

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF DECEMBER 31, 2011**

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: 23**

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$41,142,864
Mortgage Rates: 5.125% - 6.125%

Average Purchase Price: \$113,508
Average Original Loan Amount: \$106,278

Total No. of Loans Originated: 616
Total No. of Loans Paid Off: 176
Total No. of Loans Outstanding: 440

PROGRAM

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Raleigh, NC 27611-8066
(919) 877-5700
Contacts:
Rob Rusczak, 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>	<u>Private Mortgage Insurers:</u>	<u># of Loans</u>	<u>%</u>	<u>New/Existing:</u>	<u># of Loans</u>	<u>%</u>
CONV	201	45.68%	GENWORTH	109	24.77%	New Construction	143	32.50%
FHA	111	25.23%	RMIC	29	6.59%	Existing Home	297	67.50%
VA	21	4.77%	MGIC	25	5.68%	Total	440	100.00%
USDA	43	9.77%	AIG-UGIC	25	5.68%	<u>Type of Housing:</u>		
HUD-184	0	0.00%	TRIAD	1	0.23%	Single Family Detached	351	79.77%
Guaranty Fund	0	0.00%	PMI MTG. INS. CO.	5	1.14%	Condominium	32	7.27%
Other (< 80%LTV)	64	14.55%	RADIAN GUARANTY INC.	6	1.36%	Townhouse	49	11.14%
Total	440	100.00%	CMG MTG INS CO	1	0.23%	Manufactured Home	8	1.82%
			Total	201	45.68%	Total	440	100.00%

DELINQUENCY STATISTICS

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>	<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	8	1.82%	60 days	\$794,611	1.93%
90 days	9	2.05%	90 days	\$822,214	2.00%
In Foreclosure	11	2.50%	In Foreclosure	\$945,408	2.30%
REO (Conv, USDA)	4	0.91%	REO (Conv, USDA)	\$435,149	1.06%
Total	32		Total	\$2,997,381	

SERVICER AND MORTGAGE LOAN DATA

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>	<u>Mortgage Rates (%):</u>	<u># of Loans</u>
BB&T	99	22.50%	6.125	9
Marsh Associates Inc.	190	43.18%	6	24
PNC	132	30.00%	5.875	15
State Employees Credit Union	10	2.27%	5.75	30
RBC Bank	2	0.46%	5.625	75
US Bank Home Mortgage	6	1.36%	5.5	100
Bank of America	1	0.23%	5.375	180
Total	440	100.00%	5.25	1
			5.125	6
			Total	440

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DISCLOSURE REPORT
AS OF DECEMBER 31, 2011

IDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: SERIES 23

PAGE NO. 2-1998-23

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 23	Total Dollar Amount (\$000)	\$712
		As % of Initial Principal Amount	
		of Mortgage Loans Purchased	1.73%
		Claims to Date	0

Maximum level of funding required over the life of the bonds (\$000) \$770

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)
65821FEY8	07/01/07	Serial	3.45%	150,000	150,000	0	0	2
65821FEZ5	01/01/08	Serial	3.55%	490,000	475,000	15,000	0	2
65821FFA9	07/01/08	Serial	3.60%	265,000	255,000	10,000	0	2
65821FFR2	07/01/08	Serial	3.30%	235,000	225,000	10,000	0	2
65821FFB7	01/01/09	Serial	3.65%	510,000	495,000	15,000	0	2
65821FFC5	07/01/09	Serial	3.70%	520,000	505,000	15,000	0	2
65821FFD3	01/01/10	Serial	3.75%	530,000	515,000	15,000	0	2
65821FFE1	07/01/10	Serial	3.80%	540,000	520,000	20,000	0	2
65821FFF8	01/01/11	Serial	3.85%	50,000	45,000	5,000	0	2
65821FFS0	01/01/11	Serial	3.55%	505,000	490,000	15,000	0	2
65821FFG6	07/01/11	Serial	3.90%	430,000	390,000	40,000	0	2
65821FFT8	07/01/11	Serial	3.60%	135,000	115,000	20,000	0	2
65821FFU5	01/01/12	Serial	3.63%	580,000	0	55,000	525,000	2
65821FFH4	07/01/12	Serial	4.05%	590,000	0	55,000	535,000	2
65821FFJ0	01/01/13	Serial	4.10%	605,000	0	55,000	550,000	2
65821FFK7	07/01/13	Serial	4.10%	495,000	0	45,000	450,000	2
65821FFV3	07/01/13	Serial	3.75%	125,000	0	20,000	105,000	2
65821FFL5	01/01/14	Serial	4.15%	630,000	0	55,000	575,000	2
65821FFM3	07/01/14	Serial	4.15%	460,000	0	45,000	415,000	2
65821FFW1	07/01/14	Serial	3.80%	185,000	0	30,000	155,000	2
65821FFX9	01/01/15	Serial	3.95%	690,000	0	55,000	635,000	2
65821FFY7	07/01/15	Serial	3.95%	675,000	0	60,000	615,000	2
65821FFZ4	01/01/16	Serial	4.05%	695,000	0	60,000	635,000	2
65821FGA8	07/01/16	Serial	4.05%	710,000	0	60,000	650,000	2
65821FGB6	01/01/17	Serial	4.10%	725,000	0	65,000	660,000	2
65821FGC4	07/01/17	Serial	4.10%	745,000	0	65,000	680,000	2
65821FFN1	07/01/26	Term (Note 2)	4.65%	10,985,000	0	985,000	10,000,000	2
65821FFP6	07/01/36	Term (Note 3)	5.00%	19,320,000	0	13,155,000	6,165,000	2
65821FFQ4	01/01/37	Term (Note 4)	4.80%	22,455,000	0	2,265,000	20,190,000	2
Total 1998 Series 23				\$65,000,000	\$4,180,000	\$17,310,000	\$43,510,000	

Note 1: See optional and special redemption provisions page 4-1998-23, (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, 2018. AMT PAC bonds were sold at a premium with a coupon rate of 5.00% and a yield of 4.754%.
 Note 4: Sinking fund redemptions begin January 1, 2027.

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DISCLOSURE REPORT
AS OF DECEMBER 31, 2011

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: SERIES 23

PAGE NO. 3-1998-23

LIST OF UNSCHEDULED REDEMPTIONS:

Call Date	Call Amount	Type of Call	Source Of Funds
11/1/2007	\$360,000	Supersinker	Prepayments
11/1/2007	\$1,345,000	Pro rata	Prepayments
11/1/2007	\$35,000	Pro rata	Debt Service Reserve
2/1/2008	\$590,000	Supersinker	Prepayments
2/1/2008	\$10,000	Pro rata	Debt Service Reserve
7/1/2008	\$1,140,000	Supersinker	Prepayments
1/1/2009	\$1,400,000	Supersinker	Prepayments
1/1/2009	\$70,000	Pro rata	Debt Service Reserve
7/1/2009	\$1,675,000	Supersinker	Prepayments
7/1/2009	\$55,000	Pro rata	Debt Service Reserve
1/1/2010	\$1,725,000	Supersinker	Prepayments
1/1/2010	\$50,000	Pro rata	Debt Service Reserve
6/1/2010	\$1,655,000	Supersinker	Prepayments
6/1/2010	\$35,000	Pro rata	Debt Service Reserve
12/1/2010	\$1,600,000	Supersinker	Prepayments
12/1/2010	\$40,000	Pro rata	Debt Service Reserve
6/1/2011	\$1,535,000	Supersinker	Prepayments
6/1/2011	\$1,985,000	Pro rata	Prepayments
6/1/2011	\$85,000	Pro rata	Debt Service Reserve
12/1/2011	\$1,475,000	Supersinker	Prepayments
12/1/2011	\$400,000	Pro rata	Prepayments
12/1/2011	<u>\$45,000</u>	Pro rata	Debt Service Reserve
	<u>\$17,310,000</u>		

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AS OF DECEMBER 31, 2011

INDENTURE SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES SERIES 23

PAGE NO. 4-1998-23

Bond Call Information

Excess Redemption

- The 1998 Series 23 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 23, 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 23 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 23 bonds shall first be applied to the redemption or purchase of Series 23 Term bonds due January 1, 2037 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 23 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 23 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after July 1, 2015, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.