

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

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: 32**

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$128,602,217
Mortgage Rates: 4.950% - 8.600%

Average Purchase Price: \$83,934
Average Original Loan Amount: \$81,304

Total No. of Loans Originated: 3,376
Total No. of Loans Paid Off: 898
Total No. of Loans Outstanding: 2,478

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	45	1.82%
FHA	2,216	89.42%
VA	56	2.26%
USDA	107	4.32%
HUD-184	0	0.00%
Guaranty Fund	0	0.00%
Other (< 80%LTV)	54	2.18%
Total	2,478	100.00%

<u>Private Mortgage Insurers:</u>	<u># of Loans</u>	<u>%</u>
GENWORTH	35	1.41%
AIG-UGIC	4	0.16%
RMIC	2	0.08%
MGIC	2	0.08%
RADIAN GUARANTY INC.	2	0.08%
Total	45	1.82%

<u>New/Existing:</u>	<u># of Loans</u>	<u>%</u>
New Construction	584	23.57%
Existing Home	1,894	76.43%
Total	2,478	100.00%

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	2,225	89.79%
Condominium	138	5.57%
Townhouse	82	3.31%
Manufactured Home	32	1.29%
Duplex	1	0.04%
Total	2,478	100.00%

DELINQUENCY STATISTICS

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	72	2.91%
90 days	73	2.95%
In Foreclosure	60	2.42%
REO (Conv, USDA)	3	0.12%
Total	208	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$3,932,014	3.06%
90 days	\$4,134,838	3.22%
In Foreclosure	\$3,690,785	2.87%
REO (Conv, USDA)	\$272,562	0.21%
Total	\$12,030,198	

SERVICER AND MORTGAGE LOAN DATA

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
PNC	802	32.36%
BB&T	804	32.45%
Marsh Associates Inc.	733	29.58%
NC Housing Finance Agency	3	0.12%
Bank of America	128	5.17%
RBC Bank	4	0.16%
US Bank Home Mortgage	4	0.16%
Total	2,478	100.00%

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
8.6	19
8.55	53
8.35	60
8.25	11
8.1	78
7.3	89
7.25	160
7.125	6
6.95	453
6.875	23
6.85	2
6.75	119
6.7	8
6.65	325
6.5	80
6.45	157
6.25	148
6.15	5
6.1	1
6.05	10
5.99	595
5.75	51
5.25	22
5.125	2
4.95	1
Total	2,478

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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 32	Total Dollar Amount (\$000)	\$3,501,312
		As % of Initial Principal Amount	2.72%
		of Mortgage Loans Purchased	
		Claims to Date	0

Maximum level of funding required over the life of the bonds (\$000) \$0

LIST OF BONDS BY MATURITY:

CUSIP Number	Maturity Date	Bond Type	Interest Rate	Original Amount	Principal Matured	Principal Redemptions	Principal Outstanding	Bond Call Sequence
658207MA0 658207MA0	01/01/30	Term	4.00%	134,660,000	2,955,000	7,820,000	123,885,000	2
Total 1998 Series 32				\$134,660,000	\$2,955,000	\$7,820,000	\$123,885,000	

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LIST OF UNSCHEDULED REDEMPTIONS:

Call Date	Call Amount	Type of Call	Source Of Funds
6/1/2012	7,640,000	Pro rata	Prepayments
6/1/2012	180,000	Pro rata	Debt Service Reserve
	<u>7,820,000</u>		

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Bond Call Information:

Special Redemption

The 1998 Series 32 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 32, 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 32 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 32 bonds shall first be applied to the redemption or purchase of Series 32 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 32 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 32 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after July 1, 2021, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.