

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF SEPTEMBER 30, 2011**

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: 01**

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$13,226,583
Mortgage Rates: 5.750% - 6.650%

Average Purchase Price: \$75,213
Average Original Loan Amount: \$73,741

Total No. of Loans Originated: 775
Total No. of Loans Paid Off: 535
Total No. of Loans Outstanding: 240

PROGRAM

P.O. Box 28066
Raleigh, NC 27611-8066
(919) 877-5700
Contacts:
Rob Ruscak, Manager of Home Ownership Production
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	231	96.25%
VA	0	0.00%
USDA	9	3.75%
HUD-184	0	0.00%
Guaranty Fund	0	0.00%
Other (< 80%LTV)	0	0.00%
Total	240	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	42	17.50%
Existing Home	198	82.50%
Total	240	100.00%

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	229	95.42%
Condominium	7	2.91%
Townhouse	4	1.67%
Manufactured Home	0	0.00%
Total	240	100.00%

DELINQUENCY STATISTICS

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	9	3.75%
90 days	6	2.50%
In Foreclosure	1	0.42%
REO (Conv, USDA)	1	0.42%
Total	17	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$486,737	3.68%
90 days	\$368,332	2.78%
In Foreclosure	\$31,176	0.24%
REO (Conv, USDA)	\$86,584	0.65%
Total	\$972,829	

SERVICER AND MORTGAGE LOAN DATA

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
BB&T	87	36.25%
RBC Bank	65	27.08%
Marsh Associates Inc.	82	34.17%
Bank of America	6	2.50%
Total	240	100.00%

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
6.65	35
6.45	26
6.25	158
6.05	10
5.75	11
Total	240

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POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS) None

SELF-INSURANCE COVERAGE: Name of Self-Insurance Fund: Insurance Reserve Fund
Series of Bonds Covered: 1998 Series 01

Current Funding Requirements:
Total Dollar Amount (\$000) \$222
As % of Initial Principal Amount
of Mortgage Loans Purchased 1.68%
Claims to Date 0

Maximum level of funding required over the life of the bonds (\$000) \$665

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)
65820EVN7	07/01/00	Serial	4.100%	\$455,000	\$455,000	\$0	\$0	2
65820EVP2	01/01/01	Serial	4.300%	465,000	465,000	0	0	2
65820EVQ0	07/01/01	Serial	4.300%	480,000	480,000	0	0	2
65820EVR8	01/01/02	Serial	4.450%	490,000	490,000	0	0	2
65820EVS6	07/01/02	Serial	4.450%	505,000	505,000	0	0	2
65820EVT4	01/01/03	Serial	4.550%	510,000	510,000	0	0	2
65820EVU1	07/01/03	Serial	4.550%	525,000	525,000	0	0	2
65820EVV9	01/01/04	Serial	4.650%	535,000	535,000	0	0	2
65820EWW7	07/01/04	Serial	4.650%	550,000	550,000	0	0	2
65820EVX5	01/01/05	Serial	4.750%	565,000	470,000	95,000	0	2
65820EYV3	07/01/05	Serial	4.750%	575,000	390,000	185,000	0	2
65820EVZ0	01/01/06	Serial	4.800%	590,000	355,000	235,000	0	2
65820EWA4	07/01/06	Serial	4.800%	605,000	335,000	270,000	0	2
65820EWB2	01/01/07	Serial	4.900%	620,000	300,000	320,000	0	2
65820EXC0	07/01/07	Serial	4.900%	635,000	300,000	335,000	0	2
65820EWH9	01/01/08	Serial	4.800%	655,000	310,000	345,000	0	2
65820EWJ5	07/01/08	Serial	4.800%	675,000	265,000	410,000	0	2
65820EWK2	01/01/09	Serial	4.900%	695,000	275,000	420,000	0	2
65820EWL0	07/01/09	Serial	4.900%	710,000	265,000	445,000	0	2
65820EWM8	07/01/11	Term (Note 2)	5.000%	3,020,000	960,000	2,060,000	0	2
65820EWN6	07/01/13	Term (Note 3)	5.125%	2,745,000	0	1,955,000	790,000	2
65820EWD8	01/01/17	Term (Note 4)	5.350%	7,250,000	0	5,210,000	2,040,000	2
65820EWE6	07/01/22	Term (Note 5)	4.700%	13,200,000	0	13,200,000	0	1
65820EWF3	01/01/29	Term (Note 6)	5.375%	20,060,000	0	11,155,000	8,905,000	3
65820EWG1	01/01/30	Term (Note 7)	5.375%	5,000,000	0	2,825,000	2,175,000	3
Total 1998 Series 1				\$62,115,000	\$8,740,000	\$39,465,000	\$13,910,000	

Note 1: See optional and special redemption provisions page 4-98-01, (i.e. "*" denotes first call priority from prepayments).
 Note 2: Sinking fund redemptions begin January 1, 2010.
 Note 3: Sinking fund redemptions begin January 1, 2012.
 Note 4: Sinking fund redemptions begin July 1, 2013.
 Note 5: Sinking fund redemptions begin July 1, 2017.
 Note 6: Sinking fund redemptions begin January 1, 2023.
 Note 7: Sinking fund redemptions begin January 1, 2029.

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LIST OF UNSCHEDULED REDEMPTIONS

Call Date	Call Amount	Type of Call	Source Of Funds
12/15/99	\$235,000	Supersinker	Prepayments
05/01/00	120,000	Supersinker	Prepayments
05/01/00	5,000	Pro rata	Debt Service Reserve
07/01/00	225,000	Supersinker	Prepayments
07/01/00	15,000	Pro rata	Debt Service Reserve
01/01/01	845,000	Supersinker	Prepayments
01/01/01	15,000	Pro rata	Debt Service Reserve
06/01/01	740,000	Supersinker	Prepayments
06/01/01	35,000	Pro rata	Debt Service Reserve
10/01/01	1,550,000	Supersinker	Prepayments
10/01/01	30,000	Pro rata	Debt Service Reserve
01/01/02	1,110,000	Supersinker	Prepayments
01/01/02	35,000	Pro rata	Debt Service Reserve
04/15/02	1,135,000	Supersinker	Prepayments
04/15/02	20,000	Pro rata	Debt Service Reserve
07/01/02	1,115,000	Supersinker	Prepayments
07/01/02	35,000	Pro rata	Debt Service Reserve
01/01/03	2,055,000	Supersinker	Prepayments
06/01/03	1,265,000	Supersinker	Prepayments
10/01/03	900,000	Supersinker	Prepayments
10/01/03	105,000	Pro rata	Debt Service Reserve
10/01/03	810,000	Supersinker	Prepayments
01/01/04	1,095,000	Supersinker	Prepayments
05/01/04	520,000	Supersinker	Prepayments
09/01/04	2,160,000	Pro rata	Prepayments
09/01/04	115,000	Pro rata	Debt Service Reserve
01/01/05	2,430,000	Pro rata	Prepayments
01/01/05	50,000	Pro rata	Debt Service Reserve
05/01/05	1,290,000	Pro rata	Prepayments
05/01/05	40,000	Pro rata	Debt Service Reserve
10/01/05	450,000	Pro rata	Prepayments
04/01/06	2,965,000	Pro rata	Prepayments
04/01/06	75,000	Pro rata	Debt Service Reserve
08/01/06	3,960,000	Pro rata	Prepayments
08/01/06	90,000	Pro rata	Debt Service Reserve
01/01/07	1,195,000	Pro rata	Prepayments
01/01/07	30,000	Pro rata	Debt Service Reserve
05/01/07	125,000	Pro rata	Prepayments
05/01/07	10,000	Pro rata	Debt Service Reserve
11/01/07	315,000	Pro rata	Prepayments
11/01/07	10,000	Pro rata	Debt Service Reserve
02/01/08	4,190,000	Pro rata	Prepayments
02/01/08	85,000	Pro rata	Debt Service Reserve
07/01/08	915,000	Pro rata	Prepayments
01/01/09	585,000	Pro rata	Prepayments
01/01/09	50,000	Pro rata	Debt Service Reserve
07/01/09	1,025,000	Pro rata	Prepayments
07/01/09	25,000	Pro rata	Debt Service Reserve
01/01/10	1,025,000	Pro rata	Prepayments
01/01/10	30,000	Pro rata	Debt Service Reserve
06/01/10	935,000	Pro rata	Prepayments
06/01/10	15,000	Pro rata	Debt Service Reserve
12/01/10	750,000	Pro rata	Prepayments
12/01/10	20,000	Pro rata	Debt Service Reserve
06/01/11	475,000	Pro rata	Prepayments
06/01/11	15,000	Pro rata	Debt Service Reserve
TOTAL	<u>\$39,465,000</u>		

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Bond Call Information

Special Redemption

The 1998 Series 1 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 1, and
- (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 1 bond and from certain moneys in excess of the debt service reserve requirement on deposit in the debt service reserve Fund ("Cross Call Redemption").

Term bonds due January 1, 2029 & January 1, 2030 are not subject to call from prepayments, related debt service reserve reductions or excess recovery prior to 7/1/2005 and are last to be called from unexpended proceeds call.

Prepayments on mortgage loans financed with the proceeds of the Series 1 bonds shall first be applied to the redemption or purchase of Series 1 Term bonds due July 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 and from excess revenues in the revenue reserve fund shall be applied to the redemption of the Series 31 bonds in any manner. Moneys to be applied to redemption 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 1 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after July 1, 2008, 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.

Period (Both Dates Inclusive)	Redemption Price (Expressed as a Percentage)
July 1, 2008 - June 30, 2009	101.00%
July 1, 2009 and thereafter	100.00%