



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. Please Print or Type Clearly.

5a. Please examine the corporation's original Articles of Incorporation for the amount of shares authorized.

Number of Shares/Certificates Authorized Class Series Within Class (if any)

5b. Review all corporation amendments to determine if the original number of shares has changed. Examine the corporation's minutes for the number of shares issued.

Number of Shares/Certificates Issued Class Series Within Class (if any)

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. Please Type or Print Clearly.

Name: Name:

NONE

Name: Name:

7. OFFICERS Please Type or Print Clearly. You Must List at Least One.

Name: CARL STAHLER

Name: FILEEN PIEPER

Title: CHAIRMAN-PRESIDENT

Title: SECRETARY

Address: 10310 W. GARNETTE DR SON CITY AZ 85373

Address: 18424 71-101ST DR SON CITY, AZ 85373

Date taking office: 1-22-04

Date taking office: APR 1-27-05

Name: FETTER MAYO

Name: MARIAN HAWKING

Title: VICE PRESIDENT

Title: TREASURER

Address: 10314 W. GARNETTE DR SON CITY, AZ 85373

Address: 10358 W. GARNETTE DR SON CITY AZ 85373

Date taking office: 1-27-05

Date taking office: 1-22-04

8. DIRECTORS Please Type or Print Clearly. You Must List at Least One.

Name: CARL STAHLER

Name:

Address: 10310 W GARNETTE DR SON CITY AZ 85373

Address:

Date taking office: 1-22-04

Date taking office:

Name:

Name:

Address:

Address:

Address:

Address:

Address:

Address:

Date taking office:

Date taking office:

GARNITA 101, INC

BALANCE SHEET  
DECEMBER 31, 2004

ASSETS

CURRENT ASSETS

ASSOCIATION OPERATING ACCT.	\$ 10,979.93
WORLD SAV CD 2.11% 11-26-04	7,859.72

TOTAL CURRENT ASSETS		\$ 18,839.65
----------------------	--	--------------

TOTAL ASSETS		\$ 18,839.65
--------------	--	--------------

LIABILITIES & HOMEOWNERS EQUITY

LIABILITIES

HOMEOWNERS EQUITY

RESERVE EQUITY

RESERVE-PAINTING	6,384.88
RESERVE-MAJOR MAINTENANCE	1,006.69

TOTAL RESERVE EQUITY		5,378.19
----------------------	--	----------

OPERATING SURPLUS/DEFICIT(-)

PRIOR YEARS SURPLUS/DEFICIT(-)	9,091.61
CURRENT YEAR SURPLUS/DEFICIT(-)	4,369.85

TOTAL OPERATING SURPLUS/DEFICIT(-)		13,461.46
------------------------------------	--	-----------

TOTAL LIABILITIES AND  
HOMEOWNERS EQUITY

	\$ 18,839.65
--	--------------

GARNITA 101, INC

STATEMENT OF OPERATIONS  
FOR THE PERIOD ENDING DECEMBER 31, 2004

	-----CURRENT MONTH-----		VARIANCE	ANNUAL	YEAR-TO-DATE	VARIANCE
	BUDGET	ACTUAL	FAV/UNFAV(-)	BUDGET	ACTUAL	FAV/UNFAV(-)
HOMEOWNERS ASSESSMENTS	\$ 4,060.00	\$ 3,770.00	\$ 290.00-	\$ 48,720.00	\$ 48,729.00	\$ 9.00
INTEREST EARNED	0.00	48.52	48.52	0.00	174.45	174.45
<b>TOTAL REVENUES</b>	<b>4,060.00</b>	<b>3,818.52</b>	<b>241.48-</b>	<b>48,720.00</b>	<b>48,903.45</b>	<b>183.45</b>
<b>OPERATING EXPENSES</b>						
ACCOUNTING	89.00	71.40	17.60	1,068.00	856.80	211.20
PETTY CASH	15.00	0.00	15.00	180.00	0.00	180.00
WATER	1,027.00	935.61	91.39	12,324.00	11,677.99	646.01
SEWER	361.00	307.44	53.56	4,332.00	3,978.47	353.53
TRASH REMOVAL	294.00	294.00	0.00	3,528.00	3,528.00	0.00
YARD MAINT (GARDENER)	784.00	784.00	0.00	9,408.00	9,408.00	0.00
EXTRA YARD MAINTENANCE	130.00	0.00	130.00	1,560.00	1,467.92	92.08
GRASS SEED/FERTILIZER	110.00	0.00	110.00	1,320.00	683.62	636.38
SPRINKLER MAINTENANCE	150.00	362.20	212.20-	1,800.00	2,012.20	212.20-
SPRINKLER REPAIRS	100.00	0.00	100.00	1,200.00	258.20	941.80
TREE MAINTENANCE	110.00	0.00	110.00	1,320.00	700.00	620.00
PLANT REPLACEMENT	30.00	0.00	30.00	360.00	139.11	220.89
PEST CONTROL	133.00	133.00	0.00	1,596.00	1,731.00	135.00-
MAJOR MAINTENANCE	0.00	0.00	0.00	0.00	320.95	320.95-
INSURANCE	400.00	4,206.00	3,806.00-	4,800.00	4,206.00	594.00
INCOME TAXES	25.00	0.00	25.00	300.00	205.00	95.00
MISCELLANEOUS EXPENSES	60.00	0.00	60.00	720.00	456.34	263.66
<b>TOTAL OPERATING EXPENSES</b>	<b>3,818.00</b>	<b>7,093.65</b>	<b>3,275.65-</b>	<b>45,816.00</b>	<b>41,629.60</b>	<b>4,186.40</b>
RESERVE TRANSFERS TO EQUITY	242.00	242.00	0.00	2,904.00	2,904.00	0.00
<b>NET OPERATING SURPLUS/DEFICIT(-)</b>	<b>\$ 0.00</b>	<b>\$ 3,517.13-</b>	<b>\$ 3,517.13-</b>	<b>\$ 0.00</b>	<b>\$ 4,369.85</b>	<b>\$ 4,369.85</b>
<b>RESERVE ACTIVITY</b>						
<b>RESERVE ALLOCATIONS</b>						
PAINTING	242.00	242.00	0.00	2,904.00	2,904.00	0.00
<b>TOTAL RESERVE ALLOCATIONS</b>	<b>242.00</b>	<b>242.00</b>	<b>0.00</b>	<b>2,904.00</b>	<b>2,904.00</b>	<b>0.00</b>
<b>RESERVE DISBURSEMENTS</b>						
MAJOR MAINTENANCE	0.00	0.00	0.00	0.00	4,947.04	4,947.04-
<b>TOTAL RESERVE DISBURSEMENTS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,947.04</b>	<b>4,947.04-</b>
<b>NET RESERVE ACTIVITY SURPLUS/DEFICIT \$</b>	<b>242.00</b>	<b>\$ 242.00</b>	<b>\$ 0.00</b>	<b>\$ 2,904.00</b>	<b>\$ 2,043.04-</b>	<b>\$ 4,947.04</b>

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

Nonprofit corporations **must attach** a financial statement (e.g. income/expense statement, balance sheet including assets, liabilities). All other forms of corporations are exempt from filing a financial disclosure.

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

Only Nonprofit Corporations must answer this question.

This corporation **DOES**  **DOES NOT**  have members.

**10. CERTIFICATE OF DISCLOSURE (A.R.S. §§10-1622.A.8 & 10-11622.A.7)**

Has ANY person serving either by election or appointment as an officer, director, trustee, incorporator and/or 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: **[Underlined portion pertains to business corporations only]**

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, RECEIVERSHIP or CHARTER REVOCATION (A.R.S. §§10-202.D.2, 10-3202.D.2, 10-1623 & 10-11623)**

A) Has the corporation filed a petition for bankruptcy or appointed a receiver?

One box **must** be marked:

YES  NO

B) Has any person serving as an officer, director, trustee or incorporator of the corporation served in any such capacity OR held or controlled over 20% of the issued and outstanding common shares, or 20% of any other proprietary, beneficial or membership interest in any other corporation which has been placed in bankruptcy, receivership or had its charter revoked, or administratively or judicially dissolved by any state or jurisdiction?

One box **must** be marked:

YES  NO

**[Underlined portion pertains to business corporations only]**

If "YES" to A and/or B, 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. (e.g. officer, director, trustee or major stockholder)
2. The state in which each corporation was a) incorporated b) transacted business.
3. The dates of corporate operation.
4. If any involved person (listed in #1) has been involved in any other bankruptcy proceeding within the past year, the name and address of each corporation.
5. Date, Case number and Court where the bankruptcy was filed or receiver appointed.
6. Name and address of court appointed receiver.

**12. SIGNATURES:** Annual Reports must be signed and dated by at least one duly authorized officer or they 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 Carl P. Stahler Date 2-14-05 Name Marian Hawking Date 2-14-05

Signature CARL P STAHLER Signature Marian Hawking

Title PRESIDENT Title Treasurer

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