

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

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

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$12,449,646
Mortgage Rates: 6.450% - 6.650%

Average Purchase Price: \$69,090
Average Original Loan Amount: \$67,607

Total No. of Loans Originated: 877
Total No. of Loans Paid Off: 636
Total No. of Loans Outstanding: 241

PROGRAM

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

Contacts:
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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	241	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	241	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	31	12.86%
Existing Home	210	87.14%
Total	241	100.00%

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	216	89.63%
Condominium	22	9.13%
Townhouse	1	0.41%
Manufactured Home	2	0.83%
Total	241	100.00%

DELINQUENCY STATISTICS

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	15	6.22%
90 days	5	2.07%
In Foreclosure	7	2.90%
REO (Conv, USDA)	0	0.00%
Total	27	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$831,833	6.68%
90 days	\$292,695	2.35%
In Foreclosure	\$398,649	3.20%
REO (Conv, USDA)	\$0	0.00%
Total	\$1,523,177	

SERVICER AND MORTGAGE LOAN DATA

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
Marsh Associates Inc.	36	14.94%
BB&T	109	45.23%
RBC Bank	80	33.19%
Bank of America	16	6.64%
Total	241	100.00%

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
6.65	193
6.45	48
Total	241

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INDENTURE SINGLE-FAMILY REVENUE BONDS (ISSUE RESOLUTION)
BOND SERIES 1985 QQ/RR

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FUNDING SOURCE COVERAGE (EXCEPT AS NOTED)		None
SINKING FUND COVERAGE		Current Funding Requirements: (data is for 1985 Series QQ/RR only):
Name of Self-Insurance Fund:	Mortgage Deficiency Fund	Total Dollar Amount (\$'000)
Series of Bonds Covered:	1985 Series D through WW (excluding Series UV)	As % of Initial Principal Amount
		of Mortgage Loans Purchased
		Claims to Date
		Note 1
		0
	Maximum level of funding required over the life of the bonds (\$'000)	Note 1

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

LIST OF BOND MATURITIES

CUSIP Number	Maturity Date	Bond Type	Interest Rate	Original Amount	Principal Matured	Principal Redemptions	Principal Outstanding	Bond Call Sequence (Note 1)
6582DERJ1	03/01/99	Serial	4.20%	\$460,000	\$460,000		\$0	2
6582DERK8	03/01/99	Serial	4.20%	470,000	470,000		0	2
6582DERL6	03/01/00	Serial	4.40%	480,000	480,000		0	2
6582DERM4	09/01/00	Serial	4.40%	490,000	490,000		0	2
6582ERN2	03/01/01	Serial	4.50%	500,000	500,000		0	2
6582ERB7	09/01/01	Serial	4.50%	510,000	510,000		0	2
6582ERQ5	03/01/02	Serial	4.60%	525,000	525,000		0	2
6582ERR3	09/01/02	Serial	4.60%	535,000	525,000	10,000	0	2
6582ERS1	03/01/03	Serial	4.70%	550,000	540,000	10,000	0	2
6582ERT9	09/01/03	Serial	4.70%	565,000	550,000	15,000	0	2
6582ERU6	03/01/04	Serial	4.80%	575,000	525,000	50,000	0	2
6582ERV4	09/01/04	Serial	4.80%	590,000	510,000	80,000	0	2
6582ERW2	03/01/05	Serial	4.90%	605,000	490,000	115,000	0	2
6582ERX0	09/01/05	Serial	4.90%	620,000	445,000	175,000	0	2
6582ERY8	03/01/06	Serial	5.00%	640,000	460,000	180,000	0	2
6582ERZ5	09/01/06	Serial	5.00%	655,000	425,000	230,000	0	2
6582ESA9	03/01/07	Serial	5.10%	670,000	350,000	320,000	0	2
6582ESB7	09/01/07	Serial	5.10%	690,000	355,000	335,000	0	2
6582ERC6	03/01/08	Serial	5.00%	705,000	295,000	410,000	0	2
6582ERD4	09/01/08	Serial	5.00%	725,000	265,000	460,000	0	2
6582ERE2	03/01/09	Serial	5.10%	745,000	260,000	485,000	0	2
6582ERF9	09/01/09	Serial	5.10%	765,000	270,000	495,000	0	2
6582ERG7	03/01/10	Serial	5.20%	785,000	265,000	520,000	0	2
6582ERH5	09/01/10	Serial	5.20%	160,000	50,000	110,000	0	2
6582ESCS	03/01/17	Term(Note 2)	5.75%	13,430,000	200,000	9,190,000	4,040,000	2
6582ESD3	09/01/22	Term(Note 3)	5.60%	15,075,000		15,075,000	0	1
6582ESE1	09/01/28	Term(Note 4)	5.85%	22,480,000		15,985,000	6,495,000	2
Total 1985 Series QQ/RR				\$65,000,000	\$10,215,000	\$44,250,000	\$10,535,000	

Note 1: See optional and special redemption provisions beginning on page 4-1985QRR. (i.e. "1" denotes first call priority from prepayments.)
Note 2: Sinking fund redemption begins September 1, 2016.
Note 3: Sinking fund redemption begins September 1, 2017.
Note 4: Sinking fund redemption begins March 1, 2023.

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INDENTURE SINGLE FAMILY REVENUE BONDS (ISSUE RESOLUTION)
BOND SERIES 2007A
ISSUE DATE 07/01/07

Call Date	Call Amount	Type of Call	Source Of Funds
07/01/98	\$130,000	Supersinker	Prepayments
01/01/99	315,000	Supersinker	Prepayments
05/01/99	625,000	Supersinker	Prepayments
07/01/99	300,000	Supersinker	Prepayments
09/01/99	125,000	Supersinker	Prepayments
12/15/99	1,215,000	Supersinker	Prepayments
05/01/00	1,220,000	Supersinker	Prepayments
07/01/00	660,000	Supersinker	Prepayments
01/01/01	2,310,000	Supersinker	Prepayments
06/01/01	825,000	Supersinker	Prepayments
10/01/01	1,820,000	Supersinker	Prepayments
01/01/02	1,890,000	Supersinker	Prepayments
04/15/02	70,000	Supersinker	Prepayments
04/15/02	950,000	Pro rata	Prepayments
04/15/02	25,000	Pro rata	Debt Service Reserve
07/01/02	1,040,000	Supersinker	Prepayments
07/01/02	5,000	Pro rata	Debt Service Reserve
01/01/03	715,000	Supersinker	Prepayments
06/01/03	1,620,000	Supersinker	Prepayments
06/01/03	30,000	Supersinker	Prepayments
06/01/03	375,000	Pro rata	Prepayments
10/01/03	145,000	Supersinker	Prepayments
10/01/03	2,445,000	Pro rata	Prepayments
10/01/03	140,000	Pro rata	Debt Service Reserve
10/01/03	395,000	Pro rata	Prepayments
01/01/04	380,000	Pro rata	Prepayments
05/01/04	1,625,000	Pro rata	Prepayments
09/01/04	2,255,000	Pro rata	Prepayments
09/01/04	275,000	Pro rata	Debt Service Reserve
01/01/05	1,870,000	Pro rata	Prepayments
01/01/05	110,000	Pro rata	Debt Service Reserve
05/01/05	1,710,000	Pro rata	Prepayments
05/01/05	100,000	Pro rata	Debt Service Reserve
10/01/05	200,000	Pro rata	Prepayments
04/01/06	3,135,000	Pro rata	Prepayments
04/01/06	195,000	Pro rata	Debt Service Reserve
08/01/06	4,185,000	Pro rata	Prepayments
08/01/06	245,000	Pro rata	Debt Service Reserve
01/01/07	985,000	Pro rata	Prepayments
01/01/07	60,000	Pro rata	Debt Service Reserve
05/01/07	25,000	Pro rata	Prepayments
11/01/07	3,985,000	Pro rata	Debt Service Reserve
11/01/07	190,000	Pro rata	Prepayments
02/01/08	665,000	Pro rata	Prepayments
07/01/08	1,035,000	Pro rata	Prepayments
01/01/09	200,000	Pro rata	Prepayments
07/01/09	320,000	Pro rata	Prepayments
01/01/10	550,000	Pro rata	Prepayments
06/01/10	500,000	Pro rata	Prepayments
TOTAL	\$44,250,000		

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INDENTURE TO THE REVENU REVENUE BONDS (ISSUE RESOLUTION)
BOND SERIES, SERIES QQR
OPTIONAL Redemption

PAGE NO. 4-1985QQR

- The 1985 Series QQ and RR 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 QQ and RR 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 QQ and RR 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 QQ and RR bonds, shall first be applied to the redemption or purchase of Series RR Term bonds due September 1, 2022 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 QQ and RR 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 QQ and RR bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after March 1, 2007, in whole or in part, on any date, at the following redemption prices, plus accrued interest to the date of redemption:

Period (Both Dates Inclusive)	Redemption Price (Expressed as a Percentage)
March 1, 2007 to February 1, 2008	101.50%
March 1, 2008 to February 1, 2009	100.75%
March 1, 2009 and thereafter	100.00%