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

# FORM 10-Q

( Mark One)

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

For the quarterly period ended **June 30, 2015**

or

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

For the transition period from ______________________________ to ________________________________________

Commission File Number: **000-25991**

## MANHATTAN BRIDGE CAPITAL, INC.

(Exact name of registrant as specified in its charter)

| **New York** | **11-3474831** |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

**60 Cutter Mill Road, Great Neck, New York 11021**
(Address of principal executive offices)

**(516) 444-3400**
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer ☐ | | Accelerated filer | ☐ |
| Non-accelerated filer ☐ | (Do not check if a smaller reporting company) | Smaller reporting company | ☒ |

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

As of July 31, 2015, the Issuer had a total of 7,224,489 shares of Common Stock, $.001 par value per share, outstanding.

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**Forward Looking Statements**

*This report contains forward-looking statements within the meaning of section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements are typically identified by the words "believe," "expect," "intend," "estimate" and similar expressions. Those statements appear in a number of places in this report and include statements regarding our intent, belief or current expectations or those of our directors or officers with respect to, among other things, trends affecting our financial condition and results of operations and our business and growth strategies. These forward-looking statements are not guarantees of future performance and involve risks and uncertainties. Actual results may differ materially from those projected, expressed or implied in the forward-looking statements as a result of various factors (such factors are referred to herein as "Cautionary Statements"), including but not limited to the following: (i) we may not qualify as a REIT; (ii) we have no operating history as a REIT; (iii) our loan origination activities, revenues and profits are limited by available funds (iv)we operate in a highly competitive market and competition may limit our ability to originate loans with favorable interest rates; (v) our chief executive officer is critical to our business and our future success may depend on our ability to retain him; (vi) if we overestimate the yields on our loans or incorrectly value the collateral securing the loan, we may experience losses; (vii) we may be subject to "lender liability" claims; (viii) our loan portfolio is illiquid; (ix) our due diligence may not uncover all of a borrower's liabilities or other risks to its business; (x) borrower concentration could lead to significant losses; (xi) our management has no experience managing a REIT; and (xii) we may choose to make distributions in our own stock, in which case you may be required to pay income taxes in excess of the cash dividends you receive. The accompanying information contained in this report, including the information set forth under "Management's Discussion and Analysis of Financial Condition and Results of Operations", identifies important factors that could cause such differences. These forward-looking statements speak only as of the date of this report, and we caution potential investors not to place undue reliance on such statements. We undertake no obligation to update or revise any forward-looking statements. All subsequent written or oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the Cautionary Statements.*

## PART I . FINANCIAL INFORMATION

## Item 1. CONSOLIDATED FINANCIAL STATEMENTS

### MANHATTAN BRIDGE CAPITAL, INC. AND SUBSIDIARY
### CONSOLIDATED BALANCE SHEETS

| | June 30, 2015 (unaudited) | December 31, 2014 (audited) |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 45,361 | $ 47,676 |
| Short term loans receivable | 14,838,708 | 19,138,426 |
| Interest receivable on loans | 313,658 | 213,766 |
| Other current assets | 67,981 | 26,995 |
| Total current assets | 15,265,708 | 19,426,863 |
| | | |
| Long term loans receivable | 11,068,550 | 4,894,050 |
| Property and equipment, net | 16,572 | 19,088 |
| Security deposit | 6,816 | 6,816 |
| Investment in privately held company | 50,000 | 65,000 |
| Deferred financing costs | 128,440 | 32,500 |
| | | |
| Total assets | $ 26,536,086 | $ 24,444,317 |
| **Liabilities and Stockholders' Equity** | | |
| Current liabilities: | | |
| Short term loans | $ 1,095,620 | $ 2,469,465 |
| Line of credit | 6,993,611 | 7,700,000 |
| Accounts payable and accrued expenses | 87,013 | 163,622 |
| Deferred origination fees | 175,448 | 244,776 |
| Total liabilities, all current | 8,351,692 | 10,577,863 |
| Commitments and contingencies | | |
| Stockholders' equity: | | |
| Preferred shares - $.01 par value; 5,000,000 shares authorized; no shares issued | — | — |
| Common shares - $.001 par value; 25,000,000 authorized; 7,394,489 and 6,260,689 issued; 7,217,489 and 6,083,689 outstanding | 7,394 | 6,260 |
| Additional paid-in capital | 18,400,776 | 14,116,183 |
| Treasury stock, at cost – 177,000 | (369,335) | (369,335) |
| Retained earnings | 145,559 | 113,346 |
| Total stockholders' equity | 18,184,394 | 13,866,454 |
| | | |
| Total liabilities and stockholders' equity | $ 26,536,086 | $ 24,444,317 |

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

**MANHATTAN BRIDGE CAPITAL, INC. AND SUBSIDIARY**
**CONSOLIDATED STATEMENTS OF OPERATIONS**
**(unaudited)**

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | **2015** | **2014** | **2015** | **2014** |
| Interest income from loans | $ 764,329 | $ 518,065 | $ 1,521,079 | $ 1,025,436 |
| Origination fees | 147,625 | 112,017 | 302,636 | 213,556 |
| Total Revenue | 911,954 | 630,082 | 1,823,715 | 1,238,992 |
| | | | | |
| Operating costs and expenses: | | | | |
| Interest and amortization of debt service costs | 150,721 | 122,906 | 333,777 | 239,329 |
| Referral fees | 1,115 | 275 | 2,312 | 384 |
| General and administrative expenses | 214,679 | 175,812 | 466,591 | 351,808 |
| Total operating costs and expenses | 366,515 | 298,993 | 802,680 | 591,521 |
| | | | | |
| Income from operations | 545,439 | 331,089 | 1,021,035 | 647,471 |
| Other income (Note 4) | — | 6,887 | — | 13,774 |
| Loss on write-down of investment in privately held company (Note 5) | (15,000) | — | (15,000) | — |
| Income before income tax benefit (expense) | 530,439 | 337,976 | 1,006,035 | 661,245 |
| Income tax benefit (expense) | — | 83,000 | — | (32,000) |
| Net income | $ 530,439 | $ 420,976 | $ 1,006,035 | $ 629,245 |
| | | | | |
| Basic and diluted net income per common share outstanding: | | | | |
| —Basic | $ 0.08 | $ 0.10 | $ 0.16 | $ 0.15 |
| —Diluted | $ 0.08 | $ 0.10 | $ 0.16 | $ 0.15 |
| | | | | |
| Weighted average number of common shares outstanding | | | | |
| —Basic | 6,470,905 | 4,283,805 | 6,280,278 | 4,270,074 |
| —Diluted | 6,507,384 | 4,323,026 | 6,314,909 | 4,303,742 |

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

**MANHATTAN BRIDGE CAPITAL, INC. AND SUBSIDIARY**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(unaudited)**

| | Six Months Ended June 30, 2015 | 2014 |
|---|---|---|
| Cash flows from operating activities: | | |
| Net Income | $ 1,006,035 | $ 629,245 |
| Adjustments to reconcile net income to net cash provided by operating activities - | | |
| Amortization of deferred financing costs | 15,460 | — |
| Depreciation | 3,200 | — |
| Non cash compensation expense | 6,832 | 6,832 |
| Loss on write-down of investment in privately held company (Note 5) | 15,000 | — |
| Changes in operating assets and liabilities: | | |
| Interest receivable on loans | (99,892) | (28,762) |
| Other current and non current assets | (40,987) | (31,888) |
| Accounts payable and accrued expenses | (76,609) | (7,651) |
| Deferred origination fees | (69,327) | 42,873 |
| Income taxes payable | — | (242,995) |
| Net cash provided by operating activities | 759,712 | 367,654 |
| | | |
| Cash flows from investing activities: | | |
| Issuance of short term loans | (8,825,000) | (9,764,000) |
| Collections received from loans | 6,950,218 | 7,537,983 |
| Purchase of fixed assets | (684) | — |
| Net cash used in investing activities | (1,875,466) | (2,226,017) |
| | | |
| Cash flows from financing activities: | | |
| (Repayments of) proceeds from loans and lines of credit, net | (2,080,234) | 1,250,000 |
| Deferred financing costs | (111,400) | — |
| Capital raising costs | — | (204,429) |
| Proceeds from public offering, net | 4,254,527 | — |
| Proceeds from exercise of stock options and warrants | 24,368 | 55,230 |
| Dividend paid | (973,822) | (127,966) |
| Net cash provided by financing activities | 1,113,439 | 972,835 |
| | | |
| Net decrease in cash and cash equivalents | (2,315) | (885,528) |
| Cash and cash equivalents, beginning of period | 47,676 | 1,021,023 |
| Cash and cash equivalents, end of period | $ 45,361 | $ 135,495 |
| | | |
| Supplemental Cash Flow Information: | | |
| Taxes paid during the period | $ — | $ 274,995 |
| Interest paid during the period | $ 318,317 | $ 239,329 |

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

1. THE COMPANY

The accompanying unaudited consolidated financial statements of Manhattan Bridge Capital, Inc. ("MBC"), a New York corporation, and its wholly-owned subsidiary DAG Funding Solutions, Inc. ("DAG Funding") (collectively referred to herein as the "Company") have been prepared by the Company in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and with instructions to Form 10-Q. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. However, in the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. The accompanying unaudited consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2014 and the notes thereto included in the Company's Form 10-K. Results of consolidated operations for the interim period are not necessarily indicative of the operating results to be attained in the entire fiscal year.

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

The consolidated financial statements include the accounts of MBC and DAG Funding. All significant intercompany balances and transactions have been eliminated in consolidation.

The Company offers short-term, secured, non–banking loans to real estate investors (also known as hard money) to fund their acquisition and construction of properties located in the New York Metropolitan area.

The Company recognizes revenues in accordance with ASC 605, which provides guidance on the recognition, presentation and disclosure of revenue in financial statements. ASC 605 outlines the basic criteria that must be met to recognize revenue and provides guidance for disclosure related to revenue recognition policies. In general, the Company recognizes revenue when (i) persuasive evidence of an arrangement exists, (ii) delivery of the product has occurred or services have been rendered, (iii) the sales price charged is fixed or determinable, and (iv) collectability is reasonably assured.

Interest income from commercial loans is recognized, as earned, over the loan period.

Origination fee revenue on commercial loans is amortized over the term of the respective note.

Costs incurred in connection with the Company's line of credit are being amortized over three years, using the straight-line method.

2. RECENT TECHNICAL ACCOUNTING PRONOUNCEMENTS

In May 2014, the FASB and IASB jointly issued ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)." The intent of this guidance is to provide greater comparability for financial statement users by eliminating inconsistencies in current revenue recognition GAAP. Specifically, an entity should recognize revenue based on the transaction price, which is the amount of consideration the entity expects to be entitled to in exchange for transferring promised goods or services. A single principles-based, five-step revenue model must be applied to all contracts with customers. For public entities, the ASU is effective for annual and interim periods beginning after December 15, 2016. Early application is not permitted. The adoption of this guidance is not expected to have a material impact on the Company's consolidated financial statements.

In June 2014, the FASB issued ASU 2014-12, "Compensation-Stock Compensation (Topic 718): Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period (a consensus of the FASB Emerging Issues Task Force)." The ASU clarifies that entities should treat performance targets that can be met after the requisite service period of a share-based payment award as performance conditions that affect vesting. Therefore, an entity would not record compensation expense (measured as of the grant date without taking into account the effect of the performance target) related to an award for which transfer to the employee is contingent on the entity's satisfaction of a performance target until it becomes probable that the performance target will be met. No new disclosures are required under the ASU. The ASU is effective for all entities for reporting periods beginning after December 15, 2015. Early adoption is permitted. The adoption of this guidance is not expected to have a material impact on the Company's consolidated financial statements.

In August 2014, the FASB issued ASU 2014-14, "Receivables - Troubled Debt Restructurings by Creditors (Subtopic 310-40): Classification of Certain Government-Guaranteed Mortgage Loans upon Foreclosure (a consensus of the FASB Emerging Issues Task Force)." The ASU address a practice issue related to the classification of certain foreclosed residential and nonresidential mortgage loans that are either fully or partially guaranteed under government programs. The ASU is effective for public entities for fiscal years beginning after December 15, 2014, and interim periods therein. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

In January 2015, the FASB issued ASU 2015-01, "Income Statement - Extraordinary and Unusual Items (Subtopic 225-20): Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items." This ASU eliminates the separate presentation of extraordinary items but does not change the requirement to disclose material items that are unusual or infrequent in nature. The ASU is effective for fiscal years beginning after December 15, 2015, as well as interim periods within those fiscal years. The ASU may be applied retrospectively to all prior periods presented in the financial statements, and early adoption is permitted provided that the guidance is applied from the beginning of the fiscal year of adoption. The adoption of this guidance is not expected to have a material impact on the Company's consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03, "Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs". Under the ASU, an entity presents debt issuance costs in the balance sheet as a direct deduction from the related debt liability rather than as an asset. Amortization of the costs is reported as interest expense. The ASU is effective for public entities for fiscal years beginning after December 15, 2015, and interim periods therein. For private companies and not-for-profit organizations, the ASU is effective for fiscal years beginning after December 15, 2015, and interim periods within fiscal years beginning after December 15, 2016. Early adoption is permitted. The adoption of this guidance is not expected to have a material impact on the Company's consolidated financial statements.

In May 2015, the FASB issued ASU 2015-07, "Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent) (a consensus of the Emerging Issues Task Force)". The ASU provides reporting entities with an option to measure the fair value of certain investments using net asset value instead of fair value. The ASU is effective for public entities for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. For all other entities, the ASU is effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted. The adoption of this guidance is not expected to have a material impact on the Company’s consolidated financial statements.

Management does not believe that any other recently issued, but not yet effected, accounting standards if currently adopted would have a material effect on the Company’s consolidated financial statements.

3. COMMERCIAL LOANS

*Short Term Loans Receivable*

The Company offers short-term secured non–banking loans to real estate investors (also known as hard money) to fund their acquisition and construction of properties located in the New York Metropolitan area. The loans are principally secured by collateral consisting of real estate and, generally, accompanied by personal guarantees from the principals of the businesses. The loans are generally for a term of one year. The short term loans are initially recorded, and carried thereafter, in the financial statements at cost. Most of the loans provide for receipt of interest only during the term of the loan and a balloon payment at the end of the term. In some cases, we have agreed to extend the term of the loans beyond one year. This was mainly due to the additional lending conditions generally imposed by traditional lenders and financial institutions as a result of the mortgage crisis, which has made it more difficult overall for borrowers, including our borrowers, to secure long term financing. Prior to granting an extension of any loan, we reevaluate the underlying collateral.

At June 30, 2015, we were committed to an additional $715,000 in construction loans that can be drawn by the borrowers when certain conditions are met.

At June 30, 2015, no one entity has loans outstanding representing more than 10% of the total balance of the loans outstanding.

At June 30, 2015, six of the loans in the Company’s portfolio were jointly funded by the Company and unrelated entities, for aggregate loans of $3,810,000. The accompanying balance sheets include the Company’s portion of the loans in the amount of $2,017,500.

*Long Term Loans Receivable*

Long term loans receivable comprise the loans that were extended beyond the original maturity dates, unless it is clear that the loan will be paid back by June 30, 2016. At June 30, 2015, the Company’s loan portfolio consists of $14,838,708 short term loans receivable and $11,068,550 long term loans receivable.

*Credit Risk*

Credit risk profile based on loan activity as of June 30, 2015 and 2014:

| Performing loans | Developers-Residential | Developers-Commercial | Developers Mixed Used | Other | Total outstanding loans |
|---|---|---|---|---|---|
| June 30, 2015 | $ 24,500,040 | $ 1,400,000 | $ — | $ 7,218 | $ 25,907,258 |
| June 30, 2014 | $ 15,019,000 | $ 1,350,000 | $ 525,000 | $ 26,967 | $ 16,920,967 |

At June 30, 2015, the Company's commercial loans include loans in the amount of $179,050, $100,000, $350,000 and $3,962,500, originally due in 2009, 2010, 2013 and 2014, respectively. In all instances the borrowers are currently paying their interest and, generally, the Company receives a fee in connection with the extension of the loans. Accordingly, at June 30, 2015, no loan impairments exist and there are no provisions for impairments of loans or recoveries thereof included in operations.

Subsequent to the balance sheet date, $1,080,000 of the Company's commercial loans outstanding at June 30, 2015 were paid off.

4. INVESTMENT IN REAL ESTATE

Other income for the three and six month periods ended June 30, 2014 in the amount of $6,887 and $13,774, respectively, represents the aggregate monthly option fees paid to the Company by the option holder for the right to buy back the one remaining 2-family building located in the Bronx, New York then owned by the Company (the "Buy back Option"). On October 2, 2014, the option holder exercised the Buy Back Option at the exercise price of $146,821.

5. INVESTMENT IN PRIVATELY HELD COMPANY

The Company had an original investment in a privately held Israeli-based company in the amount of $100,000. The privately held company offers surgeons and radiologists the ability to detect cancer in real time. Due to the fact that the privately held company has experienced delays in executing its business plan, the Company determined to write down the value of its investment to $65,000 at December 31, 2013. The Company further wrote down the value of its investment to $50,000 at June 30, 2015, resulting in a charge to the statement of operations of $15,000 for the three-month and six-month periods ended June 30, 2015.

6. EARNINGS PER SHARE OF COMMON STOCK

Basic and diluted earnings per share are calculated in accordance with ASC 260 "Earnings Per Share". Under ASC 260, basic earnings per share is computed by dividing income available to common shareholders by the weighted-average number of common shares outstanding for the period. The computation of diluted earnings per share is similar to basic earnings per share, except that the denominator is increased to include the potential dilution from the exercise of stock options and warrants for common shares using the treasury stock method. The numerator in calculating both basic and diluted earnings per common share for each period is the reported net income.

The denominator is based on the following weighted average number of common shares:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| Basic | 6,470,905 | 4,283,805 | 6,280,278 | 4,270,074 |
| Incremental shares for assumed conversion of options | 36,479 | 39,221 | 34,631 | 33,668 |
| Diluted | 6,507,384 | 4,323,026 | 6,314,909 | 4,303,742 |

For the three and six month periods ended June 30, 2015, 26,521, and 28,369, stock options were not included in the diluted earnings per share calculation, respectively, because their effect would have been anti-dilutive.

For the three and six month periods ended June 30, 2014, 47,779, and 53,332, stock options were not included in the diluted earnings per share calculation, respectively, because their effect would have been anti-dilutive.

7. STOCK – BASED COMPENSATION

The Company measures and recognizes compensation awards for all stock option grants made to employees and directors, based on their fair value in accordance with ASC 718 “Compensation - Stock Compensation”, which establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. A key provision of this statement is to measure the cost of employee services received in exchange for an award of equity instruments (including stock options) based on the grant-date fair value of the award. The cost will be recognized over the service period during which an employee is required to provide service in exchange for the award (i.e., the requisite service period or vesting period). The Company accounts for equity instruments issued to non-employees in accordance with the provisions of ASC 718 and ASC 505-50, “Equity Based Payment to Non-Employees”. All transactions with non-employees, in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more appropriately measurable.

Share based compensation expense recognized under ASC 718 for each of the three and six months ended June 30, 2015 and 2014 were $3,416 and $6,832, respectively, including the amortization of the fair value of the restricted shares granted on September 9, 2011, after adjusting for the effect on the fair value of the stock options related to this transaction. The fair value will be amortized over 15 years (See Note 8).

The exercise price of options granted under our stock option plan may not be less than the fair market value on the date of grant. The options may vest over a period not to exceed ten years. Stock options under our stock option plan may be awarded to officers, key-employees, consultants and non-employee directors of the Company. Under our stock option plan, generally each non-employee director of the Company is granted an option for 7,000 common shares upon first taking office, and through and including the fiscal year ended December 31, 2014, an annual option grant for an additional 7,000 common shares for each additional year in office. The objectives of our stock option plan include attracting and retaining key personnel, providing for additional performance incentives and promoting the success of the Company by increasing the efforts of such officers, employees, consultants and directors. Our stock option plan is the only plan that the Company has adopted with stock options available for grant.

The fair value of each option is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average share assumptions used for grants in 2014: (1) expected life of 5 years; (2) annual dividend yield of 9.59%; (3) expected volatility 59.5%; (4) risk free interest rate of 1.71%.

The following summarizes stock option activity for the six month period ended June 30, 2015:

| | Shares | Weighted Average Exercise Price | Weighted Average Remaining Contractual Term (in years) | Aggregate Intrinsic Value |
|---|---|---|---|---|
| Outstanding at December 31, 2014 | 82,000 | $ 1.68 | | |
| Granted | — | — | | |
| Exercised | (11,000) | 1.22 | | |
| Forfeited or expired | (7,000) | 1.34 | | |
| Outstanding at June 30, 2015 | 64,000 | $ 1.80 | 2.70 | $ 45,316 |
| Vested and exercisable at June 30, 2015 | 63,000 | $ 1.81 | 2.72 | $ 44,717 |

There was no grant of options during the six month periods ended June 30, 2015 and 2014.

On July 31, 2014, in connection with the Company's public offering in July 2014, the Company issued warrants to purchase 87,719 common shares, with an exercise price of $3.5625 per common share, to the representative of the underwriters of the offering. The warrants are exercisable at any time, and from time to time, in whole or in part, commencing on July 28, 2015 and expire on July 28, 2019. The fair value of these warrants, using the Black-Scholes option pricing model, on the date of issuance was $42,224.

On May 29, 2015, in connection with the Company's public offering in May 2015, the Company issued warrants to purchase 50,750 common shares, with an exercise price of $5.4875 per common share, to the representative of the underwriters of the offering. The warrants are exercisable at any time, and from time to time, in whole or in part, commencing on May 22, 2016 and expire on May 22, 2020. The fair value of these warrants, using the Black-Scholes option pricing model, on the date of issuance was $54,928.

8. RESTRICTED STOCK GRANT

On September 9, 2011, the Company granted 1,000,000 shares of restricted common shares (the "Restricted Shares") to Mr. Ran, its chief executive officer. Under the terms of the restricted shares agreement (the "Restricted Shares Agreement"), Mr. Ran agreed to forfeit options held by him exercisable for an aggregate of 280,000 common shares with exercise prices above $1.21 per share and agreed not to exercise additional options held by him for an aggregate of 210,000 common shares with exercise prices below $1.21 per share all of which expired unexercised in March 2014. In addition, Mr. Ran may not sell, convey, transfer, pledge, encumber or otherwise dispose of the Restricted Shares until the earliest to occur of the following: (i) September 9, 2026, with respect to one-third of the Restricted Shares, September 9, 2027 with respect to an additional one-third of the Restricted Shares and September 9, 2028 with respect to the final one-third of the Restricted Shares; (ii) the date on which Mr. Ran's employment is terminated for any reason other than for "Cause" (as such term is defined in his employment agreement); or (iii) the date on which Mr. Ran's employment is terminated on account of (A) his death; or (B) his disability, which, in the opinion of his personal physician and a physician selected by us prevents him from being employed by us on a full-time basis (each such date being referred to as a "Risk Termination Date"). If at any time prior to a Risk Termination Date Mr. Ran's employment is terminated by the Company for Cause or by Mr. Ran voluntarily for any reason other than death or disability, Mr. Ran will forfeit that portion of the Restricted Shares which have not previously vested. Mr. Ran has the power to vote the Restricted Shares and has been entitled to all dividends payable with respect to the Restricted Shares since the date the Restricted Shares were issued.

In connection with the Compensation Committee's approval of the foregoing grant of Restricted Shares, the Compensation Committee consulted with and obtained the concurrence of independent compensation experts and informed Mr. Ran that it had no present intention of continuing its prior practice of annually awarding stock options to Mr. Ran as CEO. Also Mr. Ran, advised the Compensation Committee that he would not seek future stock option grants.

The grant of Restricted Shares was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended. The stock certificates for the Restricted Shares were imprinted with restrictive legends and are held in escrow until vesting occurs.

9. LOANS AND LINE OF CREDIT

*Short Term Loans*

At June 30, 2015, the Company owed an aggregate of $1,095,620 under five separate short term loans, bearing interest at rates ranging from 8% to 12% per annum. Two of the loans in the aggregate amount of $335,000, bearing interest at the rate of 10% per annum, are from a parent of a former member of the board of directors. Interest expense on such loans amounted to $14,368 for the six months ended June 30, 2015. The loans are secured by certain of the Company's short term loans pursuant to a security agreement, and one of the loans is also personally guaranteed by the Company's CEO.

*Line of Credit*

On February 27, 2015, the Company entered into a Line of Credit Agreement with Webster Business Credit Corporation ("Webster") pursuant to which it may borrow up to $14 million until February 27, 2018 (the "Webster Credit Line") against assignments of mortgages and other collateral. The Webster Credit Line provides for an interest rate of either LIBOR plus 4.75% or the base commercial lending rate of Webster plus 3.25% as chosen by the Company for each drawdown. The Webster Credit Line contains various covenants and restrictions, including limiting the amount that the Company can borrow relative to the value of the underlying collateral, maintaining various financial ratios and limitations on the terms of loans the Company makes to its customers. Mr. Ran has personally guaranteed all of the Company's obligations to Webster. Total costs to establish Webster Credit Line were approximately $144,000. These costs are being amortized over three years, using the straight-line method. The amortization costs for the six month period ended June 30, 2015 were $15,460.

The Webster Credit Line replaced the $7.7 million credit facility (the “Sterling Credit Line”) with Sterling National Bank (“Sterling”). The Company paid off the entire balance due to Sterling with proceeds from the Webster Credit Line and terminated the Sterling Credit Line on February 27, 2015. In addition, the Company utilized the Webster Credit Line to repay in full loans from Mr. Ran in the aggregate amount of $1,100,000, as well as two short-term loans, outstanding at December 31, 2014, in the aggregate amount of $1,000,000, bearing interest at the rate of 12% per annum. At June 30, 2015, the outstanding amount under the Webster Credit Line was $6,993,611, then bearing interest at a rate of 4.9366% per annum.

10. PUBLIC OFFERING

The Company completed a public offering of 1,015,000 common shares at a price to the public of $4.39 per share on May 29, 2015. The gross proceeds raised by the Company from the offering were approximately $4,460,000, before deducting underwriting discounts and commissions and other estimated offering expenses. The Company also granted the underwriter a 45-day option to purchase up to 152,250 additional common shares to cover over-allotments, if any.

In June 2015, the underwriter partially exercised its over-allotment option for an additional 105,000 common shares. The gross proceeds raised by the Company from the sale of the over-allotment option shares were approximately $460,000 resulting in total gross proceeds from the offering of approximately $4,920,000. The remaining option of 47,250 shares expired unexercised in July 2015.

T he total net proceeds from the offering, including the sale of the over-allotment options shares, were approximately $4,250,000, after deducting underwriting discounts and commissions and offering expenses payable by us.

11. COMMITMENTS AND CONTINGENCIES

Operating Lease

On June 9, 2011, the Company entered into a new lease agreement (the “Lease’) to relocate its corporate headquarters to 60 Cutter Mill Road, Great Neck, New York. The Lease is for a term of five years and two months commencing June 2011 and ending August 2016. The rent increases annually during the term and ranges from approximately $2,800 per month during the first year to approximately $3,200 per month during the fifth year.

Right to Rescind Share Purchase

On July 31, 2014, the Company completed a public offering of 1,754,386 common shares. The gross proceeds from the offering were $5 million and the net proceeds were approximately $4.3 million, after deducting underwriting discounts and commissions and offering expenses payable.

With respect to the Company's public offering in July 2014, the final prospectus may have been distributed and the offering consummated without distributing a preliminary prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, although the Company believes that a previously distributed prospectus met those requirements. As a result, purchasers of common shares in the offering may be entitled to rescind their purchase and receive a refund of their original purchase price. In order to receive a refund, a purchaser is required to notify the Company in writing of the purchaser's election to rescind the transaction by July 28, 2015 and, if the notice is accepted, return all common shares purchased in the offering along with dividends received on such shares. If the rescission notice is not accepted by the Company, the purchaser may bring a rescission action against the Company by such date to compel such action. As of July 30, 2015, the Company has not received any notice regarding this matter.

## Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited consolidated financial statements and notes thereto included in this Quarterly Report on Form 10-Q. The discussion and analysis contains forward-looking statements based on current expectations that involve risks and uncertainties. Actual results and the timing of certain events may differ significantly from those projected in such forward-looking statements .*

We are a New York-based real estate finance company that specializes in originating, servicing and managing a portfolio of first mortgage loans. We offer short-term, secured, non–banking loans (sometimes referred to as "hard money" loans) to real estate investors to fund their acquisition, renovation, rehabilitation or development of residential or commercial properties located in the New York metropolitan area. We are organized and conduct our operations to qualify as a real estate investment trust ("REIT") for federal income tax purposes. We believe we qualify as a REIT for our taxable year ended December 31, 2014 and we intend to elect to be taxed as a REIT when we file our 2014 tax return, which we expect will occur on or before September 15, 2015. As a REIT, we are required to distribute at least 90% of our taxable income to our shareholders on an annual basis.

The properties securing our loans are generally classified as residential or commercial real estate and, typically, are held for resale or investment and are not income producing. Each loan is secured by a first mortgage lien on real estate. In addition, each loan is personally guaranteed by the principal(s) of the borrower guaranty, which guaranty may be collaterally secured by a pledge of the guarantor's interest in the borrower. The face amounts of the loans we originate historically have ranged from $14,000 to a maximum of $1.3 million. Our board of directors established a policy limiting the maximum amount of any loan to the lower of (i) 9.9% of the aggregate amount of our loan portfolio (not including the loan under consideration) and (ii) $1.4 million. Our loans typically have a maximum initial term of one year and bear interest at a flat rate of 12% to 15% per year. In addition, we usually receive origination fees, or "points," ranging from 1% to 3% of the original principal amount of the loan as well as other fees relating to underwriting, funding and managing the loan. Interest is always payable monthly, in arrears. In the case of acquisition financing, the principal amount of the loan usually does not exceed 75% of the value of the property (as determined by an independent appraiser), and in the case of construction financing, up to 80% of construction costs.

For the six month periods ended June 30, 2015 and 2014 the total amounts of $8,825,000 and $9,764,000 have been lent, offset by collections received from borrowers, under our commercial loans in the amount of $6,950,218 and $7,537,983, respectively.

We use our own employees, outside lawyers and other independent professionals to verify titles and ownership, to file liens and to consummate the transactions. Outside appraisers are also used to assist us in evaluating the worth of collateral. To date, we have not experienced any defaults and none of the loans previously made have been non-collectable, although no assurances can be given that existing or future loans may not go into default or prove to be non-collectible in the future.

We generally grant loans for a term of one year. In some cases, we have agreed to extend the term of the loans beyond one year. This was mainly due to the additional lending conditions generally imposed by traditional lenders and financial institutions as a result of the mortgage crisis, which has made it more difficult overall for borrowers, including our borrowers, to secure long term financing. Prior to granting an extension of any loan, we reevaluate the underlying collateral.

At June 30, 2015, we were committed to an additional $715,000 in construction loans that can be drawn by the borrower when certain conditions are met.

In July 2014, we completed a public offering of 1,754,386 common shares. The gross proceeds from the offering were $5.0 million and the net proceeds were approximately $4.3 million, after deducting our underwriting discounts and commissions and offering expenses.

As a result of the July 2014 public offering, we satisfy all of the requirements to be taxed as a REIT and intend to elect REIT status beginning with our 2014 tax year. In order to maintain our qualification as a REIT and avoid any excise tax on our net taxable income, we are required to distribute each year at least 90% of our taxable income. If we distribute less than 100% of our taxable income (but more than 90%), the undistributed portion will be taxed at the regular corporate income tax rates. As a REIT, we may also be subject to federal excise taxes and minimum state taxes.

On February 27, 2015 we repaid and terminated the Sterling Credit Line, as described in “Liquidity and Capital Resources” below, and simultaneously entered into the Webster Credit Line, as described in “Liquidity and Capital Resources” below, pursuant to which we may borrow up to $14 million during the next three years. The Webster Credit Line provides for an interest rate of either LIBOR plus 4.75% or Webster’s base commercial lending rate plus 3.25%, as chosen by us for each drawdown, and expires on February 27, 2018. The credit line is secured by assignment of mortgages and other collateral and is guaranteed by Assaf Ran, our chief executive officer.

On May 29, 2015, we completed another public offering of 1,015,000 common shares. In June 2015, the underwriter partially exercised its over-allotment option for an additional 105,000 common shares. The gross proceeds from the offering, including the partial exercise of the over-allotment option, were approximately $4.9 million and the net proceeds were approximately $4.3 million, after deducting our underwriting discounts and commissions and offering expenses.

**Results of Operations**

**Three Months Ended June 30, 2015 compared to Three Months Ended June 30, 2014**

*Revenue*

Total revenues for the three month period ended June 30, 2015 were approximately $912,000 compared to approximately $630,000 for the three month period ended June 30, 2014, an increase of $282,000, or 44.8%. The increase in revenue represents an increase in lending operations. For the three month periods ended June 30, 2015 and 2014, approximately $764,000 and $518,000, respectively, of our revenues were attributable to interest income on the secured commercial loans that we offer to small businesses, and approximately $148,000 and $112,000, respectively, of our revenues were attributable to origination fees on such loans. Our loans are principally secured by collateral consisting of real property and, generally, accompanied by personal guarantees.

*Interest and amortization of debt service costs*

Interest and amortization of debt service costs for the three month period ended June 30, 2015 were approximately $151,000 compared to approximately $123,000 for the three month period ended June 30, 2014, an increase of $28,000, or 22.8%. The increase in interest and amortization of debt service costs was primarily attributable to the establishment and use of the Webster Credit Line (See Note 9 to the financial statements included elsewhere in this report) in order to increase our ability to make loans.

*General and administrative expenses*

General and administrative expenses for the three month period ended June 30, 2015 were approximately $215,000 compared to approximately $176,000 for the three month period ended June 30, 2014, an increase of $39,000, or 22.2%. The increase is primarily attributable to increases in public relations, payroll, travel and meal expenses.

*Other income*

Other income for the three month periods ended June 30, 2015 and 2014 was $0 and approximately $7,000, respectively, which represents the fees generated from the remaining seller buy back option in 2014. (See Note 4 to the financial statements included elsewhere in this report.)

*Write-down of investment in privately held company*

Write-down of investment in privately held company for the three month periods ended June 30, 2015 and 2014 was $15,000 and $0, respectively. In 2015, we wrote down the value of our investment in a privately held company due to the fact that it has experienced delays in executing its business plan. (See Note 5 to the financial statements included elsewhere in this report).

*Income tax benefit*

For the three month periods ended June 30, 2015 and 2014, we had income tax benefit of $0 and $83,000, respectively. In 2014, we reversed $83,000 of our income tax accrual at June 30, 2014 because we determined that we satisfied all of the requirements to be taxed as a REIT and intend to elect REIT status beginning with our 2014 tax year.

**Six Months Ended June 30, 2015 compared to Six Months Ended June 30, 2014**

*Revenue*

Total revenues for the six month period ended June 30, 2015 were approximately $1,824,000 compared to approximately $1,239,000 for the six month period ended June 30, 2014, an increase of $585,000, or 47.2%. The increase in revenue represents an increase in lending operations. For the six month periods ended June 30, 2015 and 2014, revenues of approximately $1,521,000 and $1,025,000, respectively, were attributable to interest income on the secured commercial loans that we offer to small businesses, and approximately $303,000 and $214,000, respectively, were attributable to origination fees on such loans. Our loans are principally secured by collateral consisting of real property and, generally, accompanied by personal guarantees.

*Interest and amortization of debt service costs*

Interest and amortization of debt service costs for the six month period ended June 30, 2015 were approximately $334,000 compared to approximately $239,000 for the six month period ended June 30, 2014, an increase of $95,000, or 39.7%. The increase in interest and amortization of debt service costs was primarily attributable to the additional short term loans received by us and our use of the lines of credit available to us (See Note 9 to the financial statements included elsewhere in this report) in order to increase our ability to make loans.

*General and administrative expense*

General and administrative expenses for the six month period ended June 30, 2015 were approximately $467,000 compared to approximately $352,000 for the six month period ended June 30, 2014, an increase of $115,000, or 32.7%. The increase is primarily attributable to a special bonus to officers for establishing the Webster Credit Line (See Note 9 to the financial statements included elsewhere in this report), and increases in payroll, public relations, consulting, travel and meal expenses.

*Other income*

Other income for the six month periods ended June 30, 2015 and 2014, was $0 and approximately $14,000, respectively, which represents the fees generated from the remaining seller buy back option in 2014. (See Note 4 to the financial statements included elsewhere in this report.)

*Write-down of investment in privately held company*

Write-down of investment in privately held company for the six month periods ended June 30, 2015 and 2014 was $15,000 and $0, respectively. In 2015, we wrote down the value of our investment in a privately held company due to the fact that it has experienced delays in executing its business plan. (See Note 5 to the financial statements included elsewhere in this report).

*Income tax expense*

For the six month periods ended June 30, 2015 and 2014, we had income tax expenset of $0 and $32,000, respectively. In 2014, the income tax expense was primarily due to our determination that we under accrued the prior year's income tax expense.

**Liquidity and Capital Resources**

At June 30, 2015, we had cash and cash equivalents of approximately $45,000 and working capital of approximately $6,914,000 compared to cash and cash equivalents of approximately $48,000 and working capital of $8,849,000 at December 31, 2014. The decrease in working capital is primarily attributable to the reclassification of a portion of short-term loans to long-term loans receivable, offset by a decrease in short term loans payable. At June 30, 2015, our long-term loans receivable represents 42.72% of our loan portfolio, compared to 20.36% at December 31, 2014.

For the six month periods ended June 30, 2015 and 2014, net cash provided by operating activities were approximately $760,000 and $368,000, respectively. The increase in net cash provided by operating activities primarily results from an increase in net income, offset by an increase in interest receivable on loans, and decreases in accounts payable and accrued expenses and in deferred origination fees.

Net cash used in investing activities was approximately $1,875,000 for the six month period ended June 30, 2015, compared to approximately $2,226,000 for the same period ended June 30, 2014. Net cash used in investing activities for the six month period ended June 30, 2015 consisted of the issuance of our short term commercial loans of $8,825,000, offset by collection of these loans of approximately $6,950,000. In the period ended June 30, 2014, net cash used in investing activities consisted of the issuance of our short term commercial loans of $9,764,000, offset by collection of these loans of approximately $7,538,000.

Net cash provided by financing activities for the six month period ended June 30, 2015 was approximately $1,113,000, compared to $973,000 for the period ended June 30, 2014. Net cash provided by financing activities for the six month period ended June 30, 2015 reflects the net proceeds from the public offering of approximately $4,255,000 and the proceeds from the exercise of stock options and warrants of approximately $24,000, offset by the repayments of short-term loans and lines of credit in the net amount of approximately $2,080,000, the dividend payment of approximately $974,000, and the deferred financing costs on the establishment of the Webster Credit Line (as described below) in the amount of approximately $111,000. In the period ended June 30, 2014, net cash provided by financing reflects the use of the Sterling Credit Line of $1,250,000 and the proceeds from exercise of stock options of approximately $55,000, offset by the capital raising costs in the amount of approximately $204,000 and the dividend payment of approximately $128,000.

Until our initial public offering in 1999, our only source of funds was cash flow from operations, which funded both our working capital needs and capital expenditures. In May 1999 we completed our initial public offering in which we raised net proceeds of approximately $6.4 million.

On February 27, 2015, we entered into a Line of Credit Agreement with Webster Business Credit Corporation (“Webster”) pursuant to which we may borrow up to $14 million until February 27, 2018 (the “Webster Credit Line”) against assignments of mortgages and other collateral. The Webster Credit Line provides for an interest rate of either LIBOR plus 4.75% or the base commercial lending rate of Webster plus 3.25% as chosen by us for each drawdown. The Webster Credit Line contains various covenants and restrictions, including limiting the amount that we can borrow relative to the value of the underlying collateral, maintaining various financial ratios and limitations on the terms of loans we make to our customers. Mr. Ran, has personally guaranteed all of our obligations to Webster.

The Webster Credit Line replaced the $7.7 million credit facility (the “Sterling Credit Line”) with Sterling National Bank (“Sterling”). We paid off the entire balance due to Sterling with proceeds from the Webster Credit Line and terminated the Sterling Credit Line on February 27, 2015. In addition, we utilized the Webster Credit Line to repay in full loans from Mr. Ran in the aggregate amount of $1,100,000, as well as two short-term loans, outstanding at December 31, 2014, in the aggregate amount of $1,000,000, bearing interest at the rate of 12% per annum. At June 30, 2015, the outstanding amount under the Webster Credit Line was $6,993,611, then bearing interest at a rate of 4.9366% per annum.

In July 2014, we completed a public offering of 1,754,386 common shares. The gross proceeds from the offering were $5.0 million and the net proceeds were approximately $4.3 million, after deducting our underwriting discounts and commissions and offering expenses.

As a result of the July 2014 public offering, we satisfy all of the requirements to be taxed as a REIT and intend to elect REIT status beginning with our 2014 tax year. In order to maintain our qualification as a REIT and avoid any excise tax on our net taxable income, we are required to distribute each year at least 90% of our taxable income. If we distribute less than 100% of our taxable income (but more than 90%), the undistributed portion will be taxed at the regular corporate income tax rates. As a REIT, we may also be subject to federal excise taxes and minimum state taxes.

With respect to our public offering in July 2014, the final prospectus may have been distributed and the offering consummated without distributing a preliminary prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, although we believe that a previously distributed prospectus met those requirements. As a result, purchasers of common shares in the offering may be entitled to rescind their purchase and receive a refund of their original purchase price. In order to receive a refund, a purchaser is required to notify us in writing of the purchaser’s election to rescind the transaction by July 28, 2015 and, if the notice is accepted, return all common shares purchased in the offering along with dividends received on such shares. If we do not accept the rescission notice, the purchaser may bring a rescission action against us by such date to compel such action. As of July 30, 2015, we have not received any notice regarding this matter.

On May 29, 2015, we completed another public offering of 1,015,000 common shares. In June 2015, the underwriter partially exercised its over-allotment option for an additional 105,000 common shares. The gross proceeds from the offering, including the partial exercise of the over-allotment option, were approximately $4.9 million and the net proceeds were approximately $4.3 million, after deducting our underwriting discounts and commissions and offering expenses.

We anticipate that our current cash balances and the Webster Credit Line, as described above, together with our cash flows from operations will be sufficient to fund our operations for the next 12 months. However, we expect our working capital requirements to increase over the next 12 months as we continue to strive for growth.

**Changes to Critical Accounting Policies and Estimates**

Our critical accounting polices and estimates are set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014.

**Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

As a smaller reporting company, we are not required to provide the information required by this Item.

## Item 4. CONTROLS AND PROCEDURES

### (a) Evaluation and Disclosure Controls and Procedures

Our management, namely our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of June 30, 2015 (the "Evaluation Date"). Based upon that evaluation, the chief executive officer and the chief financial officer concluded that, as of the Evaluation Date, our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act (i) are recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and (ii) are accumulated and communicated to our management, namely our chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

### (b) Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting (as defined in Rules 13a-15(f) or 15d-15(f) under the Exchange Act) identified in connection with the evaluation required by Rules 13a-15(d) or 15d-15(d) that occurred during the fiscal quarter ended June 30, 2015 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## PART II OTHER INFORMATION

## Item 6. EXHIBITS

| Exhibit No. | Description |
|---|---|
| 31.1 | Chief Executive Officer Certification as required under section 302 of the Sarbanes Oxley Act (filed herewith) |
| 31.2 | Chief Financial Officer Certification as required under section 302 of the Sarbanes Oxley Act (filed herewith) |
| 32.1* | Chief Executive Officer Certification pursuant to 18 U.S.C. section 1350 as adopted pursuant to section 906 of the Sarbanes Oxley Act (furnished herewith) |
| 32.2* | Chief Financial Officer Certification pursuant to 18 U.S.C. section 1350 as adopted pursuant to section 906 of the Sarbanes Oxley Act (furnished herewith) |
| 101.INS | XBRL Instance Document |
| 101.CAL | XBRL Taxonomy Extension Schema Document |
| 101.SCH | XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document |

* Furnished, not filed, in accordance with item 601(32)(ii) of Regulation S-K.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Manhattan Bridge Capital, Inc. (Registrant)

| | |
|---|---|
| Date: July 31, 2015 | By: /s/ Assaf Ran<br>Assaf Ran, President and Chief Executive Officer<br>(Principal Executive Officer) |
| Date: July 31, 2015 | By: /s/ Vanessa Kao<br>Vanessa Kao, Chief Financial Officer<br>(Principal Financial and Accounting Officer) |

**EXHIBIT 31.1**

## CERTIFICATION

I, Assaf Ran, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Manhattan Bridge Capital, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2015

/s/ Assaf Ran
Assaf Ran
President and Chief Executive Officer
(Principal Executive Officer)

**EXHIBIT 31.2**

## CERTIFICATION

I, Vanessa Kao, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Manhattan Bridge Capital, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2015

/s/ Vanessa Kao
Vanessa Kao
Chief Financial Officer
(Principal Financial and Accounting Officer)

**Exhibit 32.1**

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

In connection with the Quarterly Report on Form 10-Q of Manhattan Bridge Capital, Inc. (the "Company") for the period ended June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Assaf Ran, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to § 906 of the Sarbanes Oxley Act, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: July 31, 2015

/s/ Assaf Ran*
Assaf Ran
President and Chief Executive Officer
(Principal Executive Officer)

* A signed original of this written statement required by Section 906 has been provided to us and will be retained by us and furnished to the Securities and Exchange Commission or its staff upon request.

**Exhibit 32.2**

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

In connection with the Quarterly Report on Form 10-Q of Manhattan Bridge Capital, Inc. (the "Company") for the period ended June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Vanessa Kao, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to § 906 of the Sarbanes Oxley Act, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: July 31, 2015

/s/ Vanessa Kao*
Vanessa Kao
Chief Financial Officer
(Principal Financial and Accounting Officer)

* A signed original of this written statement required by Section 906 has been provided to us and will be retained by us and furnished to the Securities and Exchange Commission or its staff upon request.