

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF DECEMBER 31, 2011**

INVENTORY: SINGLE FAMILY REVENUE BONDS (999 RESOLUTION)
 BOND SERIES: SERIES ALL
 LIST OF OUTSTANDING INVESTMENTS BY FUND (OVER \$100,000):

PAGE NO. 1-1998 ALL

Fund	Investment Type	Investor	Investment Amount	Rate of Investment	Maturity Date
REVENUE FUND					
Revenue 20 Contribution	ST Investment Fund	NC State Treasurer	888,945	0.61%	N/A
Revenue 21 Contribution	ST Investment Fund	NC State Treasurer	1,163,391	0.61%	N/A
Revenue EFWX	ST Investment Fund	NC State Treasurer	2,059,220	0.61%	N/A
Revenue 21 FHARML	ST Investment Fund	NC State Treasurer	<u>2,105,681</u>	0.61%	N/A
FUND TOTAL			6,217,237		
BOND SERVICE FUND					
Interest					
Series 1	ST Investment Fund	NC State Treasurer	8,908,266	0.61%	N/A
Series 14	ST Investment Fund	NC State Treasurer	840,230	0.61%	N/A
Series 22CE	ST Investment Fund	NC State Treasurer	1,486,035	0.61%	N/A
Series 23	ST Investment Fund	NC State Treasurer	1,029,543	0.61%	N/A
Series 24	ST Investment Fund	NC State Treasurer	1,445,477	0.61%	N/A
Series 25	ST Investment Fund	NC State Treasurer	1,112,450	0.61%	N/A
Series 26	ST Investment Fund	NC State Treasurer	1,126,786	0.61%	N/A
Series 27	ST Investment Fund	NC State Treasurer	1,193,690	0.61%	N/A
Series 28	ST Investment Fund	NC State Treasurer	1,158,860	0.61%	N/A
Series 29	ST Investment Fund	NC State Treasurer	1,670,543	0.61%	N/A
Series 30	ST Investment Fund	NC State Treasurer	1,205,875	0.61%	N/A
Series 31	ST Investment Fund	NC State Treasurer	1,293,375	0.61%	N/A
Series 32	ST Investment Fund	NC State Treasurer	<u>398,699</u>	0.61%	N/A
			22,869,829		
Principal					
Series 1	ST Investment Fund	NC State Treasurer	8,221,121	0.61%	N/A
Series 7	ST Investment Fund	NC State Treasurer	193,253	0.61%	N/A
Series 14	ST Investment Fund	NC State Treasurer	208,882	0.61%	N/A
Series 19	ST Investment Fund	NC State Treasurer	255,942	0.61%	N/A
Series 20	ST Investment Fund	NC State Treasurer	958,181	0.61%	N/A
Series 21	ST Investment Fund	NC State Treasurer	219,053	0.61%	N/A
Series 22CE	ST Investment Fund	NC State Treasurer	371,754	0.61%	N/A
Series 23	ST Investment Fund	NC State Treasurer	240,721	0.61%	N/A
Series 24	ST Investment Fund	NC State Treasurer	337,190	0.61%	N/A
Series 25	ST Investment Fund	NC State Treasurer	272,780	0.61%	N/A
Series 26	ST Investment Fund	NC State Treasurer	260,397	0.61%	N/A
Series 27	ST Investment Fund	NC State Treasurer	295,379	0.61%	N/A
Series 28	ST Investment Fund	NC State Treasurer	284,654	0.61%	N/A
Series 29	ST Investment Fund	NC State Treasurer	404,385	0.61%	N/A
Series 30	ST Investment Fund	NC State Treasurer	299,749	0.61%	N/A
Series 31	ST Investment Fund	NC State Treasurer	<u>334,926</u>	0.61%	N/A
			13,158,367		
FUND TOTAL			36,028,196		
DEBT SERVICE RESERVE FUND **					
Contribution Reserve	Inv. Agreement	Trinity Plus	1,096,141	5.08%	01/01/34
Proceeds Reserve					
Series 2	Inv. Agreement	NATIXIS Funding	155,000	5.08%	07/01/31
Series 3	Inv. Agreement	AIG Matched Funding	330,000	5.16%	07/01/30
Series 4	Inv. Agreement	Trinity Plus	240,000	5.36%	07/01/31
Series 16	Inv. Agreement	Societe Generale	490,000	4.75%	07/01/32
Series 17	ST Investment Fund	NC State Treasurer	597,300	0.61%	N/A
Series 18	ST Investment Fund	NC State Treasurer	531,300	0.61%	N/A
Series 19	ST Investment Fund	NC State Treasurer	815,000	0.61%	N/A
Series 20	ST Investment Fund	NC State Treasurer	860,000	0.61%	N/A
Series 21	ST Investment Fund	NC State Treasurer	805,000	0.61%	N/A
Series 22	Inv. Agreement	Societe Generale	895,000	4.94%	01/01/35
Series 22CE	ST Investment Fund	NC State Treasurer	1,330,000	0.61%	N/A
Series 23	Inv. Agreement	Societe Generale	875,000	4.70%	07/01/36
Series 24	Inv. Agreement	Societe Generale	1,175,000	4.70%	07/01/36
Series 25	Inv. Agreement	Societe Generale	960,000	4.87%	07/01/37
Series 26	ST Investment Fund	NC State Treasurer	980,000	0.61%	N/A
Series 27	ST Investment Fund	NC State Treasurer	1,035,000	0.61%	N/A
Series 28	Inv. Agreement	Societe Generale	1,030,000	4.65%	07/01/37
Series 29	ST Investment Fund	NC State Treasurer	1,480,000	0.61%	N/A
Series 30	ST Investment Fund	NC State Treasurer	1,065,000	0.61%	N/A
Series 31	ST Investment Fund	NC State Treasurer	1,110,000	0.61%	N/A
Series 32	ST Investment Fund	NC State Treasurer	<u>2,724,608</u>		
			19,483,208		
FUND TOTAL			20,579,349		

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF DECEMBER 31, 2011**

INVENTORY: SINGLE FAMILY REVENUE BONDS (999 RESOLUTION)
 BOND SERIES: SERIES ALL
 LIST OF OUTSTANDING INVESTMENTS BY FUND (OVER \$100,000):

PAGE NO. 2-1998 ALL

REVENUE RESERVE FUND

General Reserve						
Series 8	Inv. Agreement	Westdeutsche Landesbank	1,502,205	6.67%		07/01/31
	ST Investment Fund	NC State Treasurer	<u>2,614,121</u>	0.61%		N/A
			4,116,326			
Revenue Reserve						
Series 2	Inv. Agreement	NATIXIS Funding	692,871	5.08%		07/01/31
Series 3	Inv. Agreement	AIG Matched Funding	636,204	4.82%		07/01/31
Series 4	Inv. Agreement	Westdeutsche Landesbank	1,433,307	5.17%		07/01/31
Series 8	Inv. Agreement	Westdeutsche Landesbank	2,447,575	6.67%		07/01/31
Series 10	Inv. Agreement	Bayerische Landesbank	408,916	4.61%		07/01/31
Series 12	Inv. Agreement	Bayerische Landesbank	1,323,165	5.06%		07/01/31
Series 13	Inv. Agreement	Trinity Plus	1,236,783	5.08%		07/01/31
Series 15	Inv. Agreement	FSA Capital Mgmt	477,853	4.01%		07/01/32
Series 16	Inv. Agreement	FSA Capital Mgmt	625,318	4.01%		07/01/32
Series 17	Inv. Agreement	Societe Generale	605,555	4.22%		07/01/34
Series 18	Inv. Agreement	FSA Capital Mgmt	432,411	4.01%		01/01/35
	ST Investment Fund	NC State Treasurer	9,961,906	0.61%		N/A
	Debenture	Federal Home Loan Bank	2,092,500	3.875%		12/14/18
	Debenture	Federal Home Loan Bank	<u>1,986,240</u>	3.375%		12/27/18
			24,360,604			
Revenue Reserve - Refunding						
	ST Investment Fund	NC State Treasurer	<u>16,322,508</u>	0.61%		N/A
FUND TOTAL			44,799,438			

SPECIAL REDEMPTION FUND

Series 02	Inv. Agreement	NATIXIS Funding	184,018	5.08%		07/01/31
Series 03	Inv. Agreement	AIG Matched Funding	634,420	4.82%		07/01/31
Series 04	Inv. Agreement	Westdeutsche Landesbank	444,119	5.17%		07/01/31
Series 08	Inv. Agreement	Westdeutsche Landesbank	507,095	6.67%		07/01/31
Series 10	Inv. Agreement	Bayerische Landesbank	567,323	4.61%		07/01/31
Series 12	Inv. Agreement	Bayerische Landesbank	1,880,504	5.06%		07/01/31
Series 13	Inv. Agreement	Trinity Plus	584,808	5.08%		07/01/31
Series 14	ST Investment Fund	NC State Treasurer	185,585	0.61%		N/A
Series 15	ST Investment Fund	NC State Treasurer	1,056,000	0.61%		N/A
Series 16	Inv. Agreement	FSA Capital Mgmt	775,321	4.01%		07/01/32
Series 17	Inv. Agreement	FSA Capital Mgmt	713,792	4.01%		07/01/34
Series 18	Inv. Agreement	Societe Generale	987,602	4.22%		07/01/34
Series 19	Inv. Agreement	FSA Capital Mgmt	305,056	4.01%		01/01/35
Series 20	ST Investment Fund	NC State Treasurer	1,236,165	0.61%		N/A
Series 21	ST Investment Fund	NC State Treasurer	885,560	0.61%		N/A
Series 22	ST Investment Fund	NC State Treasurer	1,253,668	0.61%		N/A
Series 22CE	ST Investment Fund	NC State Treasurer	1,880,261	0.61%		N/A
Series 23	ST Investment Fund	NC State Treasurer	2,571,167	0.61%		N/A
Series 24	ST Investment Fund	NC State Treasurer	1,463,552	0.61%		N/A
Series 25	ST Investment Fund	NC State Treasurer	2,287,196	0.61%		N/A
Series 26	ST Investment Fund	NC State Treasurer	1,616,599	0.61%		N/A
Series 27	ST Investment Fund	NC State Treasurer	1,528,558	0.61%		N/A
Series 28	ST Investment Fund	NC State Treasurer	1,018,244	0.61%		N/A
Series 29	ST Investment Fund	NC State Treasurer	1,443,700	0.61%		N/A
Series 30	ST Investment Fund	NC State Treasurer	2,863,885	0.61%		N/A
Series 31	ST Investment Fund	NC State Treasurer	2,102,960	0.61%		N/A
Series 32	ST Investment Fund	NC State Treasurer	1,745,151	0.61%		N/A
	ST Investment Fund	NC State Treasurer	<u>4,029,326</u>	0.61%		N/A
FUND TOTAL			36,751,625			

**NORTH CAROLINA HOUSING FINANCE AGENCY
DISCLOSURE REPORT
AS OF DECEMBER 31, 2011**

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: SERIES A-LL
LIST OF OUTSTANDING INVESTMENTS BY FUND (OVER \$100,000):

PAGE NO. 3-1998 ALL

INSURANCE RESERVE FUND *

Series	Inv. Agreement	NATIXIS Funding	Amount	Yield	Maturity
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 08	Inv. Agreement	NATIXIS Funding	291,100	7.15%	07/01/31
Series 12	ST Investment Fund	NC State Treasurer	294,200	0.61%	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	0.61%	N/A
Series 18	ST Investment Fund	NC State Treasurer	550,000	0.61%	N/A
Series 19	ST Investment Fund	NC State Treasurer	760,000	0.61%	N/A
Series 20	ST Investment Fund	NC State Treasurer	721,576	0.61%	N/A
Series 21	ST Investment Fund	NC State Treasurer	743,500	0.61%	N/A
Series 22	Inv. Agreement	Societe Generale	699,100	4.94%	01/01/35
Series 22CE	ST Investment Fund	NC State Treasurer	885,000	0.61%	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	0.61%	N/A
Series 27	ST Investment Fund	NC State Treasurer	655,000	0.61%	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	0.61%	N/A
Series 30	ST Investment Fund	NC State Treasurer	720,000	0.61%	N/A
Series 31	ST Investment Fund	NC State Treasurer	690,000	0.61%	N/A
Series 32	ST Investment Fund	NC State Treasurer	<u>3,501,312</u>	0.61%	N/A

FUND TOTAL 18,235,588

TOTAL INVESTMENTS 162,611,433

- * Series 9 Insurance Reserve funded by Ambac surety bond in the amount of \$745,000
- * Series 10 Insurance Reserve funded by Ambac surety bond in the amount of \$745,000
- * Series 11 Insurance Reserve funded by Ambac surety bond in the amount of \$730,000
- * Series 12 Insurance Reserve funded by FSA surety bond in the amount of \$705,000
- * Series 14 Insurance Reserve funded by Ambac surety bond in the amount of \$865,000
- ** Series 10 Debt Service Reserve funded by Ambac surety bond in the amount of \$256,200
- ** Series 12 Debt Service Reserve funded by Ambac surety bond in the amount of \$663,000
- ** Series 14 Debt Service Reserve funded by Ambac surety bond in the amount of \$694,000
- ** Series 15 Debt Service Reserve funded by FSA surety bond in the amount of \$529,600

INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)
BOND SERIES: SERIES A-LL

PAGE NO. 4-1998 ALL

Reserve Fund Account Description	Original Amount	Current Amount
Debt Service Reserve Fund **	15,304,900	20,670,073
General Reserve Fund	0	4,116,327
Revenue Reserve Fund	8,454,823	41,586,391
Insurance Reserve *	<u>8,991,500</u>	<u>16,236,585</u>
	<u>32,751,223</u>	<u>84,609,376</u>

STATEMENT OF FINANCIAL POSITION (as of December 31, 2011)

Total Assets	Total Liabilities	Retained Earnings
<u>1,294,805,453</u>	<u>1,137,172,996</u>	<u>157,632,457</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 April 13, 2009, Moody's Investors Service announced that it had downgraded the insurance financial strength of Ambac Assurance from Baa1 to Baa3. Ambac's insurance financial strength is now rated CC 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.