



**5. CAPITALIZATION:** (Business Corporations and Business Trusts are **REQUIRED** to complete this section.)  
 Business trusts must indicate the number of transferable certificates held by trustees evidencing their beneficial interest in the trust estate.

Number of Shares/Certificates Authorized \_\_\_\_\_ Class \_\_\_\_\_ Series Within Class (if any) \_\_\_\_\_  
 N/A

Number of Shares/Certificates Issued \_\_\_\_\_ Class \_\_\_\_\_ Series Within Class (if any) \_\_\_\_\_  
 N/A

**6. SHAREHOLDERS:** (Business Corporations and Business Trusts are **REQUIRED** to complete this section.)  
 List shareholders holding more than 20% of any class of shares issued by the corporation, or having more than a 20% beneficial interest in the corporation.

Name: \_\_\_\_\_ Name: \_\_\_\_\_  
 NONE  Name: \_\_\_\_\_ Name: \_\_\_\_\_

**7. OFFICERS** (If no changes since last report, check here \_\_\_ and go on to Section 8.)

Name: <del>BILL SAWYER</del> MARK REIN	Name: PETER WARNER
Title: PRESIDENT/CEO	Title: VICE-PRESIDENT
Address: <del>6302 N. 31st STREET</del> <del>3159 E ROSE LN</del> PHOENIX, AZ 85016-	Address: 6247 N 31ST PL PHOENIX, AZ 85016-

Date taking office: <del>02-01-96</del> 12-01-98	Date taking office: 02-01-96
Name: <del>MARK REIN</del> JOHN BECK	Name: ARNOLD SCHWARTZ
Title: SECRETARY	Title: TREASURER
Address: <del>6226 N 31st STREET</del> <del>6302 N 31ST ST</del> PHOENIX, AZ 85016-	Address: 3147 E ROSE LN PHOENIX, AZ 85016-
Date taking office: <del>02-01-96</del> 12-01-98	Date taking office: 02-01-96

**8. DIRECTORS** (If no changes since last report, check here \_\_\_ and go on to Section 9.)

Name: <del>ANN VAALER</del> MARK REIN	Name: PETER WARNER
Address: <del>6140 N 31ST ST</del> 6302 N. 31st STREET PHOENIX, AZ 85016-	Address: 6247 N 31ST PL PHOENIX, AZ 85016-

Date taking office: <del>02-01-96</del> 12-01-98	Date taking office: 02-01-96
Name: <del>BILL SAWYER</del> DON CONROY	Name: ARNOLD SCHWARTZ
Address: <del>3159 E ROSE LN</del> 6139 N. 31st COURT PHOENIX, AZ 85016-	Address: 3147 E ROSE LN PHOENIX, AZ 85016-
Date taking office: <del>02-01-96</del> 12-01-98	Date taking office: 02-01-96

CLYDE H. RAYMOND, CPA

MEMBER OF THE AMERICAN INSTITUTE OF CPAs

6728 EAST AVALON DRIVE • SCOTTSDALE, ARIZONA 85251 • 949-7862

February 11, 1999

Arizona Corporation Commission

Re: Annual report of BILTMORE-GREENS III HOMEOWNERS' ASSOCIATION, INC.  
As of December 31, 1998

I have compiled the statement of financial condition - balance sheet (Section H) of the above named company for the date indicated above and included in the accompanying prescribed form, in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

My compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. I have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on it.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from generally accepted accounting principles and do not include all the disclosures required by generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.



Certified Public Accountant

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 (or 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**

**ASSETS**

Current Assets:

Cash	73,284	
Trade notes and accounts receivable (less allowance for bad debts)		
Inventories		
Other current assets		
<b>Total Current Assets</b>		<b>\$ 73,284</b>
Land, buildings and other fixed assets (net of accumulated depreciation)		
Other long-term assets		
<b>Total Assets</b>		<b>\$ 73,284</b>

**LIABILITIES**

Current Liabilities:

Accounts Payable	\$	
Mortgages, notes, bonds (payable in less than 1 year)		
Other current liabilities		
<b>Total Current Liabilities</b>		<b>0</b>
Mortgages, notes, bonds (payable in more than 1 year)		
Fund Balances:		
Restricted		
Unrestricted		73,284
<b>Total Fund Balances</b>		<b>73,284</b>
<b>Total Liabilities and Fund Balances</b>		<b>\$ 73,284</b>

Unaudited - See Accountant's Compilation Report.

**9. FINANCIAL DISCLOSURE (A.R.S. §§10-1622.B & 10-11622.A.9)**

Only nonprofit corporations must **attach** a financial statement (balance sheet including assets, liabilities and equity). All other forms of corporations are exempt from filing a financial disclosure.

**9A. MEMBERS (A.R.S. § 10-11622.A.6) Nonprofit Corporations Only.**

This corporation **does**  **does not**  have members.

**10. CERTIFICATE OF DISCLOSURE (A.R.S. §§10-1622.A.8 & 10-2505.A)**

Has ANY person serving either by election or appointment as an officer, director, trustee, incorporator and person controlling or holding more than 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation been:

1. 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. 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. 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 involved the violation of:

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

One box must be marked:      **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.                          | 5. Date and location of birth.                                                                                                                                              |
| 2. Full birth name.                                         | 6. Social Security Number                                                                                                                                                   |
| 3. Present home address.                                    | 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. |
| 4. Prior addresses (for immediate preceding 7 year period). |                                                                                                                                                                             |

**11. STATEMENT OF BANKRUPTCY (A.R.S. §10-202.D.2)**

Has ANY person serving either by election or appointment as an officer, director, trustee, incorporator and person controlling or holding more than 20% of the issued and outstanding common shares or 20% of any other proprietary, beneficial or membership interest in the corporation served in such capacity or held a 20% interest in any other corporation during the bankruptcy, receivership, or charter revocation of the other corporation?

One box must be marked:      **YES**       **NO**

If YES, enter the following:      Chapter \_\_\_\_\_ Date Filed \_\_\_\_\_ Case Number \_\_\_\_\_

**If "YES", the following information must be submitted as an attachment to this report for each person subject to the statement above.**

- 1) The names and addresses of each corporation and the person or persons involved.
- 2) The state in which each corporation was a) incorporated b) transacted business.
- 3) The dates of corporate operation.

**12. SIGNATURES**

**CAUTION: Annual Reports must be signed by a duly authorized officer. Annual Reports submitted with incorrect signatures will be rejected.**

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.

Name ARNOLD M. SCHWARTZ Date 4/8/99 Name \_\_\_\_\_ Date \_\_\_\_\_

Signature [Handwritten Signature] Signature \_\_\_\_\_

Title Treasurer Title \_\_\_\_\_

(Signator(s) must be duly authorized corporate officer(s) listed in section 7 of this report.)