FORM 10-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

[X] Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Fiscal year ended December 31, 2007

[ ] Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission file number 33-00152

AMRECORP REALTY FUND III

(Exact name of registrant as specified in its charter)

Texas	75-2045888
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)
2800 N Dallas Pkwy #100, Plano, Texas	75093-5994
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, Including Area Code (972) 836-8000

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on which Registered
None	None

Securities registered pursuant to Section 12(g) of the Act:

Limited Partnership Interests
(Title of Class)

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 X . No .

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained, to the best of Registrant's knowledge in definitive proxy or information to Statements incorporated by reference in Part III of the Form 10-K or any amendment to this Form 10-K.

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

Yes ___ No X.

Documents Incorporated by Reference

The Prospectus dated November 26, 1985 filed pursuant to Rule 424(b) as supplemented pursuant to Rule 424(c) on December 5, 1985.

PART I

Item 1. Business

The Registrant, Amrecorp Realty Fund III, (the "Partnership"), is a limited partnership organized under the Texas Uniform Limited Partnership Act pursuant to a Certificate of Limited Partnership dated August 30, 1985 and amended on November 21, 1985. On December 31, 2007 the Partnership consisted of a corporate general partner, LBAL, Inc. (wholly owned by Robert J. Werra) and 268 limited partners owning 2,382 limited partnership interests at $1,000 per interest. The distribution of limited partnership interests commenced November 26, 1985 pursuant to a Registration Statement on Form S-11 under the Securities Act of 1933 (Registration #33-00152) as amended.

The Partnership was organized to acquire a diversified portfolio of income-producing real properties, primarily apartments, as well as office buildings, industrial buildings, and other similar properties

The Partnership intends to continue until December 31, 2015 unless terminated by an earlier sale of its Properties.

Univesco, Inc.("Univesco"), a Texas corporation, controlled by Robert J. Werra, manages the affairs of the Partnership. Univesco acts as the managing agent with respect to the Partnership's Properties. Univesco may also engage other on-site property managers and other agents, to the extent management considers appropriate. Univesco and the general partner make all decisions regarding investments in and disposition of Properties and has ultimate authority regarding all property management decisions.

No material expenditure has been made or is anticipated for either Partnership-sponsored or consumer research and development activities relating to the development or improvement of facilities or services provided by the Partnership. There neither has been, nor are any anticipated, material expenditures required to comply with any federal, state or local environmental provisions which would materially affect the earnings or competitive position of the Partnership.

The Partnership is engaged solely in the business of real estate investments. Its business is believed by management to fall entirely within a single industry segment. Management does not anticipate that there will be any material seasonal affects upon the operation of the Partnership.

Competition and Other Factors

The majority of the Property's leases are of six to twelve month terms. Accordingly, operating income is highly susceptible to varying market conditions. Occupancy and local market rents are driven by general market conditions which include job creation, new construction of single and multi-family projects, and demolition and other reduction in net supply of apartment units.

Rents have generally been increasing in recent years due to the generally positive relationship between apartment unit supply and demand in the Partnership's markets. However, the property is subject to substantial competition from similar and often newer properties in the vicinity in which they are located. Capitalized expenditures have increased as units are updated and made more competitive in the market place.

ITEM 1A Risk Factors

The following risk factors apply to the Partnership.

Unfavorable changes in apartment markets and economic conditions could adversely affect occupancy levels and rental rates.

Market and economic conditions in Abilene, Texas may significantly affect occupancy levels and rental rates and therefore profitability. Factors that may adversely affect these conditions include the following:

- the economic climate, which may be adversely impacted by a reduction in jobs, industry slowdowns and other factors;
- local conditions, such as oversupply of, or reduced demand for, apartment homes;
- declines in household formation;
- favorable residential mortgage rates;
- rent control or stabilization laws, or other laws regulating rental housing, which could prevent the Partnership from raising rents to offset increases in operating costs; and
- competition from other available apartments and other housing alternatives and changes in market rental rates.

Any of these factors could adversely affect the Partnership's ability to achieve desired operating results.

Increased competition and increased affordability of residential homes could limit the Partnership's ability to retain its residents, lease apartment homes or increase or maintain rents.

The Partnership's apartment community competes with numerous housing alternatives in attracting residents, including other apartment communities and single-family rental homes, as well as owner occupied single and multi-family homes. Competitive housing in a particular area and the increasing affordability of owner occupied single and multi-family homes caused by declining housing prices, mortgage interest rates and government programs to promote home ownership could adversely affect the Partnership's ability to retain its residents, lease apartment homes and increase or maintain rents.

Compliance or failure to comply with laws requiring access to the Partnership's properties by persons with disabilities could result in substantial cost.

The Partnership's multi-family housing community must comply with Title III of the Americans with Disabilities Act, or the ADA, to the extent that such properties are "public accommodations" and/or "commercial facilities" as defined by the ADA. Compliance with the ADA requirements could require removal of structural barriers to handicapped access in certain public areas of the Partnership's multi-family housing communities where such removal is readily achievable. The ADA does not, however, consider residential properties, such as multi-family housing communities to be public accommodations or commercial facilities, except to the extent portions of such facilities, such as the leasing office, are open to the public.

The Partnership must also comply with the Fair Housing Act , or the FHA, which requires that multi-family housing communities first occupied after March 13, 1991 be accessible to persons of disabilities. Noncompliance with the FHA and ADA could result in the imposition of fines, awards of damages to private litigants, payment of attorneys' fees and other costs to plaintiffs, substantial litigation costs and substantial costs of remediation. Compliance with the FHA could require removal of structural barriers to handicapped access in a community, including the interiors of apartment units covered under the FHA. In addition to the ADA and FHA, state and local laws exist that impact the Partnership's multi-family housing community with respect to access thereto by persons with disabilities. Further, legislation or regulations adopted in the future may impose additional burdens or restrictions on the Partnership with respect to improved access by persons with disabilities. The ADA, FHA, or other existing or new legislation may require the Partnership to modify its existing property. These laws may also restrict renovations by requiring improved access to such buildings or may require the Partnership to add other structural features that increase its construction costs.

Losses from natural catastrophes may exceed insurance coverage.

The Partnership carries comprehensive liability, fire, flood, extended coverage and rental loss insurance on its properties, which are believed to be of the type and amount customarily obtained on real property assets. The Partnership intends to obtain similar coverage for properties acquired or developed in the future. However, some losses, generally of a catastrophic nature, such as losses from floods or wind storms, may be subject to limitations. The Partnership exercises discretion in determining amounts, coverage limits and deductibility provisions of insurance, with a view to maintaining appropriate insurance on its investments at a reasonable cost and on suitable terms; however, the Partnership may not be able to maintain its insurance at a reasonable cost or in sufficient amounts to protect it against potential losses. Further, the Partnership's insurance costs could increase in future periods. If the Partnership suffers a substantial loss, its insurance coverage may not be sufficient to pay the full current market value or current replacement value of the lost investment.

Inflation, changes in building codes and ordinances, environmental considerations and other factors also might make it infeasible to use insurance proceeds to replace a property after it has been damaged or destroyed.

Costs associated with moisture infiltration and resulting mold remediation may be costly.

As a general matter, concern about indoor exposure to mold has been increasing as such exposure has been alleged to have a variety of adverse effects on health. As a result, there has been a number of lawsuits in the Partnership's industry against owners and managers of apartment communities relating to moisture infiltration and resulting mold. The Partnership has implemented guidelines and procedures to address moisture infiltration and resulting mold issues if and when they arise. The Partnership believes that these measures will minimize the potential for any adverse effect on its residents. The terms of its property and general liability policies generally exclude certain mold-related claims. Should an uninsured loss arise against the Partnership, the Partnership would be required to use its funds to resolve the issue, including litigation costs. The Partnership makes no assurance that liabilities resulting from moisture infiltration and the presence of or exposure to mold will not have a future adverse impact on its business, results of operations and financial condition.

The Partnership may be unable to renew leases or relet units as leases expire.

When the Partnership's residents decide not to renew their leases upon expiration, the Partnership may not be able to relet their units. Even if the residents do renew or the Partnership can relet the units, the terms of renewal or reletting may be less favorable than current lease terms. Because virtually all of the Partnership's leases are for apartments, they are generally for no more than one year. If the Partnership is unable to promptly renew the leases or relet the units, or if the rental rates upon renewal or reletting are significantly lower than expected rates, then the Partnership's results of operations and financial condition will be adversely affected. Consequently, the Partnership's cash flow and ability to service debt and make distributions to partners would be reduced.

Terrorist attacks and the possibility of wider armed conflict may have an adverse effect on the Partnership's business and operating results and could decrease the value of the Partnership's assets.

Terrorist attacks and other acts of violence or war could have a material adverse effect on the Partnership's business and operating results. Attacks or armed conflicts that directly impact the Partnership's apartment community could significantly affect the Partnership's ability to operate those the community and thereby impair its ability to achieve the Partnership's expected results. Further, the Partnership's insurance coverage may not cover any losses caused by a terrorist attack. In addition, the adverse effects that such violent acts and threats of future attacks could have on the U.S. economy could similarly have a material adverse effect on the Partnership's business and results of operations.

Item 2. Properties

At December 31, 2007 the Partnership owned Las Brisas Apartment, a 376-unit apartment community located at 2010 South Clark Street, Abilene, Taylor County, Texas 79606. The Partnership purchased a fee simple interest in Las Brisas Apartments on July 30, 1986. The property contains approximately 312,532 net rentable square feet, one clubhouse, and five laundry facilities located on approximately 19.11 acres of land.

The property is encumbered by a mortgage note payable in monthly installments of principal and interest through December 31, 2011, when a lump-sum payment of approximately $3,447,000 is due. For information regarding the encumbrances to which the property is subject and the status of the related mortgage loans, see " Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources" contained in Item 7 hereof and Note B to the Financial Statements and Schedule Index contained in Item 8.

Occupancy Rates

Percent

	2003	2004	2005	2006	2007
Las Brisas	98.4%	97.6%	97.9%	95.4%	93.1%

Item 3. Legal Proceedings

The Partnership is not engaged in any material legal proceedings.

Item 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders during the fourth quarter of the fiscal year.

By virtue of its organization as a limited partnership, the Partnership has outstanding no securities possessing traditional voting rights. However, as provided and qualified in the Limited Partnership Agreement, limited partners have voting rights for, among other things, the removal of the General Partner and dissolution of the Partnership.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholders Matters

The Partnerships outstanding securities are in the form of Limited Partnership Interests ("Interests"). As of December 31, 2007 there were approximately 268 limited partners owning 2,382 interests at $1,000 per interest. A public market for trading Interests has not developed and none is expected to develop. In addition, transfer of an Interest is restricted pursuant to the Limited Partnership Agreement.

The General Partner continues to review the Partnership's ability to make distributions on a quarter-by-quarter basis, however, no such distributions have been made to the limited partners in several years and none are anticipated in the immediate future due to required debt service payments and the existence of the Special Limited Partner, Mr. Robert J. Werra. The Special Limited Partner has first right to all net operating cash flow and net proceeds from disposals of assets to the extent of the special limited partner distribution preference. During 2007, 2006 and 2005 the Special Limited Partner received distributions from the Partnership totaling $250,000, $300,000, and $320,000, respectively.

An analysis of tax income or loss allocated and cash distributed to Investors per $1,000 unit is as follows:

YEARS	INCOME	GAIN	LOSS	CASH DISTRIBUTED
1986	$0	$0	$186	$0
1987	0	0	286	0
1988	0	0	310	0
1989	0	0	278	0
1990	0	0	231	0
1991	0	0	142	0
1992	0	0	0	0
1993	0	153	162	0
1994	24	0	0	0
1995	0	0	5	0
1996	20	0	0	0
1997	0	0	(21)	0
1998	4	0	0	0
1999	72	0	0	0
2000	<1	0	0	0
2001	98	0	0	0
2002	57	0	0	0
2003	36	0	0	0
2004	33	0	0	0
2005	143	0	0	0
2006	151	0	0	0
2007	151	0	0	0

Item 6. Selected Financial Data

The following table sets forth selected financial data regarding the Partnership's results of operations and financial position as of the dates indicated. This information should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in Item 7 hereof and the financial Statements and notes thereto contained in Item 8.

Year Ended December 31,
(in thousands except unit and per unit amounts)

	2007	2006	2005	2004	2003
Limited Partner Units Outstanding – Basic	2382	2382	2382	2382	2382
Statement of Operations					
Total Revenues	$1,941	$1,930	$1,853	$1,754	$1,672
Net Income (Loss)	85	80	71	23	(141)
Limited Partner Net Income (Loss) per Unit – Basic	35	33	30	10	(58)
Cash Distributions to Limited Partners per Unit - Basic	0	0	0	0	0
Balance Sheet:					
Real Estate, net	2,218	2,470	2,739	2,994	3,198
Total Assets	2,489	2,746	3,011	3,292	3,468
Mortgages Payable	3,757	3,823	3,886	3,944	4,000
Partner's (Deficit)	(1,542)	(1,378)	(1,159)	(910)	(844)

Item 7. Management Discussion and Analysis of Financial Conditions and Results of Operations

This discussion should be read in conjunction with Item 6 – "Selected Financial Data" and Item 8 – "Financial Statements and Supplemental Information".

Critical Accounting Policies and New Accounting Pronouncements

In the preparation of financial statements and in the determination of Partnership operating performance, the Partnership utilizes certain significant accounting policies and these accounting policies are discussed in note A to the Partnership's financial statements.

The Partnership continually evaluates the recoverability of the carrying value of its real estate assets using the methodology summarized in its accounting policies (see note A to the financial statements). Under current accounting literature, the evaluation of the recoverability of the Partnership's real estate assets requires the judgment of Partnership management in the determination of the value of the future cash flows expected from the assets and the estimated holding period for the assets. The Partnership uses market capitalization rates to determine the estimated residual value of its real estate assets and, generally, takes a long-term view of the holding period of its assets unless specific facts and circumstances warrant shorter holding periods (expected sales, departures from certain geographic markets, etc.). At December 31, 2007 and 2006, management believed it had applied reasonable estimates and judgments in determining the proper classification of its real estate assets. Should external or internal circumstances change requiring the need to shorten the holding periods or adjust the estimated future cash flows of certain of the Partnership's assets, the Partnership could be required to record future impairment charges.

Results of Operations

The following discussion of results of operations should be read in conjunction with the statement of operations, the accompanying selected financial data and the community operations/segment performance information included below.

The Partnership's revenues and earnings from continuing operations are generated primarily from the operation of its apartment community.

Comparison of Year Ended December 31, 2007 to Year Ended December 31, 2006

The operating performance from continuing operations for the Partnership's apartment community for the years ended December 31, 2007 and 2006 is summarized as follows:

Results of Operations: 2007 VERSUS 2006

Revenue from Property Operations increased $11,463 or 0.6%. Rental income increased $13,086 or 0.7% as compared to 2006. Other income decreased $1,623 or 1.1%. The following table illustrates the increases or (decreases):

	Increase (Decrease)	Percent
Rentals	$13,086	0.7%
Other	(1,623)	(1.1)%
Net Increase	$11,463	0.6%

Property operating expenses for 2007 increased $9,968 or 0.6%. Repairs and maintenance increased $10,935 or 6.7% due to plumbing repairs. General and administrative decreased $9,688 or 5.2% due to decreased insurance and one time internet marketing fees in 2006. Payroll increased $21,878 or 5.8% due to increased maintenance employees and overtime costs. Utilities increased $3,743 or 1.5% due to higher gas prices. Real estate taxes decreased $17,313 or 10.3% due to Texas lowering school tax rates. Property management fees are paid to an affiliated entity and represent 5% of gross operating revenues (see Note C to Financial Statements and Schedule Index contained in Item 8.) The following table illustrates the increases or (decreases):

	Increase (Decrease)	Percent
Utilities	$3,743	1.5%
General and administrative	(9,688)	(5.2)%
Real estate taxes	(17,313)	(10.3)%
Property management fee to affiliate	788	0.8%
Repairs and maintenance	10,935	6.7%
Depreciation and amortization	(375)	(0.1)%
Payroll	21,878	5.8%
Net Increase	9,968	0.6%

Results of Operations: 2006 VERSUS 2005

Revenue from Property Operations increased $76,863 or 4.1%. Rental income increased $45,726 or 2.6% as compared to 2005. Other income increased $31,137 or 28.1%. The following table illustrates the increases or (decreases):

	Increase (Decrease)	Percent
Rentals	$45,726	2.6%
Other	31,137	28.1%
Net Increase	$76,863	4.1%

Property operating expenses for 2006 increased $74,215 or 4.8%. General and administrative increased $36,644 or 24.3% due to increased insurance costs. Payroll increased $41,966 or 12.5% due to increased maintenance employees and overtime costs. Utilities decreased $10,716 or 4.1% due to lower gas prices. Real estate taxes increased $9,658 or 6.1% primarily due to increased assessed valuations. Property management fees are paid to an affiliated entity and represent 5% of gross operating revenues (see Note C to Financial Statements and Schedule Index contained in Item 8.) The following table illustrates the increases or (decreases):

	Increase (Decrease)	Percent
Utilities	$(10,716)	(4.1)%
General and administrative	36,644	24.3%
Real estate taxes	9,658	6.1%
Property management fee to affiliate	3,973	4.3%
Repairs and maintenance	1,361	0.8%
Depreciation and amortization	(8,671)	(2.3)%
Payroll	41,966	12.5%
Net Increase	$74,215	4.8%

Liquidity and Capital Resources

While it is the General Partners primary intention to operate and manage the existing real estate investment, 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 Las Brisas Apartments.

As of December 31, 2007, the Partnership had $17,886 in cash and cash equivalents as compared to $28,866 as of December 31, 2006. The net decrease in cash of $10,980 is principally due to cash flow from operations.

The property is encumbered by a non-recourse mortgage with a principal balance of $3,757,365 as of December 31, 2007. The mortgage payable bears interest at 6.18% and is payable in monthly installments of principal and interest until December 2011 when a lump-sum payment of approximately $3,447,000 is due. The required principal reductions for the four years ending December 31, 2011 are $70,465, $74,945, $79,710 and $3,532,245 respectively.

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

The $734,674 in Special Limited Partner equity is the result of previous fundings for operating deficits and other partner loans made to the Partnership by a related entity. These loans were reclassified to equity during 1993. The Special Limited Partner has first right to all net operating cash flows and net proceeds from disposals of assets to the extent of the Special Limited Partners distribution preference. During 2007, 2006, and 2005, the Special Limited Partner received distributions from the Partnership totaling $250,000, $300,000 and $320,000 respectively.

Item 7a – Quantitative and Qualitative Disclosure about Market Risk

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.

Risk Associated with Forward-Looking Statements Included in this Form 10-K

This Form 10-K contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which are intended to be covered by the safe harbors created thereby. These statements include the plans and objectives of management for future operations, including plans and objectives relating to capital expenditures and rehabilitation costs on the Properties. The forward-looking statements included herein are based on current expectations that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Partnership. Although the Partnership believes that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Form 10-K will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by the Partnership or any other person that the objectives and plans of the Partnership will be achieved.

Item 8 Financial Statements and Supplemental Information

AMRECORP REALTY FUND III

FINANCIAL STATEMENTS
AND REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

December 31, 2007 and 2006

INDEX TO FINANCIAL STATEMENTS

All other schedules have been omitted because they are not applicable, not required or the information has been supplied in the financial statements or notes thereto.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the General Partner and Limited Partners of
Amrecorp Realty Fund III

We have audited the accompanying balance sheets of Amrecorp Realty Fund III, a Texas limited partnership (the "Partnership") as of December 31, 2007 and 2006, and the related statements of income, partners' equity (deficit), and cash flows for the years ended December 31, 2007, 2006 and 2005. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Partnership is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the December 31, 2007 and 2006 financial statements referred to above present fairly, in all material respects, the financial position of Amrecorp Realty Fund III as of December 31, 2007 and 2006, and the results of its operations and its cash flows for the years ended December 31, 2007, 2006 and 2005 in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. Schedule III for the year ended December 31, 2007 is presented for the purpose of complying with the Securities and Exchange Commission's rules and is not a required part of the basic financial statements. This schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, fairly states, in all material respects, the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

/s/ Farmer, Fuqua & Huff, P.C.

March 28, 2008
Plano, TX

AMRECORP REALTY FUND III
BALANCE SHEETS
December 31,

ASSETS

		2007		2006
Investments in real estate at cost				
Land	$	1,000,000	$	1,000,000
Buildings, improvements and furniture and fixtures		7,644,433		7,541,187
		8,644,433		8,541,187
Accumulated depreciation		(6,425,951)		(6,070,815)
		2,218,482		2,470,372
Cash and cash equivalents		17,886		28,866
Escrow deposits		180,779		160,214
Deferred financing costs, net of accumulated amortization of $55,907 and $46,779, respectively		35,370		44,498
Other assets		36,223		42,422
TOTAL ASSETS		2,488,740		2,746,372

LIABILITIES AND PARTNERS' EQUITY

Mortgage payable		3,757,365		3,823,618
Accrued interest payable		19,351		19,692
Accounts payable		46,167		39,019
Real estate taxes payable		149,994		177,346
Due to affiliates		79		1,602
Security deposits		58,421		63,187
TOTAL LIABILITIES		4,031,377		4,124,464
PARTNERS' (DEFICIT)		(1,542,637)		(1,378,092)
TOTAL LIABILITIES AND PARTNERS' EQUITY	$	2,488,740	$	2,746,372

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

AMRECORP REALTY FUND III
STATEMENTS OF INCOME
For the Years Ended December 31,

	2007	2006	2005
PROPERTY REVENUE			
Rental	$ 1,800,606	$ 1,787,520	$ 1,741,794
Fees and other	140,514	142,137	111,000
Total property revenues	1,941,120	1,929,657	1,852,794
OPERATING EXPENSES			
Depreciation and amortization	364,264	364,639	373,310
Payroll	398,537	376,659	334,693
Utilities	251,934	248,191	258,907
General and administrative	177,743	187,431	150,787
Repairs and maintenance	175,182	164,247	162,886
Real estate taxes	149,994	167,307	157,649
Property management fee to affiliate	97,432	96,644	92,671
Administrative service fee to affiliate	9,024	9,024	9,024
Total operating expenses	1,624,110	1,614,142	1,539,927
OPERATING INCOME	317,010	315,515	312,867
FINANCIAL INCOME AND (EXPENSE)			
Interest income	2,548	3,232	681
Interest expense	(234,103)	(238,084)	(241,827)
Total other income and (expense)	(231,555)	(234,852)	(241,146)
NET INCOME	$ 85,455	$ 80,663	$ 71,721
NET INCOME PER LIMITED PARTNERSHIP UNIT – BASIC	$ 35.52	$ 33.52	$ 29.81
LIMITED PARTNERSHIP UNITS OUTSTANDING – BASIC	2,382	2,382	2,382

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

AMRECORP REALTY FUND III
STATEMENTS OF PARTNERS' EQUITY (DEFICIT)
For the Years Ended December 31, 2007, 2006 and 2005

	General Partner	Special Limited Partners	Limited Partners	Total
Balance, January 1, 2005	$ (155,251)	$ 1,176,420	$ (1,931,645)	$ (910,476)
Distributions	---	(320,000)	---	(320,000)
Reallocation for payment of Special Limited Partner distributions for distribution preference	(595)	59,455	(58,860)	---
Net income	717	---	71,004	71,721
Balance, December 31, 2005	$ (155,129)	$ 915,875	$ (1,919,501)	$ (1,158,755)
Distributions	---	(300,000)	---	(300,000)
Reallocation for payment of Special Limited Partner distributions for distribution preference	(3,000)	300,000	(297,000)	---
Net income	807	---	79,856	80,663
Balance, December 31, 2006	$ (157,322)	$ 915,875	$ (2,136,645)	$ (1,378,092)
Distributions	---	(250,000)	---	(250,000)
Reallocation for payment of Special Limited Partner distributions for distribution preference	(688)	68,799	(68,111)	---
Net income	855	---	84,600	85,455
Balance, December 31, 2007	$ (157,155)	$ 734,674	$ (2,120,156)	$ (1,542,637)

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

AMRECORP REALTY FUND III
STATEMENTS OF CASH FLOWS
For the Years Ended December 31,

	2007	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 85,455	$ 80,663	$ 71,721
Adjustments to reconcile net income (loss) to net cash provided by operations:			
Depreciation and amortization	364,264	364,639	373,310
Changes in assets and liabilities:			
Escrow deposits	(20,565)	(2,689)	(20,904)
Other assets	6,199	(5,384)	4,522
Accrued interest payable	(341)	(321)	(302)
Security deposits	(4,766)	(2,596)	8,140
Accounts payable	7,148	(978)	1,916
Due to affiliates	(1,523)	982	(600)
Real estate taxes payable	(27,352)	19,697	17,020
Net cash provided by operating activities	408,519	454,013	454,823
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments in real estate	(103,246)	(86,746)	(109,230)
Net cash used for investing activities	(103,246)	(86,746)	(109,230)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments on mortgages and notes payable	(66,253)	(62,292)	(58,568)
Distributions	(250,000)	(300,000)	(320,000)
Net cash used for financing activities	(316,253)	(362,292)	(378,568)
Net increase (decrease) in cash and cash equivalents	(10,980)	4,975	(32,975)
Cash and cash equivalents at beginning of period	28,866	23,891	56,866
Cash and cash equivalents at end of period	$ 17,886	$ 28,866	$ 23,891
Supplemental disclosure of cash flow information:			
Cash paid during the year for interest	$ 234,445	$ 238,405	$ 242,129

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

AMRECORP REALTY FUND III
NOTES TO FINANCIAL STATEMENTS
December 31, 2007 and 2006

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Amrecorp Realty Fund III (the “Partnership”), a Texas limited partnership, was formed on August 30, 1985, under the laws of the state of Texas, for the purpose of acquiring, maintaining, developing, operating, and selling buildings and improvements. The Partnership owns and operates rental apartments in Abilene, Texas. The Partnership will be terminated by December 31, 2015, although this date can be extended if certain events occur. LBAL, Inc., a Texas corporation wholly owned by Mr. Robert J. Werra, is the general partner. Mr. Werra is the first special limited partner and third special limited partner. The second special limited partner is an affiliate of the general partner.

An aggregate of 25,000 limited partner units at $1,000 per unit are authorized, of which 2,382 units were outstanding for each of the three years ended December 31, 2007, 2006 and 2005. Under the terms of the offering, no additional units will be offered. Effective November 1, 1993, the partnership agreement was amended to establish a first, second and third special limited partner status as referred to above.

Allocation of Net Income (Loss) and Cash

All distributions of net operating cash flow and net proceeds of the Partnership shall be distributed first to special limited partners to satisfy the special limited partner distribution preference, then to repay any unreturned portion of their contribution. The total distribution preference due to the special limited partners is approximately $756,000 as of December 31, 2007. Any additional available cash will then be distributed in accordance with the partnership agreement. During 2007, 2006 and 2005, distributions of $250,000, $300,000, and $320,000, respectively, were made to the special limited partners in accordance with this agreement.

Net operating income and loss are allocated 1% to general partners and 99% to limited partners. Net operating cash flow, as defined in the partnership agreement, shall be distributed to the limited and general partners first to the limited partners in an amount equal to a variable distribution preference on capital contributions for the current year and then to the extent the preference has not been satisfied for all preceding years, and, thereafter, 10% to the general partner and 90% to the limited partners.

Net income from the sale of property is allocated first, to the extent there are cumulative net losses, 1% to the general partner and 99% to the limited partners; second, to the limited partners in an amount equal to their distribution preference as determined on the date of the partners’ entry into the Partnership; and, thereafter, 15% to the general partner and 85% to the limited partners.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Net operating cash flow and net proceeds of the Partnership shall be distributed first to pay the accrued and unpaid preference on the unreturned capital contributions of the special limited partners and then to the return of the special limited partners' capital contribution until the entire sum has been returned, second to the limited partners to the extent of their capital contributions and distribution preference as determined on the date of the partners' entry into the Partnership, and thereafter, 15% to the general partner and 85% to the limited partners.

Basis of Accounting

The Partnership maintains its books on the basis of accounting used for federal income tax reporting purposes. Memorandum entries have been made to present the accompanying financial statements in accordance with U.S. generally accepted accounting principles.

Income Taxes

No provision for income taxes has been made since the partners report their respective share of the results of operations on their individual income tax return.

Revenue Recognition

The Partnership has leased substantially all of its rental apartments under cancelable leases for periods generally less than one year. Rental revenue is recognized on a monthly basis as earned.

Deferred Financing Costs

Costs incurred to obtain mortgage financing are being amortized over the life of the mortgage using the straight-line method.

Syndication Costs

Costs or fees incurred to raise capital for the Partnership are netted against the respective partners' equity accounts.

Cash and Cash Equivalents

The Partnership considers all highly liquid instruments with a maturity of three months or less to be cash equivalents.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Investments in Real Estate and Depreciation

All real estate holdings are stated at cost or adjusted carrying value. Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" ("SFAS No. 144"), requires that a property be considered impaired if the sum of the expected future cash flows (undiscounted and without interest charges) is less than the carrying amount of the property. If impairment exists, an impairment loss is recognized, by a charge against earnings, equal to the amount by which the carrying amount of the property exceeds the fair value less cost to sell the property. If impairment of a property is recognized, the carrying amount of the property is reduced by the amount of the impairment, and a new cost for the property is established. Such new cost is depreciated over the property's remaining useful life. Depreciation is provided by the straight-line method over estimated useful lives, which range from 5 to 27.5 years. There was no charge to earnings during 2007 due to an impairment of real estate.

Computation of Earnings Per Unit

The Partnership has adopted Statement of Financial Accounting Standards ("SFAS") No.128, "Earnings per Share". Basic earnings per unit is computed by dividing net income (loss) attributable to the limited partners' interests by the weighted average number of units outstanding. Earnings per unit assuming dilution would be computed by dividing net income (loss) attributable to the limited partners' interests by the weighted average number of units and equivalent units outstanding. The Partnership has no equivalent units outstanding for any period presented.

Concentration of Credit Risk

Financial instruments which potentially subject the Partnership to concentrations of credit risk consist primarily of cash. The Partnership places its cash with various financial institutions. The Partnership's exposure to loss should any of these financial institutions fail would be limited to any amount in excess of the amount insured by the Federal Deposit Insurance Corporation and Securities Investor Protection Corporation. Management does not believe significant credit risk exists at December 31, 2007.

At December 31, 2007 and 2006, included in cash and cash equivalents is $14,138 and $21,681, respectively, which is cash held in a pooled account of the property's management company, as a fiduciary, in a financial institution and could be at risk.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 amounts of revenues and expenses during that reporting period. Actual results could differ from those estimates.

Environmental Remediation Costs

The Partnership accrues for losses associated with environmental remediation obligations when such losses are probable and reasonably estimable. Accruals for estimated losses from environmental remediation obligations generally are recognized no later than completion of the remedial feasibility study. Such accruals are adjusted as further information develops or circumstances change. Costs of future expenditures for environmental remediation obligations are not discounted to their present value. Recoveries of environmental remediation costs from other parties are recorded as assets when their receipt is deemed probable. Project management is not aware of any environmental remediation obligations that would materially affect the operations, financial position or cash flows of the Project.

Comprehensive Income

Statement of Financial Accounting Standards No. 130, Reporting Comprehensive Income, (SFAS 130), requires that total comprehensive income be reported in the financial statements. For the years ended December 31, 2007, 2006 and 2005, the Partnership’s comprehensive income (loss) was equal to its net income (loss) and the Partnership does not have income meeting the definition of other comprehensive income.

NOTE B - MORTGAGE PAYABLE

The mortgage payable of $3,757,365 at December 31, 2007 bears interest at a rate of 6.18% and is payable in monthly installments of principal and interest of $25,058 through December 2011, at which time a lump sum payment of approximately $3,447,000 is due. This mortgage note is secured by real estate with a net book value of $2,218,482.

At December 31, 2007, required principal payments due under the stated terms of the Partnership's mortgage note payable are as follows:

2008	$ 70,465
2009	74,945
2010	79,710
2011	3,532,245
	$ 3,757,365

NOTE C – RELATED PARTY TRANSACTIONS

The Partnership agreement specifies that certain fees be paid to the general partner or his designee. An affiliate of the general partner receives a property management fee that is approximately 5% of the Partnership's gross receipts. Property management fees of $97,432, $96,644, and $92,671 were paid in 2007, 2006, and 2005, respectively.

Administrative service fees paid to an affiliate of the general partner were $9,024, $9,024 and $9,024 for each of the years ended December 31, 2007, 2006 and 2005, respectively.

Resulting from the above transactions, amounts due an affiliate of the general partner as of December 31, 2007, and 2006, totaled $79 and $1,602, respectively.

NOTE D – ACCUMULATED AMORTIZATION

At December 31, 2007, amortization expense for deferred financing costs over the next five years is as follows:

2008	9,128
2009	9,128
2010	9,128
2011	7,986
	$ 35,370

NOTE E – COMMITMENTS

The Partnership will pay a real estate commission to the general partner or his affiliates in an amount not exceeding the lesser of 50% of the amounts customarily charged by others rendering similar services or 3% of the gross sales price of a property sold by the Partnership.

NOTE F – RECONCILIATION OF BOOK TO TAX LOSS (UNAUDITED)

If the accompanying financial statements had been prepared in accordance with the accrual income tax basis of accounting rather than U.S. generally accepted accounting principals ("GAAP"), the excess of revenues over expenses for 2007 would have been as follows:

Net income (loss) per accompanying financial statements	$ 85,455
Add – book basis depreciation using straight-line method	355,136
Deduct – income tax basis depreciation expense using ACRS method	(76,179)
Excess of revenues over expenses, accrual income tax basis	$ 364,412

NOTE G – ESTIMATED FAIR VALUE OF FINANCIAL INSTRUMENTS

The following estimated fair value amounts have been determined using available market information or other appropriate valuation methodologies that require considerable judgement in interpreting market data and developing estimates. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Partnership could realize in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

The fair value of financial instruments that are short-term or re-priced frequently and have a history of negligible credit losses is considered to approximate their carrying value. These include cash and cash equivalents, accounts payable and other liabilities.

Management has reviewed the carrying value of its mortgage payable in connection with interest rates currently available to the Partnership for borrowings with similar characteristics and maturities and has determined that their estimated fair value would approximate their carrying value as of December 31, 2007 and 2006.

NOTE G – ESTIMATED FAIR VALUE OF FINANCIAL INSTRUMENTS-CONTINUED

The fair value information presented herein is based on pertinent information available to management. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since that date, and therefore, current estimates of fair value may differ significantly from the amounts presented herein.

NOTE H – QUARTERLY DATA (UNAUDITED)

The table below reflects the partnership's selected quarterly information for the years ended December 31, 2007 and 2006.

	Year ended December 31, 2007			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Rents and other property revenue	$ 477,160	$ 492,946	$ 494,314	$ 476,700
Operating expenses	387,487	431,287	409,957	395,379
Operating income	89,673	61,659	84,357	81,321
Other income/(expense)	(58,065)	(58,110)	(58,438)	(56,942)
Net income/(loss)	31,608	3,549	25,919	24,379
Net income/(loss)allocable to limited partnership unit	$ 31,292	$ 3,514	$ 25,660	$ 24,135
Loss per limited unit – basic and diluted	$ 13.14	$ 1.48	$ 10.77	$ 10.13

	Year ended December 31, 2006			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Rents and other property revenue	$ 478,941	$ 486,388	$ 490,097	$ 474,231
Operating expenses	371,641	421,593	395,565	425,343
Operating income	107,300	64,795	94,532	48,888
Other income/(expense)	(59,767)	(59,147)	(57,994)	(57,944)
Net income/(loss)	47,533	5,648	36,538	(9,056)
Net income/(loss)allocable to limited partnership unit	$ 47,058	$ 5,592	$ 36,173	$ (8,965)
Loss per limited unit – basic and diluted	$ 19.76	$ 2.35	$ 15.19	$ (3.78)

AMRECORP REALTY FUND III
Schedule III – Real Estate and Accumulated Depreciation
December 31, 2007

		Initial Cost to Partnership			Gross Amounts at Which Carried at Close of Year						
Description	**Encumbrances**	**Land**	**Building and Improvements**	**Total Cost Subsequent to Acquisition**	**Land**	**Buildings And Improvements**	**Total (c)(d)**	**Accumulated Depreciation (c)**	**Date of Construction**	**Date Acquired**	**Life on Which Depreciation Is Computed**
Twenty-eight two-story apartment buildings of concrete block construction with brick veneer, stucco and wood siding exterior, and composition shingled roofs located in Abilene, Texas	(b)	$ 1,000,000	$ 5,721,811	$ 1,922,622	$ 1,000,000	$ 7,644,433	$ 8,644,433	$ 6,425,951	Complete at Date acquired	7/31/86	(a)

See notes to Schedule III.

AMRECORP REALTY FUND III
Schedule III – Real Estate and Accumulated Depreciation (Continued)
December 31, 2007

NOTES TO SCHEDULE III:

(a) See Note A to financial statements outlining depreciation methods and lives.

(b) See description of mortgages and notes payable in Note B to the financial statements.

(c) The reconciliation of investments in real estate and accumulated depreciation for the years ended December 31, 2007, 2006 and 2005 is as follows:

	Investments in Real Estate	Accumulated Depreciation
Balance, January 1, 2005	$ 8,345,211	$ 5,351,122
Acquisitions	109,230	---
Depreciation expense	---	364,182
Balance, December 31, 2005	$ 8,454,441	$ 5,715,304
Acquisitions	86,746	---
Depreciation expense	---	355,511
Balance, December 31, 2006	8,541,187	6,070,815
Acquisitions	103,246	---
Depreciation expense	---	355,136
Balance, December 31, 2007	$ 8,644,433	$ 6,425,951

(d) Aggregate cost for federal income tax purposes is $7,194,434.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

On November 6, 1998, an 8-K was filed to disclose the change in auditors. No financial statements were issued in conjunction with this filing. The Registrant has not been involved in any disagreements on accounting and financial disclosure.

Item 9a. Controls and Procedures

Based on their most recent evaluation, which was completed December 31, 2007, our Principal Financial Officer and Principal Executive 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 III

Item 10. Directors and Executive Officer of the Partnership

The Partnership itself has no officers or directors. LBAL, Inc., a Texas Corporation, which is wholly owned by Robert J. Werra, is the General Partner of the Partnership.

Robert J. Werra, 68, joined Loewi & Co., Incorporated ("Loewi") in 1967 as a Registered Representative. In 1971, he formed the Loewi real estate department, and was responsible for its first sales of privately placed real estate programs. Loewi Realty was incorporated in 1974, as a wholly owned subsidiary of Loewi & Co., with Mr. Werra as President. In 1980, Mr. Werra, along with three other individuals, formed Amrecorp Inc. to purchase the stock of Loewi Real Estate Inc., and Loewi Realty. In 1991 Univesco, Inc. became the management agent for the Partnership. Limited Partners have no right to participate in management of Partnership.

Item 11. Management Renumeration and Transactions

As stated above, the Partnership has no officers or directors. Pursuant to the terms of the Limited Partnership Agreement, the General Partner receives 1% of Partnership income and loss and up to 15% of Net Proceeds received from sale or refinancing of Partnership properties (after return of Limited Partner capital contributions and payment of a 6% Current Distribution Preference thereon).

Univesco, Inc., an affiliate of the General Partner, is entitled to receive a management fee with respect to the properties actually managed of 5% of actual gross receipts from a property or an amount competitive in price or terms for comparable services available from a non-affiliated persons. The Partnership is also permitted to engage in various transactions involving affiliates of the General Partner as described under the caption "Compensation and Fees" at pages 6-8, "Management" at pages 18-20 and "Allocation of Net Income and Losses and Cash Distributions" at pages 49-51 of the Prospectus as supplemented, incorporated in the Form S-11 Registration Statement which was filed with the Securities and Exchange Commission and made effective on November 26, 1985.

For the Fiscal year ended December 31, 2007, 2006, and 2005, property management fees earned totaled $97,432, $96,644, and $92,671, respectively. An additional administration service fee was paid to the general partner of $9,024, $9,024, and 9,024 for the years ended December 31, 2007, 2006, and 2005, respectively.

Item 12. Security Ownership of Certain Beneficial Owners and Management

(a)

Title of Class	Name and Address	Amount and Nature	Percent of
Limited Partnership Interest	William E. Kreger 3301 Biddle Ave. #1101 Wyandette, MI 48192	300 units	12.59%
	Juanita L. Werra 1409 Tree Farm Dr Plano, TX 75093	127 units	5.33%
	Monty L. Parker 9144 North Silver Brook Lane Brown Deer, WI 53223	127 units	5.33%

(b) By virtue of its organization as a limited partnership, the Partnership has no officers or directors. Persons performing functions similar to those of officers and directors of the Partnership, beneficially own, the following units of the Partnership as of December 31, 2007.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Limited Partnership Interest	Robert J. Werra 2800 N Dallas Pkwy #100 Plano, TX 75093	10 units	.42%

(c) There is no arrangement, known to the Partnership, which may, at a subsequent date, result in a change in control of the Partnership.

Item 13. Certain Relations and Related Transactions

As stated in item 11, the Partnership has no officers or directors. Pursuant to the terms of the Limited Partnership Agreement, the general partner receives 1% of partnership income and loss and up to 15% of Net Proceeds received from the sale or refinancing of Partnership Properties (after return of Limited Partner capital contributions and payment of a Current Distribution Preference thereon).

Univesco, Inc. (an affiliate of the General Partner), is entitled to receive a management fee with respect to the Properties. For residential Properties (including all leasing and releasing fees and fees for leasing-related services), the lesser of 5% of gross receipts of the Partnership from such Properties or an amount which is competitive in price and terms with other non-affiliated persons rendering comparable services which could reasonably be made available to the Partnership. The Partnership is also permitted to engage in various transactions involving affiliates of the general partner as described under the caption “Compensation and Fees” at pages 6-8, “Management” at pages 18-20 and “Allocation of Net Income and Losses and Cash Distributions” at pages 49-51 of the definitive Prospectus, incorporated in the form S-11 Registration Statement which was filed with the Securities and Exchange Commission and made effective of November 26, 1985 and incorporated herein by reference.

Item 14. Principal Accounting Fees and Services

The following table sets forth the aggregate fees for professional services rendered to the Partnership for the years 2007 and 2006 by the Partnership principal accounting firm, Farmer, Fuqua, & Huff, P.C.

Type of Fees	2007	2006
Audit Fees	$15,250	$12,250
Audit related fees	---	---
Tax fees	---	---
All other fees	---	---

PART IV

Item 15. Exhibits, Financial Statements, Schedules and Reports on Form 10-K

(A) 1. Financial Statements

The financial statements of Amrecorp Realty Fund III are included in Part II, Item 8.

2. Financial Statements and Schedules

All schedules for which provision is made is the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions, are inapplicable, or the information is presented in the financial statements or related notes, and therefore have been omitted.

3. Exhibits

None.

(B) Reports on Form 8-K for the quarter ended December 31, 2007.

None.

(C) Exhibits

3. Certificate of Limited Partnership, incorporated by reference to Registration Statement No. 33-00152 effective November 26, 1985

4. Limited Partnership Agreement, incorporated by reference to Registration Statement N. 33-00152 effective November 26, 1985.

9. Not Applicable.
10. None.
11. Not Applicable.
12. Not Applicable.
13. Not Applicable.
14. Code of Ethics for Senior Financial Officers
18. Not Applicable.
19. Not Applicable.
22. Not Applicable.
23. Not Applicable.
24. Not Applicable.
25. Power of Attorney, incorporated by reference to Registration Statement No. 33-00152 effective November 26, 1985.
28. None.
31. Certification
32. Officers' Section 1350 Certification

(d) Financial Statement Schedules excluded from the annual report

None

Pursuant to the requirements of Section 13 or 15(d) 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.

Amrecorp Realty Fund III

ROBERT J. WERRA, GENERAL PARTNER

/s/ Robert J. Werra
March 29, 2008

EXHIBIT 14

Code of Ethics for Senior Financial Officer

Amrecorp Realty Fund III (the "Partnership") is committed to conducting its business in compliance with all the applicable laws and regulations and in accordance with high standards of business conduct. The Partnership strives to maintain the highest standard of accuracy, completeness and disclosure in its financial dealings, records and reports. These standards serve as the basis for managing the Partnership's business, for meeting the Partnership's duties to its unit holders and for maintaining compliance with financial reporting requirements. The General Partner, as senior financial officer of the Partnership will adhere to and advocate the following principals and responsibilities governing his or her professional and ethical conduct, each to the best of his or her knowledge and ability:

1. Act with honesty and integrity and in an ethical manner, avoiding actual or apparent conflicts of interest in personal and professional relationships.

2. Promptly disclose to the Partnership, any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest between personal and professional relationships.

3. Comply with the rules and regulations of federal, state, and local governments and other appropriate and private and public regulatory agencies.

4. Act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing his independent judgment to be subordinated.

5. Use good business judgment in the processing and recording of all financial transactions.

Exhibit 31

CERTIFICATIONS

I, Robert J. Werra, certify that:

1. I have reviewed this the Partnership's Annual Report on Form 10-K of Amrecorp Realty Fund III;

2. Based on my knowledge, this 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 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. 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 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, 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. 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.

Dated: March 29, 2008.

/s/ Robert J. Werra
General Partner

Exhibit 32

Officers' Section 1350 Certifications

The undersigned officer of Amrecorp Realty Fund III., a Texas limited partnership (the "Partnership"), hereby certifies that (i) the Partnership's Annual Report on Form 10-K for the year ended December 31, 2007 fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, and (ii) the information contained in the Partnership's Annual Report on Form 10-K for the year ended December 31, 2007 fairly presents, in all material respects, the financial condition and results of operations of the Partnership, at and for the periods indicated.

Dated: March 29, 2008.

/s/ Robert J. Werra
General Partner