

**NORTH CAROLINA HOUSING FINANCE AGENCY  
DISCLOSURE REPORT  
AS OF MARCH 31, 2008**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)  
BOND SERIES: SERIES 26

PAGE NO. 1-1998-26

SERIES DATE: 11/21/06

SERIES SOLD: 12/20/06

**GENERAL INFORMATION:**

**LOAN PORTFOLIO CHARACTERISTICS (AS A % OF LOANS OUTSTANDING)**

Bonds Outstanding:	65,000,000	New Construction:	27.94%		
Bond Yield	4.46%	Existing Home:	<u>72.06%</u>	Private	62.50%
Mortgage Loan Prin Outstanding	62,247,362	Total	<u>100.00%</u>	FHA	11.76%
Mortgage Rate(s)	5.13% - 6.13%			VA	9.01%
Outstanding Commitments:	114,277			USDA	6.62%
Uncommitted Lendable Funds:	0			Guaranty Fund	0.00%
		Fixed Rate Mortgages	100.00%	Other	
Average Purchase Price:	121,530	Graduated Pmt Mtgs	0.00%	(less than 80.00 LTV)	<u>10.11%</u>
Average Original Loan Amount:	116,391	Growing Equity Mtgs	0.00%	Total	<u>100.00%</u>
Total No. of Loans Originated:	546	Variable Rate Mtgs	<u>0.00%</u>		
Total No. of Loans Paid Off:	2	Total	<u>100.00%</u>		
Total No. of Loans Outstanding:	544				

**Effective May 1, 2006**

Trustee: The Bank of New York Trust Company, NA  
10161 Centurion Parkway  
Jacksonville, FL 32256  
(904) 645-1956  
Contact: Christine Boyd

Type of Housing:	
Single Family Detached	75.37%
Condos/Townhouses	23.71%
Manufactured/Duplexes	<u>0.92%</u>
Total	<u>100.00%</u>

**Breakdown of Private Mortgage Insurers  
(List by % of total portfolio):**

1998-26	
GEMICO	28.12%
MGIC	17.46%
RMIC	6.62%
PMI	2.02%
RADIAN	0.37%
UG	6.99%
CMG	0.55%
TRIAD	<u>0.37%</u>
Total:	<u>62.50%</u>

Program: P.O. Box 28066  
Raleigh, NC 27611-8066  
(919) 877-5700  
Contact:  
Sharon Drewyor, Director of Home Ownership Lending (919) 877-5621  
Elizabeth I. Rozakis, Chief Financial Officer (919) 877-5687

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 26	Total Dollar Amount (\$000)	\$710
		As % of Initial Principal Amount of Mortgage Loans Purchased	0.00%
		Claims to Date	0
	Maximum level of funding required over the life of the bonds (\$000)		\$710

**DELINQUENCY STATISTICS (AS A % OF LOANS OUTSTANDING):**

**(AS % OF PRINCIPAL BALANCE OUTSTANDING):**

	%	#	%	\$
60 days	0.37%	2	0.30%	188,622
90 days	0.55%	3	0.46%	288,234
In Foreclosure	0.00%	0	0.00%	0

No. of Loans Foreclosed to Date	Not available	Real Estate Owned	
Foreclosed (Loss)/Gain to Date	Not available	Number of Loans	0
Net of Insurance Proceeds (\$000)	Not available	Outstanding Mtg Amount	
		At time of Default	\$0
		Current Balance	\$0

**MORTGAGE LOAN SERVICERS:**

**MORTGAGE LOAN RATES (BY BOND SERIES):**

Servicer	# of Loans	% of Portfolio	Series		Mtg Rate
			# of Loans		
Marsh	237	43.57%	1998 SERIES 26	534	5.13% - 5.99%
RBC Centura	167	30.70%		<u>10</u>	6.00% - 6.13%
BB&T	129	23.71%	Total	<u>544</u>	
SECU	10	1.84%			
Bank of America	1	<u>0.18%</u>			
Total	<u>544</u>	<u>100.00%</u>			

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)
658207DA0	07/01/08	Serial	3.40%	170,000	0	0	170,000	2
658207CJ2	01/01/09	Serial	3.80%	500,000	0	0	500,000	2
658207CK9	07/01/09	Serial	3.85%	510,000	0	0	510,000	2
658207CL7	01/01/10	Serial	3.90%	520,000	0	0	520,000	2
658207CM5	07/01/10	Serial	3.90%	280,000	0	0	280,000	2
658207DB8	07/01/10	Serial	3.50%	250,000	0	0	250,000	2
658207CN3	01/01/11	Serial	3.95%	295,000	0	0	295,000	2
658207DC6	01/01/11	Serial	3.55%	250,000	0	0	250,000	2
658207CP8	07/01/11	Serial	3.95%	555,000	0	0	555,000	2
658207DD4	01/01/12	Serial	3.60%	565,000	0	0	565,000	2
658207CQ6	07/01/12	Serial	4.00%	580,000	0	0	580,000	2
658207CR4	01/01/13	Serial	4.05%	590,000	0	0	590,000	2
658207CS2	07/01/13	Serial	4.05%	605,000	0	0	605,000	2
658207CT0	01/01/14	Serial	4.10%	615,000	0	0	615,000	2
658207CU7	07/01/14	Serial	4.10%	630,000	0	0	630,000	2
658207DE2	01/01/15	Serial	3.75%	645,000	0	0	645,000	2
658207DF9	07/01/15	Serial	3.75%	660,000	0	0	660,000	2
658207DG7	01/01/16	Serial	3.80%	675,000	0	0	675,000	2
658207DH5	07/01/16	Serial	3.80%	690,000	0	0	690,000	2
658207DJ1	01/01/17	Serial	3.85%	705,000	0	0	705,000	2
658207DK8	07/01/17	Serial	3.85%	720,000	0	0	720,000	2
658207CV5	07/01/22	Term (Note 2)	4.55%	5,505,000	0	0	5,505,000	2
658207CW3	07/01/28	Term (Note 3)	4.60%	8,385,000	0	0	8,385,000	2
658207CX1	07/01/32	Term (Note 4)	4.65%	7,280,000	0	0	7,280,000	2
658207CY9	01/01/38	Term (Note 5)	5.50%	19,500,000	0	0	19,500,000	2
658207CZ6	07/01/38	Term (Note 6)	4.70%	13,320,000	0	0	13,320,000	2
Total 1998 Series 26				\$65,000,000	\$0	\$0	\$65,000,000	

Note 1: See optional and special redemption provisions page 4-1998-26, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemptions begin January 1, 2018.

Note 3: Sinking fund redemptions begin January 1, 2023.

Note 4: Sinking fund redemptions begin January 1, 2029.

Note 5: Sinking fund redemptions begin July 1, 2018. AMT PAC bonds were sold at a premium with a coupon rate of 5.50% and a yield of 5.084%.

Note 6: Sinking fund redemptions begin January 1, 2033.

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LIST OF UNSCHEDULED REDEMPTIONS:

Call Date	Call Amount	Type of Call	Source Of Funds
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NO UNSCHEDULED REDEMPTIONS

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Bond Call Information:

Special Redemption

The 1998 Series 26 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 26, 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 26 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 26 bonds shall first be applied to the redemption or purchase of Series 26 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 26 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 26 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after January 1, 2016, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.