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
MAR 17 1997
ARIZONA CORP COMMISSION
CORPORATIONS DIVISION

Corporation File: -0203562-9
Corporation Name: RIO MONTANA COMMUNITY ASSOCIATION
Address: % GRAHAM MANAGEMENT INC
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, industrial, or trade association
6. __ Political	13. __ Science/Research	20. X Other Homeowners Association
7. __ Religious	14. __ Hospital/Health Care	

PAID
ACC USE ONLY
Fee $ ____
Penalty $ ____
Total $ 10

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: PETER GRANDELLI
Address: 12809 E SAHUARO
SCOTTSDALE, AZ 85259-4464
Date taking office: 03-09-95

VICE PRESIDENT: JACK CARPENTER
Address: 11368 N 131ST PL
SCOTTSDALE, AZ 85259-
Date taking office: 03-09-95

SECRETARY: JOHN MELLING
Address: 12831 E BECKER LN
SCOTTSDALE, AZ 85259-
Date taking office: 03-09-95

TREASURER: BILL DOBBINS
Address: 11265 N 130TH WY
SCOTTSDALE, AZ 85259-
Date taking office: 03-09-95

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

NAME: PETER GRANDELLI
Address: 12809 E SAHUARO
SCOTTSDALE, AZ 85259-4464
Date taking office: 03-09-95

NAME: JACK CARPENTER
Address: 11368 N 131ST PL
SCOTTSDALE, AZ 85259-
Date taking office: 03-09-95

NAME: JOHN MELLING
Address: 12831 E BECKER LN
SCOTTSDALE, AZ 85259-
Date taking office: 03-09-95

NAME: BILL DOBBINS
Address: 11265 N 130TH WY
SCOTTSDALE, AZ 85259-
Date taking office: 03-09-95

~ ~ DO NOT WRITE BELOW THIS LINE ~ ~

RIO MONTAÑA COMMUNITY ASSOCIATION
BOARD OF DIRECTORS
ELECTED MARCH 5, 1996

Jack Carpenter — **1997**
11368 North 131st Place
Scottsdale, AZ 85259
860-6246 - H
231-7425 - W

John Melling — **1997**
12831 East Becker Lane
Scottsdale, AZ 85259
661-7303 - H

Leigh Ann McDaniel — **1997**
11287 North 131st Place
Scottsdale, AZ 85259
661-9466 - H

Leo Herber — **1998**
11252 North 129th Way
Scottsdale, AZ 85259
451-7174 - H

Bill Dobbins — **1997**
11265 North 130th Way
Scottsdale, AZ 85259
860-8497 - H
902-7413 - W
902-7444 - F

Kevin Lewis — **1998**
10755 N. 129th St.
Scottsdale, AZ 85259
391-1903 - H
261-5255 - W

Kay Parker — **1998**
10665 N. 129th St.
Scottsdale, AZ 85259
391-0184 - H
(03/28/94)

(January 3, 1997)

RIO MONTANA COMMUNITY ASSOCIATION

BALANCE SHEET
DECEMBER 31, 1996

ASSETS

OPERATING FUNDS			
CASH IN BANK-OPERATING		$ 1,575.55	
TOTAL OPERATING FUNDS			$ 1,575.55
RESERVE FUNDS			
RESERVE AZ F.C.U. 3.56%		52,408.92	
RESERVE-BANK OF AMERICA		8,553.37	
TOTAL RESERVE FUNDS			60,962.29
OTHER ASSETS			
TOTAL ASSETS			$ 62,537.84

LIABILITIES & HOMEOWNERS EQUITY

LIABILITIES			
HOMEOWNERS EQUITY			
RESERVE EQUITY			
RESERVE-AZ F.C.U.	49,020.47		
RESERVE-BANK OF AMERICA	8,553.37		
RESERVE-FUNDED INTEREST	3,388.45		
TOTAL RESERVE EQUITY		60,962.29	
OPERATING SURPLUS/DEFICIT(-)			
PRIOR YEAR SURPLUS-DEFICIT	6,425.97		
TRF TO/FROM RESERVE EQUITY	4,194.56		
CURRENT SURPLUS/DEFICIT(-)	9,044.98-		
TOTAL SURPLUS/DEFICIT(-)		1,575.55	
TOTAL HOMEOWNERS EQUITY			62,537.84
TOTAL LIABILITIES AND HOMEOWNERS EQUITY			$ 62,537.84

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 [signature] MD Date 3-11-97 By _____ Date _____

Title Director Title _____