

GROW CONDOS, INC.
Form 10-Q
May 16, 2016

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: March 31, 2016
or

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

For the transition period from: _____ to _____

GROW CONDOS, INC.

(Exact name of registrant as specified in its charter)

NEVADA 000-53548 86-0970023
(State or other jurisdiction (Commission (I.R.S. Employer
of incorporation) File Number) Identification No.)

722 W. Dutton Road
Eagle Point, OR 97524
(Address of principal executive offices) (Zip Code)

541-879-0504
(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

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 during
the preceding 12 months (or for such shorter
period that the registrant was required to submit
and post such reports.

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
Smaller
Non-accelerated filer reporting
company

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

The number of shares of the issuer's Common Stock outstanding as of May 16, 2016 is 28,284,924.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

Condensed Consolidated Balance Sheets – As of March 31, 2016 (Unaudited) and June 30, 2015

Condensed Consolidated Statements of Operations (Unaudited) – Three and Nine Months Ended March 31, 2016 and 2015

Condensed Consolidated Statement of Cash Flows (Unaudited) – Nine Months Ended March 31, 2016 and 2015

Notes to Condensed Consolidated Financial Statements (Unaudited)

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Item 4. Controls and Procedures.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

Item 1A. Risk Factors.

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Item 3. Defaults Upon Senior Securities.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

GROW CONDOS, INC. and Subsidiary
CONSOLIDATED BALANCE SHEET
as of March 31, 2016 and June 30, 2015
(Unaudited)

ASSETS

	March 31, 2016	June 30, 2015
Current Assets		
Cash and cash equivalents	\$68,409	\$42,747
Lease receivables	165	1,161
Prepaid expenses	12,746	5,450
Total Current Assets	81,320	49,358
Property and Equipment, net	1,257,840	1,257,368
Deposits	8,618	8,618
Total Assets	\$1,347,778	\$1,315,344
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current Liabilities		
Accounts payable, trade	33,973	70,036
Accrued liabilities	240,633	112,058
Derivative Liability, net	129,930	-
Mortgages payable, current portion	8,397	31,304
Total Current Liabilities	412,933	213,398
Mortgages payable, less current portion	966,368	967,053
Customer deposits	4,900	4,900
Deferred option revenue	13,900	21,400
Total Liabilities	1,398,101	1,206,751
Shareholder's Equity		
Preferred stock, \$.001 par value, 5,000,000 shares authorized none issued or outstanding	-	-
Common stock, \$.001 par value, 100,000,000 shares authorized 28,284,924 and 2,084,925 shares issued and outstanding	29,185	2,085
Additional paid-in capital	11,600,504	11,547,035
Accumulated deficit	(11,680,012)	(11,440,527)

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Total Shareholder's Equity	(50,323)	108,593
Total Liabilities and Shockholder's Equity	\$1,347,778		\$1,315,344

The Accompanying Notes are an Integral
Part of the Consolidated Financial Statements

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GROW CONDOS, INC. AND SUBSIDIARY
 CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
 (Unaudited)

	For the Three Months Ended March 31		For the Nine Months Ended March 31	
	2016	2015	2,016	2,015
Rental revenues	\$29,084	\$6,908	89,650	31,608
Total revenues	29,084	6,908	89,650	31,608
Operating expenses	70,691	46,731	240,260	204,778
Gain/(Loss) from operations	(41,607)	(39,823)	(150,610)	(173,170)
Interest expense	16,175	13,022	43,034	39,429
Derivative Liability Expense	45,840	-	45,840	-
Loss before provision for income taxes	(103,622)	(52,845)	(239,484)	(212,599)
Provision for income taxes	-	-	-	-
Net income/(loss)	\$(103,622)	\$(52,845)	(239,484)	(212,599)