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

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

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding:	\$2,628,504
Mortgage Rates:	8.100% - 8.100%
Average Purchase Price:	\$50,308
Average Original Loan Amount:	\$50,427
Total No. of Loans Originated:	802
Total No. of Loans Paid Off:	716
Total No. of Loans Outstanding:	86

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

Private Mortgage Insurers:

Total

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.		
Loan Type:	# of Loans	<u>%</u>
CONV	0	0.00%
FHA	86	100.00%
VA	0	0.00%
USDA	0	0.00%
HUD-184	0	0.00%
Guaranty Fund	0	0.00%
Other (< 80%LTV)	0	0.00%
Total	86	100.00%

Principal Outstanding:	<u>\$ of Loans</u>	<u>%</u>	

of Loans

0

<u>%</u> 0.00%

New/Existing:	# of Loans	%
New Construction	7	8.14%
Existing Home	79	91.86%
Total	86	100.00%
Type of Housing:	# of Loans	<u>%</u>
Single Family Detached	81	94.19%
Condominium	1	1.16%
Townhouse	2	2.32%
Manufactured Home	2	2.33%
Total	86	100.00%

DELINQUENCY STATISTICS		
Loans Outstanding:	# of Loans	<u>%</u>
60 days	1	1.16%
90 days	1	1.16%
In Foreclosure	0	0.00%
REO (Conv, USDA)	0	0.00%
Total	2	

Principal Outstanding:	\$ of Loans	<u>%</u>
60 days	\$19,276	0.73%
90 days	\$40,758	1.55%
In Foreclosure	\$0	0.00%
REO (Conv, USDA)	\$0	0.00%
Total	\$60,033	

SERVICER AND MORTGAGE LOAN DATA

SERVICER AND MORTGAGE EGAN DATA				
Servicers:	# of Loans	<u>%</u>		
Bank of America	6	6.98%		
Marsh Associates Inc.	29	33.72%		
RBC Bank	19	22.09%		
BB&T	32	37.21%		
Total	86	100.00%		

Mortgage Rates (%):	# of Loans	
	8.1	86
Total		86

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

PAGE NO. 2-1985PQ

SELF-INSURANCE COVERAG	É I I	Current Funding Requirements:	(data is for 1985 Series P/Q only):
		Total Dollar Amount (\$000)	N/A
Name of Self-Insurance Fund:	Mortgage Deficiency Fund	As % of Initial Principal Amount	
Series of Bonds Covered:	1985 Series D through WW (excluding Series U/V)	of Mortgage Loans Purchased	N/A
		Claims to Date	0
	Maximum level of funding required over the life of the bonds (\$000) \$1,363	

LIST OF BONDS BY MATURITY:

CUSIP	Maturity	Bond	Interest	Original	Principal	Principal	Principal Bo	ond Call
Number	Date	Туре	Rate	Amount	Matured	Redemptions	Outstanding Se	equence (Note 1)
658200ZH6	09/01/93	Serial	5.250%	\$295,000	\$235,000	\$60.000	\$0	
658200ZJ2	03/01/94	Serial	5.500%	205,000	165,000	40,000	0	
658200ZK9	09/01/94	Serial	5.500%	305,000	245,000	60,000	0	2
658200ZL7	03/01/95	Serial	5.700%	175,000	140,000	35,000	0	2
658200ZM5	09/01/95	Serial	5.700%	185,000	150,000	35,000	0	2
658200ZN3	03/01/96	Serial	5.900%	190,000	150,000	40,000	0	2
658200ZP8	09/01/96	Serial	5.900%	195,000	155,000	40,000	0	2
658200ZQ6	03/01/97	Serial	6.000%	205,000	165,000	40,000	0	2
658200ZR4	09/01/97	Serial	6.000%	220,000	175,000	45,000	0	2
658200ZS2	03/01/98	Serial	6.100%	235,000	180,000	55,000	0	2
658200ZT0	09/01/98	Serial	6.100%	230,000	170,000	60,000	0	2
658200ZU7	03/01/99	Serial	6.200%	240,000	175,000	65,000	0	2
658200ZV5	09/01/99	Serial	6.200%	250,000	130,000	120,000	0	2
658200ZW3	03/01/00	Serial	6.300%	255,000	125,000	130,000	0	2
658200ZX1	09/01/00	Serial	6.300%	260,000	90,000	170,000	0	2
658200ZY9	03/01/01	Serial	6.400%	275,000	90,000	185,000	0	2
658200ZZ6	09/01/01	Serial	6.400%	280,000		280,000	0	2
658200A26	03/01/02	Serial	6.500%	295,000		295,000	0	2
658200A34	09/01/02	Serial	6.500%	305,000		305,000	0	2
658200A42	03/01/03	Serial	6.600%	315,000		315,000	0	2
658200A59	09/01/03	Serial	6.600%	325.000		325,000	0	2
658200B58	03/01/12	Term (Note 2)	6.625%	15.925.000	400.000	15,525,000	0	1
658200B74	03/01/18	Term (Note 3)	Note A	13,880,000		13,880,000	0	2
658200C24	09/01/23	Term (Note 4)	Note B	22,000,000		22.000.000	0	2
000200024	00/01/20	(. 1010 4)		22,000,000		,000,000	Ũ	-
	То	otal 1985 Series P/Q		\$57,045,000	\$2,940,000	\$54,105,000	\$0	

Note A - Bearing interest at the rate of 6.125% in the period June 1, 1991 up to but not including September 1, 1992 and at the rate of 8.00% thereafter.

Note B - Bearing interest at the rate of 5.875% in the period June 1, 1991 up to but not including September 1, 1992 and at the rate of 7.75% thereafter.

Note 1: See optional and special redemption provisions beginning on page 4-1985PQ, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemption begins March 1, 1994. Note 3: Sinking fund redemption begins September 1, 2012. Note 4: Sinking fund redemption begins March 1, 2018.

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

LIST OF UNSCHEDULED REDEMPTIONS:

Call Date Call Amount Type of Call 09/01/92 \$9,750,000 Pro rata 09/01/92 405,000 Pro rata 01/01/93 50,000 Supersinker 01/01/93 20.000 Pro rata 05/01/93 1,100,000 Pro rata 05/01/93 45,000 Pro rata 06/01/93 245,000 Supersinker 06/01/93 50,000 Pro rata 10/01/93 03/01/94 565.000 Supersinker 1,230,000 Supersinker 07/01/94 545,000 . Supersinker 10/01/94 1,250,000 . Supersinker 07/01/95 1,600,000 . Supersinker 01/01/96 1,170,000 Supersinker 07/01/96 1,540,000 Supersinker 12/01/96 1,700,000 Supersinker 02/01/97 640,000 . Supersinker 06/01/97 1,165,000 Supersinker 09/01/97 725,000 Supersinker 09/01/97 190.000 Pro rata 01/01/98 1,515,000 Pro rata 01/01/98 60,000 Pro rata 03/01/98 765,000 Pro rata 03/01/98 50,000 Pro rata 07/01/98 1,105,000 Pro rata 07/01/98 75,000 Pro rata 01/01/99 1,440,000 Pro rata 01/01/99 3,750,000 Targeted 01/01/99 360,000 Cross Call 01/01/99 225,000 Cross Call 01/01/99 125.000 Pro rata 05/01/99 2,485,000 Pro rata 05/01/99 2,000,000 Targeted 05/01/99 930,000 Cross Call 05/01/99 1,745,000 Cross Call 05/01/99 05/01/99 390,000 250,000 Cross Call Pro rata 07/01/99 1,440,000 Pro rata 07/01/99 165,000 Pro rata 09/01/99 660,000 Pro rata 09/01/99 80,000 Pro rata 12/15/99 12/15/99 1,505,000 Pro rata Pro rata 1,350,000 05/01/00 Pro rata 05/01/00 185,000 Pro rata 05/01/00 1,310,000 Cross Call 07/01/00 135,000 Pro rata 07/01/00 700.000 Cross Call 07/01/00 750,000 Cross Call 07/01/00 300,000 Pro rata 01/01/01 705,000 Pro rata 01/01/01 505,000 Cross Call 01/01/01 1,745,000 Cross Call 01/01/01 310.000 Pro rata 06/01/01 580,000 Pro rata 06/01/01 120,000 Pro rata 06/01/01 150,000 Cross Call Total \$54,105,000

Unexpended Proceeds Debt Service Reserve Prepayments Debt Service Reserve Unexpended Proceeds Debt Service Reserve Prepayments Debt Service Reserve Prepayments Debt Service Reserve Prepayments Debt Service Reserve Prepayments Debt Service Reserve Prepayments Revenue Reserve Series EF Prepayments Series EF Debt Service Reserve Debt Service Reserve Prepayments Revenue Reserve Series EF Prepayments Series GH Prepayments Series I Prepayments Debt Service Reserve Series WW Prepayment Prepayments Series EF Prepayment Series WW Prepayments Debt Service Reserve Prepayments Series EF Prepayments Series WW Prepayment Debt Service Reserve Prepayments Debt Service Reserve Series WW Prepayment

Source Of Funds

PAGE NO. 3-1985PQ

Bond Call Information:

Special Redemption

The 1985 Series P and Q 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: unexpended proceeds, (i)

- excess revenues transferred from the revenue reserve fund, (ii)
- prepayments of mortgage loans financed with the proceeds of the Series P and Q bonds, and (iii)
- moneys withdrawn from the debt service reserve fund in connection with an excess over the debt service reserve requirement, and (iv)
- from prepayments of mortgage loans financed with proceeds from series of bonds issued subsequent to the Series D bonds other than the (v) Series P and Q bonds 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 P and Q bonds shall first be applied to the redemption or purchase of Series Q Term bonds due March 1, 2012 during the periods up to the scheduled principal amounts set forth in the series resolution.

Moneys in excess of the debt service reserve requirement shall be applied to the redemption of the series P and Q bonds in any manner. Moneys to be applied to a redemption from excess revenues in the revenue reserve fund, from prepayments in excess of the scheduled principal amounts or from cross call redemption sources, 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 P and Q bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after September 1, 2002, either as a whole, on any date, or in part, on any interest payment date, at the following redemption prices, plus accrued interest to the date of redemption:

Period	Redemption Price			
(Both Dates Inclusive)	(Expressed as a Percentage)			
September 1, 2002 - August 31, 2003	102.00%			
September 1, 2003 - August 31, 2004	101.00%			
September 1, 2004 and thereafter	100.00%			

PAGE NO. 4-1985PQ