

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF SEPTEMBER 30, 2010**

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)
BOND SERIES: IJJ**

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$8,283,407
Mortgage Rates: 6.750% - 8.300%

Average Purchase Price: \$60,431
Average Original Loan Amount: \$58,510

Total No. of Loans Originated: 1,616
Total No. of Loans Paid Off: 1,407
Total No. of Loans Outstanding: 209

PROGRAM

P.O. Box 28066
Raleigh, NC 27611-8066
(919) 877-5700

Contacts:
Sharon Drewyor, Director of Home Ownership Lending
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	40	19.14%
FHA	165	78.94%
VA	0	0.00%
USDA	0	0.00%
HUD-184	0	0.00%
Guaranty Fund	0	0.00%
Other (< 80%LTV)	4	1.92%
Total	209	100.00%

<u>Private Mortgage Insurers:</u>	<u># of Loans</u>	<u>%</u>
GENWORTH	39	18.66%
RMIC	1	0.48%
Total	40	19.14%

<u>New/Existing:</u>	<u># of Loans</u>	<u>%</u>
New Construction	22	10.53%
Existing Home	187	89.47%
Total	209	100.00%

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	189	90.43%
Condominium	17	8.13%
Townhouse	0	0.00%
Manufactured Home	3	1.44%
Total	209	100.00%

DELINQUENCY STATISTICS

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	7	3.35%
90 days	6	2.87%
In Foreclosure	1	0.48%
REO (Conv, USDA)	0	0.00%
Total	14	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$317,391	3.83%
90 days	\$284,781	3.44%
In Foreclosure	\$41,330	0.50%
REO (Conv, USDA)	\$0	0.00%
Total	\$643,503	

SERVICER AND MORTGAGE LOAN DATA

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
Marsh Associates Inc.	64	30.62%
BB&T	89	42.59%
RBC Bank	48	22.96%
Bank of America	8	3.83%
Total	209	100.00%

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
8.3	44
6.75	165
Total	209

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IDENTIFIER: 1985SERIESD
BONDS: 1985SERIESD

Pool Name	Pool Source	Maximum Pool Coverage:	Claims to Date:	Remaining Pool Coverage:
		#	#	
N/A	N/A	N/A	N/A	N/A

Current Funding Requirements: (data is for 1985 Series IJJ only):
Total Dollar Amount (\$000) Note 1
As % of Initial Principal Amount of Mortgage Loans Purchased Claims to Date Note 1
0

Maximum level of funding required over the life of the bonds (\$000) Note 1

Note 1: The provisions of the Mortgage Deficiency Fund were extended to Series II and JJ Bonds. However, additional funding was not required in consequence of the extension of such provisions.

LIST OF BONDS AVAILABLE

CUSIP Number	Maturity Date	Bond Type	Interest Rate	Original Amount	Principal Matured	Principal Redemptions	Principal Outstanding	Bond Call Sequence (Note 1)
6582DEL6	09/01/99	Serial	5.00%	\$66,000	\$645,000	\$50,000	\$0	2
6582DEL14	03/01/00	Serial	5.10%	610,000	555,000	55,000	0	2
6582DEL21	09/01/00	Serial	5.10%	625,000	560,000	75,000	0	2
6582DEMA5	03/01/01	Serial	5.20%	645,000	570,000	75,000	0	2
6582DEMB3	09/01/01	Serial	5.20%	655,000	580,000	85,000	0	2
6582DEMC1	03/01/02	Serial	5.30%	680,000	565,000	115,000	0	2
6582DEMD9	09/01/02	Serial	5.30%	655,000	545,000	155,000	0	2
6582DEME7	03/01/03	Serial	5.40%	720,000	530,000	190,000	0	2
6582DEMF4	09/01/03	Serial	5.40%	740,000	510,000	230,000	0	2
6582DEMG2	03/01/04	Serial	5.50%	755,000	490,000	275,000	0	2
6582DEMH0	09/01/04	Serial	5.55%	780,000	400,000	380,000	0	2
6582DEMI6	03/01/05	Serial	5.65%	810,000	390,000	420,000	0	2
6582DEMN3	09/01/05	Serial	5.65%	830,000	350,000	480,000	0	2
6582DEML1	03/01/06	Serial	5.75%	855,000	350,000	505,000	0	2
6582DEMN9	09/01/06	Serial	5.75%	855,000	335,000	520,000	0	2
6582DEMN7	03/01/07	Serial	5.85%	910,000	300,000	610,000	0	2
6582DEMP2	09/01/07	Serial	5.85%	935,000	295,000	640,000	0	2
6582DEMO0	03/01/11	Term (Note 2)	6.15%	7,215,000	1,390,000	5,590,000	235,000	2
6582DELV0	03/01/16	Term (Note 3)	6.20%	14,235,000	10,870,000	3,365,000	2	
6582DELV8	09/01/17	Term (Note 4)	6.20%	3,295,000	2,485,000	810,000	1	
6582DEMR8	03/01/23	Term (Note 5)	5.75%	12,140,000	12,140,000	0	2	
6582DEMS6	09/01/27	Term (Note 6)	5.45%	13,630,000	13,630,000	0	2	
6582DEMT4	09/01/28	Term (Note 7)	6.45%	4,270,000	4,270,000	0	2	
Total 1985 Series IJJ				\$67,530,000	\$9,250,000	\$53,870,000	\$4,410,000	

Note 1: See optional and special redemption provisions beginning on page 4-1985LJ. (i.e. "1" denotes first call priority from prepayments.)
 Note 2: Sinking fund redemption begins March 1, 2008.
 Note 3: Sinking fund redemption begins March 1, 2011.
 Note 4: Sinking fund redemption begins September 1, 2016.
 Note 5: Sinking fund redemption begins March 1, 2018.
 Note 6: Sinking fund redemption begins September 1, 2023.
 Note 7: Sinking fund redemption begins March 1, 2028.

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IDENTIFIER: SINGLE-FAMILY REVENUE BONDS (REGULATORY)
 MONITORING: SBA (REGULATORY)
 LIST OF UNRECORDED INSTRUMENTS:

Call Date	Call Amount	Type of Call	Source Of Funds
12/01/96	\$860,000	Pro rata	Prepayments
06/01/97	685,000	Supersinker	Prepayments
09/01/97	270,000	Supersinker	Prepayments
01/01/98	1,000,000	Supersinker	Prepayments
03/01/98	210,000	Supersinker	Prepayments
03/01/98	740,000	Pro rata	Prepayments
07/01/98	1,085,000	Supersinker	Prepayments
01/01/99	1,630,000	Supersinker	Prepayments
01/01/99	795,000	Pro rata	Prepayments
05/01/99	1,855,000	Pro rata	Prepayments
07/01/99	1,390,000	Supersinker	Prepayments
07/01/99	25,000	Pro rata	Debt Service Reserve
09/01/99	270,000	Supersinker	Prepayments
09/01/99	415,000	Pro rata	Prepayments
09/01/99	25,000	Pro rata	Debt Service Reserve
12/15/99	1,410,000	Supersinker	Prepayments
12/15/99	40,000	Pro rata	Debt Service Reserve
05/01/00	375,000	Supersinker	Prepayments
05/01/00	1,360,000	Pro rata	Prepayments
05/01/00	70,000	Pro rata	Debt Service Reserve
07/01/00	705,000	Supersinker	Prepayments
07/01/00	20,000	Pro rata	Debt Service Reserve
01/01/01	2,160,000	Supersinker	Prepayments
01/01/01	60,000	Pro rata	Debt Service Reserve
06/01/01	940,000	Supersinker	Prepayments
06/01/01	705,000	Pro rata	Prepayments
06/01/01	60,000	Pro rata	Debt Service Reserve
10/01/01	1,990,000	Pro rata	Prepayments
10/01/01	90,000	Pro rata	Debt Service Reserve
01/01/02	1,510,000	Pro rata	Prepayments
01/01/02	75,000	Pro rata	Debt Service Reserve
04/15/02	1,270,000	Pro rata	Prepayments
04/15/02	55,000	Pro rata	Debt Service Reserve
07/01/02	1,845,000	Pro rata	Prepayments
07/01/02	80,000	Pro rata	Debt Service Reserve
01/01/03	300,000	Pro rata	Prepayments
06/01/03	2,080,000	Pro rata	Prepayments
06/01/03	120,000	Pro rata	Debt Service Reserve
06/01/03	320,000	Pro rata	Prepayments
10/01/03	2,095,000	Pro rata	Prepayments
10/01/03	120,000	Pro rata	Debt Service Reserve
10/01/03	385,000	Pro rata	Prepayments
01/01/04	4,520,000	Pro rata	Prepayments
05/01/04	1,530,000	Pro rata	Prepayments
09/01/04	1,810,000	Pro rata	Prepayments
09/01/04	410,000	Pro rata	Debt Service Reserve
01/01/05	1,775,000	Pro rata	Prepayments
01/01/05	90,000	Pro rata	Debt Service Reserve
05/01/05	1,300,000	Pro rata	Prepayments
05/01/05	55,000	Pro rata	Debt Service Reserve
10/01/05	370,000	Pro rata	Prepayments
04/01/06	1,700,000	Pro rata	Prepayments
04/01/06	100,000	Pro rata	Debt Service Reserve
08/01/06	460,000	Pro rata	Prepayments
08/01/06	30,000	Pro rata	Debt Service Reserve
01/01/07	1,490,000	Pro rata	Prepayments
01/01/07	85,000	Pro rata	Debt Service Reserve
05/01/07	275,000	Pro rata	Prepayments
05/01/07	15,000	Pro rata	Debt Service Reserve
11/01/07	600,000	Pro rata	Prepayments
11/01/07	35,000	Pro rata	Debt Service Reserve
02/01/08	280,000	Pro rata	Prepayments
02/01/08	15,000	Pro rata	Debt Service Reserve
07/01/08	545,000	Pro rata	Prepayments
01/01/09	445,000	Pro rata	Prepayments
01/01/09	60,000	Pro rata	Debt Service Reserve
07/01/09	295,000	Pro rata	Prepayments
07/01/09	20,000	Pro rata	Debt Service Reserve
01/01/10	390,000	Pro rata	Prepayments
01/01/10	30,000	Pro rata	Debt Service Reserve
06/01/10	105,000	Pro rata	Prepayments
06/01/10	135,000	Pro rata	Debt Service Reserve
06/01/10	3,620,000		
TOTAL	<u>\$53,870,000</u>		

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IDENTIFIER: SINGLE FAMILY REVENUE BONDS Pledge REGISTRATION
 MONETARIES: Series II JJ
 Bonds Call Provisions:
 Single Redemption

The 1985 Series II and JJ 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 II and JJ bonds,
 (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 subsequent to the Series II bonds other than the Series II and JJ bonds 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 II and JJ bonds, shall first be applied to the redemption or purchase of Series JJ Term bonds due March 1, 2023 during the open bids, up to the scheduled principal amounts set forth in the series resolution.

Moneys in excess of the debt service reserve requirement shall be applied to the redemption of the series II and JJ bonds in any manner. Moneys to be applied to redemption from excess revenues in the revenue reserve fund, 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.

• **Single Redemption**

The Series II and JJ bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after March 1, 2006, in whole or in part, on any date, at the following redemption prices, plus accrued interest to the date of redemption:

Period (Both Dates Inclusive)	Redemption Price (Expressed as a Percentage)
March 1, 2006 to February 28, 2007	102.00%
March 1, 2007 to February 29, 2008	101.00%
March 1, 2008 and thereafter	100.00%