

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

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

GENERAL MORTGAGE LOAN INFORMATION

Mortgage Loan Prin Outstanding: \$4,197,311
Mortgage Rates: 7.300% - 7.300%

Average Purchase Price: \$60,746
Average Original Loan Amount: \$59,037

Total No. of Loans Originated: 572
Total No. of Loans Paid Off: 471
Total No. of Loans Outstanding: 101

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	101	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	101	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	18	17.82%
Existing Home	83	82.18%
Total	101	100.00%

<u>Type of Housing:</u>	<u># of Loans</u>	<u>%</u>
Single Family Detached	87	86.14%
Condominium	11	10.89%
Townhouse	1	0.99%
Manufactured Home	2	1.98%
Total	101	100.00%

DELINQUENCY STATISTICS

<u>Loans Outstanding:</u>	<u># of Loans</u>	<u>%</u>
60 days	8	7.92%
90 days	7	6.93%
In Foreclosure	1	0.99%
REO (Conv, USDA)	0	0.00%
Total	16	

<u>Principal Outstanding:</u>	<u>\$ of Loans</u>	<u>%</u>
60 days	\$379,278	9.04%
90 days	\$335,941	8.00%
In Foreclosure	\$63,289	1.51%
REO (Conv, USDA)	\$0	0.00%
Total	\$778,508	

SERVICER AND MORTGAGE LOAN DATA

<u>Servicers:</u>	<u># of Loans</u>	<u>%</u>
BB&T	42	41.58%
RBC Bank	26	25.75%
Marsh Associates Inc.	23	22.77%
Bank of America	10	9.90%
Total	101	100.00%

<u>Mortgage Rates (%):</u>	<u># of Loans</u>
Total	101

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

PAGE NO. 2-198Y2

Name of Self-Insurance Fund:	Mortgage Deficiency Fund	Current Funding Requirements:	(data is for 1985 Series YZ only)
Series of Bonds Covered:	1985 Series D through YW (excluding Series UV)	Total Dollar Amount (\$000) As % of Initial Principal Amount of Mortgage Loans Purchased Comm. to Date	Note 1 Note 1 0
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 Y and Z Bonds. However, additional funding was not required in consequence of the extension of such provisions.

LIST OF BONDS BY MATURITY

CUSIP Number	Maturity Date	Bond Type	Interest Rate	Original Amount	Principal Matured	Principal Redemptions	Principal Outstanding	Bond Call Sequence (Note 1)
658DEAP5	09/01/96	Serial	4.50%	\$250,000	\$230,000	\$20,000	\$0	1
658DEAC3	03/01/97	Serial	4.75%	390,000	240,000	20,000	0	1
658DEAR1	09/01/97	Serial	4.75%	265,000	245,000	20,000	0	1
658DEAS9	03/01/98	Serial	5.00%	270,000	250,000	20,000	0	1
658DEAT7	09/01/98	Serial	5.00%	275,000	255,000	20,000	0	1
658DEAA4	03/01/99	Serial	5.15%	265,000	245,000	40,000	0	1
658DEAV2	09/01/99	Serial	5.15%	290,000	235,000	50,000	0	1
658DEAH9	03/01/00	Serial	5.30%	300,000	235,000	65,000	0	1
658DEAV8	09/01/00	Serial	5.30%	305,000	225,000	80,000	0	1
658DEAY8	03/01/01	Serial	5.40%	310,000	250,000	110,000	0	1
658DEAZ3	09/01/01	Serial	5.40%	320,000	190,000	130,000	0	1
658DEBA7	03/01/02	Serial	5.50%	330,000	175,000	150,000	0	1
658DEBB6	09/01/02	Serial	5.50%	335,000	160,000	170,000	0	1
658DEBC3	03/01/03	Serial	5.60%	345,000	155,000	190,000	0	1
658DEBD1	09/01/03	Serial	5.60%	350,000	140,000	210,000	0	1
658DEBE9	03/01/04	Serial	5.70%	365,000	130,000	230,000	0	1
658DEBF8	09/01/04	Serial	5.70%	375,000	90,000	280,000	0	1
658DEBG4	03/01/05	Serial	5.80%	385,000	90,000	290,000	0	1
658DEBH2	09/01/05	Serial	5.80%	395,000	70,000	320,000	0	1
658DEBS8	03/01/06	Serial	5.90%	410,000	60,000	350,000	0	1
658DEBD5	09/01/06	Serial	5.90%	420,000	25,000	390,000	0	1
658DEBS8	03/01/11	Term (Note 2)	6.40%	4,835,000	270,000	4,565,000	0	2
658DEBMD	09/01/15	Term (Note 3)	6.30%	5,560,000	0	5,560,000	0	2
658DEBND	03/01/18	Term (Note 4)	6.35%	3,440,000	0	3,440,000	0	2
658DEBLL	09/01/25	Term (Note 5)	6.10%	7,700,000	0	7,700,000	0	1
658DEBVT	09/01/26	Term (Note 6)	6.60%	11,940,000	0	11,940,000	0	2
Total 1985 Series YZ				\$40,000,000	\$3,930,000	\$36,070,000	\$0	

Note 1: See additional and special redemption provisions on page 4-198Y2. (i.e. "1" denotes first call priority from encumbrances.)
 Note 2: Sinks fund redemption begins September 1, 2009.
 Note 3: Sinks fund redemption begins September 1, 2011.
 Note 4: Sinks fund redemption begins March 1, 2016.
 Note 5: Sinks fund redemption begins March 1, 2014.
 Note 6: Sinks fund redemption begins September 1, 2018.

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

PAGE NO. 3-188VZ

UNIVERSITY OF NORTH CAROLINA SYSTEMS
SCHOOL OF BUSINESS AND ECONOMICS
101 SOUTH COLLETT STREET
CAMPUS BOX 26170
CHAPEL HILL, NC 27515-0260
704/919-2000

Call Date	Call Amount	Type of Call	Source Of Funds
07/01/98	110,000	Superstrikur	Payments
01/01/98	65,000	Superstrikur	Payments
01/01/98	30,000	Pro rata	Debt Service Reserve
01/01/98	2,265,000	Pro rata	Unencumbered Proceeds
07/01/98	595,000	Superstrikur	Payments
07/01/98	115,000	Pro rata	Debt Service Reserve
07/01/98	340,000	Pro rata	Unencumbered Proceeds
07/01/98	15,000	Pro rata	Debt Service Reserve
12/01/98	270,000	Superstrikur	Payments
12/01/98	35,000	Pro rata	Debt Service Reserve
02/01/97	270,000	Superstrikur	Payments
02/01/97	5,000	Pro rata	Debt Service Reserve
06/01/97	10,000	Pro rata	Debt Service Reserve
06/01/97	30,000	Pro rata	Payments
06/01/97	170,000	Superstrikur	Payments
06/01/97	5,000	Pro rata	Debt Service Reserve
01/01/98	120,000	Pro rata	Payments
01/01/98	600,000	Superstrikur	Payments
01/01/98	10,000	Pro rata	Debt Service Reserve
03/01/98	85,000	Pro rata	Payments
03/01/98	500,000	Superstrikur	Payments
03/01/98	5,000	Pro rata	Debt Service Reserve
07/01/98	115,000	Pro rata	Payments
07/01/98	700,000	Superstrikur	Payments
07/01/98	5,000	Pro rata	Debt Service Reserve
01/01/99	140,000	Pro rata	Payments
01/01/99	500,000	Superstrikur	Payments
05/01/99	125,000	Pro rata	Payments
05/01/99	875,000	Superstrikur	Payments
07/01/99	125,000	Pro rata	Payments
07/01/99	850,000	Superstrikur	Payments
09/01/99	45,000	Pro rata	Payments
09/01/99	315,000	Superstrikur	Payments
12/15/99	140,000	Pro rata	Payments
12/15/99	600,000	Superstrikur	Payments
12/15/99	365,000	Pro rata	Payments
12/15/99	15,000	Pro rata	Debt Service Reserve
05/01/00	85,000	Pro rata	Payments
05/01/00	720,000	Superstrikur	Payments
05/01/00	45,000	Pro rata	Debt Service Reserve
07/01/00	40,000	Pro rata	Payments
07/01/00	20,000	Pro rata	Debt Service Reserve
01/01/01	150,000	Superstrikur	Payments
01/01/01	960,000	Pro rata	Payments
01/01/01	55,000	Pro rata	Debt Service Reserve
06/01/01	85,000	Superstrikur	Payments
06/01/01	885,000	Pro rata	Payments
06/01/01	55,000	Pro rata	Debt Service Reserve
10/01/01	150,000	Superstrikur	Payments
10/01/01	950,000	Pro rata	Payments
10/01/01	70,000	Pro rata	Debt Service Reserve
01/01/02	60,000	Pro rata	Payments
01/01/02	700,000	Pro rata	Payments
01/01/02	40,000	Pro rata	Debt Service Reserve
04/15/02	55,000	Pro rata	Payments
04/15/02	35,000	Pro rata	Debt Service Reserve
07/01/02	75,000	Pro rata	Payments
07/01/02	45,000	Pro rata	Debt Service Reserve
01/01/03	1,180,000	Pro rata	Payments
06/01/03	45,000	Pro rata	Payments
06/01/03	735,000	Pro rata	Payments
06/01/03	100,000	Pro rata	Debt Service Reserve
06/01/03	35,000	Pro rata	Payments
06/01/03	620,000	Pro rata	Payments
10/01/03	25,000	Pro rata	Payments
10/01/03	400,000	Pro rata	Payments
10/01/03	65,000	Pro rata	Debt Service Reserve
10/01/03	50,000	Pro rata	Payments
10/01/03	1,005,000	Pro rata	Payments
01/01/04	40,000	Pro rata	Payments
01/01/04	770,000	Pro rata	Payments
05/01/04	50,000	Pro rata	Payments
05/01/04	2,300,000	Pro rata	Payments
05/01/04	225,000	Pro rata	Debt Service Reserve
09/01/04	25,000	Serial	Payments
09/01/04	675,000	Pro rata	Payments
09/01/04	55,000	Pro rata	Debt Service Reserve
01/01/05	15,000	Serial	Payments
01/01/05	515,000	Pro rata	Payments
01/01/05	30,000	Pro rata	Debt Service Reserve
05/01/05	15,000	Serial	Payments
05/01/05	710,000	Pro rata	Payments
05/01/05	50,000	Pro rata	Debt Service Reserve
10/01/05	10,000	Serial	Payments
10/01/05	480,000	Pro rata	Payments
04/01/06	370,000	Pro rata	Payments
04/01/06	40,000	Pro rata	Debt Service Reserve
08/01/06	400,000	Pro rata	Payments
08/01/06	15,000	Pro rata	Debt Service Reserve
01/01/07	465,000	Pro rata	Payments
01/01/07	20,000	Pro rata	Debt Service Reserve
05/01/07	150,000	Pro rata	Payments
05/01/07	5,000	Pro rata	Debt Service Reserve
11/01/07	190,000	Pro rata	Payments
11/01/07	25,000	Pro rata	Debt Service Reserve
02/01/08	5,085,000	Pro rata	Payments
02/01/08	300,000	Pro rata	Debt Service Reserve
Total	536,070,000		

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

PAGE NO. 4-1885Z

1001 Series Y and Z 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 unencumbered proceeds.

- (i) excess revenues transferred from the reserve reserve fund,
- (ii) encumbrances of mortgage loans financed with the proceeds of the Series Y and Z bonds, monies withdrawn from the debt service reserve fund in connection with an excess over the debt service requirement, and
- (iii) from payments of mortgage loans financed with proceeds from series of bonds issued subsequent to the Series D bonds other than the Series Y and Z bonds and from certain monies in excess of the debt service reserve requirement on default in the debt service reserve fund ("Cross Call Redemption").

Payments on mortgage loans financed with the proceeds of the Series Y and Z bonds, shall first be applied to the redemption or purchase of Series Z serial bonds and Series Z term bonds due September 1, 2025 during the periods up to the scheduled principal amounts set forth in the series resolution.

Monies from unencumbered proceeds shall be applied to the redemption of the Series Y and Z bonds on a pro rata basis.

Monies in excess of the debt service reserve requirement shall be applied to the redemption of the series Y and Z bonds in any manner. Monies to be applied to redemption from excess revenues in the reserve reserve fund, from encumbrances 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.

The Series Y and Z bonds are redeemable, at the option of the Agency, in any manner the Agency shall determine, on or after September 1, 2004, in whole or in part, on any date, at the following redemption prices, plus accrued interest to the date of redemption:

Period (Both Dates Inclusive)	Redemption Price (Expressed as a Percentage)
September 1, 2004 - August 31, 2005	102.00%
September 1, 2005 - August 31, 2006	103.00%
September 1, 2006 and thereafter	100.00%