

**NORTH CAROLINA HOUSING FINANCE AGENCY  
DISCLOSURE REPORT  
AS OF SEPTEMBER 30, 2006**

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

PAGE NO. 1-1985WW

SERIES DATE: 01/15/99

SERIES SOLD: 02/17/99

**GENERAL INFORMATION:**

Bonds Outstanding: 31,510,000  
Bond Yield: 6.25%  
Mortgage Loan Prin Outstanding: 6,631,895  
Mortgage Rate(s): 8.25% - 8.55%  
Outstanding Commitments: 0  
Uncommitted Lendable Funds: 0  
  
Average Purchase Price: 50,653  
Average Original Loan Amount: 49,367  
Total No. of Loans Originated: 820  
Total No. of Loans Paid Off: 623  
Total No. of Loans Outstanding: 197

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

New Construction:	18.78%	Private	0.00%
Existing Home:	<u>81.22%</u>	FHA	100.00%
Total	<u>100.00%</u>	VA	0.00%
		Self Insured	0.00%
		Guaranty Fund	0.00%
		Other	
Fixed Rate Mortgages	100.00%	(less than 80.00 LTV)	<u>0.00%</u>
Graduated Pmt Mtgs	0.00%	Total	<u>100.00%</u>
Growing Equity Mtgs	0.00%		
Variable Rate Mtgs	<u>0.00%</u>		
Total	<u>100.00%</u>		

**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: 95.43%  
Condos/Townhouses: 3.05%  
Manufactured/Duplexes: 1.52%  
Total: 100.00%

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

1985WW	
GEMICO	0.00%
RMIC	0.00%
UG	0.00%
VEREX	<u>0.00%</u>
	<u>0.00%</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: Mortgage Deficiency Fund  
Series of Bonds Covered: 1985 Series D through WW (excluding Series U/V)

**Current Funding Requirements: (data is for 1985 Series WW only):**

Total Dollar Amount (\$000)	Note 1
As % of Initial Principal Amount	
of Mortgage Loans Purchased	Note 1
Claims to Date	0

Maximum level of funding required over the life of the bonds (\$000) Note 1

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

	%	#
60 days	3.05%	6
90 days	1.52%	3
In Foreclosure	0.51%	1

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

	%	\$
	3.33%	220,983
	1.30%	85,931
	0.38%	25,010

No. of Loans Foreclosed to Date since 1/1/87: Not available  
Foreclosed (Loss)/Gain to Date: Not available  
Net of Insurance Proceeds (\$000): Not available

Real Estate Owned  
Number of Loans: 0  
Outstanding Mtg Amount  
At time of Default: \$0  
Current Balance: \$0

**MORTGAGE LOAN SERVICERS:**

Servicer	# of Loans	% of Portfolio
Marsh	79	40.10%
BB&T	75	38.07%
RBC Centura	28	14.21%
Bank of America	9	4.57%
NCHFA	<u>6</u>	<u>3.05%</u>
TOTAL	<u>197</u>	<u>100.00%</u>

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

Series	# of Loans	Mtg Rate
1985 SERIES WW	19	8.25%
	93	8.35%
	<u>85</u>	8.55%
Total	<u>197</u>	

Note 1: The provisions of the Mortgage Deficiency Fund were extended to Series WW Bonds. However, additional funding was not required in consequence of the extension of such provisions.

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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)
	09/01/18	Term	6.25%	\$41,840,000	\$10,330,000	\$0	\$31,510,000	1
Total 1985 Series WW				\$41,840,000	\$10,330,000	\$0	\$31,510,000	

Note 1: See optional and special redemption provisions beginning on page 4-1985WW. (I.e. "1" denoted first call priority from prepayments.)  
Note 2: Sinking fund redemption begins September 1, 1999.

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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 1985 Series WW bonds may be redeemed in whole or in part on any date before 3/1/2011 unless such redemption is necessary to prevent default under the Resolution. At the principal amount plus accrued interest to the date of redemption, from:

- (i) excess revenues transferred from the revenue reserve fund,
- (ii) prepayments of mortgage loans financed with the proceeds of the Series II and JJ bonds,
- (iii) moneys withdrawn from the debt service reserve fund in connection with an excess over the debt service reserve requirement, and
- (iv) from prepayments of mortgage loans financed with proceeds from series of bonds issued subsequent to the Series D bonds other than the Series WW bonds and from certain moneys in excess of the debt service reserve requirement on deposit in the debt service reserve fund ("Cross Call Redemption").

After March 1, 2011, moneys in excess of the debt service reserve requirement shall be applied to the redemption of the series WW bonds in any manner. Moneys to be applied to 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 WW bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after March 1, 2011, in whole or in part, on any date, at the following redemption prices, plus accrued interest to the date of redemption:

<b>Period (Both Dates Inclusive)</b>	<b>Redemption Price (Expressed as a Percentage)</b>
March 1, 2011 and thereafter	100.00%