

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF JUNE 30, 2008**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)
BOND SERIES: SERIES OO/PP

PAGE NO. 1-1985OOPP

SERIES DATE: 02/01/85 (except Current Interest Paying Term Bonds dated the date of delivery and Municipal Multiplier Bonds dated 04/02/85)

SERIES SOLD: 04/02/85

GENERAL INFORMATION:

Bonds Outstanding: 9,070,000
Bond Yield 5.94%
Mortgage Loan Prin Outstanding 9,863,660
Mortgage Rate(s) 6.45% - 6.95%
Outstanding Commitments: 0
Uncommitted Lendable Funds: 0

Average Purchase Price: 70,323
Average Original Loan Amount: 67,942
Total No. of Loans Originated: 638
Total No. of Loans Paid Off: 461
Total No. of Loans Outstanding: 177

LOAN PORTFOLIO CHARACTERISTICS (AS A % OF LOANS OUTSTANDING)

New Construction: 15.25%
Existing Home: 84.75%
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 0.00%
FHA 100.00%
VA 0.00%
Self Insured 0.00%
Guaranty Fund 0.00%
Other (less than 80.00 LTV) 0.00%
Total 100.00%

Effective May 1, 2006

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

Type of Housing:
Single Family Detached 85.88%
Condos/Townhouses 12.99%
Manufactured/Duplexes 1.13%
Total 100.00%

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

1985OO/PP
GEMICO 0.00%
RMIC 0.00%
UG 0.00%
VEREX 0.00%

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: Mortgage Deficiency Fund
Series of Bonds Covered: 1985 Series D through WW (excluding Series U/V)

Current Funding Requirements: (data is for 1985 Series OO/PP only):
Total Dollar Amount (\$000) Note 1
As % of Initial Principal Amount of Mortgage Loans Purchased Note 1
Claims to Date 0

Maximum level of funding required over the life of the bonds (\$000) Note 1

DELINQUENCY STATISTICS (AS A % OF LOANS OUTSTANDING):

	%	#
60 days	1.13%	2
90 days	2.26%	4
In Foreclosure	1.13%	2

(AS % OF PRINCIPAL BALANCE OUTSTANDING):

	%	\$
	1.08%	106,679
	2.33%	229,693
	1.16%	114,687

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
BB&T	87	49.15%
RBC Centura	44	24.86%
Marsh	31	17.51%
Bank of America	15	<u>8.48%</u>
TOTAL	177	<u>100.00%</u>

MORTGAGE LOAN RATES (BY BOND SERIES):

Series	# of Loans	Mtg Rate
1985 SERIES OO/PP	9	6.45%
	<u>168</u>	6.95%
Total	<u>177</u>	

Note 1: The provisions of the Mortgage Deficiency Fund were extended to Series OO and PP Bonds. However, additional funding was not required in consequence of the extension of such provisions.

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF JUNE 30, 2008**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)
BOND SERIES: SERIES OO/PP

PAGE NO. 2-1985OOPP

LIST OF BONDS BY MATURITY:

CUSIP Number	Maturity Date	Bond Type	Interest Rate	Original Amount	Principal Matured	Principal Redemptions	Principal Bond Call Outstanding Sequence (Note 1)
65820EQE3	03/01/99	Serial	4.40%	\$305,000	\$305,000	\$0	\$0 2
65820EQF0	09/01/99	Serial	4.40%	310,000	310,000	0	0 2
65820EQG8	03/01/00	Serial	4.60%	320,000	320,000	0	0 2
65820EQH6	09/01/00	Serial	4.60%	325,000	315,000	10,000	0 2
65820EQJ2	03/01/01	Serial	4.80%	335,000	325,000	10,000	0 2
65820EQK9	09/01/01	Serial	4.80%	340,000	330,000	10,000	0 2
65820EQL7	03/01/02	Serial	5.00%	350,000	340,000	10,000	0 2
65820EQM5	09/01/02	Serial	5.00%	355,000	345,000	10,000	0 2
65820EQN3	03/01/03	Serial	5.15%	365,000	355,000	10,000	0 2
65820EQP8	09/01/03	Serial	5.15%	375,000	360,000	15,000	0 2
65820EQQ6	03/01/04	Serial	5.25%	385,000	340,000	45,000	0 2
65820EQR4	09/01/04	Serial	5.25%	395,000	340,000	55,000	0 2
65820EQS2	03/01/05	Serial	5.35%	405,000	345,000	60,000	0 2
65820EQT0	09/01/05	Serial	5.35%	415,000	330,000	85,000	0 2
65820EQU7	03/01/06	Serial	5.45%	425,000	335,000	90,000	0 2
65820EQV5	09/01/06	Serial	5.45%	440,000	315,000	125,000	0 2
65820EQW3	03/01/07	Serial	5.55%	450,000	250,000	200,000	0 2
65820EQX1	09/01/07	Serial	5.55%	465,000	255,000	210,000	0 2
65820EQD5	09/01/12	Term (Note 2)	5.80%	5,010,000	200,000	3,200,000	1,610,000 2
65820EQY9	09/01/17	Term (Note 3)	6.15%	6,890,000		4,405,000	2,485,000 2
65820EQZ6	09/01/23	Term (Note 4)	5.34%	12,770,000		12,770,000	0 1
65820ERB8	09/01/27	Term (Note 5)	6.25%	9,570,000		6,065,000	3,505,000 2
65820ERA0	09/01/28	Term (Note 6)	6.25%	4,000,000		2,530,000	1,470,000 2
Total 1985 Series OO/PP				\$45,000,000	\$6,015,000	\$29,915,000	\$9,070,000

Note 1: See optional and special redemption provisions beginning on page 4-1985OOPP. (i.e. "1" denotes first call priority from prepayments.)

Note 2: Sinking fund redemption begins March 1, 2008.

Note 3: Sinking fund redemption begins September 1, 2012

Note 4: Sinking fund redemption begins September 1, 2017.

Note 5: Sinking fund redemption begins March 1, 2024.

Note 6: Sinking fund redemption begins September 1, 2027.

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF JUNE 30, 2008**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)
BOND SERIES: SERIES OO/PP

PAGE NO. 3-1985OOPP

LIST OF UNSCHEDULED REDEMPTIONS:

Call Date	Call Amount	Type of Call	Source Of Funds
07/01/98	\$180,000	Supersinker	Prepayments
01/01/99	410,000	Supersinker	Prepayments
05/01/99	555,000	Supersinker	Prepayments
07/01/99	390,000	Supersinker	Prepayments
09/01/99	450,000	Supersinker	Prepayments
12/15/99	875,000	Supersinker	Prepayments
05/01/00	550,000	Supersinker	Prepayments
05/01/00	745,000	Pro rata	Prepayments
07/01/00	290,000	Supersinker	Prepayments
01/01/01	1,035,000	Supersinker	Prepayments
06/01/01	845,000	Supersinker	Prepayments
10/01/01	1,815,000	Supersinker	Prepayments
01/01/02	590,000	Supersinker	Prepayments
04/15/02	670,000	Supersinker	Prepayments
04/15/02	235,000	Pro rata	Prepayments
07/01/02	855,000	Supersinker	Prepayments
01/01/03	370,000	Supersinker	Prepayments
01/01/03	125,000	Pro rata	Prepayments
06/01/03	1,140,000	Supersinker	Prepayments
06/01/03	125,000	Pro rata	Prepayments
06/01/03	710,000	Pro rata	Prepayments
10/01/03	1,085,000	Supersinker	Prepayments
10/01/03	735,000	Pro rata	Prepayments
10/01/03	620,000	Pro rata	Prepayments
01/01/04	560,000	Pro rata	Prepayments
05/01/04	630,000	Supersinker	Prepayments
09/01/04	340,000	Pro rata	Prepayments
01/01/05	535,000	Pro rata	Prepayments
05/01/05	1,035,000	Pro rata	Prepayments
10/01/05	405,000	Pro rata	Prepayments
04/01/06	2,065,000	Pro rata	Prepayments
08/01/06	4,205,000	Pro rata	Prepayments
01/01/07	175,000	Pro rata	Prepayments
05/01/07	195,000	Pro rata	Prepayments
11/1/07	3,150,000	Pro rata	Prepayments
02/01/08	455,000	Pro rata	Prepayments
07/01/08	<u>765,000</u>	Pro rata	Prepayments
TOTAL	<u>\$29,915,000</u>		

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF JUNE 30, 2008**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)
BOND SERIES: SERIES OO/PP

PAGE NO. 4-1985OOPP

Bond Call Information:

Special Redemption

The 1985 Series OO and PP 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) excess revenues transferred from the revenue reserve fund,
- (iii) prepayments of mortgage loans financed with the proceeds of the Series OO and PP bonds,
- (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 subsequent to the Series D bonds other than the Series OO and PP bonds 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 OO and PP bonds, shall first be applied to the redemption or purchase of Series PP Term bonds due September 1, 2023 during the periods up to the scheduled principal amounts set forth in the series resolution.

Moneys in excess of the debt service reserve requirement shall be applied to the redemption of the series OO and PP bonds in any manner. Moneys to be applied to redemption from excess revenues in the revenue reserve fund, 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 OO and PP bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after March 1, 2007, in whole or in part, on any date, at the following redemption prices, plus accrued interest to the date of redemption:

Period (Both Dates Inclusive)	Redemption Price (Expressed as a Percentage)
March 1, 2007 to February 1, 2008	102.00%
March 1, 2008 to February 1, 2009	101.00%
March 1, 2009 and thereafter	100.00%