

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF SEPTEMBER 30, 2011**

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: 25**

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$48,388,025
Mortgage Rates: 5.125% - 6.375%

Average Purchase Price: \$114,178
Average Original Loan Amount: \$107,897

Total No. of Loans Originated: 612
Total No. of Loans Paid Off: 122
Total No. of Loans Outstanding: 490

PROGRAM

P.O. Box 28066
Raleigh, NC 27611-8066
(919) 877-5700
Contacts:
Rob Rusczak, Manager of Home Ownership Production
Elizabeth Rozakis, Chief Financial Officer

TRUSTEE

The Bank of New York Mellon
10161 Centurion Parkway
Jacksonville, FL 32256
(904) 645-1956
Contact: Christine Boyd

LOAN PORTFOLIO CHARACTERISTICS (AS OF PERCENTAGE OF LOANS OUTSTANDING)

All loans are 30-year fixed-rate loans.

<u>Loan Type:</u>	<u># of Loans</u>	<u>%</u>
CONV	290	59.18%
FHA	90	18.37%
VA	17	3.47%
USDA	40	8.16%
HUD-184	0	0.00%
Guaranty Fund	0	0.00%
Other (< 80%TV)	53	10.82%
Total	490	100.00%

<u>Private Mortgage Insurers:</u>	<u># of Loans</u>	<u>%</u>
GENWORTH	152	31.02%
MGIC	67	13.67%
PMI MTG. INS. CO.	21	4.29%
RADIAN GUARANTY INC.	3	0.61%
AIG-UGIC	27	5.51%
RMIC	19	3.88%
TRIAD	1	0.20%
Total	290	59.18%

<u>New/Existing:</u>	<u># of Loans</u>	<u>%</u>
New Construction	120	24.49%
Existing Home	370	75.51%
Total	490	100.00%

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	362	73.88%
Condominium	42	8.57%
Townhouse	80	16.33%
Manufactured Home	4	0.81%
Duplex	2	0.41%
Total	490	100.00%

DELINQUENCY STATISTICS

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	11	2.24%
90 days	8	1.63%
In Foreclosure	10	2.04%
REO (Conv, USDA)	5	1.02%
Total	34	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$871,636	1.80%
90 days	\$844,620	1.75%
In Foreclosure	\$1,126,974	2.33%
REO (Conv, USDA)	\$452,860	0.94%
Total	\$3,296,090	

SERVICER AND MORTGAGE LOAN DATA

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
Marsh Associates Inc.	179	36.53%
RBC Bank	145	29.59%
BB&T	152	31.02%
State Employees Credit Union	10	2.04%
US Bank Home Mortgage	3	0.62%
Bank of America	1	0.20%
Total	490	100.00%

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
6.375	9
6.125	46
6	10
5.875	4
5.75	116
5.625	295
5.5	5
5.375	2
5.125	3
Total	490

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PAGE NO. 2-1998-25

POD INSURANCE COVERAGE (DOLLARS IN THOUSANDS): None

SELF-INSURANCE COVERAGE: Name of Self-Insurance Fund: Insurance Reserve Fund
Series of Bonds Covered: 1998 Series 25

Current Funding Requirements:
Total Dollar Amount (\$000) \$724
As % of Initial Principal Amount
of Mortgage Loans Purchased 1.50%
Claims to Date 0

Maximum level of funding required over the life of the bonds (\$000) \$740

LIST OF BONDS BY MATURITY:

CUSIP Number	Maturity Date	Bond Type	Interest Rate	Original Amount	Principal Matured	Principal Redemptions	Principal Outstanding	Bond Call Sequence (Note 1)
658207BK0	01/01/08	Serial	3.80%	475,000	475,000	0	0	2
658207BL8	07/01/08	Serial	3.85%	485,000	485,000	0	0	2
658207BM6	01/01/09	Serial	3.90%	495,000	495,000	0	0	2
658207BN4	07/01/09	Serial	3.95%	505,000	505,000	0	0	2
658207BP9	01/01/10	Serial	4.00%	515,000	515,000	0	0	2
658207BQ7	07/01/10	Serial	4.00%	525,000	525,000	0	0	2
658207BR5	01/01/11	Serial	4.05%	535,000	535,000	0	0	2
658207BS3	07/01/11	Serial	4.10%	545,000	535,000	10,000	0	2
658207BT1	01/01/12	Serial	4.13%	560,000	0	10,000	550,000	2
658207BU8	07/01/12	Serial	4.15%	570,000	0	10,000	560,000	2
658207BV6	01/01/13	Serial	4.20%	585,000	0	10,000	575,000	2
658207BW4	07/01/13	Serial	4.25%	595,000	0	10,000	585,000	2
658207BX2	01/01/14	Serial	4.30%	610,000	0	10,000	600,000	2
658207BY0	07/01/14	Serial	4.30%	625,000	0	15,000	610,000	2
658207BZ7	01/01/15	Serial	4.35%	635,000	0	15,000	620,000	2
658207CA1	07/01/15	Serial	4.35%	650,000	0	15,000	635,000	2
658207CB9	01/01/16	Serial	4.40%	665,000	0	15,000	650,000	2
658207CC7	07/01/16	Serial	4.40%	685,000	0	15,000	670,000	2
658207CD5	07/01/21	Term (Note 2)	4.65%	5,485,000	0	110,000	5,375,000	2
658207CE3	07/01/27	Term (Note 3)	4.75%	8,090,000	0	170,000	7,920,000	2
658207CF0	07/01/31	Term (Note 4)	4.85%	7,025,000	0	155,000	6,870,000	2
658207CG8	01/01/37	Term (Note 5)	5.75%	19,500,000	0	10,335,000	9,165,000	2
658207CH6	07/01/37	Term (Note 6)	4.90%	14,640,000	0	530,000	14,110,000	2
Total 1998 Series 25				\$65,000,000	\$4,070,000	\$11,435,000	\$49,495,000	

Note 1: See optional and special redemption provisions page 4-1998-25, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemptions begin January 1, 2017.

Note 3: Sinking fund redemptions begin January 1, 2022.

Note 4: Sinking fund redemptions begin January 1, 2028.

Note 5: Sinking fund redemptions begin January 1, 2018. AMT PAC bonds were sold at a premium with a coupon rate of 5.75% and a yield of 5.273%.

Note 6: Sinking fund redemptions begin January 1, 2032.

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DISCLOSURE REPORT
AS OF SEPTEMBER 30, 2011

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: SERIES 25

PAGE NO. 3-1998-25

LIST OF UNSCHEDULED REDEMPTIONS:

Call Date	Call Amount	Type of Call	Source Of Funds
7/1/2008	\$1,125,000	Supersinker	Prepayments
1/1/2009	\$1,080,000	Supersinker	Prepayments
1/1/2009	\$70,000	Pro rata	Debt Service Reserve
7/1/2009	\$1,430,000	Supersinker	Prepayments
7/1/2009	\$40,000	Pro rata	Debt Service Reserve
1/1/2010	\$1,675,000	Supersinker	Prepayments
1/1/2010	\$45,000	Pro rata	Debt Service Reserve
6/1/2010	\$1,735,000	Supersinker	Prepayments
6/1/2010	\$35,000	Pro rata	Debt Service Reserve
12/1/2010	\$1,000,000	Supersinker	Prepayments
12/1/2010	\$30,000	Pro rata	Debt Service Reserve
6/1/2011	\$2,290,000	Supersinker	Prepayments
6/1/2011	\$805,000	Pro rata	Prepayments
6/1/2011	<u>\$75,000</u>	Pro rata	Debt Service Reserve
	<u>\$11,435,000</u>		

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BOND SERIES: SERIES 25

PAGE NO. 4-1998-25

Bond Call Information:

Special Redemption:

The 1998 Series 25 bonds may be redeemed in whole or in part on any date at the principal amount plus accrued interest to the date of redemption, from:

- (i) unexpended proceeds,
- (ii) prepayments of mortgage loans financed with the proceeds of the Series 25, including the existing mortgage loans,
- (iii) excess revenues transferred from the revenue reserve fund,
- (iv) moneys withdrawn from the debt service reserve fund in connection with an excess over the debt service reserve requirement, and
- (v) from prepayments of mortgage loans financed with proceeds from series of bonds issued other than the Series 25 bond and from certain moneys in excess of the debt service reserve requirement on deposit in the debt service reserve Fund ("Cross Call Redemption").

Prepayments on mortgage loans financed with the proceeds of the Series 25 bonds shall first be applied to the redemption or purchase of Series 25 term bonds due January 1, 2037 during the periods up to the scheduled principal amounts set forth in the series resolution.

Moneys in excess of the debt service reserve requirement, from excess revenues in the revenue reserve fund and from cross call redemption sources shall be applied to the redemption of the Series 25 bonds in any manner. Moneys to be applied to redemption from prepayments in excess of the scheduled principal amounts shall be applied pro rata. However, the Agency may redeem on other than a pro rata basis, if the Agency files a notice with the Trustee together with a cash flow certificate.

Optional Redemption:

The Series 25 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after July 1, 2016, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.