

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF MARCH 31, 2015**

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: 17**

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$13,613,773
Mortgage Rates: 5.125% - 5.375%

Average Purchase Price: \$99,697
Average Original Loan Amount: \$95,658

Total No. of Loans Originated: 482
Total No. of Loans Paid Off: 300
Total No. of Loans Outstanding: 182

PROGRAM

P.O. Box 28066
Raleigh, NC 27611-8066
(919) 877-5700
Contacts:
Carrie Freeman, Manager of Bond Financing
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	44	24.18%
FHA	69	37.91%
VA	9	4.94%
USDA	37	20.33%
HUD-184	0	0.00%
Guaranty Fund	0	0.00%
Other (< 80%LTV)	23	12.64%
Total	182	100.00%

<u>Private Mortgage Insurers:</u>	<u># of Loans</u>	<u>%</u>
Genworth	30	16.48%
PMI MTG. INS. CO.	5	2.75%
RMIC	4	2.20%
RADIAN GUARANTY INC.	2	1.10%
AIG-UGIC	3	1.65%
Total	44	24.18%

<u>New/Existing:</u>	<u># of Loans</u>	<u>%</u>
New Construction	57	31.32%
Existing Home	125	68.68%
Total	182	100.00%

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	170	93.41%
Condominium	5	2.75%
Townhouse	3	1.65%
Manufactured Home	4	2.19%
Total	182	100.00%

DELINQUENCY STATISTICS

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	3	1.65%
90 days +	3	1.65%
In Foreclosure	0	0.00%
REO (Conv, USDA)	1	0.55%
Total	7	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$204,138	1.50%
90 days +	\$199,823	1.47%
In Foreclosure	\$0	0.00%
REO (Conv, USDA)	\$86,265	0.63%
Total	\$490,226	

SERVICER AND MORTGAGE LOAN DATA

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
PNC	48	26.37%
SN Servicing Corporation	110	60.44%
BB&T	23	12.64%
US Bank Home Mortgage	1	0.55%
Total	182	100.00%

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
5.375	18
5.25	72
5.125	92
Total	182

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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 17	Total Dollar Amount (\$000)	\$464
		As % of Principal Amount	3.41%
		of Mortgage Loans	
		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	Bond Call Sequence (Note 1)
65820EB07	01/01/05	Serial	1.35%	\$435,000	\$435,000	\$0	\$0	2
65820EB08	07/01/05	Serial	1.40%	435,000	435,000	0	0	2
65820EB09	01/01/06	Serial	1.75%	440,000	440,000	0	0	2
65820EB10	07/01/06	Serial	1.80%	445,000	445,000	0	0	2
65820EB11	01/01/07	Serial	2.10%	450,000	450,000	0	0	2
65820EB12	07/01/07	Serial	2.15%	455,000	455,000	0	0	2
65820EB13	01/01/08	Serial	2.45%	460,000	460,000	0	0	2
65820EB14	07/01/08	Serial	2.50%	160,000	115,000	45,000	0	2
65820EB15	07/01/08	Serial	2.90%	310,000	245,000	65,000	0	2
65820EB16	01/01/09	Serial	3.20%	475,000	385,000	90,000	0	2
65820EB17	07/01/09	Serial	3.25%	485,000	395,000	90,000	0	2
65820EB18	01/01/10	Serial	3.45%	495,000	395,000	100,000	0	2
65820EB19	07/01/10	Serial	3.50%	505,000	400,000	105,000	0	2
65820EB20	01/01/11	Serial	3.75%	415,000	335,000	80,000	0	2
65820EB21	07/01/11	Serial	3.80%	410,000	305,000	105,000	0	2
65820EB22	01/01/12	Serial	4.05%	420,000	310,000	110,000	0	2
65820EB23	07/01/12	Serial	4.10%	430,000	310,000	120,000	0	2
65820EB24	01/01/13	Serial	4.25%	440,000	295,000	145,000	0	2
65820EB25	07/01/13	Serial	4.25%	450,000	265,000	185,000	0	2
65820EB26	01/01/14	Serial	4.35%	460,000	235,000	225,000	0	2
65820EB27	07/01/14	Serial	4.35%	470,000	0	470,000	0	2
65820EB28	01/01/15	Serial	4.45%	480,000	0	480,000	0	2
65820EB29	07/01/15	Serial	4.45%	495,000	0	495,000	0	2
65820EB30	07/01/23	Term (Note 2)	4.90%	9,920,000	0	9,920,000	0	2
65820EB31	01/01/31	Term (Note 3)	5.00%	10,000,000	0	10,000,000	0	1
65820EB32	07/01/34	Term (Note 4)	5.00%	3,340,000	75,000	2,610,000	655,000	2
65820EB33	07/01/32	Variable		20,000,000	695,000	5,130,000	14,175,000	
Total 1998 Series 17				\$53,280,000	\$7,880,000	\$30,570,000	\$14,830,000	

Note 1: See optional and special redemption provisions below , (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, 2011.

Note 4: Sinking fund redemptions begin July 1, 2033.

Note 5: Variable rate loans associated with swap - Bank of America

LIST OF UNSCHEDULED REDEMPTIONS:

Call Date	Call Amount	Type of Call	Source Of Funds
05/01/05	\$230,000	Supersinker	Prepayments
05/01/05	10,000	Pro rata	Debt Service Reserve
10/01/05	285,000	Supersinker	Prepayments
04/01/06	580,000	Supersinker	Prepayments
04/01/06	25,000	Pro rata	Debt Service Reserve
08/01/06	395,000	Supersinker	Prepayments
08/01/06	20,000	Pro rata	Debt Service Reserve
01/01/07	1,395,000	Supersinker	Prepayments
01/01/07	105,000	Pro rata	Prepayments
01/01/07	40,000	Pro rata	Debt Service Reserve
05/01/07	835,000	Supersinker	Prepayments
05/01/07	25,000	Pro rata	Debt Service Reserve
11/01/07	225,000	Supersinker	Prepayments
11/01/07	3,860,000	Pro rata	Prepayments
11/01/07	80,000	Pro rata	Debt Service Reserve
02/01/08	960,000	Supersinker	Prepayments
02/01/08	105,000	Pro rata	Prepayments
02/01/08	25,000	Pro rata	Debt Service Reserve
07/01/08	1,010,000	Supersinker	Prepayments
01/01/09	975,000	Supersinker	Prepayments
01/01/09	60,000	Pro rata	Debt Service Reserve
07/01/09	950,000	Supersinker	Prepayments
07/01/09	30,000	Pro rata	Debt Service Reserve
01/01/10	765,000	Supersinker	Prepayments
01/01/10	25,000	Pro rata	Debt Service Reserve
06/01/10	885,000	Supersinker	Prepayments
06/01/10	15,000	Pro rata	Debt Service Reserve
12/01/10	275,000	Supersinker	Prepayments
12/01/10	590,000	Swap call	Prepayments
12/01/10	25,000	Pro rata	Debt Service Reserve
06/01/11	830,000	Swap call	Prepayments
06/01/11	1,095,000	Pro rata	Prepayments
06/01/11	45,000	Pro rata	Debt Service Reserve
12/01/11	800,000	Swap call	Prepayments
12/01/11	215,000	Pro rata	Prepayments
12/01/11	30,000	Pro rata	Debt Service Reserve
06/01/12	775,000	Supersinker	Prepayments
06/01/12	880,000	Pro rata	Prepayments
06/01/12	40,000	Pro rata	Debt Service Reserve
10/01/12	660,000	Pro rata	Prepayments
10/01/12	20,000	Pro rata	Debt Service Reserve
02/01/13	405,000	Pro rata	Prepayments
02/01/13	85,000	Swap call	Prepayments
02/01/13	15,000	Pro rata	Debt Service Reserve
06/01/13	1,705,000	Pro rata	Prepayments
06/01/13	35,000	Pro rata	Debt Service Reserve
09/01/13	1,170,000	Pro rata	Prepayments
09/01/13	30,000	Pro rata	Debt Service Reserve
12/01/13	280,000	Pro rata	Prepayments
12/01/13	5,285,000	Pro rata	Debt Service Reserve
07/01/14	640,000	Pro rata	Prepayments
07/01/14	30,000	Pro rata	Debt Service Reserve
11/01/14	695,000	Pro rata	Prepayments
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\$30,570,000			

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Bond Call Information:

Special Redemption

The 1998 Series 17 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 17, 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 17 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 17 bonds shall first be applied to the redemption or purchase of Series 17 Term bonds due January 1, 2034 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 17 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 17 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after July 1, 2012, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.

Material Event

On August 8, 2011, Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. ("Standard & Poor's") changed the long-term credit rating on the Agency's Variable Rate Home Ownership Revenue Bonds, (1998 Trust Agreement), Series 15-C, dated May 8, 2003; Variable Rate Home Ownership Revenue Bonds, (1998 Trust Agreement), Series 16-C, dated September 16, 2003; Variable Rate Home Ownership Revenue Bonds, (1998 Trust Agreement), Series 17-C, dated December 11, 2003; and Variable Rate Home Ownership Revenue Bonds, (1998 Trust Agreement), Series 18-C, dated April 19, 2004 from "AAA" to "AA+". Such rating changes were made in connection with changes to the ratings of Fannie Mae and Freddie Mac. Explanations of the significance of such ratings may be obtained only from Standard & Poor's.