

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

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

**GENERAL MORTGAGE LOAN INFORMATION**

Mortgage Loan Prin Outstanding: \$49,160,374  
Mortgage Rates: 5.500% - 5.990%

Average Purchase Price: \$121,755  
Average Original Loan Amount: \$116,300

Total No. of Loans Originated: 553  
Total No. of Loans Paid Off: 95  
Total No. of Loans Outstanding: 458

**PROGRAM**

P.O. Box 28066  
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	322	70.31%	RADIAN GUARANTY INC.	1	0.22%	New Construction	99	21.62%
FHA	46	10.04%	GENWORTH	170	37.12%	Existing Home	359	78.38%
VA	24	5.24%	MGIC	70	15.28%	<b>Total</b>	<b>458</b>	<b>100.00%</b>
USDA	21	4.59%	AIG-UGIC	43	9.39%	<b>Type of Housing:</b>		
HUD-184	0	0.00%	RMIC	25	5.46%	Single Family Detached	350	76.42%
Guaranty Fund	0	0.00%	PMI MTG. INS. CO.	5	1.09%	Condominium	44	9.61%
Other (< 80%LTV)	45	9.82%	TRIAD	7	1.53%	Townhouse	56	12.22%
<b>Total</b>	<b>458</b>	<b>100.00%</b>	CMG MTG INS CO	1	0.22%	Manufactured Home	8	1.75%
			<b>Total</b>	<b>322</b>	<b>70.31%</b>	<b>Total</b>	<b>458</b>	<b>100.00%</b>

**DELINQUENCY STATISTICS**

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>	<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	5	1.09%	60 days	\$505,349	1.03%
90 days	11	2.40%	90 days	\$1,118,332	2.27%
In Foreclosure	8	1.75%	In Foreclosure	\$984,353	2.00%
REO (Conv, USDA)	12	2.62%	REO (Conv, USDA)	\$1,375,777	2.80%
<b>Total</b>	<b>36</b>		<b>Total</b>	<b>\$3,983,812</b>	

**SERVICER AND MORTGAGE LOAN DATA**

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>	<u>Mortgage Rates (%):</u>	<u># of Loans</u>
Marsh Associates Inc.	181	39.52%	5.99	10
PNC	122	26.64%	5.875	36
BB&T	142	31.00%	5.75	42
State Employees Credit Union	11	2.40%	5.625	266
RBC Bank	2	0.44%	5.5	104
<b>Total</b>	<b>458</b>	<b>100.00%</b>	<b>Total</b>	<b>458</b>

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

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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 28	Total Dollar Amount (\$000)	\$725
	As % of Initial Principal Amount	
	of Mortgage Loans Purchased	1.47%
	Claims to Date	0

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

**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	210,000	0	0	2
658207DM4	07/01/09	Serial	3.80%	495,000	495,000	0	0	2
658207DN2	01/01/10	Serial	3.90%	505,000	505,000	0	0	2
658207DP7	07/01/10	Serial	3.90%	515,000	515,000	0	0	2
658207EC5	01/01/11	Serial	3.55%	525,000	525,000	0	0	2
658207ED3	07/01/11	Serial	3.55%	250,000	245,000	5,000	0	2
658207DQ5	07/01/11	Serial	3.95%	285,000	280,000	5,000	0	2
658207EE1	01/01/12	Serial	3.60%	545,000	0	5,000	540,000	2
658207DR3	07/01/12	Serial	4.00%	560,000	0	5,000	555,000	2
658207DS1	01/01/13	Serial	4.05%	570,000	0	5,000	565,000	2
658207EF8	07/01/13	Serial	3.65%	255,000	0	5,000	250,000	2
658207DT9	07/01/13	Serial	4.05%	330,000	0	5,000	325,000	2
658207DU6	01/01/14	Serial	4.10%	595,000	0	5,000	590,000	2
658207DV4	07/01/14	Serial	4.10%	610,000	0	5,000	605,000	2
658207EG6	01/01/15	Serial	3.75%	620,000	0	5,000	615,000	2
658207EH4	07/01/15	Serial	3.75%	635,000	0	5,000	630,000	2
658207EJ0	01/01/16	Serial	3.80%	650,000	0	10,000	640,000	2
658207EK7	07/01/16	Serial	3.80%	665,000	0	10,000	655,000	2
658207EL5	01/01/17	Serial	3.85%	680,000	0	10,000	670,000	2
658207EM3	07/01/17	Serial	3.85%	695,000	0	10,000	685,000	2
658207DW2	07/01/23	Term (Note 2)	4.65%	6,640,000	0	70,000	6,570,000	2
658207DX0	07/01/29	Term (Note 3)	4.70%	8,305,000	0	105,000	8,200,000	2
658207DY8	07/01/33	Term (Note 4)	4.75%	7,195,000	0	85,000	7,110,000	2
658207DZ5	07/01/38	Term (Note 5)	5.50%	19,500,000	0	10,010,000	9,490,000	2
658207EA9	01/01/39	Term (Note 6)	4.80%	13,165,000	0	390,000	12,775,000	2
Total 1998 Series 28				\$65,000,000	\$2,775,000	\$10,755,000	\$51,470,000	

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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BOND SERIES: . . . . . SERIES 2B . . . . .

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LIST OF UNSCHEDULED REDEMPTIONS: . . . . .

Call Date	Call Amount	Type of Call	Source Of Funds
7/1/2008	\$335,000	Supersinker	Prepayments
1/1/2009	\$645,000	Supersinker	Prepayments
1/1/2009	\$20,000	Pro rata	Debt Service Reserve
7/1/2009	\$335,000	Supersinker	Prepayments
7/1/2009	\$20,000	Pro rata	Debt Service Reserve
1/1/2010	\$1,210,000	Supersinker	Prepayments
1/1/2010	\$35,000	Pro rata	Debt Service Reserve
6/1/2010	\$1,485,000	Supersinker	Prepayments
6/1/2010	\$35,000	Pro rata	Debt Service Reserve
12/1/2010	\$2,515,000	Supersinker	Prepayments
12/1/2010	\$60,000	Pro rata	Debt Service Reserve
6/1/2011	\$1,675,000	Supersinker	Prepayments
6/1/2011	\$475,000	Pro rata	Prepayments
6/1/2011	\$55,000	Pro rata	Debt Service Reserve
12/1/2011	\$1,610,000	Supersinker	Prepayments
12/1/2011	<u>\$45,000</u>	Pro rata	Debt Service Reserve
	<u>\$10,755,000</u>		

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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.