STATE OF ARIZONA
CORPORATION COMMISSION

NONPROFIT CORPORATION ANNUAL REPORT
& CERTIFICATE OF DISCLOSURE
FOREIGN / DOMESTIC

FOR FISCAL YEAR ENDING 12/31/1996 **DUE ON OR BEFORE** 04/15/1997

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.

RECEIVED
APR 02 1997
ARIZONA CORP COMMISSION
CORPORATIONS DIVISION

Corporation File: -0181649-8
Corporation Name: MONTANA RANCH HOMEOWNERS ASSOCIATION
Address: 6423 S ASH AVE

City, State, Zip: TEMPE AZ 85283-3657
Domicile: ARIZONA
Type: NON-PROFIT

Arizona Statutory Agent: SUE E GRAHAM
Street Address: 6423 S ASH AVE
(NOT P.O. BOX)

City, State, Zip: TEMPE AZ 85283-3657

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,
6. __ Political	13. __ Science/Research	industrial, or trade association
7. __ Religious	14. __ Hospital/Health Care	20. X Other HOMEOWNERS ASSOCIATION

ACC USE ONLY
Fee $
Penalty
Total
PAID

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

25 or Less X 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: EMMETT MITCHELL
Address: 11889 E GOLD DUST AVE
SCOTTSDALE, AZ 85259-
Date taking office: 00-00-00

VICE PRESIDENT: ROBERT CLAPPER
Address: 10457 N 119TH ST
SCOTTSDALE, AZ 85259-5011
Date taking office: 00-00-00

SECRETARY: NORMA ARLEN
Address: 11969 E GOLD DUST AVE
SCOTTSDALE, AZ 85259-
Date taking office: 00-00-00

TREASURER: ARNOLD J DIAMOND
Address: 9838 N 119TH PL
SCOTTSDALE, AZ 85259-
Date taking office: 00-00-00

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

NAME: ARNOLD J DIAMOND
Address: 9838 N 119TH PL
SCOTTSDALE, AZ 85259-
Date taking office: 00-00-00

NAME: LARRY FANUCCHI
Address: 11929 E GOLD DUST AVE
SCOTTSDALE, AZ 85259-
Date taking office: 00-00-00

NAME: NORMA ARLEN
Address: 11969 E GOLD DUST AVE
SCOTTSDALE, AZ 85259-
Date taking office: 00-00-00

NAME: ROBERT CLAPPER
Address: 10457 N 119TH ST
SCOTTSDALE, AZ 85259-5011
Date taking office: 00-00-00

~~ DO NOT WRITE BELOW THIS LINE ~~

MONTAÑA RANCH
BOARD OF DIRECTORS
Elected May 15, 1996

Emmett Mitchell — **1998**
11889 East Gold Dust Avenue
Scottsdale, AZ 85259
Lot 88
661-1392 - H
661-1393 - H/fax
953-7980 - W/ext. 118
953-7989 - W/Fax
809-5175 - M

Jan Gaston (appt. 1/96) — **1997**
11981 E. Ironwood Dr.
Scottsdale, AZ 85259
Lot 74
661-9973 - H

Norma Arlen — **1997**
11969 East Gold Dust Avenue
Scottsdale, AZ 85259
Lot 91
661-8320 - H
(602) 525-9113 - summer home
451-7525 - Fax

Marvin Tate — **1998**
11944 E. Beryl Avenue
Scottsdale, AZ 85259
661-8676 - H

Geneva Spigner (appt.1/96) — **Design Review Committee Chairperson\Board Member Liaison**
11833 E. Beryl Avenue
Scottsdale, AZ 85259
Lot 48
661-6698

MONTANA RANCH HOMEOWNERS ASSOCIATION

BALANCE SHEET
DECEMBER 31, 1996

ASSETS

OPERATING FUNDS			
CASH IN BANK-OPERATING		$ 8,799.15	
PREPAID ASSESSMENTS		6,425.00	
TOTAL OPERATING FUNDS			$ 15,224.15
RESERVE FUNDS			
RESERVE		93,733.36	
TOTAL RESERVE FUNDS			93,733.36
OTHER ASSETS			
ACCOUNTS RECEIVABLE-HOMEOWNERS		2,610.00	
TOTAL OTHER ASSETS			2,610.00
TOTAL ASSETS			$ 111,567.51

LIABILITIES & HOMEOWNERS EQUITY

LIABILITIES			
ACCOUNTS PAYABLE		2,849.79	
CLUBHOUSE DEPOSIT		300.00	
PREPAID ASSESSMENTS		6,425.00	
TOTAL LIABILITIES			9,574.79
HOMEOWNERS EQUITY			
RESERVE EQUITY			
RESERVE FUNDS EQUITY	128,750.73		
RESERVE-PAINTING	3,710.00-		
TENNIS COURT RESURFACE	12,775.66-		
RESERVE - POOL/SPA	1,285.97-		
RESERVE-STREETS	14,145.40-		
GATE PHONE SYSTEM	2,740.00-		
RESERVE-CLUBHOUSE	6,265.32-		
RESERVE-FUNDED INTEREST	5,904.98		
TOTAL RESERVE EQUITY		93,733.36	
OPERATING SURPLUS/DEFICIT(-)			
PRIOR YEAR SURPLUS-DEFICIT	1,327.13		
CURRENT SURPLUS/DEFICIT(-)	6,932.23		
TOTAL SURPLUS/DEFICIT(-)		8,259.36	
TOTAL HOMEOWNERS EQUITY			101,992.72
TOTAL LIABILITIES AND HOMEOWNERS EQUITY			$ 111,567.51

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 X

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 X

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 _____ **Date** 3/27/97 **By** _____ **Date** _____

Title PRES **Title** _____