

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

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: SERIES 05

PAGE NO. 1-1998-05

SERIES DATE: 07/15/99 SERIES SOLD: 08/19/99

GENERAL INFORMATION:		LOAN PORTFOLIO CHARACTERISTICS (AS A % OF LOANS OUTSTANDING)		
Bonds Outstanding:	17,825,000	New Construction:	42.40%	
Bond Yield	5.42%	Existing Home:	<u>57.60%</u>	Private 0.00%
Mortgage Loan Prin Outstanding	17,074,096	Total	<u>100.00%</u>	FHA 92.40%
Mortgage Rate(s)	5.75% - 6.95%			VA 4.40%
Outstanding Commitments:	0			USDA 3.20%
Uncommitted Lendable Funds:	0			Guaranty Fund 0.00%
		Fixed Rate Mortgages	100.00%	Other (less than 80.00 LTV) <u>0.00%</u>
Average Purchase Price:	83,288	Graduated Pmt Mtgs	0.00%	Total <u>100.00%</u>
Average Original Loan Amount:	80,516	Growing Equity Mtgs	0.00%	
Total No. of Loans Originated:	648	Variable Rate Mtgs	<u>0.00%</u>	
Total No. of Loans Paid Off:	398	Total	<u>100.00%</u>	
Total No. of Loans Outstanding:	250			

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 97.61% Condos/Townhouses 1.20% Manufactured/Duplexes <u>1.19%</u> Total <u>100.00%</u>	Breakdown of Private Mortgage Insurers (List by % of total portfolio):
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			1998-05 GEMICO 0.00% RMIC 0.00% UG 0.00% VEREX <u>0.00%</u>

POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS): None

SELF-INSURANCE COVERAGE:	Name of Self-Insurance Fund: Insurance Reserve Fund Series of Bonds Covered: 1998 Series 05	Current Funding Requirements: Total Dollar Amount (\$000) \$325 As % of Initial Principal Amount of Mortgage Loans Purchased 1.08% Claims to Date 0
	Maximum level of funding required over the life of the bonds (\$000)	\$575

DELINQUENCY STATISTICS (AS A % OF LOANS OUTSTANDING):			(AS % OF PRINCIPAL BALANCE OUTSTANDING):		
	%	#	%	\$	
60 days	0.80%	2	0.68%	116,382	
90 days	2.40%	6	2.64%	451,121	
In Foreclosure	0.80%	2	1.06%	181,093	

No. of Loans Foreclosed to Date since 1/1/87	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	# of Loans	Mtg Rate
RBC Centura	116	46.40%	1998 SERIES 05	50	5.75%
Marsh	68	27.20%		17	5.99%
BB&T	57	22.80%		179	6.65%
Bank of America	9	<u>3.60%</u>		4	6.95%
TOTAL	250	<u>99.99%</u>	Total	250	

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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)
65820EZS2	07/01/01	Serial	4.15%	\$410,000	\$410,000	\$0	\$0	2
65820EZT0	07/01/02	Serial	4.30%	850,000	845,000	5,000	0	2
65820EZU7	07/01/03	Serial	4.50%	885,000	880,000	5,000	0	2
65820EZV5	07/01/04	Serial	4.65%	930,000	905,000	25,000	0	2
65820EZW3	07/01/05	Serial	4.75%	970,000	850,000	120,000	0	2
65820EZX1	07/01/06	Serial	4.85%	1,020,000	785,000	235,000	0	2
65820EZY9	07/01/07	Serial	4.95%	1,065,000	685,000	380,000	0	2
65820EA91	01/01/08	Serial	4.80%	560,000	300,000	260,000	0	2
65820EB25	07/01/08	Serial	4.80%	580,000	295,000	285,000	0	2
65820EB33	01/01/09	Serial	4.90%	585,000	0	290,000	295,000	2
65820EB41	07/01/09	Serial	4.90%	605,000	0	295,000	310,000	2
65820EB58	01/01/10	Serial	5.00%	620,000	0	300,000	320,000	2
65820EZZ6	07/01/10	Serial	5.15%	625,000	0	305,000	320,000	2
65820EA26	01/01/11	Serial	5.25%	645,000	0	320,000	325,000	2
65820EA34	07/01/11	Serial	5.25%	655,000	0	320,000	335,000	2
65820EA42	01/01/12	Serial	5.30%	680,000	0	335,000	345,000	2
65820EA59	07/01/12	Serial	5.30%	695,000	0	345,000	350,000	2
65820EA67	01/01/19	Term (Note 2)	5.55%	10,985,000	0	5,515,000	5,470,000	2
65820EA75	01/01/24	Term (Note 3)	4.90%	11,430,000	0	11,430,000	0	1
65820EA83	07/01/30	Term (Note 4)	5.625%	20,205,000	0	10,450,000	9,755,000	2
Total 1998 Series 5				\$55,000,000	\$5,955,000	\$31,220,000	\$17,825,000	

Note 1: See optional and special redemption provisions page 4-98-05, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemptions begin January 1, 2013.

Note 3: Sinking fund redemptions begin July 1, 2019.

Note 4: Sinking fund redemptions begin July 1, 2024.

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LIST OF UNSCHEDULED REDEMPTIONS:

Call Date	Call Amount	Type of Call	Source Of Funds
05/01/00	\$65,000	Supersinker	Prepayments
05/01/00	55,000	Pro rata	Prepayments
01/01/01	310,000	Supersinker	Prepayments
01/01/01	150,000	Pro rata	Prepayments
01/01/01	10,000	Pro rata	Debt Service Reserve
06/01/01	115,000	Supersinker	Prepayments
06/01/01	10,000	Pro rata	Debt Service Reserve
10/01/01	195,000	Supersinker	Prepayments
10/01/01	5,000	Pro rata	Debt Service Reserve
01/01/02	300,000	Supersinker	Prepayments
01/01/02	5,000	Pro rata	Debt Service Reserve
04/15/02	330,000	Supersinker	Prepayments
04/15/02	5,000	Pro rata	Debt Service Reserve
07/01/02	840,000	Supersinker	Prepayments
07/01/02	35,000	Pro rata	Debt Service Reserve
01/01/03	2,280,000	Supersinker	Prepayments
06/01/03	90,000	Supersinker	Prepayments
06/01/03	120,000	Pro rata	Prepayments
10/01/03	1,425,000	Supersinker	Prepayments
10/01/03	325,000	Pro rata	Prepayments
10/01/03	105,000	Pro rata	Debt Service Reserve
10/01/03	300,000	Pro rata	Prepayments
01/01/04	1,375,000	Supersinker	Prepayments
05/01/04	650,000	Supersinker	Prepayments
05/01/04	1,480,000	Pro rata	Prepayments
09/01/04	670,000	Supersinker	Prepayments
09/01/04	2,310,000	Pro rata	Prepayments
09/01/04	155,000	Pro rata	Debt Service Reserve
01/01/05	1,275,000	Supersinker	Prepayments
01/01/05	30,000	Pro rata	Debt Service Reserve
05/01/05	1,225,000	Supersinker	Prepayments
05/01/05	585,000	Pro rata	Prepayments
05/01/05	35,000	Pro rata	Debt Service Reserve
10/01/05	225,000	Pro rata	Prepayments
04/01/06	285,000	Supersinker	Prepayments
04/01/06	3,545,000	Pro rata	Prepayments
04/01/06	100,000	Pro rata	Debt Service Reserve
08/01/06	4,040,000	Pro rata	Prepayments
08/01/06	80,000	Pro rata	Debt Service Reserve
01/01/07	680,000	Pro rata	Prepayments
01/01/07	30,000	Pro rata	Debt Service Reserve
05/01/07	130,000	Pro rata	Prepayments
05/01/07	5,000	Pro rata	Debt Service Reserve
11/01/07	4,300,000	Pro rata	Prepayments
11/01/07	100,000	Pro rata	Debt Service Reserve
02/01/08	685,000	Pro rata	Prepayments
02/01/08	15,000	Pro rata	Debt Service Reserve
07/01/08	<u>135,000</u>	Pro rata	Prepayments
TOTAL	<u>\$31,220,000</u>		

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Bond Call Information:

Special Redemption

The 1998 Series 5 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 5, and
- (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 5 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 5 bonds shall first be applied to the redemption or purchase of Series 5 Term bonds due January 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 and from excess revenues in the revenue reserve fund shall be applied to the redemption of the Series 5 bonds in any manner. Moneys to be applied to redemption 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 5 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after January 1, 2009, either as a whole, on any date, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.