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SGB Development Corp. Partnership Acquires Development Parcel in Atlanta, Georgia

Company plans to build 125,000 SF residential apartment complex offering 134 rental units.

NEW YORK--(BUSINESS WIRE)-- **SG Blocks, Inc.** (NASDAQ: SGBX) ("SG Blocks" or the "Company"), a leading designer, innovator and fabricator of container-based structures, today announced that SGB Development Corp. ("SGB DevCorp"), a wholly-owned subsidiary of the Company, through its partnership with CMC Development Group ("CMC"), ZT Architecture + Land Development and Community Development Consortium, has acquired a six-acre site on Norman Berry Drive in Atlanta, Georgia for the development of a rental apartment community.

This press release features multimedia. View the full release here:

<https://www.businesswire.com/news/home/20210624005251/en/>

Location of proposed apartment complex on Norman Berry Drive. (Graphic: Business Wire)

"We are excited to move forward in our partnership with SGB DevCorp on Norman

Berry Village," commented Shaun Belle, CMC's President. "SG Blocks' proprietary modular construction expertise allows us to deliver high quality housing units at lower cost, to help serve Atlanta's growing need for reasonably-priced housing. We believe this is the first of many such projects on which we can partner, and we continue to work to identify additional opportunities."

"We have identified Atlanta as a market where we want to develop based upon demographics and unmet need. Partnering with CMC will allow us to source and deliver quality projects, of which Norman Berry Village is the first," Paul Galvin, Chairman and CEO explained. "It is our preferred method of development to partner with local, talented land owners and real estate developers to expand our ability to bring safe and green housing to the market."

Even prior to the global COVID-19 health pandemic, about [10 to 15 percent of Americans were housing insecure](#), according to research from the Brookings Institution. SG Blocks believes modular construction is a major solution to creating a new housing stock that is affordable in America.

Moreover, [according to data from the Census Bureau](#), 20.8 percent of people living in Atlanta are below the poverty line.

The plans for Norman Berry Village consist of two buildings, with 134 units, including a mixture of one- and two-bedroom apartments as well as on-site amenities including a

clubhouse, gym, and outdoor green spaces. The buildings will be constructed at the Company's SG Echo campus in Durant, Oklahoma, and delivered to Atlanta. Site work is expected to commence in third quarter 2021, with construction completed by third quarter 2023. The project is expected to cost approximately \$21 million. SGB DevCorp will control the planning and construction process, and earn manufacturing revenue, as well as a share of development fees.

About SG Blocks, Inc.

SG Blocks, Inc. is a premier innovator in advancing and promoting the use of code-engineered cargo shipping containers for safe and sustainable construction. The firm offers a product that exceeds many standard building code requirements, and also supports developers, architects, builders and owners in achieving greener construction, faster execution, and stronger buildings of higher value. Each project starts with GreenSteel™, the structural core and shell of an SG Blocks building, and then is customized to client specifications. For more information, visit www.sgblocks.com.

About CMC Development Group LLC

CMC Development Group's goal is to improve the economic and environmental conditions of emerging urban markets through the development, acquisition and management of affordable residential and commercial properties. The core of CMC's business is developing and managing residential and commercial real estate in Metropolitan New York and Atlanta area markets. CMC supports positive growth of urban neighborhoods it develops in through its Future Developers Program, Community Based Workforce and its Buy Local Construction Service Providers Program. CMC is focused on capitalizing on economic opportunities in urban areas while developing properties that focus on solid economic return, affordability and green building sustainability. CMC is a NYS Certified MBE with offices in NY and Atlanta, GA.

About ZT Architecture + Land Development

ZT Architecture + Land Development Inc. is an innovative Architecture, Design/Build & Development firm with offices located in: Los Angeles and Atlanta, GA. Our firm was founded on the principle and belief that architecture, is the design and organization of sculptured shapes and forms within space, acting as the canvas. If life is suspended animation, these designed suspended shapes and forms give context to our experience, through the relative, objectivity of each form and shape to each other. We feel therein lies the basis for environmentally sensitive, organically evolved, and sustainable, designed communities. Architecture has the capacity to help shape one's experience. Our projects, big or small, public or private, high-end or affordable, all work to engage the public in a meaningful, thoughtful and poetic way, to create and leave a lasting impression and experience.

About Community Development Consortium

The Community Development Consortium, LLC (CDC) was created as a for profit vehicle to manage the assets, and other business/development operations of the non-profit, FAC Services. Our current structure couples our public and private sector community design/development and management experience and expertise to assist in bringing projects

and programs to underserved communities.

Safe Harbor Statement

Forward-Looking Statements Certain statements in this press release constitute "forward-looking statements" within the meaning of the federal securities laws. Words such as "may," "might," "will," "should," "believe," "expect," "anticipate," "estimate," "continue," "predict," "forecast," "project," "plan," "intend" or similar expressions, or statements regarding intent, belief, or current expectations, are forward-looking statements. These forward-looking statements are based upon current estimates and assumptions and include statements regarding plans to build a 125,000 SF residential apartment complex with 134 units, including a mixture of one- and two-bedroom apartments as well as on-site amenities including a clubhouse, gym, and outdoor green spaces on Norman Berry Drive in Atlanta, Georgia, the Norman Berry Village project being the first of many such projects on which the Company can partner with CMC, modular construction being a major solution to creating a new housing stock that is affordable in America, site work commencing in third quarter 2021, construction being completed by third quarter 2023 and the project costing approximately \$21 million. While SG Blocks believes these forward-looking statements are reasonable, undue reliance should not be placed on any such forward-looking statements, which are based on information available to us on the date of this release. These forward-looking statements are subject to various risks and uncertainties, many of which are difficult to predict that could cause actual results to differ materially from current expectations and assumptions from those set forth or implied by any forward-looking statements. Important factors that could cause actual results to differ materially from current expectations include, among others, the Company's ability to develop Norman Berry Village as planned, the Company's ability to partner on other projects with CMC, the Company's ability to create new affordable housing stock with modular construction to solve the housing shortage in America, the Company's ability to commence site work in third quarter 2021 as planned, the Company's ability to complete construction by third quarter 2023 as planned and at a cost of approximately \$21 million, the Company's ability to position itself for future profitability, the Company's ability to maintain compliance with the NASDAQ listing requirements, and the other factors discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2019 and its subsequent filings with the SEC, including subsequent periodic reports on Forms 10-Q and 8-K. The information in this release is provided only as of the date of this release, and we undertake no obligation to update any forward-looking statements contained in this release on account of new information, future events, or otherwise, except as required by law.

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