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Form **990-PF**

Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

OMB No 1545-0052

2012Department of the Treasury
Internal Revenue Service

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

Open to Public Inspection

For calendar year 2012 or tax year beginning , and ending

Name of foundation Edwards-Hobgood Foundation, Inc.		A Employer identification number 56-1789818
Number and street (or P.O. box number if mail is not delivered to street address) P.O. Box 6550	Room/suite	B Telephone number (see instructions) 919-881-1062
City or town, state, and ZIP code Raleigh NC 27628		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 265,308	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule)				
2	Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	6,363	6,363	6,363	
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10 Stmt 1	4,295			
b	Gross sales price for all assets on line 6a 35,000				
7	Capital gain net income (from Part IV, line 2)		1,204		
8	Net short-term capital gain			0	
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule) Stmt 2	281	281	281	
12	Total. Add lines 1 through 11	10,939	7,848	6,644	
13	Compensation of officers, directors, trustees, etc	0			
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule) Stmt 3	1,998	999		999
c	Other professional fees (attach schedule) Stmt 4	4,077	4,077		
17	Interest				
18	Taxes (attach schedule) (see instructions) Stmt 5	77	77		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications	79			79
23	Other expenses (att. sch.) Stmt 6	524	83		441
24	Total operating and administrative expenses. Add lines 13 through 23	6,755	5,236	0	1,519
25	Contributions, gifts, grants paid	29,364			29,364
26	Total expenses and disbursements. Add lines 24 and 25	36,119	5,236	0	30,883
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	-25,180			
b	Net investment income (if negative, enter -0-)		2,612		
c	Adjusted net income (if negative, enter -0-)			6,644	

For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2012)

Part II Balance Sheets		Beginning of year	End of year	
			(a) Book Value	(b) Book Value
Assets	1 Cash – non-interest-bearing	3,589	-636	-636
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶ 1,359		1,359	1,359
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (att. schedule) ▶ 0			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments – U.S. and state government obligations (attach schedule)			
	b Investments – corporate stock (attach schedule) See Stmt 7	269,991	246,810	264,585
	c Investments – corporate bonds (attach schedule)			
	11 Investments – land, buildings, and equipment basis ▶			
Liabilities	Less accumulated depreciation (attach sch) ▶			
	12 Investments – mortgage loans			
	13 Investments – other (attach schedule)			
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach sch) ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)	273,580	247,533	265,308
	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
Net Assets or Fund Balances	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0	0	
	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	273,580	247,533	
	30 Total net assets or fund balances (see instructions)	273,580	247,533	
	31 Total liabilities and net assets/fund balances (see instructions)	273,580	247,533	

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	273,580
2 Enter amount from Part I, line 27a	2	-25,180
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	248,400
5 Decreases not included in line 2 (itemize) ▶ See Statement 8	5	867
6 Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	247,533

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)		(b) How acquired P – Purchase D – Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a Wells Fargo #3827				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a 1,204			1,204	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a			1,204	
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)			2	1,204
<div style="border-left: 1px solid black; border-right: 1px solid black; padding: 0 5px;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div>				
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)			3	
If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8				

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2011	35,506	292,505	0.121386
2010	22,205	248,621	0.089313
2009	33,292	289,092	0.115161
2008	26,885	396,517	0.067803
2007	68,444	531,266	0.128832
2 Total of line 1, column (d)			2 0.522495
3 Average distribution ratio for the 5-year base period – divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.104499
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4 1,609,630
5 Multiply line 4 by line 3			5 168,205
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 26
7 Add lines 5 and 6			7 168,231
8 Enter qualifying distributions from Part XII, line 4			8 30,883
If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.			

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 – see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter: (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	52
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	52
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	52
6	Credits/Payments		
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	
b	Exempt foreign organizations – tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	52
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be: Credited to 2013 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? If the answer is "Yes" to 1a or 1b , attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year. (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> NC		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► A.L. HOBGOOD, III 3105 GELNWOOD AVENUE Located at ► RALEIGH NC ZIP+4 ► 27612 Telephone no ► 919-881-1062			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 – Check here and enter the amount of tax-exempt interest received or accrued during the year	15		
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ►	16	Yes	No X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	1b
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?	N/A	1c
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? If "Yes," list the years ► 20 , 20 , 20 , 20	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement – see instructions)	N/A	2b
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20 , 20 , 20 , 20		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If "Yes," did it have excess business holdings in 2012 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012)	N/A	3b
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **N/A** ☐ **5b**

Organizations relying on a current notice regarding disaster assistance check here ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A** ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** ☒

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **N/A** **7b**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
A.L. Hobgood, III P.O. Box 6550	Raleigh NC 27628	Pres/Sec 0.25	0	0
Elizabeth H. Wellons 609 Hancock St	Smithfield NC 27577	VP/Sec 0.25	0	0
Thomas A. Hobgood 2038 Noland Park Lane	Charlotte NC 28209	Director 0.25	0	0
Kenneth E. Hobgood 1918 St. Mary's St.	Raleigh NC 27608	Treas/Dir 0.25	0	0

2 Compensation of five highest-paid employees (other than those included on line 1 – see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000

0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ▶**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 None	
2 None	
3 None	
4 None	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	

Total. Add lines 1 through 3 ▶

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	1,632,207
b	Average of monthly cash balances	1b	1,935
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	1,634,142
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	1,634,142
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	24,512
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,609,630
6	Minimum investment return. Enter 5% of line 5	6	80,482

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	80,482
2a	Tax on investment income for 2012 from Part VI, line 5	2a	52
b	Income tax for 2012 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	52
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	80,430
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	80,430
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	80,430

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. – total from Part I, column (d), line 26	1a	30,883
b	Program-related investments – total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	30,883
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	30,883

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				80,430
2 Undistributed income, if any, as of the end of 2012:				
a Enter amount for 2011 only				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2012:				
a From 2007	44,293			
b From 2008	7,174			
c From 2009	18,919			
d From 2010	10,444			
e From 2011	20,929			
f Total of lines 3a through e	101,759			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 30,883				
a Applied to 2011, but not more than line 2a				
b Applied to undistributed income of prior years (Election required – see instructions)				
c Treated as distributions out of corpus (Election required – see instructions)				
d Applied to 2012 distributable amount				30,883
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a))	49,547			49,547
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	52,212			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount – see instructions				
e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount – see instructions				
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	52,212			
10 Analysis of line 9:				
a Excess from 2008	1,920			
b Excess from 2009	18,919			
c Excess from 2010	10,444			
d Excess from 2011	20,929			
e Excess from 2012				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test – enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test – enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year – see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2).)
N/A

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest
N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:
Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number or e-mail of the person to whom applications should be addressed
N/A

b The form in which applications should be submitted and information and materials they should include
N/A

c Any submission deadlines
N/A

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors
N/A

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
The First Tee of the Triangle 5560 Munford Rd. #109 Raleigh NC 27612	n/a	n/a	Needs	5,800
The Educational Foundation, Inc. PO Box 2446 Chapel Hill NC 27515	n/a	n/a	Needs	500
Neighbor to Neighbor Ministries 1200 S. Blount Street Raleigh NC 27611	n/a	n/a	Needs	1,500
Interact of Wake County 1012 Oberlin Road Raleigh NC 27605	n/a	n/a	Needs	644
The Medical Foundation of NC 880 MLK Jr. Blvd, CB 7565 Chapel Hill NC 27514	n/a	n/a	Needs	5,000
NC State Student Aid Assn PO Box 37100 Raleigh NC 27627-7100	n/a	n/a	Needs	720
Historic Oakwood PO Box 27283 Raleigh NC 27611-7283	n/a	n/a	Needs	200
UNC Rams Club PO Box 2448 Chapel Hill NC 27515	n/a	n/a	Needs	10,000
Beginnings 302 Jefferson St, STE 110 Raleigh NC 27605	n/a	n/a	Needs	5,000
Total			► 3a	29,364
b Approved for future payment N/A				
Total			► 3b	

Federal Statements

4/30/2013

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Whom Sold	Description	Date Acquired	Date Sold	How Received		Cost	Expense	Depreciation	Net Gain / Loss
See Attached Listing	Various	Various		Purchase	Price	12,161	\$	\$	1,129-
See Attached Listing	Various	Various		Purchase	Price	18,544			1,962
Total						30,705	\$	0	\$ 3,091

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
Wells Fargo #2197-3827	\$ 281	\$ 281	\$ 281
Total	\$ 281	\$ 281	\$ 281

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Page & Smith, P.A., CPAs	\$ 1,998	\$ 999	\$	\$ 999
Total	\$ 1,998	\$ 999	\$ 0	\$ 999

Federal Statements

Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Wells Fargo Management Fees	\$ 4,077	\$ 4,077	\$	\$
Total	\$ 4,077	\$ 4,077	\$ 0	\$ 0

Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Federal tax for 12/31/11	24	24	\$	\$
Foreign Tax withheld	53	53		
Total	77	77	\$ 0	\$ 0

Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Expenses			\$	
Bank Charges	24	4		20
Office Supplies	500	79		421
Total	524	83	\$ 0	\$ 441

227 Edwards-Hobgood Foundation, Inc.
56-1789818
FYE: 12/31/2012

Federal Statements

4/30/2013

Statement 7 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
-Wells Fargo Advisors -3827	\$ 269,991	\$ 246,810	Market	\$ 264,585
Total	\$ 269,991	\$ 246,810		\$ 264,585

Statement 8 - Form 990-PF, Part III, Line 5 - Other Decreases

Description	Amount
ADJUSTMENT IN COST BASIS OF ASSETS	\$ 867
Total	\$ 867

Schedule of Realized Gains and Losses

2012 Tax Year

Tuesday, March 12, 2013
RAAP PEATROSS JR ANDREW H

Prepared For:

2197-3827
EDWARDS HOBGOOD FOUNDATION
CUSTOM CHOICE
PO BOX 6550
RALEIGH NC 27628-6550

Quantity	Name	Security	Open Date	Cost Amount	Adjusted Cost Amount	Trade Price	Close Date	Close Amt	Close Price	Realized	% Gain or Loss
Short											
57 1430	ALLNCEBRNSTN HIGH INC AD	AGDYX	8/30/2011 ^N	497 72 ^N		8 7100	6/5/2012	500 00	8 7500	2 28	0 46
87 0960	ALLNCEBRNSTN HIGH INC AD	AGDYX	8/30/2011 ^N	758 61 ^N		8 7100	7/2/2012	785 61	9 0200	27 00	3 56
118 7870	ALLNCEBRNSTN GBLB ADVSR	ANAYX	8/30/2011 ^N	1,004 94 ^N		8 4600	7/13/2012	1,014 44	8 5400	9 50	0 95
42 5200	HOTCHKIS&WILEY M/C VAL I	HWMIX	8/30/2011 ^N	884 00 ^N		20 7900	1/12/2012	984 33	23 1500	100 33	11 35
110 2450	HOTCHKIS&WILEY M/C VAL I	HWMIX	8/30/2011 ^N	2,292 00 ^N		20 7900	4/11/2012	2,875 20	26 0800	583 20	25 45
147 1960	NEUBRGR BRMN INTRNSC VAL	NINLX	8/30/2011 ^N	1,507 29 ^N		10 2400	5/9/2012	1,467 54	9 9700	-39 75	-2 64
72 9660	ALGER SPECTRA FD CL I	ASPIX	8/30/2011 ^N	888 73 ^N		12 1800	5/9/2012	977 75	13 4000	89 02	10 02
9 7880	VIRTUS OPPTY'S PREM CL I	VAPIX	8/30/2011 ^N	115 60 ^N		11 8100	4/11/2012	124 80	12 7500	9 20	7 96
61 9730	VIRTUS OPPTY'S PREM CL I	VAPIX	8/30/2011 ^N	731 91 ^N		11 8100	4/13/2012	790 78	12 7600	58 87	8 04
200 3690	VIRTUS OPPTY'S PREM CL I	VAPIX	8/30/2011 ^N	2,366 36 ^N		11 8100	5/9/2012	2,554 71	12 7500	188 35	7 96
94 2850	VIRTUS OPPTY'S PREM CL I	VAPIX	8/30/2011 ^N	1,113 51 ^N		11 8100	7/2/2012	1,214 39	12 8800	100 88	9 06
				12,160.67				13,289.55		1,128.88	
Long											
156 2070	ALLNCEBRNSTN HIGH INC AD	AGDYX	8/30/2011 ^N	1,360 57 ^N		8 7100	9/11/2012	1,455 85	9 3200	95 28	7 00
119 9920	ALLNCEBRNSTN HIGH INC AD	AGDYX	8/30/2011 ^N	1,045 13 ^N		8 7100	12/12/2012	1,141 12	9 5100	95 99	9 18
81 0370	ALLNCEBRNSTN GBLB ADVSR	ANAYX	8/30/2011 ^N	685 58 ^N		8 4600	12/12/2012	696 92	8 6000	11 34	1 65
50 5560	PYXIS LONG/SHORT EQTY A	HEOAX	8/30/2011 ^N	537 92 ^N		10 6400	9/11/2012	580 38	11 4800	42 46	7 89
80 2190	HOTCHKIS&WILEY M/C VAL I	HWMIX	8/30/2011 ^N	1,667 76 ^N		20 7900	9/11/2012	2,222 06	27 7000	554 30	33 24
34 6490	HOTCHKIS&WILEY M/C VAL I	HWMIX	8/30/2011 ^N	720 36 ^N		20 7900	12/12/2012	985 43	28 4400	265 07	36 80
19 6620	IVY ASSET STRATEGY CL I	IVAEX	8/30/2011 ^N	485 26 ^N		24 6800	10/15/2012	500 00	25 4300	14 74	3 04
19 1420	IVY ASSET STRATEGY CL I	IVAEX	8/30/2011 ^N	472 43 ^N		24 6800	11/30/2012	500 00	26 1200	27 57	5 84
13 7880	IVY ASSET STRATEGY CL I	IVAEX	8/30/2011 ^N	340 29 ^N		24 6800	12/12/2012	364 84	26 4600	24 55	7 21
141 1690	NEUBRGR BRMN INTRNSC VAL	NINLX	8/30/2011 ^N	1,445 58 ^N		10 2400	9/11/2012	1,496 39	10 6000	50 81	3 51
63 9770	NEUBRGR BRMN INTRNSC VAL	NINLX	8/30/2011 ^N	655 13 ^N		10 2400	12/12/2012	686 47	10 7300	31 34	4 78
29 7600	OPPNHEIMER DEV MKTS CL Y	ODVYX	8/30/2011 ^N	955 00 ^N		32 0900	10/12/2012	1,006 79	33 8300	51 79	5 42
24 3580	OPPNHEIMER DEV MKTS CL Y	ODVYX	8/30/2011 ^N	781 65 ^N		32 0900	12/12/2012	834 02	34 2400	52 37	6 70
76 8840	PIMCO REAL RET BND INSTL	PRRIX	8/30/2011 ^N	929 53 ^N		12 0900	9/11/2012	959 51	12 4800	29 98	3 23
96 9750	ALGER SPECTRA FD CL I	ASPIX	8/30/2011 ^N	1,181 16 ^N		12 1800	9/11/2012	1,378 02	14 2100	196 86	16 67
57 3030	TEMPLETON INC TR GLB BD	TGBAX	8/30/2011 ^N	786 78 ^N		13 7300	9/11/2012	758 69	13 2400	-28 09	-3 57
74 0190	TEMPLETON INC TR GLB BD	TGBAX	8/30/2011 ^N	1,016 29 ^N		13 7300	11/21/2012	1,000 00	13 5100	-16 29	-1 60
235 1830	VIRTUS OPPTY'S PREM CL I	VAPIX	8/30/2011 ^N	2,777 52 ^N		11 8100	9/11/2012	3,149 10	13 3900	371 58	13 38
59 3100	VIRTUS OPPTY'S PREM CL I	VAPIX	8/30/2011 ^N	700 46 ^N		11 8100	12/12/2012	791 20	13 3400	90 74	12 95
				18,544.40				20,506.79		1,962.39	

Schedule of Realized Gains and Losses

2012 Tax Year

Tuesday, March 12, 2013
RAAP PEATROSS JR ANDREW H

Prepared For:

2197-3827
EDWARDS HOBGOOD FOUNDATION
CUSTOM CHOICE

Quantity	Name	Security	Open Date	Cost Amount	Adjusted Cost Amount	Trade Price	Close Date	Close Amt	Close Price	Realized	% Gain or Loss
----------	------	----------	-----------	-------------	----------------------	-------------	------------	-----------	-------------	----------	----------------

Report Summary			30,705.07	0.00	33,796.34	3,091.27					
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Realized Gains or Losses	
Short Term	1,128.88
Long Term	1,962.39

Legend

(*) Security Held Away

Open Date

C - Covered Tax Lot

N - Noncovered Tax Lot

M - Net Row Contains Both Covered and Noncovered Tax Lots

W - Open Date Reflects Wash Sale Date

Cost Amount

E - Pre Effective

O - Post Effective

N - Not Average Cost

M - Net Row Contains Tax Lots with Multiple Elections

Filter - "All Tax Years" represents the current and the previous two tax years
This report is a service from your investment executive, not the official record of your account or a substitute for statements and confirmations. It is prepared as of trade rather than settlement date and its date may differ from your statement. The realized gains and losses noted above are the gross amounts, prior to fees and expenses. This report uses sources we believe are reliable, but we cannot guarantee their reliability or accuracy. Please call your local branch manager about discrepancies between this and your client statement.
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