

**NORTH CAROLINA HOUSING FINANCE AGENCY  
DISCLOSURE REPORT  
AS OF DECEMBER 31, 2007**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)  
BOND SERIES: SERIES 28

PAGE NO. 1-1998-28

SERIES DATE: 03/28/07

SERIES SOLD: 04/25/07

**GENERAL INFORMATION:**

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

Bonds Outstanding:	65,000,000	New Construction:	22.46%	Private	69.57%
Bond Yield	4.55%	Existing Home:	<u>77.54%</u>	FHA	10.14%
Mortgage Loan Prin Outstanding	63,787,070	Total	<u>100.00%</u>	VA	7.43%
Mortgage Rate(s)	5.50% - 5.99%			USDA	4.71%
Outstanding Commitments:	414,392			Guaranty Fund	0.00%
Uncommitted Lendable Funds:	0			Other	
		Fixed Rate Mortgages	100.00%	(less than 80.00 LTV)	<u>8.15%</u>
Average Purchase Price:	121,956	Graduated Pmt Mtgs	0.00%	Total	<u>100.00%</u>
Average Original Loan Amount:	116,461	Growing Equity Mtgs	0.00%		
Total No. of Loans Originated:	553	Variable Rate Mtgs	<u>0.00%</u>		
Total No. of Loans Paid Off:	1	Total	<u>100.00%</u>		
Total No. of Loans Outstanding:	552				

**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	76.09%
Condos/Townhouses	22.28%
Manufactured/Duplexes	<u>1.63%</u>
Total	<u>100.00%</u>

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

1998-28	
GEMICO	37.68%
MGIC	14.68%
RMIC	5.25%
PMI	1.09%
RADIAN	0.18%
UG	9.06%
CMG	0.18%
TRIAD	<u>1.45%</u>
Total:	<u>69.57%</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: Insurance Reserve Fund  
Series of Bonds Covered: 1998 Series 28

Current Funding Requirements:	
Total Dollar Amount (\$000)	\$710
As % of Initial Principal Amount of Mortgage Loans Purchased	0.00%
Claims to Date	0

Maximum level of funding required over the life of the bonds (\$000) \$710

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

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

	%	#	%	\$
60 days	0.18%	1	0.12%	73,776
90 days	0.36%	2	0.42%	269,600
In Foreclosure	0.00%	0	0.00%	0

No. of Loans Foreclosed to Date	Not available	Real Estate Owned	
Foreclosed (Loss)/Gain to Date	Not available	Number of Loans	0
Net of Insurance Proceeds (\$000)	Not available	Outstanding Mtg Amount	
		At time of Default	\$0
		Current Balance	\$0

**MORTGAGE LOAN SERVICERS:**

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

Servicer	# of Loans	% of Portfolio	Series		Mtg Rate
			Series	# of Loans	
			1998 SERIES 28		5.50%
Marsh	223	40.40%		124	
BB&T	163	29.53%		325	5.63%
RBC Centura	154	27.90%		49	5.75%
SECU	<u>12</u>	<u>2.17%</u>		44	5.88%
Total	<u>552</u>	<u>100.00%</u>		<u>10</u>	5.99%
			Total	<u>552</u>	

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)
658207EB7	07/01/08	Serial	3.50%	210,000	0	0	210,000	2
658207DM4	07/01/09	Serial	3.80%	495,000	0	0	495,000	2
658207DN2	01/01/10	Serial	3.90%	505,000	0	0	505,000	2
658207DP7	07/01/10	Serial	3.90%	515,000	0	0	515,000	2
658207EC5	01/01/11	Serial	3.55%	525,000	0	0	525,000	2
658207ED3	07/01/11	Serial	3.55%	250,000	0	0	250,000	2
658207DQ5	07/01/11	Serial	3.95%	285,000	0	0	285,000	2
658207EE1	01/01/12	Serial	3.60%	545,000	0	0	545,000	2
658207DR3	07/01/12	Serial	4.00%	560,000	0	0	560,000	2
658207DS1	01/01/13	Serial	4.05%	570,000	0	0	570,000	2
658207EF8	07/01/13	Serial	3.65%	255,000	0	0	255,000	2
658207DT9	07/01/13	Serial	4.05%	330,000	0	0	330,000	2
658207DU6	01/01/14	Serial	4.10%	595,000	0	0	595,000	2
658207DV4	07/01/14	Serial	4.10%	610,000	0	0	610,000	2
658207EG6	01/01/15	Serial	3.75%	620,000	0	0	620,000	2
658207EH4	07/01/15	Serial	3.75%	635,000	0	0	635,000	2
658207EJ0	01/01/16	Serial	3.80%	650,000	0	0	650,000	2
658207EK7	07/01/16	Serial	3.80%	665,000	0	0	665,000	2
658207EL5	01/01/17	Serial	3.85%	680,000	0	0	680,000	2
658207EM3	07/01/17	Serial	3.85%	695,000	0	0	695,000	2
658207DW2	07/01/23	Term (Note 2)	4.65%	6,640,000	0	0	6,640,000	2
658207DX0	07/01/29	Term (Note 3)	4.70%	8,305,000	0	0	8,305,000	2
658207DY8	07/01/33	Term (Note 4)	4.75%	7,195,000	0	0	7,195,000	2
658207DZ5	07/01/38	Term (Note 5)	5.50%	19,500,000	0	0	19,500,000	2
658207EA9	01/01/39	Term (Note 6)	4.80%	13,165,000	0	0	13,165,000	2
Total 1998 Series 28				\$65,000,000	\$0	\$0	\$65,000,000	

Note 1: See optional and special redemption provisions page 4-1998-28, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemptions begin January 1, 2018.

Note 3: Sinking fund redemptions begin January 1, 2024.

Note 4: Sinking fund redemptions begin January 1, 2030.

Note 5: Sinking fund redemptions begin January 1, 2019. AMT PAC bonds were sold at a premium with a coupon rate of 5.50% and a yield of 4.92%.

Note 6: Sinking fund redemptions begin January 1, 2034.

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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 1998 Series 28 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) prepayments of mortgage loans financed with the proceeds of the Series 28, including the existing mortgage loans,
- (iii) excess revenues transferred from the revenue reserve fund,
- (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 28 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 28 bonds shall first be applied to the redemption or purchase of Series 28 term bonds due July 1, 2038 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 28 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 28 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after January 1, 2017, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.