

FIRST EQUITY PROPERTIES INC
Form 10-Q
November 13, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended September 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 000-11777

FIRST EQUITY PROPERTIES, INC.
(Exact Name of Registrant as Specified in Its Charter)

Nevada
(State or Other Jurisdiction of
Incorporation or Organization)

95-6799846
(I.R.S. Employer
Identification No.)

1603 LBJ Freeway, Suite 300
Dallas, Texas 75234
(Address of principal executive offices)
(Zip Code)

(469) 522-4200
(Registrant's telephone number, including area code)

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.

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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 <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>

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

Indicate the number of shares outstanding of each of the issuer’s classes of Common Stock, as of the latest practicable date.

Common Stock, \$.01 par value	1,057,628
(Class)	(Outstanding at November 12, 2015)

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

FIRST EQUITY PROPERTIES, INC.
BALANCE SHEET

	September 30, 2015 (unaudited)	December 31, 2014
Assets		
Notes receivable and accrued interest - related parties	2,106,229	2,172,752
Cash and cash equivalents	1,618	1,776
Total assets	\$ 2,107,847	\$ 2,174,528
Liabilities and Shareholders' Equity		
Notes payable and accrued interest - related parties	\$ 836,953	\$ 877,850
Accounts payable - other	3,788	3,177
Accounts payable - related parties	387,038	417,555
Total liabilities	1,227,779	1,298,582
Shareholders' equity		
Common stock, \$0.01 par value; 40,000,000 shares authorized; 1,057,628 issued and outstanding	10,576	10,576
Preferred stock, \$0.01 par value; 4,960,000 shares authorized; none issued or outstanding	-	-
Paid in capital	1,376,682	1,376,682
Retained earnings (deficit)	(507,190)	(511,312)
Total shareholders' equity	880,068	875,946
Total liabilities and shareholders' equity	\$ 2,107,847	\$ 2,174,528

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

FIRST EQUITY PROPERTIES, INC.
STATEMENTS OF OPERATIONS
(unaudited)

	For the three months ended September 30,		For the nine months ended September 30,	
	2015	2014	2015	2014
Revenue				
Interest income - related parties	\$51,783	\$54,149	\$156,229	\$164,871
Total income	51,783	54,149	156,229	164,871
Operating Expenses				
General and administrative - related parties	15,000	15,000	45,000	45,000
General and administrative	3,248	5,037	10,920	10,992
Legal and professional fees	4,238	11,049	33,465	33,643
Total operating expenses	22,486	31,086	89,385	89,635
Income (loss) before interest expense and taxes	29,297	23,063	66,844	75,236
Other income (expense)				
Interest expense - related parties	(20,577)	(26,621)	(62,722)	(86,761)
Income (loss) before income taxes	8,720	(3,558)	4,122	(11,525)