



# NORTH CAROLINA

## Department of The Secretary of State

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To all whom these presents shall come, Greetings:

I, **ELAINE F. MARSHALL**, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

### ARTICLES OF AMENDMENT

OF

### HOUSING AND ECONOMIC OPPORTUNITIES, INC.

the original of which was filed in this office on the 1st day of June, 2007.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 1st day of June, 2007

*Elaine F. Marshall*

Secretary of State

**ORIGINAL**

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 Elaine F. Marshall  
 North Carolina Secretary of State  
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ARTICLES OF AMENDMENT TO THE ARTICLES OF INCORPORATION  
 OF  
 HOUSING AND ECONOMIC OPPORTUNITIES, INC.  
 A Non-Profit Corporation

Pursuant to §55A-10-05 of the General Statutes of North Carolina, the undersigned corporation hereby submits these Articles of Amendment for the purpose of amending its Articles of Incorporation:

1. The name of the corporation is "Housing and Economic Opportunities, Inc."
2. The text of the amendment to the Articles of Incorporation adopted on the 22nd day of May, 2007 and approved by the board of directors of the corporation, as required by Chapter 55 of the North Carolina General Statutes, is as follows:

1. The Articles of Incorporation of the corporation hereby are amended by deleting Article IX thereof in its entirety and inserting in lieu thereof the following new Article IX:

**"Article IX  
 Dissolution**

In the event of dissolution of the corporation, any net assets remaining after the satisfaction of the corporation's liabilities shall be transferred and delivered to the Wilmington Housing Authority, a public body and a body corporate and politic ("WHA"). In the event WHA is no longer in existence at the time of an event of dissolution, then any net assets remaining after the satisfaction of the corporation's liabilities shall be transferred and delivered to one (1) or more of the following, as shall be selected by the Board of Directors of the corporation:

- (a) an organization(s) (i) that is organized and operated exclusively for the purposes set forth in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, (the "Code"), (ii) that shall at the time qualify as an exempt organization(s) under Section 501(c)(3) of the Code, (iii) that shall at the time be described in each of Sections 170(b)(1)(A), 170(c), 2055(a) and 2522(a) of the Code, and (iv) that shall at the time be described in Sections 509(a)(1), 509(a)(2), or 509(a)(3) of the Code; or

(b) a state or a possession of the United States (or any political subdivision of any of the foregoing), or the United States or the District of Columbia, for exclusively public purposes.

Any net assets not disposed of as provided above shall be distributed in accordance with the order of the General Court of Justice in the County in which the principal office of the corporation is located, exclusively for one (1) or more exempt purposes within the meaning of Section 501(c)(3) of the Code, or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for purposes set forth in Section 501(c)(3) of the Code."

3. The above amendment was adopted without member action or approval, which was not required because there are no members.

4. These articles shall be effective upon filing.

This the 23rd day of May, 2007.

HOUSING AND ECONOMIC OPPORTUNITIES, INC.

By:   
Benjamin J. Quattlebaum, II, President

Prepared by and return to:

Adam M. Beaudoin  
For the firm of  
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ARTICLES OF INCORPORATION  
OF  
HOUSING AND ECONOMIC OPPORTUNITIES, INC.  
A Non-Profit Corporation

EFFECTIVE  
ELAINE F MARSHALL  
SECRETARY OF STATE  
NORTH CAROLINA

THE UNDERSIGNED, being a citizen of the United States and a natural person of the age of twenty-one years or more, acting as the incorporator for the purpose of creating a non-profit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the General Statutes of North Carolina, entitled "Non-Profit Corporation Act," and the several amendments thereto, does hereby set forth the following Articles of Incorporation:

ARTICLE I  
Name of the Corporation

The name of the corporation is Housing and Economic Opportunities, Inc.

ARTICLE II  
Period of Existence

The period of existence of the corporation shall be perpetual.

ARTICLE III  
Principal Office and Registered Office and Agent

The location of the principal and registered office of the corporation shall be at 508 S. Front Street in the City of Wilmington, County of New Hanover, State of North Carolina. The name of the initial registered agent of the corporation is J. Alan Jones.

ARTICLE IV  
Nature of Corporation

The corporation is a non-profit, charitable corporation, and has no members and no capital stock.

ARTICLE V  
Objects and Purposes

The corporation is organized exclusively to develop and operate affordable housing and to promote comprehensive economic development. The corporation is also organized to carry on activities which are charitable, scientific, literary or educational, provided, however, that such activities shall be limited to those which qualify as exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States Internal Revenue Laws.

**ARTICLE VI**  
**Board of Directors**

The management of the corporation and its properties and affairs shall be vested in a Board of Directors. Said Board, in addition to its other powers and authority, shall have full power and authority from time to time to sell, expend, or otherwise dispose of any and all the property of the corporation in furtherance of any of the objects and purposes for which the corporation is formed. 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 By-Laws of the corporation, except that the power hereinabove granted to the Board of Directors shall not authorize any action which would defeat or substantially impair the charitable objects and purposes of the corporation hereinabove set forth.

The number of members constituting the initial Board of Directors shall be nine (9) and shall be composed of the following persons:

<u>Name</u>	<u>Address</u>
Barbara F. Baker	508 S. Front Street Wilmington, NC 28402
Danny R. Brock	508 S. Front Street Wilmington, NC 28402
Dallas J. Brown, Jr.	508 S. Front Street Wilmington, NC 28402
R. T. Horton, Jr.	508 S. Front Street Wilmington, NC 28402
James Jamison	508 S. Front Street Wilmington, NC 28402
Arlene R. Lawson	508 S. Front Street Wilmington, NC 28402
Pamela H. Quate	508 S. Front Street Wilmington, NC 28402
Rosa S. Webb	508 S. Front Street Wilmington, NC 28402
Lee D. Weddle, Sr.	508 S. Front Street Wilmington, NC 28402

For subsequent Boards of Directors, the number of directors, their terms of office, and the method of their selection shall be provided for and determined by the By-Laws of the corporation.

**ARTICLE VII**  
**No Personal Liability**

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 G.S. 55A-8-32 or 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 the 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 his/her 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 VIII**  
**Activities Not Permitted by the Corporation**

No part of the net earnings of the corporation shall inure to the benefit of, or be distributed to, its directors, officers or other private persons; provided, however, 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 objects and purposes set forth in Article V hereof. 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 activities not permitted to be carried on:

- a. by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law), or
- b. by a corporation, contributions to which are deductible under Section 170(c)(2) and 2055(a) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law), or
- c. by a non-profit corporation created under Chapter 55A of the General Statutes of North Carolina.

**ARTICLE IX**  
**Disposition of Assets on Dissolution**

Upon 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 remaining assets of the corporation exclusively for the purposes of the corporation in such manner or to such organization or organizations organized and operated exclusively for charitable, scientific, literary or educational purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law). Any such assets not so disposed as above provided shall be distributed in accordance with the order of the Superior Court of the County in which the principal office of the corporation is located, exclusively for charitable, scientific, literary or educational purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

**ARTICLE X**  
**Incorporators**

The name and address of the incorporator are:

<u>Name</u>	<u>Address</u>
Sherrod Banks	905 W. Main Street Brightleaf Square, Suite 24-E Durham, NC 27701

These Articles of Incorporation shall be effective upon filing with the North Carolina Secretary of State.

IN WITNESS WHEREOF, I have hereunto subscribed my name on this the 2nd day of November, 1998.

  
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Sherrod Banks, Incorporator

(SEAL)