UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended June 30, 2010

COMMISSION FILE NUMBER: 1-10104

UNITED CAPITAL CORP.

(Exact name of registrant as specified in its charter)

Delaware	**04-2294493**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
9 Park Place, Great Neck, NY	**11021**
(Address of principal executive offices)	(Zip Code)

516-466-6464
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ 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 smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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

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

The registrant had 8,999,591 shares of common stock, $.10 par value, outstanding as of August 9, 2010.

UNITED CAPITAL CORP. AND SUBSIDIARIES

Index

UNITED CAPITAL CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except per share data)

	June 30, 2010 (Unaudited)	December 31, 2009
ASSETS		
Current assets:		
Cash and cash equivalents	$ 117,958	$ 124,354
Marketable securities	23,062	25,227
Notes and accounts receivable, net	9,765	7,225
Inventories	4,574	4,450
Prepaid expenses and other current assets	1,982	2,066
Total current assets	157,341	163,322
Property, plant and equipment, net	7,384	8,088
Real property held for rental, net	93,087	92,900
Investment in joint venture	4,275	4,664
Noncurrent notes receivable	10,412	9,687
Other assets	4,989	4,597
Total assets	$ 277,488	$ 283,258
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current maturities of long-term debt	$ 1,082	$ 1,080
Accounts payable and accrued liabilities	10,521	10,134
Income taxes payable	2,079	4,658
Deferred income taxes	1,222	96
Total current liabilities	14,904	15,968
Long-term debt	31,331	32,915
Other long-term liabilities	13,958	14,817
Deferred income taxes	9,644	9,575
Total liabilities	69,837	73,275
Commitments and contingencies		
Stockholders' equity:		
Common stock, $.10 par value, authorized 17,500 shares; issued and outstanding 9,031 and 9,081 shares, respectively	903	908
Retained earnings	202,589	207,029
Accumulated other comprehensive income, net of tax	4,159	2,046
Total stockholders' equity	207,651	209,983
Total liabilities and stockholders' equity	$ 277,488	$ 283,258

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

UNITED CAPITAL CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Revenues:				
Revenues from real estate operations	$ 12,329	$ 8,497	$ 24,876	$ 16,449
Net sales	7,649	5,201	15,237	10,985
Total revenues	19,978	13,698	40,113	27,434
Costs and expenses:				
Cost of sales	5,756	4,290	11,397	8,802
Real estate operations:				
Mortgage interest expense	501	520	1,039	1,052
Depreciation expense	1,228	960	2,463	1,900
Other operating expenses	6,908	3,793	13,649	7,776
General and administrative expenses	2,090	1,672	3,683	3,462
Selling expenses	789	743	1,579	1,561
Total costs and expenses	17,272	11,978	33,810	24,553
Operating income	2,706	1,720	6,303	2,881
Other income (expense):				
Interest and dividend income	906	827	1,805	1,662
Other income and (expense), net	1,377	124	1,372	15
Total other income	2,283	951	3,177	1,677
Income from continuing operations before income taxes	4,989	2,671	9,480	4,558
Provision for income taxes	1,450	988	2,824	1,681
Income from continuing operations	3,539	1,683	6,656	2,877
Discontinued operations:				
Loss from discontinued operations, net of tax benefit of $37 and $89, respectively	—	(57)	—	(134)
Impairment of property held for sale, net of tax benefit of $260	—	(390)	—	(390)
Loss from discontinued operations	—	(447)	—	(524)
Net income	$ 3,539	$ 1,236	$ 6,656	$ 2,353
Basic earnings per share:				
Income from continuing operations	$ .39	$ .19	$ .73	$ .33
Loss from discontinued operations	—	(.05)	—	(.06)
Net income per share	$ .39	$ .14	$ .73	$ .27
Diluted earnings per share:				
Income from continuing operations	$ .37	$ .17	$ .68	$ .30
Loss from discontinued operations	—	(.04)	—	(.06)
Net income per share assuming dilution	$ .37	$ .13	$ .68	$ .24

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

UNITED CAPITAL CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009
Cash flows from operating activities:		
Net income	$ 6,656	$ 2,353
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,726	2,091
Impairment of property held for sale, net of tax	—	390
Net (gain) loss on available-for-sale securities	(1,386)	104
Net realized gains on derivative instruments	—	(139)
Deferred income taxes	57	(382)
Other, net	(21)	354
Changes in assets and liabilities:		
Notes and accounts receivable, net	(1,959)	1,864
Inventories	(124)	1,791
Prepaid expenses and other current assets	84	140
Other assets	(385)	(109)
Accounts payable and accrued liabilities	387	(1,930)
Income taxes payable	(2,579)	4,739
Other long-term liabilities	(859)	(311)
Net cash provided by operating activities of continuing operations	2,597	10,955
Operating activities of discontinued operations	—	194
Net cash provided by operating activities	2,597	11,149
Cash flows from investing activities:		
Purchase of available-for-sale securities	—	(3,939)
Proceeds/maturities from sale of available-for-sale securities	5,473	376
Proceeds from sale of derivative instruments	—	135
Purchase of notes receivable	—	(5,428)
Principal payments on notes receivable	23	22
Acquisition of property, plant and equipment	(277)	(453)
Acquisition of/additions to real estate assets	(1,918)	(1,112)
Distributions from joint venture	389	389
Net cash provided by (used in) investing activities	3,690	(10,010)
Cash flows from financing activities:		
Principal payments on mortgage obligations	(1,582)	(2,217)
Purchase and retirement of common stock	(23,594)	(180)
Proceeds from exercise of stock options	7,387	4,359
Tax benefit from exercise of stock options	5,106	1,529
Net cash (used in) provided by financing activities	(12,683)	3,491
Net (decrease) increase in cash and cash equivalents	(6,396)	4,630
Cash and cash equivalents, beginning of period	124,354	138,142
Cash and cash equivalents, end of period	$ 117,958	$ 142,772
Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Interest	$ 1,019	$ 1,039
Taxes	$ 839	$ 600

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

(In thousands, except per share data)

1. BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X, as promulgated by the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all information and footnotes required by GAAP for complete financial statements.

In the opinion of management, all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results for the interim periods presented have been recorded. These financial statements have been prepared in conformity with the accounting principles, and methods of applying those accounting principles, as reflected in the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2009 and should be read in conjunction therewith. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

2. STOCKHOLDERS' EQUITY

Previous purchases of the Company's common stock have reduced the Company's additional paid-in-capital to zero and have also reduced retained earnings by amounts in excess of par value. Any future purchases in excess of par value will also reduce retained earnings.

Repurchases of the Company's common stock may be made from time to time in the open market at prevailing market prices and may be made in privately negotiated transactions, subject to available resources. Future proceeds from the issuance of common stock in excess of par value will be credited to retained earnings until such time that previously recorded reductions have been recovered. During the six months ended June 30, 2010 and 2009, the Company received proceeds of $7,387 and $4,359 from the exercise of options to purchase 918 and 620 shares of the Company's common stock, respectively. During the six months ended June 30, 2010 and 2009, the Company recorded a tax benefit of $5,106 and $1,529, respectively, to retained earnings related to such exercises.

During the six months ended June 30, 2010 and 2009, the Company purchased and retired 968 and 11 shares of common stock for an aggregate purchase price of $23,594 and $180, respectively.

3. EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share from continuing operations:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Numerator:				
Income from continuing operations	$ 3,539	$ 1,683	$ 6,656	$ 2,877
Denominator:				
Basic – weighted-average shares outstanding	9,047	9,076	9,057	8,877
Dilutive effect of employee stock options	559	806	755	764
Diluted – weighted-average shares outstanding	9,606	9,882	9,812	9,641
Basic earnings per share – continuing operations	$ .39	$ .19	$ .73	$ .33
Diluted earnings per share – continuing operations	$ .37	$ .17	$ .68	$ .30

Potentially dilutive securities related to outstanding options to purchase 740 shares of the Company's common stock for the three and six months ended June 30, 2009, respectively, were excluded from the computation of diluted earnings per share because their effect would have been anti-dilutive.

4. STOCK-BASED COMPENSATION

The Company has two stock option plans, the Incentive and Non-Qualified Stock Option Plan and the 1988 Joint Incentive and Non-Qualified Stock Option Plan, under which qualified and non-qualified options may be granted to key employees to purchase the Company's common stock at the fair market value on the date of grant. Under both plans, the options typically become exercisable in three equal installments, beginning one year from the date of grant. Stock options generally expire ten years from the date of grant. Currently, there are no options available for grant under these plans.

As of June 30, 2010 and December 31, 2009, the Company had outstanding options to purchase 2,267 and 3,185 shares with a weighted-average exercise price of $15.26 and $13.18 per share, respectively. As of June 30, 2010, these options had a weighted-average remaining contractual term of 2.0 years and an aggregate intrinsic value of $20,751. The aggregate intrinsic value represents the difference between the Company's closing stock price on June 30, 2010 ($24.41) and the exercise price of each option, multiplied by the number of "in-the-money" options. This amount changes based upon the fair market value of the Company's common stock.

5. MARKETABLE SECURITIES

The cost, gross unrealized gains, gross unrealized losses and fair market value of available-for-sale securities are as follows:

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
June 30, 2010:				
Equity securities	$ 16,592	$ 7,149	$ (791)	$ 22,950
Bonds	72	42	(2)	112
	$ 16,664	$ 7,191	$ (793)	$ 23,062
December 31, 2009:				
Equity securities	$ 21,860	$ 4,239	$ (1,128)	$ 24,971
Bonds	220	41	(5)	256
	$ 22,080	$ 4,280	$ (1,133)	$ 25,227

Proceeds/maturities from the sale of available-for-sale securities, as well as the gains and losses recognized in earnings on available-for-sale securities, included in the determination of net income are as follows:

	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009
Proceeds/maturities	$ 5,473	$ 376
Gains recognized in earnings	$ 1,386	$ —
Losses recognized in earnings	$ —	$ (104)

6. INVENTORIES

The components of inventories are as follows:

	June 30, 2010	December 31, 2009
Raw materials	$ 1,923	$ 1,817
Work in process	431	529
Finished goods	2,220	2,104
	$ 4,574	$ 4,450

7. REAL ESTATE

Property sales

The results of operations of properties sold prior to June 30, 2010 have been reclassified to discontinued operations, on a net of tax basis, for the three and six months ended June 30, 2009. Summarized financial information of these properties is as follows:

	Three Months Ended June 30, 2009	Six Months Ended June 30, 2009
Revenues	$ 59	$ 123
Depreciation expense	97	194
Other operating expenses	56	152
Loss from operations	$ (94)	$ (223)

During the six months ended June 30, 2009, the Company recognized a non-cash impairment charge amounting to $390, on a net of tax basis, on the carrying value of a property sold during September 2009.

Properties held for sale

As of June 30, 2010, there were no properties considered by the Company to be held for sale.

8. FAIR VALUE MEASUREMENTS

The following table sets forth the Company's financial assets and liabilities that were measured at fair value on a recurring basis, by level, within the fair value hierarchy:

	Fair Value Measurements at Reporting Date Using			
	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
June 30, 2010:				
Equity securities	$ 22,950	$ 21,215	$ 1,735	$ —
Bonds	112	107	5	—
	$ 23,062	$ 21,322	$ 1,740	$ —
December 31, 2009:				
Equity securities	$ 24,971	$ 22,782	$ 2,189	$ —
Bonds	256	251	5	—
	$ 25,227	$ 23,033	$ 2,194	$ —

The carrying amount of financial instruments such as cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their fair value due to the short-term maturity of such items. The estimated fair value of the Company's other financial assets and liabilities not measured at fair value on a recurring basis at June 30, 2010 and December 31, 2009 are as follows:

	June 30, 2010		December 31, 2009	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Notes receivable	$ 5,034	$ 5,895	$ 5,057	$ 6,024
Note receivable – non-performing	$ 5,428	$ 5,428	$ 5,428	$ 5,428
Long-term debt, including current portion	$ 32,413	$ 27,786	$ 33,995	$ 30,847

The fair value of notes receivable is estimated using discounted cash flow analyses, with interest rates comparable to loans with similar terms and borrowers of similar credit quality. In May 2009, the Company purchased a non-performing mortgage note for $5,428 encumbering a property located in Jericho, New York which is subject to a pending foreclosure action. Management believes that the fair value of the note approximates its carrying amount. Upon foreclosure, such amounts will be reclassified to real property held for rental. The fair value of long-term debt is estimated based on interest rates available for debt with terms and due dates similar to the Company's existing debt arrangements.

9. PENSION PLAN

The Company has a noncontributory defined benefit pension plan that covers substantially all full-time employees of the engineered products and real estate investment and management segments. The plan, which provides defined benefits based on years of service and compensation level, was frozen in September 2009, ceasing the accrual of further benefits.

Net periodic pension income (cost) consists of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Service cost	$ (15)	$ (61)	$ (30)	$ (141)
Interest cost	(171)	(189)	(343)	(379)
Expected return on plan assets	195	134	394	272
Amortization of net loss	—	(61)	—	(122)
Net periodic pension income (cost)	$ 9	$ (177)	$ 21	$ (370)

During the first quarter of 2010, the Company contributed $650 to the pension plan.

10. COMPREHENSIVE INCOME

The components of comprehensive income are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net income	$ 3,539	$ 1,236	$ 6,656	$ 2,353
Other comprehensive (loss) income, net of tax:				
Change in net unrealized (loss) gain on available-for-sale securities, net of tax effect of $97, ($1,891), ($1,623) and ($1,365), respectively	(178)	3,511	3,014	2,536
Reclassification adjustment for net (gains) losses realized in net income, net of tax effect of $485, $485 and ($36), respectively	(901)	—	(901)	68
Comprehensive income	$ 2,460	$ 4,747	$ 8,769	$ 4,957

Accumulated other comprehensive income included as a component of stockholders' equity at June 30, 2010 and December 31, 2009 consists of net unrealized gains on available-for-sale securities of $4,159 and $2,046, which are net of $2,239 and $1,101 of tax, respectively.

11. BUSINESS SEGMENTS

The Company operates through three business segments: real estate investment and management, hotel operations and engineered products. The real estate investment and management segment is engaged in the business of investing in and managing real estate properties located throughout the United States. The hotel operations segment owns and operates four hotels located in the United States. Engineered products are manufactured through wholly-owned subsidiaries of the Company and primarily consist of knitted wire products and components and transformer products sold worldwide.

The accounting policies of the Company's segments are the same as those described in the Summary of Significant Accounting Policies included in the Notes to Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2009.

Operating results of the Company's business segments are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	**2009**	**2010**	**2009**
Net revenues and sales:				
Real estate investment and management	$ 5,323	$ 5,068	$ 10,301	$ 9,904
Hotel operations	7,006	3,429	14,575	6,545
Engineered products	7,649	5,201	15,237	10,985
	$ 19,978	$ 13,698	$ 40,113	$ 27,434
Operating income (loss):				
Real estate investment and management	$ 3,059	$ 3,211	$ 6,111	$ 6,136
Hotel operations	633	13	1,614	(415)
Engineered products	338	(555)	796	(874)
General corporate expenses	(1,324)	(949)	(2,218)	(1,966)
	2,706	1,720	6,303	2,881
Other income	2,283	951	3,177	1,677
Income from continuing operations before income taxes	$ 4,989	$ 2,671	$ 9,480	$ 4,558

12. COMMITMENTS AND CONTINGENCIES

The Company has undertaken the completion of environmental studies and/or remedial action at its two New Jersey facilities and has recorded a liability for the estimated investigation, remediation and administrative costs associated therewith.

The process of remediation has begun at one facility pursuant to a plan filed with the New Jersey Department of Environmental Protection ("NJDEP"). Management's assessment, based on estimates from environmental contractors, is that under the most probable scenario, the remediation of this site is anticipated to require initial expenditures of $860, including the cost of capital equipment, and $86 in annual operating and maintenance costs over a 15 year period.

Environmental studies at the second facility indicate that remediation may be necessary. Based upon the facts presently available, management's assessment, based on estimates from environmental contractors, is that under the most probable remediation scenario, the estimated cost to remediate this site is anticipated to require $2,300 in initial costs, including capital equipment expenditures, and $258 in annual operating and maintenance costs over a 10 year period. These estimated costs of future expenses for environmental remediation obligations are not discounted to their present value. The Company may revise such estimates in the future due to the uncertainty regarding the nature, timing and extent of any remediation efforts that may be required at this site, should an appropriate regulatory agency deem such efforts to be necessary.

The foregoing estimates may also be revised by the Company as new or additional information in these matters become available or should the NJDEP or other regulatory agencies require additional or alternative remediation efforts in the future. Although such events are not expected to change these estimates, adverse decisions or events, particularly as to the merits of the Company's factual and legal basis, could cause the Company to change its estimate of liability with respect to such matters in the future. The Company had approximately $8,600 and $8,800 recorded in accounts payable and accrued liabilities and other long-term liabilities at June 30, 2010 and December 31, 2009, respectively, to cover such matters.

The Company has an employment agreement with its Chairman, President and Chief Executive Officer (the "Officer") which provides for a base salary of $800 per annum plus a discretionary bonus as determined by the Compensation and Stock Option Committee of the Board of Directors. In the event of termination or a change in control, as defined in the employment agreement, the Company is required to pay the Officer a lump sum severance payment equal to three years salary and purchase outstanding options. The employment agreement contains noncompetition, non-solicitation, and confidentiality provisions which apply for one-year after cessation of employment and also provides for successive one-year terms, unless either the Company or the Officer gives the other written notice that the employment agreement is terminated, and also provides a death benefit which the Company secures through an insurance policy.

The Company is subject to various other litigation, legal and regulatory matters that arise in the ordinary course of business activities. When management believes it is probable that a liability has been incurred and such amounts are reasonably estimable, the Company provides for amounts that include judgments and penalties that may be assessed. These liabilities are usually included in accounts payable and accrued liabilities or other long-term liabilities in the Condensed Consolidated Financial Statements, depending on the anticipated payment date. Based on the facts presently available, the Company does not believe that the disposition of matters that are pending or asserted will have a material adverse effect on the Company’s consolidated financial position or results of operations. However, new or additional facts or an adverse judgment by a court, arbitrator or a settlement could adversely impact the Company’s results of operations in any given period.

13. USE OF ESTIMATES

The preparation of consolidated financial statements in conformity with GAAP requires management to use judgment in making estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. Certain of the estimates and assumptions required to be made relate to matters that are inherently uncertain as they pertain to future events. While management believes that the estimates and assumptions used were the most appropriate, actual results could differ significantly from those estimates under different assumptions and conditions.

14. RECLASSIFICATIONS

Certain prior year amounts have been reclassified to present them on a basis consistent with the current year.

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

(In thousands, except per share data or as otherwise noted)

The following discussion should be read in conjunction with the Condensed Consolidated Financial Statements of United Capital Corp. (the “Company”) and related notes thereto.

RESULTS OF OPERATIONS: THREE AND SIX MONTHS ENDED JUNE 30, 2010 AND 2009

Total revenues were $19,978 and $40,113 for the second quarter and first half of 2010, reflecting increases of $6,280 and $12,679, respectively, compared to the corresponding periods of 2009. These increases were primarily a result of the acquisition of a hotel in August 2009 and significant increases in net sales of the engineered products segment. Operating income also benefited from the increases in revenues, growing $986 or 57% for the three months ended June 30, 2010 and $3,422 or 119% for the six months ended June 30, 2010, compared to the same 2009 periods. Net income increased $2,303 or 186% to $3,539 for the second quarter, compared to the second quarter of 2009. On a per share basis, net income was $.39 per basic share for the three months ended June 30, 2010, compared to $.14 per basic share for the comparable 2009 quarter. For the six months ended June 30, 2010, net income was $6,656 or $.73 per basic share, an increase of $4,303 or 183%, compared to the corresponding period of 2009.

REAL ESTATE OPERATIONS

The Company’s real estate operations consist of the real estate investment and management and hotel operations segments. The operating results for these segments are as follows:

	Three Months Ended June 30, 2010			Six Months Ended June 30, 2010		
	Real Estate	Hotel Operations	Total	Real Estate	Hotel Operations	Total
Revenues	$ 5,323	$ 7,006	$ 12,329	$ 10,301	$ 14,575	$ 24,876
Mortgage interest expense	86	415	501	176	863	1,039
Depreciation expense	608	620	1,228	1,217	1,246	2,463
Other operating expenses	1,570	5,338	6,908	2,797	10,852	13,649
Income from operations	$ 3,059	$ 633	$ 3,692	$ 6,111	$ 1,614	$ 7,725

	Three Months Ended June 30, 2009			Six Months Ended June 30, 2009		
	Real Estate	Hotel Operations	Total	Real Estate	Hotel Operations	Total
Revenues	$ 5,068	$ 3,429	$ 8,497	$ 9,904	$ 6,545	$ 16,449
Mortgage interest expense	37	483	520	97	955	1,052
Depreciation expense	570	390	960	1,125	775	1,900
Other operating expenses	1,250	2,543	3,793	2,546	5,230	7,776
Income (loss) from operations	$ 3,211	$ 13	$ 3,224	$ 6,136	$ (415)	$ 5,721

Real Estate Investment and Management

Revenues from the real estate investment and management segment increased $255 or 5% to $5,323 for the quarter ended June 30, 2010 and $397 or 4% to $10,301 for the six months ended June 30, 2010, compared to the corresponding periods of 2009. These increases are primarily due to additional revenues ($113 and $226 for the three and six month periods, respectively) from a property purchased in the fourth quarter of the prior year. In addition, the Company recognized additional revenues ($106) related to percentage rents during the current quarter and six month period, compared to prior year periods. Revenues from the Company's real estate portfolio are generally derived from properties with single tenant, long-term leases. Therefore, rental revenues recognized under GAAP do not fluctuate significantly; however, future rental revenues could be affected by lease renewals, terminations and by the purchase or sale of additional properties.

Mortgage interest expense increased $49 and $79 for the three and six months ended June 30, 2010, compared to that reported in the corresponding periods of 2009. These increases are primarily the result of additional interest from a mortgage associated with a property acquired in the fourth quarter of 2009, partially offset by reduced mortgage interest from a mortgage that matured during the first quarter of 2009 and from continuing mortgage amortization. As a result of this activity, mortgage interest expense from the Company's real estate investment and management segment for 2010 will continue to be higher than that reported for the corresponding periods of 2009.

Depreciation expense associated with real properties held for rental increased $38 for the quarter and $92 for the six months ended June 30, 2010, compared to the corresponding 2009 periods, primarily attributable to depreciation expense ($44 and $103 for the three and six month periods, respectively) related to additions to real estate assets during the previous year. As a result of the purchase of a commercial property in November 2009, depreciation expense on the Company's properties for each of the quarters and full year of 2010 should be higher than that reported in the corresponding 2009 periods.

Other operating expenses associated with the management of real properties increased $320 for the quarter and $251 for the first half of 2010, compared to the corresponding 2009 periods. The increase for the quarterly period primarily relates to increases in property maintenance ($91), which is the result of the timing of certain repairs and renovations, professional fees ($74), payroll and payroll related expenses ($68) and real estate taxes ($62). For the six month period, the increase primarily relates to increases in real estate taxes ($75), professional fees ($68), payroll and payroll related expenses ($68) and the cost of utilities ($63). Future operating expenses of the Company's real estate properties may vary as a result of property age, location, and vacancies.

Hotel Operations

Hotel revenues increased $3,577 or 104% to $7,006 for the quarter ended June 30, 2010 and $8,030 or 123% to $14,575 for the six months ended June 30, 2010, compared to the corresponding periods of 2009. These increases primarily relate to additional revenues ($3,126 and $7,455 for the quarter and six month periods, respectively) resulting from the August 2009 acquisition of a hotel located in Miami, Florida (the "Miami Hotel"). In addition, the Company's hotel located in Windsor Locks, Connecticut, experienced increased food and beverage revenue ($183 and $345 for the quarter and six month periods, respectively) from its new restaurant concept which was opened during the fourth quarter of 2009. Reported hotel revenues for each of the quarters and for the full year of 2010, as compared to the corresponding periods of 2009, are expected to increase due to the acquisition of the Miami Hotel.

Mortgage interest expense related to the Company's hotel properties decreased $68 for the second quarter of 2010 and $92 for the six months ended June 30, 2010, compared to the corresponding periods of 2009. These decreases primarily result from a reduction in mortgage interest associated with refinancing the mortgage on the Company's Atlanta, Georgia hotel in March, 2010. The Company paid $1,000 of the outstanding balance and reduced the interest rate from 6.57% to 4.5% per annum. The refinancing did not change the maturity date which remains January 2018. As a result, without additional refinancings or borrowings, 2010 mortgage interest should be lower in each of the quarters, than reported during the corresponding periods of 2009.

Depreciation expense associated with the Company's hotel operations increased $230 for the three months ended June 30, 2010 and $471 for the first half of 2010, compared to the corresponding 2009 periods, primarily attributable to additional depreciation expense ($213 and $421 for the quarter and six month periods, respectively) related to the Miami Hotel acquired in August 2009. As a result of this acquisition, depreciation expense for the full year of 2010 should be higher than that reported in 2009.

Other operating expenses related to the management of the Company's hotels increased $2,795 to $5,338 for the second quarter and $5,622 to $10,852 for the first half of 2010, compared to the corresponding 2009 periods. These increases are primarily due to the additional operating expenses ($2,568 and $5,532 for the quarter and six month periods, respectively) from the Miami Hotel. At the Company's other hotels, fluctuations in operating expenses resulted from the corresponding variances in revenues at the respective property.

ENGINEERED PRODUCTS

The operating results of the engineered products segment are as follows:

	Three Months Ended June 30,		**Six Months Ended June 30,**	
	2010	**2009**	**2010**	**2009**
Net sales	$ 7,649	$ 5,201	$ 15,237	$ 10,985
Cost of sales	5,756	4,290	11,397	8,802
Selling, general and administrative expenses	1,555	1,466	3,044	3,057
Operating income (loss)	$ 338	$ (555)	$ 796	$ (874)

Net sales of the engineered products segment increased $2,448 or 47% for the three months ended June 30, 2010 and $4,252 or 39% for the six months ended June 30, 2010, compared with the results of the corresponding 2009 periods. These increases are primarily related to increased demand for the Company's automotive product line, as well as increases in the engineered and transformer product lines. The increase in the automotive product line is primarily due to increased demand of the Company's airbag products. Sales of this segment are directly influenced by general economic conditions, worldwide automotive demand, and industrial capital spending. Management remains cautiously optimistic that results will continue to improve as the economy improves.

Cost of sales as a percentage of net sales decreased 7.2% and 5.3% for the second quarter and first half of 2010, respectively, compared to the corresponding periods of 2009. These declines are primarily attributable to the significant increase in net sales, noted above, which led to higher absorption of incurred manufacturing costs.

Selling, general and administrative expenses of the engineered products segment increased $89 or 6.1% for the three months ended June 30, 2010 and decreased less than 1% for the six months ended June 30, 2010, compared to the corresponding 2009 periods. The increase for the quarterly period is primarily related to an increase in professional fees ($64).

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses not associated with the manufacturing operations increased $375 for the quarter ended June 30, 2010 and $252 for the first half of 2010, compared to such expenses incurred in the comparable 2009 periods, primarily attributable to increases in payroll and payroll related costs ($287 and $317 for the three and six month periods, respectively) and professional fees ($217 and $189 for the three and six month periods, respectively). These increases are partially offset by a decrease in net periodic pension cost ($186 and $391 for the three and six month periods, respectively) in the current year.

OTHER INCOME AND EXPENSE, NET

The components of other income and (expense), net in the Condensed Consolidated Statements of Income are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net gain (loss) on available-for-sale securities	$ 1,386	$ —	$ 1,386	$ (104)
Net realized gains on derivative instruments	—	134	—	139
Other, net	(9)	(10)	(14)	(20)
	$ 1,377	$ 124	$ 1,372	$ 15

DISCONTINUED OPERATIONS

Losses from operations on properties sold and accounted for as discontinued operations were ($57) and ($134), on a net of tax basis, for the three and six months ended June 30, 2009. Such amounts have been reclassified to reflect results of operations of real estate properties sold during 2009 as discontinued operations. During the six months ended June 30, 2009, the Company recognized a non-cash impairment charge amounting to $390, on a net of tax basis, on the carrying value of a property sold during September 2009. The Company did not consider any of its properties to be held for sale as of June 30, 2010 and no properties have been sold during the six months ended June 30, 2010.

LIQUIDITY AND CAPITAL RESOURCES

Net cash provided by operating activities was $2,597 in the six months ended June 30, 2010 versus $11,149 in the comparable 2009 period. This decrease in operating cash flow results primarily from tax refunds received in the prior year ($4,163) and working capital changes, including growth in notes and accounts receivable, net ($3,823), inventory ($1,915) and income taxes ($3,155), exclusive of the refund, and partially offset by growth in accounts payable and accrued liabilities ($2,317).

Net cash provided by investing activities was $3,690 for the six months ended June 30, 2010, as compared to net cash used in investing activities of $10,010 for the same period of 2009. This change primarily results from the timing of the purchase or sale of available-for-sale securities ($9,036) and cash used in 2009 for the purchase of a note receivable ($5,428).

Net cash used in financing activities was $12,683 for the six months ended June 30, 2010, compared to net cash provided by financing activities of $3,491 in the corresponding 2009 period. This change results from an increase in the purchase and retirement of common stock ($23,414) during the first half of 2010. Proceeds from the exercise of stock options ($3,028) and the related tax benefit ($3,577), as well as a reduction in principal payments on mortgage obligations ($635), offset the additional cash used to repurchase the Company's outstanding stock.

Previous purchases of the Company’s common stock have reduced the Company’s additional paid-in capital to zero and have also reduced retained earnings by amounts in excess of par value. Any future purchases in excess of par value will also reduce retained earnings. Repurchases of the Company’s common stock may be made from time to time in the open market at prevailing market prices and may be made in privately negotiated transactions, subject to available resources. Future proceeds from the issuance of common stock in excess of par value will be credited to retained earnings until such time that previously recorded reductions have been recovered.

During the remainder of this calendar year, the Company anticipates investing approximately $7,000 in additional renovations and improvements to the Miami Hotel.

At June 30, 2010, the Company’s cash and marketable securities totaled $141.0 million and working capital was $142.4 million compared to cash and marketable securities of $149.6 million and working capital of $147.4 million at December 31, 2009. While there has been a decline in the value of certain real estate properties in the United States, real estate prices could drop even further. Management has limited acquisitions to those select properties that meet the Company's stringent financial requirements. Management believes that opportunities to acquire additional properties at favorable prices may be available in the future and the Company’s available working capital provides a considerable advantage to fund acquisitions and grow its portfolio, if and when attractive long-term opportunities become available. The tightened credit market however, could limit the Company’s ability to leverage future acquisitions.

The equity method of accounting is used for investments in 20% to 50% owned joint ventures in which the Company has the ability to exercise significant influence, but not control. These investments are recorded initially at cost and subsequently adjusted for equity in earnings and cash contributions and distributions. The debt of the joint venture in which the Company currently has an ownership interest is a non-recourse obligation and is collateralized by the entity’s real property. The Company believes that the value of the underlying property and its operating cash flows are sufficient to satisfy its obligations. The Company is not obligated for the debts of the joint venture, but could decide to satisfy them in order to protect its investment. In such event, the Company’s capital resources and financial condition would be reduced and, in certain instances, the carrying value of the Company’s investment and its results of operations would be negatively impacted.

The cash needs of the Company have been satisfied from funds generated by current operations. It is expected that future operational cash needs will also be satisfied from existing cash balances, marketable securities, ongoing operations or borrowings. The primary source of capital to fund additional real estate acquisitions and to make additional high-yield mortgage loans may come from existing funds, the sale, financing and refinancing of the Company’s properties and from third party mortgages and purchase money notes obtained in connection with specific acquisitions.

In addition to the acquisition of properties for consideration consisting of cash and mortgage financing proceeds, the Company may acquire real properties in exchange for the issuance of the Company’s equity securities. The Company may also finance acquisitions of other companies in the future with borrowings from institutional lenders and/or the public or private offerings of debt or equity securities. The Company currently has no agreements, commitments or understandings with respect to the acquisition of real properties or other companies in exchange for its equity or debt securities.

Funds of the Company in excess of that needed for working capital, purchasing real estate and arranging financing for real estate acquisitions are invested by the Company in corporate equity securities, corporate notes, certificates of deposit, government securities and other financial instruments. Although these excess funds are invested in investment grade securities, they are subject to significant fluctuations in fair value due to the volatility of the stock market and changes in general economic conditions. Changes in U.S. interest rates affect the interest earned on the Company’s cash and cash equivalent balances and other interest bearing investments. Given the level of cash and other interest bearing investments held by the Company, changes in U.S. interest rates could impact the Company’s earnings.

The Company manufactures its products in the United States and Mexico and sells its products in those markets as well as in Europe, South America and Asia. As a result, the Company’s operating results could be affected by factors such as changes in foreign currency exchange rates or weak economic conditions in the foreign markets in which the Company distributes its products. Most of the Company’s sales are denominated in U.S. dollars. Net sales of the Company’s engineered products segment denominated in Euros were 7.8% and 8.6% for the three and six months ended June 30, 2010 and 12.5% and 10.3% for the three and six months ended June 30, 2009, respectively. As such, a portion of the Company's receivables are exposed to fluctuations with the U.S. dollar. However, the Company does not believe this risk to be material to its overall financial position as the Company's historical results have not been significantly impacted by foreign exchange gains or losses. Accordingly, the Company has not entered into forward exchange contracts to hedge this exposure. If such exposure increased in the future, the Company may reexamine this practice to minimize the associated risks.

While there have been signs of improvement in the U.S. economy, the current global economic weakness and high unemployment continue to pressure results of the Company's engineered products and hotel segments. These factors are expected to continue to impact the Company throughout the year. While the depth and duration of the current negative economic environment and its impact on the Company are uncertain, management believes the Company's strong balance sheet together with the significant cash flow generated from its core real estate portfolio, should allow the Company to weather this downturn.

The plan assets of the Company's defined benefit pension plan are valued at fair value using quoted market prices. Investments, in general, are subject to various risks, including credit, interest and overall market volatility. During September 2009, the pension plan was frozen, ceasing the accrual of further benefits. The plan is currently in a funded status, however market fluctuations will continue to effect the need for, and amount of, future contributions.

The Company has undertaken the completion of environmental studies and/or remedial action at the Company's two New Jersey facilities and has recorded a liability for the estimated investigation, remediation and administrative costs associated therewith. See Note 12 of Notes to Condensed Consolidated Financial Statements for further discussion of this matter.

The Company is subject to various other litigation, legal, regulatory and tax matters that arise in the ordinary course of business activities. When management believes it is probable that liabilities have been incurred and such amounts are reasonably estimable, the Company provides for amounts that include judgments and penalties that may be assessed. These liabilities are usually included in accounts payable and accrued liabilities or other long-term liabilities in the Condensed Consolidated Financial Statements, depending on the anticipated payment date. Based on the facts presently available, the Company does not believe that the disposition of matters that are pending or asserted will have a material adverse effect on the Company's consolidated financial position or results of operations. However, new or additional facts or an adverse judgment by a court, arbitrator or a settlement could adversely impact the Company's results of operations in any given period.

CRITICAL ACCOUNTING POLICIES AND MANAGEMENT ESTIMATES

The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires management to use judgment in making estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. Certain of the estimates and assumptions required to be made relate to matters that are inherently uncertain as they pertain to future events. While management believes that the estimates and assumptions used were the most appropriate, actual results could differ significantly from those estimates under different assumptions and conditions.

Refer to the Company's 2009 Annual Report on Form 10-K for a discussion of the Company's critical accounting policies, which include revenue recognition and accounts receivable, marketable securities, inventories, real estate, discontinued operations, long-lived assets and pension plans. There were no material changes to the Company's critical accounting policies during the three months ended June 30, 2010.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable, as the Company is a smaller reporting company.

ITEM 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(e) and 15d-15(e). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective as of the end of the period covered by this report.

The Company's internal control over financial reporting is a process designed by, or under the supervision of, the Chief Executive Officer and Chief Financial Officer and effected by the Company's Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of the Company's financial statements for external purposes in accordance with generally accepted accounting principles (United States). Internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the Company's assets, provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Company's financial statements in accordance with generally accepted accounting principles (United States), and that the Company's receipts and expenditures are being made only in accordance with the authorization of the Company's Board of Directors and management, and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Company's financial statements.

There have been no changes in the Company's internal controls over financial reporting during the quarter ended June 30, 2010 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In May 2008, an insurance company for one of the Company's subsidiaries, purchased as part of a bankruptcy reorganization, filed suit in Supreme Court of the State of New York against such entity's other insurance companies seeking, among other things, contribution for insurance settlements from carriers, some of which now claim to be exhausted. The complaint also names the Company's subsidiary and several underlying claimants with whom such settlements were reached. The action challenges the exhaustion of the underlying policies and seeks contribution as well as a declaration of the rights, duties and liabilities of the parties under the insurance policies. In June 2008, the Company removed the action to the U.S. Court for the Southern District of New York. Plaintiffs and certain defendants contested the removal. In October 2008, a stipulation was reached to remand certain issues to State Court while staying the remaining issues in Federal Court. Plaintiffs have also agreed to dismiss the underlying claimants. In February 2009, the Company succeeded on a motion for summary judgment against one of the primary insurance companies who claimed exhaustion. The insurance company was ordered to defend the underlying actions and reimburse certain costs to the other carriers. This decision was appealed by the carrier in April 2009. In July 2009, the Company asked the lower court for leave to amend its complaint to correct a procedural deficiency. The lower court granted such leave, but withdrew its earlier summary judgment motion, pending a rehearing of the matter, rendering the appeal moot. The lower court, however, stayed the defense obligations, pending a decision based on a new hearing held in September 2009. In March 2010, another of the insurance companies filed a motion for summary judgment relating to coverage allocations which was decided in July, 2010. Similar motions were filed by other carriers which are currently scheduled to be heard in September of this year. Certain matters were remanded to federal court and are currently scheduled to be heard later this month. The Company intends to continue to vigorously defend all actions in this matter. The Company is subject to various other litigation, legal and regulatory matters that arise in the ordinary course of business activities. When management believes it is probable that a liability has been incurred and such amounts are reasonably estimable, the Company provides for amounts that include judgments and penalties that may be assessed. These liabilities are usually included in accounts payable and accrued liabilities or other long-term liabilities in the Condensed Consolidated Financial Statements, depending on the anticipated payment date. Based on the facts presently available, the Company does not believe that the disposition of matters that are pending or asserted will have a material adverse effect on the Company's consolidated financial position or results of operations. However, new or additional facts or an adverse judgment by a court, arbitrator or a settlement could adversely impact the Company's results of operations in any given period.

ITEM 1A. RISK FACTORS

The significant factors known to the Company that could materially effect the Company's business, financial position or results of operations are set forth under Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2009, which are incorporated herein by reference.

FORWARD-LOOKING STATEMENTS

Certain statements in this Report on Form 10-Q and other statements made by the Company or its representatives that are not strictly historical facts are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995 that should be considered as subject to the many risks and uncertainties that exist in the Company's operations and business environment. The forward-looking statements are based on current expectations and involve a number of known and unknown risks and uncertainties that could cause the actual results, performance and/or achievements of the Company to differ materially from any future results, performance or achievements, expressed or implied, by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, and that in light of the significant uncertainties inherent in forward-looking statements, the inclusion of such statements should not be regarded as a representation by the Company or any other person that the objectives or plans of the Company will be achieved. The Company also assumes no obligation to publicly update or revise its forward-looking statements or to advise of changes in the assumptions and factors on which they are based. See the Company's 2009 Annual Report on Form 10-K for a discussion of risk factors that could impact the Company's future financial performance and/or cause actual results to differ significantly from those expressed or implied by such statements.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table details the Company's repurchases of common stock during the three months ended June 30, 2010:

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
April 1, 2010 – April 30, 2010	888,749	$24.47	10,749	292,792
May 1, 2010 – May 31, 2010	45,144	$22.87	5,144	287,648
June 1, 2010 – June 30, 2010	11,855	$22.98	11,855	275,793
	945,748	$24.37	27,748	

As previously announced, the Board of Directors have approved repurchase plans for the Company's common stock, which may be made from time to time in the open market at prevailing market prices or in privately negotiated transactions. At June 30, 2010, 275,793 shares remain to be purchased under such plans. These authorizations are ongoing and have no expiration date. From time to time, the Company has and may continue to purchase shares outside of these plans.

ITEM 6. EXHIBITS

31.1 Certification of the Chief Executive Officer pursuant to Rule 13a-15(e) and 15d-15(e).
31.2 Certification of the Chief Financial Officer pursuant to Rule 13a-15(e) and 15d-15(e).
32.1 Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2 Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

UNITED CAPITAL CORP.

Date: August 9, 2010

By: /s/ Anthony J. Miceli
Anthony J. Miceli
Chief Financial Officer, Secretary and
Director (Principal Financial Officer and
Principal Accounting Officer)

EXHIBIT 31.1

CERTIFICATION

I, A. F. Petrocelli, certify that:

1. I have reviewed this report on Form 10-Q of United Capital Corp.;
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 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 changes 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 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: August 9, 2010

By: /s/ A. F. Petrocelli
A. F. Petrocelli
Chairman, President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Anthony J. Miceli, certify that:

1. I have reviewed this report on Form 10-Q of United Capital Corp.;
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 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 changes 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 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: August 9, 2010

By: /s/ Anthony J. Miceli
Anthony J. Miceli
Chief Financial Officer

EXHIBIT 32.1

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

Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, A. F. Petrocelli, Chairman, President and Chief Executive Officer of United Capital Corp., (the “Company”), does hereby certify, with respect to the Quarterly Report of the Company on Form10-Q for the period ended June 30, 2010 (the “Report”) that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 9, 2010

By: /s/ A. F. Petrocelli
A. F. Petrocelli
Chairman, President and Chief Executive Officer

EXHIBIT 32.2

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

Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, Anthony J. Miceli, Chief Financial Officer of United Capital Corp., (the "Company"), does hereby certify, with respect to the Quarterly Report of the Company on Form 10-Q for the period ended June 30, 2010 (the "Report") that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 9, 2010

By: /s/ Anthony J. Miceli
Anthony J. Miceli
Chief Financial Officer