

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

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: SERIES 15

PAGE NO. 1-1998-15

SERIES DATE: 4/11/03

SERIES SOLD: 5/8/03

GENERAL INFORMATION:

Bonds Outstanding: 35,325,000
Bond Yield: 3.99%
Mortgage Loan Prin Outstanding: 33,411,399
Mortgage Rate(s): 4.95% - 5.38%
Outstanding Commitments: 0
Uncommitted Lendable Funds: 0

Average Purchase Price: 99,195
Average Original Loan Amount: 96,983
Total No. of Loans Originated: 517
Total No. of Loans Paid Off: 133
Total No. of Loans Outstanding: 384

LOAN PORTFOLIO CHARACTERISTICS (AS A % OF LOANS OUTSTANDING)

New Construction: 27.08%
Existing Home: 72.92%
Total: 100.00%

Fixed Rate Mortgages: 100.00%
Graduated Pmt Mtgs: 0.00%
Growing Equity Mtgs: 0.00%
Variable Rate Mtgs: 0.00%
Total: 100.00%

Private: 33.85%
FHA: 42.19%
VA: 1.56%
USDA: 17.19%
Guaranty Fund: 0.00%
Other (less than 80.00 LTV): 5.21%
Total: 100.00%

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: 87.50%
Condos/Townhouses: 10.68%
Manufactured/Duplexes: 1.82%
Total: 100.00%

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

1998-15
GEMICO: 20.05%
MGIC: 0.00%
RMIC: 5.73%
UG: 1.30%
PMI: 2.86%
TRIAD: 0.78%
RADIAN: 3.13%
33.85%

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

POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS):

None

SELF-INSURANCE COVERAGE: Name of Self-Insurance Fund: Insurance Reserve Fund
Series of Bonds Covered: 1998 Series 15

Current Funding Requirements:
Total Dollar Amount (\$000): \$499
As % of Initial Principal Amount
of Mortgage Loans Purchased: 1.17%
Claims to Date: 0

Maximum level of funding required over the life of the bonds (\$000) \$565

DELINQUENCY STATISTICS (AS A % OF LOANS OUTSTANDING):

(AS % OF PRINCIPAL BALANCE OUTSTANDING):

| | % | # | % | \$ |
|----------------|-------|---|-------|---------|
| 60 days | 0.52% | 2 | 0.47% | 158,406 |
| 90 days | 1.82% | 7 | 1.76% | 587,462 |
| In Foreclosure | 0.00% | 0 | 0.00% | 0 |

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:

| Servicer | # of Loans | % of Portfolio |
|-----------------|------------|----------------|
| Marsh | 205 | 53.39% |
| RBC Centura | 107 | 27.86% |
| BB&T | 54 | 14.06% |
| Bank of America | 13 | 3.39% |
| SECU | 5 | 1.30% |
| Total | 384 | 100.00% |

MORTGAGE LOAN RATES (BY BOND SERIES):

| Series | # of Loans | Mtg Rate |
|----------------|------------|--------------|
| 1998 SERIES 15 | 190 | 4.95% |
| | 8 | 4.99% |
| | 32 | 5.13% |
| | 2 | 5.20% |
| | 116 | 5.25% |
| | <u>36</u> | <u>5.38%</u> |
| Total | 384 | |

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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) |
|----------------------|---------------|---------------|---------------|-----------------|-------------------|-----------------------|-----------------------|-----------------------------|
| 65820E4F4 | 01/01/05 | Serial | 1.50% | \$475,000 | \$475,000 | \$0 | \$0 | 2 |
| 65820E4G2 | 07/01/05 | Serial | 1.50% | 480,000 | 480,000 | 0 | 0 | 2 |
| 65820E4HO | 01/01/06 | Serial | 1.90% | 485,000 | 485,000 | 0 | 0 | 2 |
| 65820E4J6 | 07/01/06 | Serial | 2.00% | 490,000 | 445,000 | 45,000 | 0 | 2 |
| 65820E4K3 | 01/01/07 | Serial | 2.40% | 495,000 | 455,000 | 40,000 | 0 | 2 |
| 65820E4L1 | 07/01/07 | Serial | 2.40% | 505,000 | 460,000 | 45,000 | 0 | 2 |
| 65820E4M9 | 01/01/08 | Serial | 2.65% | 510,000 | 460,000 | 50,000 | 0 | 2 |
| 65820E4N7 | 07/01/08 | Serial | 2.65% | 520,000 | 460,000 | 60,000 | 0 | 2 |
| 65820E4P2 | 01/01/09 | Serial | 2.90% | 40,000 | 0 | 10,000 | 30,000 | 2 |
| 65820E3L2 | 01/01/09 | Serial | 3.30% | 490,000 | 0 | 55,000 | 435,000 | 2 |
| 65820E3M0 | 07/01/09 | Serial | 3.30% | 535,000 | 0 | 60,000 | 475,000 | 2 |
| 65820E3N8 | 01/01/10 | Serial | 3.65% | 545,000 | 0 | 60,000 | 485,000 | 2 |
| 65820E3P3 | 07/01/10 | Serial | 3.65% | 555,000 | 0 | 60,000 | 495,000 | 2 |
| 65820E3Q1 | 01/01/11 | Serial | 3.95% | 570,000 | 0 | 60,000 | 510,000 | 2 |
| 65820E3R9 | 07/01/11 | Serial | 3.95% | 580,000 | 0 | 60,000 | 520,000 | 2 |
| 65820E3S7 | 01/01/12 | Serial | 4.05% | 595,000 | 0 | 70,000 | 525,000 | 2 |
| 65820E3T5 | 07/01/12 | Serial | 4.05% | 605,000 | 0 | 70,000 | 535,000 | 2 |
| 65820E3U2 | 01/01/13 | Serial | 4.25% | 620,000 | 0 | 70,000 | 550,000 | 2 |
| 65820E3V0 | 07/01/13 | Serial | 4.25% | 630,000 | 0 | 70,000 | 560,000 | 2 |
| 65820E3W8 | 01/01/14 | Serial | 4.35% | 645,000 | 0 | 75,000 | 570,000 | 2 |
| 65820E3X6 | 07/01/14 | Serial | 4.35% | 660,000 | 0 | 80,000 | 580,000 | 2 |
| 65820E3Y4 | 01/01/15 | Serial | 4.50% | 675,000 | 0 | 85,000 | 590,000 | 2 |
| 65820E3Z1 | 07/01/15 | Serial | 4.50% | 690,000 | 0 | 85,000 | 605,000 | 2 |
| 65820E4A5 | 07/01/22 | Term (Note 2) | 4.85% | 1,000,000 | 0 | 180,000 | 820,000 | 2 |
| 65820E4B3 | 01/01/23 | Term (Note 3) | 4.85% | 1,445,000 | 0 | 230,000 | 1,215,000 | 1 |
| 65820E4C1 | 01/01/31 | Term (Note 4) | 4.95% | 1,700,000 | 0 | 295,000 | 1,405,000 | 2 |
| 65820E4D9 | 07/01/31 | Term (Note 5) | 3.70% | 10,000,000 | 0 | 5,665,000 | 4,335,000 | 2 |
| 65820E4E7 | 01/01/32 | Term (Note 6) | 4.95% | 3,520,000 | 0 | 605,000 | 2,915,000 | 2 |
| | 07/01/32 | (Note 7) | Variable | 20,000,000 | 2,830,000 | 0 | 17,170,000 | |
| Total 1998 Series 15 | | | | \$50,060,000 | \$3,720,000 | \$8,185,000 | \$35,325,000 | |

Note 1: See optional and special redemption provisions page 4-1998-15, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemptions begin January 1, 2016.

Note 3: Sinking fund redemptions begin January 1, 2016.

Note 4: Sinking fund redemptions begin July 1, 2023.

Note 5: Sinking fund redemptions begin January 1, 2016.

Note 6: Sinking fund redemptions begin July 1, 2023.

Note 7: Variable rate loans associated with swap - UBS Paine Webber

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LIST OF UNSCHEDULED REDEMPTIONS:

| Call Date | Call Amount | Type of Call | Source Of Funds |
|-----------|--------------------|--------------|-----------------|
| 09/01/04 | \$195,000 | Supersinker | Prepayments |
| 01/01/05 | \$245,000 | Supersinker | Prepayments |
| 05/01/05 | \$510,000 | Supersinker | Prepayments |
| 10/01/05 | \$295,000 | Pro rata | Prepayments |
| 04/01/06 | \$700,000 | Supersinker | Prepayments |
| 04/01/06 | \$1,675,000 | Pro rata | Prepayments |
| 08/01/06 | \$860,000 | Supersinker | Prepayments |
| 08/01/06 | \$20,000 | Pro rata | Prepayments |
| 01/01/07 | \$915,000 | Supersinker | Prepayments |
| 01/01/07 | \$120,000 | Pro rata | Prepayments |
| 05/01/07 | \$395,000 | Supersinker | Prepayments |
| 11/01/07 | \$490,000 | Supersinker | Prepayments |
| 11/01/07 | \$220,000 | Pro rata | Prepayments |
| 02/01/08 | \$840,000 | Supersinker | Prepayments |
| 02/01/08 | \$190,000 | Pro rata | Prepayments |
| 07/01/08 | <u>\$515,000</u> | Supersinker | Prepayments |
| | <u>\$8,185,000</u> | | |

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Bond Call Information:

Special Redemption:

The 1998 Series 15 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 15, 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 15 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 15 bonds shall first be applied to the redemption or purchase of Series 15 Term bonds due July 1, 2031 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 15 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 15 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after July 1, 2012, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.