

MINUTES OF SPECIAL MEETING
of
DIRECTORS
of
DURHAM KENNEL CLUB, INC.

A special meeting of the Directors of the *Durham Kennel Club, Inc.*, a North Carolina corporation ("Corporation"), was held at 7:30 p.m. on Monday, January 30, 2006, at 7318 Guess Road, Durham, North Carolina, upon proper written notice to all directors of the time, place and purposes of the meeting.

Directors, Steve Wallis, Molly Zaragosa, Emilie Beglane, Carolyn Wolfe, George Beglane, Sharon Pitz and Linda Wozniak were present. Also present was Dee Wallis. With Steve Wallis presiding and Molly Zaragosa recording these minutes, the following actions were taken:

1. **Purchase of Land.** George Beglane presented a draft survey and soil evaluation test of land adjacent to the land now owned by the Club. Based on this information, the Board authorized purchase of 7.81 acres from Samuel and Mary Mebane, as shown on the attached offer to purchase. Accordingly, upon motion by George Beglane, seconded by Sharon Pitz, it was unanimously resolved by the Board:

RESOLVED, that the President and Treasurer of the Corporation are hereby authorized and empowered to take all action as may be necessary to complete and secure the purchase of 7.81 acres adjacent to the tract located at 7318 Guess Road, Durham, North Carolina, from Samuel and Mary Mebane at a price of \$11,000 per acre, for a total purchase price of \$85,910.

2. **Recombination.** The Directors resolved and consented to authorize Jerry L. Hunt, surveyor, to survey three tracts, the five acre tract on which the Corporation's building is located, the 14 acre tract adjacent to the south, and the 7.81 acre tract to be purchased, and request that the County of Durham authorize recombining these three tracts into one tract for tax purposes. Therefore, the Directors resolved as follows:

RESOLVED, that the officers of the Corporation are hereby authorized and empowered to take all action as may be necessary to complete and secure the recombination of three tracts located on Guess Road, Durham, NC, into one tract with one ad valorem tax identification number.

3. **Mortgage to Fund Purchase of Land.** Emilie Beglane presented two Banks' loan proposals to the Board. Based on the information provided, the Board resolved to authorize the officers to obtain a loan of \$68,000 from First Citizens Bank at a rate of 6.75% for a term of five years, with a ten year amortization schedule, to fund the purchase of the 7.81 acre tract from Mr. and Mrs. Mebane. Accordingly, upon motion by Emilie Beglane, seconded by Carolyn Wolfe, it was unanimously resolved by the Board:

RESOLVED, that the President and Treasurer of the Corporation are hereby authorized and empowered to take all action as may be necessary to obtain a loan from First Citizens Bank in the amount of \$68,000, at a rate of 6.75% for a term of five years, to complete all required loan documents and to secure the debt with a deed of trust on three tracts located on Guess Road, Durham, NC, as shown on a recombination survey performed by Jerry L. Hunt.

There being no further business, the meeting was adjourned at 8:15 p.m.

Respectfully submitted this 30th day of January, 2006.

Molly Zaragosa, Secretary