UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended: **September 30, 2014**

or

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

For the transition period from __________ to __________

Commission File Number**: 000-53012**

FIRST CHOICE HEALTHCARE SOLUTIONS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**90-0687379**
(State or other jurisdiction of incorporation)	(IRS Employer Identification No.)

709 S. Harbor City Boulevard, Suite 250, Melbourne, Florida 32901
(Address of principal executive offices)

(321) 725-0090
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files. Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☒

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

As of November 10, 2014, there were 17,713, 804 shares outstanding of the registrant's common stock.

PART I

ITEM 1. FINANCIAL STATEMENTS

FIRST CHOICE HEALTHCARE SOLUTIONS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

		September 30, 2014 (unaudited)		December 31, 2013
ASSETS				
Current assets				
Cash	$	137,018	$	739,158
Cash-restricted		340,672		256,246
Accounts receivable, net		2,114,525		1,272,155
Prepaid and other current assets		264,440		140,580
Capitalized financing costs, current portion		57,348		57,348
Total current assets		2,914,003		2,465,487
Property, plant and equipment, net of accumulated depreciation of $2,341,377 and $1,959,127		8,425,452		8,662,057
Other assets				
Capitalized financing costs, long term portion		69,483		131,540
Patient list, net of accumulated amortization of $50,000 and $35,000		250,000		265,000
Patents, net of amortization of $14,325		272,175		286,500
Deposits		2,713		2,713
Total other assets		594,371		685,753
Total assets	$	11,933,826	$	11,813,297
LIABILITIES AND STOCKHOLDERS' DEFICIT				
Current liabilities				
Accounts payable and accrued expenses	$	1,078,142	$	459,000
Stock based payable		28,750		166,340
Advances		50,000		-
Line of credit, short term		1,202,000		800,000
Convertible note payable, short term portion		1,611,626		-
Notes payable, current portion		781,162		743,787
Unearned revenue		42,099		74,934
Total current liabilities		4,793,779		2,244,061
Long term debt:				
Deposits held		72,901		72,901
Convertible note payable, long term portion		537,209		2,347,403
Notes payable, long term portion		8,328,870		8,935,473
Total long term debt		8,938,980		11,355,777
Total liabilities		13,732,759		13,599,838
Stockholders' deficit				
Preferred stock, $0.001 par value; 1,000,000 shares authorized, Nil issued and outstanding		-		-
Common stock, $0.001 par value; 100,000,000 shares authorized, 17,688,804 and 16,747,248 shares issued and outstanding as of September 30, 2014 and December 31, 2013, respectively		17,689		16,747
Additional paid in capital		12,406,205		11,560,249
Accumulated deficit		(14,222,827)		(13,363,537)
Total stockholders' deficit		(1,798,933)		(1,786,541)
Total liabilities and stockholders' deficit	$	11,933,826	$	11,813,297

See the accompanying notes to these unaudited condensed consolidated financial statements

FIRST CHOICE HEALTHCARE SOLUTIONS, INC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2014	Nine months ended September 30, 2013
Revenues:				
Patient service revenue	$ 1,917,597	$ 1,395,610	$ 5,814,140	$ 3,739,435
Provision for bad debts	(290,440)	-	(365,712)	-
Net patient service revenue less provision for bad debts	1,627,157	1,395,610	5,448,428	3,739,435
Rental revenue	263,888	259,120	784,534	786,546
Total Revenue	1,891,045	1,654,730	6,232,962	4,525,981
Operating expenses:				
Salaries & benefits	925,513	735,888	3,081,840	2,000,436
Other operating expenses	407,699	353,034	1,264,046	965,923
General & administrative	548,635	298,566	1,623,755	898,910
Depreciation and amortization	150,084	124,378	411,575	373,803
Total operating expenses	2,031,931	1,511,866	6,381,216	4,239,072
Net (loss) income from operations	(140,886)	142,864	(148,254)	286,909
Other income (expense):				
Miscellaneous income	750	750	2,250	2,313
Gain on change in fair value of derivative liability	-	(1,631)	-	187,351
Amortization Financing costs	(20,686)	(22,802)	(62,058)	(51,477)
Interest expense, net	(214,798)	(302,590)	(651,228)	(983,966)
Total other income (expense)	(234,734)	(326,273)	(711,036)	(845,779)
Net loss before provision for income taxes	(375,620)	(183,409)	(859,290)	(558,870)
Income taxes (benefit)	-	-	-	-
NET LOSS	$ (375,620)	$ (183,409)	$ (859,290)	$ (558,870)
Net loss per common share, basic and diluted	$ (0.02)	$ (0.01)	$ (0.05)	$ (0.04)
Weighted average number of common shares outstanding, basic and diluted	17,523,044	13,416,949	17,092,088	13,005,773

See the accompanying notes to these unaudited condensed consolidated financial statements

FIRST CHOICE HEALTHCARE SOLUTIONS, INC.
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT
NINE MONTHS ENDED SEPTEMBER 30, 2014
(unaudited)

	Preferred stock		Common stock		Additional Paid in	Accumulated	
	Shares	Amount	Shares	Amount	Capital	Deficit	Total
Balance, January 1, 2014	-	$ -	16,747,247	$ 16,747	$11,560,249	$(13,363,537)	$(1,786,541)
Common stock issued for services rendered	-	-	375,000	375	359,966	-	360,341
Common stock issued in settlement of convertible notes payable, line of credit and accrued interest	-	-	536,557	537	486,020	-	486,557
Common stock issued in connection with loan acquisition	-	-	30,000	30	(30)	-	-
Net loss	-	-	-	-	-	(859,290)	(859,290)
Balance, September 30, 2014	-	$ -	17,688,804	$ 17,689	$12,406,205	$(14,222,827)	$(1,798,933)

See the accompanying notes to these unaudited condensed consolidated financial statements

FIRST CHOICE HEALTHCARE SOLUTIONS, INC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Nine months ended September 30, 2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$ (859,290)	$ (558,870)
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation and amortization	411,575	373,803
Amortization of financing costs	62,057	51,477
Amortization of debt discount in connection with convertible note	-	280,125
Bad debt expense	365,712	-
Stock based compensation	137,001	155,875
Change in fair value of debt derivative	-	(187,351)
Changes in operating assets and liabilities:		
Accounts receivable	(1,208,082)	(646,621)
Prepaid expenses and other	(38,110)	(83,256)
Restricted funds	(84,426)	(37,163)
Accounts payable and accrued expenses	757,131	306,412
Unearned income	(32,835)	1,322
Net cash (used in) operating activities	(489,267)	(344,247)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	(145,645)	(319,762)
Net increase in long term deposits	-	12,757
Net cash used in investing activities	(145,645)	(307,005)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net (payments) proceeds from related party line of credit	-	(11,882)
Proceeds from advances	50,000	-
Proceeds from convertible note payable	-	257,000
Proceeds from lines of credit	552,000	1,086,404
Proceeds from notes payable	-	152,659
Net payments on notes payable	(569,228)	(702,954)
Net cash provided by financing activities	32,772	781,227
Net (decrease) increase in cash and cash equivalents	(602,140)	129,975
Cash and cash equivalents, beginning of period	739,158	67,045
Cash and cash equivalents, end of period	$ 137,018	$ 197,020
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for interest	$ 651,228	$ 703,841
Cash paid during the period for taxes	$ -	$ -
Supplemental Disclosure on non-cash investing and financing activities:		
Common stock issued in settlement of accrued expenses	$ 166,340	$ -
Common stock issued in settlement of line of credit	$ 150,000	$ -
Common stock issued for future services	$ 98,000	$ -
Common stock issued in settlement of convertible note payable and accrued interest	$ 336,557	$ -
Common stock issued in connection with acquisition of patent	$ -	$ 286,500
Common stock issued to acquire 10% interest in MedTech Diagnostics, LLC	$ -	$ 450,000

See the accompanying notes to these unaudited condensed consolidated financial statements

NOTE 1 — SIGNIFICANT ACCOUNTING POLICIES; BASIS OF PRESENTATION

A summary of the significant accounting policies applied in the presentation of the accompanying unaudited condensed consolidated financial statements follows:

General

The (a) condensed consolidated balance sheet as of December 31, 2013, which has been derived from the audited financial statements of First Choice Healthcare Solutions, Inc. ("FCHS" and including, where appropriate, its consolidated subsidiaries, the "Company"), and (b) the unaudited condensed consolidated interim financial statements as of September 30, 2014 of the Company have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and the instructions to Form 10-Q and Rule 8-03 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and nine months ended September 30, 2014 are not necessarily indicative of results that may be expected for the year ending December 31, 2014. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2013 included in the Company's Annual Report on Form 10-K, filed with the Securities and Exchange Commission (the "SEC") on March 31, 2014.

Basis of Presentation

Effective April 4, 2012, Medical Billing Assistance, Inc., a Colorado corporation ("Medical Billing"), merged with and into the Company. The effect of the merger was that Medical Billing reincorporated from Colorado to Delaware (the "Reincorporation"). The Company is deemed to be the successor issuer of Medical Billing under Rule 12g-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

As a result of the Reincorporation, the Company changed its name to First Choice Healthcare Solutions, Inc. and its shares underwent an effective four-for-one reverse split. Other than the foregoing, the Reincorporation did not result in any change in the business, management, fiscal year, accounting, and location of the principal executive offices, assets or liabilities of the Company.

On April 2, 2012, the Company completed its acquisition of First Choice Medical Group of Brevard, LLC ("First Choice – Brevard"), pursuant to the Membership Interest Purchase Closing Agreement (the "Purchase Agreement"). The Company has been managing the practice of First Choice – Brevard since November 1, 2011, pursuant to a Management Services Agreement.

The unaudited condensed consolidated financial statements include the accounts of the Company and its direct and indirect wholly owned subsidiaries FCID Holdings, Inc., MTMC of Melbourne, Inc., Marina Towers, LLC, FCID Medical Inc. and First Choice - Brevard. All significant intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Codification subtopic 605-10, "*Revenue Recognition*" ("ASC 605-10") which requires that four basic criteria be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred; (3) the selling price is fixed or determinable; and (4) collectability is reasonably assured. Determination of criteria (3) and (4) are based on management's judgments regarding the fixed nature of the selling prices of the products delivered and the collectability of those amounts. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded.

ASC 605-10 incorporates Accounting Standards Codification subtopic 605-25, "*Multiple-Element Arrangements*" ("ASC 605-25"). ASC 605-25 addresses accounting for arrangements that may involve the delivery or performance of multiple products, services and/or rights to use assets. The effect of implementing ASC 605-25 on the Company's financial position and results of operations was not significant.

The Company recognizes in accordance with Accounting Standards Codification subtopic 954-310, "Health Care Entities" ("ASC 954-310"), significant patient service revenue at the time the services are rendered, even though it does not assess the patient's ability to pay. Therefore, The Company's interim and annual periods reports disclose both, its policy for assessing and disclosing the timing and amount of uncollectable patient service revenue recognized as doubtful. Qualitative and quantitative information about significant changes in the allowance for doubtful accounts related to patient accounts receivable are disclosed in the Company's reports. These estimates are based upon the past history and identified trends for each of our payers.

Patient Service Revenue

The Company recognizes patient service revenue associated with services provided to patients who have third-party payer coverage on the basis of contractual rates for the services provided. For uninsured or self-pay patients that do not qualify for charity care, the Company recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). On the basis of historical experience, a portion of the Company's patient service revenue may be potentially uncollectible due to patients who are unable or unwilling to pay for the services provided or the portion of their bill for which they are responsible. Thus, the Company records a provision for bad debts related to potentially uncollectible patient service revenue in the period the services are provided.

Rental Revenue

FCID Holdings, Inc. has one real estate holding, Marina Towers, LLC, a 78,000 square foot, Class A, six-story building located on the Indian River in Melbourne, Florida. In addition to housing our corporate headquarters and First Choice-Brevard, the building, which averages 95% annual occupancy, also leases approximately 55,000 square feet of commercial office space to third party tenants. The Company recognizes rental revenue associated with the period of time facility is leased at the contractual lease rates (or on the basis of discounted rates, if negotiated).

Cash and Cash Equivalents

The Company considers cash and cash equivalents to consist of cash on hand and investments having an original maturity of 90 days or less that are readily convertible into cash. As of September 30, 2014, the Company had $137,018 in cash.

Concentrations of Credit Risk

The Company's financial instruments that are exposed to a concentration of credit risk are cash and accounts receivable. Generally, the Company's cash and cash equivalents in interest-bearing accounts may exceed FDIC insurance limits. The financial stability of these institutions is periodically reviewed by senior management.

Accounts Receivable

Accounts receivables are carried at their estimated collectible amounts net of doubtful accounts. The Company analyzes its past history and identifies trends for each major payer sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Management regularly reviews data about these major payer sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts.

- Rental receivables. Accounts receivables from rental activities are periodically evaluated for collectability in determining the appropriate allowance for doubtful account provision for bad debts and provision of bad debts.

- Patient receivables. Accounts receivables from services provided to patients who have third-party coverage, the Company analyzes contractually due amounts and provides a provision for bad debts, if necessary. The Company records a provision for bad debts in the period of service on the basis of past experience or when indications are the patients are unable or unwilling to pay the portion of their bill for which they are responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted, is charged off against the allowance for doubtful accounts.

As of September 30, 2014 and December 31, 2013, the Company's provision for bad debts was $726,996 and $361,284, respectively.

Patents

Intangible assets with finite lives are amortized over their estimated useful lives. Intangible assets with indefinite lives are not amortized, but are tested for impairment annually. The Company's intangible assets with finite lives are patent costs, which are amortized over their economic or legal life, whichever is shorter. These patent costs were acquired on September 7, 2013 by the issuance of 636,666 shares of the Company's common stock to a related party. The shares of common stock were valued at $286,500, which was estimated to be approximately the fair value of the patent acquired and did not materially differ from the fair value of the common stock. The patent costs are amortized over its expected useful life of 15 years. The amortization for the three and nine months ended September 30, 2014 was $14,325. Accumulated amortization of patent costs was $14,325 and $-0- at September 30, 2014 and December 31, 2013, respectively.

Property and Equipment

Property and equipment are stated at cost. When retired or otherwise disposed, the related carrying value and accumulated depreciation are removed from the respective accounts and the net difference less any amount realized from disposition, is reflected in earnings. For financial statement purposes, property and equipment are recorded at cost and depreciated using the straight-line method over their estimated useful lives of 5 to 39 years.

Capitalized Financing Costs

Capitalized financing costs represent costs incurred in connection with obtaining the debt financing. These costs are amortized ratably and charged to financing expenses over the term of the related debt. The amortization for the three and nine months ended September 30, 2014 was $20,685 and $62,057, respectively; and for the three and nine months ended September 30, 2013 was $22,802 and $51,477, respectively. Accumulated amortization of deferred financing costs was $210,684 and $133,812 at September 30, 2014 and December 31, 2013, respectively.

Segment Information

Accounting Standards Codification subtopic "*Segment Reporting*" 280-10 ("ASC 280-10") establishes standards for reporting information regarding operating segments in annual financial statements and requires selected information for those segments to be presented in interim financial reports issued to stockholders. ASC 280-10 also establishes standards for related disclosures about products and services and geographic areas. Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker, or decision-making group, in making decisions how to allocate resources and assess performance. The information disclosed herein represents all of the material financial information related to the Company's two principal operating segments (see Note 10 – Segment Information).

Income Taxes

The Company follows Accounting Standards Codification subtopic 740-10, "*Income Taxes*" ("ASC 740-10") for recording the provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled. Deferred income tax expenses or benefits are based on the changes in the asset or liability during each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change. Deferred income taxes may arise from temporary differences resulting from income and expense items reported for financial accounting and tax purposes in different periods. Deferred taxes are classified as current or non-current, depending on the classification of assets and liabilities to which they relate. Deferred taxes arising from temporary differences that are not related to an asset or liability are classified as current or non-current depending on the periods in which the temporary differences are expected to reverse and are considered immaterial.

Net Loss Per Share

The Company accounts for net loss per share in accordance with Accounting Standards Codification subtopic 260-10, "*Earnings Per Share*" ("ASC 260-10"), which requires presentation of basic and diluted earnings per share ("EPS") on the face of the statement of operations for all entities with complex capital structures and requires a reconciliation of the numerator and denominator of the basic EPS computation to the numerator and denominator of the diluted EPS.

Basic net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during each period. It excludes the dilutive effects of potentially issuable shares of common stock such as those related to the Company's issued convertible debt, warrants and stock options (calculated using the treasury stock method). Fully diluted shares outstanding were 23,594,546 and 15,628,755 for the three months ended September 30, 2014 and 2013, respectively and 20,843,589 and 15,217,578 for the nine months ended September 30, 2014 and 2013, respectively.

Stock-Based Compensation

Share-based compensation issued to employees is measured at the grant date, based on the fair value of the award, and is recognized as an expense over the requisite service period. The Company measures the fair value of the share-based compensation issued to non-employees using the stock price observed in the arms-length private placement transaction nearest the measurement date (for stock transactions) or the fair value of the award (for non-stock transactions), which were considered to be more reliably determinable measures of fair value than the value of the services being rendered. The measurement date is the earlier of (1) the date at which commitment for performance by the counterparty to earn the equity instruments is reached, or (2) the date at which the counterparty's performance is complete. As of September 30, 2014, the Company had no non-employee options outstanding to purchase shares of common stock.

Fair Value

Accounting Standards Codification subtopic 825-10, "*Financial Instruments*" ("ASC 825-10") requires disclosure of the fair value of certain financial instruments. The carrying value of cash and cash equivalents, accounts payable and accrued liabilities, and short-term borrowings, as reflected in the balance sheets, approximate fair value because of the short-term maturity of these instruments. All other significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk. Where practicable the fair values of financial assets and financial liabilities have been determined and disclosed; otherwise only available information pertinent to fair value has been disclosed.

The Company follows Accounting Standards Codification subtopic 820-10, Fair Value Measurements and Disclosures ("ASC 820-10") and Accounting Standards Codification subtopic 825-10, Financial Instruments ("ASC 825-10"), which permits entities to choose to measure many financial instruments and certain other items at fair value. Neither of these statements had an impact on the Company's financial position, results of operations nor cash flows.

Recent Accounting Pronouncements

The FASB has issued ASU No. 2014-12, *Compensation – Stock Compensation (Topic 718): Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period*. This ASU requires that a performance target that affects vesting, and that could be achieved after the requisite service period, be treated as a performance condition. As such, the performance target should not be reflected in estimating the grant date fair value of the award. This update further clarifies that compensation cost should be recognized in the period in which it becomes probable that the performance target will be achieved and should represent the compensation cost attributable to the period(s) for which the requisite service has already been rendered.. The amendments in this ASU are effective for annual periods and interim periods within those annual periods beginning after December 15, 2015. Earlier adoption is permitted. The Company has not yet determined the effect of the adoption of this standard and it is expected to have a material impact on the Company's condensed consolidated financial position and results of operations.

The FASB has issued ASU No. 2014-09, *Revenue from Contracts with Customers*. This ASU supersedes the revenue recognition requirements in Accounting Standards Codification 605 - Revenue Recognition and most industry-specific guidance throughout the Codification. The standard requires that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. This ASU is effective on January 1, 2017 and should be applied retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying the ASU recognized at the date of initial application. The Company has not yet determined the effect of the adoption of this standard and it is expected to have a material impact on the Company's condensed consolidated financial position and results of operations.

There are various other updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to a have a material impact on the Company's financial position, results of operations or cash flows.

NOTE 2 – LIQUIDITY

The Company incurred various non-recurring expenses in 2013 in connection with development of its medical practice. Management believes the positive year-end earnings before interest, taxes, depreciation and amortization and the continuing trend of positive growth before interest, taxes, depreciation and amortization through September 30, 2014 will support improved liquidity. In the fourth quarter of 2013, the Company paid off or converted to equity a total of $1,238,480 in outstanding debt. Currently, the Company has two main sources of liquidity, its line of credit with CT Capital, LP and revenue received from its real estate interest, FCID Holdings, Inc.

On June 13, 2013, the Company's subsidiary, First Choice – Brevard entered into a loan and security agreement with CT Capital, Ltd., d/b/a CT Capital, LP, a Florida limited liability partnership for an accounts receivable line of credit in the maximum aggregate amount of $1,500,000. Under the line of credit with CT Capital, the Company reduced the annual interest rate from 12% per annum to 6% per annum in exchange for the issuance to CT Capital of 100,000 restricted shares of the Company's common stock. As of September 30, 2014, the Company has used $1,202,000 of the amount available under the line of credit.

The Company's wholly owned subsidiary, FCID Holdings, Inc. ("FCID Holdings") operates its real estate interests. Currently, FCID Holdings has one real estate holding, Marina Towers, LLC, a 78,000 square foot, Class A, six-story building located on the Indian River in Melbourne, Florida. In addition to housing the Company's corporate headquarters and First Choice – Brevard, the building, which averages 95% annual occupancy, also leases approximately 55,000 square feet of commercial office space to tenants.

The Company believes that ongoing operations of Marina Towers, LLC and the current strong, positive cash balance along with continued execution of its business development plan will allow the Company to further improve its working capital and currently anticipates that it will have sufficient capital resources to meet projected cash flow requirements through April 2015. However, in order to execute the Company's business development plan, which there can be no assurance it will do, the Company may need to raise additional funds through public or private equity offerings, debt financings, corporate collaborations or other means and potentially reduce operating expenditures. If the Company is unable to secure additional capital, it may be required to curtail its business development initiatives and take additional measures to reduce costs in order to conserve its cash.

NOTE 3 — CASH - RESTRICTED

Cash-restricted is comprised of funds deposited to and held by the mortgage lender for payments of property taxes, insurance, replacements and major repairs of the Company's commercial building. The majority of the restricted funds are reserved for tenant improvements. As of September 30, 2014 the Company had $340,672 in restricted cash as compared to $256,246 at December 31, 2013.

NOTE 4 — PROPERTY, PLANT, AND EQUIPMENT

Property, plant and equipment at September 30, 2014 and December 31, 2013 are as follows:

	September 30, 2014	December 31, 2013
Land	$ 1,000,000	$ 1,000,000
Building	3,055,168	3,055,168
Building improvements	3,970,602	3,953,846
Automobiles	29,849	29,849
Computer equipment	327,847	210,698
Medical equipment	2,253,639	2,238,639
Office equipment	129,724	132,984
	10,766,829	10,621,184
Less: accumulated depreciation	(2,341,377)	(1,959,127)
	$ 8,425,452	$ 8,662,057

During the three and nine months ended September 30, 2014, depreciation expense charged to operations was $120,759 and $382,250, respectively and during the three and nine months ended September 30, 2013, depreciation expense charged to operations was $130,885 and $373,803, respectively.

NOTE 5 — LINE OF CREDIT

Line of Credit, CT Capital

On June 13, 2013, the Company's subsidiary, First Choice – Brevard entered into a loan and security agreement (the "Loan Agreement") with CT Capital, Ltd., d/b/a CT Capital, LP, a Florida limited liability partnership (the "Lender"). Under the Loan Agreement, the Lender committed to make an accounts receivable line of credit in the maximum aggregate amount of $1,500,000 to First Choice - Brevard with an interest rate of 12% per annum (the "Loan"). The maturity date of the Loan is December 31, 2016. Interest is due and payable monthly. Upon default, the interest may be adjusted to the highest rate permissible by law.

The Loan is secured by the accounts receivable and assets of the Company's subsidiary, First Choice – Brevard, which constitute the collateral for the repayment of the Loan. The Loan Agreement also includes covenants, representations, warranties, indemnities and events of default that are customary for facilities of this type. The advance rate is defined as: 80% of all receivables to be 120 days or less at the net collection rate of approximately 27% of total billings, excluding patient billings and collections. Additionally, allowable accounts receivable will also include 50% of all accounts receivable protected by legal letters of protection. At any time, the Lender may convert all or any portion of the outstanding principal amount or interest on the Loan into common stock of the Company at a conversion price of $0.75 per share. The Company did not record an embedded beneficial conversion feature in the note since the fair value of the common stock did not exceed the conversion rate at the date of commitment.

On November 8, 2013, in consideration for the issuance of 100,000 restricted shares of the Company's common stock, the Lender agreed to modify its Loan. Under the Loan Agreement, as amended, the annual rate of interest of the Loan was reduced from 12% per annum to 6% per annum and will remain at 6% until November 1, 2015. All other terms under the Loan Agreement remain the same.

The obligations of the Company under the Loan Agreement, as amended, are guaranteed by certain affiliates of the Company, including a personal guarantee issued by the Company's Chief Executive Officer.

During the nine months ended September 30, 2014, the Company issued 200,000 shares of its common stock upon the election by Lender to convert $150,000 of outstanding principal amount under the line of credit.

NOTE 6 — CONVERTIBLE NOTE PAYABLE

On November 8, 2013, the Company entered into a securities purchase agreement (the "Securities Purchase Agreement") with Hillair Capital Investments L.P. ("Hillair") in exchange for the issuance of (i) a $2,320,000, 8% original issue discount convertible debenture, which was originally due on December 28, 2013 and subsequently extended on December 28, 2013 through November 1, 2015 (the "Debenture"), and (ii) a common stock purchase warrant (the "Warrant") to purchase up to 2,320,000 shares of the Company's common stock at an exercise price of $1.35 per share, which may be exercised on a cashless basis, until November 8, 2018. The Debenture and the Warrant may not be converted if such conversion would result in Hillair beneficially owning in excess of 4.99% of the Company's common stock. Hillair may waive this 4.99% restriction with 61 days' notice to the Company.

The Company issued to Hillair the Debenture with the Warrant for the net purchase price of $2,000,000 (reflecting the $320,000 original issue discount of the Debenture). Until the Debenture is no longer outstanding, the Debenture is convertible, in whole or in part at the option of Hillair, into shares of common stock, subject to certain conversion limitations set forth above. The Company, however, has reserved the right to pay the Debenture in cash. The conversion price for the Debenture is $1.00 per share, subject to adjustment for stock splits, stock dividends, and sales of securities for less than $1.00 per share or other distributions by the Company. As a result of the Company achieving certain milestones set forth in the Securities Purchase Agreement, however, the conversion price of the Debenture will not be reduced to less than $1.00 per share as a result of any subsequent sales of securities for less than $1.00 per share of common stock.

The Company will be obligated to redeem $580,000 of principal on February 1, 2015, May 1, 2015, August 1, 2015 and November 1, 2015, plus accrued but unpaid interest and any other amounts that may be owed to the holder of the Debenture on those dates. Interest on the Debenture accrues at the rate of 8% annually and is payable quarterly on August 1, November 1, February 1, and May 1, beginning on August 1, 2014. Interest is payable in cash or at the Company's option in shares of the Company's common stock, provided certain conditions are met. The August 1st and November 1st 2014 payments have been made.

On or after May 8, 2014, subject to certain conditions set forth in the Debenture, the Company may elect to prepay any portion of the principal amount of the Debenture, subject to providing advance notice to the holder of the Debenture, at 120% of the then outstanding principal amount of the Debenture, plus accrued but unpaid interest and any other amounts then owed to the holder of the Debenture as further set forth therein. On May 8, 2014, Hillair elected to convert the aggregate amount of $104,000 of its Debenture, representing $100,000 of principal and $4,000 of interest, into 104,000 shares of the Company's common stock.

To secure the Company's obligations under the Debenture, the Company granted Hillair a security interest in certain of its and its subsidiaries' assets in the Company as described in the Securities Purchase Agreement. In addition, certain of the Company's subsidiaries agreed to guarantee the Company's obligations pursuant to the guaranty agreements.

In connection with the issuance of the Debenture, the Company issued the Warrant, granting the holder the right to acquire an aggregate of 2,320,000 shares of the Company's common stock at $1.35 per share. In accordance with ASC 470-20, the Company recognized the value attributable to the Warrant and the conversion feature of the Debenture in the amount of $1,871,117 to additional paid-in capital and a discount against the notes. The Company valued the warrants in accordance with ASC 470-20 using the Black-Scholes pricing model and the following assumptions: contractual terms of 3.6 years, an average risk free interest rate of 1.42%, a dividend yield of 0%, and volatility of 147.94%.

On April 30, 2014, Hillair agreed to waive its right to participate in the Company's future financings for a certain time period and under certain circumstances, as disclosed in the Company's Registration Statement on Form S-1, filed with the Securities and Exchange Commission on May 1, 2014.

On June 30, 2014, Hillair elected to convert the aggregate amount of $104,700 of its Debenture, representing $100,000 of principal and $4,700 of interest, into 104,700 shares of the Company's common stock.

On August 4, 2014, Hillair elected to convert accrued interest of $127,857 into 127,857 shares of the Company's common stock.

NOTE 7 — NOTES PAYABLE

Notes payable as of September 30, 2014 and December 31, 2013 are comprised of the following:

	September 30, 2014	December 31, 2013
Mortgage payable	$ 7,281,526	$ 7,353,398
Note payable, GE Capital (construction), MRI	165,121	278,287
Note payable, GE Capital (construction), 2	59,336	100,977
Note Payable, GE Capital (MRI)	1,307,717	1,592,278
Note Payable, GE Capital (X-ray)	153,076	184,001
Note Payable, GE Arm	97,756	114,597
Note payable, Auto	17,864	22,211
Capital lease, Equipment	27,636	33,511
	9,110,032	9,679,260
Less: current portion	(781,162)	(743,787)
	$ 8,328,870	$ 8,935,473

Mortgage Payable

On August 12, 2011, the Company refinanced its existing mortgage note payable as described below providing additional working capital funds. The aggregate amount of the note of $7,550,000 bears 6.10% interest per annum with monthly payments of $45,752.61 beginning in October 2011 based on a 30 year amortization schedule with all remaining principal and interest due in full on September 16, 2016. The note is secured by land and the building along with first priority assignment of leases and rents. Tenant rents are mailed to a lockbox operated by the mortgage service company. In addition, the Company's Chief Executive Officer provided a limited personal guaranty.

In connection with the refinancing of the mortgage note payable, the Company incurred financing costs of $286,723. The capitalized financing costs are amortized ratably over the term of the mortgage note payable.

Note Payable – Equipment Financing

On May 21, 2012, the Company entered into a note payable with GE Healthcare Financial Services (“GE Capital”) in the amount of approximately $2.4 million for equipment financing.

The Company also currently has two construction loans outstanding. As of December 2012, the construction loans are payable in 35 monthly payments (first three payments are $nil) including interest at 7.38%. On May 29, 2012, the Company drew down a total of $450,000 against the first construction loan. On September 24, 2012, the Company drew down a total of $150,000 against the second construction loan.

The Company entered into equipment finance leases for a total aggregate amount of $2,288,679, subject to delivery and acceptance of the underlying equipment. All notes and finance leases have been personally guaranteed by the Company's Chief Executive Officer.

On August 22, 2012, the Company accepted the delivery of X-ray equipment under the equipment finance lease. As such, the component piece accepted of $212,389 is due over 60 months and the associated monthly payment is $0 for the first three months and $4,300 per month for the remaining 57 months including interest at 7.9375% per annum. On March 8, 2013, the Company amended the equipment finance lease to interest only payments of $1,384 for the first three months and $4,575 per month for the remaining monthly payments.

On September 27, 2012, the Company accepted the delivery of MRI equipment under the equipment finance lease. As such, the component piece accepted of $1,771,390 is due over 60 months and the associated monthly payment is $0 for the first three months and $38,152 per month for the remaining 57 months including interest at 7.9375% per annum. On March 8, 2013, the Company amended the equipment finance lease to interest only payments of $11,779 for the first three months and $38,152 per month for the remaining monthly payments.

On February 25, 2013, the Company accepted the delivery of C-arm equipment under the equipment finance lease. As such, the component piece accepted of $117,322 is due over 63 months and the associated monthly payment is $0 for the first three months and $2,388 for the remaining 60 months, including interest at 7.39% per annum.

Note Payable – Auto

On May 21, 2012, the Company issued a note payable, in the amount of $29,850, due in monthly installments of $593 including interest of 6.99%. The note is set to mature in June 2017, and is secured by related equipment. The outstanding balance on the note payable as of September 30, 2014 was $17,864.

Capital Lease – Equipment

On June 11, 2013, the Company entered into a lease agreement to acquire equipment with 48 monthly payments of $956.45 payable through June 1, 2017 with an effective interest rate of 14.002% per annum. The Company may elect to acquire the leased equipment at a nominal amount at the end of the lease.

Aggregate maturities of long-term debt as of September 30:

	Amount
Three months ended December 31, 2014	$ 174,559
Year ended December 31, 2015	715,085
Year ended December 31, 2016	7,632,286
Year ended December 31, 2017	523,608
Year ended December 31, 2018 and thereafter	64,494
Total	$ 9,110,032

NOTE 8 — CAPITAL STOCK

During the nine months ended September 30, 2014, the Company issued an aggregate of 200,000 shares of its common stock in conversion of principal due on the line of credit.

During the nine months ended September 30, 2014, the Company issued 336,557 shares of its common stock in the conversion of convertible notes payable, and accrued interest.

During the nine months ended September 30, 2014, the Company issued an aggregate of 175,000 shares of its common stock for various consulting services rendered.

During the nine months ended September 30, 2014, the Company issued 100,000 shares of common stock for future services of $98,000. The Company recorded the fair value as prepaid expenses and amortizes the fair value of the shares issued as stock based compensation during the requisite service period to operations. During the three and nine months ended September 30, 2014, the Company recorded $12,250, respectively, as stock based compensation.

During the nine months ended September 30, 2014, the Company issued an aggregate of 130,000 shares of its common stock in employee incentives.

NOTE 9 — STOCK OPTIONS AND WARRANTS

Warrants

The following table summarizes the warrants outstanding and the related exercise prices for the underlying shares of the Company's common stock as of September 30, 2014:

	Warrants Outstanding			Warrants Exercisable	
Price	Outstanding	Expiration Date	Weighted Price	Exercisable	Weighted Price
$ 1.35	2,320,000	November 8, 2018	$ 1.35	2,320,000	$ 1.35
3.60	1,875,000	December 31, 2016	3.60	1,875,000	3.60
	4,195,000		$ 2.36	4,195,000	$ 2.36

Transactions involving stock warrants issued to non-employees are summarized as follows:

	Number of Shares	Weighted Average Price Per Share
Outstanding at December 31, 2012:	1,875,000	$ 3.60
Granted	2,320,000	1.35
Exercised	-	-
Expired	-	-
Outstanding at December 31, 2013:	4,195,000	2.36
Granted	-	-
Exercised	-	-
Expired	-	-
Outstanding at September 30, 2014:	4,195,000	$ 2.36

As of September 30, 2014, the Company had no outstanding options.

NOTE 10 — SEGMENT REPORTING

The Company reports segment information based on the "management" approach. The management approach designates the internal reporting used by management for making decisions and assessing performance as the source of the Company's reportable segments. The Company has two reportable segments: real estate and healthcare services.

The real estate segment derives revenue from the operating leases of its owned building, whereas the healthcare services segment derives revenue for medical services provided to patients.

Information concerning the operations of the Company's reportable segments is as follows:

Summary Statement of Operations for the three months ended September 30, 2014:

	Marina Towers	FCID Medical	Corporate	Intercompany Eliminations	Total
Revenue:					
Net Patient Service Revenue	$ -	$ 1,627,157	$ -	$ -	$ 1,627,157
Rental revenue	373,200	-	-	(109,312)	263,888
Total Revenue	373,200	1,627,157	-	(109,312)	1,891,045
Operating expenses:					
Salaries & benefits	3,000	834,406	88,107	-	925,513
Other operating expenses	112,407	404,604	-	(109,312)	407,699
General and administrative	22,067	283,949	242,619	-	548,635
Depreciation and amortization	69,219	66,540	14,325	-	150,084
Total operating expenses	206,693	1,589,499	345,051	(109,312)	2,031,931
Net income (loss) from operations:	166,507	37,658	(345,051)	-	(140,886)
Interest expense	(113,689)	(56,162)	(44,947)	-	(214,798)
Amortization of financing costs	(14,337)	(6,349)	-	-	(20,686)
Other income (expense)	750	-	-	-	750
Net Income (loss):	39,231	(24,853)	(389,998)	-	(375,620)
Income taxes	-	-	-	-	-
Net income (loss)	$ 39,231	$ (24,853)	$ (389,998)	$ -	$ (375,620)

Summary Statement of Operations for the three months ended September 30, 2013:

	Marina Towers	FCID Medical	Corporate	Intercompany Eliminations	Total
Revenue:					
Net Patient Service Revenue	$ -	$ 1,395,610	$ -	$ -	$ 1,395,610
Rental revenue	365,839	-	-	(106,719)	259,120
Total Revenue	365,839	1,395,610	-	(106,719)	1,654,730
Operating expenses:					
Salaries & benefits	3,000	574,487	158,401	-	735,888
Other operating expenses	95,689	357,696	-	(100,351)	353,034
General and administrative	21,791	140,039	136,736	-	298,566
Depreciation and amortization	41,571	82,807	-	-	124,378
Total operating expenses	162,051	1,155,029	295,137	(100,351)	1,511,866
Net income (loss) from operations:	203,788	240,581	(295,137)	(6,368)	142,864
Interest expense	(115,241)	(78,039)	(109,310)	-	(302,590)
Amortization of financing costs	(14,337)	(8,465)	-	-	(22,802)
Gain on change in derivative liability	-	-	(1,631)	-	(1,631)
Other income (expense)	750	-	-	-	750
Net Income (loss):	74,960	154,077	(406,078)	(6,368)	(183,409)
Income taxes	-	-	-	-	-
Net income (loss)	$ 74,960	$ 154,077	$ (406,078)	$ (6,368)	$ (183,409)

Summary Statement of Operations for the nine months ended September 30, 2014:

	Marina Towers	FCID Medical	Corporate	Intercompany Eliminations	Total
Revenue:					
Net Patient Service Revenue	$ -	$ 5,448,428	$ -	$ -	$ 5,448,428
Rental revenue	1,110,171	-	-	(325,637)	784,534
Total Revenue	1,110,171	5,448,428	-	(325,637)	6,232,962
Operating expenses:					
Salaries & benefits	9,000	2,810,844	261,996	-	3,081,840
Other operating expenses	326,008	1,263,675	-	(325,637)	1,264,046
General and administrative	65,789	849,110	708,856	-	1,623,755
Depreciation and amortization	207,447	189,803	14,325	-	411,575
Total operating expenses	608,244	5,113,432	985,177	(325,637)	6,381,216
Net income (loss) from operations:	501,927	334,996	(985,177)	-	(148,254)
Interest expense	(339,780)	(171,450)	(139,998)	-	(651,228)
Amortization of financing costs	(43,011)	(19,047)	-	-	(62,058)
Other income (expense)	2,250	-	-	-	2,250
Net Income (loss):	121,386	144,499	(1,125,175)	-	(859,290)
Income taxes	-	-	-	-	-
Net income (loss)	$ 121,386	$ 144,499	$ (1,125,175)	$ -	$ (859,290)

Summary Statement of Operations for the nine months ended September 30, 2013:

	Marina Towers	FCID Medical	Corporate	Intercompany Eliminations	Total
Revenue:					
Net Patient Service Revenue	$ -	$ 3,739,435	$ -	$ -	$ 3,739,435
Rental revenue	1,104,405	-	-	(317,859)	786,546
Total Revenue	1,104,405	3,739,435	-	(317,859)	4,525,981
Operating expenses:					
Salaries & benefits	9,000	1,583,238	408,198	-	2,000,436
Other operating expenses	289,765	994,017	-	(317,859)	965,923
General and administrative	61,132	447,023	390,755	-	898,910
Depreciation and amortization	123,313	250,490	-	-	373,803
Total operating expenses	483,210	3,274,768	798,953	(317,859)	4,239,072
Net income (loss) from operations:	621,195	464,667	(798,953)	-	286,909
Interest expense	(347,406)	(208,773)	(427,787)	-	(983,966)
Amortization of financing costs	(43,011)	(8,466)	-	-	(51,477)
Gain on change in derivative liability	-	-	187,351	-	187,351
Other income (expense)	2,313	-	-	-	2,313
Net Income (loss):	233,091	247,428	(1,039,389)	-	(558,870)
Income taxes	-	-	-	-	-
Net income (loss)	$ 233,091	$ 247,428	$ (1,039,389)	$ -	$ (558,870)

Assets:

	Marina Towers	FCID Medical	Corporate	Intercompany Eliminations	Total
Assets:					
At September 30, 2014:	$ 6,688,386	$ 4,837,380	$ 408,060	$ -	$ 11,933,826
At December 31, 2013:	$ 6,873,839	$ 4,178,091	$ 761,367	$ -	$ 11,813,297
Assets acquired					
Three month ended September 30, 2014:	$ -	$ 57,663	$ -	$ -	$ 57,663
Three months ended September 30, 2013:	$ -	$ 54,255	$ -	$ -	$ 54,255
Nine months ended September 30, 2014:	$ 16,758	$ 128,887	$ -	$ -	$ 145,645
Nine months ended September 30, 2013:	$ 67,192	$ 252,570	$ -	$ -	$ 319,762

NOTE 11 – COMMITMENTS AND CONTINGENCIES

On December 9, 2011, FCID Medical, Inc. and First Choice Medical Group of Brevard, LLC, both wholly-owned subsidiaries of the Company (collectively, the “Company”) entered into a five (5) year Billing and Collection Agreement (the “Agreement”) with MedTRX Health Care Solutions, LLC and MedTRX Collection Services LLC (collectively, “MedTRX”). Under the terms of the Agreement, MedTRX was to provide the Company with proprietary IT billing and collection software systems. MedTRX has claimed that the Company breached the Agreement, and that the Agreement has been terminated. MedTRX, on July 25, 2014, filed a demand for arbitration with the American Arbitration Association to be conducted in New York, New York. The Company believes the claims of MedTRX are without merit and intends to file a counterclaim of its own for multiple breaches of the Agreement by MedTRX. Colin Halpern, a member of our Board of Directors, Is the Managing Member of MedTRX Provider Network, LLC, which is an affiliate of MedTRX. However, no assurance can be given that any amounts ultimately due by the Company, will not have a material impact on the Company’s financial condition.

On April 10, 2014, the Company terminated the employment of Dr. David E. Dominguez in accordance with the terms of his five (5) year Employment Agreement dated September 26, 2013 (the “Employment Agreement”). Dr. Dominguez, on June 5, 2014, commenced an action against the Company in the Circuit Court of the Eighteenth Judicial Circuit In and For Brevard County, Florida, alleging that his termination was in breach of the Employment Agreement. The action was settled by Agreement dated September 4, 2014, with no settlement cost to the Company, without either party admitting any liability, and the filing of Joint Stipulation of Dismissal.

NOTE 12 - SUBSEQUENT EVENTS

Effective as of November 3, 2014, the Board of Directors of First Choice Healthcare Solutions, Inc. (the “Company”) appointed Gary D. Pickett as Chief Financial Officer, Secretary and Treasurer of the Company. Mr. Pickett succeeds Donald A. Bittar as Chief Financial Officer, Secretary and Treasurer of the Company. Mr. Bittar announced he would be retiring effective November 3, 2014. Mr. Bittar will continue to serve as a member of the Company’s Board of Directors.

Gary D. Pickett, age 63, a certified public accountant, holds an MBA from the University of Tampa, a BS degree in Accounting from Florida State University, and has served four years as a field artillery officer in the United States Army. From March 2006 to May 2014, Mr. Pickett served as a senior financial executive with Bovie Medical Corporation (NYSE: BVX), a microcap publicly-traded medical manufacturing company, including as their Chief Financial Officer, Secretary and Treasurer. Prior to joining Bovie, Mr. Pickett held positions with Progress Energy Services of Raleigh, NC, (Director of Financial Systems), and with Progress Rail Services, a subsidiary of Progress Energy Services in Albertville, AL (Vice-President and Controller). Mr. Pickett has extensive experience in Sarbanes-Oxley implementation as well as GAAP accounting and SEC Reporting.

In connection with his appointment as Chief Financial Officer, the Company awarded Mr. Pickett 50,000 shares of Common Stock which vest in two (2) equal annual installments on the first and second anniversaries of his employment. Mr. Pickett is also entitled to receive up to $6,000 in relocation expenses.

For estate planning purposes, Mr. Romandetti, the Company’s Chief Executive Officer and President, has gifted the 1,800,000 shares of the Company’s common stock owned by Marina Towers Holdings, LLC (“Holdings”), a Florida limited liability company. The recipients of the gifts were his local church organization (100,000 shares) and the remaining 1,700,000 shares will be distributed among his children’s trust accounts. Mr. Romandetti is the managing member of Holdings. In addition, Mr. Romandetti, as the managing member of GIRTFT, LLC (“GIRTFT”), a Florida limited liability company, has instructed that the 5,750,000 shares owned by GIRTFT be transferred to a family trust.

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

This quarterly report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934 ("Exchange Act"). Forward-looking statements reflect the current view about future events. When used in this quarterly report on Form 10-Q, the words "anticipate," "believe," "estimate," "expect," "future," "intend," "plan," or the negative of these terms and similar expressions, as they relate to us or our management, identify forward-looking statements. Such statements, include, but are not limited to, statements contained in this quarterly report on Form 10-Q relating to our business strategy, our future operating results, and our liquidity and capital resources outlook. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward–looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. They are neither statements of historical fact nor guarantees of assurance of future performance. We caution you therefore against relying on any of these forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, without limitation, the execution of our strategy to grow our business by hiring additional physicians to create Medical Centers of Excellence that fit our defined criteria; evolving healthcare laws and regulations; changes in the rates or methods of third-party reimbursements for medical services; accelerated pace of consolidation in the hospital industry; changes in our medical technology as it relates to our services and procedures; any failures in our information technology systems to protect the privacy and security of protected information and other similar cybersecurity risks; our ability to raise capital to fund continuing operations; and other factors relating to our industry, our operations and results of operations and any new Medical Centers of Excellence that we may open. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from those anticipated, believed, estimated, expected, intended or planned.

Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Company Overview

Overview

First Choice Healthcare Solutions, Inc. ("FCHS," the "Company," "we," "our" or "us") is engaged in the creation of state-of-the-art, multi-specialty "Medical Centers of Excellence" primarily in select markets in the southeastern and western parts of the United States. We intend to own and operate these "Medical Centers of Excellence" under the FCHS brand.

We believe by integrating the synergistic mix of orthopaedic, neurology and interventional pain specialties with related diagnostic and ancillary services and state-of-the-art equipment and technologies all in one location or a "Medical Center of Excellence," we are able to:

- provide patients with convenient access to musculoskeletal and rehabilitative care via orthopaedic, neurology and interventional pain medicine treatment, diagnostics and ancillary care services, including, but not limited to magnetic resonance imaging ("MRI"), x-ray ("X-ray"), durable medical equipment ("DME") and physical therapy ("PT");

- empower physicians to collaborate as a unified care team, optimizing care coordination and improving outcomes;

- advance the quality and cost effectiveness of our patients' healthcare; and ultimately, achieve strong, sustainable financial performance that serves to create long-term value for our stockholders.

Our goal is to build a network of non-physician-owned and operated Medical Centers of Excellence in diverse locations, primarily throughout the southeastern and western parts of the United States. By centralizing current and future centers' business management functions, including call center operations, scheduling, billing, compliance, accounting, marketing, advertising, legal, information technology and record-keeping, at our corporate headquarters, we will maintain efficiencies and scales of economies. We believe our structure will enable our staff physicians to focus on the practice of medicine and the delivery of quality care to the patients we serve, as opposed to having their time and attention focused on business administration responsibilities. We currently have 50 employees, including physicians and physician assistants.

Our Healthcare Services Business

We currently own and operate First Choice Medical Group of Brevard, LLC ("FCMG"), our model multi-specialty Medical Center of Excellence. FCMG will serve as the model for replicating our "Medical Center of Excellence" strategy in our target expansion markets. Located in Melbourne, Florida, FCMG specializes in the delivery of musculoskeletal medicine, via our strategically aligned sub-specialties in orthopaedics, neurology and interventional pain medicine, coupled with on-site diagnostic and ancillary services, including MRI, X-ray, DME and rehabilitative care with multiple quality-focused goals centered on enriching our patients' care experiences.

Our Real Estate Business

FCID Holdings, Inc. ("FCID Holdings") is our wholly owned subsidiary which operates our real estate interests. Currently, FCID Holdings has one real estate holding, Marina Towers, LLC, a 78,000 square foot, Class A, six-story building located on the Indian River in Melbourne, Florida. In addition to housing our corporate headquarters and FCMG, the building, which averages 95% annual occupancy, also leases approximately 55,000 square feet of commercial office space to third party tenants.

New Accounting Pronouncements

We adopted the provisions of Accounting Standards Update No. 2011-07, *"Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities" ("*ASU 2011-07"), during the six months ended September 30, 2014. ASU 2011-07 requires health care entities to change the presentation of the statement of operations by reclassifying the provision for doubtful accounts from an operating expense to a deduction from patient service revenues. All periods presented have been reclassified in accordance with ASU 2011-07.

There are various updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to a have a material impact on our consolidated financial position, results of operations or cash flows.

Results of Operations for the Three Months Ended September 30, 2014 and 2013

Revenues

Total revenues increased 14% to $1,891,045 for the three months ended September 30, 2014 as compared to revenues of $1,654,730 for the same period in the prior years. The increase for the three months ended September 30, 2014 is attributed to growth in our net patient service revenue from our Medical Center of Excellence, FCMG, which increased 17% to $1,627,157 for the quarter, after factoring provision for doubtful accounts. Rental revenue remained relatively flat, totaling $263,888 and $259,120 for the three months ended September 30, 2014 and 2013, respectively.

The provision for doubtful accounts during the third quarter of 2014 totaled $290,440. The charge to the provision for doubtful accounts in the third quarter 2014 resulted from writing off old receivables from our prior MedTRX accounts receivable system, which was replaced by Athena in June 2014. We adopted the provisions of ASU 2011-07, in 2014. ASU 2011-07 requires health care entities to change the presentation of the statement of operations by reclassifying the provision for doubtful accounts from an operating expense to a deduction from patient service revenues. All periods presented have been reclassified in accordance with ASU 2011-07.

Operating Expenses

The major components of operating expenses include practice salaries and benefits, practice supplies and other operating costs, depreciation and general and administrative expenses, which included legal, accounting and professional fees associated with being a public entity.

Salaries and benefits increased 26% to $925,513 for the three months ended September 30, 2014, as compared to $735,888 for the same period in the prior year. The increase for the three months ended September 30, 2014 is attributed to the hiring of additional physicians and their support staff during the fourth quarter of 2013. For the same reason, other operating expenses increased 15% for the three months ended September 30, 2014 to $407,699, as compared to $353,034 for the same period in the prior year.

General and administrative expenses for the three months ended September 30, 2014 increased 84% to $548,635, as compared to $298,566 for the same period in the prior year, and the increase was attributed to expenses related to our growth and capital restructuring. We believe that each additional sale or service and corresponding gross profit of such sale or service has minimal incremental offsetting operating expenses. Thus, additional sales could contribute to profit at a higher rate of return on sales as a result of not needing to expand operating expenses at the same pace as sales.

Depreciation and amortization increased from $124,378 for the three months ended September 30, 2013 to $150,084 for same period in 2014.

Net Loss from Operations

Net loss from operations totaled $(140,886) for the three months ended September 30, 2014, as compared to net income from operations of $142,864 reported for the same period in the prior year. Notwithstanding non-cash expenses totaling $502,210 for the third quarter of 2014, which included depreciation, bad debt expense and stock based compensation, income from operations totaled $361,324, as compared to income from operations of $354,664 after factoring $211,800 in non-cash depreciation and stock-based compensation recorded for the third quarter of 2013.

Interest Expense

Interest expense was $214,798 for the three months ended September 30, 2014, as compared to $302,590 for the same period in the prior year. Interest expense reported for the three months ended September 30, 2014 was primarily attributable to mortgage interest on Marina Towers and interest on financings related to equipment acquired for use in our Medical Center of Excellence, FCMG. In the third quarter of 2013, interest expense was comprised of mortgage interest on the building, interest on equipment financing and interest on other corporate borrowings. In addition, we incurred a non-cash interest cost of $73,099 for the three month period ended September 30, 2013 relating to the amortization of debt discounts.

Net Loss

For the reasons noted above , our net loss increased 105% to $375,620 for the three months ended September 30, 2014 from a net loss of $183,409 reported for the same period in the prior year.

Results of Operations for the Nine Months Ended September 30, 2014 and 2013

Revenues

Total revenues increased 38% to $6,232,962 for the nine months ended September 30, 2014, as compared to revenues of $4,525,981 for the same period in the prior year. The increase for the nine months ended September 30, 2014 is attributed to growth in our net patient service revenue from our Medical Center of Excellence, FCMG, which increased 46% to $5,448,428 for the current nine month period, after factoring provision for doubtful accounts. Rental revenue remained relatively flat, totaling $784,534 and $786,546 for the nine months ended September 30, 2014 and 2013, respectively.

The provision for doubtful accounts for 2014 totaled $365,712, or 6.29% of our total patient service revenues of $5,814,140 for the nine months ended September 30, 2014. We adopted the provisions of ASU 2011-07, in 2014. ASU 2011-07 requires health care entities to change the presentation of the statement of operations by reclassifying the provision for doubtful accounts from an operating expense to a deduction from patient service revenues. All periods presented have been reclassified in accordance with ASU 2011-07.

Operating Expenses

The major components of operating expenses include practice salaries and benefits, practice supplies and other operating costs, depreciation and general and administrative expenses, which included legal, accounting and professional fees associated with being a public entity.

Salaries and benefits increased 54% to $3,081,840 for the nine months ended September 30, 2014, as compared to $2,000,436 for the same period in the prior year. The increase for the nine months ended September 30, 2014 is attributed to the hiring of additional physicians and their support staff during the fourth quarter of 2013. For the same reason, other operating expenses increased 31% for the nine months ended September 30, 2014 to $1,264,046, as compared to $965,923 for the same period in the prior year.

General and administrative expenses for the nine months ended September 30, 2014 increased 81% to $1,623,755, as compared to $898,910 for the same period in the prior year, and the increase was attributed to expenses related to our growth and capital restructuring. We believe that each additional sale or service and corresponding gross profit of such sale or service has minimal incremental offsetting operating expenses. Thus, additional sales could contribute to profit at a higher rate of return on sales as a result of not needing to expand operating expenses at the same pace as sales.

Depreciation and amortization increased from $373,803 for the nine months ended September 30, 2013 to $411,575 for same period in 2014.

Net Income from Operations

Net loss from operations totaled $(148,254) for the nine months ended September 30, 2014, as compared to net income from operations of $286,909 reported for the same period in the prior year. Notwithstanding non-cash expenses totaling $976,345 for the nine months ended September 30, 2014, which included depreciation, bad debt expense and stock based compensation, income from operations totaled $828,091, as compared to income from operations of $816,587 after factoring $529,678 in non-cash depreciation and stock-based compensation recorded for the nine months ended September 30, 2013.

Interest Expense

Interest expense was $651,228 for the nine months ended September 30, 2014, as compared to $983,966 for the same period in the prior year. Interest expense reported for the nine months ended September 30, 2014 was primarily attributable to mortgage interest on Marina Towers and interest on financings related to equipment acquired for use in our Medical Center of Excellence, FCMG; and other corporate borrowings.

In the nine months ended September 30, 2013, interest expense was comprised of mortgage interest on the building, interest on equipment financing and interest on other corporate borrowings. In addition, we incurred a non-cash interest cost of $280,125 for the nine month period ended September 30, 2013 relating to the amortization of debt discounts.

Net Loss

For the nine months ended September 30, 2014, our net loss increased 54% to $859,290 from a net loss of $558,870 for the same period in the prior year.

Segment Results

We report segment information based on the "management" approach. The management approach designates the internal reporting used by management for making decisions and assessing performance as the source of our reportable segments.

The following are the revenues, operating expenses and net loss by segment for the three months ended September 30, 2014 and 2013, respectively. The significant fluctuations in the line items are described above.

For the Three Months Ended September 30, 2014*:*

	Real Estate	**Healthcare Services**	**Corporate**	**Intercompany Eliminations**	**Total**
Revenue:					
Net Patient Service Revenue	$ -	$ 1,627,157	$ -	$ -	$ 1,627,157
Rental revenue	373,200	-	-	(109,312)	263,888
Total Revenue	373,200	1,627,157	-	(109,312)	1,891,045
Total operating expenses	206,693	1,589,499	345,051	(109,312)	2,031,931
Net income (loss) from operations:	166,507	37,658	(345,051)	-	(140,886)

For the Three Months Ended September 30, 2013*:*

	Real Estate	**Healthcare Services**	**Corporate**	**Intercompany Eliminations**	**Total**
Revenue:					
Net Patient Service Revenue	$ -	$ 1,395,610	$ -	$ -	$ 1,395,610
Rental revenue	365,839	-	-	(106,719)	259,120
Total Revenue	365,839	1,395,610	-	(106,719)	1,654,730
Total operating expenses	162,051	1,155,029	295,137	(100,351)	1,511,866
Net income (loss) from operations:	203,788	240,581	(295,137)	(6,368)	142,864

The following are the revenues, operating expenses and net loss by segment for the nine months ended September 30, 2014 and 2013, respectively. The significant fluctuations in the line items are described above.

For the Nine Months Ended September 30, 2014:

	Real Estate	Healthcare Services	Corporate	Intercompany Eliminations	Total
Revenue:					
Net Patient Service Revenue	$ -	$ 5,448,428	$ -	$ -	$ 5,448,428
Rental revenue	1,110,171	-	-	(325,637)	784,534
Total Revenue	1,110,171	5,448,428	-	(325,637)	6,232,962
Total operating expenses	608,244	5,113,432	985,177	(325,637)	6,381,216
Net income (loss) from operations:	501,927	334,996	(985,177)	-	(148,254)

For the Nine Months Ended September 30, 2013:

	Real Estate	Healthcare Services	Corporate	Intercompany Eliminations	Total
Revenue:					
Net Patient Service Revenue	$ -	$ 3,739,435	$ -	$ -	$ 3,739,435
Rental revenue	1,104,405	-	-	(317,859)	786,546
Total Revenue	1,104,405	3,739,435	-	(317,859)	4,525,981
Total operating expenses	483,210	3,274,768	798,953	(317,859)	4,239,072
Net income (loss) from operations:	621,195	464,667	(798,953)		286,909

Liquidity and Capital Resources

As of September 30, 2014, we had cash of $137,018, restricted cash of $340,672 and accounts receivable totaling $2,114,525.

Net cash used in our operating activities for the nine months ended September 30, 2014 was $489,267, as compared to net cash used in our operating activities of $344,247 for the same period in the prior year. The increase in net cash used in operating activities for the nine month period was attributable to the growth and expansion of our Medical Center of Excellence, FCMG, which included the hiring of five new physicians and related support staff in 2013; investments in strengthening our infrastructure in anticipation of commencing the scaling and replication of our Medical Center of Excellence business model in 2014; and higher corporate expenses related to the preparation and filing of a registration statement on Form S-1.

Net cash flows used in our investing activities for the nine months ended September 30, 2014 and 2013 was $145,645 and $307,005, respectively.

Net cash used in our financing activities for the nine months ended September 30, 2014 was $32,772, as compared to net cash provided by our financing activities of $781,227 for the same period in the prior year.

Over the next 12 months, we expect to incur significant capital costs to further develop and expand our operations. We plan to add another Medical Center of Excellence and purchase additional diagnostic equipment for our operations in 2014, which will require $4-5 million in additional capital. We intend to raise additional capital to help fund our expansion. However, there can be no guarantee that such capital will be raised upon acceptable terms or at all. There can be no assurance that our cash flow will increase in the near future from anticipated new business activities, even if additional capital is raised, or that revenues generated from our existing operations will be sufficient to allow us to continue to pursue new customer programs, profitable ventures or the addition of any new Medical Centers of Excellence. If we are unable to secure additional capital, we may be required to curtail our business development initiatives and take additional measures to reduce costs in order to conserve our cash.

Off Balance Sheet Arrangements

We currently have no off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Critical Accounting Policies and Estimates

Our unaudited condensed consolidated financial statements have been prepared by management in accordance with U.S. GAAP.

Recently Issued Accounting Pronouncements

There were various updated recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to have a material impact on the Company's financial position, results of operations or cash flows.

Management does not believe that any other recently issued but not yet effective accounting pronouncements, if adopted, would have an effect on the accompanying financial statements.

Inflation

The effect of inflation on our revenue and operating results was not significant.

Climate Change

We believe that neither climate change, nor government regulations related to climate change, have had, or are expected to have, any material effect on our operations.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As a smaller reporting company, we are electing scaled disclosure reporting obligations and therefore are not required to provide the information required by this Item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Pursuant to Rule 13a-15(b) under the Exchange Act, we carried out an evaluation, with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined under Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act, is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal controls over financial reporting (as such term is defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended September 30, 2014, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

On December 9, 2011, FCID Medical, Inc. and First Choice Medical Group of Brevard, LLC, both wholly-owned subsidiaries of the Company (collectively, the "Company") entered into a five (5) year Billing and Collection Agreement (the "Agreement") with MedTRX Health Care Solutions, LLC and MedTRX Collection Services LLC (collectively, "MedTRX"). Under the terms of the Agreement, MedTRX was to provide the Company with proprietary IT billing and collection software systems. MedTRX has claimed that the Company breached the Agreement, and that the Agreement has been terminated. MedTRX, on July 25, 2014, filed a demand for arbitration with the American Arbitration Association to be conducted in New York, New York. The Company believes the claims of MedTRX are without merit and intends to file a counterclaim of its own for multiple breaches of the Agreement by MedTRX. Colin Halpern, a member of our Board of Directors, is the Managing Member of MedTRX Provider Network, LLC, which is an affiliate of MedTRX. However, no assurance can be given that any amounts ultimately due by the Company, will not have a material impact on the Company's financial condition.

On April 10, 2014, the Company terminated the employment of Dr. David E. Dominguez in accordance with the terms of his five (5) year Employment Agreement dated September 26, 2013 (the "Employment Agreement"). Dr. Dominguez, on June 5, 2014, commenced an action against the Company in the Circuit Court of the Eighteenth Judicial Circuit In and For Brevard County, Florida, alleging that his termination was in breach of the Employment Agreement. The action was settled by Agreement dated September 4, 2014, with no settlement cost to the Company, without either party admitting any liability, and the filing of Joint Stipulation of Dismissal.

Item 1A. Risk Factors

In addition to the Risk Factors set forth on our Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2014, we have additional risk factors as set forth below:

GENERAL RISKS REGARDING OUR HEALTHCARE SERVICES BUSINESS

We have a limited operating history that impedes our ability to evaluate our potential future performance and strategy.

We have only owned and operated our model Medical Center of Excellence, FCMG, since 2012 and have experienced net losses to date. Using FCMG as our model "Medical Center of Excellence," we plan to hire additional physicians to create state-of-the-art Medical Centers of Excellence committed to delivering patient-centric care in select markets in the United States. Our limited operating history makes it difficult for us to evaluate our future business prospects and make decisions based on estimates of our future performance. To address these risks and uncertainties, we must do the following:

- Successfully execute our business strategy to establish and extend the "First Choice Healthcare Solutions" brand and reputation as a profitable, well-managed enterprise committed to delivering quality and cost-effective health care primarily in parts of the southeastern and western United States and then pursue select other U.S. markets;
- Respond to competitive developments;
- Effectively and efficiently integrate new Medical Centers of Excellence; and
- Attract, integrate, retain and motivate qualified personnel.

We cannot be certain that our business strategy will be successful or that we will successfully address these risks. In the event that we do not successfully address these risks, our business, prospects, financial condition and results of operations may be materially and adversely affected.

We are implementing a strategy to grow our business by hiring additional physicians to create FCHS-branded Medical Centers of Excellence in select U.S. markets, which requires significant additional capital and may not generate income.

We intend to grow our business by hiring additional physicians to create FCHS-branded Medical Centers of Excellence in select U.S. markets. We estimate the cost to create each additional Medical Center of Excellence to be approximately $4-5 million. Although we are taking steps to raise funds through equity offerings to implement our growth strategy, these funds may not be adequate to offset all of the expenses we incur in expanding our business. We will need to generate revenues to offset expenses associated with our growth, and we may be unsuccessful in achieving sufficient revenues, despite our attempts to grow our business. If our growth strategies do not result in sufficient revenues and income, we may have to abandon our plans for further growth and/or cease operations, which could have a material and adverse effect on our business, prospects and financial condition.

In order to pursue our business strategy, we will need to raise additional capital. If we are unable to raise additional capital, our business may fail.

We will need to raise additional capital to pursue our business plan, which includes hiring additional physicians in order to expand our business operations and develop our FCHS brand of Medical Centers of Excellence. We believe that we have access to capital resources through possible public or private equity offerings, debt financings, corporate collaborations or other means. If the economic climate in the United States does not improve or further deteriorates, our ability to raise additional capital could be negatively impacted. If we are unable to secure additional capital, we may be required to curtail our initiatives and take additional measures to reduce costs in order to conserve our cash in amounts sufficient to sustain operations and meet our obligations.

We may not be able to achieve the expected benefits from opening new Medical Centers of Excellence, which would adversely affect our financial condition and results.

We plan to rely on hiring additional physicians to create FCHS-branded Medical Center of Excellence as a method of expanding our business. If we do not successfully integrate such new Medical Centers of Excellence, we may not realize anticipated operating advantages and cost savings. The integration of these new Medical Centers of Excellence into our business operations involves a number of risks, including:

- Demands on management related to the increase in our Company’s size with each new Medical Center of Excellence;
- The diversion of management’s attention from the management of daily operations to the integration of operations of the new Medical Centers of Excellence;
- Difficulties in the assimilation and retention of employees;
- Potential adverse effects on operating results; and
- Challenges in retaining patients from the new physicians.

Further, the successful integration of the new physicians will depend upon our ability to manage the new physicians and to eliminate redundant and excess costs. Difficulties in integrating new physicians may not be able to achieve the cost savings and other size-related benefits that we hoped to achieve, which would harm our financial condition and operating results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuances to Directors, Officers, Employees and Service Providers

During the three months ended September 30, 2014, we issued an aggregate of 175,000 shares of our common stock to certain service providers and such shares had an aggregate fair value of $194,000. The shares were issued in reliance upon the exemption from registration under Section 4(a)(2) of the Securities Act.

Hillair Conversion

On August 4, 2014, Hillair elected to convert the aggregate amount of $127,857 of its interest accrued on its Debenture into 127,857 shares of our common stock. The shares were issued in reliance upon the exemption from registration under Section 4(a)(2) of the Securities Act.

Item 3. Defaults Upon Senior Securities

There has been no default in the payment of principal, interest, sinking or purchase fund installment, or any other material default, with respect to any indebtedness of our Company.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

31.1	Certification by the Principal Executive Officer of Registrant pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Rule 13a-14(a) or Rule 15d-14(a)).*
31.2	Certification by the Principal Accounting Officer of Registrant pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Rule 13a-14(a) or Rule 15d-14(a)).*
32.1	Certification by the Principal Executive Officer pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
32.2	Certification by the Principal Accounting Officer pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

* Filed herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this report on Form 10-Q to be signed on its behalf by the undersigned thereunto duly authorized.

FIRST CHOICE HEALTHCARE SOLUTIONS, INC.

Dated: November 14, 2014	By:	*/s/ Christian C. Romandetti* Christian C. Romandetti Chief Executive Officer (Principal Executive Officer)
Dated: November 14, 2014	By:	*/s/ Gary D. Pickett* Gary D. Pickett Chief Financial Officer (Principal Accounting Officer)

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Christian C. Romandetti, certify that:

1. I have reviewed this Form 10-Q of First Choice Healthcare Solutions, Inc.;

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 present in this report;

4. The registrant's other certifying officer and 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 13-a-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, including its consolidated subsidiaries, 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 financing 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. The registrant's other certifying officer and 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 involved management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 14, 2014

By: *<u>/s/ CHRISTIAN C. ROMANDETTI</u>*
Christian C. Romandetti
Chief Executive Officer (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Gary D. Pickett, certify that:

1. I have reviewed this Form 10-Q of First Choice Healthcare Solutions, Inc.;

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 present in this report;

4. The registrant's other certifying officer and 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 13-a-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, including its consolidated subsidiaries, 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 financing 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. The registrant's other certifying officer and 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 involved management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 14, 2014

By: */s/ Gary D. Pickett*
Gary D. Pickett
Chief Financial Officer (Principal Accounting Officer)

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 this Quarterly Report of First Choice Healthcare Solutions, Inc. (the "Company"), on Form 10-Q for the quarter ended September 30, 2014, as filed with the U.S. Securities and Exchange Commission on the date hereof, I, Christian C. Romandetti, the Chief Executive Officer of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) Such Quarterly Report on Form 10-Q for the quarter ended September 30, 2014 fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in such Quarterly Report on Form 10-Q for the quarter ended September 30, 2014 fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 14, 2014

By: */s/ CHRISTIAN C. ROMANDETTI*
Christian C. Romandetti
Chief Executive Officer (Principal Executive Officer)

EXHIBIT 32.2

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 this Quarterly Report of First Choice Healthcare Solutions, Inc. (the "Company"), on Form 10-Q for the quarter ended September 30, 2014, as filed with the U.S. Securities and Exchange Commission on the date hereof, I, Gary D. Pickett, the Chief Financial Officer of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) Such Quarterly Report on Form 10-Q for the quarter ended September 30, 2014 fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in such Quarterly Report on Form 10-Q for the quarter ended September 30, 2014 fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 14, 2014

By: */s/ Gary D. Pickett*
Gary D. Pickett
Chief Financial Officer (Principal Accounting Officer)