

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF JUNE 30, 2010**

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)
BOND SERIES: RST**

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$4,210,393
Mortgage Rates: 6.950% - 6.950%

Average Purchase Price: \$57,451
Average Original Loan Amount: \$56,064

Total No. of Loans Originated: 1,919
Total No. of Loans Paid Off: 1,791
Total No. of Loans Outstanding: 128

PROGRAM

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

Contacts:
Sharon Drewyor, Director of Home Ownership Lending
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 | 0 | 0.00% |
| FHA | 128 | 100.00% |
| VA | 0 | 0.00% |
| USDA | 0 | 0.00% |
| HUD-184 | 0 | 0.00% |
| Guaranty Fund | 0 | 0.00% |
| Other (< 80%LTV) | 0 | 0.00% |
| Total | 128 | 100.00% |

| <u>Private Mortgage Insurers:</u> | <u># of Loans</u> | <u>%</u> |
|-----------------------------------|-------------------|--------------|
| Total | 0 | 0.00% |

| <u>New/Existing:</u> | <u># of Loans</u> | <u>%</u> |
|----------------------|-------------------|----------------|
| New Construction | 24 | 18.75% |
| Existing Home | 104 | 81.25% |
| Total | 128 | 100.00% |

| <u>Type of Housing:</u> | <u># of Loans</u> | <u>%</u> |
|-------------------------|-------------------|----------------|
| Single Family Detached | 114 | 89.06% |
| Condominium | 8 | 6.25% |
| Townhouse | 4 | 3.13% |
| Manufactured Home | 1 | 0.78% |
| Duplex | 1 | 0.78% |
| Total | 128 | 100.00% |

DELINQUENCY STATISTICS

| <u>Loans Outstanding:</u> | <u># of Loans</u> | <u>%</u> |
|---------------------------|-------------------|----------|
| 60 days | 4 | 3.13% |
| 90 days | 2 | 1.56% |
| In Foreclosure | 2 | 1.56% |
| REO (Conv, USDA) | 0 | 0.00% |
| Total | 8 | |

| <u>Principal Outstanding:</u> | <u>\$ of Loans</u> | <u>%</u> |
|-------------------------------|--------------------|----------|
| 60 days | \$168,161 | 3.99% |
| 90 days | \$78,819 | 1.87% |
| In Foreclosure | \$66,345 | 1.58% |
| REO (Conv, USDA) | \$0 | 0.00% |
| Total | \$313,325 | |

SERVICER AND MORTGAGE LOAN DATA

| <u>Servicers:</u> | <u># of Loans</u> | <u>%</u> |
|-----------------------|-------------------|----------------|
| Bank of America | 22 | 17.19% |
| Marsh Associates Inc. | 39 | 30.47% |
| BB&T | 67 | 52.34% |
| Total | 128 | 100.00% |

| <u>Mortgage Rates (%):</u> | <u># of Loans</u> |
|----------------------------|-------------------|
| 6.95 | 128 |
| Total | 128 |

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POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS):

None

SELF-INSURANCE COVERAGE:

Current Funding Requirements:

(data is for 1985 Series R/S/T only):

Name of Self-Insurance Fund: Mortgage Deficiency Fund
Series of Bonds Covered: 1985 Series D through WW (excluding Series U/V)

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

N/A
N/A
0

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

\$1,451

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) |
|-------------------------|---------------|---------------|---------------|-----------------|-------------------|-----------------------|-----------------------|-----------------------------|
| 658200C32 | 03/01/93 | Serial | 4.90% | \$520,000 | \$520,000 | | \$0 | |
| 658200C40 | 09/01/93 | Serial | 4.90% | 530,000 | 530,000 | | 0 | |
| 658200C57 | 03/01/94 | Serial | 5.20% | 545,000 | 530,000 | 15,000 | 0 | |
| 658200C65 | 09/01/94 | Serial | 5.20% | 560,000 | 545,000 | 15,000 | 0 | 2 |
| 658200C73 | 03/01/95 | Serial | 5.40% | 570,000 | 555,000 | 15,000 | 0 | 2 |
| 658200C81 | 09/01/95 | Serial | 5.40% | 585,000 | 570,000 | 15,000 | 0 | 2 |
| 658200C99 | 03/01/96 | Serial | 5.60% | 605,000 | 590,000 | 15,000 | 0 | 2 |
| 65820D23 | 09/01/96 | Serial | 5.60% | 620,000 | 595,000 | 25,000 | 0 | 2 |
| 65820D31 | 03/01/97 | Serial | 5.70% | 635,000 | 590,000 | 45,000 | 0 | 2 |
| 65820D49 | 09/01/97 | Serial | 5.70% | 655,000 | 605,000 | 50,000 | 0 | 2 |
| 65820D56 | 03/01/98 | Serial | 5.85% | 675,000 | 595,000 | 80,000 | 0 | 2 |
| 65820D64 | 09/01/98 | Serial | 5.85% | 695,000 | 600,000 | 95,000 | 0 | 2 |
| 65820D72 | 03/01/99 | Serial | 6.00% | 715,000 | 595,000 | 120,000 | 0 | 2 |
| 65820D80 | 09/01/99 | Serial | 6.00% | 735,000 | 535,000 | 200,000 | 0 | 2 |
| 65820D98 | 03/01/00 | Serial | 6.10% | 760,000 | 530,000 | 230,000 | 0 | 2 |
| 65820E22 | 09/01/00 | Serial | 6.10% | 780,000 | 520,000 | 260,000 | 0 | 2 |
| 65820E30 | 03/01/01 | Serial | 6.20% | 805,000 | 530,000 | 275,000 | 0 | 2 |
| 65820E48 | 09/01/01 | Serial | 6.20% | 830,000 | 535,000 | 295,000 | 0 | 2 |
| 65820E55 | 03/01/02 | Serial | 6.30% | 855,000 | 520,000 | 335,000 | 0 | 2 |
| 65820E63 | 09/01/02 | Serial | 6.30% | 880,000 | | 880,000 | 0 | 2 |
| 65820E71 | 03/01/03 | Serial | 6.35% | 910,000 | | 910,000 | 0 | 2 |
| 65820E89 | 09/01/03 | Serial | 6.35% | 940,000 | | 940,000 | 0 | 2 |
| 658200F62 | 03/01/10 | Term (Note 2) | 6.50% | 14,460,000 | | 14,460,000 | 0 | 1 |
| 658200F70 | 03/01/17 | Term (Note 3) | 6.95% | 25,800,000 | | 25,800,000 | 0 | 2 |
| 658200F88 | 09/01/20 | Term (Note 4) | 7.05% | 18,855,000 | | 18,855,000 | 0 | 2 |
| 658200F54 | 09/01/23 | Term (Note 5) | 6.95% | 20,480,000 | | 20,480,000 | 0 | 2 |
| Total 1985 Series R/S/T | | | | \$95,000,000 | \$10,590,000 | \$84,410,000 | \$0 | |

Note 1: See optional and special redemption provisions on page 4-1985RST, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemption begins March 1, 2004.

Note 3: Sinking fund redemption begins March 1, 2008.

Note 4: Sinking fund redemption begins March 1, 2017.

Note 5: Sinking fund redemption begins September 1, 2020.

OPTIONAL REFUNDING TRANSACTION:

Single Family Revenue Bonds (1985 Resolution) Series RST was optionally refunded at 102.0% on December 20, 2001 from bond proceeds issued under the Home Ownership Revenue Bonds (1998 Resolution) Series 12 which settled on December 20, 2001. Home Ownership Revenue Bonds (1998 Resolution) Series 12 on December 20, 2001 purchased 373 loans with a principal balance of \$10,949,932.

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BOND SERIES: Series ST

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LIST OF UNSCHEDULED REDEMPTIONS:

| Call Date | Call Amount | Type of Call | Source Of Funds |
|-----------|---------------------|----------------------|------------------------|
| 07/01/92 | \$280,000 | Supersinker/Pro rata | Prepayments |
| 07/01/92 | 190,000 | Pro rata | Debt Service Reserve |
| 01/01/93 | 280,000 | Supersinker | Prepayments |
| 01/01/93 | 5,000 | Pro rata | Debt Service Reserve |
| 06/01/93 | 310,000 | Supersinker | Prepayments |
| 10/01/93 | 440,000 | Supersinker | Prepayments |
| 12/01/93 | 2,145,000 | Pro rata | Unexpended Proceeds |
| 12/01/93 | 85,000 | Pro rata | Debt Service Reserve |
| 03/01/94 | 655,000 | Supersinker | Prepayments |
| 03/01/94 | 5,000 | Pro rata | Debt Service Reserve |
| 07/01/94 | 520,000 | Supersinker | Prepayments |
| 10/01/94 | 1,115,000 | Supersinker | Prepayments |
| 07/01/95 | 1,780,000 | Supersinker | Prepayments |
| 01/01/96 | 3,610,000 | Supersinker | Prepayments |
| 07/01/96 | 2,110,000 | Supersinker | Prepayments |
| 07/01/96 | 1,230,000 | Pro rata | Prepayments |
| 07/01/96 | 60,000 | Pro rata | Debt Service Reserve |
| 12/01/96 | 2,505,000 | Pro rata | Prepayments |
| 12/01/96 | 120,000 | Pro rata | Debt Service Reserve |
| 02/01/97 | 895,000 | Supersinker | Prepayments |
| 02/01/97 | 10,000 | Pro rata | Debt Service Reserve |
| 06/01/97 | 1,835,000 | Supersinker | Prepayments |
| 09/01/97 | 350,000 | Supersinker | Prepayments |
| 09/01/97 | 1,255,000 | Pro rata | Prepayments |
| 09/01/97 | 65,000 | Pro rata | Debt Service Reserve |
| 01/01/98 | 2,185,000 | Pro rata | Prepayments |
| 01/01/98 | 115,000 | Pro rata | Debt Service Reserve |
| 03/01/98 | 1,680,000 | Pro rata | Prepayments |
| 03/01/98 | 90,000 | Pro rata | Debt Service Reserve |
| 07/01/98 | 2,325,000 | Pro rata | Prepayments |
| 07/01/98 | 120,000 | Pro rata | Debt Service Reserve |
| 01/01/99 | 3,345,000 | Pro rata | Prepayments |
| 01/01/99 | 175,000 | Pro rata | Debt Service Reserve |
| 05/01/99 | 2,635,000 | Pro rata | Prepayments |
| 05/01/99 | 145,000 | Pro rata | Debt Service Reserve |
| 07/01/99 | 1,630,000 | Pro rata | Prepayments |
| 07/01/99 | 90,000 | Pro rata | Debt Service Reserve |
| 09/01/99 | 1,165,000 | Pro rata | Prepayments |
| 09/01/99 | 60,000 | Pro rata | Debt Service Reserve |
| 12/15/99 | 1,680,000 | Pro rata | Prepayments |
| 12/15/99 | 90,000 | Pro rata | Debt Service Reserve |
| 05/01/00 | 445,000 | Pro rata | Prepayments |
| 05/01/00 | 20,000 | Pro rata | Debt Service Reserve |
| 07/01/00 | 95,000 | Pro rata | Prepayments |
| 07/01/00 | 5,000 | Pro rata | Debt Service Reserve |
| 01/01/01 | 610,000 | Pro rata | Prepayments |
| 01/01/01 | 35,000 | Pro rata | Debt Service Reserve |
| 06/01/01 | 1,430,000 | Pro rata | Prepayments |
| 06/01/01 | 75,000 | Pro rata | Debt Service Reserve |
| 10/01/01 | 1,875,000 | Pro rata | Prepayments |
| 10/01/01 | 780,000 | Cross Call | Series EF Prepayments |
| 10/01/01 | 295,000 | Cross Call | Series JK Prepayments |
| 10/01/01 | 770,000 | Cross Call | Series LM Prepayments |
| 10/01/01 | 470,000 | Cross Call | Series NO Prepayments |
| 10/01/01 | 635,000 | Cross Call | Series PQ Prepayments |
| 10/01/01 | 1,850,000 | Cross Call | Series WW Prepayments |
| 10/01/01 | 100,000 | Pro rata | Debt Service Reserve |
| 1/01/02 | 2,300,000 | Pro rata | Prepayments |
| 1/01/02 | 627,000 | Cross Call | Series EF Prepayments |
| 1/01/02 | 1,005,000 | Cross Call | Series PQ Prepayments |
| 1/01/02 | 1,478,000 | Cross Call | Series WW Prepayments |
| 1/01/02 | 8,500,000 | Pro rata | Excess Revenue Reserve |
| 1/01/02 | 1,770,000 | Pro rata | Debt Service Reserve |
| 3/01/02 | <u>19,855,000</u> | Pro rata | Optional Redemption |
| Total | <u>\$84,410,000</u> | | |

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BOND SERIES: SERIES ST

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Bond Call Information: . . .

Special Redemption: . . .

The 1985 Series R, S and T 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) excess revenues transferred from the revenue reserve fund,
- (iii) prepayments of mortgage loans financed with the proceeds of the Series R, S, and T bonds,
- (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 subsequent to the Series D bonds other than the Series R, S and T bonds 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 R, S and T bonds, including prepayments on the 1981 mortgage loans but excluding prepayments on 1980 FHA and VA loans, shall first be applied to the redemption or purchase of Series T Term bonds due March 1, 2010 during the periods up to the scheduled principal amounts set forth in the series resolution.

Moneys in excess of the debt service reserve requirement shall be applied to the redemption of the series R, S and T bonds in any manner. Moneys to be applied to a redemption from excess revenues in the revenue reserve fund, from prepayments in excess of the scheduled principal amounts or from cross call redemption sources, 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 R, S and T bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after March 1, 2002, either as a whole, on any date, or in part, on any interest payment date, at the following redemption prices, plus accrued interest to the date of redemption:

| (Both Dates Inclusive) | Redemption Price (Expressed as a Percentage) |
|-----------------------------------|---|
| March 1, 2002 - February 28, 2003 | 102.00% |
| March 1, 2003 - February 29, 2004 | 101.00% |
| March 1, 2004 and thereafter | 100.00% |