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

GENERAL MORTGAGE LOAN INF	ORMATION
Mortgage Loan Prin Outstanding:	\$12,677,462

Mortgage Rates:

Average Purchase Price:

\$12,677,462

6.450% - 6.650%

\$69,297

Average Original Loan Amount: \$67,824 Total No. of Loans Originated: 877

Total No. of Loans Paid Off: 633 Total No. of Loans Outstanding: 244

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

New/Existing:

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.

Total	244	100.00%
Other (< 80%LTV)	0	0.00%
Guaranty Fund	0	0.00%
HUD-184	0	0.00%
USDA	0	0.00%
VA	0	0.00%
FHA	244	100.00%
CONV	0	0.00%
Loan Type:	# of Loans	<u>%</u>

Private Mortgage Insurers:	# of Loans	<u>%</u>
Total	0	0.00%

New Construction	32	13.11%
Existing Home	212	86.89%
Total	244	100.00%
Type of Housing:	# of Loans	<u>%</u>
Single Family Detached	219	89.75%
Condominium	22	9.02%
Townhouse	1	0.41%
Manufactured Home	2	0.82%
Total	244	100 00%

# of Loans

# DELINQUENCY STATISTICS

Loans Outstanding:	# of Loans	<u>%</u>
60 days	10	4.10%
90 days	8	3.28%
In Foreclosure	7	2.87%
REO (Conv, USDA)	0	0.00%

25 Total

Principal Outstanding:	\$ of Loans	<u>%</u>
60 days	\$509,617	4.02%
90 days	\$500,808	3.95%
In Foreclosure	\$341,607	2.69%
REO (Conv, USDA)	\$0	0.00%
Total	\$1,352,032	

# SERVICER AND MORTGAGE LOAN DATA

Servicers:	# of Loans	<u>%</u>
Bank of America	16	6.56%
Marsh Associates Inc.	37	15.17%
RBC Bank	80	32.78%
BB&T	111	45.49%
Total	244	100.00%

Mortgage Rates (%):		# of Loans	
	6.65	196	
	6.45	48	
Total		244	

POOL-INSURANCE COVERAGE (DOLLARS IN THOUSANDS): ... None

SELF-INSURANCE COVERAGE: Current Funding Requirements: (data is for 1985 Series QQ/RR only):

Total Dollar Amount (\$000) Note 1

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Maximum level of funding required over the life of the bonds (\$000) Note 1

Note 1: The provisions of the Mortgage Deficiency Fund were extended to Series QQ and RR Bonds. However, additional funding was not required in consequence of the extension of such provisions.

# LIST OF BONDS BY MATURITY:

CUSIP	Maturity	Bond	Interest	Original	Principal	Principal	Principal B	ond Call
Number	Date	Type	Rate	Amount	Matured	Redemptions	Outstanding S	equence (Note 1)
65820ERJ1	03/01/99	Serial	4.20%	\$460,000	\$460,000		\$0	2
65820ERS1	09/01/99	Serial	4.20%	470.000	470,000		0	2
65820ERL6	03/01/00	Serial	4.20%	480.000			0	2
	03/01/00				480,000		•	
65820ERM4		Serial	4.40%	490,000	490,000		0	2
65820ERN2	03/01/01	Serial	4.50%	500,000	500,000		0	2
65820ERP7	09/01/01	Serial	4.50%	510,000	510,000		0	2
65820ERQ5	03/01/02	Serial	4.60%	525,000	525,000		0	2
65820ERR3	09/01/02	Serial	4.60%	535,000	525,000	10,000	0	2
65820ERS1	03/01/03	Serial	4.70%	550,000	540,000	10,000	0	2
65820ERT9	09/01/03	Serial	4.70%	565,000	550,000	15,000	0	2
65820ERU6	03/01/04	Serial	4.80%	575,000	525,000	50,000	0	2
65820ERV4	09/01/04	Serial	4.80%	590,000	510,000	80,000	0	2
65820ERW2	03/01/05	Serial	4.90%	605,000	490,000	115,000	0	2
65820ERX0	09/01/05	Serial	4.90%	620,000	445,000	175,000	0	2
65820ERY8	03/01/06	Serial	5.00%	640,000	460,000	180,000	0	2
65820ERZ5	09/01/06	Serial	5.00%	655,000	425,000	230,000	0	2
65820ESA9	03/01/07	Serial	5.10%	670.000	350,000	320,000	0	2
65820ESB7	09/01/07	Serial	5.10%	690,000	355,000	335,000	0	2
65820ERC6	03/01/08	Serial	5.00%	705.000	295,000	410,000	0	2
65820ERD4	09/01/08	Serial	5.00%	725,000	265,000	460,000	0	2
65820ERE2	03/01/09	Serial	5.10%	745,000	260,000	485,000	0	2
65820ERF9	09/01/09	Serial	5.10%	765,000	270,000	495,000	0	2
65820ERG7	03/01/10	Serial	5.20%	785,000	265,000	520,000	0	2
65820ERH5	09/01/10	Serial	5.20%	160,000	200,000	110,000	50.000	2
65820ESC5	03/01/17	Term(Note 2)	5.75%	13,430,000		9,190,000	4,240,000	2
65820ESC3	09/01/22	Term(Note 3)	5.00%	15,075,000		15,075,000	4,240,000	4
65820ESD3 65820ESE1	09/01/22	Term(Note 3)	5.00%	22,480,000		15,075,000	6,495,000	2
000ZUESE I	09/01/28	reminote 4)	0.00%	22,400,000		10,900,000	0,495,000	2

Total 1985 Series QQ/RR \$65,000

\$65,000,000 \$9,965,000 \$44,250,000 \$10,785,000

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

Note 2: Sinking fund redemption begins September 1, 2010. Note 3: Sinking fund redemption begins September 1, 2017.

Note 4: Sinking fund redemption begins March 1, 2023.

INDĖNTURĖE: SINGLĘ FAMIL.Y REVĖNUĘ BOMOS (1965 RESOLŪTION). BONO SERIES: Series ODYRR

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LIST OF UNSCHEDULED REDEMPTIONS: .....

Call Date	Call Amount	Type of Call	Source Of Funds
07/01/98	\$130,000	Supersinker	Prepayments
01/01/99	315,000	Supersinker	Prepayments
05/01/99	625,000	Supersinker	Prepayments
07/01/99	300,000	Supersinker	Prepayments
09/01/99	125,000	Supersinker	Prepayments
12/15/99	1,215,000	Supersinker	Prepayments
05/01/00	1,220,000	Supersinker	Prepayments
07/01/00	680,000	Supersinker	Prepayments
01/01/01	2,310,000	Supersinker	Prepayments
06/01/01	825,000	Supersinker	Prepayments
10/01/01	1,820,000	Supersinker	Prepayments
01/01/02	1,890,000	Supersinker	Prepayments
04/15/02	70,000	Supersinker	Prepayments
04/15/02	950,000	Pro rata	Prepayments
04/15/02	25.000	Pro rata	Debt Service Reserve
07/01/02	1,040,000	Supersinker	Prepayments
07/01/02	5,000	Pro rata	Debt Service Reserve
01/01/03	715,000	Supersinker	Prepayments
06/01/03	1,620,000	Supersinker	Prepayments
06/01/03	30,000	Supersinker	Prepayments
06/01/03	375,000	Pro rata	Prepayments
10/01/03	145,000	Supersinker	Prepayments
10/01/03	2,445,000	Pro rata	Prepayments
10/01/03	140,000	Pro rata	Debt Service Reserve
10/01/03	395,000	Pro rata	Prepayments
01/01/04	380,000	Pro rata	Prepayments
05/01/04	1,625,000	Pro rata	Prepayments
09/01/04	2,295,000	Pro rata	Prepayments
09/01/04	275,000	Pro rata	Debt Service Reserve
01/01/05	1,870,000	Pro rata	Prepayments
01/01/05	110,000	Pro rata	Debt Service Reserve
05/01/05	1,710,000	Pro rata	Prepayments
05/01/05	100,000	Pro rata	Debt Service Reserve
10/01/05	200,000	Pro rata	Prepayments
04/01/06	3,135,000	Pro rata	Prepayments
04/01/06	195,000	Pro rata	Debt Service Reserve
08/01/06	4,185,000	Pro rata	Prepayments
08/01/06	245,000	Pro rata	Debt Service Reserve
01/01/07	985,000	Pro rata	Prepayments
01/01/07	60,000	Pro rata	Debt Service Reserve
05/01/07	25,000	Pro rata	Prepayments
11/01/07	3,985,000	Pro rata	Debt Service Reserve
11/01/07	190,000	Pro rata	Prepayments
02/01/08	665,000	Pro rata	Prepayments
07/01/08	1,035,000	Pro rata	Prepayments
01/01/08	200,000	Pro rata	Prepayments
07/01/09	320,000	Pro rata	Prepayments
01/01/09	550,000	Pro rata	Prepayments
06/01/10	500,000	Pro rata	Prepayments
00/01/10	300,000	FIUTAIA	Frepayments
TOTAL	<u>\$44,250,000</u>		

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Bond Call Information:		
Special Redemption		

The 1985 Series QQ and RR 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:

- (i) unexpended proceeds,
- (ii) excess revenues transferred from the revenue reserve fund,
- (iii) prepayments of mortgage loans financed with the proceeds of the Series QQ and RR bonds,
- (iv) moneys withdrawn from the debt service reserve fund in connection with an excess over the debt service reserve requirement, and
- (v) from prepayments of mortgage loans financed with proceeds from series of bonds issued subsequent to the Series D bonds other than the Series QQ and RR 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 QQ and RR bonds, shall first be allpied to the redemption or purchase of Series RR Term bonds due September 1, 2022 during the operiods up to the scheduled principal amounts set forth int eh series resolution.

Moneys in excess of the debt service reserve requirement shall be applied to the redemption of the series QQ and RR bonds in any manner. Moneys to be applied to 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 QQ and RR bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after March 1, 2007, in whole or in part, on any date, at the following redemption prices, plus accrued interest to the date of redemption:

Period	Redemption Price
(Both Dates Inclusive)	(Expressed as a Percentage)
March 1, 2007 to February 1, 2008	101.50%
March 1, 2008 to February 1, 2009	100.75%
March 1, 2009 and thereafter	100.00%