STATE OF ARIZONA
CORPORATION COMMISS

NONPROFIT CORPORATION ANNUAL REPORT & CERTIFICATE OF DISCLOSURE FOREIGN / DOMESTIC

FOR FISCAL YEAR ENDING 12/31/1995 **DUE ON OR BEFORE** 04/15/1996

The following information is required by A.R.S. §10-1081 for all domestic and foreign nonprofit corporations authorized to conduct affairs in Arizona. The Commission's authority to prescribe this form is A.R.S. §10-1092. MAKE CHANGES OR CORRECTIONS WHERE NECESSARY.

Corporation File: -0070899-9
Corporation Name: HEATHERBRAE HOUSE UNIT ONE HOMEOWNERS ASSOCIATION, INC.
Address: 7740 E HEATHERBRAE

City, State, Zip: SCOTTSDALE AZ 85251-
Domicile: ARIZONA
Type: NON-PROFIT

Arizona Statutory Agent: PETER WHEELER REISS
Street Address: 6733 E EXETER BLVD
(NOT P.O. BOX)

City, State, Zip: SCOTTSDALE AZ 85251-

A.C.C. CORPORATION DIV RECEIVED Nov 25 '96

DOCUMENTS ARE SUBJECT TO REVIEW BEFORE FILING

RECEIVED
JAN 23 1997
ARIZONA CORP. COMMISSION
CORPORATIONS DIVISION

1. Check the one category below which best describes the CHARACTER OF AFFAIRS conducted by your corporation in Arizona.

1. __ Charitable	8. __ Social	15. __ Agricultural
2. __ Benevolent	9. __ Fraternal	16. __ Horticultural
3. __ Educational	10. __ Literary	17. __ Animal Husbandry
4. __ Civic	11. __ Cultural	18. __ Homeowners' Association
5. __ Patriotic	12. __ Athletic	19. __ Professional, commercial, industrial, or trade association
6. __ Political	13. __ Science/Research	
7. __ Religious	14. __ Hospital/Health Care	20. __ Other _____

ACC USE ONLY
Fee $ 10
Penalty $ 4
Total $ 14

2. NUMBER OF EMPLOYEES: Please check one. (For statistical purposes only.)

25 or Less ✓ 26 - 100 ___ 101 - 500 ___ Over 500 ___

3. *~ ~ If appointing a new statutory agent, the new agent MUST consent to that appointment by signing below ~ ~ ~ ~ and PRESIDENT or VICE PRESIDENT must sign page 4 of this report. ~ ~*

I, (individual) or We, (corporation) having been designated the new Statutory Agent, do hereby consent to this appointment until my removal or resignation pursuant to law.

Statutory Agent Name

Address

Signature

City, State, Zip

4. Foreign Corporations list Address in Domicile Jurisdiction:

Street/P. O. Box City, State, (Country) Zip

-- PLEASE MAKE CORRECTIONS ON A SEPARATE SHEET --

5. OFFICERS

(If no changes since last report, check here __ and go on to Section 6.)

PRESIDENT: MICHAEL WALTERS

Address: 7740 E HEATHERBRAE

SCOTTSDALE, AZ 85251-

Date taking office: 03-00-93

VICE PRESIDENT: T J ODELL

Address: 7740 E HEATHERBRAE

SCOTTSDALE, AZ 85251-

Date taking office: 03-00-93

SECRETARY: B SMITH

Address: 7740 E HEATHERBRAE

SCOTTSDALE, AZ 85251-

Date taking office: 03-00-93

TREASURER: T BUNNS

Address: 7740 E HEATHERBRAE

SCOTTSDALE, AZ 85251-

Date taking office: 03-00-93

6. DIRECTORS

(If no changes since last report, check here __ and go on to Section 7.)

NAME: POLLY COLLINS

Address: 7740 E HEATHERBRAE

SCOTTSDALE, AZ 85251-

Date taking office: 03-00-93

NAME: NORMA SWANSO

Address: 7740 E HEATHERBRAE

SCOTTSDALE, AZ 85251-

Date taking office: 03-00-93

NAME: ~~B~~ SMITH

Address: 7740 E HEATHERBRAE

SCOTTSDALE, AZ 85251-

Date taking office: 03-00-93

NAME:

Address:

Date taking office:

~~ DO NOT WRITE BELOW THIS LINE ~~

HEATHERBRAE HOUSE UNIT ONE HOMEOWNERS' ASSOCIATION, INC.

7740 E. HEATHERBRAE
SCOTTSDALE, ARIZONA 85251

5. Officers;

President James Cruise
7740E. Heatherbrae Dr.
Scottsdale, Az. 85251

Date taking office 03/00/96

Vice- President Aliki Coudroglou
7740 E. Heatherbrae Dr.
Scottsdale, Az. 85251

Date taking office 03/00/96

Secretary T J O'Dell
7740 E. Heatherbrae Dr.
Scottsdale, Az. 85251

Date taking office 03/00/96

Tresurer Ann Foster
7740 E. Heatherbrae Dr.
Scottsdale, Az. 85251

Date taking office 03/00/96

Directors Name; Dorrie Machura
7740 E. Heatherbrae Dr.
Scottsdale, Az. 85251

Date taking office 03/00/96

Transaction Report

3/1/95 Through 2/29/96

HEATHER-Bank of America

Date	Num	Description	Memo	Category	Clr	Amount
	BALANCE 2/28/95					0.00
3/1/95		Opening Balance		[Bank of Amer...	x	21,857.22
3/2/95	4108	Bob Nelson		General Maint...		-73.34
3/2/95	4109	Southwest Mid...	February	Landscaping		-629.10
3/2/95	4110	Furgusons		Pool:Cleaning		-93.00
3/2/95	4111	Arizona Publi...		Electricity		-253.32
3/5/95	4112	Southwest Gas		Pool Heating		-24.49
3/5/95	4113	4th Floor Grill		Annual Meeting		-313.02
3/5/95	DEP	Payment by Ow...		Other Inc		313.02
3/5/95	4114	Blue Eagle Po...		General Maint.		-30.00
3/7/95	DEP	Deposit of Fees		Maintenance		2,300.00
3/14/95	4115	City of Scott...		--Split--		-792.02
3/14/95	4116	T.J. O'dell		General Maint...		-37.52
3/25/95	4117	Southwest Mid...	March	Landscaping		-449.97
3/25/95	DEP	Deposit of Fees		Maintenance		690.00
4/15/95	4118	Fergusons		Pool:Cleaning	x	-113.43
4/15/95	4119	City of Scott...		- Split -	x	-834.59
4/15/95	[illegible]			Pool Heating	x	-378.11
[illegible]	[illegible]	APS		Electricity	x	-230.64
4/15/95	4122	Blue Eagle		General Maint.	x	-30.00
4/19/95	4123	Paddock Pools		Pool	x	-660.00
4/20/95	DEP	Deposit of Fees		Maintenance	x	2,185.00
4/21/95	4124	Paddock Pools		Pool	x	-370.28
5/1/95	4125	Ferguson's Po...		Pool:Cleaning	x	-114.00
5/1/95	4126	Southwest Mid...	April	Landscaping	x	-432.61
5/1/95	4127	Southwest Gas		Pool Heating	x	-408.84
5/1/95	4128	APS		Electricity	x	-199.35
5/1/95	4129	Blue Eagle		General Maint.	x	-30.00
5/17/95	4130	Blue Eagle		General Maint.	x	-30.00
5/17/95	4131	City of Scott...		--Split--	x	-761.83
5/17/95	4132	Jorge Espinoza	Trim Palms	Landscaping	x	-100.00
5/17/95	4133	Cummings Termite		General Maint.	x	-54.00
5/17/95	4134	AZ Dept of Re...		Administrativ...	x	-50.00
5/17/95	4135	AZ Corporatio...		Administrativ...		-10.00
5/18/95	DEP	Deposit of Fees		Maintenance	x	2,990.00
6/14/95	4136	APS		Electricity	x	-212.66
6/14/95	4137	T. J. O'Dell		Landscaping	x	-33.88
6/14/95	4138	Southwest Mid...	May	Landscaping	x	-431.34
6/14/95	4139	Ferguson's Po...		Pool:Cleaning	x	-113.43
6/14/95	4140	Southwest Gas		Pool Heating	x	-139.13
6/14/95	4141	Peter Wheller...		Administrativ...	x	-22.00
6/14/95	4142	Michael Walters		Administrativ...	x	-115.97
6/26/95	DEP	Deposit of Fees		Maintenance	x	2,070.00
7/9/95	4143	City Flowers		Administrativ...	x	-53.48
7/9/95	4144	Southwest Gas		Pool Heating	x	-23.94
7/9/95	4145	Ferguson's Po...		Pool:Cleaning	x	-126.19
7/9/95	4146	Blue Eagle		General Maint.	x	-30.00
7/9/95	4147	APS		Electricity	x	-225.06
7/9/95	4148	City of Scott...		--Split--	x	-949.42
7/31/95	4149	Southwest Mid...	July	Landscaping	x	-399.67
7/31/95	4150	Ferguson's Po...		Pool:Cleaning	x	-124.51
7/31/95	4151	APS		Electricity	x	-199.79
7/31/95	4152	Clyde Raymond		Administrativ...	x	-446.20
7/31/95	4153	City of Scott...		--Split--	x	-1,015.29
7/31/95	DEP	Deposit of Fees		Maintenance	x	3,220.00
8/7/95	DEP	Correction		Maintenance	x	115.00
8/21/95	DEP	Deposit	Unit 16	Insure Recovery	x	9,351.88
8/25/95	4154	R & P Constru...	Unit 16	Unit Repair	x	-9,351.88
8/25/95	4155	City of Scott...		--Split--	x	-1,084.31
8/25/95	4156	Southwest Gas		Pool Heating	x	-25.74
8/25/95	4157	Blue Eagle		General Maint.	x	-30.00
8/25/95	4158	T. J. O'Dell		Landscaping	x	-29.73
8/25/95	4159	Southwest Mid...	August	Landscaping	x	-391.09
8/25/95	4160	Southwest Mid...	Rye Seed	Landscaping	x	-202.04
8/25/95	4161	Ferguson's Po...		Pool:Cleaning	x	-130.04
8/28/95	EFT	Deposit of Fees		Maintenance	x	2,415.00

Transaction Report

3/1/95 Through 2/29/96

HEATHER-Bank of America

Date	Num	Description	Memo	Category	Clr	Amount
8/30/95	TXFR	Return Fee	Unit 16	Administrativ...	x	-2.25
8/30/95	TXFR	American Family	check return	Insure Recovery	x	-9,351.88
8/31/95	TXFR	Return Fee	Unit 20	Administrativ...	x	-2.25
8/31/95	TXFR	Mr. & Mrs. Co...	returned check	Maintenance	x	-115.00
8/31/95	4162	APS		Electricity	x	-256.18
9/1/95	4163	Southwest Gas		Pool Heating	x	-23.35
9/1/95	4164	Cummings Termite		General Maint.	x	-54.00
9/1/95	4165	T. J. O'Dell		General Maint...	x	-396.00
9/15/95	4166	Blue Eagle		General Maint.	x	-30.00
9/15/95	4167	Southwest Mid...		Landscaping	x	-662.40
9/15/95	4168	City of Scott...		--Split--	x	-1,081.21
9/15/95	4169	Bryant Univer...		Roof Repair	x	-450.00
9/17/95	DEP	Deposit of Fees		Maintenance	x	3,105.00
10/11/95	DEP	American Family	Unit 16	Insure Recovery	x	9,351.88
10/11/95	4170	Manual Barba		Landscaping		-130.00
10/11/95	4171	Michael Walters		Administrativ...	x	-131.69
10/26/95	4172	Southwest Mid...		Landscaping	x	-460.31
10/26/95	4173	Southwest Mid...		Landscaping	x	-418.09
10/26/95	4174	Blue Eagle		General Maint.	x	-30.00
10/26/95	4175	[illegible]		Pool:Cleaning	x	-131.55
[illegible]	4176	Southwest Gas		Pool Heating	x	-23.73
10/26/95	4177	City of Scott...		--Split--	x	-1,089.62
10/26/95	4178	APS		Electricity	x	-214.20
10/26/95	4179	Jack Smith		General Maint...	x	-46.19
10/26/95	DEP	Deposit of Fees		Maintenance	x	2,300.00
11/30/95	4180	Carpet Savers	Unit 24	Unit Repair	x	-6,455.57
11/30/95	4181	Green Tech		General Maint...		-1,512.30
11/30/95	4182	City of Scott...		--Split--		-1,248.40
11/30/95	4183	Cummings Termite		General Maint.		-54.00
11/30/95	4184	APS		Electricity		-237.39
11/30/95	4185	Ferguson's Po...		Pool:Cleaning		-110.10
11/30/95	4186	Southwest Gas		Pool Heating		-22.76
11/30/95	4187	Blue Eagle		General Maint.		-30.00
11/30/95	4188	Bryant Univer...		Roof Repair		-119.50
11/30/95	4189	Unlimited Poo...		Pool		-51.00
11/30/95	4190	M. T. Burns		General Maint...		-19.42
11/30/95	4191	Southwest Mid...		Landscaping		-447.31
11/30/95	DEP	Deposit of Fees		Maintenance		2,300.00
12/18/95	4192	City of Scot...		Administrativ...		-18.00
12/18/95	4193	SCOHA		Administrativ...		-80.00
12/18/95	4194	Blue Eagle		General Maint.		-30.00
12/18/95	4195	Southwest Gas		Pool Heating		-404.43
12/18/95	4196	City of Scott...		--Split--		-793.77
12/18/95	4197	Ferguson's Po...		Pool:Cleaning		-123.71
12/18/95	4198	APS		Electricity		-259.28
12/19/95	DEP	Deposit of Fees		Maintenance		2,760.00
1/10/96	4199	T. J. O'Dell		Landscaping		-179.11
1/10/96	4200	APS		Electricity		-119.44
1/10/96	4201	Ferguson's Po...		Pool:Cleaning		-113.55
1/10/96	4202	Southwest Gas		Pool Heating		-497.86
1/10/96	4203	Southwest Mid...		Landscaping		-431.82
1/10/96	4204	Specialist Pa...		Painting		-8,660.00
1/10/96	4205	Blue Eagle		General Maint.		-30.00
1/10/96	4206	Pollly Collins		General Maint...		-113.58
1/10/96	DEP	Deposit of Fees		Maintenance		3,320.00
1/23/96	DEP	American Family	Unit 24	Insure Recovery		6,455.57
2/7/96	DEP	American Family	check return	Insure Recovery		-6,455.57
2/7/96	4207	T. J. O'Dell		Landscaping		-57.06
2/7/96	4208	Michael Walters		Administrativ...		-202.33
2/7/96	4209	G. Cipriano		General Maint...		-47.02
2/7/96	4210	Ferguson's Po...		Pool:Cleaning		-101.78
2/7/96	4211	APS		Electricity		-358.47
2/7/96	4212	Southwest Mid...		Landscaping		-467.16
2/7/96	4213	Southwest Gas		Pool Heating		-94.51
2/7/96	4214	Dr. Roper		General Maint...		-112.25
2/7/96	4215	Cummings Termite		General Maint.		-54.00
2/7/96	4216	Blue Eagle		General Maint.		-30.00
2/7/96	4217	City of Scott...		--Split--		-743.29

Transaction Report

3/1/95 Through 2/29/96

2/7/96

HEATHER-Bank of America

Date	Num	Description	Memo	Category	Clr	Amount
2/7/96	DEP			Maintenance		2,055.00
	TOTAL 3/1/95 - 2/29/96					9,758.68
	BALANCE 2/29/96					9,758.68
	TOTAL INFLOWS					79,154.57
	TOTAL OUTFLOWS					-69,395.89
	NET TOTAL					9,758.68

(Non-Profit Corporation Name) (File Number)

7. STATEMENT OF FINANCIAL CONDITION (Required by A.R.S. §10-1081.A.6.)

You must submit a statement of the corporation's financial condition. Any reasonable schedule will be accepted provided it reflects the intent of the law, as determined by the Commission. Several suggestions for information you may submit to satisfy this requirement include the following:

- Attach a copy of Page 2, Form 99 filed with the Arizona Department of Revenue; OR
- a copy of the corporation's Charitable Organization Financial Statement as filed with the Arizona Secretary of State pursuant to A.R.S. §44-6552; OR
- a copy of your treasurer's report (financial statement) prepared for this fiscal year, OR
- a copy of the financial statement you prepare for the benefit of your members; OR
- You may simply use the Balance Sheet below.

BALANCE SHEET

12-30-95

ASSETS

Current Assets:

Cash	$ 16,753.55
Trade notes and accounts receivable (less allowance for bad debts)	
Inventories	
Other current assets	
Total Current Assets	$
Land, buildings and other fixed assets (net of accumulated depreciation)	
Other assets	
Total Assets	$ 16,753.55

LIABILITIES

Current Liabilities:

Accounts Payable	✓$
Mortgages, notes, bonds (payable in less than 1 year)	
Other current liabilities	
Total Current Liabilities	
Mortgages, notes, bonds (payable in more than 1 year)	
Fund Balances:	
Restricted	
Unrestricted	
Total Fund Balances	
Total Liabilities and Fund Balances	✓$

8.A. CERTIFICATE OF DISCLOSURE (A.R.S. §10-1084)

Has any person serving either by election or appointment as officers, directors, trustees, or incorporators:

1. Been convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven year period immediately preceding the execution of this certificate;

2. Been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses or restraint of trade or monopoly in any state or federal jurisdiction within the seven year period immediately preceding execution of this certificate;

3. Been or are subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven year period immediately preceding execution of this certificate where such injunction, judgment, decree or permanent order:

(a) involved the violation of fraud or registration provisions of the securities laws of that jurisdiction, or
(b) involved the violation of the consumer fraud laws of that jurisdiction, or
(c) involved the violation of the antitrust or restraint of trade laws of that jurisdiction?

YES_____ NO ✓

If "YES", the following information must be submitted as an attachment to this report for each person subject to one or more of the actions stated in Items 1. through 3. above.

1. Full name and prior names used.
2. Full birth name.
3. Present home address.
4. Prior addresses (for immediate preceding 7 year period).
5. Date and location of birth.
6. Social Security Number
7. The nature and description of each conviction or judicial action; the date and location; the court and public agency involved, and the file or cause number of the case.

8.B. STATEMENT OF BANKRUPTCY (A.R.S. §10-1083)

Are you currently in federal bankruptcy proceedings, and if so, under which chapter of federal bankruptcy law is the action filed and on what date?

Yes ___ **Chapter** _____ **Date Filed** _____ **Case Number** _____ **No** ✓

9. This report must be executed by the corporation and attested by it's president, a vice-president, secretary, assistant secretary or treasurer. (If the corporation is in the hands of a receiver or trustee, it shall be executed on behalf of the corporation.)

I DECLARE, UNDER PENALTY OF LAW, THAT ALL CORPORATE INCOME TAX RETURNS REQUIRED BY TITLE 43 OF THE ARIZONA REVISED STATUTES HAVE BEEN FILED WITH THE ARIZONA DEPARTMENT OF REVENUE.

I further declare under penalty of law that I (we) have examined this report and the certificate, including any attachments, and to the best of my (our) knowledge and belief they are true, correct and complete.

By James Lewis **Date** 11/21/96 **By** Dan Foster **Date** 11-21-96

Title President **Title** Treasurer