

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

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

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$50,359,885
Mortgage Rates: 4.625% - 6.375%

Average Purchase Price: \$121,362
Average Original Loan Amount: \$117,147

Total No. of Loans Originated: 556
Total No. of Loans Paid Off: 80
Total No. of Loans Outstanding: 476

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	333	69.96%
FHA	51	10.71%
VA	7	1.47%
USDA	37	7.77%
HUD-184	0	0.00%
Guaranty Fund	0	0.00%
Other (< 80%LTV)	48	10.09%
Total	476	100.00%

<u>Private Mortgage Insurers:</u>	<u># of Loans</u>	<u>%</u>
PMI MTG. INS. CO.	19	3.99%
MGIC	86	18.07%
AIG-UGIC	45	9.45%
GENWORTH	153	32.14%
RMIC	26	5.46%
RADIAN GUARANTY INC.	3	0.63%
CMG MTG INS CO	1	0.21%
Total	333	69.96%

<u>New/Existing:</u>	<u># of Loans</u>	<u>%</u>
New Construction	122	25.63%
Existing Home	354	74.37%
Total	476	100.00%

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	336	70.59%
Condominium	45	9.45%
Townhouse	95	19.96%
Manufactured Home	0	0.00%
Total	476	100.00%

DELINQUENCY STATISTICS

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	5	1.05%
90 days	14	2.94%
In Foreclosure	6	1.26%
REO (Conv, USDA)	4	0.84%
Total	29	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$552,938	1.10%
90 days	\$1,755,263	3.49%
In Foreclosure	\$629,444	1.25%
REO (Conv, USDA)	\$432,395	0.86%
Total	\$3,370,040	

SERVICER AND MORTGAGE LOAN DATA

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
PNC	115	24.16%
BB&T	158	33.20%
Marsh Associates Inc.	187	39.28%
US Bank Home Mortgage	7	1.47%
Bank of America	5	1.05%
State Employees Credit Union	4	0.84%
Total	476	100.00%

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
6.375	6
6.25	38
6.125	25
6	13
5.99	17
5.875	45
5.75	129
5.625	198
5.5	4
4.625	1
Total	476

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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	1.37%
		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	30,000	520,000	2
658207JG1	07/01/13	Serial	3.45%	565,000	0	30,000	535,000	2
658207JH9	01/01/14	Serial	3.55%	575,000	0	30,000	545,000	2
658207JJ5	07/01/14	Serial	3.55%	590,000	0	30,000	560,000	2
658207JK2	01/01/15	Serial	3.65%	600,000	0	30,000	570,000	2
658207JL0	07/01/15	Serial	3.65%	615,000	0	30,000	585,000	2
658207JM8	01/01/16	Serial	3.75%	630,000	0	30,000	600,000	2
658207JN6	07/01/16	Serial	3.75%	645,000	0	35,000	610,000	2
658207JP1	01/01/17	Serial	3.85%	660,000	0	40,000	620,000	2
658207JQ9	07/01/17	Serial	3.85%	165,000	0	10,000	155,000	2
658207HS7	07/01/23	Term (Note 2)	5.00%	7,430,000	0	335,000	7,095,000	2
658207HT5	01/01/28	Term (Note 3)	5.13%	6,955,000	0	375,000	6,580,000	2
658207HU2	01/01/38	Term (Note 4)	5.50%	15,000,000	0	6,970,000	8,030,000	2
658207HV0	07/01/38	Term (Note 5)	5.25%	25,615,000	0	1,550,000	24,065,000	2
Total 1998 Series 31				\$65,000,000	\$3,845,000	\$9,550,000	\$51,605,000	

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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AS OF JUNE 30, 2012

PAGE NO. 3-1998-31

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

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	40,000	Pro rata	Debt Service Reserve
6/1/2012	1,260,000	Supersinker	Prepayments
6/1/2012	1,785,000	Pro rata	Prepayments
6/1/2012	75,000	Pro rata	Debt Service Reserve
	<u>\$9,550,000</u>		

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DISCLOSURE REPORT
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PAGE NO. 4-1998-31

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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.