

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

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)  
BOND SERIES: 31**

**GENERAL MORTGAGE LOAN INFORMATION**

Mortgage Loan Prin Outstanding: \$51,241,263  
Mortgage Rates: 4.625% - 6.375%

Average Purchase Price: \$122,761  
Average Original Loan Amount: \$118,623

Total No. of Loans Originated: 556  
Total No. of Loans Paid Off: 73  
Total No. of Loans Outstanding: 483

**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              | 339               | 70.19%         |
| FHA               | 52                | 10.76%         |
| VA                | 7                 | 1.45%          |
| USDA              | 37                | 7.66%          |
| HUD-184           | 0                 | 0.00%          |
| Guaranty Fund     | 0                 | 0.00%          |
| Other (< 80%LTV)  | 48                | 9.94%          |
| <b>Total</b>      | <b>483</b>        | <b>100.00%</b> |

| <u>Private Mortgage Insurers:</u> | <u># of Loans</u> | <u>%</u>      |
|-----------------------------------|-------------------|---------------|
| PMI MTG. INS. CO.                 | 21                | 4.35%         |
| MGIC                              | 86                | 17.81%        |
| TRIAD                             | 1                 | 0.21%         |
| AIG-UGIC                          | 45                | 9.32%         |
| GENWORTH                          | 156               | 32.30%        |
| RMIC                              | 26                | 5.38%         |
| RADIAN GUARANTY INC.              | 3                 | 0.62%         |
| CMG MTG INS CO                    | 1                 | 0.21%         |
| <b>Total</b>                      | <b>339</b>        | <b>70.19%</b> |

| <u>New/Existing:</u> | <u># of Loans</u> | <u>%</u>       |
|----------------------|-------------------|----------------|
| New Construction     | 124               | 25.67%         |
| Existing Home        | 359               | 74.33%         |
| <b>Total</b>         | <b>483</b>        | <b>100.00%</b> |

| <u>Type of Housing:</u> | <u># of Loans</u> | <u>%</u>       |
|-------------------------|-------------------|----------------|
| Single Family Detached  | 341               | 70.60%         |
| Condominium             | 46                | 9.52%          |
| Townhouse               | 96                | 19.88%         |
| Manufactured Home       | 0                 | 0.00%          |
| <b>Total</b>            | <b>483</b>        | <b>100.00%</b> |

**DELINQUENCY STATISTICS**

| <u>Loans Outstanding:</u> | <u># of Loans</u> | <u>%</u> |
|---------------------------|-------------------|----------|
| 60 days                   | 10                | 2.07%    |
| 90 days                   | 9                 | 1.86%    |
| In Foreclosure            | 7                 | 1.45%    |
| REO (Conv, USDA)          | 6                 | 1.24%    |
| <b>Total</b>              | <b>32</b>         |          |

| <u>Principal Outstanding:</u> | <u>\$ of Loans</u> | <u>%</u> |
|-------------------------------|--------------------|----------|
| 60 days                       | \$1,125,485        | 2.20%    |
| 90 days                       | \$1,097,022        | 2.14%    |
| In Foreclosure                | \$784,704          | 1.53%    |
| REO (Conv, USDA)              | \$751,544          | 1.47%    |
| <b>Total</b>                  | <b>\$3,758,754</b> |          |

**SERVICER AND MORTGAGE LOAN DATA**

| <u>Servicers:</u>            | <u># of Loans</u> | <u>%</u>       |
|------------------------------|-------------------|----------------|
| PNC                          | 116               | 24.02%         |
| BB&T                         | 162               | 33.54%         |
| Marsh Associates Inc.        | 189               | 39.13%         |
| US Bank Home Mortgage        | 7                 | 1.45%          |
| Bank of America              | 5                 | 1.03%          |
| State Employees Credit Union | 4                 | 0.83%          |
| <b>Total</b>                 | <b>483</b>        | <b>100.00%</b> |

| <u>Mortgage Rates (%):</u> | <u># of Loans</u> |
|----------------------------|-------------------|
| 6.375                      | 6                 |
| 6.25                       | 40                |
| 6.125                      | 25                |
| 6                          | 13                |
| 5.99                       | 17                |
| 5.875                      | 45                |
| 5.75                       | 131               |
| 5.625                      | 201               |
| 5.5                        | 4                 |
| 4.625                      | 1                 |
| <b>Total</b>               | <b>483</b>        |

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INDENTURE: . . . . . SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION) . . . . .  
BOND SERIES: . . . . . SERIES 31 . . . . .

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

|                                    |   |                                  |       |
|------------------------------------|---|----------------------------------|-------|
| SELF-INSURANCE COVERAGE: . . . . . | Name of Self-Insurance Fund: Insurance Reserve Fund | Current Funding Requirements:    |       |
|                                    | Series of Bonds Covered: 1998 Series 31             | Total Dollar Amount (\$000)      | \$690 |
|                                    |   | As % of Initial Principal Amount |       |
|                                    |   | of Mortgage Loans Purchased      | 1.35% |
|                                    |   | Claims to Date                   | 0     |

Maximum level of funding required over the life of the bonds (\$000) \$690

**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) |
|----------------------|---------------|---------------|---------------|-----------------|-------------------|-----------------------|-----------------------|-----------------------------|
| 658207HW8            | 07/01/08      | Serial        | 3.25%         | 380,000         | 380,000           | 0                     | 0                     | 2                           |
| 658207HX6            | 01/01/09      | Serial        | 3.25%         | 475,000         | 475,000           | 0                     | 0                     | 2                           |
| 658207HY4            | 07/01/09      | Serial        | 3.25%         | 475,000         | 475,000           | 0                     | 0                     | 2                           |
| 658207HZ1            | 01/01/10      | Serial        | 3.30%         | 485,000         | 485,000           | 0                     | 0                     | 2                           |
| 658207JA4            | 07/01/10      | Serial        | 3.30%         | 495,000         | 490,000           | 5,000                 | 0                     | 2                           |
| 658207JB2            | 01/01/11      | Serial        | 3.35%         | 505,000         | 500,000           | 5,000                 | 0                     | 2                           |
| 658207JC0            | 07/01/11      | Serial        | 3.35%         | 520,000         | 515,000           | 5,000                 | 0                     | 2                           |
| 658207JD8            | 01/01/12      | Serial        | 3.40%         | 530,000         | 525,000           | 5,000                 | 0                     | 2                           |
| 658207JE6            | 07/01/12      | Serial        | 3.40%         | 540,000         | 0                 | 5,000                 | 535,000               | 2                           |
| 658207JF3            | 01/01/13      | Serial        | 3.45%         | 550,000         | 0                 | 5,000                 | 545,000               | 2                           |
| 658207JG1            | 07/01/13      | Serial        | 3.45%         | 565,000         | 0                 | 5,000                 | 560,000               | 2                           |
| 658207JH9            | 01/01/14      | Serial        | 3.55%         | 575,000         | 0                 | 5,000                 | 570,000               | 2                           |
| 658207JJ5            | 07/01/14      | Serial        | 3.55%         | 590,000         | 0                 | 5,000                 | 585,000               | 2                           |
| 658207JK2            | 01/01/15      | Serial        | 3.65%         | 600,000         | 0                 | 5,000                 | 595,000               | 2                           |
| 658207JL0            | 07/01/15      | Serial        | 3.65%         | 615,000         | 0                 | 5,000                 | 610,000               | 2                           |
| 658207JM8            | 01/01/16      | Serial        | 3.75%         | 630,000         | 0                 | 5,000                 | 625,000               | 2                           |
| 658207JN6            | 07/01/16      | Serial        | 3.75%         | 645,000         | 0                 | 10,000                | 635,000               | 2                           |
| 658207JP1            | 01/01/17      | Serial        | 3.85%         | 660,000         | 0                 | 10,000                | 650,000               | 2                           |
| 658207JQ9            | 07/01/17      | Serial        | 3.85%         | 165,000         | 0                 | 0                     | 165,000               | 2                           |
| 658207HS7            | 07/01/23      | Term (Note 2) | 5.00%         | 7,430,000       | 0                 | 60,000                | 7,370,000             | 2                           |
| 658207HT5            | 01/01/28      | Term (Note 3) | 5.13%         | 6,955,000       | 0                 | 90,000                | 6,865,000             | 2                           |
| 658207HU2            | 01/01/38      | Term (Note 4) | 5.50%         | 15,000,000      | 0                 | 5,710,000             | 9,290,000             | 2                           |
| 658207HV0            | 07/01/38      | Term (Note 5) | 5.25%         | 25,615,000      | 0                 | 490,000               | 25,125,000            | 2                           |
| Total 1998 Series 31 |               |               |               | \$65,000,000    | \$3,845,000       | \$6,430,000           | \$54,725,000          |                             |

Note 1: See optional and special redemption provisions page 4-1998-31, (i.e. "1" denotes first call priority from prepayments).  
 Note 2: Sinking fund redemptions begin July 1, 2017.  
 Note 3: Sinking fund redemptions begin January 1, 2024.  
 Note 4: Sinking fund redemptions begin January 1, 2018. AMT PAC bonds were sold at a premium with a coupon rate of 5.50% and a yield of 5.134%.  
 Note 5: Sinking fund redemptions begin July 1, 2028.

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INDENTURE: . . . . . SINGLE-FAMILY REVENUE BONDS (1998 RESOLUTION) . . . . .  
BOND SERIES: . . . . . SERIES 34 . . . . .

LIST OF UNSCHEDULED REDEMPTIONS: . . . . .

| Call Date | Call Amount        | Type of Call | Source Of Funds      |
|-----------|--------------------|--------------|----------------------|
| 1/1/2009  | 115,000            | Supersinker  | Prepayments          |
| 1/1/2009  | 15,000             | Pro rata     | Debt Service Reserve |
| 7/1/2009  | 340,000            | Supersinker  | Prepayments          |
| 7/1/2009  | 20,000             | Pro rata     | Debt Service Reserve |
| 1/1/2010  | 625,000            | Supersinker  | Prepayments          |
| 1/1/2010  | 20,000             | Pro rata     | Debt Service Reserve |
| 6/1/2010  | 895,000            | Supersinker  | Prepayments          |
| 6/1/2010  | 315,000            | Pro rata     | Prepayments          |
| 6/1/2010  | 25,000             | Pro rata     | Debt Service Reserve |
| 12/1/2010 | 1,145,000          | Supersinker  | Prepayments          |
| 12/1/2010 | 45,000             | Pro rata     | Prepayments          |
| 12/1/2010 | 35,000             | Pro rata     | Debt Service Reserve |
| 6/1/2011  | 1,290,000          | Supersinker  | Prepayments          |
| 6/1/2011  | 35,000             | Pro rata     | Debt Service Reserve |
| 12/1/2011 | 1,300,000          | Supersinker  | Prepayments          |
| 12/1/2011 | 170,000            | Pro rata     | Prepayments          |
| 12/1/2011 | <u>40,000</u>      | Pro rata     | Debt Service Reserve |
|           | <u>\$6,430,000</u> |              |                      |

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BOND SERIES: . . . . . SERIES 31 . . . . .

Bond Call Information: . . .

Special Redemption: . . .

The 1998 Series 31 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 31, 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 31 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 31 bonds shall first be applied to the redemption or purchase of Series 31 term bonds due January 1, 2038 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 31 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 31 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after July 1, 2017, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.