

**NORTH CAROLINA HOUSING FINANCE AGENCY  
DISCLOSURE REPORT  
AS OF SEPTEMBER 30, 2007**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)  
BOND SERIES: SERIES 11

PAGE NO. 1-1998-11

SERIES DATE: 8/15/01

SERIES SOLD: 9/27/01

**GENERAL INFORMATION:**

Bonds Outstanding: 42,595,000  
Bond Yield 5.02%  
Mortgage Loan Prin Outstanding 34,682,188  
Mortgage Rate(s) 5.99%  
Outstanding Commitments: 0  
Uncommitted Lendable Funds: 0  
  
Average Purchase Price: 88,427  
Average Original Loan Amount: 86,172  
Total No. of Loans Originated: 705  
Total No. of Loans Paid Off: 258  
Total No. of Loans Outstanding: 447

**LOAN PORTFOLIO CHARACTERISTICS (AS A % OF LOANS OUTSTANDING)**

New Construction: 32.38%  
Existing Home: 67.62%  
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 15.86%  
FHA 63.21%  
VA 5.27%  
USDA 11.63%  
Guaranty Fund 0.00%  
Other (less than 80.00 LTV) 4.03%  
Total 100.00%

**Effective May 1, 2006**

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

Type of Housing:  
Single Family Detached 84.14%  
Condos/Townhouses 13.22%  
Manufactured/Duplexes 2.64%  
Total 100.00%

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

1998-11 10.58%  
GEMICO 0.44%  
MGIC 1.54%  
RMIC 1.10%  
UG 0.88%  
TRIAD 1.32%  
RADIAN 15.86%

Program: P.O. Box 28066  
Raleigh, NC 27611-8066  
(919) 877-5700  
Contact:  
Sharon Dreywor, 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: Insurance Reserve Fund  
Series of Bonds Covered: 1998 Series 11

Current Funding Requirements:  
Total Dollar Amount (\$000) \$730  
As % of Initial Principal Amount of Mortgage Loans Purchased 1.16%  
Claims to Date 0

NOTE: Funded by Ambac surety bond for \$730,000

Maximum level of funding required over the life of the bonds (\$000) \$730

**DELINQUENCY STATISTICS (AS A % OF LOANS OUTSTANDING):**

	%	#
60 days	2.46%	11
90 days	1.12%	5
In Foreclosure	0.67%	3

**(AS % OF PRINCIPAL BALANCE OUTSTANDING):**

	%	\$
	2.24%	778,347
	1.21%	417,998
	0.71%	245,207

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 1  
Outstanding Mtg Amount  
At time of Default \$109,193  
Current Balance \$109,193

**MORTGAGE LOAN SERVICERS:**

Servicer	# of Loans	% of Portfolio
RBC Centura	183	41.16%
Marsh	160	35.55%
BB&T	85	18.30%
Bank of America	19	4.99%
Total	447	100.00%

**MORTGAGE LOAN RATES (BY BOND SERIES):**

Series	# of Loans	Mtg Rate
1998 SERIES 11	447	5.99%
Total	447	

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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)
65820ES27	07/01/04	Serial	3.45%	\$995,000	\$995,000	\$0	\$0	2
65820ES35	07/01/05	Serial	3.70%	1,040,000	1,035,000	5,000	0	2
65820ES43	07/01/06	Serial	3.90%	1,085,000	1,035,000	50,000	0	2
65820ES50	07/01/07	Serial	4.10%	560,000	485,000	75,000	0	2
65820ET83	01/01/08	Serial	4.00%	1,150,000	0	145,000	1,005,000	2
65820ET91	01/01/09	Serial	4.13%	1,205,000	0	150,000	1,055,000	2
65820EU24	01/01/10	Serial	4.25%	885,000	0	110,000	775,000	2
65820ES68	07/01/10	Serial	4.45%	1,015,000	0	130,000	885,000	2
65820ES76	07/01/11	Serial	4.60%	1,340,000	0	160,000	1,180,000	2
65820ES84	07/01/12	Serial	4.70%	1,410,000	0	170,000	1,240,000	2
65820ES92	07/01/15	Term (Note 2)	5.00%	4,685,000	0	610,000	4,075,000	2
65820ET26	07/01/20	Term (Note 3)	5.25%	9,680,000	0	1,220,000	8,460,000	1
65820ET34	07/01/21	Term (Note 4)	5.25%	2,255,000	0	280,000	1,975,000	2
65820ET42	07/01/28	Term (Note 5)	4.35%	19,085,000	0	13,100,000	5,985,000	2
65820ET59	07/01/31	Term (Note 6)	5.33%	10,000,000	0	1,155,000	8,845,000	2
65820ET67	01/01/33	Term (Note 7)	5.38%	585,000	0	275,000	310,000	2
65820ET75	07/01/33	Term (Note 8)	5.38%	8,025,000	0	1,220,000	6,805,000	2
Total 1998 Series 11				\$65,000,000	\$3,550,000	\$18,855,000	\$42,595,000	

Note 1: See optional and special redemption provisions page 4-1998-11, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemptions begin January 1, 2013.

Note 3: Sinking fund redemptions begin January 1, 2016.

Note 4: Sinking fund redemptions begin January 1, 2021.

Note 6: Sinking fund redemptions begin January 1, 2029.

Note 7: Sinking fund redemptions begin July 1, 2031.

Note 8: Sinking fund redemptions begin July 1, 2031.

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**LIST OF UNSCHEDULED REDEMPTIONS:**

Call Date	Call Amount	Type of Call	Source Of Funds
04/15/02	\$85,000	Pro rata	Prepayments
06/01/03	\$415,000	Supersinker	Prepayments
10/01/03	\$245,000	Supersinker	Prepayments
10/01/03	\$480,000	Supersinker	Prepayments
01/01/04	\$1,075,000	Supersinker	Prepayments
05/01/04	\$175,000	Supersinker	Prepayments
05/01/04	\$175,000	Pro rata	Prepayments
09/01/04	\$1,240,000	Supersinker	Prepayments
09/01/04	\$85,000	Pro rata	Debt Service Reserve
01/01/05	\$1,665,000	Supersinker	Prepayments
01/01/05	\$35,000	Pro rata	Debt Service Reserve
05/01/05	\$1,680,000	Supersinker	Prepayments
05/01/05	\$35,000	Pro rata	Debt Service Reserve
10/01/05	\$340,000	Pro rata	Prepayments
04/01/06	\$1,625,000	Supersinker	Prepayments
04/01/06	\$1,420,000	Pro rata	Prepayments
04/01/06	\$90,000	Pro rata	Debt Service Reserve
08/01/06	\$1,560,000	Supersinker	Prepayments
08/01/06	\$3,300,000	Pro rata	Prepayments
08/01/06	\$100,000	Pro rata	Debt Service Reserve
01/01/07	\$1,500,000	Supersinker	Prepayments
01/01/07	\$10,000	Pro rata	Prepayments
01/01/07	\$50,000	Pro rata	Debt Service Reserve
05/01/07	\$1,440,000	Supersinker	Prepayments
05/01/07	<u>\$30,000</u>	Pro rata	Debt Service Reserve
	<u>\$18,855,000</u>		

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**Bond Call Information:**

**Special Redemption**

The 1998 Series 11 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 11, and
- (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 11 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 11 bonds shall first be applied to the redemption or purchase of Series 11 Term bonds due July 1, 2028 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 11 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 11 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after July 1, 2010, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.