

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF DECEMBER 31, 2010**

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: 22A**

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$48,714,970
Mortgage Rates: 5.125% - 6.125%

Average Purchase Price: \$114,546
Average Original Loan Amount: \$110,030

Total No. of Loans Originated: 584
Total No. of Loans Paid Off: 94
Total No. of Loans Outstanding: 490

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 | 268 | 54.69% |
| FHA | 92 | 18.78% |
| VA | 31 | 6.33% |
| USDA | 53 | 10.82% |
| HUD-184 | 0 | 0.00% |
| Guaranty Fund | 0 | 0.00% |
| Other (< 80%LTV) | 46 | 9.38% |
| Total | 490 | 100.00% |

| <u>Private Mortgage Insurers:</u> | <u># of Loans</u> | <u>%</u> |
|-----------------------------------|-------------------|---------------|
| GENWORTH | 144 | 29.39% |
| MGIC | 48 | 9.80% |
| RMIC | 29 | 5.92% |
| AIG-UGIC | 29 | 5.92% |
| TRIAD | 2 | 0.41% |
| RADIAN GUARANTY INC. | 9 | 1.84% |
| PMI MTG. INS. CO. | 7 | 1.43% |
| Total | 268 | 54.69% |

| <u>New/Existing:</u> | <u># of Loans</u> | <u>%</u> |
|----------------------|-------------------|----------------|
| New Construction | 113 | 23.06% |
| Existing Home | 377 | 76.94% |
| Total | 490 | 100.00% |

| <u>Type of Housing:</u> | <u># of Loans</u> | <u>%</u> |
|-------------------------|-------------------|----------------|
| Single Family Detached | 396 | 80.82% |
| Condominium | 43 | 8.77% |
| Townhouse | 51 | 10.41% |
| Manufactured Home | 0 | 0.00% |
| Total | 490 | 100.00% |

DELINQUENCY STATISTICS

| <u>Loans Outstanding:</u> | <u># of Loans</u> | <u>%</u> |
|---------------------------|-------------------|----------|
| 60 days | 9 | 1.84% |
| 90 days | 12 | 2.45% |
| In Foreclosure | 9 | 1.84% |
| REO (Conv, USDA) | 6 | 1.22% |
| Total | 36 | |

| <u>Principal Outstanding:</u> | <u>\$ of Loans</u> | <u>%</u> |
|-------------------------------|--------------------|----------|
| 60 days | \$918,845 | 1.89% |
| 90 days | \$1,277,543 | 2.62% |
| In Foreclosure | \$1,021,824 | 2.10% |
| REO (Conv, USDA) | \$536,271 | 1.10% |
| Total | \$3,754,483 | |

SERVICER AND MORTGAGE LOAN DATA

| <u>Servicers:</u> | <u># of Loans</u> | <u>%</u> |
|------------------------------|-------------------|----------------|
| Bank of America | 2 | 0.41% |
| Marsh Associates Inc. | 213 | 43.47% |
| RBC Bank | 163 | 33.26% |
| BB&T | 103 | 21.02% |
| State Employees Credit Union | 9 | 1.84% |
| Total | 490 | 100.00% |

| <u>Mortgage Rates (%):</u> | <u># of Loans</u> |
|----------------------------|-------------------|
| 6.125 | 4 |
| 6 | 3 |
| 5.875 | 117 |
| 5.75 | 80 |
| 5.625 | 51 |
| 5.5 | 61 |
| 5.375 | 147 |
| 5.25 | 8 |
| 5.125 | 19 |
| Total | 490 |

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INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: SERIES 22A

FOOT 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 22A | Total Dollar Amount (\$000) | \$699 |
| | | As % of Initial Principal Amount | |
| | | of Mortgage Loans Purchased | 1.43% |
| | | Claims to Date | 0 |

Maximum level of funding required over the life of the bonds (\$000) \$770

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) |
|-----------------------|---------------|---------------|---------------|-----------------|-------------------|-----------------------|-----------------------|-----------------------------|
| 65821FDV5 | 07/01/07 | Serial | 3.40% | 235,000 | 235,000 | 0 | 0 | 2 |
| 65821FDW3 | 01/01/08 | Serial | 3.50% | 495,000 | 495,000 | 0 | 0 | 2 |
| 65821FDX1 | 07/01/08 | Serial | 3.60% | 505,000 | 505,000 | 0 | 0 | 2 |
| 65821FDY9 | 01/01/09 | Serial | 3.65% | 515,000 | 515,000 | 0 | 0 | 2 |
| 65821FDZ6 | 07/01/09 | Serial | 3.70% | 525,000 | 525,000 | 0 | 0 | 2 |
| 65821FEA0 | 01/01/10 | Serial | 3.75% | 540,000 | 540,000 | 0 | 0 | 2 |
| 65821FEB8 | 07/01/10 | Serial | 3.85% | 550,000 | 550,000 | 0 | 0 | 2 |
| 65821FEC6 | 01/01/11 | Serial | 3.90% | 560,000 | 0 | 0 | 560,000 | 2 |
| 65821FED4 | 07/01/11 | Serial | 4.00% | 570,000 | 0 | 5,000 | 565,000 | 2 |
| 65821FEE2 | 01/01/12 | Serial | 4.05% | 585,000 | 0 | 5,000 | 580,000 | 2 |
| 65821FEF9 | 07/01/12 | Serial | 4.15% | 595,000 | 0 | 5,000 | 590,000 | 2 |
| 65821FEG7 | 01/01/13 | Serial | 4.25% | 610,000 | 0 | 5,000 | 605,000 | 2 |
| 65821FEH5 | 07/01/13 | Serial | 4.30% | 625,000 | 0 | 5,000 | 620,000 | 2 |
| 65821FEJ1 | 01/01/14 | Serial | 4.35% | 640,000 | 0 | 5,000 | 635,000 | 2 |
| 65821FEK8 | 07/01/14 | Serial | 4.35% | 650,000 | 0 | 5,000 | 645,000 | 2 |
| 65821FEL6 | 01/01/15 | Serial | 4.40% | 665,000 | 0 | 5,000 | 660,000 | 2 |
| 65821FEM4 | 07/01/15 | Serial | 4.40% | 685,000 | 0 | 5,000 | 680,000 | 2 |
| 65821FEN2 | 07/01/26 | Term (Note 2) | 4.80% | 13,510,000 | 0 | 70,000 | 13,440,000 | 2 |
| 65821FEP7 | 07/01/31 | Term (Note 3) | 4.90% | 8,920,000 | 0 | 50,000 | 8,870,000 | 2 |
| 65821FEQ5 | 07/01/36 | Term (Note 4) | 5.50% | 19,320,000 | 0 | 10,135,000 | 9,185,000 | 2 |
| 65821FER3 | 01/01/37 | Term (Note 5) | 4.95% | 13,700,000 | 0 | 335,000 | 13,365,000 | 2 |
| Total 1998 Series 22A | | | | \$65,000,000 | \$3,365,000 | \$10,635,000 | \$51,000,000 | |

Note 1: See optional and special redemption provisions page 4-1998-22A, (i.e. "1" denotes first call priority from prepayments).
 Note 2: Sinking fund redemptions begin January 1, 2016.
 Note 3: Sinking fund redemptions begin January 1, 2027.
 Note 4: Sinking fund redemptions begin January 1, 2017. AMT PAC bonds were sold at a premium with a coupon rate of 5.50% and a yield of 5.102%.
 Note 5: Sinking fund redemptions begin January 1, 2032.

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BOND SERIES: : : : : SERIES 22A : : : : :

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Bond Call Information : : : :

Special Redemption : : : :

- The 1998 Series 22A 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 22A, 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 22A 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 22A bonds shall first be applied to the redemption or purchase of Series 22A Term bonds due July 1, 2036 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 22A 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 22A bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after July 1, 2014, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.