

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF DECEMBER 31, 2008**

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

PAGE NO. 1-1998 ALL

LIST OF OUTSTANDING INVESTMENTS BY FUND (OVER \$100,000):

Fund	Investment Type	Investor	Investment Amount	Rate of Investment	Maturity Date
PROGRAM FUND					
Program 26	ST Investment Fund	NC State Treasurer	163,502	4.67%	N/A
Program 27	ST Investment Fund	NC State Treasurer	5,271,088	4.67%	12/10/2008
Program 28	Inv. Agreement	Societe Generale	405,047	4.89%	11/1/2010
Program 29	ST Investment Fund	NC State Treasurer	<u>1,506,006</u>	4.67%	N/A
FUND TOTAL			7,345,643		
REVENUE FUND					
Revenue 20 Contribution	ST Investment Fund	NC Capital Management	433,596	1.86%	N/A
Revenue 21 Contribution	ST Investment Fund	NC Capital Management	<u>445,895</u>	1.86%	N/A
FUND TOTAL			879,491		
DEBT SERVICE RESERVE FUND **					
Contribution Reserve	Inv. Agreement	Trinity Plus	1,096,141	5.08%	01/01/34
Proceeds Reserve	Debenture	Fannie Mae	1,000,000	5.38%	07/16/18
Series 1	Inv. Agreement	Bayerische Landesbank	392,300	5.60%	07/01/31
Series 2	Inv. Agreement	NATIXIS Funding	215,000	5.08%	07/01/31
Series 3	Inv. Agreement	AIG Matched Funding	460,000	5.16%	07/01/30
Series 4	Inv. Agreement	Trinity Plus	365,000	5.36%	07/01/31
Series 5	Inv. Agreement	Westdeutsche			
		Landesbank	350,000	6.07%	07/01/31
Series 6	Inv. Agreement	Bayerische Landesbank	210,000	5.98%	07/01/31
Series 7	Inv. Agreement	AIG Matched Funding	395,000	6.50%	07/01/31
Series 8	Inv. Agreement	NATIXIS Funding	130,000	7.15%	07/01/31
Series 9	Inv. Agreement	Trinity Plus	650,000	6.25%	07/01/31
Series 16	Inv. Agreement	Societe Generale	680,000	4.75%	07/01/32
Series 17	ST Investment Fund	NC State Treasurer	767,300	4.67%	07/01/34
Series 18	ST Investment Fund	NC State Treasurer	711,300	4.67%	01/01/35
Series 19	ST Investment Fund	NC State Treasurer	1,030,000	4.67%	07/01/35
Series 20	ST Investment Fund	NC State Treasurer	1,070,000	4.67%	07/01/35
Series 21	ST Investment Fund	NC State Treasurer	1,100,000	4.67%	07/01/35
Series 22	Inv. Agreement	Societe Generale	1,170,000	4.94%	01/01/35
Series 22CE	ST Investment Fund	NC Capital Management	1,600,000	1.86%	N/A
Series 23	Inv. Agreement	Societe Generale	1,185,000	4.70%	07/01/36
Series 24	Inv. Agreement	Societe Generale	1,580,000	4.70%	07/01/36
Series 25	Inv. Agreement	Societe Generale	1,230,000	4.87%	07/01/37
Series 26	ST Investment Fund	NC State Treasurer	1,255,000	4.67%	N/A
Series 27	ST Investment Fund	NC State Treasurer	1,300,000	4.67%	N/A
Series 28	Inv. Agreement	Societe Generale	1,280,000	4.65%	07/01/37
Series 29	ST Investment Fund	NC State Treasurer	1,965,000	4.67%	N/A
Series 30	ST Investment Fund	NC Capital Management	1,300,000	1.86%	N/A
Series 31	ST Investment Fund	NC Capital Management	<u>1,300,000</u>	1.86%	N/A
FUND TOTAL			24,690,900		
FUND TOTAL			25,787,041		

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REVENUE RESERVE FUND

General Reserve					
Series 8	Inv. Agreement	Westdeutsche			
		Landesbank	1,502,205	6.67%	07/01/31
	ST Investment Fund	NC Capital Management	2,173,445	1.86%	N/A
	Debtenture	Fannie Mae	<u>500,000</u>	6.00%	08/10/20
			4,175,650		
Revenue Reserve					
Series 1	Inv. Agreement	Bayerische Landesbank	789,709	5.30%	07/01/31
Series 2	Inv. Agreement	NATIXIS Funding	462,176	5.08%	07/01/31
Series 3	Inv. Agreement	AIG Matched Funding	137,394	4.82%	07/01/31
Series 4	Inv. Agreement	Westdeutsche			
		Landesbank	870,407	5.17%	07/01/31
Series 5	Inv. Agreement	Westdeutsche			
		Landesbank	640,552	5.87%	07/01/31
Series 6	Inv. Agreement	Bayerische Landesbank	575,059	5.91%	07/01/31
Series 7	Inv. Agreement	AIG Matched Funding	780,375	6.05%	07/01/31
Series 8	Inv. Agreement	Westdeutsche			
		Landesbank	1,914,292	6.67%	07/01/31
Series 9	Inv. Agreement	Trinity Plus	1,104,049	6.25%	07/01/31
Series 11	Inv. Agreement	Trinity Plus	1,215,554	5.25%	07/01/31
Series 12	Inv. Agreement	Bayerische Landesbank	512,592	5.06%	07/01/31
Series 13	Inv. Agreement	Trinity Plus	570,717	5.08%	07/01/31
Series 15	Inv. Agreement	FSA Capital Mgmt	104,447	4.01%	07/01/32
Series 16	Inv. Agreement	FSA Capital Mgmt	167,992	4.01%	07/01/32
Series 17	Inv. Agreement	FSA Capital Mgmt	214,830	4.22%	07/01/34
Series 18	Inv. Agreement	FSA Capital Mgmt	166,132	4.01%	01/01/35
	ST Investment Fund	NC State Treasurer	11,993,898	4.23%	N/A
	ST Investment Fund	NC Capital Management	5,347,884	1.86%	N/A
	Debtenture	Fannie Mae	300,000	5.38%	07/16/18
	Debtenture	Fannie Mae	<u>1,000,000</u>	6.00%	10/06/25
			28,868,059		
Revenue Reserve - Refunding					
	Debtenture	Fannie Mae	600,000	5.38%	07/16/18
	Debtenture	Fannie Mae	1,500,000	6.00%	07/11/25
	Debtenture	Fannie Mae	500,000	6.00%	08/18/20
	Debtenture	Fannie Mae	1,000,000	6.00%	10/13/20
	ST Investment Fund	NC State Treasurer	343,610	4.67%	N/A
	ST Investment Fund	NC Capital Management	9,384,196	1.86%	N/A
Series 11	Inv. Agreement	Trinity Plus	263,183	5.25%	07/01/31
Series 13	Inv. Agreement	Trinity Plus	935,594	5.08%	07/01/31
Series 15	Inv. Agreement	FSA Capital Mgmt	192,261	4.01%	07/01/32
Series 16	Inv. Agreement	FSA Capital Mgmt	243,360	4.01%	07/01/32
Series 17	Inv. Agreement	Societe Generale	931,610	4.22%	07/01/34
Series 18	Inv. Agreement	FSA Capital Mgmt	<u>746,758</u>	4.01%	01/01/35
			16,640,572		
FUND TOTAL			49,684,281		

SPECIAL REDEMPTION FUND

Series 01	Inv. Agreement	Bayerische Landesbank	550,169	5.30%	07/01/31
Series 02	Inv. Agreement	NATIXIS Funding	206,750	5.08%	07/01/31
Series 03	Inv. Agreement	AIG Matched Funding	744,279	4.82%	07/01/31
Series 04	Inv. Agreement	Westdeutsche			
		Landesbank	1,617,280	5.17%	07/01/31
Series 05	Inv. Agreement	Westdeutsche			
		Landesbank	1,227,075	5.87%	07/01/31
Series 06	Inv. Agreement	Bayerische Landesbank	862,408	5.91%	07/01/31
Series 07	Inv. Agreement	AIG Matched Funding	1,900,121	6.05%	07/01/31
Series 09	Inv. Agreement	Trinity Plus	1,832,929	6.25%	07/01/31
Series 10	Inv. Agreement	Bayerische Landesbank	1,078,077	4.61%	07/01/31
Series 11	Inv. Agreement	Trinity Plus	480,509	5.25%	07/01/31
Series 12	Inv. Agreement	Bayerische Landesbank	6,791,138	5.06%	07/01/31
	ST Investment Fund	NC Capital Management	3,272,637	1.86%	N/A
Series 13	Inv. Agreement	Trinity Plus	1,805,352	5.08%	07/01/31
Series 14	ST Investment Fund	NC Capital Management	1,160,038	1.86%	N/A
Series 15	Inv. Agreement	FSA Capital Mgmt	1,154,332	4.01%	07/01/32
Series 16	Inv. Agreement	FSA Capital Mgmt	1,091,328	4.01%	07/01/32
Series 17	Inv. Agreement	Societe Generale	811,941	4.22%	07/01/34
Series 18	Inv. Agreement	FSA Capital Mgmt	2,317,335	4.01%	01/01/35
Series 19	ST Investment Fund	NC Capital Management	975,941	1.86%	N/A
Series 20	ST Investment Fund	NC Capital Management	2,851,432	1.86%	N/A
Series 21	ST Investment Fund	NC Capital Management	1,476,982	1.86%	N/A
Series 22	ST Investment Fund	NC Capital Management	706,789	1.86%	N/A
Series 22CE	ST Investment Fund	NC Capital Management	216,860	1.86%	N/A
Series 23	ST Investment Fund	NC Capital Management	1,509,865	1.86%	N/A
Series 24	ST Investment Fund	NC Capital Management	3,168,159	1.86%	N/A
Series 25	ST Investment Fund	NC Capital Management	1,145,886	1.86%	N/A
Series 26	ST Investment Fund	NC Capital Management	311,814	1.86%	N/A
Series 28	ST Investment Fund	NC Capital Management	304,719	1.86%	N/A
Series 30	ST Investment Fund	NC Capital Management	126,824	1.86%	N/A
Series 31	ST Investment Fund	NC Capital Management	<u>164,781</u>	1.86%	N/A
FUND TOTAL			41,863,750		

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LIST OF OUTSTANDING INVESTMENTS BY FUND (OVER \$100,000):

INSURANCE RESERVE FUND *						
Series 01	Inv. Agreement	Bayerische Landesbank	222,300	5.60%		07/01/31
Series 02	Inv. Agreement	NATIXIS Funding	156,000	5.08%		07/01/31
Series 03	Inv. Agreement	AIG Matched Funding	285,400	5.16%		07/01/30
Series 04	Inv. Agreement	Trinity Plus	248,200	5.36%		07/01/31
Series 05	Inv. Agreement	Westdeutsche Landesbank	208,600	6.07%		07/01/31
Series 06	Inv. Agreement	Bayerische Landesbank	164,365	6.00%		07/01/31
Series 07	Inv. Agreement	AIG Matched Funding	248,501	6.50%		07/01/31
Series 08	Inv. Agreement	NATIXIS Funding	291,100	7.15%		07/01/31
Series 12	ST Investment Fund	NC Capital Management	294,200	1.86%		N/A
Series 13	Inv. Agreement	Trinity Plus	565,400	5.08%		07/01/31
Series 15	Inv. Agreement	Societe Generale	451,100	4.75%		07/01/32
Series 16	Inv. Agreement	Societe Generale	483,600	4.75%		07/01/32
Series 17	ST Investment Fund	NC State Treasurer	620,000	4.67%		07/01/34
Series 18	ST Investment Fund	NC State Treasurer	550,000	4.67%		01/01/35
Series 19	ST Investment Fund	NC State Treasurer	760,000	4.67%		07/01/35
Series 20	ST Investment Fund	NC State Treasurer	721,576	4.67%		07/01/35
Series 21	ST Investment Fund	NC State Treasurer	743,500	4.67%		07/01/35
Series 22	Inv. Agreement	Societe Generale	699,100	4.94%		01/01/35
Series 22CE	ST Investment Fund	NC Capital Management	885,000	1.86%		N/A
Series 23	Inv. Agreement	Societe Generale	712,100	4.70%		07/01/36
Series 24	Inv. Agreement	Societe Generale	953,800	4.70%		07/01/36
Series 25	Inv. Agreement	Societe Generale	724,200	4.87%		07/01/37
Series 26	ST Investment Fund	NC State Treasurer	710,000	4.67%		N/A
Series 27	ST Investment Fund	NC State Treasurer	655,000	4.67%		N/A
Series 28	Inv. Agreement	Societe Generale	725,000	4.65%		07/01/37
Series 29	ST Investment Fund	NC State Treasurer	1,090,000	4.67%		N/A
Series 30	ST Investment Fund	NC Capital Management	720,000	1.86%		N/A
Series 31	ST Investment Fund	NC Capital Management	<u>690,000</u>	1.86%		N/A
FUND TOTAL			<u>15,578,042</u>			
TOTAL INVESTMENTS			<u>141,138,248</u>			

* Series 9 Insurance Reserve funded by Ambac surety bond in the amount of \$367,000
 * Series 10 Insurance Reserve funded by Ambac surety bond in the amount of \$251,000
 * Series 11 Insurance Reserve funded by Ambac surety bond in the amount of \$324,000
 * Series 12 Insurance Reserve funded by FSA surety bond in the amount of \$1,161,500
 * Series 14 Insurance Reserve funded by Ambac surety bond in the amount of \$397,000
 ** Series 10 Debt Service Reserve funded by Ambac surety bond in the amount of \$1,021,000
 ** Series 12 Debt Service Reserve funded by Ambac surety bond in the amount of \$1,116,000
 ** Series 14 Debt Service Reserve funded by Ambac surety bond in the amount of \$1,500,000
 ** Series 15 Debt Service Reserve funded by FSA surety bond in the amount of \$1,001,000

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Reserve Fund Account Description	Original Amount	Current Amount
Debt Service Reserve Fund **	15,304,900	25,843,265
General Reserve Fund	0	4,175,649
Revenue Reserve Fund	8,454,823	45,672,981
Insurance Reserve *	<u>8,991,500</u>	<u>15,578,042</u>
	<u>32,751,223</u>	<u>91,269,937</u>

- * Series 9 Insurance Reserve funded by Ambac surety bond in the amount of \$367,000
- * Series 10 Insurance Reserve funded by Ambac surety bond in the amount of \$251,000
- * Series 11 Insurance Reserve funded by Ambac surety bond in the amount of \$324,000
- * Series 12 Insurance Reserve funded by FSA surety bond in the amount of \$1,161,500
- * Series 14 Insurance Reserve funded by Ambac surety bond in the amount of \$397,000
- ** Series 10 Debt Service Reserve funded by Ambac surety bond in the amount of \$1,021,000
- ** Series 12 Debt Service Reserve funded by Ambac surety bond in the amount of \$1,116,000
- ** Series 14 Debt Service Reserve funded by Ambac surety bond in the amount of \$1,500,000
- ** Series 15 Debt Service Reserve funded by FSA surety bond in the amount of \$1,001,000

EQUITY BY INDENTURE: (Total for entire resolution)

Total Assets	Total Liabilities	Retained Earnings
<u>1,497,210,579</u>	<u>1,384,999,200</u>	<u>112,211,379</u>

Additional Information

The Trust Agreement provides that the Debt Service Reserve Fund and the Insurance Reserve Fund may be funded by cash, investment obligations or a "Reserve Alternative Instrument". The Trust Agreement defines a "Reserve Alternative Instrument" as an insurance policy, surety bond, irrevocable letter of credit, guaranty or similar instrument of a provider that is, at the time the Reserve Alternative Instrument is delivered to the Trustee (a) an insurer whose long term debt or claims paying ability has been assigned a rating by each Rating Agency in one of the two highest rating categories (without regard to gradations, such as "plus" or "minus," of such categories), or (b) a commercial bank, insurance company or other financial institution the bonds payable or guaranteed by which are assigned a rating by each Rating Agency in one of the two highest rating categories (without regard gradations such as "plus" or "minus" of such categories). The portion of the Debt Service Reserve Fund for the Series 10 Bonds, the Series 12 Bonds and the Series 14 Bonds was provided by surety bond insurance policies issued by Ambac Assurance Corporation ("Ambac Assurance"). As of June 30, 2008, the coverage provided by such surety bonds is equal to 2% of the outstanding principal of each respective Series of Bonds and equals \$2,076,300. In addition, the Insurance Reserve Requirement for the Series 9 Bonds, the Series 10 Bonds, the Series 11 Bonds and the Series 14 Bonds was provided by separate surety bond insurance policies issued by Ambac Assurance. As of June 30, 2008, the coverage provided by such surety bonds was \$1,339,000.

At the time the respective surety bond insurance policies referenced above were issued, Ambac Assurance had credit ratings meeting the requirements of the Trust Agreement, thus in any event the surety bond insurance policies issued by Ambac will continue to meet the requirements of the Trust Agreement.

On November 5, 2008, Moody's Investors Service announced that it had downgraded the insurance financial strength of Ambac Assurance from Aa3 to Baa1. Ambac's insurance financial strength is now rated AA with negative outlook by Standard & Poor's. Any explanation of the significance of such ratings may be obtained from Moody's Investor Service or Standard & Poor's.