

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF DECEMBER 31, 2017**

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: 37**

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$104,221,262
Mortgage Rates: 4.625% - 6.375%

Average Purchase Price: \$106,789
Average Original Loan Amount: \$101,515

Total No. of Loans Originated: 1,519
Total No. of Loans Paid Off: 206
Total No. of Loans Outstanding: 1,313

PROGRAM

P.O. Box 28066
Raleigh, NC 27611-8066
(919) 877-5700
Contacts:
Carrie Freeman, 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 | 463 | 35.26% |
| FHA | 342 | 26.05% |
| VA | 38 | 2.89% |
| USDA | 132 | 10.06% |
| HUD-184 | 0 | 0.00% |
| Guaranty Fund | 0 | 0.00% |
| Other (< 80%LTV) | 338 | 25.74% |
| Total | 1,313 | 100.00% |

| <u>Private Mortgage Insurers:</u> | <u># of Loans</u> | <u>%</u> |
|-----------------------------------|-------------------|---------------|
| PMI MTG. INS. CO. | 14 | 1.07% |
| Genworth | 237 | 18.05% |
| AIG-UGIC | 57 | 4.34% |
| MGIC | 116 | 8.83% |
| RADIAN GUARANTY INC. | 3 | 0.23% |
| RMIC | 31 | 2.36% |
| TRIAD | 5 | 0.38% |
| Total | 463 | 35.26% |

| <u>New/Existing:</u> | <u># of Loans</u> |
|----------------------|-------------------|
| New Construction | 337 |
| Existing Home | 976 |
| Total | 1,313 |

| <u>Type of Housing:</u> | <u># of Loans</u> |
|-------------------------|-------------------|
| Single Family Detached | 1,068 |
| Condominium | 113 |
| Townhouse | 105 |
| Manufactured Home | 21 |
| Duplex | 6 |
| Total | 1,313 |

DELINQUENCY STATISTICS

| <u>Loans Outstanding:</u> | <u># of Loans</u> | <u>%</u> |
|---------------------------|-------------------|----------|
| 60 days | 24 | 1.83% |
| 90 days + | 9 | 0.69% |
| In Foreclosure | 7 | 0.53% |
| REO (Conv, USDA) | 6 | 0.46% |
| Total | 46 | |

| <u>Principal Outstanding:</u> | <u>\$ of Loans</u> | <u>%</u> |
|-------------------------------|--------------------|----------|
| 60 days | \$2,125,724 | 2.04% |
| 90 days + | \$748,728 | 0.72% |
| In Foreclosure | \$533,253 | 0.51% |
| REO (Conv, USDA) | \$510,971 | 0.49% |
| Total | \$3,918,676 | |

SERVICER AND MORTGAGE LOAN DATA

| <u>Servicers:</u> | <u># of Loans</u> | <u>%</u> |
|------------------------------|-------------------|----------------|
| SN Servicing Corporation | 657 | 50.04% |
| BB&T | 280 | 21.32% |
| Bank of America | 15 | 1.14% |
| PNC | 341 | 25.98% |
| State Employees Credit Union | 18 | 1.37% |
| US Bank Home Mortgage | 2 | 0.15% |
| Total | 1,313 | 100.00% |

| <u>Mortgage Rates (%):</u> | <u># of Loans</u> |
|----------------------------|-------------------|
| 6.375 | 2 |
| 6.25 | 42 |
| 6.125 | 37 |
| 6 | 37 |
| 5.99 | 54 |
| 5.875 | 140 |
| 5.75 | 189 |
| 5.625 | 293 |
| 5.5 | 123 |
| 5.375 | 64 |
| 5.25 | 117 |
| 5.125 | 171 |
| 4.99 | 1 |
| 4.95 | 37 |
| 4.625 | 6 |
| Total | 1,313 |

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BOND SERIES: 37**

GENERAL MBS NFORMATION

| | |
|-----------------------|---------------|
| MBS Prin Outstanding: | \$122,053,301 |
| MBS Coupons: | 3.30% - 4.00% |
| GINNIE MAE | \$34,621,547 |
| MBS Coupons: | 3.50% - 4.00% |
| FANNIE MAE | \$87,431,754 |
| MBS Coupons: | 3.30% - 3.80% |

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INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: SERIES 37

3-1998-37

POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS): None

SELF-INSURANCE COVERAGE: Name of Self-Insurance Fund: Insurance Reserve Fund
Series of Bonds Covered: 1998 Series 37
Current Funding Requirements:
Total Dollar Amount (\$000) 0
As % of Principal Amount
of Mortgage Loans 0.00%
Claims to Date 0

LIST OF BONDS BY MATURITY:

| CUSIP Number | Maturity Date | Bond Type | Interest Rate | Original Amount | Principal Matured | Principal Redemptions | Principal Outstanding |
|----------------------|---------------|---------------|---------------|-----------------|-------------------|-----------------------|-----------------------|
| 658207RY3 | 07/01/17 | Serial | 1.100% | 1,265,000.00 | 1,265,000 | 0 | 0 |
| 658207RZ0 | 01/01/18 | Serial | 1.250% | 1,960,000.00 | 0 | 1,625,000 | 335,000 |
| 658207SA4 | 07/01/18 | Serial | 1.300% | 2,060,000.00 | 0 | 0 | 2,060,000 |
| 658207SB2 | 01/01/19 | Serial | 1.450% | 2,170,000.00 | 0 | 0 | 2,170,000 |
| 658207SC0 | 07/01/19 | Serial | 1.500% | 2,300,000.00 | 0 | 0 | 2,300,000 |
| 658207SD8 | 01/01/20 | Serial | 1.600% | 2,400,000.00 | 0 | 0 | 2,400,000 |
| 658207SE6 | 07/01/20 | Serial | 1.650% | 2,530,000.00 | 0 | 0 | 2,530,000 |
| 658207SF3 | 01/01/21 | Serial | 1.750% | 2,635,000.00 | 0 | 0 | 2,635,000 |
| 658207SG1 | 07/01/21 | Serial | 1.800% | 2,760,000.00 | 0 | 0 | 2,760,000 |
| 658207SH9 | 01/01/22 | Serial | 2.000% | 2,875,000.00 | 0 | 0 | 2,875,000 |
| 658207SJ5 | 07/01/22 | Serial | 2.000% | 3,005,000.00 | 0 | 0 | 3,005,000 |
| 658207SK2 | 01/01/23 | Serial | 2.200% | 865,000.00 | 0 | 0 | 865,000 |
| 658207SM8 | 01/01/23 | Serial | 1.900% | 2,270,000.00 | 0 | 0 | 2,270,000 |
| 658207SN6 | 07/01/23 | Serial | 1.950% | 3,270,000.00 | 0 | 0 | 3,270,000 |
| 658207SP1 | 01/01/24 | Serial | 2.050% | 3,125,000.00 | 0 | 0 | 3,125,000 |
| 658207SQ9 | 07/01/24 | Serial | 2.100% | 3,325,000.00 | 0 | 0 | 3,325,000 |
| 658207SR7 | 01/01/25 | Serial | 2.250% | 3,330,000.00 | 0 | 0 | 3,330,000 |
| 658207SS5 | 07/01/25 | Serial | 2.300% | 3,515,000.00 | 0 | 0 | 3,515,000 |
| 658207ST3 | 01/01/26 | Serial | 2.450% | 3,660,000.00 | 0 | 0 | 3,660,000 |
| 658207SU0 | 07/01/26 | Serial | 2.500% | 3,795,000.00 | 0 | 0 | 3,795,000 |
| 658207SL0 | 07/01/39 | Term (Note 2) | 3.500% | 69,920,000.00 | 0 | 3,715,000 | 66,205,000 |
| 658207SV8 | 07/01/31 | Term (Note 3) | 3.150% | 55,435,000.00 | 0 | 0 | 55,435,000 |
| 658207SW6 | 07/01/41 | Term (Note 4) | 3.600% | 13,530,000.00 | 0 | 6,165,000 | 7,365,000 |
| 658207SW6 | 01/01/35 | Term (Note 5) | Variable | 24,745,000.00 | 1,155,000 | 280,000 | 23,310,000 |
| Total 1998 Series 37 | | | | \$216,745,000 | \$1,265,000 | \$11,785,000 | \$202,540,000 |

Note 1: See optional and principal/ special redemption provisions below -1998-37, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemptions begin July 1, 2032

Note 3: Sinking fund redemptions begin January 1, 2027

Note 4: Sinking fund redemptions begin January 1, 2040

Note 5: Sinking fund redemptions begin July 1, 2017

LIST OF UNSCHEDULED REDEMPTIONS:

| Call Date | Call Amount | Type of Call | Source Of Funds |
|-------------------|-------------|--------------|-----------------|
| 07/01/17 | 4,695,000 | Pro rata | Prepayments |
| 08/01/17 | 1,270,000 | Pro rata | Prepayments |
| 09/01/17 | 945,000 | Pro rata | Prepayments |
| 10/01/17 | 1,625,000 | Pro rata | Prepayments |
| 11/01/17 | 1,635,000 | Pro rata | Prepayments |
| 12/01/17 | 1,615,000 | Pro rata | Prepayments |
| <u>11,785,000</u> | | | |

Bond Call Information:

Principal/ Special Redemption

The 1998 Series 37 bonds may be redeemed in whole or in part on any date at the price of 100% of the principal amount thereof, except as hereinafter provided with respect to the series 37 PAC Bonds, plus accrued interest to the date of redemption, from :

- (i) Unexpected proceeds of Series 37 Bonds
- (ii) Amounts deposit in the Series 37 Principal/Special Redemption Account as provided in the Thirty-Seven Supplemental Trust Agreement
- (iii) Excess Revenues Transferred from the Revenue Reserve Fund pursuant to the Trust Agreement
- (iv) Moneys withdrawn from the proceeds Reserve Account of the debt service reserve fund in connection with an excess over the Debt Service Reserve Requirement
- (v) Prepayments on program obligations held under the trustee agreement that were financed by the proceeds of Bonds other than Series 37 Bonds or Bonds refunded by Series 37 ("Non Series 37 Prepayments")

Optional Redemption

The Series 37-A Bonds and series 37-B Bonds are each subject to redemption prior to their maturity, at the option of the Agency, either in whole or in part, on any date on or after January 1, 2026 at a price of par, plus accrued interest. The series 37-C Bonds are subject to optional redemption at any time.

Any such optional redemption shall be from any moneys on hand held for the credit of the Optional Redemption Account, on or before the date fixed for redemption, including, without limitation, the proceeds of any refunding Bonds issued pursuant to the Trust Agreement, upon receipt of an Officer's Certificate as provided in the Trust Agreement, in such manner as the Agency in its discretion may determine, and upon notice as provided in the Trust Agreement at a Redemption Price equal to the principal amount of the Series 37 Bonds to be redeemed, plus accrued interest to the redemption date (except that the Series 37 PAC Bonds will be redeemed at the principal amount thereof to be redeemed plus accrued interest to the date fixed for redemption, plus a premium that maintains the same yield to the unexpended proceeds redemption date as the initial reoffering price thereof, calculated based on the assumption that the PAC Bonds are redeemed in each semiannual period such that the amount outstanding following each such redemption equals the related PAC Bonds Outstanding Amounts as set forth in the Target Outstanding PAC amount in "REDEMPTION OF SERIES 37 BONDS-Series 37 PAC Bonds" below).