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State of North Carolina  
Department of the Secretary of State

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Elaine F. Marshall  
North Carolina Secretary of State  
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ARTICLES OF INCORPORATION  
NONPROFIT CORPORATION

ATTACHMENT 2

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

1. The name of the corporation is: Chapel Hill Downtown Economic Development Corporation.
2. The corporation is a charitable corporation as defined in North Carolina General Statute §55A-1-40(4). Said corporation is organized exclusively for charitable, educational, or scientific purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future Federal tax code.
3. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its trustees, directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for the services rendered and to make payments and distributions in furtherance of Section 501(c)(3) purposes. 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/organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.
4. Notwithstanding any other provisions of these articles, the corporation shall not carry on any other activities nor permitted to be carried on (a) by a corporation/organization exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code (or corresponding section of any future Federal tax code) or (b) by a corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code (or corresponding section of any future Federal tax code).
5. The street address and county of the initial registered office of the corporation is:  
  
1414 Raleigh Road, Suite 320  
Chapel Hill, North Carolina 27517  
Orange County
6. The mailing address of the initial registered office is:  
  
P.O. Drawer 2869  
Chapel Hill, North Carolina 27515-2869  
Orange County
7. The name of the initial registered agent is: Thomas D. Higgins III
8. The name and address of the incorporator is as follows:  
  
Thomas D. Higgins III  
1414 Raleigh Road, Suite 320  
Chapel Hill, North Carolina 27517

9. The corporation will have members with such designations, rights and powers and privileges as provided in the bylaws.

10. Upon the dissolution of the corporation, The Board of Directors shall after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the 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, educational, scientific or literary purposes as shall at the time qualify as an exempt organization or organizations under section 501 (c)(3) of the code as the Board of Directors shall determine, or to federal, state, or local governments to be used exclusively for public purposes. Any such assets not so disposed of shall be disposed of by the Superior Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organizations, such as court shall determine, which are organized and operated exclusively for such purposes, or to such governments for such purposes.

11. To the fullest extent permitted by the North Carolina Nonprofit Corporation Act as it exists or may hereafter be amended, no person who is serving or who has served as a director of the corporation shall be personally liable for monetary damages for breach of any duty as a director, No amendment or repeal of this article not the adoption of any other amendment to these Articles of Incorporation inconsistent with this article, shall eliminate or reduce the protection granted herein with respect to any matter that occurred prior to such amendment, repeal or adoption.

12. The number of members constituting the initial board of directors shall be three; and the names and addresses of the persons who are to serve as the initial directors are :

Kevin Foy  
891 Willow Drive  
Chapel Hill, North carolina 27514

Charles House  
124 East Franklin Street  
Chapel Hill, North Carolina 27514

Nancy D. Suttentfield  
302A South Building  
University of North Carolina at Chapel Hill  
Chapel Hill, North Carolina 27514

13. The purpose for which the corporation is organized is to bring the resources of the Town, University, and the downtown community together to maintain, enhance and promote downtown as the social, cultural, and spiritual center of Chapel Hill through economic development.

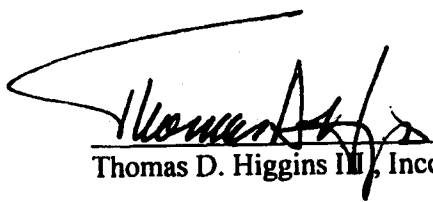
14. The street address and county of the principal office of the corporation is:

306 North Columbia Street  
Orange County  
Chapel Hill, North Carolina 27516

15. These articles will be effective upon filing.

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This is the 29<sup>th</sup> day of April ,2004.



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Thomas D. Higgins III, Incorporator