

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF SEPTEMBER 30, 2008**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)
BOND SERIES: SERIES EE/FF

PAGE NO. 1-1985EEFF

SERIES DATE: 03/15/96

SERIES SOLD: 05/02/96

GENERAL INFORMATION:

LOAN PORTFOLIO CHARACTERISTICS (AS A % OF LOANS OUTSTANDING)

Bonds Outstanding:	4,515,000	New Construction:	13.19%		
Bond Yield	5.96%	Existing Home:	<u>86.81%</u>	Private	0.00%
Mortgage Loan Prin Outstanding	4,597,308	Total	<u>100.00%</u>	FHA	100.00%
Mortgage Rate(s)	6.75% - 7.25%			VA	0.00%
Outstanding Commitments:	0			Self Insured	0.00%
Uncommitted Lendable Funds:	0			Guaranty Fund	0.00%
		Fixed Rate Mortgages	100.00%	Other	
Average Purchase Price:	65,255	Graduated Pmt Mtgs	0.00%	(less than 80.00 LTV)	<u>0.00%</u>
Average Original Loan Amount:	63,506	Growing Equity Mtgs	0.00%	Total	<u>100.00%</u>
Total No. of Loans Originated:	344	Variable Rate Mtgs	<u>0.00%</u>		
Total No. of Loans Paid Off:	253	Total	<u>100.00%</u>		
Total No. of Loans Outstanding:	91				

Effective May 1, 2006

Trustee: The Bank of New York Mellon
10161 Centurion Parkway
Jacksonville, FL 32256
(904) 645-1956
Contact: Christine Boyd

Type of Housing:

Single Family Detached	93.41%
Condos/Townhouses	5.49%
Manufactured/Duplexes	<u>1.10%</u>
Total	<u>100.00%</u>

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

1985EE/FF	
GEMICO	0.00%
RMIC	0.00%
UG	0.00%
VEREX	<u>0.00%</u>

Program: Raleigh, NC 27611-8066
(919) 877-5700
Contact:
Sharon Dreywor, 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: Mortgage Deficiency Fund
Series of Bonds Covered: 1985 Series D through WW (excluding Series U/V)

Current Funding Requirements: (data is for 1985 Series EE/FF only):

Total Dollar Amount (\$000)	Note 1
As % of Initial Principal Amount of Mortgage Loans Purchased	Note 1
Claims to Date	0

Maximum level of funding required over the life of the bonds (\$000) Note 1

DELINQUENCY STATISTICS (AS A % OF LOANS OUTSTANDING):

(AS % OF PRINCIPAL BALANCE OUTSTANDING):

	%	#	%	\$
60 days	2.20%	2	1.85%	85,278
90 days	1.10%	1	1.39%	64,003
In Foreclosure	1.10%	1	1.25%	57,274

No. of Loans Foreclosed to Date since 1/1/87 Not available
Foreclosed (Loss)/Gain to Date Not available
Net of Insurance Proceeds (\$000) Not available

Real Estate Owned

Number of Loans	0
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	# of Loans	Mtg Rate
BB&T	35	38.46%	1985 SERIES EE/FF	1	6.75%
Marsh	33	36.26%		39	6.88%
RBC Centura	17	18.68%		<u>51</u>	7.25%
Bank of America	<u>6</u>	<u>6.60%</u>			
TOTAL	<u>91</u>	<u>100.00%</u>	Total	<u>91</u>	

Note 1: The provisions of the Mortgage Deficiency Fund were extended to Series EE and FF Bonds. However, additional funding was not required in consequence of the extension of such provisions.

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF SEPTEMBER 30, 2008**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)
BOND SERIES: SERIES EE/FF

PAGE NO. 2-1985EEFF

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)
65820EHN3	09/01/98	Serial	4.00%	\$150,000	\$150,000		\$0	2
65820EHP8	03/01/99	Serial	4.20%	160,000	160,000	0	0	2
65820EHQ6	09/01/99	Serial	4.20%	170,000	165,000	5,000	0	2
65820EHR4	03/01/00	Serial	4.45%	170,000	165,000	5,000	0	2
65820EHS2	09/01/00	Serial	4.45%	175,000	170,000	5,000	0	2
65820EHT0	03/01/01	Serial	4.70%	175,000	170,000	5,000	0	2
65820EHU7	09/01/01	Serial	4.70%	185,000	180,000	5,000	0	2
65820EHV5	03/01/02	Serial	4.85%	185,000	175,000	10,000	0	2
65820EHW3	09/01/02	Serial	4.85%	190,000	170,000	20,000	0	2
65820EHX1	03/01/03	Serial	4.95%	195,000	165,000	30,000	0	2
65820EHY9	09/01/03	Serial	4.95%	200,000	155,000	45,000	0	2
65820EHZ6	03/01/04	Serial	5.05%	205,000	145,000	60,000	0	2
65820EJA9	09/01/04	Serial	5.05%	205,000	125,000	80,000	0	2
65820EJB7	03/01/05	Serial	5.20%	215,000	115,000	100,000	0	2
65820EJC5	09/01/05	Serial	5.20%	220,000	105,000	115,000	0	2
65820EJD3	03/01/06	Serial	5.35%	220,000	105,000	115,000	0	2
65820EJE1	09/01/06	Serial	5.35%	230,000	100,000	130,000	0	2
65820EJF8	03/01/07	Serial	5.50%	235,000	95,000	140,000	0	2
65820EJG6	09/01/07	Serial	5.50%	245,000	95,000	150,000	0	2
65820EJH4	03/01/08	Serial	5.60%	245,000	90,000	155,000	0	2
65820EJJ0	09/01/08	Serial	5.60%	255,000	80,000	175,000	0	2
65820EJK7	03/01/09	Serial	5.70%	260,000		175,000	85,000	2
65820EJL5	09/01/09	Serial	5.70%	265,000		175,000	90,000	2
65820EJM3	09/01/13	Term (Note 2)	5.90%	2,225,000		1,515,000	710,000	2
65820EJN1	03/01/18	Term (Note 3)	6.13%	3,905,000		2,560,000	1,345,000	2
65820EJP6	09/01/22	Term (Note 4)	5.50%	4,795,000		4,795,000	0	1
65820EJQ4	03/01/28	Term (Note 5)	6.25%	7,825,000		5,540,000	2,285,000	2
Total 1985 Series EE/FF				\$23,505,000	\$2,880,000	\$16,110,000	\$4,515,000	

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

Note 2: Sinking fund redemption begins March 1, 2010.

Note 3: Sinking fund redemption begins September 1, 2013.

Note 4: Sinking fund redemption begins September 1, 2018.

Note 5: Sinking fund redemption begins March 1, 2023.

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF SEPTEMBER 30, 2008**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)
BOND SERIES: SERIES EE/FF

PAGE NO. 3-1985EEFF

LIST OF UNSCHEDULED REDEMPTIONS:

Call Date	Call Amount	Type of Call	Source Of Funds
06/01/97	\$5,000	Supersinker	Prepayments
09/01/97	155,000	Supersinker	Prepayments
01/01/98	275,000	Pro rata	Prepayments
07/01/98	165,000	Supersinker	Prepayments
01/01/99	430,000	Supersinker	Prepayments
05/01/99	440,000	Supersinker	Prepayments
05/01/99	435,000	Pro rata	Prepayments
07/01/99	205,000	Supersinker	Prepayments
12/15/99	775,000	Supersinker	Prepayments
05/01/00	300,000	Supersinker	Prepayments
07/01/00	495,000	Supersinker	Prepayments
01/01/01	745,000	Supersinker	Prepayments
06/01/01	320,000	Supersinker	Prepayments
10/01/01	425,000	Supersinker	Prepayments
10/01/01	630,000	Pro rata	Prepayments
10/01/01	30,000	Pro rata	Debt Service Reserve Fund
01/01/02	585,000	Pro rata	Prepayments
01/01/02	30,000	Pro rata	Debt Service Reserve Fund
04/15/02	320,000	Pro rata	Prepayments
04/15/02	15,000	Pro rata	Debt Service Reserve Fund
07/01/02	420,000	Pro rata	Prepayments
07/01/02	20,000	Pro rata	Debt Service Reserve Fund
01/01/03	500,000	Pro rata	Prepayments
06/01/03	280,000	Pro rata	Prepayments
06/01/03	40,000	Pro rata	Debt Service Reserve Fund
06/01/03	985,000	Pro rata	Prepayments
10/01/03	560,000	Pro rata	Prepayments
10/01/03	80,000	Pro rata	Debt Service Reserve Fund
10/01/03	890,000	Pro rata	Prepayments
01/01/04	815,000	Pro rata	Prepayments
05/01/04	590,000	Pro rata	Prepayments
09/01/04	830,000	Pro rata	Prepayments
09/01/04	180,000	Pro rata	Debt Service Reserve Fund
01/01/05	240,000	Pro rata	Prepayments
01/01/05	20,000	Pro rata	Debt Service Reserve Fund
05/01/05	415,000	Pro rata	Prepayments
05/01/05	20,000	Pro rata	Debt Service Reserve Fund
10/01/05	255,000	Pro rata	Prepayments
04/01/06	390,000	Pro rata	Prepayments
04/01/06	35,000	Pro rata	Debt Service Reserve Fund
08/01/06	350,000	Pro rata	Prepayments
08/01/06	20,000	Pro rata	Debt Service Reserve Fund
01/01/07	335,000	Pro rata	Prepayments
01/01/07	20,000	Pro rata	Debt Service Reserve Fund
05/01/07	50,000	Pro rata	Prepayments
05/01/07	5,000	Pro rata	Debt Service Reserve Fund
11/01/07	365,000	Pro rata	Prepayments
11/01/07	20,000	Pro rata	Debt Service Reserve Fund
02/01/08	225,000	Pro rata	Prepayments
02/01/08	15,000	Pro rata	Debt Service Reserve Fund
07/01/08	<u>360,000</u>	Pro rata	Prepayments
Total	<u>\$16,110,000</u>		

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF SEPTEMBER 30, 2008**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)
BOND SERIES: SERIES EE/FF

PAGE NO. 4-1985EEFF

Bond Call Information:
Special Redemption

The 1985 Series EE and FF 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 EE and FF 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 EE and FF 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 EE and FF bonds, shall first be applied to the redemption or purchase of Series FF Term bonds due September 1, 2022 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 EE and FF 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 EE and FF bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after March 1, 2006, in whole or in part, on any date, at the following redemption prices, plus accrued interest to the date of redemption:

Period (Both Dates Inclusive)	Redemption Price (Expressed as a Percentage)
March 1, 2006 to February 28, 2007	102.00%
March 1, 2007 to February 29, 2008	101.00%
March 1, 2008 and thereafter	100.00%