

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF SEPTEMBER 30, 2011**

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

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$812,531
Mortgage Rates: 4.950% - 8.600%

Average Purchase Price: \$59,647
Average Original Loan Amount: \$56,116

Total No. of Loans Originated: 388
Total No. of Loans Paid Off: 363
Total No. of Loans Outstanding: 25

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	1	4.00%
FHA	22	88.00%
VA	1	4.00%
USDA	0	0.00%
HUD-184	0	0.00%
Guaranty Fund	0	0.00%
Other (< 80%LTV)	1	4.00%
Total	25	100.00%

<u>Private Mortgage Insurers:</u>	<u># of Loans</u>	<u>%</u>
GENWORTH	1	4.00%
Total	1	4.00%

<u>New/Existing:</u>	<u># of Loans</u>	<u>%</u>
New Construction	4	16.00%
Existing Home	21	84.00%
Total	25	100.00%

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	24	96.00%
Condominium	1	4.00%
Townhouse	0	0.00%
Manufactured Home	0	0.00%
Total	25	100.00%

DELINQUENCY STATISTICS

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	1	4.00%
90 days	0	0.00%
In Foreclosure	0	0.00%
REO (Conv, USDA)	0	0.00%
Total	1	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$74,973	9.23%
90 days	\$0	0.00%
In Foreclosure	\$0	0.00%
REO (Conv, USDA)	\$0	0.00%
Total	\$74,973	

SERVICER AND MORTGAGE LOAN DATA

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
BB&T	10	40.00%
RBC Bank	6	24.00%
Marsh Associates Inc.	9	36.00%
Total	25	100.00%

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
8.6	19
6.1	1
5.75	1
5.125	3
4.95	1
Total	25

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PAGE NO. 2-1985D

POLICY INSURANCE COVERAGE (DOLLARS IN THOUSANDS): None

SELF-INSURANCE COVERAGE:
Name of Self-Insurance Fund: Mortgage Deficiency Fund
Series of Bonds Covered: 1985 Series D through WW (excluding Series U/W)

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

Maximum level of funding required over the life of the bonds (\$000) \$478

LIST OF BONDS BY MATURITY:

CUSIP Number	Maturity Date	Bond Type	Interest Rate	Original Amount	Principal Matured	Principal Redemptions	Principal Outstanding	Bond Call
658200TD2	09/01/89	Serial	5.600%	\$215,000	\$215,000		\$0	
658200TF7	09/01/90	Serial	5.900%	235,000	235,000		0	
658200TH3	09/01/91	Serial	6.100%	245,000	245,000		0	
658200TK6	09/01/92	Serial	6.300%	265,000	265,000		0	
658200TM2	09/01/93	Serial	6.500%	275,000	275,000		0	
658200TP5	09/01/94	Serial	6.700%	295,000	250,000	45,000	0	
658200TR1	09/01/95	Serial	6.900%	320,000	260,000	60,000	0	2
658200TT7	09/01/96	Serial	7.050%	335,000	235,000	100,000	0	2
658200TV2	09/01/97	Serial	7.200%	365,000	185,000	180,000	0	2
658200TW0	09/01/98	Serial	7.350%	385,000	50,000	335,000	0	2
658200TX8	09/01/99	Serial	7.450%	420,000		420,000	0	2
658200TY6	09/01/00	Serial	7.600%	445,000		445,000	0	2
658200TZ3	09/01/01	Serial	7.750%	480,000		480,000	0	2
658200UA6	09/01/02	Serial	7.900%	520,000		520,000	0	2
658200UB4	09/01/07	Term (Note 2)	8.200%	3,300,000		3,300,000	0	2
658200TU4	09/01/16	Term (Note 3)	7.750%	9,990,000		9,990,000	0	1
658200UD0	09/01/17	Term (Note 4)	8.300%	1,890,000		1,890,000	0	2
Total 1985 Series D				\$19,980,000	\$2,215,000	\$17,765,000	\$0	

Note 1: See optional and special redemption provisions on page 4-1985D, (i.e. "1" denotes first call priority from prepayments).
Note 2: Sinking fund redemptions begin September 1, 2003.
Note 3: Sinking fund redemptions begin September 1, 2008.
Note 4: Sinking fund redemptions begin March 1, 2017.

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DISCLOSURE REPORT
AS OF SEPTEMBER 30, 2011

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BOND SERIES: SERIES D

PAGE NO. 3-1985D

Call Date	Call Amount	Type of Call	Source Of Funds
01/01/90	\$245,000	Supersinker	Prepayments
01/01/90	10,000	Pro rata	Debt Service Reserve
07/01/90	240,000	Supersinker	Prepayments
07/01/90	10,000	Pro rata	Debt Service Reserve
01/01/91	170,000	Supersinker	Prepayments
01/01/91	5,000	Pro rata	Debt Service Reserve
07/01/91	190,000	Supersinker	Prepayments
01/01/92	665,000	Supersinker	Prepayments
07/01/92	595,000	Supersinker	Prepayments
01/01/93	490,000	Supersinker	Prepayments
06/01/93	655,000	Supersinker	Prepayments
10/01/93	890,000	Supersinker	Prepayments
03/01/94	1,010,000	Supersinker	Prepayments
03/01/94	720,000	Pro rata	Prepayments
07/01/94	370,000	Supersinker	Prepayments
07/01/94	580,000	Pro rata	Prepayments
10/01/94	350,000	Supersinker	Prepayments
10/01/94	95,000	Pro rata	Prepayments
07/01/95	330,000	Supersinker	Prepayments
07/01/95	570,000	Pro rata	Prepayments
07/01/95	80,000	Pro rata	Debt Service Reserve
01/01/96	315,000	Supersinker	Prepayments
01/01/96	615,000	Pro rata	Prepayments
01/01/96	85,000	Pro rata	Debt Service Reserve
07/01/96	185,000	Pro rata	Prepayments
07/01/96	280,000	Supersinker	Prepayments
07/01/96	25,000	Pro rata	Debt Service Reserve
12/01/96	725,000	Pro rata	Prepayments
12/01/96	2,000,000	Targeted	Revenue Reserve Excess
12/01/96	100,000	Pro rata	Debt Service Reserve
02/01/97	220,000	Supersinker	Prepayments
02/01/97	260,000	Pro rata	Debt Service Reserve
06/01/97	295,000	Supersinker	Prepayments
06/01/97	135,000	Pro rata	Prepayments
06/01/97	775,000	Targeted	Revenue Reserve Excess
06/01/97	110,000	Pro rata	Debt Service Reserve
09/01/97	245,000	Pro rata	Prepayments
09/01/97	5,000	Pro rata	Debt Service Reserve
01/01/98	210,000	Supersinker	Prepayments
01/01/98	455,000	Pro rata	Prepayments
01/01/98	40,000	Pro rata	Debt Service Reserve
03/01/98	190,000	Supersinker	Prepayments
03/01/98	95,000	Pro rata	Prepayments
03/01/98	10,000	Pro rata	Debt Service Reserve
07/01/98	190,000	Supersinker	Prepayments
07/01/98	285,000	Pro rata	Prepayments
07/01/98	15,000	Pro rata	Debt Service Reserve
01/01/99	175,000	Supersinker	Prepayments
01/01/99	345,000	Pro rata	Prepayments
01/01/99	40,000	Pro rata	Debt Service Reserve
05/01/99	170,000	Supersinker	Prepayments
05/01/99	120,000	Pro rata	Prepayments
05/01/99	25,000	Pro rata	Debt Service Reserve
07/01/99	80,000	Supersinker	Prepayments
07/01/99	10,000	Pro rata	Debt Service Reserve
09/01/99	140,000	Supersinker	Prepayments
09/01/99	10,000	Pro rata	Debt Service Reserve
12/15/99	165,000	Supersinker	Prepayments
12/15/99	10,000	Pro rata	Prepayments
12/15/99	15,000	Pro rata	Debt Service Reserve
05/01/00	230,000	Supersinker	Prepayments
05/01/00	20,000	Pro rata	Debt Service Reserve
07/01/00	65,000	Supersinker	Prepayments
07/01/00	10,000	Pro rata	Debt Service Reserve
Total	<u>\$17,765,000</u>		

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PAGE NO. 4-1985D

Bond Call Information:
Special Redemption:

The 1985 Series D bonds may be redeemed in whole or in part (by lot if within a single maturity except that the 1985 Series D Resolution provides for redemption other than by lot with respect to the 2016 Term bonds as discussed below) on any date at the principal amount thereof plus accrued interest to the date of redemption, from:

- (i) unexpended proceeds of bonds,
- (ii) excess revenues transferred from the revenue reserve fund,
- (iii) prepayments of mortgage loans purchased with the proceeds of sale of bonds or moneys derived therefrom, and
- (iv) moneys withdrawn from the debt service fund pursuant to a decrease in the debt service reserve requirement caused by a special redemption of bonds..

Prepayments of mortgage loans financed with the proceeds of the 1985 Series D bonds shall first be applied to purchase or redeem the 2016 Term bonds, up to the scheduled amounts set forth in the series resolution.

Moneys to be applied to a redemption from prepayments in excess of the schedule principal amounts shall be applied pro rata in proportion to the amount of bonds outstanding in each maturity, except for the 2016 term bonds. 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 D bonds are redeemable at the option of the Agency on or after September 1, 1997 either as a whole, on any date, or in part (by lot if within a single maturity), on any interest payment date, at the following redemption prices expressed as a percentage, plus accrued interest to the date of redemption.

Period (Both Dates Inclusive)	Redemption Price (Expressed As A Percentage)
September 1, 1997 - August 31, 1998	102.00%
September 1, 1998 - August 31, 1999	101.50%
September 1, 1999 - August 31, 2000	101.00%
September 1, 2000 - August 31, 2001	100.50%
September 1, 2000 and thereafter	100.00%