

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF SEPTEMBER 30, 2017**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)

BOND SERIES: 33

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$54,004,368
Mortgage Rates: 4.750% - 8.375%

Average Purchase Price: \$94,937
Average Original Loan Amount: \$89,396

Total No. of Loans Originated: 1,941
Total No. of Loans Paid Off: 835
Total No. of Loans Outstanding: 1,106

PROGRAM

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

| Loan Type: | # of Loans | % |
|------------------|--------------|----------------|
| CONV | 3 | 0.27% |
| FHA | 852 | 77.03% |
| VA | 34 | 3.08% |
| USDA | 111 | 10.04% |
| HUD-184 | 0 | 0.00% |
| Guaranty Fund | 0 | 0.00% |
| Other (< 80%LTV) | 106 | 9.58% |
| Total | 1,106 | 100.00% |

| Private Mortgage Insurers: | # of Loans | % |
|----------------------------|------------|--------------|
| Genworth | 2 | 0.18% |
| RADIAN GUARANTY INC. | 1 | 0.09% |
| Total | 3 | 0.27% |

| New/Existing: | # of Loans | % |
|------------------|--------------|----------------|
| New Construction | 341 | 30.83% |
| Existing Home | 765 | 69.17% |
| Total | 1,106 | 100.00% |

| Type of Housing: | # of Loans | % |
|------------------------|--------------|----------------|
| Single Family Detached | 996 | 90.05% |
| Condominium | 38 | 3.44% |
| Townhouse | 42 | 3.80% |
| Manufactured Home | 30 | 2.71% |
| Total | 1,106 | 100.00% |

DELINQUENCY STATISTICS

| Loans Outstanding: | # of Loans | % |
|--------------------|------------|-------|
| 60 days | 14 | 1.27% |
| 90 days + | 26 | 2.35% |
| In Foreclosure | 12 | 1.08% |
| REO (Conv, USDA) | 1 | 0.09% |
| Total | 53 | |

| Principal Outstanding: | \$ of Loans | % |
|------------------------|--------------------|-------|
| 60 days | \$734,060 | 1.36% |
| 90 days + | \$1,364,591 | 2.53% |
| In Foreclosure | \$727,698 | 1.35% |
| REO (Conv, USDA) | \$59,220 | 0.11% |
| Total | \$2,885,569 | |

SERVICER AND MORTGAGE LOAN DATA

| Servicers: | # of Loans | % |
|---------------------------|--------------|----------------|
| SN Servicing Corporation | 396 | 35.80% |
| BB&T | 239 | 21.61% |
| PNC | 418 | 37.80% |
| Bank of America | 41 | 3.71% |
| NC Housing Finance Agency | 1 | 0.09% |
| US Bank Home Mortgage | 11 | 0.99% |
| Total | 1,106 | 100.00% |

| Mortgage Rates (%): | # of Loans |
|---------------------|--------------|
| 8.375 | 37 |
| 8.15 | 48 |
| 7.9 | 14 |
| 7.5 | 7 |
| 7.375 | 2 |
| 7.25 | 117 |
| 7.125 | 5 |
| 7.05 | 12 |
| 7 | 1 |
| 6.95 | 20 |
| 6.65 | 71 |
| 6.5 | 2 |
| 6.45 | 10 |
| 6.375 | 5 |
| 6.25 | 72 |
| 6.125 | 93 |
| 6.1 | 20 |
| 6 | 8 |
| 5.99 | 232 |
| 5.875 | 12 |
| 5.85 | 10 |
| 5.75 | 190 |
| 5.625 | 7 |
| 5.49 | 70 |
| 5.375 | 3 |
| 5.25 | 2 |
| 4.99 | 30 |
| 4.75 | 6 |
| Total | 1,106 |

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BOND SERIES: SERIES 33

PAGE NO. 2-1998-33

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 33 | Total Dollar Amount (\$000) | 1,127 |
| | | As % of Principal Amount of Mortgage Loans | 2.09% |
| | | 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) |
|----------------------|---------------|---------------|---------------|-----------------|-------------------|-----------------------|-----------------------|-----------------------------|
| 658207ND3 | 01/01/13 | Serial | 0.410% | \$1,255,000 | \$1,255,000 | \$0 | \$0 | 2 |
| 658207NE1 | 07/01/13 | Serial | 0.500% | 1,935,000 | 1,840,000 | 95,000 | 0 | 2 |
| 658207NF8 | 01/01/14 | Serial | 0.774% | 1,995,000 | 1,800,000 | 195,000 | 0 | 2 |
| 658207NG6 | 07/01/14 | Serial | 0.886% | 2,060,000 | 1,750,000 | 310,000 | 0 | 2 |
| 658207NH4 | 01/01/15 | Serial | 1.259% | 2,125,000 | 1,735,000 | 390,000 | 0 | 2 |
| 658207NJ0 | 07/01/15 | Serial | 1.359% | 2,195,000 | 1,785,000 | 410,000 | 0 | 2 |
| 658207NK7 | 01/01/16 | Serial | 1.617% | 2,265,000 | 1,785,000 | 480,000 | 0 | 2 |
| 658207NL5 | 07/01/16 | Serial | 1.717% | 2,335,000 | 1,830,000 | 505,000 | 0 | 2 |
| 658207NM3 | 01/01/17 | Serial | 1.817% | 2,410,000 | 1,895,000 | 515,000 | 0 | 2 |
| 658207NN1 | 07/01/17 | Serial | 1.967% | 2,490,000 | 1,960,000 | 530,000 | 0 | 2 |
| 658207NP6 | 01/01/18 | Serial | 2.263% | 2,565,000 | 0 | 545,000 | 2,020,000 | 2 |
| 658207NQ4 | 07/01/18 | Serial | 2.413% | 2,645,000 | 0 | 555,000 | 2,090,000 | 2 |
| 658207NR2 | 01/01/19 | Serial | 2.613% | 2,730,000 | 0 | 580,000 | 2,150,000 | 2 |
| 658207NS0 | 07/01/19 | Serial | 2.813% | 2,820,000 | 0 | 600,000 | 2,220,000 | 2 |
| 658207NT8 | 01/01/20 | Serial | 3.063% | 2,910,000 | 0 | 610,000 | 2,300,000 | 2 |
| 658207NU5 | 07/01/20 | Serial | 3.163% | 2,965,000 | 0 | 630,000 | 2,335,000 | 2 |
| 658207NV3 | 01/01/21 | Serial | 3.163% | 2,945,000 | 0 | 625,000 | 2,320,000 | 2 |
| 658207NW1 | 07/01/21 | Serial | 3.263% | 2,950,000 | 0 | 615,000 | 2,335,000 | 2 |
| 658207NX9 | 01/01/22 | Serial | 3.363% | 2,985,000 | 0 | 625,000 | 2,360,000 | 2 |
| 658207NY7 | 07/01/22 | Serial | 3.413% | 3,060,000 | 0 | 645,000 | 2,415,000 | 2 |
| 658207NZ4 | 01/01/26 | Term (Note 2) | 4.013% | 23,700,000 | 0 | 4,980,000 | 18,720,000 | 2 |
| 658207PA7 | 01/01/29 | Term (Note 3) | 4.32% | 23,330,000 | 0 | 11,845,000 | 11,485,000 | 2 |
| 658207PB5 | 01/01/34 | Term (Note 4) | 4.00% | 25,000,000 | 0 | 22,110,000 | 2,890,000 | 1 |
| Total 1998 Series 33 | | | | \$121,670,000 | \$17,635,000 | \$48,395,000 | \$55,640,000 | |

Note 1: See optional and special redemption provisions below , (i.e. "1" denotes first call priority from prepayments).
 Note 2: Sinking fund redemptions begin January 1, 2023.
 Note 3: Sinking fund redemptions begin July 1, 2026.
 Note 4: Sinking fund redemptions begin January 1, 2029.

LIST OF UNSCHEDULED REDEMPTIONS:

| Call Date | Call Amount | Type of Call | Source Of Funds |
|---------------------|-------------|--------------|----------------------|
| 10/1/2012 | \$720,000 | Supersinker | Prepayments |
| 2/1/2013 | 660,000 | Supersinker | Prepayments |
| 2/1/2013 | 1,275,000 | Pro rata | Prepayments |
| 2/1/2013 | 110,000 | Pro rata | Debt Service Reserve |
| 6/1/2013 | 2,700,000 | Supersinker | Prepayments |
| 6/1/2013 | 2,890,000 | Pro rata | Prepayments |
| 6/1/2013 | 80,000 | Pro rata | Debt Service Reserve |
| 9/1/2013 | 4,655,000 | Pro rata | Prepayments |
| 9/1/2013 | 130,000 | Pro rata | Debt Service Reserve |
| 2/1/2014 | 2,600,000 | Supersinker | Prepayments |
| 2/1/2014 | 3,330,000 | Pro rata | Prepayments |
| 2/1/2014 | 160,000 | Pro rata | Debt Service Reserve |
| 6/1/2014 | 1,350,000 | Pro rata | Prepayments |
| 6/1/2014 | 2,500,000 | Supersinker | Prepayments |
| 6/1/2014 | 80,000 | Pro rata | Debt Service Reserve |
| 11/1/2014 | 3,320,000 | Pro rata | Prepayments |
| 11/1/2014 | 105,000 | Pro rata | Debt Service Reserve |
| 2/1/2015 | 1,650,000 | Pro rata | Prepayments |
| 2/1/2015 | 70,000 | Pro rata | Debt Service Reserve |
| 6/1/2015 | 1,745,000 | Pro rata | Prepayments |
| 6/1/2015 | 35,000 | Pro rata | Debt Service Reserve |
| 10/1/2015 | 3,620,000 | Pro rata | Debt Service Reserve |
| 2/1/2016 | 2,310,000 | Pro rata | Prepayments |
| 2/1/2016 | 190,000 | Pro rata | Debt Service Reserve |
| 8/1/2016 | 4,750,000 | Pro rata | Prepayments |
| 9/1/2016 | 445,000 | Pro rata | Prepayments |
| 10/1/2016 | 965,000 | Pro rata | Prepayments |
| 11/1/2016 | 220,000 | Pro rata | Prepayments |
| 12/1/2016 | 890,000 | Pro rata | Prepayments |
| 2/1/2017 | 1,120,000 | Pro rata | Prepayments |
| 4/1/2017 | 395,000 | Pro rata | Prepayments |
| 5/1/2017 | 565,000 | Pro rata | Prepayments |
| 6/1/2017 | 730,000 | Pro rata | Prepayments |
| 7/1/2017 | 970,000 | Pro rata | Prepayments |
| 8/1/2017 | 695,000 | Pro rata | Prepayments |
| 9/1/2017 | 365,000 | Pro rata | Prepayments |
| <u>\$48,395,000</u> | | | |

Bond Call Information:

Special Redemption

The 1998 Series 33 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:

- unexpended proceeds,
- prepayments of mortgage loans financed with the proceeds of the Series 33, including the existing mortgage loans,
- excess revenues transferred from the revenue reserve fund,
- moneys withdrawn from the debt service reserve fund in connection with an excess over the debt service reserve requirement, and
- from prepayments of mortgage loans financed with proceeds from series of bonds issued other than the Series 33 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 33 bonds shall first be applied to the redemption or purchase of Series 33 term bonds due January 1, 2034 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 33 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 33 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after January 1, 2022, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.