INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)

BOND SERIES: 31

| GENERAL | MORT | GAGE | LOAN | INFOR | MATION | |
|---------|------|------|------|-------|--------|--|
| | | | | | | |

Mortgage Loan Prin Outstanding: \$56,348,498

Mortgage Rates: 4.625% - 6.375%

Average Purchase Price: \$119,460 Average Original Loan Amount: \$114,999

Total No. of Loans Originated:537Total No. of Loans Paid Off:33Total No. of Loans Outstanding:503

PROGRAM

P.O. Box 28066 Raleigh, NC 27611-8066 (919) 877-5700

Contacts:

 ${\bf Rob\ Rusczak,\ Manager\ of\ Home\ Ownership\ Production}$

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.

| Loan Type: | # of Loans | <u>%</u> | Private Mortgage Insurers: | # of Loans | <u>%</u> |
|------------------|------------|----------|----------------------------|------------|----------|
| CONV | 359 | 71.37% | GENWORTH | 168 | 33.40% |
| FHA | 56 | 11.13% | MGIC | 86 | 17.10% |
| VA | 11 | 2.19% | RMIC | 26 | 5.17% |
| USDA | 40 | 7.95% | AIG-UGIC | 49 | 9.74% |
| HUD-184 | 0 | 0.00% | PMI MTG. INS. CO. | 25 | 4.97% |
| Guaranty Fund | 0 | 0.00% | TRIAD | 2 | 0.40% |
| Other (< 80%LTV) | 37 | 7.36% | RADIAN GUARANTY INC. | 3 | 0.60% |
| Total | 503 | 100.00% | CMG MTG INS CO | 1 | 0.20% |
| | | | Total | 360 | 71.55% |

| New/Existing: | # of Loans | <u>%</u> |
|------------------------|------------|----------|
| New Construction | 131 | 26.04% |
| Existing Home | 372 | 73.96% |
| Total | 503 | 100.00% |
| | | |
| Type of Housing: | # of Loans | <u>%</u> |
| Single Family Detached | 361 | 71.77% |
| Condominium | 46 | 9.14% |
| Townhouse | 96 | 19.09% |
| Manufactured Home | 0 | 0.00% |
| Total | 503 | 100.00% |

DELINQUENCY STATISTICS

| Loans Outstanding: | # of Loans | <u>%</u> | Principal Outstanding: | \$ of Loans | <u>%</u> |
|--------------------|------------|----------|-------------------------------|-------------|----------|
| 60 days | 5 | 0.99% | 60 days | \$584,612 | 1.04% |
| 90 days | 8 | 1.59% | 90 days | \$885,211 | 1.57% |
| In Foreclosure | 10 | 1.99% | In Foreclosure | \$1,004,144 | 1.78% |
| REO (Conv, USDA) | 6 | 1.19% | REO (Conv, USDA) | \$630,251 | 1.12% |
| Total | 28 | | Total | \$3,104,218 | |

SERVICER AND MORTGAGE LOAN DATA

| <u>Servicers:</u> | # of Loans | <u>%</u> | Mortgage Rates (%): | | # of Loans |
|------------------------------|------------|----------|---------------------|-------|------------|
| Bank of America | 5 | 0.99% | 6 | 5.375 | 7 |
| Marsh Associates Inc. | 193 | 38.38% | | 6.25 | 28 |
| RBC Bank | 122 | 24.25% | 6 | 5.125 | 27 |
| BB&T | 171 | 33.99% | | 6 | 15 |
| State Employees Credit Union | 4 | 0.80% | | 5.99 | 18 |
| US Bank Home Mortgage | 8 | 1.59% | 5 | 5.875 | 48 |
| Total | 503 | 100.00% | | 5.75 | 144 |
| | | | Ę | 5.625 | 211 |
| | | | | 5.5 | 4 |
| | | | | 1.625 | 1 |
| | | | Total | | 503 |

INDENTURE: SINGLE FAMILY REVENUE BONDS (1988 RESOLUTION) SERIES 31 SERIES 31

POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS):

SELF-INSURANCE COVERAGE: Name of Self-Insurance Fund: Insurance Reserve Fund

Series of Bonds Covered: 1998 Series 31

Current Funding Requirements: Total Dollar Amount (\$000) As % of Initial Principal Amount of Mortgage Loans Purchased Claims to Date

\$690 1.22%

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

| r | ^ | 0 | 1 | |
|---|---|---|---|--|
| | | | | |

| LIST OF BONDS BY | MATURITY: | | | | | | | |
|------------------|-----------|---------------------|----------|--------------|-------------|-------------|--------------|-------------------|
| | | Bond | | Original | Principal | Principal | Principal | Bond Call |
| CUSIP | Maturity | Type | Interest | Amount | Matured | Redemptions | Outstanding | Sequence (Note 1) |
| Number | Date | | Rate | | | | | |
| 658207HW8 | 07/01/08 | Serial | 3.25% | 380,000 | 380,000 | 0 | 0 | 2 |
| 658207HX6 | 01/01/09 | Serial | 3.25% | 475,000 | 475,000 | 0 | 0 | 2 |
| 658207HY4 | 07/01/09 | Serial | 3.25% | 475,000 | 475,000 | 0 | 0 | 2 |
| 658207HZ1 | 01/01/10 | Serial | 3.30% | 485,000 | 485,000 | 0 | 0 | 2 |
| 658207JA4 | 07/01/10 | Serial | 3.30% | 495,000 | 490,000 | 5,000 | 0 | 2 |
| 658207JB2 | 01/01/11 | Serial | 3.35% | 505,000 | 500,000 | 5,000 | 0 | 2 |
| 658207JC0 | 07/01/11 | Serial | 3.35% | 520,000 | 0 | 5,000 | 515,000 | 2 |
| 658207JD8 | 01/01/12 | Serial | 3.40% | 530,000 | 0 | 5,000 | 525,000 | 2 |
| 658207JE6 | 07/01/12 | Serial | 3.40% | 540,000 | 0 | 5,000 | 535,000 | 2 |
| 658207JF3 | 01/01/13 | Serial | 3.45% | 550,000 | 0 | 5,000 | 545,000 | 2 |
| 658207JG1 | 07/01/13 | Serial | 3.45% | 565,000 | 0 | 5,000 | 560,000 | 2 |
| 658207JH9 | 01/01/14 | Serial | 3.55% | 575,000 | 0 | 5,000 | 570,000 | 2 |
| 658207JJ5 | 07/01/14 | Serial | 3.55% | 590,000 | 0 | 5,000 | 585,000 | 2 |
| 658207JK2 | 01/01/15 | Serial | 3.65% | 600,000 | 0 | 5,000 | 595,000 | 2 |
| 658207JL0 | 07/01/15 | Serial | 3.65% | 615,000 | 0 | 5,000 | 610,000 | 2 |
| 658207JM8 | 01/01/16 | Serial | 3.75% | 630,000 | 0 | 5,000 | 625,000 | 2 |
| 658207JN6 | 07/01/16 | Serial | 3.75% | 645,000 | 0 | 5,000 | 640,000 | 2 |
| 658207JP1 | 01/01/17 | Serial | 3.85% | 660,000 | 0 | 5,000 | 655,000 | 2 |
| 658207JQ9 | 07/01/17 | Serial | 3.85% | 165,000 | 0 | 0 | 165,000 | 2 |
| 658207HS7 | 07/01/23 | Term (Note 2) | 5.00% | 7,430,000 | 0 | 50,000 | 7,380,000 | 2 |
| 658207HT5 | 01/01/28 | Term (Note 3) | 5.13% | 6,955,000 | 0 | 45,000 | 6,910,000 | 2 |
| 658207HU2 | 01/01/38 | Term (Note 4) | 5.50% | 15,000,000 | 0 | 3,120,000 | 11,880,000 | 2 |
| 658207HV0 | 07/01/38 | Term (Note 5) | 5.25% | 25,615,000 | 0 | 310,000 | 25,305,000 | 2 |
| | Т | otal 1998 Series 31 | | \$65,000,000 | \$2,805,000 | \$3,595,000 | \$58,600,000 | |

Note 1: See optional and special redemption provisions page 4-1998-31, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemptions begin July 1, 2017.

Note 3: Sinking fund redemptions begin January 1, 2024.

Note 4: Sinking fund redemptions begin January 1, 2018. AMT PAC bonds were sold at a premium with a coupon rate of 5.50% and a yield of 5.134%.

Note 5: Sinking fund redemptions begin July 1, 2028.

| | Call Amount | Type of Call | Source Of Funds |
|-----------|---------------|--------------|----------------------|
| Call Date | | | |
| 1/1/2009 | 115,000 | Supersinker | Prepayments |
| 1/1/2009 | 15,000 | Pro rata | Debt Service Reserve |
| 7/1/2009 | 340,000 | Supersinker | Prepayments |
| 7/1/2009 | 20,000 | Pro rata | Debt Service Reserve |
| 1/1/2010 | 625,000 | Supersinker | Prepayments |
| 1/1/2010 | 20,000 | Pro rata | Debt Service Reserve |
| 6/1/2010 | 895,000 | Supersinker | Prepayments |
| 6/1/2010 | 315,000 | Pro rata | Prepayments |
| 6/1/2010 | 25,000 | Pro rata | Debt Service Reserve |
| 12/1/2010 | 1,145,000 | Supersinker | Prepayments |
| 12/1/2010 | 45,000 | Pro rata | Prepayments |
| 12/1/2010 | <u>35,000</u> | Pro rata | Debt Service Reserve |

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Bond Call Information:

Special Redemption: :

The 1998 Series 31 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:

- (ii)
- prepayments of mortgage loans financed with the proceeds of the Series 31, including the existing mortgage loans,
- (iv)
- excess revenues transferred from the revenue reserve fund, 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 31 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 31 bonds shall first be applied to the redemption or purchase of Series 31 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 31 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

Optional Redemption

The Series 31 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after July 1, 2017, in whole, or in part, at the $principal\ amount\ thereof\ plus\ accrued\ interest\ to\ the\ date\ of\ redemption,\ without\ premium.$