

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

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)  
BOND SERIES: SERIES 04

PAGE NO. 1-1998-04

SERIES DATE: 04/15/99 SERIES SOLD: 05/27/99

GENERAL INFORMATION:		LOAN PORTFOLIO CHARACTERISTICS (AS A % OF LOANS OUTSTANDING)			
Bonds Outstanding:	18,825,000	New Construction:	26.87%		
Bond Yield	5.17%	Existing Home:	73.13%	Private	0.00%
Mortgage Loan Prin Outstanding	18,501,502	Total	100.00%	FHA	81.72%
Mortgage Rate(s)	5.99% - 6.95%			VA	6.34%
Outstanding Commitments:	0			USDA	11.94%
Uncommitted Lendable Funds:	0	Fixed Rate Mortgages	100.00%	Guaranty Fund	0.00%
				Other	
Average Purchase Price:	83,549	Graduated Pmt Mtgs	0.00%	(less than 80.00 LTV)	0.00%
Average Original Loan Amount:	81,553	Growing Equity Mtgs	0.00%	Total	100.00%
Total No. of Loans Originated:	590	Variable Rate Mtgs	0.00%		
Total No. of Loans Paid Off:	322	Total	100.00%		
Total No. of Loans Outstanding:	268				

**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 95.90% Condos/Townhouses 3.73% Manufactured/Duplexes 0.37% Total 100.00%	Breakdown of Private Mortgage Insurers (List by % of total portfolio):	1998-04 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				0.00%

POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS): None

SELF-INSURANCE COVERAGE:	Name of Self-Insurance Fund: Insurance Reserve Fund Series of Bonds Covered: 1998 Series 04	Current Funding Requirements:	
		Total Dollar Amount (\$000)	\$388
		As % of Initial Principal Amount of Mortgage Loans Purchased	1.23%
		Claims to Date	0
	Maximum level of funding required over the life of the bonds (\$000)		\$596

DELINQUENCY STATISTICS (AS A % OF LOANS OUTSTANDING):			(AS % OF PRINCIPAL BALANCE OUTSTANDING):		
	%	#	%	\$	
60 days	1.87%	5	2.05%	379,166	
90 days	1.49%	4	1.52%	281,953	
In Foreclosure	1.12%	3	1.07%	197,835	

No. of Loans Foreclosed to Date since 1/1/87	Not available	Real Estate Owned	
Foreclosed (Loss)/Gain to Date	Not available	Number of Loans	0
Net of Insurance Proceeds (\$000)	Not available	Outstanding Mtg Amount	
		At time of Default	\$0
		Current Balance	\$0

MORTGAGE LOAN SERVICERS:			MORTGAGE LOAN RATES (BY BOND SERIES):		
Servicer	# of Loans	% of Portfolio	Series	# of Loans	Mtg Rate
RBC Centura	123	45.90%	1998 SERIES 04	237	5.99%
Marsh	75	27.98%		2	5.999%
BB&T	63	23.51%		28	6.65%
Bank of America	7	2.61%		1	6.95%
TOTAL	268	100.00%	Total	268	



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**LIST OF UNSCHEDULED REDEMPTIONS:**

Call Date	Call Amount	Type of Call	Source Of Funds
07/01/00	\$180,000	Supersinker	Prepayment
07/01/00	70,000	Pro rata	Prepayment
07/01/00	5,000	Pro rata	Debt Service Reserve
01/01/01	435,000	Supersinker	Prepayment
01/01/01	110,000	Pro rata	Prepayment
01/01/01	10,000	Pro rata	Debt Service Reserve
06/01/01	335,000	Supersinker	Prepayment
06/01/01	20,000	Pro rata	Debt Service Reserve
10/01/01	645,000	Supersinker	Prepayment
10/01/01	15,000	Pro rata	Debt Service Reserve
01/01/02	710,000	Supersinker	Prepayment
01/01/02	170,000	Pro rata	Prepayment
01/01/02	25,000	Pro rata	Debt Service Reserve
04/15/02	335,000	Pro rata	Prepayment
04/15/02	10,000	Pro rata	Debt Service Reserve
07/01/02	550,000	Supersinker	Prepayment
07/01/02	20,000	Pro rata	Debt Service Reserve
01/01/03	1,955,000	Supersinker	Prepayment
06/01/03	70,000	Pro rata	Prepayment
06/01/03	45,000	Pro rata	Debt Service Reserve
06/01/03	235,000	Pro rata	Prepayment
10/01/03	730,000	Supersinker	Prepayment
10/01/03	30,000	Pro rata	Debt Service Reserve
10/01/03	535,000	Supersinker	Prepayment
01/01/04	1,220,000	Supersinker	Prepayment
05/01/04	620,000	Supersinker	Prepayment
05/01/04	180,000	Pro rata	Prepayment
09/01/04	555,000	Supersinker	Prepayment
09/01/04	80,000	Pro rata	Debt Service Reserve
01/01/05	1,125,000	Supersinker	Prepayment
01/01/05	25,000	Pro rata	Debt Service Reserve
05/01/05	605,000	Supersinker	Prepayment
05/01/05	20,000	Pro rata	Debt Service Reserve
10/01/05	460,000	Pro rata	Prepayment
04/01/06	1,985,000	Pro rata	Prepayment
04/01/06	60,000	Pro rata	Debt Service Reserve
08/01/06	3,670,000	Pro rata	Prepayment
08/01/06	85,000	Pro rata	Debt Service Reserve
01/01/07	1,420,000	Pro rata	Prepayment
01/01/07	40,000	Pro rata	Debt Service Reserve
05/01/07	215,000	Pro rata	Prepayment
05/01/07	10,000	Pro rata	Debt Service Reserve
11/01/07	1,370,000	Pro rata	Prepayment
11/01/07	35,000	Pro rata	Debt Service Reserve
02/01/08	3,250,000	Pro rata	Prepayment
02/01/08	65,000	Pro rata	Debt Service Reserve
07/01/08	<u>250,000</u>	Pro rata	Prepayment
TOTAL	<u>\$24,590,000</u>		

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**Bond Call Information:**

**Special Redemption**

The 1998 Series 4 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 4, and
- (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 4 bond and from certain moneys in excess of the debt service reserve requirement on deposit in the debt service reserve Fund ("Cross Call Redemption").

Term bonds due July 1, 2017 are not subject to call from prepayments, related debt service reserve reductions or excess recovery prior to 7/1/2006 and are last to be called from unexpended proceeds call.

Prepayments on mortgage loans financed with the proceeds of the Series 4 bonds shall first be applied to the redemption or purchase of Series 4 Term bonds due January 1, 2024 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 4 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 4 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after January 1, 2009, 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.