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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarter ly period ended January 31, 2016

Or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _______________________ to ___________________

Commission File Number 0-53359

REALBIZ MEDIA GROUP, INC.
(Exact name of registrant as specified in its charter)

Delaware	**11-3820796**
(State of incorporation)	(I.R.S. Employer Identification No.)
201 W. Passaic Street, Suite 301 **Rochelle Park, NJ**	**07662**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (954) 888-9779

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to the 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, 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 ☒

As of March 13, 2016 there were 149,416,379 shares of the issuer's common stock, $0.001 par value, outstanding.

RealBiz Media Group, Inc.
Form 10-Q

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REALBIZ MEDIA GROUP, INC.

CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED JANUARY 31, 201 6

REALBIZ MEDIA GROUP, INC.

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RealBiz Media Group, Inc.
Consolidated Balance Sheets

	January 31 2016 (Unaudited)	October 31 2015
Assets		
Current Assets		
Cash	$ 299,900	$ 307,774
Accounts receivable, net of allowance for doubtful accounts	52,731	68,152
Due from former officer	14,940	87,500
Prepaid expenses	3,300	3,300
Total current assets	370,871	466,726
Property and equipment, net	28,601	34,747
Due from affiliates, net of allowance	-	-
Restricted cash	27,977	-
Total assets	$ 427,449	$ 501,473
Liabilities and Stockholders' Deficit		
Current Liabilities		
Accounts payable and accrued expenses	$ 683,339	$ 743,659
Deferred revenue	16,994	26,494
Derivative liabilities	-	628,762
Loans payable	170,000	220,000
Total current liabilities	870,333	1,618,915
Convertible notes payable, net of discount of $376,238 and $875,656, respectively	753,762	690,210
Total liabilities	1,624,095	2,309,125
Stockholders' Deficit		
Series A convertible preferred stock, $.001 par value; 120,000,000 authorized and 45,188,600 and 46,188,600 shares issued and outstanding at January 31,2016 and October 31, 2015, respectively	45,189	46,189
Series B convertible preferred stock, $.001 par value; 1,000,000 authorized and no shares issued and outstanding at January 31, 2016 and October 31, 2015, respectively	-	-
Series C convertible preferred stock, $.001 par value; 1,000,000 authorized and 35,000 shares issued and outstanding at January 31, 2016 and October 31, 2015	35	35
Common stock, $.001 par value; 250,000,000 authorized and 149,994,879 shares issued and outstanding at January 31, 2016 and 133,687,500 shares issued and outstanding at October 31, 2015, respectively	149,995	133,688
Additional paid-in-capital	19,786,596	19,047,754
Accumulated other comprehensive income (loss)	(54,544)	(60,626)
Accumulated deficit	(20,936,536)	(20,796,181)
Total stockholders' (deficit) attributable to Realbiz Media Group, Inc.	(1,009,265)	(1,629,141)
Non-controlling interest	(187,381)	(178,512)
Total stockholders’ deficit	(1,196,646)	(1,807,652)
Total liabilities and stockholders' deficit	$ 427,449	$ 501,473

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

RealBiz Media Group, Inc.
Consolidated Statements of Operations and Comprehensive Income (Loss)
(Unaudited)

	For the three months ended January 31, 2016	For the three months ended January 31, 2015
Revenues		
Real estate media revenue	$ 273,924	$ 292,656
Operating expenses		
Technology and development	45,110	305,257
Salaries and benefits	233,041	331,717
Selling and promotions expense	5,146	39,095
General and administrative	140,628	1,007,960
Total operating expenses	423,925	1,684,029
Operating loss	(150,001)	(1,391,373)
Other income (expense)		
Interest expense	(160,625)	(49,385)
Gain (loss) on change on fair value of derivatives	628,762	(266,410)
Gain (loss)on legal settlement of accounts payable and convertible debt	(470,727)	32,483
Foreign exchange gain	9,450	9,613
Total other income (expense)	6,860	(273,699)
Net loss	(143,141)	(1,665,072)
Net loss attributable to non-controlling interest	8,869	-
Net loss attributable to Realbiz Media Group, Inc.	$ (134,272)	$ (1,665,072)
Weighted average number of shares outstanding	143,349,582	87,598,484
Basic and diluted net loss per share	$ 0.00	$ (0.02)
Comprehensive income (loss):		
Unrealized gain (loss) on currency translation adjustment	6,082	8,063
Comprehensive loss	$ (137,059)	$ (1,657,009)

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

RealBiz Media Group, Inc.
Consolidated Statements of Cash Flows
(Unaudited)

	For the three months ended January 31, 2016	2015
Cash flows from operating activities:		
Net loss	$ (143,141)	$ (1,665,072)
Adjustments to reconcile net loss to net cash from operating activities:		
(Gain) loss on legal settlement of accounts payable and convertible debt	470,727	(32,483)
Amortization and depreciation	6,146	514,524
Amortization of debt discount	92,825	33,199
Loss (Gain) on change in fair value of derivative liabilities	(628,762)	266,410
Stock based consulting fees	32,000	173,865
Changes in operating assets and liabilities:		
Decrease in accounts receivable	15,421	25,071
Common stock issued for interest	42,050	-
Increase in restricted cash	(27,977)	
Decrease in due from former officer	22,560	
Increase (decrease) in accounts payable and accrued expenses	(60,223)	5,340
Decrease in due to/from affiliates	-	(176,007)
Decrease in deferred revenue	(9,500)	(9,962)
Net cash used in operating activities	(187,874)	(865,115)
Cash flows from investing activities:		
Payments towards software developments costs	-	(31,810)
	-	
Net cash used in investing activities		(31,810)
Cash flows from financing activities:		
Proceeds from convertible promissory notes	-	935,000
Payments applied to convertible promissory notes	(500,000)	-
Proceeds from the sale of common stock and warrants	680,000	75,000
Net cash provided by financing activities	180,000	1,010,000
Effect of exchange rate changes on cash		8,063
Net increase (decrease) in cash	(7,874)	121,138
Cash at beginning of period	307,774	20,066
Cash at end of period	$ 299,900	$ 141,204
Supplemental disclosure:		
Cash paid for interest	$ 25,650	$ -

	For the three months ended January 31,			
	201 6		201 5	
Supplemental disclosure of non-cash investing and financing activity:				
Settlement of prior year advances for subscriptions of common stock:				
Value	$		$	30,000
Shares				100,000
Warrants				100,000
Monaker Group, Inc. Preferred Series B shares converted to common stock:				
Value	$		$	45,000
Shares				900,000
Monaker Group, Inc. Preferred Series C shares converted to common stock:				
Value	$		$	77,000
Shares				770,000
Monaker Group, Inc. Preferred Series D shares converted to common stock:				
Value	$	65,000	$	82,500
Shares		1,000,000		549,945
Series B shares issued for settlement of prior year's proceeds and Monaker Group, Inc. debt:				
Value of shares issued	$		$	100,000
Value of Monaker Group, Inc debt settled			$	30,000
Shares				13,000
Settlement of loans payable through issuance of common stock				
Value	$	50,000	$	
Shares		1,000,000		
Settlement of amount due from former officer for retirement of common stock				
Value	$	50,000	$	
Shares		1,000,000		

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

REALBIZ MEDIA GROUP, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
JANUARY 31, 2016

NOTE 1: NATURE OF BUSINESS AND BASIS OF PRESENTATION

Nature of Business

We are engaged in the business of providing digital media and marketing services for the real estate industry. We currently generate revenue from service fees (video creation and production and website hosting (ReachFactor)) and product sales (Nestbuilder Agent 2.0 and Microvideo app). We were formed through the merging of three divisions: (i) our fully licensed real estate division (formerly known as Webdigs); (ii) our TV media contracts (Home Preview Channel /Extraordinary Vacation Homes) division; and (iii) our Real Estate Virtual Tour and Media group (Realbiz 360). The assets of these divisions were used to create a new suite of real estate products and services that create stickiness through the utilization of video, social media and loyalty programs. At the core of our programs is our proprietary video creation technology which allows for an automated conversion of data (text and pictures of home listings) to a video with voice and music. We provide video search, storage and marketing capabilities on multiple platform dynamics for web, mobile, and TV. Once a home, personal or community video is created using our proprietary technology, it can be published to social media, email or distributed to multiple real estate websites, broadband or television for consumer viewing.

Products and Services :

We currently offer the following products and services:

Enterprise Video Production : We service some of the largest and well known franchisor accounts in the North America Real Estate Market in compiling listings into a Video format and distributing to those franchisor's websites, brokers and agents and lead generation platforms 24/7. Some of these multiyear contracts produced over 10 million video listings from 2012-2014 and will be eclipsing that production in 2016. This core area significantly contributes to our growth not only in this core service but continues to allow us access to national databases and directly agents and brokers to allow us access to upgrades and upsell other core products and services. We currently have the ability to produce over 15,000 videos per day and have exclusive agreements with key players such as Century21 Scheetz and ERA systems.

Nestbuilder Agent 2.0 (formerly PowerAgent) **:** Nestbuilder Agent 2.0 is a newly developed comprehensive marketing toolset for the professional real estate agent which utilizes our proprietary video technology to allow any agent to create videos for their listings, edit them with music and an introduction and market the videos through multiple sources. This product is powered by an intuitive CRM (contact management) and has been designed to alllow agents to extend their marketing reach through social media management, email marketing and web site syndication. In addition, the iOs and Android apps work in conjunction with Nestbuilder Agent 2.0 allowing the agent to take many of the capabilities mobile, right to where the asset is located. Nestbuilder Agent 2.0 has been in beta testing for the past 8-months with over 180 agents introduced to the agent community in January 2016. Early reviews of this product from industry experts have been extremely favorable. We intend to sell this product via a monthly subscription model.

The Virtual Tour (VT) and Microvideo App (MVA) : These programs were developed and implemented to allow agents to access specific video based product strategies that are designed specifically to increase the SEO rank and traffic credit to real estate franchise systems and/or their brokers. The MVA is a proprietary video widget marketing application designed to deliver video and integrate SEO strategies, traffic generation, e-mail, lead generation with mobile-friendly viewing. This solution gives those franchises and brokers a much needed tool to lower their cost of prospect acquisition.

ReachFactor : Our social media and marketing platform under the "ReachFactor" brand name offers a variety of solutions to agents and brokers such as web design and web hosting, digital ad campaigns, blogging, social media management, reputation management and search engine optimization.

NestBuilder Website Portal : We provide a consumer real estate portal at www.nestbuilder.com which contains over 1.5 million listings. Unlike other leaders in the space that agents are seeking alternatives to, NestBuilder focuses on building agent's brands and delivering high-quality leads. They achieve this by offering fully customizable webpages in NestBuilder Agent that will follow their homebuyer throughout the home search, ultimately turning NestBuilder.com into each agent's very own national portal. We provide this website free of charge to consumer and agent.

Nestbuilder Agent : This agent-only platform allows agents to claim and customize their own web page to be used as a marketing platform. This platform interacts with nestbuilder.com site allowing agents to claim their listings and then create customized listing pages, as well as being able to pull other MLS property listings to create specialized marketing messages. Additionally, the agent can view the effectiveness of their marketing efforts through a dashboard that shows multiple statistics including number of views, time spent, origination and lead generation. This platform is provided free of charge and empowers the real estate agent with content and assets that they can use to pursue prospects and generate leads.

NOTE 1: NATURE OF BUSINESS AND BASIS OF PRESENTATION , continued

Ezflix Mobile App : The ezflix app is a free mobile/web video editor that pre-integrates with an agent's listing data, allowing them to edit all of their listing's data, and convert them into video with live video interstitial capabilities, audio recording and music. Ezflix can then share videos to all social media, email, and multiple other real estate portals including NestBuilder (www.nestbuilder.com) thereby giving agents a way to personalize their listing videos with entertaining local relevant content. This application is available in both Web and Mobile, was initially launched in both the Android and iOS versions in January and February 2015. This platform as it evolves will combine our VT (Virtual Tour) and MVA (Microvideo App) platform into one solution and distribute to multiple partners and resellers including Photographer and Videographer service providers' network. This product integration has been substantially upgraded during 2015 and will integrate with our Nestbuilder Agent 2.0 product released in January 2016.

Basis of Presentation

The unaudited interim consolidated financial information furnished herein reflects all adjustments, consisting only of normal recurring items, which in the opinion of management are necessary to fairly state RealBiz Media Group, Inc. and its subsidiaries' (collectively, the "Company" or "we," "us" or "our") financial position, results of operations and cash flows for the dates and periods presented and to make such information not misleading. Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been omitted pursuant to rules and regulations of the Securities and Exchange Commission ("SEC"); nevertheless, management of the Company believes that the disclosures herein are adequate to make the information presented not misleading.

These unaudited consolidated financial statements should be read in conjunction with the Company's audited financial statements for the year ended October 31, 2015, contained in the Company's Annual Report on Form 10-K filed with the SEC on February 18, 2016. The results of operations for the three months ended January 31, 2016, are not necessarily indicative of results to be expected for any other interim period or the fiscal year ending October 31, 2016.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates
The preparation of unaudited consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. If actual results significantly differ from the Company's estimates, the Company's financial condition and results of operations could be materially impacted.

Cash and Cash Equivalents
For purposes of balance sheet presentation and reporting of cash flows, the Company considers all unrestricted demand deposits, money market funds and highly liquid debt instruments with an original maturity of less than 90 days to be cash and cash equivalents. There were no cash equivalents at January 31, 2016 and October 31, 2015.

Accounts Receivable
The Company provides its marketing and promotional services to agents or brokers via a web-based portal that allows for credit card payments. The Company recognizes accounts receivable for amounts uncollected from the credit card service provider at the end of the accounting period. The Company regularly reviews outstanding receivables and provides for estimated losses through an allowance for doubtful accounts. In evaluating the level of established loss reserves, the Company makes judgments regarding its customers' ability to make required payments, economic events and other factors. As the financial condition of these parties change, circumstances develop or additional information becomes available, adjustments to the allowance for doubtful accounts may be required. The Company maintains reserves for potential credit losses, and such losses traditionally have been within its expectations. The allowance for doubtful accounts at January 31, 2016 and October 31, 2015, respectively is $-0-.

Property and Equipment
All expenditures on the acquisition for property and equipment are recorded at cost and capitalized as incurred, provided the asset benefits the Company for a period of more than one year. Expenditures on routine repairs and maintenance of property and equipment are charged directly to operating expense. The property and equipment is depreciated based upon its estimated useful life after being placed in service. The estimated useful life of computer equipment is 3 years. When equipment is retired, sold or impaired, the resulting gain or loss is reflected in earnings.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of Long-Lived Assets
In accordance with Accounting Standards Codification 360-10, “Property, Plant and Equipment”, the Company periodically reviews its long- lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable. The Company recognizes an impairment loss when the sum of expected undiscounted future cash flows is less than the carrying amount of the asset. The amount of impairment is measured as the difference between the asset’s estimated fair value and its book value. During the three months ended January 31, 2016, the Company did not impair any long-lived assets.

Website Development Costs
The Company accounts for website development costs in accordance with Accounting Standards Codification 350-50 “Website Development Costs”. Accordingly, all costs incurred in the planning stage are expensed as incurred, costs incurred in the website application and infrastructure development stage that meet specific criteria are capitalized and costs incurred in the day to day operation of the website are expensed as incurred.

Software Development Costs
The Company capitalizes internal software development costs subsequent to establishing technological feasibility of a software application in accordance with guidelines established by "350-40" Internal Use Software, requiring certain software development costs to be capitalized upon the establishment of technological feasibility. The establishment of technological feasibility and the ongoing assessment of the recoverability of these costs require considerable judgment by management with respect to certain external factors such as anticipated future revenue, estimated economic life, and changes in software and hardware technologies. Amortization of the capitalized software development costs begins when the product is available for general release to customers. Capitalized costs are amortized based on the greater of (a) the ratio of current gross revenues to the total current and anticipated future gross revenues, or (b) the straight-line method over the remaining estimated economic life of the product and is included in operating expenses in the accompanying statement of operations. During the three months ended January 31, 2016, the Company did not have any development projects in progress and, accordingly, did not capitalize any software costs. All the technology costs incurred during the quarter were related to maintenance activities and were charged to technology and development expenses in the statement of operations.

Goodwill and Other Intangible Assets
In accordance with ASC 350-30-65 “Goodwill and Other Intangible Assets", the Company assesses the impairment of identifiable intangible assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors the Company considers to be important which could trigger an impairment review include the following:

1. Significant underperformance compared to historical or projected future operating results;

2. Significant changes in the manner or use of the acquired assets or the strategy for the overall business; and

3. Significant negative industry or economic trends.

When the Company determines that the carrying value of an intangible may not be recoverable based upon the existence of one or more of the above indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flow, the Company records an impairment charge equal to the amount that the book value exceeds fair value. The Company measures fair value based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent to the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows. During the year ended October 31, 2015, the company recorded an impairment charge in the amount of $1,802,106 which represented the full unamortized value of the capitalized website development costs and other intangible assets at that time.

The Company incurred amortization expense related to website development costs and other intangible assets of -0-and $509,199 for the three months ended January 31, 2016 and 2015, respectively. This amortization is included in technology and development expenses and general and administrative expenses in the accompanying statement of operations.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative Instruments
The Company enters into financing arrangements that consist of freestanding derivative instruments or are hybrid instruments that contain embedded derivative features. The Company accounts for these arrangements in accordance with Accounting Standards Codification topic 815, Accounting for Derivative Instruments and Hedging Activities ("ASC 815") as well as related interpretations of this standard. In accordance with this standard, derivative instruments are recognized as either assets or liabilities in the balance sheet and are measured at fair values with gains or losses recognized in earnings. Embedded derivatives that are not clearly and closely related to the host contract are bifurcated and are recognized at fair value with changes in fair value recognized as either a gain or loss in earnings. The Company determines the fair value of derivative instruments and hybrid instruments based on available market data using appropriate valuation models, considering all of the rights and obligations of each instrument.

The Company estimates fair values of derivative financial instruments using various techniques (and combinations thereof) that are considered consistent with the objective measuring fair values. In selecting the appropriate technique, the Company considers, among other factors, the nature of the instrument, the market risks that it embodies and the expected means of settlement. For less complex derivative instruments, such as freestanding warrants, the Company generally uses the Black-Scholes model, adjusted for the effect of dilution, because it embodies all of the requisite assumptions (including trading volatility, estimated terms, dilution and risk free rates) necessary to fair value these instruments. Estimating fair values of derivative financial instruments requires the development of significant and subjective estimates that may, and are likely to, change over the duration of the instrument with related changes in internal and external market factors. In addition, option-based techniques (such as Black-Scholes model) are highly volatile and sensitive to changes in the trading market price of our common stock. Since derivative financial instruments are initially and subsequently carried at fair values, our income (expense) going forward will reflect the volatility in these estimates and assumption changes. Under the terms of the new accounting standard, increases in the trading price of the Company's common stock and increases in fair value during a given financial quarter result in the application of non-cash derivative expense. Conversely, decreases in the trading price of the Company's common stock and decreases in trading fair value during a given financial quarter result in the application of non-cash derivative income.

Based upon ASC 815-25 the Company has adopted a sequencing approach regarding the application of ASC 815-40 to its outstanding convertible debentures. Pursuant to the sequencing approach, the Company evaluates its contracts based upon earliest issuance date.

Convertible Debt Instruments
The Company records debt net of debt discount for beneficial conversion features and warrants, on a relative fair value basis. Beneficial conversion features are recorded pursuant to the Beneficial Conversion and Debt Topics of the FASB Accounting Standards Codification. The amounts allocated to warrants and beneficial conversion rights are recorded as debt discount and as additional paid-in-capital. Debt discount is amortized to interest expense over the life of the debt.

Fair Value of Financial Instruments
The Company adopted ASC topic 820, "Fair Value Measurements and Disclosures" (ASC 820), formerly SFAS No. 157 "Fair Value Measurements," effective January 1, 2009. ASC 820 defines "fair value" as the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There was no impact relating to the adoption of ASC 820 to the Company's unaudited consolidated financial statements.

ASC 820 also describes three levels of inputs that may be used to measure fair value:

Level 1: Observable inputs that reflect unadjusted quoted prices for identical assets or liabilities traded in active markets.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs that are generally unobservable. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Financial instruments consist principally of cash, accounts receivable, prepaid expenses, due from affiliates, accounts payable, accrued liabilities and other current liabilities. The carrying amounts of such financial instruments in the accompanying balance sheets approximate their fair values due to their relatively short- term nature. The fair value of long-term debt is based on current rates at which the Company could borrow funds with similar remaining maturities. The carrying amounts approximate fair value. It is management's opinion that the Company is not exposed to any significant currency or credit risks arising from these financial instruments.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

The Company recognizes revenue when all of the following criteria are met: (1) persuasive evidence of an arrangement exits; (2) delivery has occurred or services have been rendered; (3) the Company's price to its customer is fixed or determinable and (4) collectability is reasonably assured.

The Company provides its marketing and promotional services to agents or brokers via a web-based portal that allows for credit card payments. Customers may pay a monthly recurring fee or an annual fee. Some customers additionally pay a one-time set up fee. Monthly recurring fees are recognized in the month the service is rendered. Collection of one-time set up fees and annual services fees give rise to recognized monthly revenue in the then-current month as well as deferred revenue liabilities representing the collected fee for services yet to be delivered.

Technology and Development

Costs to research and develop our products are expensed as incurred. These costs consist of primarily of technology and development related expenses including third party contractor fees and technology software services. Technology and development also includes amortization of capitalized costs of the Nestbuilder website associated with the development of our marketplace. The amortization of the Nestbuilder website for the three months ending January 31, 2016 and 2015 is -0- and $127,272, respectively.

Advertising Expense

Advertising costs are charged to expense as incurred and are included in selling and promotions expense in the accompanying unaudited consolidated financial statements. The company has not incurred any advertising expenses for the three months ended January 31, 2016 and 2015.

Share-Based Compensation

The Company computes share based payments in accordance with Accounting Standards Codification 718-10 “Compensation” (ASC 718-10). ASC 718-10 establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods and services at fair value, focusing primarily on accounting for transactions in which an entity obtains employees services in share-based payment transactions. It also addresses transactions in which an entity incurs liabilities in exchange for goods and services that are based on the fair value of an entity’s equity instruments or that may be settled by the issuance of those equity instruments. In March 2005, the SEC issued SAB No. 107, Share-Based Payment (“SAB 107”) which provides guidance regarding the interaction of ASC 718-10 and certain SEC rules and regulations. The Company has applied the provisions of SAB 107 in its adoption of ASC 718-10. The Company accounts for non-employee share-based awards in accordance with ASC Topic 505-50, Equity Based Payments to Non-Employees. The Company estimates the fair value of stock options by using the Black-Scholes option pricing model.

Foreign Currency and Other Comprehensive Income (Loss)

The functional currency of our foreign subsidiaries is typically the applicable local currency. The translation from the respective foreign currencies to United States Dollars (U.S. Dollar) is performed for balance sheet accounts using current exchange rates in effect at the balance sheet date and for income statement accounts using a weighted average exchange rate during the period. Gains or losses resulting from such translation are included as a separate component of accumulated other comprehensive income. Gains or losses resulting from foreign currency transactions are included in foreign currency income or loss except for the effect of exchange rates on long-term inter-company transactions considered to be a long-term investment, which are accumulated and credited or charged to other comprehensive income.

Transaction gains and losses are recognized in our results of operations based on the difference between the foreign exchange rates on the transaction date and on the reporting date. We recognized net foreign exchange gain of $0 and $9,613 for three months ended January 31, 2016 and 2015, respectively. The foreign currency exchange gains and losses are included as a component of other (income) expense, net, in the accompanying Unaudited Consolidated Statements of Operations. For the three months ended January 31, 2016 and 2015, the change in accumulated comprehensive income was $6,082 and $8,063, respectively

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign Currency and Other Comprehensive Income (Loss) (continued)
The exchange rate adopted for the foreign exchange transactions are the rates of exchange as quoted on an internet website. Translation of amount from Canadian dollars into United States dollars was made at the following exchange rates for the respective periods:

- As of January 31, 2016 - Canadian dollar $0.71582 to US $1.00
- For the three months ended January 31, 2016 - Canadian dollar $0.87365 to US $1.00

Income Taxes

The Company accounts for income taxes in accordance with ASC 740, Accounting for Income Taxes, as clarified by ASC 740-10, Accounting for Uncertainty in Income Taxes. Under this method, deferred income taxes are determined based on the estimated future tax effects of differences between the financial statement and tax basis of assets and liabilities and net operating loss and tax credit carryforwards given the provisions of enacted tax laws. Deferred income tax provisions and benefits are based on changes to the assets or liabilities from year to year. In providing for deferred taxes, the Company considers tax regulations of the jurisdictions in which the Company operates, estimates of future taxable income, and available tax planning strategies. If tax regulations, operating results or the ability to implement tax-planning strategies vary, adjustments to the carrying value of deferred tax assets and liabilities may be required. Valuation allowances are recorded related to deferred tax assets based on the “more likely than not” criteria of ASC 740.

ASC 740-10 requires that the Company recognize the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the “more-likely-than-not” threshold, the amount recognized in the unaudited consolidated financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

Earnings Per Share
Basic earnings per share is computed by dividing net income attributable to common stockholders by the weighted average number of shares of common stock outstanding during the period.

Diluted earnings per share is computed by dividing net income attributable to common stockholders by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during each period. Diluted loss per common share is considered to be equal to basic because it is anti-dilutive. The Company’s common stock equivalents include the following:

	January 31, 201 6
Series A convertible preferred stock issued and outstanding	45,188,600
Series C convertible preferred stock issued and outstanding	35,000
Warrants to purchase common stock issued, outstanding and exercisable	16,355,000
Shares on convertible promissory notes	11,300,000
	72,878,635

Concentrations, Risks and Uncertainties

The Company’s operations are related to the real estate industry and its prospects for success are tied indirectly to interest rates and the general housing and business climates in the United States.

Reclassifications

Certain reclassifications have been made in the unaudited consolidated financial statements for comparative purposes. These reclassifications have no effect on the results of operations or financial position of the Company.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Issued Accounting Pronouncements

In May 2014, the FASB issued an accounting standard update on revenue recognition that will be applied to all contracts with customers. The update requires an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects what it expects in exchange for the goods or services. It also requires more detailed disclosures to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. This guidance will be required to be applied on a retrospective basis, using one of two methodologies, and will be effective for annual reporting periods beginning after December 15, 2016, with early application not being permitted. The Company is currently evaluating the impact that this guidance will have on its financial position and results of operations.

In August 2014, the FASB issued an accounting standard update which provides guidance on determining when and how to disclose going concern uncertainties in the financial statements. The update requires management to perform interim and annual assessments of an entity's ability to continue as a going concern within one year of the date the financial statements are issued. It also requires management to provide certain disclosures if conditions or events raise substantial doubt about the entity's ability to continue as a going concern. This guidance will be required for annual reporting periods ending after December 15, 2016, and interim reporting periods thereafter, with early application permitted. The Company is currently evaluating the impact that this guidance will have on its financial position and results of operations.

NOTE 3: GOING CONCERN

The accompanying unaudited consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

The Company has incurred a net loss of $143,141 for the three months ended January 31, 2016. At January 31, 2016, the Company had a working capital deficit of $499,462 and an accumulated deficit of $20,936,536. It is management's opinion that these facts raise substantial doubt about the Company's ability to continue as a going concern. . The unaudited consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

In order to meet its working capital needs through the next twelve months, the Company may consider plans to raise additional funds through the issuance of additional shares of common or preferred stock and or through the issuance of debt instruments. Although the Company intends to obtain additional financing to meet our cash needs, the Company may be unable to secure any additional financing on terms that are favorable or acceptable to it, if at all.

NOTE 4 : RESTRICTED CASH

At January 31, 2016 the company posted a surety bond with the California Department of Labor in the amount of $27,977 as required in connection with an appeal of an assessment relating to an employment matter.

NOTE 5 : PROPERTY AND EQUIPMENT

At January 31, 2016, the Company's property and equipment are as follows:

	January 31, 201 6			
	Remaining Useful Life	Cost	Accumulated Depreciation	Net Carrying Value
Computer equipment	1.5 Years	$ 82,719	$ 54,118	$ 28,601

The Company has recorded $6,146 and $5,415 of depreciation expense for the three months ended January 31, 2016 and 2015, respectively.

NOTE 6: ACCOUNTS PAYABLE AND ACCRUED EXPENSES

At January 31, 2016, the Company's accounts payable and accrued expenses are as follows:

		January 31, 201 6
Trade payables	$	395,539
Accrued interest payable		67,800
Accrued payroll and commissions		220,000
Total accounts payable and accrued expenses	$	683,339

NOTE 7: DUE FROM/TO AFFILIATES

During the normal course of business, the Company receives and/or makes advances for operating expenses and various debt obligation conversions to/from our former parent Company, Monaker Group, Inc. As a result of these transactions the Company is due $1,287,517 as of January 31, 2016 and October 31, 2015, respectively. Management has elected to record an allowance against the entire amount due from affiliate. The allowance was required due to the uncertainty of the collectability of the outstanding balance.

NOTE 8 : D ERIVATIVE LIABILITIES

The following table sets forth a summary of change in fair value of our derivative liabilities for the years ended October 31, 2015 and 2014:

Balance @ 10/31/2015	$	628,762
Elimination of deferred liability due to payoff of convertible debenture		(628,762
Balance @ 1/31/2016	$	-

NOTE 9 : CONVERTIBLE NOTES PAYABLE

In December 2015, the company consummated a settlement with Himmil Investments Ltd. pursuant to which we redeemed our outstanding 7.5% convertible promissory note issued to Himmil and cancellation of their common stock purchase warrants for $500,000.

At January 31, 2016, the company had convertible notes payable with principle outstanding balance of $1,130,000. The note matures on December 31, 2016 and bears interest at the rate of 24% which is payable quarterly and can be paid to the noteholder at their election in a combination of cash and common stock. The noteholders can elect to receive their interest payments in all common stock or a combination of common stock at 12% per annum based upon $0.10 (ten) cents per share and cash at 12% per annum.. The noteholders, at their option have the right, but not the obligation, at any time and from time to time, to convert all or any portion of the principal and interest into fully paid and non-assessable shares of Company common stock at the conversion price of $0.10 per share.

NOTE 10 : LOANS PAYABLE

During the three months ended January 31, 2016, the Company issued its Chairman 1,000,000 common shares with a value of $50,000 in exchange for the cancellation of the existing loan payable at that time. There was no activity for the three months ended January 31, 2016 for the non-related third party investors and the remaining principal balance is $170,000.

NOTE 11 : STOCKHOLDERS' EQUITY

On July 31, 2014, the Board and the holders of a majority of the voting power of our shareholders approved an amendment to our articles of incorporation to increase our authorized shares of common stock to 250,000,000 from 125,000,000 and increased the Company's Series A Convertible Preferred Stock to 120,000,000 from 100,000,000. Additionally, on July 31, 2014, the Board designated the terms of Series B Convertible Preferred Stock and 1,000,000 shares were authorized. Additionally, on August 6, 2015, the Board designated the terms of Series C Convertible Preferred Stock and 1,000,000 shares were authorized.

The total number of shares of all classes of stock that the Company shall have the authority to issue is 570,000,000 shares consisting of 250,000,000 shares of common stock with a $0.001 par value per shares; of which 149,994,879 are outstanding as of the date of this report and 320,000,000 shares of preferred stock, par value $0.001 per share of which (A) 120,000,000 shares have been designated as Series A Convertible Preferred of which 45,188,600 are outstanding as of the date of this report (B) 1,000,000 shares have been designated as Series B Convertible Preferred Stock, of which no shares are outstanding as of the date of this report and (C) 1,000,000 have been designated as Series C Convertible Preferred Stock, of which 35,000 shares are outstanding as of the date of this report.

<u>Common Stock</u>

During the three months ended January 31, 2016, the Company:

On November 19, 2015, the Company agreed to issue 1 million shares of common stock valued at $0.05 per share (based on the quoted market price on that date) to a company controlled by its Chairman (Don Monaco) in consideration of his agreement to cancel and extinguish a 0%, $50,000 promissory note issued to him on August 29, 2015.

On November 30, 2015, the Company sold 13,600,000 units ("Units") at a price of $0.05 per Unit for gross proceeds of $680,000. Each Unit consists of 1 share of common stock and a warrant to purchase 1 share of common stock requiring the issuance of 13,600,000 shares of common stock and 1-year warrants to purchase 13,600,000 shares of our common stock with an exercise price of $0.05 per share. The Company used $500,000 of these proceeds as the final payment required under our Settlement Agreement and Release with Himmil Investments, Ltd. including repayment in full of its outstanding 7.5% $500,000 convertible promissory note issued to Himmil Investments Ltd. A company controlled by Don Monaco, our Chairman on our board of directors, purchased 6,000,000 Units for $300,000 and Thomas Grbelja, our Chief Financial Officer purchased 200,000 Units for $10,000.

On December 1, 2015, our Chief Executive Officer (Alex Aliksanyan) converted 30,000 shares of Monaker Group Inc. Series D Preferred Stock into 1 million shares of our common stock pursuant to the terms of the Monaker Group, Inc. Series D Preferred Certificate of Designation. In conjunction with this transaction, Company retired 1,000,000 of its Series A Preferred shares held by Monaker Group Inc., in accordance with the original securities and purchase agreement of October 2012.

NO TE 11 : STOCKHOLDERS' EQUITY , continued

On December 1, 2015, the Company issued 421,500 shares of its common stock valued at $42,150 as payment for accrued interest on certain convertible promissory notes as requested by the note holders in accordance with contractual terms. The Company did not receive any proceeds for the issuance of these shares. .

On December 10, 2015, a former employee returned 1,000,000 shares of its common stock with a value of $50,000 to the Company to resolve an outstanding dispute. These shares were intitially returned to treasury and cancelled on March 7, 2016.

On January 20, 2016, the Company issued 800,000 shares of common stock to a third-party consultant in consideration of professional services rendered. The market value of these shares was based on the closing price (0.04) on the date of issuance which was approximately $32,000 and included as a component of general and administrative expenses.

Common Stock Warrants

The following table sets forth common share purchase warrants outstanding as of January 31, 2016:

	Warrants	Weighted Average Exercise Price	Intrinsic Value
Outstanding, October 31, 2015	4,980,000	$ 0.12	$ 0.00
Warrants granted and issued	13,600,000	$ 0.05	$ 0.00
Warrants exercised/forfeited	(2,225,000)	$ (0.14)	$ 0.00
Outstanding, January 31, 2016	16,355,000	$ 0.12	$ 0.00
Common stock issuable upon exercise of warrants	16,355,000	$ 0.12	$ 0.00

	Common Stock Issuable Upon Exercise of Warrants Outstanding			Common Stock Issuable Upon Warrants Exercisable	
Range of Exercise Prices	Number Outstanding At January 31, 2016	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable at October 31, 2015	Weighted Average Exercise Price
$ 0.05	13,600,000	0.83	$ 0.05	13,600,000	$ 0.05
$ 0.10	2,455,000	2.87	$ 0.10	2,455,000	$ 0.10
$ 0.17	300,000	0.72	$ 0.17	300,000	$ 0.17
	16,355,000		$ 0.06	16,355,000	$ 0.06

NOTE 1 1 : STOCKHOLDERS' EQUITY (continued)

Convertible Preferred Stock Series A

On October 14, 2014, the Company filed a certificate of amendment pursuant to the July 31st, 2014 Board of Directors approval to increase the Preferred A shares from 100,000,000 shares to 120,000,000 shares. As of January 31, 2016, the Company had 45,188,600 shares of Convertible Preferred Stock Series A issued and outstanding. The preferred shares were issued at $.001 par and bear dividends at a rate of 10% per annum payable on a quarterly basis when declared by the board of directors. Dividends accumulate whether or not they have been declared by the board. At the election of the Company, Preferred Dividends may be converted into Series A Stock, with each converted share having a value equal to the market price per share, subject to adjustment for stock splits. In order to exercise such option, the Company delivers written notice to the holder. Each share of Series A Stock is convertible at the option of the holder thereof at any time into a number of shares of Common Stock determined by dividing the Stated Value of a $1 per share by the Conversion Price then in effect. The conversion price for the Series A Stock is equal to $1.00 per share. Each holder of Series A stock shall be entitled to one vote for each whole share of common stock that would be issuable upon conversion of such share on the record date for determining eligibility to participate in the action being taken.

In the event of (a) the sale, conveyance, exchange, exclusive license, lease or other disposition of all or substantially all of the intellectual property or assets of the Company, (b) any acquisition of the Company by means of consolidation, stock exchange, stock sale, merger of other form of corporate reorganization of the Company with any other entity in which the Company's stockholders prior to the consolidation or merger own less than a majority of the voting securities of the surviving entity, or (c) the winding up or dissolution of the Company, whether voluntary or involuntary (each such event in clause (a), (b) or (c) a "liquidation event"), the Board shall determine in good faith the amount legally available for distribution to stockholders after taking into account the distribution of assets among, or payment thereof over to, creditors of the Company (the "net assets available for distribution"). The holders of the Series A stock then outstanding shall be entitled to be paid out of the net assets available for Distribution (or the consideration received in such transaction) before any payment or distribution shall be made to the holders of any class of preferred stock ranking junior to the Series A Stock or to the Common Stock, an amount for each share of Series A Stock equal to all accrued and unpaid Preferred Dividends plus the Stated Value, as adjusted (the "Series A Liquidation Amount").

In September 2015, the Company entered into an agreement with the holders of our Series A Preferred Stock under which they agreed to waive and cancel any further dividends owing on the Series A Preferred from and after May 1, 2015 in exchange for our agreement to pay all accrued dividends through April 30, 2015.

During the three months ended January 31, 2016, the Company recorded the following activity with respect to its Series A Convertible Preferred Stock:

On December 1, 2015, the Company retired 1,000,000 of its Series A Preferred shares held by Monaker Group Inc., in accordance with the original securities and purchase agreement of October 2012. This was based upon the issuances of 1 million RealBiz common shares issued for conversion of 30,000 shares of Monaker Group,Inc. Series D preferred stock on such date.

Convertible Preferred Stock Series B

On July 31, 2014, the Company's Board of Directors approved the creation of a new Series B Preferred stock and on October 14, 2014 a certificate of designation was filed with the state of Delaware designating 1,000,000 shares with a par value of $0.001, a stated value of $5.00 per share and convertible into the Company's common stock at $0.05 per share. As of January 31, 2015, the Company had 26,000 shares of Convertible Preferred Stock Series B issued and outstanding. The Series B Preferred stock will bear dividends at a rate of 10% per annum and shall accrue on the stated value of such shares of the Series B Stock. Dividends accrue whether or not they have been declared by the Board of Directors. At the election of the Company, it may satisfy its obligations hereunder to pay dividends on the Series B stock by issuing shares of common stock to the holders of Series B stock on a uniform and prorated basis. Each share of Series B Stock is convertible at the option of the holder thereof at any time into a number of shares of Common Stock determined by dividing the Stated Value by the Conversion Price then in effect. The conversion price for the Series B Stock is equal to $0.05 per share. Each holder of Series B stock shall be entitled to the number of votes equal to two hundred (200) votes for each shares of Series B stock held by them.

NOTE 11 : STOCKHOLDERS' EQUITY (continued)

In the event of (a) the sale, conveyance, exchange, exclusive license, lease or other disposition of all or substantially all of the intellectual property or assets of the Company, (b) any acquisition of the Company by means of consolidation, stock exchange, stock sale, merger of other form of corporate reorganization of the Company with any other entity in which the Company's stockholders prior to the consolidation or merger own less than a majority of the voting securities of the surviving entity, or (c) the winding up or dissolution of the Company, whether voluntary or involuntary (each such event in clause (a), (b) or (c) a "liquidation event"), the Board shall determine in good faith the amount legally available for distribution to stockholders after taking into account the distribution of assets among, or payment thereof over to, creditors of the Company (the "net assets available for distribution"). The holders of the Series B stock then outstanding shall be entitled to be paid out of the net assets available for Distribution (or the consideration received in such transaction) before any payment or distribution shall be made to the holders of any class of preferred stock ranking junior to the Series B Stock or to the Common Stock, an amount for each share of Series B Stock equal to all accrued and unpaid Preferred Dividends plus the Stated Value, as adjusted (the "Series B Liquidation Amount"). There were no Series B Preferred stock outstanding at January 31, 2016 and October 31, 2015.

Convertible Preferred Stock Series C

Pursuant to authority granted by our certificate of incorporation and applicable state law, our Board of Directors, without any action or approval by our stockholders, may designate and issue shares in such classes or series (including other classes or series of preferred stock) as it deems appropriate and establish the rights, preferences and privileges of such shares, including dividends, liquidation and voting rights. The rights of holders of other classes or series of capital stock, including preferred stock that may be issued could be superior to the rights of the shares of common stock offered hereby. The designation and issuance of shares of capital stock having preferential rights could adversely affect other rights appurtenant to the shares of our common stock. Finally, any issuances of additional capital stock (common or preferred) will dilute the percentage of ownership interest of our stockholders and may dilute the per-share book value of the Company. Each share of our series C preferred stock is convertible into that number of shares of shares of common stock determined by dividing (i) the stated value ($5.00) by (ii) the conversion price then in effect ($0.05). For example, our Series C Preferred contain voting rights which provide each share of Series C Preferred Stock with 100 votes for each shares of common stock into which the Series C Preferred Stock is convertible. Accordingly, our currently outstanding 35,000 shares of Series C Preferred Stock (which are convertible into 3,500,000 shares) are entitled to 350,000,000 votes on any matter presented for a vote to our common stockholders. This has resulted in the holders of our Series C Preferred Stock having voting majority voting control of our corporation. There were 35,000 shares of Series C Preferred Stock outstanding on January 31, 2016.

NOTE 1 2 : RELATED PARTY TRANSACTIONS

Equity transactions with the Company's former parent are described in Note 10.

On November 19, 2015, the Company agreed to issue 1 million shares of common stock valued at $0.05 per share to a company controlled by its Chairman (Don Monaco) in consideration of his agreement to cancel and extinguish a 0%, $50,000 promissory note issued to him on August 29, 2015.

On November 30, 2015, a company controlled by the Company's Chairman (Don Monaco) purchased 6 million units at a price of $0.05 per unit for an aggregate purchase price of $300,000. Each unit consisted of 1 share of common stock and a 1-year warrant to purchase 1 share of common at an exercise price of $0.05 per share. This resulted in the issuance of 6 million shares of common stock and a 1-year warrant to purchase 6 million shares of our common stock at an exercise price of $0.05 per share. In addition, Thomas Grbelja, our Chief Financial Officer purchased 200,000 Units for $10,000.

On December 1, 2015, the Company's Chief Executive Officer (Alex Aliksanyan) converted 30,000 shares of Monaker Group Inc. Series D Preferred Stock into 1 million shares of our common stock pursuant to the terms of the Series D Preferred. Mr. Aliksanyan originally received these preferred shares in consideration of his sale of assets of Stingy Travel to Monaker Group in February 2015. Mr. Aliksanyan became an officer and director upon closing of this transaction in February 2015.

NOTE 1 3 : CONTINGENCIES

On August 17, 2015, the Company filed a Complaint in the Superior Court of the State of California, in San Diego County, California, against former employees Steven Marques, Sherry Marques and Sean Herschmiller as well as Ken Marques, Amozaio LLC, Mike O'Donnell, Bobbie Ayers, Showoff.com, Inc., Philip Bliss, Tom Klawsuc, and Perceptible Inc. ("Defendants"). The Complaint further alleges that the Defendants misappropriated confidential business information and proprietary and confidential trade secrets of the Company in setting up a rival business utilizing the Company's proprietary technology and current customers. The Complaint further alleges that the former employees Steven Marques, Sherry Marques and Sean Herschmiller breached their positions of trust and confidence and their duties of loyalty to the Company by using their positions with the company and information acquired in those positions to set up a business in direct competition with the Company, and the remaining Defendant's conspired with the Company's former employees to misappropriate and use the Company's confidential business information and solicit and attempt to steal clients from the Company. The Complaint seeks, among other things, (i) general and special damages in an amount to be proven at trial; (ii) punitive and exemplary damages in an amount sufficient to punish and deter such conduct; and (iii) a temporary restraining order and preliminary and permanent injunctions enjoining and retraining the Defendants from using or otherwise disclosing or distributing the Company's property or trade secrets.

At January 31, 2016 the company posted a surety bond with the California Department of Labor in the amount of $27,977 as required in connection with an appeal of an assessment relating to an employment matter.

NOTE 1 4 : SUBSEQUENT EVENTS

Effective March 1, 2016, the Company paid cash of $25,650 and issued 421,500 shares of its common stock valued at $42,150 as quarterly payments for accrued interest on certain convertible promissory notes as requested by the note holders in accordance with contractual terms. The Company did not receive any proceeds for the issuance of these shares.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the attached consolidated unaudited financial statements and notes thereto, and our consolidated audited financial statements and related notes for our fiscal year ended October 31, 201 5 found in our Annual Report on Form 10-K. In addition to historical information, the following discussion contains forward-looking statements that involve risks, uncertainties and assumptions. Where possible, we have tried to identify these forward looking statements by using words such as "anticipate," "believe," "intends," or similar expressions. Our actual results could differ materially from those anticipated by the forward-looking statements due to important factors and risks including, but not limited to, those set forth in our Annual Report on Form 10-K.

Cautionary Note Regarding Forward-Looking Statements

Some of the statements made in this section of our report are forward-looking statements. These forward-looking statements generally relate to and are based upon our current plans, expectations, assumptions and projections about future events. Our management currently believes that the various plans, expectations, and assumptions reflected in or suggested by these forward-looking statements are reasonable. Nevertheless, all forward-looking statements involve risks and uncertainties and our actual future results may be materially different from the plans, objectives or expectations, or our assumptions and projections underlying our present plans, objectives and expectations, which are expressed in this section.

In light of the foregoing, prospective investors are cautioned that the forward-looking statements included in this filing may ultimately prove to be inaccurate—even materially inaccurate. Because of the significant uncertainties inherent in such forward-looking statements, the inclusion of such information should not be regarded as a representation or warranty by RealBiz Media Group, Inc. or any other person that our objectives, plans, expectations or projections that are contained in this filing will be achieved in any specified time frame, if ever. We undertake no obligation to publicly release any revisions to the forward-looking statements or reflect events or circumstances after the date of this document. The risks discussed in the Item 1A of this filing should be considered in evaluating our prospects and future performance.

Critical Accounting Policies and Estimates

The discussion and analysis of the Company's financial condition and results of operations are based upon its consolidated unaudited financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these unaudited financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent liabilities. On an on-going basis, management evaluates past judgments and estimates, including those related to bad debts, potential impairment of intangible assets, accrued liabilities, and contingencies. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The accounting policies and related risks described in the Company's annual report on Form 10-K as filed with the Securities and Exchange Commission on February 18, 2016 are those that depend most heavily on these judgments and estimates. As of January 31, 2016, there had been no material changes to any of the critical accounting policies contained therein.

General Overview

We are engaged in the business of providing digital media and marketing services for the real estate industry. We currently generate revenue from service fees (video creation and production and website hosting (ReachFactor)) and product sales (Nestbuilder Agent 2.0 (formerly PowerAgent) and Microvideo app). We were formed through the merging of three divisions: (i) our fully licensed real estate division (formerly known as Webdigs); (ii) our TV media contracts (Home Preview Channel /Extraordinary Vacation Homes) division; and (iii) our Real Estate Virtual Tour and Media group (Realbiz 360). The assets of these divisions were used to create a new suite of real estate products and services that create stickiness through the utilization of video, social media and loyalty programs. At the core of our programs is our proprietary video creation technology which allows for an automated conversion of data (text and pictures of home listings) to a video with voice and music. We provide video search, storage and marketing capabilities on multiple platform dynamics for web, mobile, and TV. Once a home, personal or community video is created using our proprietary technology, it can be published to social media, email or distributed to multiple real estate websites, broadband or television for consumer viewing.

Our first quarter of fiscal 2016 continues to demonstrate the impact of the reorganization and de-consolidation implemented during fiscal 2015. The increased efficiency and various consolidations are now being seen in our financial statement performance.

Most importantly, our operating loss in the three months ended January 31, 2016 decreased to $150,001, or approximately 91% from $1,393,373 in the comparable 2015 period. Much of the current operating loss was impacted in the three months ended January 31, 2016 by seasonal items related to various charges associated with our 2015 Annual Report filing. Additionally our current liabilities in the three months ended January 31, 2016 decreased to $879,833, or approximately 46%, from $1,618,915 in the three months ended January 31, 2015.

Revenues were down slightly to $273,924 in the three months ended January 31, 2016, or approximately 6.4%, from $292,656 in the comparable 2015 period. The decrease in revenues is attributable to decrease in the volume of virtual tour video produced offset by a modest increase in the licensing of the Nestbuilder Agent 2.0 marketing agent product. We had cash of 299,900 at January 31, 2016, an increase of approximately 110% from our cash of $142,204 at January 31, 2015.

We expect our revenue to increase in the forthcoming quarters upon our expected market penetration of our new Nestbuilder Agent 2.0 product which was launched in January 2016.

Results of Operations

Three months ended January 31, 201 6 compared to three months ended January 31, 201 5 .

Revenues

Our total revenues decreased 6.46% to $273,924 for the three months ended January 31, 2016, compared to $292,656 for the three months ended January 31, 2015, a decrease of $18,732. The decrease in sales is attributable to decrease in the volume of virtual tour video produced offset by a modest increase in the licensing of the Nestbuilder Agent 2.0 marketing agent product.

Operating Expenses

Our operating expenses, which include technology and development, salaries and benefits, selling and promotion and general and administrative expenses decreased to $423,925 for the three months ended January 31, 2016, compared to $1,684,029 for the three months ended January 31, 2015, a decrease of $1,260,104 of approximately 75%. This decrease was substantially due to a reductions in salaries and benefits of $98,676, selling expenses of $33,949, technology and development fees of $260,147 and general and administrative expenses of $867,332. Our reduced general and administrative expenses in the quarter ended January 31, 2016 is attributable to decreases in investor relations expense of $188,500, outside consulting fees of $365,600, amortization of intangibles of $164,700 and travel expenses of $19,900.

Other Income (Expenses)

We had other income of $6,860 in the three months ended January 31, 2016 as compared to other expenses of $273,699 for the three months ended January 31, 2015, for a decrease in expenses of $280,559 in the 2016 period. This decrease was substantially due to the increase is gain on change in fair value of derivatives of $895,172 in the three months ended January 31, 2016 as compared to the 2015 period, which amount was offset by increase in loss on legal settlement of accounts payable of $503,210 in the 2016 period as compared to the 2015 period as well as the increase in interest expense of $111,240 in the 2016 period.

Net Loss

We had a net loss of $143,141 for the three months ended January 31, 2016 , compared to a net loss of $1,665,072 for the three months ended January 31, 2015, a decrease of $1,521,931. The decrease in net loss from 2015 to 2016 was substantially due to a decrease in technology and development of $260,147, salaries and benefits of $98,676, general and administrative expenses of $867,332 and net other (expense) of $280,559.

Assets and Employees; Research and Development

We do not currently anticipate purchasing any equipment or other assets in the near term, however, as we expand operations, we will need additional equipment and employees to create and market our products.

Liquidity and Capital Resources; Anticipated Financing Needs

At January 31, 2016, the Company had $299,900 of cash and a working capital deficit of $499,462 as compared to cash of $307,774 and a working capital deficit of $1,152,189 as of October 31, 2015.

Net cash used in operating activities was $187,874 for the three months ended January 31, 2016 resulting primarily from our net loss of $143,141, a gain on fair value of derivative liabilities of $628,762, increase in restricted cash of $27,977, a decrease in accounts payable and accrued expenses of $60,223 and a decrease in deferred revenue of $9,500 which amounts were offset by a loss on legal settlement of accounts payable and convertible debt of $470,727, amortization and depreciation of $6,147, amortization of debt discount of $92,825, common stock issued for interest of $42,050, stock based consulting fees of $32,000, decrease in accounts receivable of $15,421 and a decrease in amounts due from officer of $22,560. This is compared to net cash used in operating activities of $865,115 in the three months ended January 31, 2015 resulting primarily from a net loss of $1,665,072 plus gain on legal settlement of accounts payable and convertible debt of $32,483 and decrease in amounts due to affiliates of $176,007 which amounts were offset by amortization and depreciation of $514,424, gain on change in fair value of derivative securities of $266,410, stock based consulting fees of $173,865, and decrease in accounts receivable of $25,071 and increase in accounts payable and accrued expenses of $5,340.

We did not have any cash related to investing activities in the three months ended January 31, 2016 as compared to $31,810 of cash used in investment activities for the three months ended January 31, 2015 related to software development costs.

We have financed our operations since inception primarily through proceeds from equity financings and revenue derived from operations. During the three months ended January 31, 2016, we had $180,000 of net cash provided by financing activities which consisted of $680,000 in proceeds from the sale of 13,600,000 shares of our common stock and related warrants which amount was offset by payments of $500,000 on convertible notes. In the three months ended January 31, 2015, we had 1,010,000 in net cash provided from financing activities resulting from $935,000 in proceeds from the issuance of convertible notes and $75,000 from the sale of stock and warrants. Our continued operations will primarily depend on our ability to raise additional capital from various sources including equity and debt financings, as well as our revenue derived from operations. We can give no assurances that any additional capital that we are able to obtain will be sufficient to meet our needs or will be on favorable terms. Based on our current plans, we believe that our cash provided from the above sources may not be sufficient to enable us to meet our planned operating needs for the next 12 months.

We have based our estimate on assumptions that may prove to be wrong. We may need to obtain additional funds sooner or in greater amounts than we currently anticipate. Potential sources of financing include strategic relationships, public or private sales of our shares or debt and other sources. We may seek to access the public or private equity markets when conditions are favorable due to our long-term capital requirements. We do not have any committed sources of financing at this time, and it is uncertain whether additional funding will be available when we need it on terms that will be acceptable to us, or at all. If we raise funds by selling additional shares of common stock or other securities convertible into common stock, the ownership interest of our existing stockholders will be diluted. If we are not able to obtain financing when needed, we may be unable to carry out our business plan. As a result, we may have to significantly limit our operations and our business, financial condition and results of operations would be materially harmed.

ITEM 3.QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We do not hold any derivative instruments and do not engage in any hedging activities.

ITEM 4.CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the ‘‘Exchange Act’’). Disclosure controls and procedures include, without limitation, controls and other procedures that are designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms and (ii) accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on this evaluation, because of the Company’s limited resources and limited number of employees, management concluded that our disclosure controls and procedures were ineffective as of January 31, 2016.

Management has identified control deficiencies regarding the lack of segregation of duties and the need for a stronger internal control environment. Management of the Company believes that these material weaknesses are due to the small size of the Company’s accounting staff. The small size of the Company’s accounting staff may prevent adequate controls in the future, such as segregation of duties, due to the cost/benefit of such remediation.

To mitigate the current limited resources and limited employees, we rely heavily on direct management oversight of transactions, along with the use of external legal and accounting professionals. As we grow, we expect to increase our number of employees, which should enable us to implement adequate segregation of duties within the internal control framework.

These control deficiencies could result in a misstatement of account balances that would result in a reasonable possibility that a material misstatement to our consolidated financial statements may not be prevented or detected on a timely basis. In light of this material weakness, we performed additional analyses and procedures in order to conclude that our consolidated financial statements for the quarter ended January 31, 2016 , included in this Quarterly Report on Form 10-Q were fairly stated in accordance with US GAAP. Accordingly, management believes that despite our material weaknesses, our consolidated unaudited financial statements for the quarter ended January 31, 2016 are fairly stated, in all material respects, in accordance with US GAAP.

Limitations on Effectiveness of Controls and Procedures

Our management, including our principal executive officer and principal financial officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all errors and all fraud. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include, but are not limited to, the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, during our most recently completed fiscal quarter 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 August 17, 2015, the Company filed a Complaint in the Superior Court of the State of California, in San Diego County, California, against former employees Steven Marques, Sherry Marques and Sean Herschmiller as well as Ken Marques, Amozaio LLC, Mike O'Donnell, Bobbie Ayers, Showoff.com, Inc., Philip Bliss, Tom Klawsuc, and Perceptible Inc. ("Defendants"). The Complaint further alleges that the Defendants misappropriated confidential business information and proprietary and confidential trade secrets of the Company in setting up a rival business utilizing the Company's proprietary technology and current customers. The Complaint further alleges that the former employees Steven Marques, Sherry Marques and Sean Herschmiller breached their positions of trust and confidence and their duties of loyalty to the Company by using their positions with the company and information acquired in those positions to set up a business in direct competition with the Company, and the remaining Defendant's conspired with the Company's former employees to misappropriate and use the Company's confidential business information and solicit and attempt to steal clients from the Company. The Complaint seeks, among other things, (i) general and special damages in an amount to be proven at trial; (ii) punitive and exemplary damages in an amount sufficient to punish and deter such conduct; and (iii) a temporary restraining order and preliminary and permanent injunctions enjoining and retraining the Defendants from using or otherwise disclosing or distributing the Company's property or trade secrets.

Item 1A. Risk Factors.

As a "smaller reporting company" as defined by Item 10 of Regulation S-K, we are not required to provide information required by this item.

Item 2. Unregistered Sales of Equity Securities

1. See our Current Report on Form 8-K dated November 30, 2015 and filed on December 3, 2015.

2. See Item 5 of our Annual Report on Form 10-K for the year ended October 31, 2015 filed on February 18, 2016.

3. Effective March 1, 2016, we issued 421,500 shares of our common stock valued at $42,150 as payment for accrued interest on certain convertible promissory notes as requested by the note holders in accordance with contractual terms. We did not receive any proceeds for the issuance of these shares. The recipients of these shares represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed upon the stock certificates issued in these transactions. We relied on the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended and/or Rule 506 of Regulation D promulgated thereunder.

Item 3. Defaults Upon Senior Securities

There were no defaults upon senior securities during the quarter ended January 31, 2016.

Item 4. Mine Safety Disclosures

Not applicable

Item 5. Other Information

On December 10, 2015, a former employee returned 1,000,000 shares of its common stock with a value of $50,000 to the Company to resolve an outstanding dispute. These shares were initially returned to treasury and cancelled on March 7, 2016

Item 6. Exhibits.

Exhibit Number	Description
31.1	Certification of Chief Executive Officer **
31.2	Certification of Chief Financial Officer **
32.1	Certification of Chief Executive Officer and Chief Financial Officer**
101.INS	XBRL Instance Document**
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document**
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document**
101.LAB	XBRL Taxonomy Extension Label Linkbase Document**
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document**
101.SCH	XBRL Taxonomy Extension Schema Document**

** Furnished 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 to be signed on its behalf by the undersigned, thereunto duly authorized.

RealBiz Media Group, Inc.

/s/ Alex Aliksanyan
Alex Aliksanyan
President and Chief Executive Officer
March 16, 2016

/s/ Thomas M. Grbelja
Thomas M. Grbelja
Chief Financial Officer
March 16, 2016

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Name	Title	Date
/s/ Alex Aliksanyan Alex Aliksanyan	Chairman and Chief Executive Officer (Principal Executive Officer)	March 16, 2016
/s/ Thomas M. Grbelja Thomas M. Grbelja	Chief Financial Officer (Principal Financial Officer)	March 16, 2016

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Alex Aliksanyan., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of RealBiz Media Group, 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 presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, 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 financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) 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 involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 16, 2016

/s/ Alex Aliksanyan
Alex Aliksanyan
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Thomas M. Grbelja, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of RealBiz Media Group, 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 presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, 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 financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) 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 involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 16, 2016

/s/ Thomas M. Grbelja
Thomas M. Grbelja
Chief Financial Officer

Exhibit 32.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Alex Aliksanyan., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of RealBiz Media Group, Inc. on Form 10-Q for the period ended January 31, 2016 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of RealBiz Media Group, Inc.

Date: March 16, 2016

By: /s/ Alex Aliksanyan
Name: Alex Aliksanyan
Title: Chief Executive Officer

I, Thomas Grbelja, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of RealBiz Media Group, Inc. on Form 10-Q for the period ended January 31, 2016 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of RealBiz Media Group, Inc.

Date: March 16, 2016

By: /s/ Thomas M. Grbelja
Name: Thomas M. Grbelja
Title: Chief Financial Officer