

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

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)  
BOND SERIES: SERIES 29

PAGE NO. 1-1998-29

SERIES DATE: 05/11/07

SERIES SOLD: 06/13/07

**GENERAL INFORMATION:**

Bonds Outstanding: 99,690,000  
Bond Yield: 4.60%  
Mortgage Loan Prin Outstanding: 95,011,752  
Mortgage Rate(s): 5.63% - 6.25%  
Outstanding Commitments: 1,512,515  
Uncommitted Lendable Funds: 0  
  
Average Purchase Price: 120,133  
Average Original Loan Amount: 115,360  
Total No. of Loans Originated: 815  
Total No. of Loans Paid Off: 3  
Total No. of Loans Outstanding: 812

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

New Construction: 21.91%  
Existing Home: 78.09%  
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: 69.45%  
FHA: 9.33%  
VA: 6.40%  
USDA: 6.03%  
Guaranty Fund: 0.00%  
Other (less than 80.00 LTV): 8.79%  
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: 75.77%  
Condos/Townhouses: 23.37%  
Manufactured/Duplexes: 0.86%  
Total: 100.00%

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

1998-29  
GEMICO: 37.51%  
MGIC: 15.66%  
RMIC: 5.47%  
PMI: 2.71%  
UG: 6.57%  
CMG: 0.37%  
TRIAD: 1.16%  
Total: 69.45%

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: Insurance Reserve Fund  
Series of Bonds Covered: 1998 Series 29

Current Funding Requirements:  
Total Dollar Amount (\$000): \$710  
As % of Initial Principal Amount of Mortgage Loans Purchased: 0.00%  
Claims to Date: 0

Maximum level of funding required over the life of the bonds (\$000): \$710

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

	%	#	(AS % OF PRINCIPAL BALANCE OUTSTANDING):	\$
60 days	1.23%	10	1.34%	1,274,895
90 days	1.11%	9	0.85%	808,083
In Foreclosure	0.25%	2	0.22%	211,822

No. of Loans Foreclosed to Date: 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
Marsh	390	47.99%
BB&T	231	28.47%
RBC Centura	176	21.69%
SECU	12	1.48%
Bank of America	3	<u>0.37%</u>
Total	<u>812</u>	<u>100.00%</u>

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

Series	# of Loans	Mtg Rate
1998 SERIES 29	54	5.63%
	296	5.75%
	163	5.88%
	87	5.99%
	12	6.00%
	72	6.13%
	<u>128</u>	6.25%
Total	<u>812</u>	

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)
658207ES0	07/01/09	Term (Note 1)	3.80%	1,485,000	0	0	1,485,000	2
658207ET8	07/01/10	Term (Note 2)	3.85%	1,545,000	0	0	1,545,000	2
658207EU5	07/01/11	Term (Note 3)	3.95%	1,615,000	0	0	1,615,000	2
658207EV3	07/01/12	Term (Note 4)	4.00%	1,685,000	0	0	1,685,000	2
658207EW1	07/01/13	Term (Note 5)	4.05%	1,760,000	0	0	1,760,000	2
658207EX9	07/01/14	Term (Note 6)	4.10%	1,840,000	0	0	1,840,000	2
658207EY7	07/01/15	Term (Note 7)	4.15%	1,930,000	0	0	1,930,000	2
658207EZ4	07/01/16	Term (Note 8)	4.25%	2,025,000	0	0	2,025,000	2
658207FA8	07/01/17	Term (Note 9)	4.35%	2,125,000	0	0	2,125,000	2
658207FB6	07/01/23	Term (Note 10)	4.65%	9,735,000	0	0	9,735,000	2
658207FC4	07/01/25	Term (Note 11)	4.70%	4,010,000	0	0	4,010,000	2
658207FD2	07/01/33	Term (Note 12)	4.80%	21,255,000	0	0	21,255,000	2
658207FE0	01/01/38	Term (Note 13)	5.50%	30,000,000	0	310,000	29,690,000	2
658207FF7	07/01/38	Term (Note 14)	4.85%	18,990,000	0	0	18,990,000	2
Total 1998 Series 29				\$100,000,000	\$0	\$310,000	\$99,690,000	

Note 1: Sinking fund redemptions begin January 1, 2009.

Note 2: Sinking fund redemptions begin January 1, 2010.

Note 3: Sinking fund redemptions begin January 1, 2011.

Note 4: Sinking fund redemptions begin January 1, 2012.

Note 5: Sinking fund redemptions begin January 1, 2013.

Note 6: Sinking fund redemptions begin January 1, 2014.

Note 7: Sinking fund redemptions begin January 1, 2015.

Note 8: Sinking fund redemptions begin January 1, 2016.

Note 9: Sinking fund redemptions begin January 1, 2017.

Note 10: Sinking fund redemptions begin January 1, 2018.

Note 11: Sinking fund redemptions begin January 1, 2024.

Note 12: Sinking fund redemptions begin January 1, 2026.

Note 13: 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 5.091%.

Note 14: Sinking fund redemptions begin January 1, 2034.

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LIST OF UNSCHEDULED REDEMPTIONS:

Call Date	Call Amount	Type of Call	Source Of Funds
7/1/2008	<u>\$310,000</u>	Supersinker	Prepayments
	<u>\$310,000</u>		

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Bond Call Information:

Special Redemption

The 1998 Series 29 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 29, 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 29 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 29 bonds shall first be applied to the redemption or purchase of Series 29 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 29 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 29 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after January 1, 2017, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.