

**NORTH CAROLINA HOUSING FINANCE AGENCY**

**DISCLOSURE REPORT  
AS OF DECEMBER 31, 2009**

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

**GENERAL MORTGAGE LOAN INFORMATION**

Mortgage Loan Prin Outstanding: \$9,357,065  
 Mortgage Rates: 6.150% - 6.650%

Average Purchase Price: \$78,568  
 Average Original Loan Amount: \$76,922

Total No. of Loans Originated: 547  
 Total No. of Loans Paid Off: 388  
 Total No. of Loans Outstanding: 159

**PROGRAM**

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

Contacts:  
 Sharon Drewyor, Director of Home Ownership Lending  
 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               | 150               | 94.34%         |
| VA                | 0                 | 0.00%          |
| USDA              | 9                 | 5.66%          |
| HUD-184           | 0                 | 0.00%          |
| Guaranty Fund     | 0                 | 0.00%          |
| Other (< 80%LTV)  | 0                 | 0.00%          |
| <b>Total</b>      | <b>159</b>        | <b>100.00%</b> |

| <u>Private Mortgage Insurers:</u> | <u># of Loans</u> | <u>%</u>     |
|-----------------------------------|-------------------|--------------|
| <b>Total</b>                      | <b>0</b>          | <b>0.00%</b> |

| <u>New/Existing:</u> | <u># of Loans</u> | <u>%</u>       |
|----------------------|-------------------|----------------|
| New Construction     | 35                | 22.01%         |
| Existing Home        | 124               | 77.99%         |
| <b>Total</b>         | <b>159</b>        | <b>100.00%</b> |

| <u>Type of Housing:</u> | <u># of Loans</u> | <u>%</u>       |
|-------------------------|-------------------|----------------|
| Single Family Detached  | 146               | 91.82%         |
| Condominium             | 13                | 8.18%          |
| Townhouse               | 0                 | 0.00%          |
| Manufactured Home       | 0                 | 0.00%          |
| <b>Total</b>            | <b>159</b>        | <b>100.00%</b> |

**DELINQUENCY STATISTICS**

| <u>Loans Outstanding:</u> | <u># of Loans</u> | <u>%</u> |
|---------------------------|-------------------|----------|
| 60 days                   | 2                 | 1.26%    |
| 90 days                   | 2                 | 1.26%    |
| In Foreclosure            | 2                 | 1.26%    |
| REO (Conv, USDA)          | 0                 | 0.00%    |
| <b>Total</b>              | <b>6</b>          |          |

| <u>Principal Outstanding:</u> | <u>\$ of Loans</u> | <u>%</u> |
|-------------------------------|--------------------|----------|
| 60 days                       | \$133,851          | 1.43%    |
| 90 days                       | \$119,434          | 1.28%    |
| In Foreclosure                | \$144,637          | 1.55%    |
| REO (Conv, USDA)              | \$0                | 0.00%    |
| <b>Total</b>                  | <b>\$397,922</b>   |          |

**SERVICER AND MORTGAGE LOAN DATA**

| <u>Servicers:</u>     | <u># of Loans</u> | <u>%</u>       |
|-----------------------|-------------------|----------------|
| BB&T                  | 76                | 47.80%         |
| RBC Bank              | 51                | 32.08%         |
| Bank of America       | 6                 | 3.77%          |
| Marsh Associates Inc. | 26                | 16.35%         |
| <b>Total</b>          | <b>159</b>        | <b>100.00%</b> |

| <u>Mortgage Rates (%):</u> | <u># of Loans</u> |
|----------------------------|-------------------|
| 6.65                       | 4                 |
| 6.15                       | 155               |
| <b>Total</b>               | <b>159</b>        |

**NORTH CAROLINA HOUSING FINANCE AGENCY  
DISCLOSURE REPORT  
AS OF DECEMBER 31, 2009**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)  
BOND SERIES: Series UU/VV

PAGE NO. 2-1985UUVV

POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS): None

|                              |   |                               |                                       |
|------------------------------|---|-------------------------------|---------------------------------------|
| SELF-INSURANCE COVERAGE:     |   | Current Funding Requirements: | (data is for 1985 Series UU/VV only): |
|                              |   | Total Dollar Amount (\$000)   | \$132                                 |
| Name of Self-Insurance Fund: | Mortgage Deficiency Fund                        | As % of Principal Amount      |                                       |
| Series of Bonds Covered:     | 1985 Series D through WW (excluding Series U/V) | of Mortgage Loans Purchased   | 1.41%                                 |
|                              |   | Claims to Date                | 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 UU and VV Bonds. However, additional funding was not required in consequence of the extension of such provisions.

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) |
|-------------------------|---------------|--------------|---------------|-----------------|-------------------|-----------------------|-----------------------|-----------------------------|
| 65820ETU4               | 03/01/00      | Serial       | 4.10%         | \$345,000       | \$345,000         |                       | \$0                   | 2                           |
| 65820ETV2               | 09/01/00      | Serial       | 4.10%         | 350,000         | 350,000           |                       | 0                     | 2                           |
| 65820ETW0               | 03/01/01      | Serial       | 4.20%         | 365,000         | 365,000           |                       | 0                     | 2                           |
| 65820ETX8               | 09/01/01      | Serial       | 4.20%         | 365,000         | 365,000           |                       | 0                     | 2                           |
| 65820ETY6               | 03/01/02      | Serial       | 4.30%         | 380,000         | 380,000           |                       | 0                     | 2                           |
| 65820ETZ3               | 09/01/02      | Serial       | 4.30%         | 380,000         | 375,000           | 5,000                 | 0                     | 2                           |
| 65820EUA6               | 03/01/03      | Serial       | 4.40%         | 395,000         | 390,000           | 5,000                 | 0                     | 2                           |
| 65820EUB4               | 09/01/03      | Serial       | 4.40%         | 400,000         | 395,000           | 5,000                 | 0                     | 2                           |
| 65820EUC2               | 03/01/04      | Serial       | 4.50%         | 410,000         | 400,000           | 10,000                | 0                     | 2                           |
| 65820EUD0               | 09/01/04      | Serial       | 4.50%         | 420,000         | 390,000           | 30,000                | 0                     | 2                           |
| 65820EUE8               | 03/01/05      | Serial       | 4.60%         | 430,000         | 385,000           | 45,000                | 0                     | 2                           |
| 65820EUF5               | 09/01/05      | Serial       | 4.60%         | 435,000         | 360,000           | 75,000                | 0                     | 2                           |
| 65820EUG3               | 03/01/06      | Serial       | 4.65%         | 450,000         | 370,000           | 80,000                | 0                     | 2                           |
| 65820EUH1               | 09/01/06      | Serial       | 4.65%         | 460,000         | 330,000           | 130,000               | 0                     | 2                           |
| 65820EIJ7               | 03/01/07      | Serial       | 4.70%         | 470,000         | 270,000           | 200,000               | 0                     | 2                           |
| 65820EIK4               | 09/01/07      | Serial       | 4.70%         | 480,000         | 275,000           | 205,000               | 0                     | 2                           |
| 65820EL4                | 03/01/08      | Serial       | 4.60%         | 505,000         | 225,000           | 280,000               | 0                     | 2                           |
| 65820ETM2               | 09/01/08      | Serial       | 4.60%         | 520,000         | 220,000           | 300,000               | 0                     | 2                           |
| 65820ETN0               | 03/01/09      | Serial       | 4.70%         | 540,000         | 215,000           | 325,000               | 0                     | 2                           |
| 65820ETP5               | 09/01/09      | Serial       | 4.70%         | 540,000         | 200,000           | 340,000               | 0                     | 2                           |
| 65820ETQ3               | 03/01/10      | Serial       | 4.75%         | 565,000         |                   | 350,000               | 215,000               | 2                           |
| 65820ETR1               | 09/01/10      | Serial       | 4.75%         | 575,000         |                   | 360,000               | 215,000               | 2                           |
| 65820ETS9               | 03/01/11      | Serial       | 4.85%         | 590,000         |                   | 370,000               | 220,000               | 2                           |
| 65820ETT7               | 09/01/11      | Serial       | 4.85%         | 605,000         |                   | 375,000               | 230,000               | 2                           |
| 65820EUL2               | 03/01/17      | Term(Note 2) | 5.25%         | 7,475,000       |                   | 4,725,000             | 2,750,000             | 2                           |
| 65820EUM0               | 09/01/22      | Term(Note 3) | 4.60%         | 9,625,000       |                   | 9,625,000             | 0                     | 1                           |
| 65820EUN8               | 09/01/28      | Term(Note 4) | 5.35%         | 14,120,000      |                   | 9,375,000             | 4,745,000             | 2                           |
| 65820EUP3               | 09/01/29      | Term(Note 5) | 5.35%         | 2,805,000       |                   | 1,895,000             | 910,000               | 2                           |
| Total 1985 Series UU/VV |               |              |               | \$45,000,000    | \$6,605,000       | \$29,110,000          | \$9,285,000           |                             |

Note 1: See optional and special redemption provisions beginning on page 4-1985UUVV. (i.e. "1" denotes first call priority from prepayments.)

Note 2: Sinking fund redemption begins March 1, 2012.

Note 3: Sinking fund redemption begins September 1, 2017.

Note 4: Sinking fund redemption begins March 1, 2023.

Note 5: Sinking fund redemption begins March 1, 2029.

**NORTH CAROLINA HOUSING FINANCE AGENCY  
DISCLOSURE REPORT  
AS OF DECEMBER 31, 2009**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)  
BOND SERIES: Series UU/VV

PAGE NO. 3-1985UUVV

**LIST OF UNSCHEDULED REDEMPTIONS:**

| Call Date    | Call Amount                | Type of Call | Source Of Funds      |
|--------------|----------------------------|--------------|----------------------|
| 05/01/99     | \$125,000                  | Supersinker  | Prepayments          |
| 12/15/99     | 495,000                    | Supersinker  | Prepayments          |
| 05/01/00     | 405,000                    | Supersinker  | Prepayments          |
| 07/01/00     | 145,000                    | Supersinker  | Prepayments          |
| 01/01/01     | 1,405,000                  | Supersinker  | Prepayments          |
| 06/01/01     | 490,000                    | Supersinker  | Prepayments          |
| 10/01/01     | 1,635,000                  | Supersinker  | Prepayments          |
| 01/01/02     | 1,240,000                  | Supersinker  | Prepayments          |
| 04/15/02     | 140,000                    | Supersinker  | Prepayments          |
| 04/15/02     | 465,000                    | Pro rata     | Prepayments          |
| 04/15/02     | 20,000                     | Pro rata     | Debt Service Reserve |
| 07/0/02      | 885,000                    | Supersinker  | Prepayments          |
| 01/01/03     | 435,000                    | Supersinker  | Prepayments          |
| 06/01/03     | 1,215,000                  | Supersinker  | Prepayments          |
| 06/01/03     | 150,000                    | Pro rata     | Prepayments          |
| 06/01/03     | 5,000                      | Pro rata     | Debt Service Reserve |
| 06/01/03     | 260,000                    | Pro rata     | Prepayments          |
| 10/01/03     | 990,000                    | Supersinker  | Prepayments          |
| 10/01/03     | 15,000                     | Pro rata     | Debt Service Reserve |
| 10/01/03     | 20,000                     | Supersinker  | Prepayments          |
| 10/01/03     | 380,000                    | Pro rata     | Prepayments          |
| 01/01/04     | 470,000                    | Pro rata     | Prepayments          |
| 05/01/04     | 640,000                    | Pro rata     | Prepayments          |
| 09/01/04     | 1,185,000                  | Pro rata     | Prepayments          |
| 09/01/04     | 125,000                    | Pro rata     | Debt Service Reserve |
| 01/01/05     | 955,000                    | Pro rata     | Prepayments          |
| 01/01/05     | 50,000                     | Pro rata     | Debt Service Reserve |
| 05/01/05     | 1,020,000                  | Pro rata     | Prepayments          |
| 05/01/05     | 50,000                     | Pro rata     | Debt Service Reserve |
| 10/01/05     | 335,000                    | Pro rata     | Prepayments          |
| 04/01/06     | 2,760,000                  | Pro rata     | Prepayments          |
| 04/01/06     | 155,000                    | Pro rata     | Debt Service Reserve |
| 08/01/06     | 3,645,000                  | Pro rata     | Prepayments          |
| 08/01/06     | 195,000                    | Pro rata     | Debt Service Reserve |
| 01/01/07     | 790,000                    | Pro rata     | Prepayments          |
| 01/01/07     | 50,000                     | Pro rata     | Debt Service Reserve |
| 05/01/07     | 85,000                     | Pro rata     | Prepayments          |
| 05/01/07     | 5,000                      | Pro rata     | Debt Service Reserve |
| 11/01/07     | 3,425,000                  | Pro rata     | Prepayments          |
| 11/01/07     | 180,000                    | Pro rata     | Debt Service Reserve |
| 02/01/08     | 480,000                    | Pro rata     | Prepayments          |
| 02/01/08     | 35,000                     | Pro rata     | Debt Service Reserve |
| 07/01/08     | 285,000                    | Pro rata     | Prepayments          |
| 01/01/09     | 495,000                    | Pro rata     | Prepayments          |
| 01/01/09     | 45,000                     | Pro rata     | Debt Service Reserve |
| 07/01/09     | 695,000                    | Pro rata     | Prepayments          |
| 07/01/09     | <u>35,000</u>              | Pro rata     | Debt Service Reserve |
| <b>TOTAL</b> | <b><u>\$29,110,000</u></b> |              |                      |

**NORTH CAROLINA HOUSING FINANCE AGENCY  
DISCLOSURE REPORT  
AS OF DECEMBER 31, 2009**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)  
BOND SERIES: Series UU/VV

PAGE NO. 4-1985UUVV

**Bond Call Information:**

**Special Redemption**

The 1985 Series UU and VV 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 UU and VV 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 UU and VV 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 UU and VV bonds, shall first be applied to the redemption or purchase of Series VV Term bonds due September 1, 2024 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 UU and VV 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 UU and VV 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:

| <b>Period<br/>(Both Dates Inclusive)</b> | <b>Redemption Price<br/>(Expressed as a Percentage)</b> |
|--|---|
| March 1, 2008 to February 28, 2009       | 101.00%   |
| March 1, 2009 to February 28, 2010       | 100.50%   |
| March 1, 2010 and thereafter             | 100.00%   |