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

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **June 30, 2017**

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. [X] 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). [X] Yes [ ] No

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

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer	[ ] (Do not check if a smaller reporting company)	Smaller reporting company	[X]
Emerging growth company	[ ]		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

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

As of July 27, 2017, the Issuer had a total of 8,101,934 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 have limited operating history as a real estate investment trust ("REIT"); (ii) our loan origination activities, revenues and profits are limited by available funds; (iii) we operate in a highly competitive market and competition may limit our ability to originate loans with favorable interest rates; (iv) our chief executive officer is critical to our business and our future success may depend on our ability to retain him; (v) if we overestimate the yields on our loans or incorrectly value the collateral securing the loan, we may experience losses; (vi) we may be subject to "lender liability" claims; (vii) our loan portfolio is illiquid; (viii) our due diligence may not uncover all of a borrower's liabilities or other risks to its business; (ix) borrower concentration could lead to significant losses; (x) our management has limited experience managing a REIT; and (xi) 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. Further information on potential factors that could affect our business is described under the heading "Risk Factors" in Part I, Item 1A, of our Annual Report on Form 10-K for the fiscal year ended December 31, 2016. 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.

All references in this Form 10-Q to "Company," "we," "us," or "our" refer to Manhattan Bridge Capital, Inc. and its wholly-owned subsidiaries DAG Funding Solutions, Inc. (until its dissolution in September 2016) and MBC Funding II Corp., unless the context otherwise indicates.

PART I. FINANCIAL INFORMATION

Item 1. CONSOLIDATED FINANCIAL STATEMENTS

MANHATTAN BRIDGE CAPITAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	June 30, 2017 (unaudited)	December 31, 2016 (audited)
Assets		
Loans receivable	$ 41,241,820	$ 34,755,320
Interest receivable on loans	457,118	346,519
Cash and cash equivalents	125,030	96,299
Deferred financing costs	32,110	56,193
Investment in privately held company	25,000	35,000
Other assets	78,783	44,193
Total assets	$ 41,959,861	$ 35,333,524
Liabilities and Stockholders' Equity		
Liabilities:		
Line of credit	$ 13,165,999	$ 6,482,848
Senior secured notes (net of deferred financing costs of $660,127 and $697,669, respectively)	5,339,873	5,302,331
Deferred origination fees	361,523	315,411
Accounts payable and accrued expenses	101,488	105,541
Other liabilities	25,000	—
Dividends payable	—	813,503
Total liabilities	18,993,883	13,019,634
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; 8,312,036 issued; 8,101,934 and 8,135,036 outstanding, respectively	8,312	8,312
Additional paid-in capital	23,140,546	23,134,013
Treasury stock, at cost – 210,102 and 177,000	(541,491)	(369,335)
Retained earnings (Accumulated deficit)	358,611	(459,100)
Total stockholders' equity	22,965,978	22,313,890
Total liabilities and stockholders' equity	$ 41,959,861	$ 35,333,524

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	**2016**	**2017**	**2016**
Interest income from loans	$ 1,188,567	$ 973,934	$ 2,294,748	$ 1,888,243
Origination fees	212,334	191,959	435,759	382,240
Total Revenue	1,400,901	1,165,893	2,730,507	2,270,483
Operating costs and expenses:				
Interest and amortization of debt service costs	277,651	208,750	509,233	388,300
Referral fees	841	1,894	2,201	3,262
General and administrative expenses	270,471	233,545	575,986	461,385
Total operating costs and expenses	548,963	444,189	1,087,420	852,947
Income from operations	851,938	721,704	1,643,087	1,417,536
Loss on write-down of investment in privately held company (Note 4)	(10,000)	(10,000)	(10,000)	(10,000)
Income before income tax expense	841,938	711,704	1,633,087	1,407,536
Income tax expense	(1,872)	(1,639)	(1,872)	(2,146)
Net income	$ 840,066	$ 710,065	$ 1,631,215	$ 1,405,390
Basic and diluted net income per common share outstanding:				
—Basic	$ 0.10	$ 0.10	$ 0.20	$ 0.19
—Diluted	$ 0.10	$ 0.10	$ 0.20	$ 0.19
Weighted average number of common shares outstanding				
—Basic	8,119,052	7,279,332	8,127,000	7,271,685
—Diluted	8,131,752	7,307,710	8,142,157	7,298,185

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

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

	Six Months Ended June 30, 2017	Six Months Ended June 30, 2016
Cash flows from operating activities:		
Net Income	$ 1,631,215	$ 1,405,390
Adjustments to reconcile net income to net cash provided by operating activities -		
Amortization of deferred financing costs	61,625	39,433
Depreciation	2,186	1,778
Non cash compensation expense	6,532	6,794
Loss on write-down of investment in privately held company (Note 4)	10,000	10,000
Changes in operating assets and liabilities:		
Interest receivable on loans	(110,599)	82,207
Other assets	(35,109)	(26,730)
Accounts payable and accrued expenses	(4,053)	(10,057)
Deferred origination fees	46,112	31,729
Other liabilities	25,000	—
Net cash provided by operating activities	1,632,909	1,540,544
Cash flows from investing activities:		
Issuance of short term loans	(20,599,500)	(14,869,500)
Collections received from loans	14,113,000	13,639,670
Purchase of fixed assets	(1,666)	(1,499)
Net cash used in investing activities	(6,488,166)	(1,231,329)
Cash flows from financing activities:		
Proceeds from (Repayments of) lines of credit, net	6,683,151	(2,351,510)
Dividend paid	(1,627,007)	(1,235,503)
Purchase of treasury shares	(172,156)	—
Repayments of short-term loans, net	—	(1,095,620)
Cash restricted for reduction of line of credit	—	(1,408,592)
Amount collected payable to joint venture partners	—	378,875
Proceeds from public offering, net	—	5,323,336
Proceeds from exercise of stock options and warrants	—	100,463
Net cash provided by (used in) financing activities	4,883,988	(288,551)
Net increase in cash and cash equivalents	28,731	20,664
Cash and cash equivalents, beginning of year	96,299	106,836
Cash and cash equivalents, end of period	$ 125,030	$ 127,500
Supplemental Cash Flow Information:		
Taxes paid during the period	$ 1,872	$ 1,948
Interest paid during the period	$ 415,273	$ 348,443

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 founded in 1989, and its consolidated subsidiaries, DAG Funding Solutions, Inc. (dissolved in September 2016) ("DAG Funding"), a New York corporation formed in May 2007, and MBC Funding II Corp. ("MBC Funding II"), a New York corporation formed in December 2015 (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, 2016 and the notes thereto included in the Company's Annual Report on 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, DAG Funding (until its dissolution) and MBC Funding II. 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, renovation, rehabilitation or development of residential or commercial properties located in the New York metropolitan area.

The Company recognizes revenues in accordance with Accounting Standards Codification ("ASC") 605, "Revenue Recognition", 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.

The Company presents deferred financing costs, excluding those incurred in connection with its line of credit, in the balance sheet as a direct reduction from the related debt liability rather than an asset, in accordance with Accounting Standards Update ("ASU") 2015-03, "Interest – Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs". These costs, incurred in connection with the issuance of the Company's senior secured notes, are being amortized over ten years, using the straight-line method.

Deferred financing costs in connection with the Company's Credit and Security Agreement with Webster Business Credit Corporation ("Webster") pursuant to which it may borrow up to $15 million until February 27, 2022 (the "Webster Credit Line"), as discussed in Note 7, are presented as an asset in the balance sheet, in accordance with ASU 2015-15, "Interest – Imputation of Interest (Subtopic 835-30): Presentation and Subsequent Measurement of Debt Issuance Costs Associated With Line of Credit Arrangements". These costs are being amortized over three years, using the straight-line method.

2. RECENT TECHNICAL ACCOUNTING PRONOUNCEMENTS

In August 2016, the Financial Accounting Standards Board (the "FASB") issued ASU 2016-15, "Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments - a consensus of the Emerging Issues Task Force." The ASU amends ASC 230 to add or clarify guidance on the classification of certain cash receipts and payments in the statement of cash flows. For public companies that file with the SEC, the standard is effective for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted, provided that all of the amendments are adopted in the same period. The adoption of this guidance is not expected to have a material impact on the Company's consolidated financial statements.

In November 2016, the FASB issued ASU 2016-18, "Statement of Cash Flows (Topic 230): Restricted Cash - a consensus of the FASB Emerging Issues Task Force." The ASU requires that restricted cash and restricted cash equivalents be included as components of total cash and cash equivalents as presented on the statement of cash flows. For public companies that file with the SEC, the standard is effective for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The adoption of this guidance is not expected to have a material impact on the Company's consolidated financial statements.

In May 2017, the FASB issued ASU 2017-09, "Compensation - Stock Compensation (Topic 718): Scope of Modification Accounting." The ASU provides guidance on the types of changes to the terms or conditions of share-based payment awards to which an entity would be required to apply modification accounting under ASC 718. Under the new guidance, modification accounting is required only if the fair value, the vesting conditions, or the classification of the award changes as a result of the change in terms or conditions. For all entities, the standard is effective for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted, including adoption in any interim period. 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 effective, accounting standards if currently adopted would have a material effect on the Company's consolidated financial statements.

3. COMMERCIAL LOANS

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 borrowers. The loans are generally for a term of one year. The 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.

At June 30, 2017, we were committed to an additional $3,830,500 in construction loans that can be drawn by the borrowers when certain conditions are met.

At June 30, 2017, no one entity has loans outstanding representing more than 10% of the total balance of the loans outstanding. In addition, at June 30, 2017, the Company did not have any loans outstanding that were joint ventured with partners.

The Company generally grants loans for a term of one year. When a performing loan reaches its maturity, and the borrower requests an extension, we may extend the term of the loan beyond one year. Prior to granting an extension of any loan, we reevaluate the underlying collateral.

Credit Risk

Credit risk profile based on loan activity as of June 30, 2017:

Performing loans	Developers-Residential	Developers-Commercial	Developers- Mixed Used	Total outstanding loans
June 30, 2017	$ 37,796,820	$ 500,000	$ 2,945,000	$ 41,241,820

At June 30, 2017, the Company's loans receivable includes loans in the amount of $345,000, $766,320 and $5,032,500 originally due in 2014, 2015 and 2016, 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, 2017, 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, $1,610,000 of the loans receivable at June 30, 2017 were paid off.

4. 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, to $50,000 at June 30, 2015, and to $35,000 at December 31, 2016. The Company further wrote down the value of its investment to $25,000 at June 30, 2017, resulting in a charge to the statement of operations of $10,000 for the three and six month periods ended June 30, 2017.

5. 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,	
	2017	2016	2017	2016
Basic	8,119,052	7,279,332	8,127,000	7,271,685
Incremental shares for assumed exercise of options	12,700	28,378	15,157	26,500
Diluted	8,131,752	7,307,710	8,142,157	7,298,185

For the three and six month periods ended June 30, 2017, 31,331 and 28,874, stock options and warrants 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, 2016, 99,341 and 101,219, stock options and warrants were not included in the diluted earnings per share calculation, respectively, because their effect would have been anti-dilutive.

6. 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.

The exercise price of options granted under the Company's stock option plan (the "Plan") may not be less than the fair market value on the date of grant. Stock options under the Plan may be awarded to officers, key employees, consultants and non-employee directors of the Company. Generally, options outstanding vest over periods not exceeding four years and are exercisable for up to five years from the grant date.

Share based compensation expense recognized under ASC 718 for the three and six months ended June 30, 2017 was $3,266 and $6,532, respectively. Share based compensation expense recognized under ASC 718 for the three and six months ended June 30, 2016 was $3,397 and $6,794, respectively. The share based compensation expense primarily represents the amortization of the fair value of 1,000,000 restricted shares granted to the Company's Chief Executive Officer on September 9, 2011 of $195,968, 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.

The following summarizes stock option activity for the six month period ended June 30, 2017:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding at December 31, 2016	28,000	$ 2.10		
Granted	—	—		
Exercised	—	—		
Forfeited or expired	(7,000)	1.02		
Outstanding at June 30, 2017	21,000	$ 2.46	1.67	$ 15,547
Vested and exercisable at June 30, 2017	21,000	$ 2.46	1.67	$ 15,547

On July 31, 2014, in connection with the Company's public offering in July 2014, the Company issued warrants to purchase up to 87,719 common shares, with an exercise price of $3.5625 per common share, to the representative of the underwriters of the offering (the "July 2014 Representative Warrants"). These 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. At June 30, 2017, July 2014 Representative Warrants to purchase up to 4,000 common shares were outstanding.

On May 29, 2015, in connection with the Company's public offering in May 2015, the Company issued warrants to purchase up to 50,750 common shares, with an exercise price of $5.4875 per common share, to the representative of the underwriters of the offering (the "May 2015 Rep Warrants"). These 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. At June 30, 2017, May 2015 Rep Warrants to purchase up to 19,031 common shares were outstanding.

On August 15, 2016, in connection with the Shelf Takedown (defined below), the Company issued warrants to purchase up to 33,612 common shares, with an exercise price of $7.4375 per common share, to the representative of the underwriters of the offering (the "August 2016 Rep Warrants"). The warrants are exercisable at any time, and from time to time, in whole or in part, commencing on August 9, 2017 and expire on August 9, 2021. The fair value of these warrants, using the Black-Scholes option pricing model, on the date of issuance was $47,020. At June 30, 2017, all of the August 2016 Rep Warrants were outstanding.

7. LINE OF CREDIT

On February 27, 2015, the Company entered into the Credit and Security Agreement with Webster. The Webster Credit Line provided for an interest rate (until amended – as described below) 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, among other covenants and restrictions, 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, limiting the Company's ability to pay dividends under certain circumstances, and limiting the Company's ability to repurchase its common shares, sell assets, engage in mergers or consolidations, grant liens, and enter into transactions with affiliates. In addition, the Webster Credit Line also contains a cross default provision which will deem any default under any indebtedness owed by us or our subsidiary, MBC Funding II, as a default under the credit line. Mr. Assaf Ran, the Company's President and Chief Executive Officer, has personally guaranteed all of the Company's obligations to Webster.

Total costs to establish the Webster Credit Line were approximately $144,000. These costs are being amortized over three years, using the straight-line method. The amortization costs for each of the six months ended June 30, 2017 and 2016 were $24,083.

At June 30, 2017, the outstanding amount under the Webster Credit Line was $13,165,999. The interest rate on the amount outstanding fluctuates daily. The rate for June 30, 2017 was 5.97611%.

Effective July 7, 2017, the Company entered into Amendment No. 3 to Credit and Security Agreement and Amendment No. 1 to Guaranty Agreement (the "Amendment"), with Webster. In conjunction with the execution of the Amendment, the Company also entered into an Amended and Restated Revolving Credit Note (the "Amended Note"), and Amendment No. 3 Fee Letter (the "Fee Letter"), each dated July 7, 2017, with Webster. Pursuant to the terms of the Amendment, the Webster Credit Line was increased by $1 million to $15 million in the aggregate, with an option, at the discretion of Webster, to increase the Webster Credit Line to $20 million in the aggregate. The term of the Webster Credit Line was extended to February 28, 2021, unless sooner terminated, and contains a provision that permits a Company option for a further extension of the Webster Credit Line until February 28, 2022, subject to Webster's consent. Pursuant to the terms of the Amendment, the terms of the personal guaranty provided by Mr. Ran were amended such that the potential sums owed under Mr. Ran's personal guaranty will not exceed the sum of $500,000 plus any costs relating to the enforcement of the personal guaranty.

In addition, the interest rates relating to the Webster Credit Line were amended such that the interest rates now equal (i) LIBOR plus 3.75% plus the 0.5% Agency Fee (as hereinafter defined) or (ii) a Base Rate (as defined in the Credit and Security Agreement) plus 2.25% plus the 0.5% Agency Fee, as chosen by the Company for each drawdown. Finally, the Amendment provides that the Company shall not permit mortgage loans that are outstanding more than 24 months after their origination date to comprise more than 17.5% of their total portfolio of mortgage loans at any time. Pursuant to the terms of the Fee Letter, the Company agreed to pay Webster an agency fee equal to 0.5% per annum (the “Agency Fee”) on the actual principal amount of advances outstanding during any month, as well as a $15,000 syndication fee.

8. SENIOR SECURED NOTES

On April 25, 2016, in an initial public offering, MBC Funding II issued 6% senior secured notes, due April 22, 2026 (the “Notes”) in the aggregate principal amount of $6,000,000 under the Indenture, dated April 25, 2016, among MBC Funding II, as Issuer, the Company, as Guarantor, and Worldwide Stock Transfer LLC, as Indenture Trustee (the “Indenture”). The Notes, having a principal amount of $1,000 each, are listed on the NYSE MKT and trade under the symbol “LOAN/26”. Interest accrues on the Notes commencing on May 16, 2016. The accrued interest is payable monthly in cash, in arrears, on the 15th day of each calendar month commencing June 2016.

Under the terms of the Indenture, the aggregate outstanding principal balance of the mortgage loans held by MBC Funding II, together with MBC Funding II’s cash on hand, must always equal at least 120% of the aggregate outstanding principal amount of the Notes at all times. To the extent the aggregate principal amount of the mortgage loans owned by MBC Funding II plus MBC Funding II’s cash on hand is less than 120% of the aggregate outstanding principal balance of the Notes, MBC Funding II is required to repay, on a monthly basis, the principal amount of the Notes equal to the amount necessary such that, after giving effect to such repayment, the aggregate principal amount of all mortgage loans owned by MBC Funding II plus MBC Funding II’s cash on hand at such time is equal to or greater than 120% of the outstanding principal amount of the Notes. For this purpose, each mortgage loan is deemed to have a value equal to its outstanding principal balance, unless the borrower is in default of its obligations.

MBC Funding II may redeem the Notes, in whole or in part, at any time after April 22, 2019 upon at least 30 days prior written notice to the Noteholders. The redemption price will be equal to the outstanding principal amount of the Notes redeemed plus the accrued but unpaid interest thereon up to, but not including, the date of redemption, without penalty or premium; provided that (i) if the Notes are redeemed on or after April 22, 2019 but prior to April 22, 2020, the redemption price will be 103% of the principal amount of the Notes redeemed and (ii) if the Notes are redeemed on or after April 22, 2020 but prior to April 22, 2021, the redemption price will be 101.5% of the principal amount of the Notes redeemed plus, in either case, the accrued but unpaid interest on the Notes redeemed up to, but not including, the date of redemption.

Each noteholder has the right to cause MBC Funding II to redeem his, her, or its Notes on April 22, 2021. The redemption price will be equal to the outstanding principal amount of the Notes redeemed plus the accrued but unpaid interest up to, but not including, the date of redemption, without penalty or premium. In order to exercise this right, the Noteholder must notify MBC Funding II, in writing, no earlier than November 22, 2020 and no later than January 22, 2021. All notes that are subject to a properly and timely notice will be redeemed on April 22, 2021. Any noteholder who fails to make a proper and timely election will be deemed to have waived his, her or its right to have his, her or its Notes redeemed prior to the maturity date.

MBC Funding II is obligated to offer to redeem the Notes if there occurs a “change of control” with respect to MBC Funding II or the Company or if MBC Funding II or the Company sell any assets unless, in the case of an asset sale, the proceeds are reinvested in the business of the seller. The redemption price in connection with a “change of control” will be 101% of the principal amount of the Notes redeemed plus accrued but unpaid interest thereon up to, but not including, the date of redemption. The redemption price in connection with an asset sale will be the outstanding principal amount of the Notes redeemed plus accrued but unpaid interest thereon up to, but not including, the date of redemption.

9. PUBLIC OFFERING

As mentioned above, on April 25, 2016, MBC Funding II completed a firm commitment underwritten public offering of the Notes. The Company guaranteed MBC Funding II's obligations under the Notes, which are secured by a pledge by the Company of 100% of the outstanding common shares of MBC Funding II it owns. The gross proceeds to MBC Funding II from this offering were $6,000,000, and the net proceeds were approximately $5,200,000, after deducting the underwriting discounts and commissions and other offering expenses. MBC Funding II utilized the proceeds to purchase a pool of mortgage loans from MBC, which the Company in turn used to pay down the Webster Credit Line (see Note 7). The Company's Chief Executive Officer and Chief Financial Officer also serve as the Chief Executive Officer and Chief Financial Officer, respectively, of MBC Funding II. In connection with the initial public offering of MBC Funding II, MBC Funding II's Chief Executive Officer purchased approximately $594,000 of the senior secured Notes and MBC Funding II's Chief Financial Officer purchased approximately $38,000 of the senior secured Notes. Subsequent to the offering, MBC Funding II's Chief Financial Officer purchased an additional $57,000 of the senior secured Notes.

On August 15, 2016, the Company completed a public offering of 672,269 common shares at an offering price of $5.95 per share (the "Shelf Takedown"). The gross proceeds raised by the Company from the Shelf Takedown were approximately $4,600,000 (including approximately $600,000 from the sale of 100,840 additional common shares upon the exercise of the over-allotment option by the underwriter) before deducting underwriting discounts and commissions and other offering expenses. The total net proceeds from the Shelf Takedown were approximately $4,200,000.

10. 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 was for a term of five years and two months commencing June 2011 and ending August 2016. The rent increased annually during the term and ranged from approximately $2,800 per month during the first year to approximately $3,200 per month during the fifth year.

On July 21, 2016, the Company amended the Lease (the "Lease Amendment") to extend the term of the Lease for an additional five years, through September 30, 2021. Among other things, the Lease Amendment provides for gradual annual rent increases from approximately $3,500 per month during the first year to $3,900 per month during the fifth year of the extension term.

11. RECLASSIFICATIONS

During the quarter ended June 30, 2017, management determined to adopt an unclassified balance sheet format for financial statement reporting purposes in order to be consistent with common practice in the Real Estate Investment Trust (REIT) industry. Certain reclassifications have been made to the classified balance sheet as of December 31, 2016 to conform to the current period's presentation.

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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), which we may renew or extend on, before or after their initial term expires, to real estate investors to fund their acquisition, renovation, rehabilitation or development of residential or commercial properties located in the New York metropolitan area.

The properties securing the loans are generally classified as residential or commercial real estate and, typically, 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, which guarantee may be collaterally secured by a pledge of the guarantor's interest in the borrower. The face amount of the loans we originate historically ranged from $14,000 to a maximum of $2 million. Our lending policy limits 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) $2 million. Our loans typically have a maximum initial term of 12 months bearing interest at a fixed rate of 11% to 14% per year. In addition, we usually receive origination fees or "points" ranging from 0% to 3% of the original principal amount of the loan as well as other fees relating to underwriting and funding 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, it is typically up to 80% of construction costs.

Since commencing this business in 2007, we have made over 550 loans and never foreclosed on a property. In addition, none of our loans have ever gone into default, although sometimes we have renewed or extended our loans to enable the borrower to avoid premature sale or refinancing of the property. When we renew or extend a loan we receive additional "points" and other fees.

Our primary business objective is to grow our loan portfolio while protecting and preserving capital in a manner that provides for attractive risk-adjusted returns to our shareholders over the long term through dividends. We intend to achieve this objective by continuing to selectively originate loans and carefully manage our portfolio of first mortgage real estate loans in a manner designed to generate attractive risk-adjusted returns across a variety of market conditions and economic cycles. We believe that the demand for relatively small loans secured by residential and commercial real estate held for investment in the New York metropolitan market is significant and growing and that traditional lenders, including banks and other financial institutions, that usually address this market are unable to satisfy this demand. This demand/supply imbalance has created an opportunity for non-bank "hard money" real estate lenders like us to selectively originate high-quality first mortgage loans on attractive terms and this condition should persist for a number of years. We have built our business on a foundation of intimate knowledge of the New York metropolitan area real estate market combined with a disciplined credit and due diligence culture that is designed to protect and preserve capital. We believe that our flexibility in terms of meeting the needs of borrowers without compromising our standards on credit risk, our expertise, our intimate knowledge of the New York metropolitan area real estate market and our focus on newly originated first mortgage loans, has defined our success until now and should enable us to continue to achieve our objectives.

A principal source of new transactions has been repeat business from prior customers and their referral of new business. We also receive leads for new business from banks, brokers and a limited amount of advertising. Finally, our chief executive officer also spends a significant portion of his time on new business development. We rely on our own employees, independent legal counsel, and other independent professionals to verify titles and ownership, to file liens and to consummate the transactions. Outside appraisers are used to assist us in evaluating the worth of collateral, when deemed necessary by management. We also use construction inspectors.

For the six month periods ended June 30, 2017 and 2016, the total amounts of $20,599,500 and $14,869,500, respectively, have been lent, offset by collections received from borrowers, under our commercial loans of $14,113,000 and $13,639,670, respectively.

At June 30, 2017, we were committed to an additional $3,830,500 in construction loans that can be drawn by the borrowers when certain conditions are met.

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 satisfied all of the requirements to qualify as a REIT for federal income tax purposes and we qualified to be taxed as a REIT commencing with our taxable year ended December 31, 2014. 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 to our shareholders on an annual basis. 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.

Results of Operations

Three Months Ended June 30, 2017 compared to Three Months Ended June 30, 2016

Revenue

Total revenues for the three month period ended June 30, 2017 were approximately $1,401,000 compared to approximately $1,166,000 for the three month period ended June 30, 2016, an increase of $235,000, or 20.2%. The increase in revenue represents an increase in lending operations. For the three month periods ended June 30, 2017 and 2016, approximately $1,189,000 and $974,000, respectively, of our revenues were attributable to interest income on the secured commercial loans that we offer to small businesses, and approximately $212,000 and $192,000, 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 from the principals of the borrowers.

Interest and amortization of debt service costs

Interest and amortization of debt service costs for the three month period ended June 30, 2017 were approximately $278,000 compared to approximately $209,000 for the three month period ended June 30, 2016, an increase of $69,000, or 33.0%. The increase in interest and amortization of debt service costs was primarily attributable to the use of the Webster Credit Line and the issuance of the senior secured Notes (See Notes 7 and 8 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, 2017 were approximately $270,000 compared to approximately $234,000 for the three month period ended June 30, 2016, an increase of $36,000, or 15.4%. The increase is primarily attributable to increases in payroll expenses and bank fees.

Write-down of investment in privately held company

Write-down of investment in privately held company for each of the three month periods ended June 30, 2017 and 2016 was $10,000. 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 4 to the financial statements included elsewhere in this report).

Net income

Net income for the three month period ended June 30, 2017 was approximately $840,000 compared to approximately $710,000 for the three month period ended June 30, 2016, an increase of $130,000, or 18.3%. The increase is primarily attributable to the increase in revenue, offset by the increase in operating expenses.

Six Months Ended June 30, 2017 compared to Six Months Ended June 30, 2016

Revenue

Total revenues for the six month period ended June 30, 2017 were approximately $2,731,000 compared to approximately $2,270,000 for the six month period ended June 30, 2016, an increase of $461,000, or 20.3%. The increase in revenue represents an increase in lending operations. For the six month periods ended June 30, 2017 and 2016, revenues of approximately $2,295,000 and $1,888,000, respectively, were attributable to interest income on secured commercial loans that we offer to small businesses, and approximately $436,000 and $382,000, 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 from the principals of the borrowers.

Interest and amortization of debt service costs

Interest and amortization of debt service costs for the six month period ended June 30, 2017 were approximately $509,000 compared to approximately $388,000 for the six month period ended June 30, 2016, an increase of $121,000, or 31.2%. The increase in interest and amortization of debt service costs was primarily attributable to the use of the Webster Credit Line and the issuance of the senior secured Notes (See Notes 7 and 8 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, 2017 were approximately $576,000 compared to approximately $461,000 for the six month period ended June 30, 2016, an increase of $115,000, or 24.9%. The increase is primarily attributable to a special bonus to officers as well as increases in payroll and travel expenses.

Write-down of investment in privately held company

Write-down of investment in privately held company for each of the six month periods ended June 30, 2017 and 2016 was $10,000. 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 4 to the financial statements included elsewhere in this report).

Net income

Net income for the six month period ended June 30, 2017 was approximately $1,631,000 compared to approximately $1,405,000 for the six month period ended June 30, 2016, an increase of $226,000, or 16.1%. The increase is primarily attributable to the increase in revenue, offset by the increase in operating expenses.

Liquidity and Capital Resources

At June 30, 2017, we had cash and cash equivalents of approximately $125,000 compared to cash and cash equivalents of approximately $96,000 at December 31, 2016.

For the six month periods ended June 30, 2017 and 2016, net cash provided by operating activities was approximately $1.6 million and $1.5 million, respectively. The increase in net cash provided by operating activities primarily results from an increase in net income and amortization of deferred financing costs, offset by an increase in interest receivable on loans.

Net cash used in investing activities was approximately $6.5 million for the six month period ended June 30, 2017, compared to approximately $1.2 million for the same period ended June 30, 2016. Net cash used in investing activities for the six month period ended June 30, 2017 consisted of the issuance of our short term commercial loans of approximately $20.6 million, offset by collection of these loans of approximately $14.1 million. In the period ended June 30, 2016, net cash used in investing activities consisted of the issuance of our short term commercial loans of approximately $14.9 million, offset by collection of these loans of approximately $13.6 million.

Net cash provided by financing activities for the six month period ended June 30, 2017 was approximately $4.9 million, compared to approximately $289,000 used in financing activities for the six month period ended June 30, 2016. Net cash provided by financing activities for the six month period ended June 30, 2017 reflects the proceeds from the Webster Credit Line of approximately $6.7 million, offset by the dividend payment of approximately $1.6 million and the purchase of treasury shares of approximately $172,000. In the period ended June 30, 2016, net cash used in financing activities reflects the repayment of the Webster Credit Line of approximately of $2.4 million, cash restricted for reduction of the Webster Credit Line in the amount of approximately $1.4 million, the dividend payment of approximately $1.2 million and the repayment of short term loans of approximately $1.1 million, offset by the net proceeds from the public offering of approximately $5.3 million, the payable to our joint venture partners of approximately $379,000 and the proceeds from the exercise of warrants of approximately $100,000.

On February 27, 2015, we entered into a Credit and Security Agreement with Webster pursuant to which we could initially borrow up to $14 million until February 27, 2018 against assignments of mortgages and other collateral. Until July 17, 2017, the Webster Credit Line provided 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. We were in compliance with all covenants of the Webster Credit Line as of June 30, 2017. In addition, the Webster Credit Line also contains a cross default provision which will deem any default under any indebtedness owed by us or our subsidiary, MBC Funding II, as a default under the credit line. Mr. Assaf Ran, our Chief Executive Officer, has personally guaranteed all of our obligations to Webster. At June 30, 2017, the outstanding amount under the Webster Credit Line was $13,165,999. The interest rate on the amount outstanding fluctuates daily. The rate for June 30, 2017 was 5.97611%.

Effective July 7, 2017, we entered into the Amendment with Webster. In conjunction with the execution of the Amendment, the Company also entered into Restated Note and the Fee Letter, each dated July 7, 2017, with Webster. Pursuant to the terms of the Amendment, the Webster Credit Line was increased by $1 million to $15 million in the aggregate, with an option, at the discretion of Webster, to increase the Webster Credit Line to $20 million in the aggregate. The term of the Webster Credit Line was extended to February 28, 2021, unless sooner terminated, and contains a provision that permits a Company option for a further extension of the Webster Credit Line until February 28, 2022, subject to Webster's consent. Pursuant to the terms of the Amendment, the terms of the personal guaranty provided by Mr. Ran were amended such that the potential sums owed under Mr. Ran's personal guaranty will not exceed the sum of $500,000 plus any costs relating to the enforcement of the personal guaranty.

In addition, the interest rates relating to the Webster Credit Line were amended such that the interest rates now equal (i) LIBOR plus 3.75% plus the 0.5% Agency Fee or (ii) a Base Rate (as defined in the Credit and Security Agreement) plus 2.25% plus the 0.5% Agency Fee, as chosen by the Company for each drawdown. Finally, the Amendment provides that the Company shall not permit mortgage loans that are outstanding more than 24 months after their origination date to comprise more than 17.5% of their total portfolio of mortgage loans at any time. Pursuant to the terms of the Fee Letter, the Company agreed to pay Webster an agency fee equal to 0.5% per annum on the actual principal amount of advances outstanding during any month, as well as a $15,000 syndication fee.

On April 25, 2016, MBC Funding II, our wholly owned subsidiary, completed an underwritten public offering of the Notes. We guaranteed MBC Funding II's obligations under the Notes, which are secured by our pledge of 100% of the outstanding common shares of MBC Funding II we own. The gross proceeds to MBC Funding II from this offering were $6.0 million, and the net proceeds were approximately $5.2 million, after deducting the underwriting discounts and commissions and other offering expenses (See Notes 8 and 9 to the financial statements included elsewhere in this report). MBC Funding II utilized the proceeds to purchase a pool of mortgage loans from us, which we in turn used to pay down the Webster Credit Line.

On August 15, 2016, we completed a public offering of 672,269 common shares. In addition, the underwriter fully exercised its over-allotment option for an additional 100,840 common shares. The gross proceeds from the offering, including the exercise of the over-allotment option, were approximately $4.6 million and the net proceeds were approximately $4.2 million, after deducting our underwriting discounts and commissions and offering expenses. Net proceeds from this offering were used to increase our loan portfolio and for working capital and general corporate purposes.

On March 14, 2017, our Board of Directors authorized a share buy back program (the "Share Buy Back Program"), pursuant to which we may, from time to time, purchase up to 100,000 shares of our common stock. The Share Buy Back Program does not obligate the Company to purchase any shares and expires in 12 months. The authorization for the Share Buy Back Program may be terminated, increased or decreased by the Company's Board of Directors in its discretion at any time. To date, we have purchased 33,102 shares of the Company's common stock for an aggregate of $172,156 pursuant to the Share Buy Back Program.

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 policies and estimates are set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2016.

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, with the participation of 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, 2017 (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, including its 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, 2017 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

In March 2017, the Company adopted the Share Buy Back Program for the repurchase of up to 100,000 shares of the Company's common stock. As set forth in the table below, during the quarter ended June 30, 2017, the Company repurchased 33,102 shares of the Company's common stock under the stock buy-back program at an aggregate cost of $172,156.

ISSUER PURCHASES OF EQUITY SECURITIES

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
April 1-30, 2017	6,160	$ 5.34	6,160	93,840
May 1-31, 2017	11,840	$ 5.31	11,840	82,000
June 1-30, 2017	15,102	$ 5.05	15,102	66,898
Total	33,102	$ 5.20	33,102	66,898

Item 6. EXHIBITS

Exhibit No.	Description
10.1	Amendment No. 3 to Credit and Security Agreement and Amendment No. 1 to Guaranty Agreement, effective July 7, 2017, among Manhattan Bridge Capital, Inc. Assaf Ran and Webster Business Credit Corporation (1)
10.2	Amendment No. 3 Fee Letter, dated July 7, 2017, between Manhattan Bridge Capital, Inc. and Webster Business Credit Corporation (1)
10.3	Amended and Restated Revolving Credit Note, dated July 7, 2017, executed by Manhattan Bridge Capital, Inc. (1)
31.1	Chief Executive Officer Certification under Rule 13a-14
31.2	Chief Financial Officer Certification under Rule 13a-14
32.1*	Chief Executive Officer Certification pursuant to 18 U.S.C. section 1350
32.2*	Chief Financial Officer Certification pursuant to 18 U.S.C. section 1350
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.

(1) Previously filed as exhibit to Form 8-K on July 13, 2017 and incorporated herein by reference.

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 27, 2017	By: */s/ Assaf Ran*
	Assaf Ran, President and Chief Executive Officer (Principal Executive Officer)
Date: July 27, 2017	By: */s/ Vanessa Kao*
	Vanessa Kao, Chief Financial Officer (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 27, 2017

/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 27, 2017

/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, 2017 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, that, to my knowledge:

(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 27, 2017

/s/ Assaf Ran

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

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, 2017 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, that, to my knowledge:

(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 27, 2017

/s/ Vanessa Kao

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