

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

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

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$4,031,666
Mortgage Rates: 6.950% - 6.950%

Average Purchase Price: \$57,290
Average Original Loan Amount: \$55,987

Total No. of Loans Originated: 1,919
Total No. of Loans Paid Off: 1,796
Total No. of Loans Outstanding: 123

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

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.

<u>Loan Type:</u>	<u># of Loans</u>	<u>%</u>
CONV	0	0.00%
FHA	123	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	123	100.00%

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

<u>New/Existing:</u>	<u># of Loans</u>	<u>%</u>
New Construction	24	19.51%
Existing Home	99	80.49%
Total	123	100.00%

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	110	89.43%
Condominium	7	5.69%
Townhouse	4	3.25%
Manufactured Home	1	0.82%
Duplex	1	0.81%
Total	123	100.00%

DELINQUENCY STATISTICS

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	5	4.07%
90 days	2	1.63%
In Foreclosure	2	1.63%
REO (Conv, USDA)	0	0.00%
Total	9	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$189,033	4.69%
90 days	\$56,940	1.41%
In Foreclosure	\$71,234	1.77%
REO (Conv, USDA)	\$0	0.00%
Total	\$317,206	

SERVICER AND MORTGAGE LOAN DATA

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
BB&T	64	52.03%
Bank of America	22	17.89%
Marsh Associates Inc.	37	30.08%
Total	123	100.00%

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
Total	123

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ISSUANCE INFORMATION (DO NOT REMOVE THIS INFORMATION)

NAME OF THE FINANCING AGENCY (DO NOT REMOVE THIS INFORMATION)

None

Name of Self-Insurance Fund: Mortgage Deficiency Fund
Series of Bonds Covered: 1985 Series D through WW (excluding Series UV)

Current Funding Requirements:
Total Dollar Amount (\$000)
As % of Initial Principal Amount
of Mortgage Loans Purchased
Claims to Date

(data is for 1985 Series RST only):
N/A
N/A
0

Maximum level of funding required over the life of the bonds (\$000) \$1,451

LIST OF BONDS PURCHASED

CUSIP Number	Maturity Date	Bond Type	Interest Rate	Original Amount	Principal Matured	Principal Redemptions	Principal Outstanding	Bond Call Sequence (Note 1)
68200C32	03/01/83	Serial	4.90%	\$200,000	\$200,000		\$0	
68200C40	09/01/83	Serial	4.90%	530,000	530,000		0	
68200C57	03/01/84	Serial	5.20%	545,000	530,000	15,000	0	
68200C65	09/01/84	Serial	5.20%	560,000	545,000	15,000	0	2
68200C73	03/01/85	Serial	5.40%	570,000	555,000	15,000	0	2
68200C81	09/01/85	Serial	5.40%	585,000	570,000	15,000	0	2
68200C89	03/01/86	Serial	5.80%	605,000	590,000	15,000	0	2
68200D23	09/01/86	Serial	5.60%	620,000	595,000	25,000	0	2
68200D31	03/01/87	Serial	5.70%	635,000	590,000	45,000	0	2
68200D49	09/01/87	Serial	5.70%	655,000	605,000	50,000	0	2
68200D56	03/01/88	Serial	5.85%	675,000	595,000	80,000	0	2
68200D64	09/01/88	Serial	5.85%	695,000	600,000	95,000	0	2
68200D72	03/01/89	Serial	6.00%	715,000	595,000	120,000	0	2
68200D80	09/01/89	Serial	6.00%	735,000	535,000	200,000	0	2
68200D88	03/01/90	Serial	6.10%	760,000	530,000	230,000	0	2
68200E22	09/01/00	Serial	6.10%	780,000	520,000	260,000	0	2
68200E30	03/01/01	Serial	6.20%	805,000	530,000	275,000	0	2
68200E48	09/01/01	Serial	6.20%	830,000	525,000	305,000	0	2
68200E55	03/01/02	Serial	6.30%	855,000	520,000	335,000	0	2
68200E63	09/01/02	Serial	6.30%	880,000	500,000	380,000	0	2
68200E71	03/01/03	Serial	6.30%	910,000	480,000	430,000	0	2
68200E89	09/01/03	Serial	6.30%	940,000	460,000	480,000	0	2
68200F62	03/01/10	Term (Note 2)	6.50%	14,460,000		14,460,000	0	1
68200F70	03/01/17	Term (Note 3)	6.95%	25,800,000		25,800,000	0	2
68200F88	09/01/20	Term (Note 4)	7.05%	18,855,000		18,855,000	0	2
68200F94	09/01/23	Term (Note 5)	6.95%	20,480,000		20,480,000	0	2
Total 1985 Series RST				\$95,000,000	\$10,590,000	\$84,410,000	\$0	

Note 1: See optional and special redemption provisions on page 4-1985RST, (i.e. "*" denotes first call priority from prepayments).
Note 2: Sinking fund redemption begins March 1, 2004.
Note 3: Sinking fund redemption begins March 1, 2008.
Note 4: Sinking fund redemption begins March 1, 2017.
Note 5: Sinking fund redemption begins September 1, 2020.

OPTIONAL REDEMPTION TRANSACTIONS

Single Family Revenue Bonds (1985 Resolution) Series RST was optionally refunded at 102.0% on December 20, 2001 from bond proceeds issued under the Home Ownership Revenue Bonds (1998 Resolution) Series 12 which settled on December 20, 2001. Home Ownership Revenue Bonds (1998 Resolution) Series 12 on December 20, 2001 purchased \$73 loans with a principal balance of \$10,949,032.

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AGENCY'S FULLY REVENUE BONDS (SERIES 1992-2010)
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Call Date	Call Amount	Type of Call	Source Of Funds
07/01/92	\$280,000	Supersraker/Pro rata	Prepayments
07/01/92	180,000	Pro rata	Debt Service Reserve
01/01/93	280,000	Supersraker	Prepayments
01/01/93	5,000	Pro rata	Debt Service Reserve
06/01/93	310,000	Supersraker	Prepayments
10/01/93	440,000	Supersraker	Prepayments
12/01/93	214,000	Pro rata	Unexpended Proceeds
12/01/93	85,000	Pro rata	Debt Service Reserve
03/01/94	695,000	Supersraker	Prepayments
03/01/94	5,000	Pro rata	Debt Service Reserve
07/01/94	520,000	Supersraker	Prepayments
10/01/94	1,115,000	Supersraker	Prepayments
07/01/95	1,780,000	Supersraker	Prepayments
01/01/96	3,610,000	Supersraker	Prepayments
07/01/96	2,110,000	Supersraker	Prepayments
07/01/96	1,230,000	Pro rata	Prepayments
07/01/96	80,000	Pro rata	Debt Service Reserve
12/01/96	2,560,000	Pro rata	Prepayments
12/01/96	120,000	Pro rata	Debt Service Reserve
02/01/97	885,000	Supersraker	Prepayments
02/01/97	10,000	Pro rata	Debt Service Reserve
06/01/97	1,835,000	Supersraker	Prepayments
09/01/97	380,000	Supersraker	Prepayments
09/01/97	1,255,000	Pro rata	Debt Service Reserve
09/01/97	65,000	Pro rata	Prepayments
01/01/98	2,185,000	Pro rata	Prepayments
01/01/98	115,000	Pro rata	Debt Service Reserve
03/01/98	1,650,000	Pro rata	Prepayments
03/01/98	90,000	Pro rata	Debt Service Reserve
07/01/98	2,325,000	Pro rata	Prepayments
07/01/98	100,000	Pro rata	Debt Service Reserve
01/01/99	3,345,000	Pro rata	Prepayments
01/01/99	175,000	Pro rata	Debt Service Reserve
05/01/99	2,625,000	Pro rata	Prepayments
05/01/99	145,000	Pro rata	Debt Service Reserve
07/01/99	1,630,000	Pro rata	Prepayments
07/01/99	90,000	Pro rata	Debt Service Reserve
09/01/99	1,165,000	Pro rata	Prepayments
09/01/99	60,000	Pro rata	Debt Service Reserve
12/01/99	1,680,000	Pro rata	Prepayments
12/01/99	90,000	Pro rata	Debt Service Reserve
05/01/00	445,000	Pro rata	Prepayments
05/01/00	20,000	Pro rata	Debt Service Reserve
07/01/00	95,000	Pro rata	Prepayments
07/01/00	5,000	Pro rata	Debt Service Reserve
01/01/01	610,000	Pro rata	Prepayments
01/01/01	25,000	Pro rata	Debt Service Reserve
06/01/01	1,430,000	Pro rata	Prepayments
06/01/01	75,000	Pro rata	Debt Service Reserve
10/01/01	1,875,000	Pro rata	Prepayments
10/01/01	780,000	Cross Call	Series EF Prepayments
10/01/01	295,000	Cross Call	Series JK Prepayments
10/01/01	770,000	Cross Call	Series LM Prepayments
10/01/01	470,000	Cross Call	Series NO Prepayments
10/01/01	620,000	Cross Call	Series PQ Prepayments
10/01/01	1,800,000	Cross Call	Series VW Prepayments
10/01/01	100,000	Pro rata	Debt Service Reserve
1/01/02	2,300,000	Pro rata	Prepayments
1/01/02	627,000	Cross Call	Series EF Prepayments
1/01/02	1,605,000	Cross Call	Series PQ Prepayments
1/01/02	1,478,000	Cross Call	Series VW Prepayments
1/01/02	8,500,000	Pro rata	Excess Revenue Reserve
1/01/02	1,770,000	Pro rata	Debt Service Reserve
3/01/02	19,855,000	Pro rata	Optional Redemption
Total	284,410,000		

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1985 Series R, S and T bonds

- The 1985 Series R, S and T 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 R, S, and T 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 R, S and T 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 R, S and T bonds, including prepayments on the 1981 mortgage loans but excluding prepayments on FHA and VA loans, shall first be applied to the redemption or purchase of Series T term bonds due March 1, 2010 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 R, S and T 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.

1985 Series R, S and T bonds

The Series R, S and T bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after March 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:

(Both Dates Inclusive)	Redemption Price (Expressed as a Percentage)
March 1, 2002 - February 29, 2003	102.00%
March 1, 2003 - February 29, 2004	101.00%
March 1, 2004 and thereafter	100.00%