

NORTH CAROLINA HOUSING FINANCE AGENCY

**DISCLOSURE REPORT
AS OF MARCH 31, 2015**

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: 35**

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$52,046,353
 Mortgage Rates: 5.125% - 6.125%

 Average Purchase Price: \$106,129
 Average Original Loan Amount: \$100,776

 Total No. of Loans Originated: 722
 Total No. of Loans Paid Off: 84
 Total No. of Loans Outstanding: 638

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	258	40.44%
FHA	174	27.27%
VA	16	2.51%
USDA	94	14.73%
HUD-184	0	0.00%
Guaranty Fund	0	0.00%
Other (< 80%LTV)	96	15.05%
Total	638	100.00%

<u>Private Mortgage Insurers:</u>	<u># of Loans</u>	<u>%</u>
Genworth	157	24.61%
AIG-UGIC	26	4.08%
MGIC	32	5.02%
PMI MTG. INS. CO.	7	1.10%
RMIC	26	4.08%
RADIAN GUARANTY INC.	7	1.10%
TRIAD	3	0.47%
Total	258	40.44%

<u>New/Existing:</u>	<u># of Loans</u>	<u>%</u>
New Construction	180	28.21%
Existing Home	458	71.79%
Total	638	100.00%

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	531	83.23%
Condominium	52	8.15%
Townhouse	48	7.52%
Manufactured Home	5	0.79%
Duplex	2	0.31%
Total	638	100.00%

DELINQUENCY STATISTICS

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	5	0.78%
90 days +	3	0.47%
In Foreclosure	6	0.94%
REO (Conv, USDA)	3	0.47%
Total	17	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$469,302	0.90%
90 days +	\$258,583	0.50%
In Foreclosure	\$609,690	1.17%
REO (Conv, USDA)	\$297,883	0.57%
Total	\$1,635,457	

SERVICER AND MORTGAGE LOAN DATA

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
SN Servicing Corporation	332	52.04%
BB&T	97	15.20%
PNC	193	30.25%
State Employees Credit Union	9	1.41%
Bank of America	7	1.10%
Total	638	100.00%

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
6.125	2
6	2
5.875	63
5.75	46
5.625	34
5.5	31
5.375	101
5.25	121
5.125	238
Total	638

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BOND SERIES: SERIES 35

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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 35	Total Dollar Amount (\$000)	999
		As % of Principal Amount	
		of Mortgage Loans	1.23%
		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)
658207QA6	01/01/15	Serial	0.488%	1,150,000	1,015,000	135,000	0	2
658207QB4	07/01/15	Serial	0.588%	1,165,000	0	140,000	1,025,000	2
658207QC2	01/01/16	Serial	0.838%	1,180,000	0	140,000	1,040,000	2
658207QD0	07/01/16	Serial	0.938%	1,200,000	0	150,000	1,050,000	2
658207QE8	01/01/17	Serial	1.194%	1,215,000	0	145,000	1,070,000	2
658207QF5	07/01/17	Serial	1.444%	1,235,000	0	155,000	1,080,000	2
658207QG3	01/01/18	Serial	1.840%	1,245,000	0	150,000	1,095,000	2
658207QH1	07/01/18	Serial	2.040%	1,265,000	0	150,000	1,115,000	2
658207QJ7	01/01/19	Serial	2.340%	1,285,000	0	155,000	1,130,000	2
658207QK4	07/01/19	Serial	2.490%	1,300,000	0	160,000	1,140,000	2
658207QL2	01/01/20	Serial	2.777%	1,325,000	0	160,000	1,165,000	2
658207QM0	07/01/20	Serial	2.927%	1,340,000	0	160,000	1,180,000	2
658207QN8	01/01/21	Serial	3.077%	1,365,000	0	170,000	1,195,000	2
658207QP3	07/01/21	Serial	3.177%	1,380,000	0	165,000	1,215,000	2
658207QQ1	01/01/22	Serial	3.336%	1,405,000	0	170,000	1,235,000	2
658207QR9	07/01/22	Serial	3.436%	1,425,000	0	170,000	1,255,000	2
658207QS7	01/01/23	Serial	3.586%	1,450,000	0	175,000	1,275,000	2
658207QT5	07/01/23	Serial	3.686%	1,475,000	0	180,000	1,295,000	2
658207QU2	01/01/24	Serial	3.786%	1,495,000	0	180,000	1,315,000	2
658207QV0	07/01/24	Serial	3.886%	1,520,000	0	185,000	1,335,000	2
658207QW8	01/01/25	Serial	3.986%	1,550,000	0	195,000	1,355,000	2
658207QX6	01/01/32	Term	2.870%	26,365,000	0	1,350,000	25,015,000	1
Total 1998 Series 35				\$54,335,000	\$1,015,000	\$4,740,000	\$48,580,000	

Note 1: See optional and special redemption provisions below -1998-35, (i.e. "*" denotes first call priority from prepayments).
Note 2: Sinking fund redemptions begin July 1, 2025.

LIST OF UNSCHEDULED REDEMPTIONS:

Call Date	Call Amount	Type of Call	Source Of Funds
11/1/2014	3,280,000	Pro rata	Prepayments
11/1/2014	65,000	Pro rata	Debt Service Reserve
2/1/2015	1,350,000	Pro rata	Prepayments
2/1/2015	45,000	Pro rata	Debt Service Reserve
<u>4,740,000</u>			

Bond Call Information:

Special Redemption

The 1998 Series 35 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 35, 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 35 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 35 bonds shall first be applied to the redemption or purchase of Series 35 term bonds due January 1, 2032 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 35 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 35 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, 2024. 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 Article III of the Trust Agreement at a Redemption Price equal to the principal amount of the Series 35 Bonds to be redeemed, plus accrued interest to the redemption date.