

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF SEPTEMBER 30, 2010**

**INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)
BOND SERIES: A**

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$6,227,445
Mortgage Rates: 4.950% - 9.950%

Average Purchase Price: \$84,253
Average Original Loan Amount: \$78,570

Total No. of Loans Originated: 1,692
Total No. of Loans Paid Off: 1,590
Total No. of Loans Outstanding: 102

PROGRAM

P.O. Box 28066
Raleigh, NC 27611-8066
(919) 877-5700

Contacts:
Sharon Drewyor, Director of Home Ownership Lending
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>
CONV	35	34.31%
FHA	46	45.10%
VA	1	0.98%
USDA	8	7.84%
HUD-184	0	0.00%
Guaranty Fund	0	0.00%
Other (< 80%LTV)	12	11.77%
Total	102	100.00%

<u>Private Mortgage Insurers:</u>	<u># of Loans</u>	<u>%</u>
GENWORTH	25	24.51%
AIG-UGIC	4	3.92%
RMIC	4	3.92%
RADIAN GUARANTY INC.	1	0.98%
PMI MTG. INS. CO.	1	0.98%
Total	35	34.31%

<u>New/Existing:</u>	<u># of Loans</u>	<u>%</u>
New Construction	29	28.43%
Existing Home	73	71.57%
Total	102	100.00%

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	94	92.16%
Condominium	6	5.88%
Townhouse	2	1.96%
Manufactured Home	0	0.00%
Total	102	100.00%

DELINQUENCY STATISTICS

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	2	1.96%
90 days	4	3.92%
In Foreclosure	0	0.00%
REO (Conv, USDA)	0	0.00%
Total	6	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$166,922	2.68%
90 days	\$309,521	4.97%
In Foreclosure	\$0	0.00%
REO (Conv, USDA)	\$0	0.00%
Total	\$476,443	

SERVICER AND MORTGAGE LOAN DATA

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
Marsh Associates Inc.	41	40.20%
RBC Bank	33	32.35%
Bank of America	3	2.94%
NC Housing Finance Agency	1	0.98%
BB&T	24	23.53%
Total	102	100.00%

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
9.95	24
7.375	1
7.25	10
6.95	1
6.65	2
6.45	12
6.25	2
6.125	3
6	2
5.99	4
5.875	1
5.75	7
5.625	1
5.5	5
5.375	3
5.25	2
5.125	7
4.99	1
4.95	14
Total	102

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INDENTURE SINGLE FAMILY RESIDENCE BONDS (1996 REGULATION)
BOND SERIES SERIES A

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POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS)	None
SELF INSURANCE COVERAGE	None

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)	
09/01/85	Serial	5.250%	\$940,000	\$940,000			\$0		
03/01/86	Serial	5.750%	735,000	735,000			0		
09/01/86	Serial	6.000%	1,315,000	1,315,000			0		
03/01/87	Serial	6.500%	1,640,000	1,160,000	480,000		0	2	
09/01/87	Serial	6.500%	1,695,000	1,200,000	495,000		0	2	
03/01/88	Serial	7.000%	1,750,000	1,225,000	525,000		0	2	
09/01/88	Serial	7.000%	1,815,000	1,265,000	550,000		0	2	
03/01/89	Serial	7.500%	1,880,000	1,310,000	570,000		0	2	
09/01/89	Serial	7.500%	1,950,000	1,345,000	605,000		0	2	
03/01/90	Serial	8.000%	2,025,000	1,395,000	630,000		0	2	
09/01/90	Serial	8.000%	2,105,000	1,455,000	650,000		0	2	
03/01/91	Serial	8.200%	2,190,000	1,500,000	690,000		0	2	
09/01/91	Serial	8.200%	2,280,000	1,555,000	725,000		0	2	
03/01/92	Serial	8.400%	2,375,000	1,575,000	800,000		0	2	
09/01/92	Serial	8.400%	2,475,000	1,615,000	860,000		0	2	
03/01/93	Serial	8.600%	2,580,000	1,460,000	1,120,000		0	2	
09/01/93	Serial	8.600%	2,695,000	730,000	1,965,000		0	2	
03/01/94	Serial	8.800%	2,810,000	190,000	2,620,000		0	2	
09/01/94	Serial	8.800%	2,935,000		2,935,000		0	2	
03/01/95	Serial	9.000%	3,065,000		3,065,000		0	2	
09/01/95	Serial	9.000%	3,205,000		3,205,000		0	2	
658200LZ1	03/01/96	Muni Serial	8.400%	1,231,084		1,231,084		0	2
65820MA5	09/01/96	Muni Serial	8.400%	1,175,827		1,175,827		0	2
65820MB3	03/01/97	Muni Serial	9.600%	1,097,823		1,097,823		0	2
65820MC1	09/01/97	Muni Serial	9.600%	1,049,059		1,049,059		0	2
65820MD8	03/01/98	Muni Serial	8.800%	976,685		976,685		0	2
65820ME7	09/01/98	Muni Serial	8.800%	931,022		931,022		0	2
65820MF4	03/01/99	Muni Serial	9.900%	877,155		877,155		0	2
65820MG2	09/01/99	Muni Serial	9.900%	835,799		835,799		0	2
65820MH0	03/01/00	Muni Serial	10.000%	786,288		786,288		0	2
65820MJ6	09/01/00	Muni Serial	10.000%	748,848		748,848		0	2
65820MK3	09/01/05	Term (Note 2)	9.125%	40,825,000		40,825,000		0	1
65820ML1	09/01/09	Muni Term (Note 3)	10.875%	3,890,460		3,890,460		0	3
65820MM9	03/01/17	Muni Term (Note 4)	11.125%	3,416,955		3,416,955		0	3
Total 1985 Series A				\$102,302,005	\$21,820,000	\$80,382,005	\$0		

Note 1: See optional and special redemption provisions on page 4-1985A, (i.e. "1" denotes first call priority from prepayments).
 Note 2: Sinking fund redemptions begin March 1, 2001.
 Note 3: Sinking fund redemptions begin September 1, 2005.
 Note 4: Sinking fund redemptions begin March 1, 2010.

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INDENTURE SINGLE FAMILY RESERVE BONDS (1996 REGULATION)
BOND SERIES SERIES A
LIST OF UNREDEEMED CALLS

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Call Date	Call Amount	Type of Call	Source Of Funds
09/01/86	\$27,303,394	Pro rata	Unexpended Proceeds
09/01/86	535,000	Supersinker	Prepayments
09/01/86	683,757	Pro rata	Debt Service Reserve
07/01/87	105,000	Pro rata	Unexpended Proceeds
07/01/87	2,170,000	Supersinker/Pro rata	Prepayments
07/01/87	40,000	Pro rata	Debt Service Reserve
01/01/88	1,979,000	Supersinker/Pro rata	Prepayments
01/01/88	41,000	Pro rata	Debt Service Reserve
07/01/88	2,010,000	Supersinker	Prepayments
07/01/88	37,129	Pro rata	Debt Service Reserve
01/01/89	3,272,575	Supersinker/Pro rata	Prepayments
01/01/89	56,469	Pro rata	Debt Service Reserve
07/01/89	2,375,000	Supersinker/Pro rata	Prepayments
07/01/89	36,153	Pro rata	Debt Service Reserve
01/01/90	2,680,000	Supersinker/Pro rata	Prepayments
01/01/90	42,162	Pro rata	Debt Service Reserve
07/01/90	2,373,341	Supersinker/Pro rata	Prepayments
07/01/90	17,023	Pro rata	Debt Service Reserve
01/01/91	3,135,582	Supersinker/Pro rata	Prepayments
01/01/91	46,311	Pro rata	Debt Service Reserve
07/01/91	1,790,000	Supersinker	Prepayments
01/01/92	2,367,289	Supersinker/Pro rata	Prepayments
07/01/92	4,733,422	Supersinker/Pro rata	Prepayments
01/01/93	4,484,121	Supersinker/Pro rata	Prepayments
06/01/93	3,976,930	Pro rata(except muni terms)	Revenue Reserve Excess
06/01/93	2,973,934	Supersinker/Pro rata	Prepayments
10/01/93	1,289,253	Pro rata(except muni terms)	Revenue Reserve Excess
10/01/93	3,429,035	Supersinker/Pro rata	Prepayments
03/01/94	2,294,170	Pro rata	Prepayments
07/01/94	768,269	Pro rata	Prepayments
10/01/94	793,835	Pro rata	Prepayments
10/01/94	204,255	Pro rata	Debt Service Reserve
01/01/95	1,197,057	Pro rata	Revenue Reserve Excess
01/01/95	165,431	Pro rata	Debt Service Reserve
07/01/95	440,401	Pro rata	Revenue Reserve Excess
07/01/95	535,649	Pro rata	Prepayments
09/01/97	158	Pro rata	Prepayments
Total	<u>\$80,382,005</u>		

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INDENTURE SINGLE FAMILY RESERVE BONDS (1996 REGULATION)
BOND SERIES SERIES A
Bond Detail Information
Special Redemption

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The 1985 Series A bonds may be redeemed in whole or in part (by lot if within a single maturity except that the 1985 Series A Resolution provides for redemption other than by lot with respect to the 2005 Term bonds as discussed below) on any date at the principal amount thereof plus accrued interest to the date of redemption, or in the case of the municipal multiplier bonds at the compounded amount from:

- (i) unexpended proceeds of bonds,
- (ii) excess revenues transferred from the revenue reserve fund,
- (iii) prepayments of mortgage loans purchased with the proceeds of sale of bonds or moneys derived therefrom, and
- (iv) moneys withdrawn from the debt service fund pursuant to a decrease in the debt service reserve requirement caused by a special redemption of bonds.

Moneys referred to in clauses (i) and (ii) will be applied to the redemption of municipal multiplier term bonds only after all other bonds have been redeemed.

Prepayments of mortgage loans financed with the proceeds of the 1985 Series A bonds not exceeding the respective amounts of each year set forth in the series resolution must be applied to the redemption of the 2005 Term bonds before other 1985 Series A bonds are redeemed.

Optional Redemption

The 1985 Series A current interest paying serial and term bonds are redeemable at the option the Agency on or after September 1, 1995 either as a whole, on any date, or in part (by lot if within a single maturity), on any interest payment date, at the following redemption prices expressed as a percentage (plus accrued interest to the date of redemption):

Period (Both Dates Inclusive)	Redemption Price (Expressed as a Percentage)
September 1, 1995 - August 31, 1996	102.00%
September 1, 1996 - August 31, 1997	101.50%
September 1, 1997 - August 31, 1998	101.00%
September 1, 1998 - August 31, 1999	100.50%
September 1, 1999 and thereafter	100.00%

The municipal multiplier bonds are not subject to optional redemption.