

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 March 31, 2007 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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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, 2006, are Unaudited.

PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements

AMERICAN REPUBLIC REALTY FUND I
Condensed Consolidated Balance Sheets

	March 31 <u>2007</u> (Unaudited)	December 31, <u>2006</u>
ASSETS		
Real estate held-for-sale, net of depreciation	\$ 1,304,520	\$ 3,975,324
Cash including cash investments	220,370	143,827
Escrow deposits	---	7,999
Prepaid Expenses	24,914	52,524
Deferred Financing Fees	<u>2,873</u>	<u>11,470</u>
TOTAL ASSETS	<u>\$1,552,677</u>	<u>\$4,191,144</u>
LIABILITIES AND PARTNERS' EQUITY:		
LIABILITIES		
Liabilities related to assets held-for-sale	\$ 3,583,490	\$9,846,686
Amounts due affiliates	11,054	3,638
Accounts payable & accrued expenses	<u>56,762</u>	<u>140,837</u>
Total liabilities	<u>3,651,306</u>	<u>9,991,161</u>
PARTNERS CAPITAL (DEFICIT)		
Limited Partners	(2,200,431)	(5,826,305)
General Partner	<u>101,802</u>	<u>26,288</u>
Total Partners Deficit	<u>(2,098,629)</u>	<u>(5,800,017)</u>
TOTAL LIABILITIES AND PARTNER DEFICIT	<u>\$1,552,677</u>	<u>\$4,191,144</u>

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

	Three Months Ended March 31,	
REVENUES	<u>2007</u>	<u>2006</u>
	\$	
Other	<u>3,517</u>	<u>\$ 527</u>
Total revenues	3,517	527
 EXPENSES		
General administrative	---	2,725
Total expenses	---	2,725
 Net Income (Loss) from continuing operations	 <u>3,517</u>	 <u>(2,198)</u>
Gain on Sale of Asset	7,517,864	---
Income (Loss) from Discontinued Operations	<u>30,007</u>	<u>(74,033)</u>
 Net Income (Loss)	 <u><u>\$7,551,388</u></u>	 <u><u>(\$76,231)</u></u>
 NET LOSS PER UNIT Basic	 <u><u>\$ 679.62</u></u>	 <u><u>\$ (6.86)</u></u>
Limited Partnership units outstanding - Basic	11,000	11,000

See Notes to Condensed Consolidated Financial Statements

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

	Three Months Ended March 31,	
	<u>2007</u>	<u>2006</u>
CASH FLOWS FROM OPERATING ACTIVITY		
Net Income (loss)	\$7,551,388	(\$76,231)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	60,245	170,735
Net Effect of changes in operating accounts		
Escrow deposits	4,598	67,257
Prepaid expenses	27,610	22,144
Accrued real estate taxes	23,499	82,440
Security deposits	1,661	2,424
Accounts payable	(84,075)	(202,894)
Net cash provided by operating activities	<u>7,584,926</u>	<u>65,875</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in Real Estate	---	(15,000)
Proceeds on sale of asset	(3,648,363)	---
Net cash used for investing activities	<u>(3,648,363)</u>	<u>(15,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of mortgage notes payable	(17,436)	(43,167)
Distributions to limited partners	(3,850,000)	---
Proceeds from amounts due affiliates	7,416	894
Net cash used for financing activities	<u>(3,860,020)</u>	<u>(42,273)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	76,543	8,602
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>143,827</u>	<u>178,644</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u><u>\$220,370</u></u>	<u><u>\$187,246</u></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 2006 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, 2007.

Real Estate Held For Sale & Discontinued Operations

In January 2007, the Partnership entered into a purchase and sale agreement to sell the Partnership's final property located in Florida to a third party for \$10,450,000. As a result, as required by Financial Accounting Standard No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets", the property and related assets and liabilities are classified as held for sale on the balance sheets and the property's operations are included in discontinued operations in the statements of operations for each of the periods presented. The sale is expected to close in the second quarter of 2007. In addition, in February 2007, the Partnership sold its property in Texas for \$9,725,000 resulting in a gain of \$7,517,864. The property's operations are included in discontinued operations in the statements of operations for each of the periods presented.

Real estate held-for-sale includes the following:

	March 31, 2007	December 31, 2006
Property at net book value	\$ 1,153,900	\$ 3,353,779
Escrow deposits	150,620	621,545
Real estate held-for-sale, net of depreciation	<u>\$ 1,304,520</u>	<u>\$ 3,975,324</u>

Liabilities relating to assets held-for-sale include:

	March 31, 2007	December 31, 2006
Mortgage payable	\$ 3,524,187	\$ 9,576,346
Real estate taxes payable	23,499	188,970
Security deposits	35,804	81,370
Liabilities related to assets held-for-sale	<u>\$ 3,583,490</u>	<u>\$ 9,846,686</u>

The operations of the properties for the three months ending March 31, 2007 and 2006 are included in discontinued operations in the statements of operations. The following table summarizes the revenue and expense information for the discontinued operations:

	2007	2006
Rents and other property revenues	\$ 552,212	\$ 656,839
Operating expenses	374,136	539,387
Operating income (loss)	178,076	117,452
Other income (expense)	(148,069)	(191,485)
Net income (loss) from discontinued operations	<u>\$ 30,007</u>	<u>\$ (74,033)</u>

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

At March 31, 2007 the Partnership owned one property with approximately 172,460 net rentable square feet. The property is an apartment community. The portfolio had an average occupancy of 92.9% for the first quarter of 2007, as compared to 95.5% for the first quarter of 2006.

FIRST THREE MONTHS 2007 COMPARED TO FIRST THREE MONTHS 2006

Revenue from property operations increased \$2,990 or 567%, for the first three months of 2007, as compared to the first three months of 2006. Interest income accounted for all of the increase due to higher interest rates and higher invested balances. The following table illustrates the components:

	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Other property	<u>2,990</u>	<u>567%</u>
Net Increase	<u><u>2,990</u></u>	<u><u>567%</u></u>

Property operating expenses decreased \$2,725 or 100%, for the first three months of 2007, as compared to the same period in 2006. The decrease was entirely from decreased partnership mailing costs. The following table illustrates the components by category:

	<u>Increase (Decrease)</u>	
General and administrative	<u>(2,725)</u>	<u>100%</u>
Net Increase	<u><u>(2,725)</u></u>	<u><u>100%</u></u>

LIQUIDITY AND CAPITAL RESOURCES

On March 16, 2007, the Registrant entered into a purchase and sale agreement with Four Winds Holdings LLC, a Florida limited liability company, to sell the Registrant's Four Winds Apartments Phase I and Phase II property located in Orange Park, Florida. The sale price of the property is \$10,450,000, less (a) a credit in an amount not greater than \$3,500 for the purchaser to obtain an updated survey and (b) a payment to the purchaser of \$200,000 for reimbursement of the purchaser's closing and due diligence costs and expenses and credit toward roof replacement. The Registrant is not making any representations and warranties relating to the property.

The purchaser has made a \$50,000 earnest money payment and an additional earnest money payment of \$100,000. The earnest money is non-refundable to the purchaser unless the Registrant does not own marketable title to the property, the updated survey depicts a materially adverse change from the prior survey, a materially adverse environmental condition exists on the property or the property is subject to material damage or condemnation.

In the event of damage to the property prior to closing by fire or other casualty in an amount of \$100,000 or less, then the purchaser will be obligated to close the purchase and sale and receive an assignment of insurance proceeds and a credit against the purchase price of the insurance deductible amount. In the event of casualty damage of more than \$100,000 or a condemnation of a material portion of the property, then the purchaser or the Registrant each has the option to terminate the agreement, and if neither terminates the agreement, then the purchase and sale of the property will close with the purchaser receiving an assignment of the insurance proceeds (and credit against the purchase price of the insurance deductible amount) or the condemnation award.

The agreement contains customary representations and covenants of the parties and proration at the closing of rents, taxes, utilities and operating expenses. The closing is scheduled on or before

May 16, 2007, and may be extended by the purchaser for 30 days upon a non-refundable payment of \$50,000 which will be applied to the purchase price. If the purchaser breaches the agreement or fails to close the purchase and sale, the Registrant's exclusive remedy will be termination of the agreement and receipt of the purchaser's earnest money. The Registrant will pay a brokerage commission fee of \$155,000 at closing.

As of March 31, 2007, the Partnership had \$220,370 in cash and cash equivalents as compared to \$143,827 as of December 31, 2006. The net increase in cash of \$76,543 is principally due to cash flow from operating activities.

Four Winds Apartments refinanced its debt during July 1997. The note comes due August 2007. The Partnerships required principal payments due under the stated terms of the Partnerships mortgage notes payable are \$3,524,187 for the next year.

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 its 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: May 14, 2007

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
May 14, 2007

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 March 31, 2007 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
May 14, 2007