 (the “Original Line”) with a bank, which closed on March 21, 2018. The original line included an interest only phase. On April 30, 2021, the loan converted to the Permanent Phase with an outstanding principal balance of \$2,200,000. During the Permanent Phase, the Company is paying interest at a fixed rate of 3.85%, plus principal based on a 20-year amortization period. The loan will mature on April 30, 2028. The outstanding balance as of March 31, 2026 was \$1,806,228.

To secure access to additional working capital through the final sale date of the Flowerfield industrial buildings, the Company secured a second loan evidenced by a non-revolving business line of credit agreement and promissory note with the Original Line bank for up to \$3,000,000, which closed on January 24, 2019. This loan included an interest only phase. On May 20, 2021, the loan converted to the Permanent Phase with an outstanding principal balance of \$3,000,000. During the Permanent Phase, the Company pays interest at a fixed rate of 3.85%, plus principal based on a 20-year amortization period. The loan will mature on May 20, 2028. The outstanding balance as of March 31, 2026 was \$2,473,201.

Both lines are secured by approximately 31.8 acres of the Flowerfield Industrial Park including the related buildings and leases. As of March 31, 2026, the Company is in compliance with the loan covenants. The Company anticipates modifying the terms of the loans following the completion of the subdivision so that the loans remain secured by the two subdivided industrial park lots only.

On September 15, 2021, the Company, through its subsidiary GSD Cortlandt, LLC (“GSD Cortlandt”), secured a \$4.95 million term loan (the “2021 Mortgage Loan”) with Signature Bank (the loan is currently held by Rialto Capital), the proceeds of which were used to pay off the previous GSD Cortlandt debt facility of which \$1,050,000 was outstanding. The term of the 2021 Mortgage Loan is five years with an option to extend for an additional five years (the “Extension Period”). Until the initial maturity date (October 10, 2026), the 2021 Mortgage Loan bears interest at an annual rate equal to 3.75%. If the maturity date is extended for the Extension Period, the rate of interest on the 2021 Mortgage Loan will adjust and be fixed for the Extension Period to the greater of (i) 3.75% or (ii) 275 basis points in excess of the weekly average yield on United States Treasury Securities adjusted to a constant maturity of five years as most recently made available by the Federal Reserve Board as of thirty days prior to the first day of the Extension Period. The 2021 Mortgage Loan will be paid in monthly installments of principal and interest calculated on the basis of a thirty-year amortization schedule. If the maturity date is extended for the Extension Period, the amount of each monthly installment will be recalculated for the Extension Period based on the adjusted interest rate on the 2021 Mortgage Loan and an amortization schedule of twenty-five years. The lender has the right, but not the obligation, to decline to extend the term of the 2021 Mortgage Loan if the loan to value ratio of the property is greater than seventy percent (70%), or the property does not support a debt service coverage ratio (as calculated by the lender) of at least 1.3 to 1, in each case on the date the extension is exercised.

The 2021 Mortgage Loan may be prepaid in whole or in part,



style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; background-color: rgb(204, 238, 255);"> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> <p style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">2027</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt;">\$</td> <td style="width: 14%; text-align: right; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt;">4,747,214</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt;"> </td> </tr> <tr style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; background-color: rgb(255, 255, 255);"> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> <p style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">2028</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> </td> <td style="width: 14%; text-align: right; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt;">2,200,556</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt;"> </td> </tr> <tr style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; background-color: rgb(204, 238, 255);"> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> <p style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">2029</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; padding-bottom: 1px;"> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; border-bottom: 1px solid rgb(0, 0, 0);"> </td> <td style="width: 14%; text-align: right; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0);">3,842,424</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt; padding-bottom: 1px;"> </td> </tr> <tr style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; background-color: rgb(255, 255, 255);"> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> <p style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">Total</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);">\$</td> <td style="width: 14%; text-align: right; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);">10,790,194</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; padding-bottom: 3px; margin-left: 0pt;"> </td> </tr> </tbody></table> <p style="font-family: 'Times New Roman'; font-size: 10pt; font-variant: normal; margin: 0pt;"> </p> 3000000 2200000 0.0385 P20Y 1806228 3000000 3000000 0.0385 P20Y 2473201 31.8 4950000 1050000 0.0375 0.0375 0.0275 0.70 1.3 4532886 5.01 1500000 0.015 1500000 P24M 0.15 0.50 200000 477829 200000 0.0075 0.01 <table border="0" cellpadding="0" cellspacing="0" class="finTable" style="border-collapse: collapse; margin-right: 10%; width: 90%; font-size: 10pt; font-family: &quot;Times New Roman&quot;; Times, serif; text-indent: 0px; margin-left: 36pt;"> <tbody><tr class="finHeading" style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; width: 83%; border-bottom: 1px solid rgb(0, 0, 0);">Years Ending March 31,</td> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; border-bottom: 1px solid rgb(0, 0, 0);"> </td> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; border-bottom: 1px solid rgb(0, 0, 0);"> </td> <td style="text-align: justify; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; border-bottom: 1px solid rgb(0, 0, 0);"> </td> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; padding-bottom: 1px;"> </td> </tr> <tr style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; background-color: rgb(204, 238, 255);"> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> <p style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">2027</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt;">\$</td> <td style="width: 14%; text-align: right; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left:

0pt;">4,747,214</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt;"> </td> </tr> <tr style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; background-color: rgb(255, 255, 255);"> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> <p style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">2028</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> </td> <td style="width: 14%; text-align: right; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt;">2,200,556</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt;"> </td> </tr> <tr style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; background-color: rgb(204, 238, 255);"> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> <p style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">2029</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; padding-bottom: 1px;"> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; border-bottom: 1px solid rgb(0, 0, 0);"> </td> <td style="width: 14%; text-align: right; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0);">3,842,424</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt; padding-bottom: 1px;"> </td> </tr> <tr style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; background-color: rgb(255, 255, 255);"> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> <p style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">Total</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);"> \$ </td> <td style="width: 14%; text-align: right; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 3px double rgb(0, 0, 0);">10,790,194</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; padding-bottom: 3px; margin-left: 0pt;"> </td> </tr> </tbody></table> 4747214 2200556 3842424 10790194 <table border="0" cellpadding="0" cellspacing="0" style="width: 100%; text-indent: 0px;"> <tbody><tr style="vertical-align: top;"> <td style="width: 18pt;"> <p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;"><b>8.</b></p> </td> <td style="width: auto;"> <p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;"><b>Accounts payable and Accrued Liabilities</b></p> </td> </tr> </tbody></table> <p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;"><b>Accounts payable and Accrued Liabilities</b></p> <table border="0" cellpadding="0" cellspacing="0" class="finTable" style="margin-right: 5%; width: 95%; font-size: 10pt; font-family: &quot;Times New Roman&quot;; Times, serif; text-indent: 0px; margin-left: 18pt;"> <tbody><tr class="finHeading" style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; border-width: 1px; border-style: solid; border-color: black black rgb(0, 0, 0); width: 22%;"> </td> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; border-bottom: 1px solid rgb(0, 0, 0); border-top: 1px solid black; width: 1%;"> </td> <td colspan="6" style="text-align: center; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0); border-top: 1px solid black; width: 14%;"> <p style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; font-variant: normal; text-align: center; margin: 0pt;">Accounts Payable</p> </td> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; border-bottom: 1px solid rgb(0, 0, 0); border-top: 1px solid black; width: 1%;"> </td> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; border-width: 1px; border-style: solid; border-color: black black rgb(0, 0, 0); width: 22%;"> </td> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; border-bottom: 1px solid rgb(0, 0, 0); border-top: 1px solid black; width: 1%;"> </td> <td colspan="6" style="text-align: center; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0); border-top: 1px solid black; width: 14%;"> <p style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; font-variant: normal; text-align: center; margin: 0pt;">Accrued Liabilities</p> </td> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; border-bottom: 1px solid rgb(0, 0, 0); border-right: 1px solid black; border-top: 1px solid black; width: 1%;"> </td> </tr> <tr class="finHeading" style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt;"> <td style="font-family: &quot;Times New Roman&quot;; Times, serif; font-size: 10pt; border-bottom: 1px solid rgb(0, 0, 0); border-right: 1px solid black; border-top: 1px solid black; width: 1%;"> </td> </tr> </tbody></table>



		\$264,662	
<p style='font-family: "Times New Roman", Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt 0pt 0pt 9pt;'>Deferred accounts payable</p>			
		1,390,307	
		1,354,598	
Deferred Compensation to Directors (a)			
		2,092,832	
		2,047,797	
<p style='font-family: "Times New Roman", Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt 0pt 0pt 9pt;'>Total</p>			
		\$2,103,102	

<td style="width: 12%; text-align: right;	
---	--

<tr> <td &gt;="" &gt;(b)&lt;="" &gt;the="" &gt;three&lt;="" &gt;two&lt;="" &lt;="" &lt;p="" &lt;span="" 100%="" 12,="" 2020="" 2023,="" 2023.="" 2025="" 2026="" 2026;="" 28,="" 71%="" <="" <td="" a="" accrued="" advisor="" agreement="" also="" amount="" an="" and="" annual="" any="" approximately="" at="" board="" compensation="" defer="" deferred="" director="" directors="" due="" during="" elected="" excluding="" fees="" fees.="" for="" former="" four="" have="" includes="" interest="" jan="" july="" loeb="" meeting="" members.&lt;="" most="" nominated="" not="" october="" of="" on="" other="" p&gt;="" payments="" per="" plan="" previous="" respective="" shareholder="" span&gt;="" span&gt;-year="" style="-sec-ix-hidden:c304" td&gt;="" term="" the="" their="" this="" three="" thru="" to="" tr="" under="" was="" where="" who="" years=""> </td></tr>	

--	--	--	--	--	--

<p style='font-family: "Times New Roman", Times, serif; font-size: 10pt; font-variant: normal; text-align: center; margin: 0pt;'>Accrued Liabilities</p>					



border-bottom: 1px solid rgb(0, 0, 0);"></td> <td style="width: 10%; text-align: right; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0);">2,103,102</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0);"></td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid rgb(0, 0, 0); border-left: 1px solid black;"></td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0);"></td> <td style="width: 12%; text-align: right; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0);">2,086,306</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0);"></td> <td style="font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0); border-left: 1px solid black; border-right: 1px solid black; width: 22%;"> <p style="font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt 0pt 0pt 9pt;">Total</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid rgb(0, 0, 0);"></td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0);"></td> <td style="width: 10%; text-align: right; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0);">2,354,960</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0);"></td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid rgb(0, 0, 0); border-left: 1px solid black;"></td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0);"></td> <td style="width: 12%; text-align: right; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0);">2,312,459</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid rgb(0, 0, 0); border-right: 1px solid black;"></td> </tr> </tbody></table> 712795 731708 262128 264662 1390307 1354598 2092832 2047797 2103102 2086306 2354960 2312459 1 0.71 <table border="0" cellpadding="0" cellspacing="0" style="width: 100%; text-indent: 0px;"> <tbody><tr style="vertical-align: top;"> <td style="width: 18pt;"> <p style="font-family: 'Times New Roman', Times, serif;font-size: 10pt;font-variant:normal;margin:0pt;"><b>9.</b></p> </td> <td style="width: auto;"> <p style="font-family: 'Times New Roman', Times, serif;font-size: 10pt;font-variant:normal;margin:0pt;"><b>Income Taxes</b></p> </td> </tr> </tbody></table> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;">As a limited liability company, Gyrodyne is not subject to an entity level income tax but rather is treated as a partnership for tax purposes, with its items of income, gain, deduction, loss and credit being reported on the Company's information return, on Form 1065, and allocated annually on Schedule K-1 to its members pro rata. The Company's open tax years are <span style="-sec-ix-hidden:c327">2023</span>, 2024, and 2025.</p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;">The Bipartisan Budget Act of 2015 (the "2015 Act") changed the procedure for partnership tax audits and audit adjustments for partnership returns of large partnerships for fiscal years beginning after December 31, 2017. Pursuant to the 2015 Act, if any audit by the IRS of our income tax returns for any fiscal year beginning after December 31, 2017 results in any adjustments, the IRS may collect any resulting taxes, including any applicable penalties and interest, directly from Gyrodyne. IRS tax audit assessments on tax years beginning January 1, 2018 will require Gyrodyne to: a) bear any tax liability resulting from such audit, or b) elect to push out the tax audit adjustments to the respective shareholders once it has been calculated at the company level.</p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <table border="0" cellpadding="0" cellspacing="0" style="width: 100%; text-indent: 0px;"> <tbody><tr style="vertical-align: top;"> <td style="width: 18pt;"> <p style="font-family: 'Times New Roman', Times, serif;font-size: 10pt;font-variant:normal;margin:0pt;"><b>10.</b></p> </td> <td style="width: auto;"> <p style="font-family: 'Times New Roman', Times, serif;font-size: 10pt;font-variant:normal;margin:0pt;"><b>Credit Quality of Rents Receivable</b></p> </td> </tr> </tbody></table> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;">The Company's standard lease terms include rent due on the first of the month. The Company credit terms extend a

standard ten-day grace period across its tenant portfolio and do not normally provide extensions beyond one year.

The Company manages its billing and collection process internally to enable timely identification of collection issues. The controls and related processes enable the Company to timely identify and establish payment plans to minimize material losses from defaults. In accordance with generally accepted accounting principles, the Company identifies high risk collectibles, records them on a cash basis and does not include them in revenue or accounts receivable.

As of March 31, 2026 and December 31, 2025, the Company had a zero balance in its allowance for doubtful accounts.

As of March 31, 2026, one of the Company's three largest tenants, representing approximately 10% of rental income for the three months ended March 31, 2026, a material percentage of our rental income, was in default under its lease. Management is actively working with the tenant to bring it back into compliance and believes it is probable that the default will be cured. However, if the Company is unable to bring the tenant into compliance, the Company may pursue eviction proceedings, which could result in a temporary loss of rental revenue, additional legal costs and costs associated with re-leasing the space. The Company has not recorded an allowance for doubtful accounts related to this tenant as of March 31, 2026.

<p>0 0 0.10</p>	<p>Concentration of Credit Risk</p>
-----------------	-------------------------------------

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of cash and cash equivalents. The Company places its temporary cash investments with high credit quality financial institutions and generally limits the amount of credit exposure in any one financial institution. The Company maintains bank account balances, which exceed insured limits. The Company has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risk on cash. Management does not believe significant credit risk existed on March 31, 2026 and December 31, 2025. As the Company executes on the sale of its assets, its regional concentration in tenants will increase thereby resulting in the increased credit risk from exposure of the local economies. One of the Company's tenants representing a material percentage of our rental income is currently in default, although management is working with this tenant to bring it back into compliance.

For the three-months ended March 31, 2026 rental income from the Company's three largest tenants represented approximately 27%, 18% and 10% of total rental income. The three largest tenants by revenue as of March 31, 2026 consist of New York Presbyterian Medical Group located in the Cortlandt Manor Medical Center, Stony Brook University Hospital located in the industrial park and an athletic facility in the industrial park.

<p>0.27 0.18 0.10</p>	<p>12.</p>
-----------------------	------------

There can be no assurance that the Company's leases will renew for the same square footage, at favorable rates net of tenant improvements, if at all.

<p>0.27 0.18 0.10</p>	<p>Commitments</p>
-----------------------	--------------------

As of March 31,

2026, other commitments and contingencies are summarized in the below table:

		\$350,000	
--	--	-----------	--

Management employment agreements with bonus\* and severance commitment contingencies

Excludes Retention Bonus Payments

Employment agreements - The Company has an employment agreement with its Chief Executive Officer. The agreement provides for a bonus of \$125,000 payable upon a change of control as defined in the agreement. In addition, the agreement provides for severance equivalent to 6 months of base salary and the vesting and related payment of the change of control bonus.

The Company also has an employment agreement with its Chief Operating Officer (“COO”) executed on May 8, 2014 which provides for severance on a termination without cause equal to 6 months of base salary. On January 25, 2018, Gyrodyne entered into an amendment to the employment agreement with the COO to define with greater specificity the COO’s duties and responsibilities with respect to the Company’s properties.

Retention Bonus Plan- In May 2014, the Board of Directors approved a retention bonus plan (as amended (5 amendments), the “Plan”) designed to recognize the nature and scope of the responsibilities of our directors, executives and employees related to the Company’s strategic plan to enhance the property values, liquidate and dissolve, to reward and incent performance in connection therewith, to align the interests of directors, executives and employees with our shareholders and to retain such persons during the term of such plan. The Plan provides for bonuses to officers by the gross sales proceeds from the sale of each property and the date of sale.

The bonus pool is distributable in the following proportions to the named participants in the bonus plan for so long as they are directors or employees of the Company:

Employees	Amendment No. 5
RSP	

approved


Chief Executive Officer

		44.211	
		39.789	

Officer Discretionary Amount (a)


Total


(a)

The officer discretionary amount will be allocated to the officers within the discretion of the Board.

Under the Plan, there were no payments made during the three-months ended March 31, 2026.

Restricted Stock Award Plan

The



***Restricted Stock:*** Incentives under the Stock Plan consisted of grants of restricted stock. No shares issued under the Stock Plan, or any interest therein, are transferrable by a participant, whether voluntarily or involuntarily, unless and until a liquidating distribution is made to the shareholders, except by will or by the laws of descent or distribution, and may not be subject to any voluntary or involuntary pledge, assignment, alienation, attachment, or similar encumbrance or transfer. All shares issued in connection with a grant are subject to the terms, conditions, and restrictions set forth in the Company's articles of organization, amended and restated limited liability company agreement, or other governing documents of the Company, as amended.

	<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">●</p>
<b><i>Vesting:</i></b> Vesting of shares issued under the Stock Plan occurs (i) in equal one-third tranches on each of the first three anniversaries of the grant date, and (ii) at such time as a liquidating distribution is made to the shareholders of the Company. Unvested Stock Plan shares will be forfeited by a participant if such participant is no longer serving on the Board at or prior to such time that liquidating distributions are paid to the shareholders other than as a result of death, disability or failure to be reelected.	<p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">●</p>
<b><i>Amendments:</i></b> The Board may amend, suspend or terminate the Stock Plan at any time, in its discretion, except that shareholder approval is required for any amendment that increases the number of shares available for grant, accelerates vesting or results in a material increase in benefits or a change in eligibility requirements.	

The shares under the Stock Plan were distributed as follows in lieu of the director portion of the Bonus Plan of \$2,702,285:

<b>Board Member</b>	
Shares of Restricted Stock	
Paul Lamb (a)	

New Roman&quot;, Times, serif; font-size: 10pt; padding-bottom: 1px; margin-left: 0pt; border-bottom: 1px solid black; border-right: 1px solid black;"> </td> </tr> <tr style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; background-color: rgb(255, 255, 255);"> <td style="font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid black; border-left: 1px solid black; border-right: 1px solid black; width: 67%;"> <p style="font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt 0pt 0pt 9pt;">Ronald Macklin</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid black;"> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid black;"> </td> <td style="width: 30%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid black; text-align: center;">20,362</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; padding-bottom: 1px; margin-left: 0pt; border-bottom: 1px solid black; border-right: 1px solid black;"> </td> </tr> <tr style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; background-color: rgb(204, 238, 255);"> <td style="font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid black; border-left: 1px solid black; border-right: 1px solid black; width: 67%;"> <p style="font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt 0pt 0pt 9pt;">Nader Salour</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid black;"> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid black;"> </td> <td style="width: 30%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid black; text-align: center;">20,362</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; padding-bottom: 1px; margin-left: 0pt; border-bottom: 1px solid black; border-right: 1px solid black;"> </td> </tr> <tr style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; background-color: rgb(255, 255, 255);"> <td style="font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid black; border-left: 1px solid black; border-right: 1px solid black; width: 67%;"> <p style="font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt 0pt 0pt 9pt;">Richard Smith</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid black;"> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid black;"> </td> <td style="width: 30%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid black; text-align: center;">20,362</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; padding-bottom: 1px; margin-left: 0pt; border-bottom: 1px solid black; border-right: 1px solid black;"> </td> </tr> <tr style="vertical-align: bottom; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; background-color: rgb(204, 238, 255);"> <td style="font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid black; border-left: 1px solid black; border-right: 1px solid black; width: 67%;"> <p style="font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt 0pt 0pt 9pt;">Total</p> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid black;"> </td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; border-bottom: 1px solid black;"> </td> <td style="width: 30%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; margin-left: 0pt; border-bottom: 1px solid black; text-align: center;">91,628</td> <td style="width: 1%; font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; padding-bottom: 1px; margin-left: 0pt; border-bottom: 1px solid black; border-right: 1px solid black;"> </td> </tr> </tbody></table> <p style="font-family: 'Times New Roman'; font-size: 10pt; font-variant: normal; margin: 0pt;"> </p> <table border="0" cellpadding="0" cellspacing="0" style="width: 100%; text-indent: 0px;"> <tbody><tr style="vertical-align: top;"> <td style="width: 36pt;"> </td> <td style="width: 18pt;"> <p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt;">(a)</p> </td> <td style="width: auto;"> <p style="font-family: &quot;Times New Roman&quot;, Times, serif; font-size: 10pt; font-variant: normal; margin: 0pt; text-align: justify;">Effective November 5, 2025, Mr. Lamb is no longer a Board member. Pursuant to the Restricted Stock Plan, Mr. Lamb did not forfeit any shares as he was not nominated for another term, which meets one of the respective plans forfeiture exceptions.</p> </td> </tr> </tbody></table> <p style="font-family: 'Times New Roman'; font-size: 10pt; font-variant: normal; margin: 0pt;"> </p> <p style="font-family: 'Times New Roman', Times, serif; font-size: 10pt; margin: 0pt; text-align: left"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant:



		39.789	
<p>Officer Discretionary Amount (a)</p>			
		16.000	
<p>Total</p>			
		100.000	

0.44211 0.39789 0.16 1 91628 91628 0.058 0.042 91628

<table border="1" style="width: 60%; margin-left: auto;"> <tr> <td colspan="2" style="text-align: center;"> <p><b>Board Member</b></p> </td> </tr> <tr> <td style="width: 1%;"></td> <td colspan="2" style="text-align: center;"> <p><b>Shares of Restricted Stock</b></p> </td> </tr> <tr> <td style="width: 1%;"></td> <td style="width: 30%; text-align: center;"> <p>Paul Lamb (a)</p> </td> <td style="width: 1%;"></td> </tr> <tr> <td style="width: 1%;"></td> <td style="width: 30%; text-align: center;"> <p>30,542</p> </td> <td style="width: 1%;"></td> </tr> </table>		<p><b>Board Member</b></p>			<p><b>Shares of Restricted Stock</b></p>			<p>Paul Lamb (a)</p>			<p>30,542</p>	
<p><b>Board Member</b></p>												
	<p><b>Shares of Restricted Stock</b></p>											
	<p>Paul Lamb (a)</p>											
	<p>30,542</p>											

<p>Ronald Macklin</p>		20,362
<p>Nader Salour</p>		20,362
<p>Richard Smith</p>		20,362
<p>Total</p>		91,628

0.05 1 1 1 1 1 1 0.71
-----------------------

13.

**Contingencies**

*Putative Class Action Lawsuit*—*On August 14, 2015, the Company entered a Stipulation of Settlement (the "Settlement") providing for the settlement of a putative class action lawsuit against the Company and certain related parties. Under the Settlement, Gyrodyne agreed that any sales of its properties would be effected only in arm's-length transactions at prices at or above their appraised values as of 2014.*

As of March 31,

2026 and December 31, 2025, the value of the remaining unsold properties exceeded the respective 2014 appraised values.

Article 78 Proceeding

On April 26, 2022, the Incorporated Village of Head of the Harbor and certain other parties, commenced a special proceeding (the “Article 78 Proceeding”), against the Town of Smithtown and certain other parties, including the Company, seeking to annul the Town of Smithtown Planning Board’s (the “Planning Board”) determinations relating to the Flowerfield Subdivision Application. The Article 78 Proceeding was commenced by the filing of a petition (the “Petition”) in the Supreme Court of the State of New York, Suffolk County, pursuant to Article 78 of the N.Y. Civil Practice Law and Rules. Specifically, the Petition seeks to annul the Planning Board’s (i) approval of a findings statement, pursuant to the SEQRA, dated September 16, 2021, and adopted by the Planning Board on March 30, 2022, concerning the Flowerfield Subdivision Application, and (ii) preliminary approval on March 30, 2022 of the Flowerfield Subdivision Application. The arguments made in the Petition are substantially similar to those made by opponents of the Flowerfield Subdivision Application during the SEQRA and subdivision process. The Company and the Town of Smithtown are vigorously defending the Planning Board’s determinations against the Petition. In June 2022, Gyrodyne and the Town of Smithtown filed motions to dismiss the Petition. During the third quarter of 2023, the Article 78 Proceeding was re-assigned to a different judge for the second time. On February 6, 2024, the Supreme Court of the State of New York, Suffolk County issued an order (the “Order”), denying the Motions in part and granting them in part. Specifically, the Order (i) denied the Motions as to three individual Petitioners and the St. James-Head of the Harbor Neighborhood Preservation Coalition, Inc., (ii) granted the Motions as to the remaining twenty (20) individual Petitioners and the Village of Head of the Harbor, (iii) denied the branch of Gyrodyne’s motion alleging that Petitioners failed to state a claim. On October 11, 2024, the Supreme Court of the State of New York issued a ruling in favor of the Company dismissing the Article 78 petition in its entirety. On October 28, 2024, the Company received a notice of appeal filed by the petitioners in this proceeding seeking to appeal the court’s dismissal of the Article 78 petition, citing as grounds for appeal “whether the court erred in denying the petition and dismissed the Article 78 proceeding, and any and all other issues which may arise upon further review of the record on appeal”.

On November 12, 2024, the petitioners filed a notice of motion to renew and reargue, seeking to have the court direct the respondents to undertake a supplemental environmental impact statement to address retaining of storm water at the property being developed in light of a recent storm, and to annul the resolution approving the preliminary site plan.

On March 17, 2025, the Supreme Court of the State of New York, Suffolk County issued an order denying the appellants motion to stay enforcement of the order, pending hearing and determination of appeal. On March 21, 2025, the Supreme Court of the State of New York, Suffolk County issued an order denying the Petitioners motion to renew and reargue. On April 16, 2025 the Petitioners filed a notice of appeal seeking to appeal the March 17, 2025 order denying the appellants motion to stay enforcement of the order dismissing the Petition pending the appeal.

On April 28, 2025 the Petitioners perfected their appeal on the original Petition. The Petitioners’ memorandum of law largely repeats their earlier position and arguments, which the Supreme Court previously found to be an insufficient basis for overturning the Planning Board’s determinations. Gyrodyne filed its response to the Appeal on July 25, 2025 and the Town submitted its reply to the Appeal on July 28, 2025.

Pleadings filed in the Article 78 Proceeding may be accessed through a link (and related instructions) to the New York State Unified Court System which appears on the Company’s website at <https://www.gyrodyne.com>.

**General**— In the normal course of business, the Company is a party to various legal proceedings. After reviewing all actions and proceedings pending against or involving the Company, management considers that any loss resulting from such proceedings individually or in the aggregate will not be material to the Company’s financial statements.

family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <table border="0" cellpadding="0" cellspacing="0" style="width: 100%; text-indent: 0px;"> <tbody><tr style="vertical-align: top;"> <td style="width: 18pt;"> <p style="font-family: 'Times New Roman', Times, serif;font-size: 10pt;font-variant:normal;margin:0pt;"><b>14.</b></p> </td> <td style="width: auto;"> <p style="font-family: 'Times New Roman', Times, serif;font-size: 10pt;font-variant:normal;margin:0pt;"><b>Fair Value of Financial Instruments</b></p> </td> </tr> </tbody></table> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;"><b><i>Assets and Liabilities Measured at Fair-Value </i></b>– The Company believes the concepts for determining net realizable value are consistent with the guidance for measuring fair value. As a result, the Company follows authoritative guidance on fair value measurements, which defines fair-value, establishes a framework for measuring fair-value, and expands disclosures about fair-value measurements. The guidance applies to reported balances that are required or permitted to be measured at fair-value under existing accounting pronouncements.</p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;">The Company follows authoritative guidance on the fair value option for financial assets, which permits companies to choose to measure certain financial instruments and other items at fair-value in order to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently. However, the Company adopted the liquidation basis of accounting, and therefore reports all assets and liabilities at net realizable value.</p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;">The guidance emphasizes that fair-value is a market-based measurement, not an entity-specific measurement. Therefore, a fair-value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair-value measurements, the guidance establishes a fair-value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy, as defined under FASB ASC Topic No. 820, Fair Value Measurements) and the reporting entity’s own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy). In instances where the determination of the fair-value measurement is based on inputs from different levels of the fair-value hierarchy, the level in the fair-value hierarchy within which the entire fair-value measurement falls is based on the lowest level input that is significant to the fair-value measurement in its entirety. Our assessment of the significance of a particular input to the fair-value measurement in its entirety requires judgment and considers factors specific to the asset or liability.</p> <p style="font-family:'Times New Roman';font-size:10pt;font-variant:normal;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;"><b><i>Fair Value Measurements -</i></b> The Company adopted the liquidation basis of accounting effective September 1, 2015; accordingly, the Company reports all real estate at their net realizable value.</p> <p style="font-family:Times New Roman;font-size:10pt;font-variant:normal;text-align:justify;margin:0pt;"> </p> <p style="font-family: Times New Roman; font-size: 10pt; font-variant: normal; text-align: justify; margin: 0pt 0pt 0pt 18pt;">The Company estimates the net realizable value of its real estate assets by using income and market valuation techniques. The Company may estimate net realizable values using market information such as broker opinions of value, appraisals, and recent sales data for similar assets or discounted cash flow models, which primarily rely on Level 3 inputs. The Company also considers in its valuation estimates the receipt of any expressions of interest/letters from perspective buyers adjusted to reflect the Company’s best estimate of any contingent financial terms such as approved density and related site plans. The cash flow models include estimated cash inflows and outflows over a specified holding period. These cash flows may include contractual rental revenues, projected future rental revenues and expenses and forecasted capital improvements and lease commissions based upon market conditions determined through discussion with local real estate professionals, and relevant Company experience with its current and previously owned properties. Capitalization rates and discount rates utilized in these models are estimated by management based upon rates that management believes to be within a reasonable range of current market rates for the respective properties based upon an analysis of factors such as property and tenant quality, geographical location, local supply and demand observations and no sewage treatment plant. To the extent, the Company underestimates or overestimates forecasted cash outflows (capital improvements, lease commissions, operating costs and credit costs) or overestimates or understates forecasted cash inflows (rental revenue rates) or other unfavorable or favorable

variances of the aforementioned assumptions, the estimated net realizable value of its real estate assets could be overstated or understated.

PART II - OTHER INFORMATION

Represents amount of deferred fees pursuant to informal agreements the Company reached with certain service vendors to defer payment until certain dates, some of which include the closing of the first property lot sale that is the subject of either the Flowerfield or Cortlandt Manor subdivision, respectively. The officer discretionary amount will be allocated to the officers within the discretion of the Board. Effective November 5, 2025, Mr. Lamb is no longer a Board member. Pursuant to the Restricted Stock Plan, Mr. Lamb did not forfeit any shares as he was not nominated for another term, which meets one of the respective plans forfeiture exceptions. The amounts reported are based on the provisions of the retention bonus plan and the reported amount of the real estate assets estimated net realizable value. The director fees and interest accrued under the deferred Compensation Plan where most directors elected to defer 100% of their fees for the years 2020 thru 2025 excluding Jan Loeb who was nominated to the Board on July 28, 2023, and elected to a three-year term at the annual shareholder meeting on October 12, 2023. Two of the four directors have elected not to defer any fees during 2026; the other two directors elected to defer approximately 71% of their respective 2026 director fees. This amount also includes the deferred compensation of a former Board advisor per an agreement to defer payments due under an advisor agreement and three previous Board members. *Excludes Retention Bonus Payments*