

ARTICLES OF INCORPORATION

OF

HOPE VALLEY NEIGHBORHOOD ASSOCIATION

A Nonprofit Corporation

Pursuant to Section 55A-2-02 of the General Statutes of North Carolina, the undersigned hereby submits these Articles of Incorporation for the purpose of forming a nonprofit corporation.

ARTICLE I

Name

The name of the Corporation is Hope Valley Neighborhood Association.

ARTICLE II

Registered Office and Registered Agent

The street address of the initial registered office of the Corporation is 3818 Regent Rd., Durham, North Carolina, Durham County, 27707 and the mailing address is P.O. Box 51035, Durham, North Carolina 27717-1035. The name of the registered agent of the Corporation at such address is Jack Hughes.

ARTICLE III

Principal Office

The street address of the principal office of the Corporation is 3818 Regent Rd., Durham, North Carolina, Durham County, 27707 and the mailing address is P.O. Box 51157, Durham, North Carolina 27717-1157.

ARTICLE IV

Incorporator

The name and address of the incorporator is:

Name

Address

James R. Easthom

4011 University Drive, Suite 300
Durham, North Carolina 27707

ARTICLE V

Members

The Corporation shall have members the designations, qualifications, rights and obligations of whom shall be set in the Bylaws of the Corporation.

ARTICLE VI

Purposes and Powers

The Corporation is organized and shall be operated exclusively for charitable and public purposes, and all income of the Corporation shall be used exclusively for purposes which shall qualify as exempt under Section 501(c)(3) of the United States Internal Revenue Code of 1986 (the "Code") (or corresponding provisions of any future United States Internal Revenue law). The Corporation is organized and shall be operated exclusively for the following purposes:

- (1) to promote, maintain, protect, enhance and beautify the common areas located in the neighborhood known as Hope Valley in Durham, North Carolina;
- (2) to inform and educate residents within and surrounding the Hope Valley neighborhood concerning news and events of interest, such as local development, schools, parks, crime and public safety, and to act as a liaison for the neighborhood concerning the same;
- (3) to advise residents with respect to conflicts involving residents as between themselves and with third parties, such as service providers, and to mediate the same in order to encourage open negotiation and compromise of the issues involved;
- (4) to work with other neighborhoods on issues of common concern;
- (5) to promote the improvement of public institutions, such as the public school system, parks, and local law enforcement, that serve Hope Valley and other neighborhoods;
- (6) to facilitate and promote social activities within the Hope Valley neighborhood;
- (7) to serve as a liaison between Hope Valley residents and public agencies in order to assist and promote public safety, crime control, and fire protection;
- (8) to facilitate and promote community involvement; and
- (9) to enhance, improve and promote community welfare and to engage in other lawful activities in furtherance of the foregoing purposes.

All income of the Corporation shall be used exclusively for purposes which shall qualify as exempt under Section 501(c)(3) of the United States Internal Revenue Code of 1986 (the "Code") (or corresponding provisions of any future United States Internal Revenue law). No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to any director or officer of the Corporation

or to any other private person; provided, however, that reasonable compensation may be paid for services rendered to or for the Corporation in furtherance of its purposes. The Corporation shall not participate in, or intervene in (including by publishing or distributing statements), any political campaign on behalf of (or in opposition to) any candidate for public office. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, lobbying, or otherwise attempting to influence legislation. Notwithstanding any other provisions of these Articles, the Corporation shall not carry on any activities not permitted to be carried on by a Corporation qualified as exempt under Section 501(c)(3) of the Code or by Corporations contributions to which are deductible under Section 170(c)(2) of the Code or by a nonprofit corporation created under the North Carolina Nonprofit Corporation Act. In the event the Corporation is in any one year a "private foundation" as defined by Section 509(a) of the Code, it shall be required to distribute its income for such taxable year at such time and in such manner as not to subject the Corporation to taxation under Section 4942 of the Code; and further shall be prohibited from: (i) any act of "self dealing" as defined in Section 4941(d) of the Code; (ii) retaining any "excess business holdings" as defined by Section 4943(c) of the Code; (iii) making any investments in such manner as to subject the Corporation to taxation under Section 4944 of the Code; or (iv) making any taxable expenditures as defined in Section 4945(d) of the Code.

The Corporation shall have and may exercise the general powers granted to nonprofit corporations by the laws of the State of North Carolina or nonprofit corporations organized under North Carolina General Statutes Chapter 55A, subject to the limitations contained in said Chapter 55A.

ARTICLE VII

Dissolution

Upon dissolution and liquidation of the Corporation, after paying or adequately providing for the debts and obligations of the Corporation, any remaining assets shall be distributed to an organization described under Section 501(c)(3) of the Code, the federal government, or to a state or local government, to be used exclusively for public purposes.

ARTICLE VIII

Board of Directors

The Corporation shall have a Board of Directors consisting of not less than three (3) persons, nor more than twelve (12) persons, appointed or elected as provided in the Corporation's Bylaws. The names and addresses of the individuals who are to serve as the initial directors are as follows:

Debbie Rand
3716 St. Marks Road
Durham, North Carolina 27707

Amanda Elam
3860 Somerset Drive
Durham, North Carolina 27707

Jack Hughes

Lynn Anderson
2810 Chelsea Circle
Durham, North Carolina 27707

Luther Misenheimer
3934 St. Marks Road
Durham, North Carolina 27707

Tom Morris

3818 Regent Road
Durham, North Carolina 27707

Katie Hickey
3919 Northampton Road
Durham, North Carolina 27707

Cathy Abernathy
3903 Darby Road
Durham, North Carolina 27707

Tad DeBerry
3831 Somerset Drive
Durham, North Carolina 27707

3903 St. Marks Road
Durham, North Carolina 27707

Jonathan Ward
4024 Nottaway Road
Durham, North Carolina 27707

Henry Nicholson
3429 Rugby Road
Durham, North Carolina 27707

Rita Musante
3101 Cornwall Road
Durham, North Carolina 27707

ARTICLE IX

Immunity

No director of the corporation shall be personally liable for monetary damages for breach of any duty as a director arising out of an action whether by or in the right of the Corporation or otherwise except with respect to (i) acts or omissions that the director at the time of such breach knew or believed were clearly in conflict with the best interests of the Corporation, (ii) any liability under N.C.G.S. 55A-8-32 or N.C.G.S. 55A-8-33, (iii) any transaction from which the director derived an improper personal benefit, or (iv) acts or omissions occurring prior to the date on which this provision became effective. As used herein, the term "improper personal benefit" does not include a director's reasonable compensation or other incidental benefit for or on account of service as a director, officer, employee, independent contractor, attorney, or consultant of the Corporation. No amendment or repeal of the provisions of this Article shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any act or failure to act on the part of such director occurring prior to such amendment or repeal. The provisions of this Article shall not be deemed to limit or preclude indemnification of a director by the Corporation.

ARTICLE X

Amendment of Articles

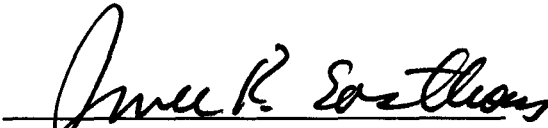
The Board of Directors, as constituted from time to time, shall have full power and authority to make, alter, amend and rescind the Articles of Incorporation and/or the Bylaws of the Corporation; provided, however, that the power hereinabove granted to the Board of Directors shall not authorize any action which would defeat or substantially impair the purposes of the Corporation as set forth herein.

ARTICLE XI

Nondiscrimination

The corporation shall not discriminate against any person on the basis of race, color, religion, sex, or national or ethnic origin.

This the 23rd day of January, 2007.


James R. Easthom, Esq.
Incorporator