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3 **Alliance Defense Fund**

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22 Prescott, AZ 86303

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25 Local Co-Counsel for Plaintiff

19 **THE SUPERIOR COURT OF THE STATE OF ARIZONA**  
20 **IN THE ARIZONA TAX COURT**

21 CHURCH OF THE ISAIAH 58  
22 PROJECT OF ARIZONA, INC.

23 Plaintiff,

24 vs.

25 LA PAZ COUNTY, ARIZONA;  
26 RICHARD OLDHAM and OLDHAM  
27 FAMILY TRUST; GEORGE NAULT,  
28 LA PAZ COUNTY ASSESSOR; AND  
LEAH CASTRO, LA PAZ COUNTY  
TREASURER,

Defendants.

Case No.

(Property Tax)

**PLAINTIFF'S VERIFIED  
COMPLAINT**





1           19.    During the winter months of 2008-2009, the Church provided 11,850 free  
2 meals and gave out 851 food bags to the poor and needy.

3           20.    During the winter months of 2009-2010 the Church provided 13,600 free  
4 meals.

5           21.    During the winter months of 2010-2011, the Church has so far provided  
6 12,600 free meals.

7           22.    The Church operates a clothes closet where it provides clothes to the poor  
8 and needy in La Paz County.

9           23.    The Church provides job counseling and assists individuals in preparing  
10 resumes and applications for jobs in order to help the poor and homeless be gainfully  
11 employed.

12          24.    The Church provides a free shower facility for homeless individuals to  
13 clean up.

14          25.    The Church provides free transportation to poor and needy individuals  
15 within La Paz County.

16          26.    The Church holds various community events such as concerts on its  
17 Property.

18          27.    The Town of Quartzsite Police Officers regularly drop people off at the  
19 Church's property who need material assistance that the Church can provide through its  
20 outreach ministries.

21          28.    On or about August 25, 2006, after purchasing the Property, the Church  
22 submitted an application to the La Paz County Assessor's office for the Property to be  
23 recognized as tax-exempt. *See Exhibit A.*

24          29.    As part of its application for a property tax exemption, the Church  
25 submitted to the La Paz County Assessor's office its Articles of Incorporation which  
26 identified the Church as a "Church." *See Exhibit A.*

27          30.    The Articles of Incorporation for the Church state in pertinent part:

28                   No part of the net earnings of the corporation shall inure to the benefit of,

1 or be distributable to its members, directors, officers, or other private  
2 persons... No substantial part of the activities of the corporation shall be  
3 the carrying on of any propaganda, or otherwise attempting to influence  
4 legislation, and the corporation shall not participate in, or intervene in  
(including the publishing or distributing of statements,) any political  
campaign on behalf of any candidate for public office.

5 *See Exhibit A.*

6  
7 31. The Articles of Incorporation for the Church also state:

8 Notwithstanding any other provision of these Articles, the corporation  
9 shall not carry on any other activities not permitted to be carried on: (a) by  
10 a corporation exempt for Federal Income Tax under Section 501(c)(3) of  
11 the Internal Revenue Code of the United States (b) by a corporation,  
contributions to which are deductible under Section 501(c)(3) of the  
Internal Revenue Code of the United States.

12 *See Exhibit A.*

13 32. As part of its application for a property tax exemption, the Church  
14 submitted to the La Paz County Assessor's office a Nonprofit Certificate of Disclosure.

15 *See Exhibit A.*

16 33. On or about October 18, 2006, a representative of the La Paz County  
17 Assessor's office told Pastor Hobby that the Church must pay taxes for the 2006 tax  
18 year.

19 34. On or about February 20, 2007, Pastor Mike Hobby filed an Affidavit for  
20 Organizational Tax Exemption with the La Paz County Assessor's office and listed the  
21 Church as applying for a religious organization tax exemption. *See Exhibit B.*

22 35. On or about June 18, 2007, a representative of the La Paz County  
23 Assessor's office told Pastor Hobby that the Church must submit a 501(c)(3) letter of  
24 determination from the federal Internal Revenue Service ("IRS") in order to complete  
25 the property tax exemption application.

26 36. The Assessor does not consider a church's application for a property tax  
27 exemption to be complete until the church submits a 501(c)(3) letter of determination  
28 from the IRS.

1           37.    Consequently, the Assessor will not grant a church's application for a  
2 property tax exemption until the church submits a 501(c)(3) letter of determination from  
3 the IRS.

4           38.    On or about June 19, 2007, Assessor Nault sent a letter to the Church  
5 stating that the Church's 2007 exemption application was incomplete. The letter  
6 identified that the only item missing that rendered the Church's application incomplete  
7 was:

8                           The 'Letter of Determination' from the Internal Revenue Service,  
9 exempting your organization under I.R.C. 501.C.3. This document is a  
10 pre-requisite to the property tax exemption process, (sic) a copy is needed  
11 to complete your application.

11 *See Exhibit C.*

12           39.    On or about September 5, 2007, Pastor Mike Hobby told the La Paz  
13 County Assessor's office that the Church was not required to file for a 501(c)(3) letter of  
14 determination from the IRS to be considered exempt from federal income taxes and that  
15 the church had decided not to file for a 501(c)(3) letter of determination from the IRS.

16           40.    The Assessor refused to grant a property tax exemption to the Church  
17 without receiving a 501(c)(3) letter of determination from the IRS.

18           41.    Section 508(c) of the Internal Revenue Code exempts churches from the  
19 requirement to apply to the IRS for recognition of exemption under Section 501(c)(3) of  
20 the Internal Revenue Code.

21           42.    The only reason that the Assessor refused to grant a property tax  
22 exemption to the Church was because the Church had not provided the Assessor with a  
23 501(c)(3) letter of determination from the IRS.

24           43.    Because the Assessor refused to grant a property tax exemption to the  
25 Church, the taxes on the property were listed as due and owing for the tax years of 2006  
26 and 2007.

27           44.    The Church explained to the Assessor's office on multiple occasions that it  
28 did not need a 501(c)(3) letter of determination from the IRS in order to obtain a

1 property tax exemption from La Paz County.

2 45. On or about February 11, 2008, the Treasurer placed a tax lien on the  
3 Property of the Church for unpaid taxes for the tax year 2006. *See* Exhibit D.

4 46. The tax lien was purchased at a tax sale on February 11, 2008, by the  
5 Oldham Family Trust and Decedent Trust; Richard Oldham, Trustee. *See* Exhibit D.

6 47. On or about February 13, 2008, the Treasurer notified the Church that a  
7 tax lien was placed on its Property and that if the tax deed was not redeemed, it could  
8 result in a treasurer's deed being issued to the holder of the certificate. *See* Exhibit E.

9 48. The Assessor continued to notify the Church that it would not receive a  
10 property tax exemption for its Property until it submitted a 501(c)(3) letter of  
11 determination from the IRS.

12 49. The Church was assessed property taxes for the tax years 2007, 2008 and  
13 2009 because the Assessor refused to grant the Church a property tax exemption for  
14 those years.

15 50. On or about June 11, 2009, in response to a request from the Church, the  
16 Arizona Department of Revenue issued the Church a letter confirming its tax exempt  
17 status under Arizona law. *See* Exhibit F.

18 51. The letter stated:

19 This letter is in response to your request for confirmation of the tax-  
20 exempt status of the Church of the Isaiah 58 Project of Arizona, Inc. After  
21 review of your request for tax exempt status we have determined that the  
22 Church of the Isaiah 58 Project of Arizona, Inc. is exempt from Arizona  
23 income tax under Arizona Revised Statutes (A.R.S.) §43-1201.4.  
24 **Further, as a church exempt under this section, property used or held  
primarily for religious worship is exempt from property tax under  
A.R.S. §42-11109A.**

25 . . .

26 **The tax-exempt status granted by this letter is effective from and after**  
27 **August 24, 2006.**

28 Exhibit F (emphasis added).

1           52.    On or about June 23, 2009, Pastor Mike Hobby submitted the letter from  
2 the Arizona Department of Revenue to the Assessor's office.

3           53.    On or about August 14, 2009, after receiving the letter from the Arizona  
4 Department of Revenue, the Assessor sent a letter granting a property tax exemption for  
5 the Church's Property for the tax year 2009 only. *See* Exhibit G.

6           54.    The Assessor refused to grant a property tax exemption to the Church for  
7 tax years 2006, 2007 and 2008 solely because it did not provide the Assessor with a  
8 501(c)(3) letter of determination from the IRS.

9           55.    The only reason the Assessor granted a property tax exemption to the  
10 Church for tax year 2009 is because the Church submitted the letter to the Assessor from  
11 the Arizona Department of Revenue.

12          56.    On or about November 10, 2010, the Church's legal counsel sent a letter to  
13 La Paz County Treasurer Leah Castro pursuant to A.R.S. §42-18352, requesting that she  
14 abate any and all taxes and remove any and all tax liens on the Church's Property. *See*  
15 Exhibit H.

16          57.    The letter argued that the taxes for tax years 2006, 2007 and 2008 were  
17 imposed due to an error or omission, specifically that the Church be required to submit a  
18 501(c)(3) letter of determination from the IRS. *See* Exhibit H.

19          58.    The letter pointed out that the Assessor had no basis in law or fact to deny  
20 the Church's application for a property tax exemption solely because the Church had not  
21 submitted a 501(c)(3) letter of determination from the IRS. *See* Exhibit H.

22          59.    On or about January 3, 2011, Treasurer Leah Castro sent the Church an  
23 email in response to the Church's legal Counsel's letter. In her email, Ms. Castro stated,  
24 "Per information I have received from the Assessor's Office, I cannot find justification  
25 to abate the taxes, including removal of tax liens, on parcel 306-27-040 A." *See* Exhibit  
26 I.

27          60.    As of February 7, 2011, the County Assessor lists the Church property as  
28 taxable for the tax years 2006, 2007 and 2008, and also lists additional amounts owed by



1 the Church for 2009 and 2010. *See* Exhibit J.

2 61. The total amount of taxes and interest owed by the Church as of February  
3 7, 2011, is listed by the Treasurer as \$52,665.27. *See* Exhibit J.

4 62. The Church is financially unable to pay the amount of property taxes  
5 imposed by La Paz County.

6 63. On or about February 25, 2011, the Church received a legal notice from an  
7 attorney for the trust holding the Certificate of Purchase of tax lien on the Church's  
8 property, stating that the lienholder intends to file a quiet title action against the Church  
9 on March 31, 2011. *See* Exhibit K.

10 64. The Church faces immediate and irreparable harm if the pending action by  
11 the lienholder is allowed to move forward as it faces the real possibility that it will lose  
12 its Property.

13 65. If the Church loses its Property as a result of the imposition of property  
14 taxes for the years 2006, 2007 and 2008, it will lose its ability to practice its religion at  
15 its location in Quartzsite and will have to completely cease operating as a church.

16 66. If the Church loses its Property as a result of the imposition of property  
17 taxes for the years 2006, 2007 and 2008, it will lose its ability to conduct its outreach  
18 and charitable ministries to the poor and needy in La Paz County on a daily basis and  
19 those ministry opportunities will never be recovered.

20 67. All of the actions of Defendant La Paz County as alleged herein were  
21 taken under color of state law.

22 **Count 1 – Injunction Against Illegal Tax**

23 68. Plaintiff realleges all matters set forth above.

24 69. The Assessor had no semblance of authority to impose taxes against the  
25 Plaintiff.

26 70. The Assessor had no semblance of authority to refuse to grant a property  
27 tax exemption for Plaintiff's Property.

28 71. The Assessor had no semblance of authority to refuse to grant Plaintiff a

1 property tax exemption for its Property unless Plaintiff provided a 501(c)(3) letter of  
2 determination from the IRS.

3 72. Plaintiff met the statutory requirements for a property tax exemption for its  
4 Property.

5 73. The imposition of taxes against the Plaintiff was illegal and unlawful.

6 74. The placement of a tax lien on Plaintiff's Property was illegal and  
7 unlawful.

8 75. Absent an injunction from this Court, Plaintiff faces immediate and  
9 irreparable harm, including the loss of its constitutionally-protected right to free exercise  
10 of religion and assembly.

11 WHEREFORE, Plaintiff respectfully requests that this Court grant the legal and  
12 equitable relief requested herein.

13 **Count 2 – Injunction Against Foreclosure of Invalid Tax Lien**

14 76. Plaintiff realleges all matters set forth above.

15 77. Defendant Richard Oldham and the Oldham Family Trust hold a lien on  
16 Plaintiff's Property that they purchased from the La Paz County Treasurer.

17 78. Defendant Richard Oldham and the Oldham Family Trust sent Plaintiff a  
18 Notice of Intent to File a Pending Action of foreclosure on the lien on the Church's  
19 Property.

20 79. The property taxes assessed and imposed on the Church's Property are  
21 invalid.

22 80. Because the property taxes are invalid, the lien held by Defendant Richard  
23 Oldham and the Oldham Family Trust is also invalid.

24 81. The County Treasurer was without authority to sell a tax lien to Defendant  
25 Richard Oldham and the Oldham Family Trust.

26 82. Defendant Richard Oldham and the Oldham Family Trust are prohibited  
27 from profiting from an invalid and illegal tax lien.

28 83. Pursuant to A.R.S. §42-18204(A), Defendant Richard Oldham and the

1 Oldham Family Trust are prohibited from foreclosing on a lien where the sale was not  
2 valid.

3 84. Any attempt to foreclose on Plaintiff's Property is unlawful and invalid  
4 and will harm Plaintiff's property interest.

5 WHEREFORE, Plaintiff respectfully requests that this Court grant the legal and  
6 equitable relief requested herein.

7 **Count 3 – Entitlement to Exemption Pursuant to A.R.S. §42-11109**

8 85. Plaintiff realleges all matters set forth above.

9 86. A.R.S. §42-11109(A) states that "Property or buildings that are used or  
10 held primarily for religious worship, including land, improvements, furniture and  
11 equipment, are exempt from taxation if the property is not used or held for profit."

12 87. Plaintiff's Property, building, land, improvements, furniture and  
13 equipment are used and held primarily for religious worship.

14 88. Plaintiff's Property, building, land, improvements, furniture and  
15 equipment are not used or held for profit.

16 89. Plaintiff provided evidence to the Assessor that it met the requirements for  
17 a property tax exemption.

18 90. Despite the evidence provided to the Assessor that Plaintiff met the  
19 requirements for a property tax exemption, the Assessor refused to grant a property tax  
20 exemption for Plaintiff's Property.

21 91. The Assessor had no sufficient justification to deny a property tax  
22 exemption for Plaintiff's Property.

23 92. The Assessor and Treasurer had no lawful basis to impose taxes and to  
24 impose a tax lien on Plaintiff's Property when Plaintiff met the requirements for a  
25 property tax exemption.

26 WHEREFORE, Plaintiff respectfully requests that this Court grant the legal and  
27 equitable relief requested herein.

28



1 and on its Property, including the various forms of outreach conducted on Plaintiff's  
2 Property.

3 105. The imposition of property taxes substantially burdens the Plaintiff's  
4 exercise of religion.

5 106. Under FERA, government may not substantially burden Plaintiff's free  
6 exercise of religion unless it demonstrates that the burden is in furtherance of a  
7 compelling governmental interest and that the burden is the least restrictive means of  
8 furthering the compelling governmental interest.

9 107. Defendant La Paz County and the Assessor have no compelling  
10 government interest to justify its illegal and unlawful imposition of property taxes on the  
11 Plaintiff's Property and wrongful refusal to recognize Plaintiff's qualification for  
12 exemption.

13 108. Any interest Defendant La Paz County and the Treasurer have in  
14 collecting property taxes against churches is not advanced in the least restrictive means  
15 available.

16 109. Unless and until Defendant La Paz County and the Treasurer are enjoined  
17 from enforcing their efforts to collect property taxes from Plaintiff, Plaintiff will  
18 continue to suffer irreparable harm to its constitutionally-protected rights of the free  
19 exercise of religion and assembly.

20 WHEREFORE, Plaintiff respectfully requests that this Court grant the legal and  
21 equitable relief requested herein.

22 **Count 6 – Violation of Federal Establishment Clause**

23 110. Plaintiff realleges all matters set forth above.

24 111. The Federal Establishment Clause prohibits favoring one denomination or  
25 church over another.

26 112. The Assessor's practice and policy of granting property tax exemptions  
27 only to those churches who have a 501(c)(3) letter of determination from the IRS favors  
28 some churches over others.

1           WHEREFORE, Plaintiff respectfully requests that this Court grant the legal and  
2 equitable relief requested herein.

3                           **Count 7 – Violation of Federal Free Exercise Clause**

4           113. Plaintiff realleges all matters set forth above.

5           114. Plaintiff has a sincerely-held religious belief to exercise its religion from  
6 its Property, including the various forms of outreach conducted on Plaintiff's Property.

7           115. The imposition of taxes substantially burdens the Plaintiff's exercise of  
8 religion.

9           116. The tax statutes are not a neutral law of general applicability.

10          117. The government may not substantially burden religious exercise through a  
11 law that is not neutral or generally applicable absent a compelling governmental interest.

12          118. The Arizona tax statutes set up a system of individualized exemptions  
13 from its requirements.

14          119. The government may not set up a system of individualized exemptions  
15 from a requirement without extending an exemption to religious exercise unless the  
16 government can demonstrate a compelling interest.

17          120. Defendant La Paz County and the Assessor have no compelling  
18 government interest to justify its illegal and unlawful imposition of property taxes on the  
19 Plaintiff's Property.

20          121. Any interest Defendant La Paz County and the Treasurer have in  
21 collecting property taxes against churches is not advanced in the least restrictive means  
22 available.

23          122. Unless and until Defendant La Paz County and the Treasurer are enjoined  
24 from enforcing their efforts to collect property taxes from Plaintiff, Plaintiff will  
25 continue to suffer irreparable harm to its constitutionally-protected rights of the free  
26 exercise of religion and assembly.

27           WHEREFORE, Plaintiff respectfully requests that this Court grant the legal and  
28 equitable relief requested herein.

1 **Prayer for Relief**

2 WHEREFORE, Plaintiff respectfully requests that this Court:

3 A. Enter a Preliminary and a Permanent Injunction, enjoining Defendant La  
4 Paz County, the Assessor, and the Treasurer and their agents, servants, employees,  
5 officials or any other person acting in concert with it or on its behalf, from imposing any  
6 taxes on Plaintiff's Property or attempting to collect property taxes from Plaintiff and  
7 requiring Defendant La Paz County and the Treasurer to abate any property taxes  
8 imposed on Plaintiff's Property from 2006 to the present, including any interest and  
9 penalties and to remove any and all tax liens imposed on Plaintiff's Property;

10 B. Enter a Preliminary and a Permanent Injunction enjoining Defendant  
11 Richard Oldham and the Oldham Family Trust, their agents, servants, employees,  
12 officials or any other person acting in concert with them or on their behalf from  
13 instituting or prosecuting any action to foreclose on the lien it purchased on Plaintiff's  
14 Property and from attempting in any way to obtain a title or any right in Plaintiff's  
15 Property based on the lien it purchased on Plaintiff's Property, including enjoining the  
16 Treasurer from delivering its deed to the Oldham Defendants.

17 C. Enter a Declaratory Judgment that Plaintiff is entitled to a property tax  
18 exemption for its Property for tax years 2006, 2007 and 2008 and that Defendant La Paz  
19 County and the Assessor unlawfully imposed and attempted to collect property taxes  
20 from Plaintiff.

21 D. Enter a Declaratory Judgment that Plaintiff holds its Property free and  
22 clear of any encumbrance or lien placed on the Property as a result of the imposition of  
23 property taxes against the Plaintiff.

24 E. Award such damages to Plaintiff as are just and proper for violation of its  
25 statutory and constitutional rights.

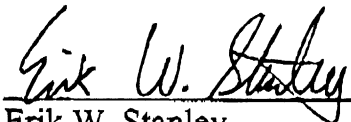
26 F. Award Plaintiffs' costs and expenses of this action, including a reasonable  
27 attorneys' fee award, in accordance with 42 U.S.C. § 1988, A.R.S. §41-1493.01(D), and  
28 other applicable state and federal law;


1 G. Grant such other and further relief as the Court deems equitable, just, and  
2 proper;

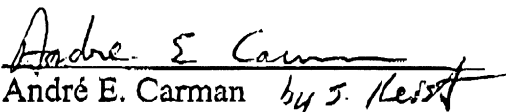
3 H. Adjudge, decree, and declare the rights and other legal relations of the  
4 parties to the subject matter here in controversy, in order that such declarations shall  
5 have the force and effect of final judgment; and,

6 I. Retain jurisdiction of this matter for the purpose of enforcing the Court's  
7 orders.

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Erik W. Stanley  
Alliance Defense Fund  
Attorney for Plaintiff

  
Steven D. Keist  
Steven D. Keist, P.C.  
Local Co-Counsel for Plaintiff

  
André E. Carman *by S. Keist*  
Warnock, Mackinlay & Carman, PLLC  
Local Co-Counsel for Plaintiff

*\*pro hac vice* motion submitted

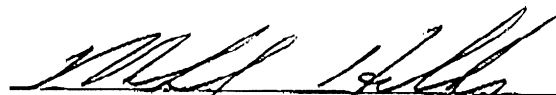


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**VERIFICATION OF COMPLAINT**

I declare under penalty of perjury that I have read the foregoing Verified Complaint and the factual allegations thereof and that to the best of my knowledge the facts alleged therein are true and correct.

Executed this 14 day of March, 2011, in Maricopa County, Arizona.

  
Mike Hobby, Pastor, Church of the Isaiah  
58 Project of Arizona, Inc

AZ CORPORATION COMMISSION  
FILED

AZ Corp. Commission  
01726582

AUG 15 2008

AZ CORPORATION COMMISSION  
FILED

FILE NO. 1303136-8

Articles of Incorporation

Church of the Isaiah 58 Project of Arizona, Inc. AUG 24 2008

FILE NO. 1303136-8

(An Arizona Non-Profit Corporation)

Article 1. *Corporate Name* The name of this corporation is Church of the Isaiah 58 Project of Arizona Inc.

Article 2...*Purpose of Organization* The purpose for which the corporation is organized is to associate people for the purpose of glorifying God and manifesting His character to the world as expressed and proclaimed through the life and ministry of our Lord Jesus Christ.

Article 3. *Character of Affairs* The character of our affairs is to

a. worship the Triune God through music, praise and adoration and in all forms of human expression;

b. to proclaim God's saving Gospel as expressed and modeled by our Lord Jesus Christ.

c. to proclaim God's love for the world by ministering to human needs, caring for the sick and the aged, the poor and the powerless, teaching that all peoples are entitled to dignity and justice.

d. to be an agency of the Lord to evangelize the world in carrying out our Lord's Great Commission as set forth in the Gospel of Matthew 28:19-20

Article 4. *Use of Earnings solely for Charitable Purposes* No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 2. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements,) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on:

a. by a corporation exempt for Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of the United States

b by a corporation, contributions to which are deductible under Section 501(c)(3) of the Internal Revenue Code of the United States.

EXHIBIT  
tabbles  
A

Article 5. *Payment of Liabilities upon Dissolution* Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all liabilities of the corporation, dispose of all its assets exclusively for the purposes of the corporation in such a manner, or to such organizations organized and operated exclusively for charitable, educational, religious or scientific purpose as shall at the time qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of the United States as the Board of Directors shall determine.

Article 6 *Powers*. In furtherance of its objectives and to provide funds therefore, this corporation shall have all powers permitted for nonprofit corporations pursuant to the Arizona Nonprofit Corporation Act (A.R.S. §§ Title 10, Chapters 24 through 40).

Article 7. *Board of Directors* The names and addresses of the members of the initial Board of Directors, who shall serve until their successors are qualified according to the by-laws, are:

Michael D. Hobby; 100 Moon Mountain Road  
Quartzsite AZ 85346-1713

Linda D. Hobby; 100 Moon Mountain Road  
Quartzsite AZ 85346-1713

Article 8. *Known Place of Business* The street address of the known place of business of the Corporation is: 100 Moon Mountain Road; Quartzsite AZ 85346-1713

Article 9. *Statutory Agent* The Statutory Agent is:

Robert F. Hughes, Esq.  
4854 N. 79th Drive  
Phoenix AZ 85033-1010  
PHO (623) 848-3504  
FAX (623) 322-3989  
EML [iccrown@cox.net](mailto:iccrown@cox.net)  
WEB <http://www.biztrustlaw.com>  
VOX (877) 850-6116

Article 10. *Incorporator* The name and address of the undersigned incorporator is:

Robert F. Hughes, Esq.  
4854 N. 79th Drive  
Phoenix AZ 85033-1010  
PHO (623) 848-3504  
FAX (623) 322-3989  
EML [iccrown@cox.net](mailto:iccrown@cox.net)  
WEB <http://www.biztrustlaw.com>  
VOX (877) 850-6116

Article 11. *Discrimination* The corporation will not practice or permit discrimination on the basis of sex, age, race, national origin, religion, or physical handicap or disability.

Article 12. *Members* The corporation will have members.

IN WITNESS WHEREOF, the following incorporator has signed these Articles of Incorporation this date:

August 24, 2006

*Bob Hughes*

Robert F. Hughes

**Acceptance of Appointment by Statutory Agent**

I Robert F. Hughes, having been designated to act as Statutory Agent, hereby consent to act in that capacity until removed, or resignation is submitted in accordance with the Arizona Revised Statutes.

August 24, 2006

*Bob Hughes*

Robert F. Hughes

ARIZONA CORPORATION COMMISSION  
CORPORATIONS DIVISION

Phoenix Address: 1300 West Washington  
Phoenix, Arizona 85007-2929

Tucson Address: 400 West Congress  
Tucson, Arizona 85701-1347

NONPROFIT  
CERTIFICATE OF DISCLOSURE  
A.R.S. Section 10-3202.D.

Church of the Isaiah 58  
Project of Arizona, Inc.  
EXACT CORPORATE NAME

- A. Has any person serving either by election or appointment as officer, director, trustee, or incorporator in the corporation:
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 the 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 the execution of this Certificate wherein 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 XX

B. IF YES, the following information MUST be attached:

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

C. Has any person serving either by election or appointment as an officer, director, trustee or incorporator of the corporation, served in any such capacity or held such interest in any other corporation which has been placed in bankruptcy or receivership or had its charter revoked, or administratively dissolved by any jurisdiction?

Yes \_\_\_ No XX

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

- |   |   |
|---|---|
| 1. Name and address of the corporation.   | 4. Dates of corporate operation.  |
| 2. Full name, including alias and address of each person involved.  | 5. A description of the bankruptcy, receivership or charter revocation, including the date, court or agency and the file or cause number of the case. |
| 3. State(s) in which the corporation: <ol style="list-style-type: none"> <li>(a) Was incorporated.</li> <li>(b) Has transacted business.</li> </ol> |   |

D. The fiscal year end adopted by the corporation is 5 December 31

Under penalties of law, the undersigned incorporators/officers declare that we have examined this Certificate, including any attachments, and to the best of our knowledge and belief it is true, correct and complete, and hereby declare as indicated above. THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS OF THE DELIVERY DATE.

BY Bob Hughes DATE 8/24/2006  
TITLE Incorporator

BY \_\_\_\_\_ DATE \_\_\_\_\_  
TITLE \_\_\_\_\_

BY \_\_\_\_\_ DATE \_\_\_\_\_  
TITLE \_\_\_\_\_

BY \_\_\_\_\_ DATE \_\_\_\_\_  
TITLE \_\_\_\_\_

DOMESTIC CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. (If more than four incorporators, please attach remaining signatures on a separate sheet of paper.)

If within sixty days, any person becomes an officer, director, or trustee and the person was not included in this disclosure, the corporation must file an AMENDED certificate signed by all incorporators, or if officers have been elected, by a duly authorized officer.

FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.

TYPE	COUNTY	FILE
C	La Paz	

# AFFIDAVIT FOR ORGANIZATIONAL TAX EXEMPTION

Pursuant to A.R.S. §§ 42-11101 through 42-11155

ORGANIZATION OR BUSINESS NAME  
 NAME: CHURCH OF THE ISAIAH 58 PROJECT OF ARIZONA INC  
 ADDRESS: PO BOX 1713  
 City: Quartzsite State AZ ZIP 85346

CONTACT INFORMATION (Address if different than Applicant)		
Name:	<u>Rev MICHAEL D. HOBBS</u>	
Address:	<u>PO Box 1713</u>	
City:	State:	Zip Code:
<u>Quartzsite</u>	<u>AZ</u>	<u>85346</u>
Telephone: (Applicant Phone #)	<u>928-927-3124</u>	
REMARKS:		
<u>Call approx 2:00 pm in the day.</u>		

- EXEMPTION TYPE:
- RELIGIOUS ORGANIZATION  NON-PROFIT ORGANIZATION   
 CHARITABLE ORGANIZATION  EDUCATIONAL PROPERTY   
 VETERAN'S ORGANIZATION  CEMETERY   
 OTHER (SPECIFY TYPE)  \_\_\_\_\_

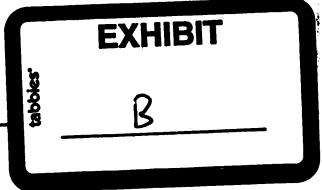
NOTE: Signature must be notarized if not signed in the presence of Assessor's Office Personnel.

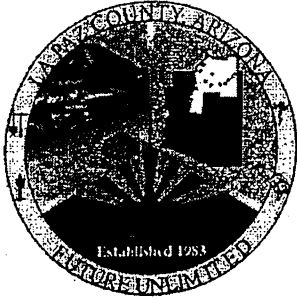
CODE	SEQ.	PROPERTY LIST / PARCEL NUMBER	INT	ASS'D	FULL CASH	ASSESSED	EXEMPT	LIMITED	ASSESSED	EXEMPT
	01	306-27-040 A			483,224	107476	<input checked="" type="checkbox"/>	483224	107476	<input checked="" type="checkbox"/>
					483224	107476	<input checked="" type="checkbox"/>	483224	107476	<input checked="" type="checkbox"/>

STATE OF ARIZONA }  
 COUNTY } I HEREBY CERTIFY THAT I HAVE READ OVER THE FORGOING FACTS BEFORE SUBSCRIBING MY NAME HERETO, AND THAT ALL MATTERS HEREIN STATED ARE TRUE TO THE BEST OF MY KNOWLEDGE.

x Rev Michael D. Hobbs 2-20-07  
 PROPERTY OWNER / AGENT DATE  
Mary Mitchell  
 DEPUTY ASSESSOR / NOTARY DATE MY COMMISSION EXPIRES

DOR APPROVED FORM 82514A (Rev. 9/03)





George Nault  
La Paz County Assessor

1112 Joshua Avenue, Suite 204  
Parker, Arizona 85344

Phone (928) 669-6165

Fax (928) 669-9740

June 19, 2007

**COPY**

Church of Isaiah 58 Project of Arizona, Inc.  
P. O. Box 1713  
Quartzsite, AZ 85346

Re: 2007 Affidavit for Religious Organization Tax Exemption  
Church of Isaiah 58 Project of Arizona, Inc  
15-306-27-040A 0

Dear Sir:

In reviewing the 2007 Affidavit and the supporting documents, I find that additional information is needed to complete your application.

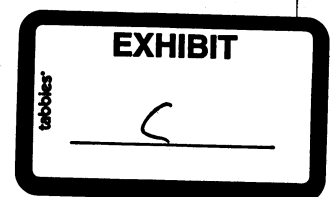
- 1) The 'Letter of Determination' from the Internal Revenue Service, exempting your organization under I.R.C. 501.C.3. This document is a pre-requisite to the property tax exemption process, a copy is needed to complete your application.

If you should have questions regarding this application, please feel free to contact our office.

Sincerely,

George Nault  
La Paz County Assessor

GN/mfm





Recording requested by and return to:  
La Paz County Treasurer

NO. 20060119

**TREASURER'S TAX LIEN CERTIFICATE  
ELLEN SOLPER - LA PAZ COUNTY TREASURER**

STATE OF ARIZONA,

SS:

LA PAZ COUNTY

I HEREBY CERTIFY THAT AT A SALE OF TAX LIENS ON REAL ESTATE SITUATED IN SAID COUNTY AND STATE, FOR DELINQUENT TAXES FOR THE FOLLOWING YEAR, OR YEARS, TO WIT 2006, HELD AT THE COUNTY TREASURER'S OFFICE IN SAID COUNTY ON THE 11<sup>TH</sup> DAY OF FEBRUARY, 2008 IN ACCORDANCE WITH LAW, **OLDHAM FAMILY TRUST AND DECEDENT TRUST; RICHARD OLDHAM, TRUSTEE**, WAS THE PURCHASER OF A TAX LIEN ON THAT CERTAIN REAL PROPERTY DESCRIBED AS FOLLOWS, TO WIT:

TAX PARCEL ID# 306-27-040 A

AMOUNT \$14,647.36

DESCRIPTION:

SEC 28 T-4N R-19W PT OF NE4NW4 BEG AT NW COR OF NE4NW4 TH S 406 TH S 280 FT E 482.65 FT S 20 FT E 60.35 FT N 123 FT W 9 FT N 3 FT W 51.35 FT N 174 FT W 482.65 FT TO POB PER 1031/571 AND T YOWELL SURVEY AUG 1977 EXC MOON MT CO RD R/W

FOR WHICH HE OR SHE PAID THE AMOUNT OF MONEY SET OPPOSITE THE DESCRIPTION OF SAID REAL PROPERTY, UPON WHICH AMOUNT HE OR SHE SHALL RECEIVE INTEREST AT THE RATE OF TEN PERCENT (10%) PER ANNUM, UNTIL THIS CERTIFICATE IS REDEEMED.

*Ellen Solper*  
TREASURER OF LA PAZ COUNTY  
STATE OF ARIZONA

**ENDORSEMENT OF SUBSEQUENT PAYMENTS**

DATE PAID	TAX YEAR	AMOUNT PAID	DEPUTY TREASURER
<u>6-30-08</u>	<u>2007</u>	<u>\$ 12,844.48</u>	<u>Susan Hill</u>
<u>10-15-09</u>	<u>2008</u>	<u>\$ 12,406.82</u>	<u>Susan Hill</u>
<u>6-29-10</u>	<u>2009</u>	<u>\$ 1,161.79</u>	<u>Susan Hill</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**EXHIBIT**  
tabbles  
D



# CERTIFICATE OF PURCHASE

CP NO. 20060119

PARCEL 306-27-040 A YEAR 2006 DATE PURCHASED 2-11-08

PROPERTY OWNER Church of Isaiah 58 Project of AZ Inc ADDRESS PO Box 1713 Quartzsite AZ 85346

C.P. HOLDER Oldham Family Trust & Decedent Trust (Richard Oldham, Trustee) ADDRESS PO Box 619 Qtz, AZ 85346

ASSIGNED TO \_\_\_\_\_ ADDRESS \_\_\_\_\_ DATE \_\_\_\_\_

DATE REDEEMED \_\_\_\_\_ REDEEMED BY \_\_\_\_\_

ROLL # ~~7661~~ 7700 C.P. RECORDED 3-4-08 DOCKET # 2008-01125

10 %

## TAXES PAID AND ENDORSED

YEAR	DATE PAID	AMOUNT
2006	2-11-08	14,647.36
2007	6-30-08	12,844.48
2008	10-15-09	12,406.82
2009	6-29-10	1,661.79

## NOTES

2-13-08 Notified Owner of CP

**Ellen Solper**  
**La Paz County Treasurer**  
1112 Joshua Avenue Suite 203  
Parker, Arizona 85344  
(928) 669-6145 Fax (928) 669-5393

February 13, 2008

CHURCH OF ISALAH 58 PROJECT OF AZ INC  
PO BOX 1713  
QUARTZSITE AZ 85346

RE: Parcel # 306-27-040 A

Dear Taxpayer:

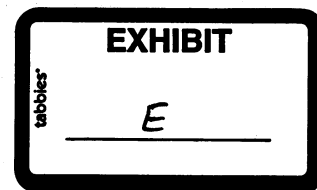
In accordance with Title 42 of the Arizona Revised Statutes, a Certificate of Purchase (Tax Lien) has been issued on the above referenced parcel. If not redeemed, this could result in a treasurer's deed being issued to the holder of the certificate.

If you would like to redeem this lien, please contact this office for the amount. Redemption must be made in **CERTIFIED FUNDS ONLY** (e.g., cash, cashier's check, money order).

Sincerely,

---

Leah Castro  
Deputy Treasurer



# STATE OF ARIZONA

Department of Revenue



Vincent Perez  
Assistant Director

Nancy Fiest  
Administrator

June 11, 2010

Church of the Isaiah 58 Project of Arizona, Inc.  
P.O. Box 1713  
Quartzsite, AZ 85346

Pastors Mike and Linda Hobby:

This letter supersedes the original tax-exempt letter dated May 29, 2009.

This letter is in response to your request for confirmation of the tax-exempt status of the Church of the Isaiah 58 Project of Arizona, Inc. After review of your request for tax exempt status we have determined that the Church of the Isaiah 58 Project of Arizona, Inc. is exempt from Arizona income tax under Arizona Revised Statutes (A.R.S.) § 43-1201.4. Further, as a church exempt under this section, property used or held primarily for religious worship is exempt from property tax under A.R.S. § 42-11109.A. Please note: Property tax exemptions are based on the use of the property as well as ownership and this letter does not make a determination regarding whether a particular property qualifies for exemption from property tax. Please contact your local County Assessor for a determination regarding any property tax exemptions. Because this letter could help resolve any questions regarding your tax exempt status, you should keep it in your permanent records.

The tax-exempt status granted by this letter is effective from and after August 24, 2006.

Please contact me at (602) 716-6447 if I can be of further assistance.

Sincerely,

A handwritten signature in cursive script that reads "Nancy Fiest".

Nancy Fiest  
Administrator, Corporate Income Tax Audit Section

EXHIBIT

F



George Nault  
La Paz County Assessor

1112 Joshua Avenue, Suite 204  
Parker, Arizona 85344

Phone (928) 669-6165

Fax (928) 669-9740

August 14, 2009

Church of Isaiah 58 Project of AZ  
P O Box 1713  
Quartzsite, AZ 85346

Re: Exemption for Religious Property  
Church of Isaiah 58 Project of AZ  
APN: 306-13-004

Dear Pastor,

The application filed for Property Tax Exemption has been **APPROVED** for the tax year **2009**, for the location(s) listed above.

The affidavit and supporting documents filed by your organization, Church of Isaiah 58 Project of AZ, along with the Assessor's property verification, has met the requirements for a non-profit organization used for religious purposes. All property owned by the organization, furniture and equipment that is used for purposes specified will be exempted from property tax.

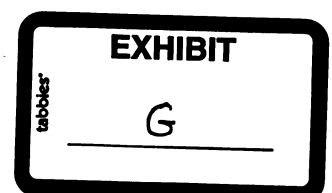
Additionally, vehicles owned by the organization may be exempted from paying a Vehicle License Tax. Bring the current Arizona Registration form to our office and a document for exemption will be issued prior to your visit with the Motor Vehicle Division (MVD).

If you should have questions regarding this application, please feel free to contact our office.

Sincerely,

George Nault  
La Paz County Assessor

GN/mfm





November 10, 2010

**Via Email and Regular Mail**

Leah Castro  
La Paz County Treasurer  
1112 Joshua Avenue  
Suite 203  
Parker, AZ 85344

Re: Application for Abating Tax and Removing Tax Lien  
Church of Isaiah 58 Project of AZ

Dear Ms. Castro:

I am writing on behalf of the Church of Isaiah 58 Project of Arizona (“Church”) concerning the property tax exemption for its property located at 100 South Moon Mountain Road in Quartzsite. By way of introduction, the Alliance Defense Fund is a non-profit legal and educational organization which exists to educate the public and the government about important constitutional liberties. When necessary, we litigate to secure our clients’ constitutional and statutory rights.

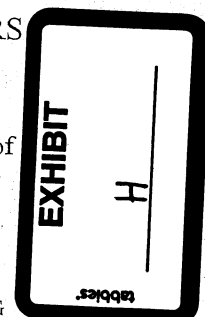
This letter is an application, pursuant to Arizona Statute 42-18352 for an abatement of property tax and a removal of a tax lien. Under Arizona Statute 42-18352, you are required, upon application of a property owner, to determine whether any of the circumstances enumerated in Arizona Statute 42-18351 exist. If you find that a circumstance listed in 42-18351 exists, you are required to, with the approval of the Board of Supervisors, abate any taxes and remove any tax liens on the property.

This letter will demonstrate that taxes were assessed against the Church’s property for the years of 2006 through 2008 due to, “An error or omission resulting in an improper imposition of a property tax.” Arizona Statute 42-18351(1).

The Church of Isaiah 58 Project purchased the property on South Moon Mountain Road in August, 2006. Immediately, the Church submitted to the assessor’s office an application for tax exemption for the property since the Church met the requirements for property tax exemption under Arizona Statute 42-11109. The assessor refused to act on the application, saying that the Church could only receive an exemption when it produced an advanced determination letter of exemption from the Internal Revenue Service.

The Church has elected not to receive an advance determination letter of exemption from the IRS and it is not required to do so to be considered as exempt under IRC §501(c)(3).<sup>1</sup> Nor is the

<sup>1</sup> Under the Internal Revenue Code §508(c)(1)(a), Churches are not required to obtain an advanced determination of tax exemption in order to be considered tax-exempt under section 501(c)(3) of the Internal Revenue Code.



Church required to have an advanced determination of tax exemption from the IRS to be eligible for a property tax exemption under 42-11109 of the Arizona Statutes. The information provided to the assessor's office by the Church in 2006 clearly proves that it is a non-profit organization entitled to a property tax exemption under 42-11109.

After an excessive delay, the assessor finally granted the requested property tax exemption for the Church in 2009 even though the Church had not provided the assessor with any new or different information than it provided initially in its application in 2006.

Despite the fact that the assessor's office received all the necessary information from the Church to establish eligibility to a property tax exemption, the assessor refused to grant the exemption until 2009 and then only granted the exemption for the year 2009 forward. The assessor provided no explanation for the delay and for his decision to charge the Church property tax for the years 2006-2008. The Church had not given the assessor any new or additional information from the time it applied for a property tax exemption in 2006 until the assessor granted the exemption in 2009, making the decision to charge property tax for the years for 2006-2008 even more egregious.

In short, the assessor's office had no basis in law or fact to delay action on the Church's property tax exemption until 2009 and then to grant exemption only for 2009 while charging taxes for the years 2006-2008. This is especially true given the fact that the Church was clearly entitled to a property tax exemption from the time it applied 2006.

This issue has recently escalated after an individual purchased a tax lien on the property and has the right to foreclose on the property after the statutory period. Because of the assessor's actions in denying the property tax exemption for 2006-2008, the Church faces the very real possibility of losing its property for non-payment of taxes that never should have been assessed against the Church in the first place.

After the inordinate delay of the property assessor on this matter, and after the assessor refused to correct his action in imposing property taxes on the Church for the years 2006 through 2008, the Church contacted the State of Arizona Department of Revenue who issued the attached letter. The letter specifically finds that the Church is exempt from income taxes under A.R.S. 43-1201.4 and then states, "**Further, as a church exempt under this section, property used or held primarily for religious worship is exempt from property tax under A.R.S. §42-11109.A.**" The letter concludes by stating that the "tax-exempt status granted by this letter is effective from and after August 24, 2006."

The assessor's office had no basis at all to delay granting the property tax exemption until 2009 and then had no basis for granting an exemption only for the years of 2009 to the present. The assessor also had no basis to assess property taxes for the years of 2006 through 2008. This is especially true given the Department of Revenue's letter submitted to the assessor. The assessor's actions clearly meet the definition under Arizona Statute 42-18351(1) of "an error or omission resulting in an improper imposition of a property tax."

Once you have received sufficient evidence that one of the circumstances in 42-18351 exists, A.R.S. 42-18352.D requires you to take the following steps:

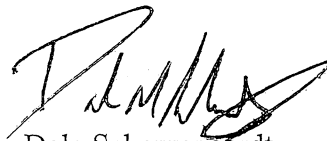
If the county treasurer determines that any of the situations described in section 42-18351 exists in a prior year or years, the treasurer shall grant appropriate relief, subject to the approval of the board of supervisors. The relief may include removing all or part of the lien or abating all or part of the tax.

Therefore, we respectfully request that you abate the property taxes assessed for the years 2006 through 2008 and remove any tax liens on the Church's property.

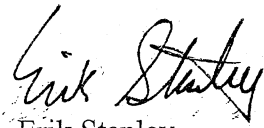
If you have any questions or need any additional information to make your determination, please do not hesitate to contact Erik Stanley at (913) 685-8000.

Because this matter is of the utmost importance, I look forward to your prompt response.

Sincerely,



Dale Schowengerdt  
Legal Counsel<sup>2</sup>



Erik Stanley  
Senior Legal Counsel<sup>3</sup>

cc: Mike Hobby, Pastor  
George Nault, La Paz County Property Assessor  
La Paz County Board of Supervisors

---

<sup>2</sup> Licensed in AZ

<sup>3</sup> Licensed in FL, DC, KS

**Erik Stanley**

---

**From:** Leah Castro [lcastro@co.la-paz.az.us]  
**Sent:** Monday, January 03, 2011 2:16 PM  
**To:** isaiahprojectofarizona@yahoo.com  
**Cc:** Erik Stanley; 'Mary Mitchell'; 'George Nault'; hirwin@co.la-paz.az.us; spierce@co.la-paz.az.us; jdrum@co.la-paz.az.us; mbaptista@co.la-paz.az.us

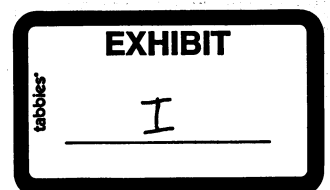
Dear Pastors Mike and Linda Hobby:

Per information I have received from the Assessor's Office, I cannot find justification to abate the taxes, including removal of the tax liens, on parcel 306-27-040 A.

I have been on maternity leave and will be for another few weeks. If you have any questions or would like verification of this email, please contact my Chief Deputy, Mary Baptista, or Mary Mitchell at the Assessor's Office (928-669-6165).

Sincerely,

Leah Castro  
La Paz County Treasurer





Hard Copy

La Paz County Treasurer

Owner

Monday, February 07, 2011

Leah Castro

1112 Joshua, Suite 203

Parker, AZ 85344

Phone:928-669-6145, Fax:928-669-5393

lcastro@co.la-paz.az.us

Church Of Isaiah 58 Project Of Az Inc  
P O Box 1713

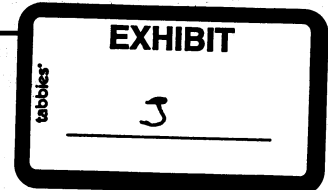
SEC 28 T-4N R-19W PT OF NE4NW4 BEG AT NW COR OF NE4NW4  
TH S 406 TH S 280 FT E 482.65 FT S 20 FT E 60.35 FT N 123 FT W 9  
FT N 3 FT W 51.35 FT N 174 FT W 482.65 FT TO POB PER 1031/571  
AND T YOWELL SURVEY AUG 1977 EXC MOON MT CO RD R/W

Quartzsite AZ 85346

**Parcel ID: 306-27-040-A**

**Figures below based on 02/07/2011**

Year	Roll #	Status	Taxes	CP Amount	Fee(s)	Interest	Payments	Balance Due
2010	8141	Tax	\$1,471.16	\$0.00	\$0.00	\$39.23	\$0.00	\$1,510.39
Payments:								
2009	8100	CP Investor C	\$1,553.24	\$1,661.79	\$0.00	\$110.79	\$0.00	\$1,772.58
Payments:								
06/22/2010	830 - OLDHAM F		\$1,553.24		\$5.00	\$103.55	\$1,661.79	
2008	8019	CP Investor C	\$11,073.06	\$12,406.82	\$0.00	\$1,654.24	\$0.00	\$14,061.06
Payments:								
10/16/2009	830 - OLDHAM F		\$11,073.06		\$5.00	\$1,328.76	\$12,406.82	
2007	7899	CP Investor C	\$12,037.02	\$12,844.48	\$0.00	\$3,425.19	\$0.00	\$16,269.67
Payments:								
06/30/2008	830 - OLDHAM F		\$12,037.02		\$5.00	\$802.46	\$12,844.48	
2006	7700	CP Investor C	\$11,965.14	\$14,647.36	\$10.00	\$4,394.21	\$0.00	\$19,051.57
Payments:								
02/12/2008	830 - OLDHAM F		\$11,965.14		\$618.26	\$2,073.96	\$14,657.36	
2005	7500	CP Redeeme	\$12,551.78	\$7,436.47	\$15,278.70	\$1,317.15	\$29,147.63	\$0.00
Payments:								
03/23/2006	Isaiah 58 Proj For I		\$6,275.89			\$418.39	\$6,694.28	
02/13/2007	732 - TROUT INV		\$6,275.89		\$333.79	\$836.79	\$7,446.47	
02/20/2007	Church Of Isaiah 5				\$7,508.44		\$7,508.44	
03/20/2007	CP/Investor Refun						\$7,498.44	
2004	7322	CP Redeeme	\$12,545.20	\$15,524.23	\$31,912.71	\$2,548.76	\$47,006.67	\$0.00
Payments:								
03/02/2006	STATE OF/ARIZ		\$12,545.20		\$647.26	\$2,341.77	\$15,534.23	
03/23/2006	Fadale Louis				\$15,741.22		\$15,741.22	
05/12/2006	CP/Investor Refun						\$15,731.22	
2003	7268	CP Redeeme	\$12,762.96	\$17,835.61	\$36,577.18	\$4,662.31	\$54,002.45	\$0.00
Payments:								
03/02/2006	STATE OF/ARIZ		\$12,762.96		\$658.15	\$4,424.50	\$17,845.61	
03/23/2006	Fadale Louis				\$18,083.42		\$18,083.42	
05/12/2006	CP/Investor Refun						\$18,073.42	
2002	7234	CP Redeeme	\$12,000.90	\$12,805.96	\$44,228.25	\$12,410.80	\$68,639.95	\$0.00
Payments:								



Monday, February 07, 2011

Leah Castro

1112 Joshua, Suite 203

Parker, AZ 85344

Phone:928-669-6145, Fax:928-669-5393

lcastro@co.la-paz.az.us

Church Of Isaiah 58 Project Of Az Inc  
P O Box 1713

Quartzsite AZ 85346

SEC 28 T-4N R-19W PT OF NE4NW4 BEG AT NW COR OF NE4NW4  
TH S 406 TH S 280 FT E 482.65 FT S 20 FT E 60.35 FT N 123 FT W 9  
FT N 3 FT W 51.35 FT N 174 FT W 482.65 FT TO POB PER 1031/571  
AND T YOWELL SURVEY AUG 1977 EXC MOON MT CO RD R/W

**Parcel ID: 306-27-040-A**

Figures below based on 02/07/2011

Year	Roll #	Status	Taxes	CP Amount	Fee(s)	Interest	Payments	Balance Due
06/03/2003	142 - JOHN OR E		\$12,000.90		\$5.00	\$800.06	\$12,805.96	
03/02/2006	JOHN OR ELEAN				\$18,611.33		\$18,611.33	
03/23/2006	Fadale Louis				\$18,611.33		\$18,611.33	
05/12/2006	CP/Investor Refun						\$18,611.33	
<b>2001</b>	6977	CP Redeeme	\$11,518.34	\$6,901.81	\$24,438.28	\$8,115.19	\$44,071.81	\$0.00
Payments:								
04/18/2002	KILLINGBECK J		\$5,759.17			\$460.73	\$6,219.90	
03/24/2003	STATE OF/ARIZ		\$5,759.17		\$307.96	\$844.68	\$6,911.81	
03/02/2006	JOHN OR ELEAN				\$10,316.70		\$10,316.70	
03/23/2006	Fadale Louis				\$10,316.70		\$10,316.70	
05/12/2006	CP/Investor Refun						\$10,306.70	
<b>2000</b>	6896	CP Redeeme	\$10,768.08	\$11,490.95	\$24,672.24	\$2,403.21	\$37,843.53	\$0.00
Payments:								
06/12/2001	142 - JOHN OR E		\$10,768.08		\$5.00	\$717.87	\$11,490.95	
04/18/2002	JEAN KILLINGBI				\$13,176.29		\$13,176.29	
05/16/2002	CP/Investor Refun						\$13,176.29	
<b>1999</b>	6764	CP Redeeme	\$10,718.30	\$11,437.85	\$26,388.31	\$4,222.16	\$41,328.77	\$0.00
Payments:								
06/09/2000	142 - JOHN OR E		\$10,718.30		\$5.00	\$714.55	\$11,437.85	
04/18/2002	JEAN KILLINGBI				\$14,945.46		\$14,945.46	
05/16/2002	CP/Investor Refun						\$14,945.46	
<b>1998</b>	6544	CP Redeeme	\$8,833.46	\$9,427.36	\$23,254.15	\$4,993.33	\$37,080.94	\$0.00
Payments:								
06/21/1999			\$8,833.46			\$593.90	\$9,427.36	
04/18/2002	JEAN KILLINGBI		\$0.00		\$13,826.79		\$13,826.79	
05/16/2002	CP/Investor Refun						\$13,826.79	
<b>1997</b>	6405	CP Redeeme	\$7,587.84	\$8,098.70	\$21,272.59	\$5,586.05	\$34,446.48	\$0.00
Payments:								
06/25/1998			\$7,587.84			\$510.86	\$8,098.70	
04/18/2002	JEAN KILLINGBI		\$0.00		\$13,173.89		\$13,173.89	
05/16/2002	CP/Investor Refun						\$13,173.89	
<b>1996</b>	6380	CP Redeeme	\$6,269.94	\$6,692.94	\$18,650.99	\$5,688.11	\$30,609.04	\$0.00
Payments:								
06/23/1997			\$6,269.94			\$423.00	\$6,692.94	

Monday, February 07, 2011

Leah Castro

1112 Joshua, Suite 203

Parker, AZ 85344

Phone:928-669-6145, Fax:928-669-5393

lcastro@co.la-paz.az.us

Church Of Isaiah 58 Project Of Az Inc  
P O Box 1713

Quartzsite AZ 85346

SEC 28 T-4N R-19W PT OF NE4NW4 BEG AT NW COR OF NE4NW4  
TH S 406 TH S 280 FT E 482.65 FT S 20 FT E 60.35 FT N 123 FT W 9  
FT N 3 FT W 51.35 FT N 174 FT W 482.65 FT TO POB PER 1031/571  
AND T YOWELL SURVEY AUG 1977 EXC MOON MT CO RD R/W

**Parcel ID: 306-27-040-A**

**Figures below based on 02/07/2011**

Year	Roll #	Status	Taxes	CP Amount	Fee(s)	Interest	Payments	Balance Due
04/18/2002	JEAN KILLINGBI		\$0.00		\$11,958.05		\$11,958.05	
05/16/2002	CP/Investor Refun						\$11,958.05	
<b>1995</b>	6211	CP Redeeme	\$5,355.72	\$5,785.18	\$16,970.86	\$5,827.96	\$28,154.54	\$0.00
Payments:								
07/02/1996			\$5,355.72		\$1.00	\$428.46	\$5,785.18	
04/18/2002	JEAN KILLINGBI		\$0.00		\$11,184.68		\$11,184.68	
05/16/2002	CP/Investor Refun						\$11,184.68	
<b>1994</b>	6047	CP Redeeme	\$5,255.28	\$6,500.03	\$19,687.18	\$7,394.35	\$32,336.81	\$0.00
Payments:								
03/20/1996			\$5,255.28		\$263.76	\$980.99	\$6,500.03	
04/18/2002	JEAN KILLINGBI		\$0.00		\$12,923.39		\$12,923.39	
05/16/2002	CP/Investor Refun						\$12,913.39	
<b>1993</b>	6004	Tax	\$5,691.66	\$0.00	\$143.29	\$569.17	\$6,404.12	\$0.00
Payments:								
03/01/1994			\$2,387.62		\$59.64	\$550.35	\$2,997.61	
03/24/1995			\$3,304.04		\$83.65	\$18.82	\$3,406.51	
<b>1992</b>	5982	Tax	\$913.18	\$0.00	\$22.83	\$55.79	\$991.80	\$0.00
Payments:								
11/03/1992			\$391.02		\$9.78	\$55.79	\$456.59	
02/07/1994			\$522.16		\$13.05		\$535.21	
			<b>\$160,872.26</b>	<b>\$161,497.54</b>	<b>\$303,507.56</b>	<b>\$75,418.00</b>	<b>\$492,064.54</b>	<b>\$52,665.27</b>

1 LAW OFFICE OF FRED WELCH  
2 1112 ARIZONA AVE #4  
3 PARKER, AZ 85344  
4 (928) 669-5892  
5 Fred H. Welch, Attorney No. 17549  
6 Attorney for the Plaintiff

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IN THE SUPERIOR COURT OF THE STATE OF ARIZONA  
IN AND FOR THE COUNTY OF LA PAZ

OLDHAM FAMILY TRUST, R, OLDHAM )  
Plaintiff, )  
-vs- )  
CHURCH OF ISAIAH 58 PROJECT OF AZ )  
INC, inclusive; if the above named Defendant )  
holds the property in Trust then they are )  
named in their capacity as trustees; the )  
unknown heirs and devisees of all of the above )  
named defendants if any of them be deceased, )  
and all other persons unknown claiming any )  
right, title, estate, lien or interest in the real )  
property described in the complaint adverse to )  
Plaintiff's title thereto. )  
Defendant. )

NOTICE OF INTENT TO  
FILE PENDING ACTION  
(Quiet Title)

PER A.R.S. 42-18202, YOU ARE HEREBY NOTIFIED OF A PENDING ACTION.

1. Property owners' name: Church of Isaiah 58  
Project of AZ Inc
2. Defendant's address of record PO Box 1713  
Quartzsite, AZ 85346
3. The real property tax parcel identification number: 306-27-040-A
4. Legal Description:  
Section: 28 T-4N R-19W PT OF NE4NW4 BEG AT NW COR OF NE4NW4 TH S 406  
TH S 280 FT E 482.65 FT S 20 FT E 60.35 FT N 123 FT W 9 FT  
N 3 FT W 51.35 FT N 174 FT W 482.65 FT TC POB PER 1031/571 AND T  
YOWELL SURVEY AUG 1977 EXC MOON MT CO RD R/W  
CHURCH EXEMPTION APPLIED

EXHIBIT

tabbles

K

1  
2 5. C.P. # 20060119

3 6. Proposed date of filing: March 31, 2011  
4  
5

6 BY:

*Fred H. Welch*

Fred H. Welch

Attorney for the Plaintiff

7  
8 COPY of the foregoing faxed/mailed on  
9 the 23 day of February, 2011

10 Address according to recorders office

11 Church of Isaiah 58  
12 Project of AZ Inc  
13 PO Box 1713  
14 Quartzsite, AZ 85346

15 La Paz County Treasurer  
16 1112 Joshua Ave #203  
17 Parker, AZ 85344

18 Oldham Family Trust  
19 c/o Richard Oldham  
20 PO Box 619

21 Quartzsite, AZ 85346

22 BY: JW  
23  
24  
25  
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