

**NORTH CAROLINA HOUSING FINANCE AGENCY  
DISCLOSURE REPORT  
AS OF MARCH 31, 2008**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)  
BOND SERIES: SERIES 09

PAGE NO. 1-1998-09

SERIES DATE: 11/15/00

SERIES SOLD: 12/13/00

**GENERAL INFORMATION:**

Bonds Outstanding: 33,760,000  
Bond Yield: 5.67%  
Mortgage Loan Prin Outstanding: 31,469,369  
Mortgage Rate(s): 5.99%-7.13%  
Outstanding Commitments: 0  
Uncommitted Lendable Funds: 0  
  
Average Purchase Price: 82,078  
Average Original Loan Amount: 79,263  
Total No. of Loans Originated: 720  
Total No. of Loans Paid Off: 310  
Total No. of Loans Outstanding: 410

**LOAN PORTFOLIO CHARACTERISTICS (AS A % OF LOANS OUTSTANDING)**

New Construction: 32.76%  
Existing Home: 67.24%  
Total: 100.00%  
  
Fixed Rate Mortgages: 100.00%  
Graduated Pmt Mtgs: 0.00%  
Growing Equity Mtgs: 0.00%  
Variable Rate Mtgs: 0.00%  
Total: 100.00%  
  
Private: 7.61%  
FHA: 71.76%  
VA: 6.16%  
USDA: 12.10%  
Guaranty Fund: 0.00%  
Other (less than 80.00 LTV): 2.37%  
Total: 100.00%

**Effective May 1, 2006**

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

Type of Housing:  
Single Family Detached: 81.91%  
Condos/Townhouses: 15.42%  
Manufactured/Duplexes: 2.67%  
Total: 100.00%

**Breakdown of Private Mortgage Insurers  
(List by % of total portfolio):**

1998-09: 6.96%  
GEMICO: 0.43%  
RMIC: 0.00%  
UG: 0.00%  
PMI: 0.00%  
TRIAD: 0.22%  
RADIAN: 0.00%  
  
7.61%

Program: P.O. Box 28066  
Raleigh, NC 27611-8066  
(919) 877-5700  
Contact: Sharon Drewyor, Director of Home Ownership Lending (919) 877-5621  
Elizabeth I. Rozakis, Chief Financial Officer (919) 877-5687

POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS): None

SELF-INSURANCE COVERAGE: Name of Self-Insurance Fund: Insurance Reserve Fund  
Series of Bonds Covered: 1998 Series 09  
Current Funding Requirements:  
Total Dollar Amount (\$000) \$745  
As % of Initial Principal Amount of Mortgage Loans Purchased 1.18%  
Claims to Date 0

NOTE: Funded by Ambac surety bond for \$745,000

Maximum level of funding required over the life of the bonds (\$000) \$745

**DELINQUENCY STATISTICS (AS A % OF LOANS OUTSTANDING):**

|                | %     | # |
|----------------|-------|---|
| 60 days        | 1.46% | 6 |
| 90 days        | 0.73% | 3 |
| In Foreclosure | 0.49% | 2 |

**(AS % OF PRINCIPAL BALANCE OUTSTANDING):**

|  | %     | \$      |
|--|-------|---------|
|  | 1.44% | 453,254 |
|  | 0.69% | 215,821 |
|  | 0.42% | 133,677 |

No. of Loans Foreclosed to Date since 1/1/87: Not available  
Foreclosed (Loss)/Gain to Date: Not available  
Net of Insurance Proceeds (\$000): Not available

Real Estate Owned  
Number of Loans: 0  
Outstanding Mtg Amount  
At time of Default: \$0  
Current Balance: \$0

**MORTGAGE LOAN SERVICERS:**

| Servicer        | # of Loans | % of Portfolio |
|-----------------|------------|----------------|
| RBC Centura     | 193        | 47.04%         |
| Marsh           | 143        | 34.85%         |
| BB&T            | 67         | 16.33%         |
| Bank of America | 7          | <u>1.78%</u>   |
| Total           | <u>410</u> | <u>100.00%</u> |

**MORTGAGE LOAN RATES (BY BOND SERIES):**

| Series         | # of Loans | Mtg Rate    |
|----------------|------------|-------------|
| 1998 SERIES 09 | 346        | 5.99%-6.50% |
|                | 17         | 6.70%       |
|                | 32         | 6.75%       |
|                | 5          | 6.85%       |
|                | 8          | 6.95%       |
|                | 2          | 7.13%       |
| Total          | <u>410</u> |             |

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BOND SERIES: SERIES 09

PAGE NO. 2-1998-09

**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) |
|---------------------|---------------|---------------|---------------|-----------------|-------------------|-----------------------|-----------------------|-----------------------------|
| 65820EM31           | 07/01/03      | Serial        | 4.75%         | \$875,000       | \$875,000         | \$0                   | \$0                   | 2                           |
| 65820EM49           | 07/01/04      | Serial        | 4.80%         | 930,000         | 930,000           | 0                     | 0                     | 2                           |
| 65820EM56           | 07/01/05      | Serial        | 4.85%         | 980,000         | 975,000           | 5,000                 | 0                     | 2                           |
| 65820EM64           | 07/01/06      | Serial        | 4.95%         | 1,030,000       | 985,000           | 45,000                | 0                     | 2                           |
| 65820EM72           | 07/01/07      | Serial        | 5.00%         | 1,090,000       | 940,000           | 150,000               | 0                     | 2                           |
| 65820EN71           | 01/01/08      | Serial        | 4.75%         | 475,000         | 365,000           | 110,000               | 0                     | 2                           |
| 65820EN89           | 07/01/08      | Serial        | 4.75%         | 465,000         | 0                 | 120,000               | 345,000               | 2                           |
| 65820EN97           | 01/01/09      | Serial        | 4.80%         | 475,000         | 0                 | 120,000               | 355,000               | 2                           |
| 65820EP20           | 07/01/09      | Serial        | 4.80%         | 485,000         | 0                 | 120,000               | 365,000               | 2                           |
| 65820EP38           | 01/01/10      | Serial        | 4.85%         | 495,000         | 0                 | 120,000               | 375,000               | 2                           |
| 65820EP46           | 07/01/10      | Serial        | 4.85%         | 515,000         | 0                 | 130,000               | 385,000               | 2                           |
| 65820EP53           | 01/01/11      | Serial        | 4.95%         | 530,000         | 0                 | 130,000               | 400,000               | 2                           |
| 65820EP61           | 07/01/11      | Serial        | 4.95%         | 540,000         | 0                 | 135,000               | 405,000               | 2                           |
| 65820EP79           | 01/01/12      | Serial        | 5.00%         | 550,000         | 0                 | 140,000               | 410,000               | 2                           |
| 65820EM80           | 07/01/12      | Serial        | 5.35%         | 720,000         | 0                 | 170,000               | 550,000               | 2                           |
| 65820EM98           | 07/01/13      | Serial        | 5.45%         | 1,510,000       | 0                 | 360,000               | 1,150,000             | 2                           |
| 65820EN22           | 07/01/16      | Term (Note 2) | 5.60%         | 4,825,000       | 0                 | 1,170,000             | 3,655,000             | 2                           |
| 65820EN30           | 01/01/20      | Term (Note 3) | 5.80%         | 7,425,000       | 0                 | 1,805,000             | 5,620,000             | 2                           |
| 65820EN48           | 07/01/25      | Term (Note 4) | 5.25%         | 14,540,000      | 0                 | 14,540,000            | 0                     | 2                           |
| 65820EN55           | 07/01/31      | Term (Note 5) | 5.88%         | 21,545,000      | 0                 | 5,465,000             | 16,080,000            | 1                           |
| 65820EN63           | 07/01/32      | Term (Note 6) | 5.88%         | 5,000,000       | 0                 | 1,335,000             | 3,665,000             | 2                           |
| Total 1998 Series 9 |               |               |               | \$65,000,000    | \$5,070,000       | \$26,170,000          | \$33,760,000          |                             |

Note 1: See optional and special redemption provisions page 4-1998-09, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemptions begin January 1, 2014.

Note 3: Sinking fund redemptions begin July 1, 2016.

Note 4: Sinking fund redemptions begin July 1, 2020.

Note 5: Sinking fund redemptions begin January 1, 2026.

Note 6: Sinking fund redemptions begin July 1, 2031.

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DISCLOSURE REPORT  
AS OF MARCH 31, 2008**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)  
BOND SERIES: SERIES 09

PAGE NO. 3-1998-09

**LIST OF UNSCHEDULED REDEMPTIONS:**

| Call Date    | Call Amount                | Type of Call | Source Of Funds      |
|--------------|----------------------------|--------------|----------------------|
| 01/01/02     | 95,000                     | Supersinker  | Prepayments          |
| 04/15/02     | 75,000                     | Supersinker  | Prepayments          |
| 07/01/02     | 85,000                     | Supersinker  | Prepayments          |
| 07/01/02     | 5,000                      | Pro rata     | Debt Service Reserve |
| 01/01/03     | 565,000                    | Supersinker  | Prepayments          |
| 06/01/03     | 1,000,000                  | Supersinker  | Prepayments          |
| 10/01/03     | 65,000                     | Supersinker  | Prepayments          |
| 10/01/03     | 50,000                     | Pro rata     | Debt Service Reserve |
| 10/01/03     | 1,240,000                  | Supersinker  | Prepayments          |
| 01/01/04     | 1,610,000                  | Supersinker  | Prepayments          |
| 05/01/04     | 605,000                    | Supersinker  | Prepayments          |
| 05/01/04     | 175,000                    | Pro rata     | Prepayments          |
| 09/01/04     | 1,095,000                  | Supersinker  | Prepayments          |
| 09/01/04     | 110,000                    | Pro rata     | Debt Service Reserve |
| 01/01/05     | 1,650,000                  | Supersinker  | Prepayments          |
| 01/01/05     | 35,000                     | Pro rata     | Debt Service Reserve |
| 05/01/05     | 1,590,000                  | Supersinker  | Prepayments          |
| 05/01/05     | 35,000                     | Pro rata     | Debt Service Reserve |
| 10/01/05     | 365,000                    | Pro rata     | Prepayments          |
| 04/01/06     | 1,530,000                  | Supersinker  | Prepayments          |
| 04/01/06     | 1,420,000                  | Pro rata     | Prepayments          |
| 04/01/06     | 85,000                     | Pro rata     | Debt Service Reserve |
| 08/01/06     | 1,470,000                  | Supersinker  | Prepayments          |
| 08/01/06     | 3,240,000                  | Pro rata     | Prepayments          |
| 08/01/06     | 95,000                     | Pro rata     | Debt Service Reserve |
| 01/01/07     | 1,420,000                  | Supersinker  | Prepayments          |
| 01/01/07     | 880,000                    | Pro rata     | Prepayments          |
| 01/01/07     | 70,000                     | Pro rata     | Debt Service Reserve |
| 05/01/07     | 445,000                    | Supersinker  | Prepayments          |
| 05/01/07     | 10,000                     | Pro rata     | Debt Service Reserve |
| 11/01/07     | 4,180,000                  | Pro rata     | Prepayments          |
| 11/01/07     | 105,000                    | Pro rata     | Debt Service Reserve |
| 02/01/08     | 755,000                    | Pro rata     | Prepayments          |
| 02/01/08     | <u>15,000</u>              | Pro rata     | Debt Service Reserve |
| <b>TOTAL</b> | <b><u>\$26,170,000</u></b> |              |                      |

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PAGE NO. 4-1998-09

**Bond Call Information:**

**Special Redemption**

The 1998 Series 9 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 9, and
- (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 9 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 9 bonds shall first be applied to the redemption or purchase of Series 9 Term bonds due July 1, 2025 during the periods up to the scheduled principal amounts set forth in the series resolution.

Moneys in excess of the debt service reserve requirement and from excess revenues in the revenue reserve fund shall be applied to the redemption of the Series 9 bonds in any manner. Moneys to be applied to redemption from prepayments in excess of the scheduled principal amounts or from cross call redemption sources, 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 9 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after January 1, 2010, either as a whole, on any date, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.