

**NORTH CAROLINA HOUSING FINANCE AGENCY  
DISCLOSURE REPORT  
AS OF MARCH 31, 2012**

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)  
BOND SERIES: 17**

**GENERAL MORTGAGE LOAN INFORMATION**

Mortgage Loan Prin Outstanding: \$27,753,515  
Mortgage Rates: 5.125% - 5.375%

Average Purchase Price: \$101,714  
Average Original Loan Amount: \$97,660

Total No. of Loans Originated: 550  
Total No. of Loans Paid Off: 217  
Total No. of Loans Outstanding: 333

**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	80	24.02%
FHA	126	37.84%
VA	18	5.40%
USDA	68	20.43%
HUD-184	0	0.00%
Guaranty Fund	0	0.00%
Other (< 80%LTV)	41	12.31%
<b>Total</b>	<b>333</b>	<b>100.00%</b>

<u>Private Mortgage Insurers:</u>	<u># of Loans</u>	<u>%</u>
GENWORTH	51	15.32%
RADIAN GUARANTY INC.	5	1.50%
PMI MTG. INS. CO.	9	2.70%
RMIC	10	3.00%
MGIC	2	0.60%
AIG-UGIC	3	0.90%
<b>Total</b>	<b>80</b>	<b>24.02%</b>

<u>New/Existing:</u>	<u># of Loans</u>	<u>%</u>
New Construction	113	33.93%
Existing Home	220	66.07%
<b>Total</b>	<b>333</b>	<b>100.00%</b>

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	312	93.69%
Condominium	7	2.10%
Townhouse	5	1.50%
Manufactured Home	9	2.71%
<b>Total</b>	<b>333</b>	<b>100.00%</b>

**DELINQUENCY STATISTICS**

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	5	1.50%
90 days	3	0.90%
In Foreclosure	4	1.20%
REO (Conv, USDA)	2	0.60%
<b>Total</b>	<b>14</b>	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$394,808	1.42%
90 days	\$244,325	0.88%
In Foreclosure	\$453,758	1.63%
REO (Conv, USDA)	\$179,261	0.65%
<b>Total</b>	<b>\$1,272,152</b>	

**SERVICER AND MORTGAGE LOAN DATA**

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
PNC	91	27.33%
Marsh Associates Inc.	200	60.05%
BB&T	38	11.42%
State Employees Credit Union	1	0.30%
US Bank Home Mortgage	3	0.90%
<b>Total</b>	<b>333</b>	<b>100.00%</b>

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
5.375	42
5.25	148
5.125	143
<b>Total</b>	<b>333</b>

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INDENTURE: . . . . . SINGLE-FAMILY REVENUE BONDS (1998 RESOLUTION) . . . . .  
BOND SERIES: . . . . . SERIES-17 . . . . .

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POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS): . . . . . None

SELF-INSURANCE COVERAGE: . . . . . Name of Self-Insurance Fund: Insurance Reserve Fund  
Series of Bonds Covered: 1998 Series 17

Current Funding Requirements:  
Total Dollar Amount (\$000) \$620  
As % of Initial Principal Amount  
of Mortgage Loans Purchased 2.23%  
Claims to Date 0

Maximum level of funding required over the life of the bonds (\$000) \$620

**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)
65820E8C7	01/01/05	Serial	1.35%	\$435,000	\$435,000	\$0	\$0	2
65820E8D5	07/01/05	Serial	1.40%	435,000	435,000	0	0	2
65820E8E3	01/01/06	Serial	1.75%	440,000	440,000	0	0	2
65820E8F0	07/01/06	Serial	1.80%	445,000	445,000	0	0	2
65820E8G8	01/01/07	Serial	2.10%	450,000	450,000	0	0	2
65820E8H6	07/01/07	Serial	2.15%	455,000	455,000	0	0	2
65820E8J2	01/01/08	Serial	2.45%	460,000	460,000	0	0	2
65820E8K9	07/01/08	Serial	2.50%	160,000	115,000	45,000	0	2
65820E7J3	07/01/08	Serial	2.90%	310,000	245,000	65,000	0	2
65820E7K0	01/01/09	Serial	3.20%	475,000	385,000	90,000	0	2
65820E7L8	07/01/09	Serial	3.25%	485,000	395,000	90,000	0	2
65820E7M6	01/01/10	Serial	3.45%	495,000	395,000	100,000	0	2
65820E7N4	07/01/10	Serial	3.50%	505,000	400,000	105,000	0	2
65820E7P9	01/01/11	Serial	3.75%	415,000	335,000	80,000	0	2
65820E7Q7	07/01/11	Serial	3.80%	410,000	305,000	105,000	0	2
65820E7R5	01/01/12	Serial	4.05%	420,000	310,000	110,000	0	2
65820E7S3	07/01/12	Serial	4.10%	430,000	0	120,000	310,000	2
65820E7T1	01/01/13	Serial	4.25%	440,000	0	120,000	320,000	2
65820E7U8	07/01/13	Serial	4.25%	450,000	0	120,000	330,000	2
65820E7V6	01/01/14	Serial	4.35%	460,000	0	120,000	340,000	2
65820E7W4	07/01/14	Serial	4.35%	470,000	0	125,000	345,000	2
65820E7X2	01/01/15	Serial	4.45%	480,000	0	125,000	355,000	2
65820E7Y0	07/01/15	Serial	4.45%	495,000	0	135,000	360,000	2
65820E7Z7	07/01/23	Term (Note 2)	4.90%	9,920,000	0	2,845,000	7,075,000	2
65820E8A1	01/01/31	Term (Note 3)	5.00%	10,000,000	0	10,000,000	0	1
65820E8B9	07/01/34	Term (Note 4)	5.00%	3,340,000	0	1,100,000	2,240,000	2
	07/01/32	(Note 5)	Variable	20,000,000	0	2,220,000	17,780,000	
Total 1998 Series 17				\$53,280,000	\$6,005,000	\$17,820,000	\$29,455,000	

Note 1: See optional and special redemption provisions page 4-1998-17, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemptions begin January 1, 2016.

Note 3: Sinking fund redemptions begin January 1, 2011. AMT PAC bonds were sold at a premium with a coupon rate of 5.00% and a yield of 4.622%.

Note 4: Sinking fund redemptions begin July 1, 2033.

Note 5: Variable rate loans associated with swap - Bank of America

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BOND SERIES: . . . . . SERIES-1? . . . . .

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LIST OF UNSCHEDULED REPAYMENTS: . . . . .

Call Date	Call Amount	Type of Call	Source Of Funds
05/01/05	\$230,000	Supersinker	Prepayments
05/01/05	10,000	Pro rata	Debt Service Reserve
10/01/05	285,000	Supersinker	Prepayments
04/01/06	580,000	Supersinker	Prepayments
04/01/06	25,000	Pro rata	Debt Service Reserve
08/01/06	395,000	Supersinker	Prepayments
08/01/06	20,000	Pro rata	Debt Service Reserve
01/01/07	1,395,000	Supersinker	Prepayments
01/01/07	105,000	Pro rata	Prepayments
01/01/07	40,000	Pro rata	Debt Service Reserve
05/01/07	835,000	Supersinker	Prepayments
05/01/07	25,000	Pro rata	Debt Service Reserve
11/01/07	225,000	Supersinker	Prepayments
11/01/07	3,860,000	Pro rata	Prepayments
11/01/07	80,000	Pro rata	Debt Service Reserve
02/01/08	960,000	Supersinker	Prepayments
02/01/08	105,000	Pro rata	Prepayments
02/01/08	25,000	Pro rata	Debt Service Reserve
07/01/08	1,010,000	Supersinker	Prepayments
01/01/09	975,000	Supersinker	Prepayments
01/01/09	60,000	Pro rata	Debt Service Reserve
07/01/09	950,000	Supersinker	Prepayments
07/01/09	30,000	Pro rata	Debt Service Reserve
01/01/10	765,000	Supersinker	Prepayments
01/01/10	25,000	Pro rata	Debt Service Reserve
06/01/10	885,000	Supersinker	Prepayments
06/01/10	15,000	Pro rata	Debt Service Reserve
12/01/10	275,000	Supersinker	Prepayments
12/01/10	590,000	Swap call	Prepayments
12/01/10	25,000	Pro rata	Debt Service Reserve
06/01/11	830,000	Swap call	Prepayments
06/01/11	1,095,000	Pro rata	Prepayments
06/01/11	45,000	Pro rata	Debt Service Reserve
12/01/11	800,000	Swap call	Prepayments
12/01/11	215,000	Pro rata	Prepayments
12/01/11	<u>30,000</u>	Pro rata	Debt Service Reserve
	<u>\$17,820,000</u>		

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INDENTURE . . . . . SINGLE-FAMILY REVENUE BONDS (1998 RESOLUTION) . . . . .  
BOND SERIES . . . . . SERIES-17 . . . . .

Bond Call Information . . .  
Special Redemption . . .

- The 1998 Series 17 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 17, 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 17 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 17 bonds shall first be applied to the redemption or purchase of Series 17 Term bonds due January 1, 2034 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 17 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 17 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after July 1, 2012, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.

Material Event . . .

On August 8, 2011, Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. ("Standard & Poor's") changed the long-term credit rating on the Agency's Variable Rate Home Ownership Revenue Bonds, (1998 Trust Agreement), Series 15-C, dated May 8, 2003; Variable Rate Home Ownership Revenue Bonds, (1998 Trust Agreement), Series 16-C, dated September 16, 2003; Variable Rate Home Ownership Revenue Bonds, (1998 Trust Agreement), Series 17-C, dated December 11, 2003, and Variable Rate Home Ownership Revenue Bonds, (1998 Trust Agreement), Series 18-C, dated April 19, 2004 from "AAA" to "AA+". Such rating changes were made in connection with changes to the ratings of Fannie Mae and Freddie Mac. Explanations of the significance of such ratings may be obtained only from Standard & Poor's.