INDENTURE: MULTI-FAMILY MORTGAGE REVENUE BONDS (1995 RESOLUTION): BOND SERIES: SERIES A:

PAGE NO. 1-1995 A

SERIES DATE: 09/01/95 SERIES SOLD: 09/28/95

Trustee Effective May 1, 2006 Program Administrator: N.C. Housing Finance Agency

The Bank of New York Mellon 10161 Centurion Parkway Jacksonville, FL 32256 (904) 645-1956 Contact: Christine Boyd

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

Contact: Scott Farmer, Director of Rental Investment (919) 877-5641 Contact: Elizabeth I. Rozakis, Chief Financial Officer (919) 877-5687

LOAN PORTFOLIO: CHARACTERISTICS (AS A % OF LOANS: OUTSTANDING): GENERAL INFORMATION:

Bonds Outstanding: Bond Yield Mortgage Loan Prin. Outstanding Mortgage Rate	4,710,000 6.21% 5,320,372 7.02%	New Construction: Existing Home: Total	100.00% <u>0.00%</u> <u>100.00%</u>	FHA (Full) FHA (Co-Insurance) Uninsured GNMA
Original Mortgage Amount: Total No. of Loans Transferred: Total No. of Loans Outstanding:	20,061,600 20 9	Fixed Rate Mortgages Graduated Pmt Mortgages Growing Equity Mortgages Variable Rate Mortgages	100.00% 0.00% 0.00% 0.00%	Federal Subsidies 100%-HUD Section 8 Partial
		Total	100.00%	State Subsidies 100% Partial

Note: The bonds were issued to currently refund \$21,770,000 Multi-Family Housing Revenue Bonds, 1980 Series A, dated October 1, 1980.

CURRENT PROJECT INFORMATION:

Note:

	DECT: IN CHARACT		Interest	Original	Current	Original	HAP Contract
D	in at Name	Project		Mortgage	Principal	Maturity	
Pro	ject Name	Number	Rate	Amount	Outstanding	Date	Exp. Date
1	Catawba Pines Apts	053-35363-PM-L8	7.02%	1,873,800	1,240,244	11/01/19	05/05/06
2	Ellerbe Manor Apts	053-35370-PM-PAH-L8	7.02%	1,315,400	0	01/01/20	12/15/06
3	Old Farm Apts	053-35360-PM-PAH-L8	7.02%	1,879,300	0	10/01/19	11/06/04
4	Tanglewood	053-35364-PM-L8	7.02%	1,478,300	0	09/01/19	05/06/06
5	Willow Terrace Apts	053-35337-PM-L8	7.02%	417,400	0	11/01/19	01/06/05
6	Royal Lane Apts	053-35358-PM-L8	7.02%	1,672,700	0	11/01/19	06/30/06
7	Mays Landing	053-35331-PM-WAH-L8	7.02%	717,800	0	08/01/20	04/12/07
8	Andrews Gardens	053-35347-PM-WAH-L8	7.02%	362,100	247,441	06/01/20	02/03/07
9	Maxton Village	053-35324-PM-L8	7.02%	529,800	0	08/01/19	08/20/06
10	Gibson Village	053-35313-PM-L8	7.02%	475,000	310,449	08/01/19	07/23/06
11	Finley Village	053-35352-PM-WAH-L8	7.02%	735,600	491,373	01/01/20	09/02/06
12	Mountain Village	053-35349-PM-WAH-L8	7.02%	1,029,700	690,519	02/01/20	09/16/06
13	Watauga Village	053-35353-PM-WAH-L8	7.02%	891,500	598,720	02/01/20	11/17/06
14	Fischer Village	053-35327-PM-WAH-L8	7.02%	405,900	0	09/01/19	07/22/06
15	Bailey Lane	053-35328-PM-L8	7.02%	970,000	636,250	09/01/19	07/30/06
16	Lewis Village	053-35332-PM-L8	7.02%	977,500	0	02/01/20	08/13/05
17	Asbury Park	053-35333-PM-L8	7.02%	1,460,100	0	02/01/20	See note below
18	East Winds	053-35348-PM-WAH-L8	7.02%	810,600	543,983	02/01/20	10/14/06
19	Colony Manor	053-35373-PM-L8	7.02%	853,600	561,393	10/01/19	05/04/06
20	The Oaks	053-35369-PM-L8	7.02%	1,205,500	<u>0</u>	10/01/19	04/13/06

Total 20,061,600 5,320,372

Asbury Park was flooded by Hurricane Floyd on September 17, 1999. The property was assigned to the U.S. Department of Housing and Urban Development on May 26, 2000. Bonds were redeemed with the insurance proceeds on July 1, 2000.

60 days 0.00 0 0.00 0.00 0 0.00 0 0.00 0 Real Estate Owned 0.00 0 0.00 0

MORTGAGE LOAN SERVICERS:

Servicer	# of Loans	% of Portfolio
Capmark	1	11.11%
Wells Fargo	1	11.11%
North Carolina Housing Finance Agency	<u>7</u>	<u>77.78%</u>
TOTAL	<u>9</u>	<u>100.00%</u>

LIST OF BONDS BY MATURITY:

CUSIP	Maturity	Bond	Interest	Original	Principal	Principal	Principal	Bond Call
Number	Date	Type	Rate	Amount	Matured	Redemptions	Outstanding	Sequence (Note 1)
65820EDD9	07/01/96	Serial	3.700%	\$225,000	\$225,000	\$0	\$0	
65820EDS6	01/01/97	Serial	3.850%	225,000	225,000	0	0	
65820EDE7	07/01/97	Serial	3.850%	230,000	230,000	0	0	
65820EDT4	01/01/98	Serial	4.050%	235,000	235,000	0	0	
65820EDF4	07/01/98	Serial	4.050%	240,000	240,000	0	0	
65820EDU1	01/01/99	Serial	4.150%	245,000	245,000	0	0	
65820EDG2	07/01/99	Serial	4.150%	250,000	250,000	0	0	
65820EDV9	01/01/00	Serial	4.300%	255,000	255,000	0	0	
65820EDH0	07/01/00	Serial	4.300%	260,000	260,000	0	0	
65820EDW7	01/01/01	Serial	4.450%	265,000	245,000	20,000	0	
65820EDJ6	07/01/01	Serial	4.450%	275,000	255,000	20,000	0	
65820EDX5	01/01/02	Serial	4.550%	280,000	260,000	20,000	0	
65820EDK3	07/01/02	Serial	4.550%	285,000	265,000	20,000	0	
65820EDY3	01/01/03	Serial	4.650%	290,000	270,000	20,000	0	
65820EDL1	07/01/03	Serial	4.650%	300,000	280,000	20,000	0	
65820EDZ0	01/01/04	Serial	4.800%	305,000	280,000	25,000	0	
65820EDM9	07/01/04	Serial	4.800%	315,000	290,000	25,000	0	
65820EEA4	01/01/05	Serial	4.900%	320,000	295,000	25,000	0	
65820EDN7	07/01/05	Serial	4.900%	330,000	305,000	25,000	0	
65820EEB2	01/01/06	Serial	5.050%	340,000	275,000	65,000	0	
65820EEC0	07/01/06	Serial	5.050%	345,000	280,000	65,000	0	
65820EED8	01/01/07	Serial	5.200%	355,000	245,000	110,000	0	
65820EDP2	07/01/07	Serial	5.200%	365,000	230,000	135,000	0	
65820EEE6	01/01/08	Serial	5.300%	375,000	150,000	225,000	0	
65820EEF3	07/01/08	Serial	5.300%	385,000	155,000	230,000	0	
65820EDQ0	07/01/13	Term (Note 2)	5.800%	4,510,000	0	2,815,000	1,695,000	
65820EDR8	07/01/20	Term (Note 3)	5.900%	8,065,000	0	5,050,000	3,015,000	
		Total 1995 Series	Α	\$19,870,000	\$6,245,000	\$8,915,000	\$4,710,000	

Note 1: See optional and special redemption provisions on page 3-1995A.

Note 2: Sinking fund redemptions begin on January 1, 2009.

Note 3: Sinking fund redemptions begin on January 1, 2014.

INDENTURE: MULTI-FAMILY M BOND SERIES: SERIES A	ÖRTGAGE REVENUE BOI	VDS (1995 RESOLÚTION)		PAGE NO. 3-1995 A
LIST OF UNSCHEDULED REDEMPTIO	ons:			
Call Date	Call Amount	Type of Call	Source of Funds	
07/01/00 07/01/05	1,310,000 1,725,000	Pro rata Pro rata	Insurance Proceeds Prepayments	
06/01/06	1,695,000	Pro rata	Prepayments	
01/01/07	860,000	Pro rata	Prepayments	
06/01/07	645,000	Pro rata	Prepayments	
08/01/07	1,165,000	Pro rata	Prepayments	
09/01/07	1,015,000	Pro rata	Prepayments	
07/01/08	<u>500,000</u>	Pro rata	Prepayments	

Bond Call Information:

Special Redemption

The 1995 Series A Bonds may be redeemed in part (by lot if within a single maturity), on any interest payment date, at the principal amount thereof plus accrued interest to the date of redemption from:

\$8,915,000.00

unexpended proceeds,

TOTAL

- (ii) recovery payments on mortgage loans purchased with the bond proceeds or moneys derived therefrom,
- (iii) moneys withdrawn from the debt service reserve fund pursuant to a decrease in the debt service
- (iv) moneys withdrawn from the mortgage reserve fund upon the sale or assignment of a mortgage loan.

Optional Redemption

The 1995 Series A Bonds are redeemable at the option of the Agency on or after July 1, 2005, either as a whole or in part (by lot if within a single maturity), on any date, at the following redemption prices plus accrued interest to the date of redemption:

Period	Redemption Prices (expressed as a percentage)
July 1, 2005 to June 30, 2006	102.0%
July 1, 2006 to June 30, 2007	101.0%
July 1, 2007 to thereafter	100.0%

Bonds redeemed pursuant to an special/optional redemption shall be redeemed on a prorata basis unless the Agency files with the Trustee a notice of intent to call bonds on other than a prorata basis together with a cash flow certificate.

INDENTURE: MULTI-FA BOND SERIES: SERIES A	AMILY MORTGAGE REVENUE É A	BONDS (1995 RESOLUTION)				PAGE NO.	4-1995 A
LIST OF OUTSTANDING INVE	STMENTS FOR RESOLUTION E	BY FUND (OVER \$100,000): (TOTAL	FOR ENTIRE	RESOLUTION)			
<u>Fund</u>	Investment <u>Type</u>	<u>Issuer</u>	Investment Amount	Rate Of Investment	Maturity <u>Date</u>	Call <u>Date</u>	
Mortgage Reserve	Inv. Agreement	Morgan Stanley	309,660	5.61%	07/01/20	N/A	
Revenue Reserve	Inv. Agreement Debenture	Morgan Stanley Fannie Mae	1,699,654 300,000	5.26% 6.00%	07/01/20 04/28/23	N/A Callable	
FUND TOTAL			1,999,654				
TOTAL INVESTMENTS			2,309,314				
Reserve Fund Account Description Debt Service Reserve Fund Revenue Reserve Fund Mortgage Reserve Fund Reinvestment Reserve Fund		Original Amount 0 0 322,780 61,085 383,865		Current Amount 0 2,060,012 309,660 61,085 2,430,757	See note below.		
Note: Debt service re	eserve fund is secured with a sure	ety bond by AMBAC Indemnity.					
EQUITY BY INDENTURE: (Total	al for entire resolution)						
	Total Assets	Total Liabilities	Su	irplus or (Deficit)			
	<u>7,789,159</u>	4,447,303		3,341,856			