

**NORTH CAROLINA HOUSING FINANCE AGENCY  
DISCLOSURE REPORT  
AS OF JUNE 30, 2012**

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)  
BOND SERIES: 23**

**GENERAL MORTGAGE LOAN INFORMATION**

Mortgage Loan Prin Outstanding: \$37,707,516  
Mortgage Rates: 5.125% - 6.125%

Average Purchase Price: \$112,747  
Average Original Loan Amount: \$105,360

Total No. of Loans Originated: 616  
Total No. of Loans Paid Off: 199  
Total No. of Loans Outstanding: 417

**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	188	45.08%
FHA	109	26.14%
VA	19	4.56%
USDA	41	9.83%
HUD-184	0	0.00%
Guaranty Fund	0	0.00%
Other (< 80%LTV)	60	14.39%
<b>Total</b>	<b>417</b>	<b>100.00%</b>

<u>Private Mortgage Insurers:</u>	<u># of Loans</u>	<u>%</u>
GENWORTH	102	24.46%
RMIC	27	6.47%
MGIC	24	5.76%
AIG-UGIC	23	5.52%
TRIAD	1	0.24%
PMI MTG. INS. CO.	5	1.20%
RADIAN GUARANTY INC.	5	1.20%
CMG MTG INS CO	1	0.24%
<b>Total</b>	<b>188</b>	<b>45.08%</b>

<u>New/Existing:</u>	<u># of Loans</u>	<u>%</u>
New Construction	133	31.89%
Existing Home	284	68.11%
<b>Total</b>	<b>417</b>	<b>100.00%</b>

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	331	79.38%
Condominium	31	7.43%
Townhouse	47	11.27%
Manufactured Home	8	1.92%
<b>Total</b>	<b>417</b>	<b>100.00%</b>

**DELINQUENCY STATISTICS**

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	1	0.24%
90 days	12	2.88%
In Foreclosure	6	1.44%
REO (Conv, USDA)	2	0.48%
<b>Total</b>	<b>21</b>	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$117,184	0.31%
90 days	\$1,108,669	2.94%
In Foreclosure	\$581,162	1.54%
REO (Conv, USDA)	\$140,874	0.37%
<b>Total</b>	<b>\$1,947,889</b>	

**SERVICER AND MORTGAGE LOAN DATA**

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
BB&T	96	23.02%
Marsh Associates Inc.	177	42.45%
PNC	127	30.45%
State Employees Credit Union	10	2.40%
US Bank Home Mortgage	6	1.44%
Bank of America	1	0.24%
<b>Total</b>	<b>417</b>	<b>100.00%</b>

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
6.125	9
6	23
5.875	14
5.75	29
5.625	71
5.5	96
5.375	168
5.25	1
5.125	6
<b>Total</b>	<b>417</b>

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POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS): None

<p>SELF-INSURANCE COVERAGE: Name of Self-Insurance Fund: Insurance Reserve Fund Series of Bonds Covered: 1998 Series 23</p>	<p>Current Funding Requirements: Total Dollar Amount (\$000) \$712 As % of Initial Principal Amount of Mortgage Loans Purchased 1.89% Claims to Date 0</p>
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Maximum level of funding required over the life of the bonds (\$000) \$770

**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)
65821FEY8	07/01/07	Serial	3.45%	150,000	150,000	0	0	2
65821FEZ5	01/01/08	Serial	3.55%	490,000	475,000	15,000	0	2
65821FFA9	07/01/08	Serial	3.60%	265,000	255,000	10,000	0	2
65821FFR2	07/01/08	Serial	3.30%	235,000	225,000	10,000	0	2
65821FFB7	01/01/09	Serial	3.65%	510,000	495,000	15,000	0	2
65821FFC5	07/01/09	Serial	3.70%	520,000	505,000	15,000	0	2
65821FFD3	01/01/10	Serial	3.75%	530,000	515,000	15,000	0	2
65821FFE1	07/01/10	Serial	3.80%	540,000	520,000	20,000	0	2
65821FFF8	01/01/11	Serial	3.85%	50,000	45,000	5,000	0	2
65821FFS0	01/01/11	Serial	3.55%	505,000	490,000	15,000	0	2
65821FFG6	07/01/11	Serial	3.90%	430,000	390,000	40,000	0	2
65821FFT8	07/01/11	Serial	3.60%	135,000	115,000	20,000	0	2
65821FFU5	01/01/12	Serial	3.63%	580,000	525,000	55,000	0	2
65821FFH4	07/01/12	Serial	4.05%	590,000	0	55,000	535,000	2
65821FFJ0	01/01/13	Serial	4.10%	605,000	0	85,000	520,000	2
65821FFK7	07/01/13	Serial	4.10%	495,000	0	70,000	425,000	2
65821FFV3	07/01/13	Serial	3.75%	125,000	0	30,000	95,000	2
65821FFL5	01/01/14	Serial	4.15%	630,000	0	85,000	545,000	2
65821FFM3	07/01/14	Serial	4.15%	460,000	0	70,000	390,000	2
65821FFW1	07/01/14	Serial	3.80%	185,000	0	40,000	145,000	2
65821FFX9	01/01/15	Serial	3.95%	690,000	0	90,000	570,000	2
65821FFY7	07/01/15	Serial	3.95%	675,000	0	95,000	580,000	2
65821FFZ4	01/01/16	Serial	4.05%	695,000	0	95,000	600,000	2
65821FGA8	07/01/16	Serial	4.05%	710,000	0	95,000	615,000	2
65821FGB6	01/01/17	Serial	4.10%	725,000	0	100,000	625,000	2
65821FGC4	07/01/17	Serial	4.10%	745,000	0	100,000	645,000	2
65821FFN1	07/01/26	Term (Note 2)	4.65%	10,985,000	0	1,525,000	9,460,000	2
65821FFP6	07/01/36	Term (Note 3)	5.00%	19,320,000	0	14,580,000	4,740,000	2
65821FFQ4	01/01/37	Term (Note 4)	4.80%	22,455,000	0	3,370,000	19,085,000	2
Total 1998 Series 23				\$65,000,000	\$4,705,000	\$20,720,000	\$39,575,000	

Note 1: See optional and special redemption provisions page 4-1998-23, (i.e. "1" denotes first call priority from prepayments).  
 Note 2: Sinking fund redemptions begin January 1, 2018.  
 Note 3: Sinking fund redemptions begin January 1, 2018. AMT PAC bonds were sold at a premium with a coupon rate of 5.00% and a yield of 4.754%.  
 Note 4: Sinking fund redemptions begin January 1, 2027.

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LIST OF UNSCHEDULED REDEMPTIONS:

Call Date	Call Amount	Type of Call	Source Of Funds
11/1/2007	\$360,000	Supersinker	Prepayments
11/1/2007	\$1,345,000	Pro rata	Prepayments
11/1/2007	\$35,000	Pro rata	Debt Service Reserve
2/1/2008	\$590,000	Supersinker	Prepayments
2/1/2008	\$10,000	Pro rata	Debt Service Reserve
7/1/2008	\$1,140,000	Supersinker	Prepayments
1/1/2009	\$1,400,000	Supersinker	Prepayments
1/1/2009	\$70,000	Pro rata	Debt Service Reserve
7/1/2009	\$1,675,000	Supersinker	Prepayments
7/1/2009	\$55,000	Pro rata	Debt Service Reserve
1/1/2010	\$1,725,000	Supersinker	Prepayments
1/1/2010	\$50,000	Pro rata	Debt Service Reserve
6/1/2010	\$1,655,000	Supersinker	Prepayments
6/1/2010	\$35,000	Pro rata	Debt Service Reserve
12/1/2010	\$1,600,000	Supersinker	Prepayments
12/1/2010	\$40,000	Pro rata	Debt Service Reserve
6/1/2011	\$1,535,000	Supersinker	Prepayments
6/1/2011	\$1,985,000	Pro rata	Prepayments
6/1/2011	\$85,000	Pro rata	Debt Service Reserve
12/1/2011	\$1,475,000	Supersinker	Prepayments
12/1/2011	\$400,000	Pro rata	Prepayments
12/1/2011	\$45,000	Pro rata	Debt Service Reserve
6/1/2012	\$1,425,000	Supersinker	Prepayments
6/1/2012	\$1,905,000	Pro rata	Prepayments
6/1/2012	\$80,000	Pro rata	Debt Service Reserve
	<u>\$20,720,000</u>		

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Bond Call Information:

Special Redemption

The 1998 Series 23 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 23, 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 23 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 23 bonds shall first be applied to the redemption or purchase of Series 23 Term bonds due January 1, 2037 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 23 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 23 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after July 1, 2015, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.