

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

For Quarter Ended September 30, 2006 Commission file number 0-11578

AMERICAN REPUBLIC REALTY FUND I

(Exact name of registrant as specified in its charter)

WISCONSIN
(State or other jurisdiction of
incorporation or organization)

39-1421936
(IRS Employer
Identification Number)

2800 N. Dallas Pkwy Suite 100
Plano, Texas 75093-5994

(Address of principal executive offices)

Registrant's telephone number, including area code: (972) 836-8000.

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: Y No:

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes: No: N

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes: No: N

REGISTRANT IS A LIMITED PARTNERSHIP

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Part I

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The following Unaudited financial statements are filed herewith:

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The statements, insofar as they relate to the period subsequent to December 31, 2005, are Unaudited.

PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements

AMERICAN REPUBLIC REALTY FUND I

Condensed Consolidated Balance Sheets

	September 30 2006 (Unaudited)	December 31, 2005
ASSETS		
Real Estate assets, at cost		
Land	\$1,822,718	\$1,822,718
Buildings and improvements	16,396,299	16,337,299
	18,219,017	18,160,017
Less: Accumulated depreciation	(14,881,239)	(14,386,239)
Real Estate, net	3,337,778	3,773,778
Cash including cash investments	239,039	178,644
Escrow deposits	579,681	541,874
Prepaid Expenses	89,582	40,962
Deferred Financing Fees	17,206	34,413
TOTAL ASSETS	<u>\$4,263,286</u>	<u>\$4,569,671</u>
LIABILITIES AND PARTNERS' EQUITY:		
LIABILITIES		
Mortgage payable	\$9,622,131	\$9,754,216
Amounts due affiliates	0	695
Real estate taxes payable	227,940	0
Security deposits	80,014	71,020
Accounts payable & accrued expenses	120,106	317,754
Total liabilities	<u>10,050,191</u>	<u>10,143,685</u>
PARTNERS CAPITAL (DEFICIT)		
Limited Partners	(5,813,324)	(5,602,562)
General Partner	26,419	28,548
Total Partners Deficit	<u>(5,786,905)</u>	<u>(5,574,014)</u>
TOTAL LIABILITIES AND PARTNER DEFICIT	<u>\$4,263,286</u>	<u>\$4,569,671</u>

AMERICAN REPUBLIC REALTY FUND I
Condensed Consolidated Statement of Operations
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
REVENUES				
Rental income	653,587	631,776	1,958,541	1,849,549
Other property	30,540	23,989	72,562	60,599
Total revenues	684,127	655,765	2,031,103	1,910,148
EXPENSES				
Salaries & wages	86,911	92,627	264,003	260,733
Maintenance & repairs	44,399	67,191	114,685	190,503
Utilities	58,681	56,432	178,945	176,730
Real estate taxes	72,750	69,016	218,250	203,314
General administrative	34,905	31,929	94,930	86,370
Contract services	30,942	29,747	90,257	88,023
Insurance	34,310	35,143	96,620	101,919
Interest	190,041	193,430	572,724	582,695
Depreciation and amortization	170,735	170,735	512,207	512,207
Property management fees	34,095	32,758	101,373	95,435
Total expenses	757,769	779,008	2,243,994	2,297,929
Net Loss	(\$73,642)	(\$123,243)	(\$212,891)	(\$387,781)
NET LOSS PER UNIT	\$ (6.63)	\$ (11.09)	\$ (19.16)	\$ (34.90)
Partnership units outstanding	11,000	11,000	11,000	11,000

See Notes to Condensed Consolidated Financial Statements

AMERICAN REPUBLIC REALTY FUND I
Condensed Consolidated Statement of Cash Flows
(Unaudited)

	Nine Months Ended September 30,	
	<u>2006</u>	<u>2005</u>
CASH FLOWS FROM OPERATING ACTIVITY		
Net loss	(\$212,891)	(\$387,781)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	512,207	512,208
Net Effect of changes in operating accounts		
Escrow deposits	(37,807)	(81,393)
Prepaid expenses	(48,620)	(31,654)
Accrued real estate taxes	227,940	209,727
Security deposits	8,994	2,683
Accounts payable	(197,648)	(174,432)
Net cash provided by operating activities	<u>252,175</u>	<u>49,358</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in Real Estate	(59,000)	(93,415)
Net cash used for investing activities	<u>(59,000)</u>	<u>(93,415)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of mortgage notes payable	(132,085)	(122,114)
Proceeds from amounts due affiliates	(695)	1,773
Net cash used for financing activities	<u>(132,780)</u>	<u>(120,341)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	60,395	(164,398)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>178,644</u>	<u>353,871</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$239,039</u>	<u>\$189,473</u>

See Notes to Condensed Consolidated Financial Statements

Basis of Presentation:

The accompanying unaudited condensed consolidated financial statements have been prepared by American Republic Realty Fund I (the "Partnership") pursuant to the rules and regulations of the Securities and Exchange Commission. The financial statements reflect all adjustments that are, in the opinion of management, necessary to fairly present such information. All such adjustments are of a normal recurring nature. Although the Partnership believes that the disclosures are adequate to make the information presented not misleading, certain information and footnote disclosures, including a description of significant accounting policies normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America, have been condensed or omitted pursuant to such rules and regulations.

These financial statements should be read in conjunction with the financial statements and notes thereto included in the Partnership's 2005 Annual Report on Form 10-K filed with the Securities and Exchange Commission. The results of operations for interim periods are not necessarily indicative of the results for any subsequent quarter or the entire fiscal year ending December 31, 2005.

Item 2. RESULTS OF OPERATIONS AND MANAGERMENTS DISCUSSION AND ANALYSIS **OF FINANCIAL CONDITION**

At September 30, 2006 the Partnership owned two properties with approximately 416,623 net rentable square feet. Both properties are apartment communities. The portfolio had an average occupancy of 92.8% for the third quarter of 2006, as compared to 89.9% for the third quarter of 2005.

FIRST NINE MONTHS 2006 COMPARED TO FIRST NINE MONTHS 2005

Revenue from property operations increased \$120,955 or 6.33%, for the first nine months of 2006, as compared to the first nine months of 2005. The increase in rental income of \$108,992 or 5.89% is primarily due to an increase in occupancy. The increase in other income of \$11,963 or 19.74% is primarily due to an increase in late and other fee collections from the properties. The following table illustrates the components:

	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Rental income	108,992	5.89%
Other property	11,963	19.74%
Net Increase	120,955	6.33%

Property operating expenses decreased \$54,185 or 2.36%, for the first nine months of 2006, as compared to the same period in 2005. Maintenance & repairs decreased \$75,818 or 39.8% due to one-time expenses in 2005. General and administrative increased \$8,310 or 9.62% due to increased advertising. Real estate taxes increased \$14,936 or 7.35% due to increased property valuation. The following table illustrates the components by category:

	<u>Increase (Decrease)</u>	
Salaries & wages	3,270	1.25%
Maintenance & repairs	(75,818)	39.80%
Utilities	2,215	1.25%
Real estate taxes	14,936	7.35%
General administrative	8,310	9.62%
Contract services	2,234	2.54%
Insurance	(5,299)	5.20%
Interest	(9,971)	1.71%
Depreciation and amortization	0	0.00%
Property management fees	5,938	6.22%
Net Increase (Decrease)	(54,185)	2.36%

THIRD QUARTER 2006 COMPARED TO THIRD QUARTER 2005

Revenue from property operations increased \$28,362, or 4.33%, for the third quarter of 2006, as compared to the 2005-third quarter. The increase in rental income of \$21,811 or 3.45% is primarily due to an increase in occupancy. The increase in other income of \$6,551 or 27.31% is primarily due to an increase in late and other fee collections from the properties. The following table illustrates the components:

	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Rental income	21,811	3.45%
Other property	<u>6,551</u>	<u>27.31%</u>
Net Increase (Decrease)	<u>28,362</u>	<u>4.33%</u>

Property operating expenses decreased \$21,489 or 2.76%, for the third quarter of 2006, as compared to the same period in 2005. Maintenance & repairs decreased \$22,792 or 33.92% due to roof repairs in the prior year. Salaries and wages decreased \$5,716 or 6.17% due to fewer maintenance employees. General & Administrative increased \$2,726 or 8.54% due to increased advertising. Real estate taxes increased \$3,734 or 5.41% due to increased property valuation. The following table illustrates the components by category:

	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Salaries & wages	(5,716)	6.17%
Maintenance & repairs	(22,792)	33.92%
Utilities	2,249	3.99%
Real estate taxes	3,734	5.41%
General administrative	2,726	8.54%
Contract services	1,195	4.02%
Insurance	(833)	2.37%
Interest	(3,389)	1.75%
Depreciation and amortization	0	0.00%
Property management fees	<u>1,337</u>	<u>4.08%</u>
Net Increase (Decrease)	<u>(21,489)</u>	<u>2.76%</u>

LIQUIDITY AND CAPITAL RESOURCES

While it is the General Partners primary intention to operate and manage the existing real estate investments, the General Partner also continually evaluates this investment in light of current economic conditions and trends to determine if this asset should be considered for disposal. At this time, there is no plan to dispose of either property.

As of September 30, 2006, the Partnership had \$239,039 in cash and cash equivalents as compared to \$178,644 as of December 31, 2005. The net increase in cash of \$60,395 is principally due to cash flow from operating activities.

Each asset of the fund refinanced its debt during July 1997. The fund retired debt with a face value of \$6,500,000 and replaced with debt of \$10,800,000. The new mortgages in the amounts of \$4,000,000, and \$6,800,000 carry interest rates of 7.8% and 7.92% respectively. The notes come due August 2007. The Partnerships required principal payments due under the stated terms of the Partnerships mortgage notes payable are \$177,870, and \$9,576,345 for each of the next two years.

For the foreseeable future, the Partnership anticipates that mortgage principal payments (excluding any balloon mortgage payments), improvements and capital expenditures will be funded by net cash from operations. The primary source of capital to fund future Partnership acquisitions and balloon mortgage payments will be proceeds from the sale, financing or refinancing of the Properties.

Item 3 – Quantitative and Qualitative Disclosure about Market Risk

The Partnership is exposed to interest rate changes primarily as a result of its real estate mortgages. The Partnerships interest rate risk management objective is to limit the impact of interest rate changes on earnings and cash flows and to lower it's overall borrowing costs. To achieve its objectives, the Partnership borrows primarily at fixed rates. The Partnership does not enter into derivative or interest rate transactions for any purpose.

The Partnerships' activities do not contain material risk due to changes in general market conditions. The partnership invests only in fully insured bank certificates of deposits, and mutual funds investing in United States treasury obligations.

Item 4 - Controls and Procedures

Based on their most recent evaluation, which was completed within 90 days of the filing of this Form 10-Q, our Acting Principal Executive Officer and Chief Financial Officer, believe our disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) are effective. There were not any significant changes in internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, and there has not been any corrective action with regard to significant deficiencies and material weaknesses.

Part II. Other Information

Item 1.	Legal Proceedings None
Item 2.	Changes in Securities None
Item 3.	Defaults Upon Senior Securities None
Item 4.	Submission of Matters to a Vote of Security Holders None
Item 5.	Other Information None
Item 6.	Exhibit (A)The following documents are filed herewith or incorporated herein by reference as indicated as Exhibits:

Exhibit Designation

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Document Description

Certificate of Limited partnership, as amended, incorporated by reference to Registration Statement No.2-81074 effective May 2, 1983.

Limited Partnership Agreement, incorporated by reference to Registration Statement No.2-81074effective May 2,1983.

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Not Applicable

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Not Applicable

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Not Applicable

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Not Applicable

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Not Applicable

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Not Applicable

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Not Applicable

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Power of Attorney, incorporated by reference to Registration Statement No. 2-81074 effective May 2, 1983.

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None

31.1

Certification Pursuant to Rules 13a-14 and 15d-14 Under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, filed herewith.

32.1

Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, filed herewith.

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.

AMERICAN REPUBLIC REALTY FUND I
a Wisconsin limited partnership

By: /s/ Robert J. Werra
Robert J. Werra,
General Partner

Date: October 4, 2006

Exhibit 31.1

CERTIFICATION PURSUANT TO RULES 13a-14 AND 15d-14 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I Robert J. Werra, Acting Principal Executive Officer and Chief Financial Officer of American Republic Realty Fund I (“the Company”), certify that:

1. I have reviewed this quarterly report on Form 10-Q of the Partnership;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;
4. I am 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 Partnership and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Partnership and its consolidated subsidiaries is made known to me by others within those entities, particularly for the periods presented in this quarterly report;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my 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 Partnerships disclosure controls and procedures and presented in this report my 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

**CERTIFICATION PURSUANT TO RULES 13a-14 AND 15d-14 UNDER
THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002 - continued**

- d. disclosed in this report any change in the Partnerships internal control over financial reporting that occurred during the Partnerships most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Partnerships internal control over financial reporting; and
- 5. I have disclosed based on my most recent evaluation of internal control over financial reporting, to the Partnerships auditors and Audit Committee of the Board of Directors (or persons fulfilling the equivalent function):
 - 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 Partnerships ability to record, process, summarize, and report financial data; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Partnerships internal control over financial reporting.

/s/ Robert J. Werra

Robert J. Werra
Acting Principal Executive Officer and Chief Financial Officer
October 4, 2006

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 of American Republic Realty Fund I (“the Partnership”) on Form 10-Q for the period ending September 30, 2006 as filed with the Securities and Exchange Commission on the date hereof (“the Report”), I, Robert J. Werra, Acting Principal Executive Officer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

/s/ Robert J. Werra

Robert J. Werra
Acting Principal Executive Officer and Chief Financial Officer
October 4, 2006