INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION)

BOND SERIES: 18

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Mortgage Loan Prin Outstanding: \$30,529,026
Mortgage Rates: 4.625% - 5.875%

Average Purchase Price: Average Original Loan Amount:

Total No. of Loans Originated:514Total No. of Loans Paid Off:158Total No. of Loans Outstanding:356

PROGRAM

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

Charas Dass

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)

\$43,627

\$41,411

All loans are 30-year fixed-rate loans.

Loan Type:	# of Loans	<u>%</u>	Private Mortgage Insurers:	# of Loans	<u>%</u>
CONV	126	35.39%	GENWORTH	87	24.44%
FHA	135	37.93%	AIG-UGIC	3	0.84%
VA	18	5.06%	RADIAN GUARANTY INC.	13	3.65%
USDA	48	13.48%	PMI MTG. INS. CO.	5	1.40%
HUD-184	0	0.00%	RMIC	11	3.09%
Guaranty Fund	0	0.00%	MGIC	7	1.97%
Other (< 80%LTV)	29	8.14%	Total	126	35.40%
Total	356	100.00%			

New/Existing:	# of Loans	<u>%</u>
New Construction	94	26.40%
Existing Home	262	73.60%
Total	356	100.00%
Type of Housing:	# of Loans	<u>%</u>
Single Family Detached	340	95.51%
Condominium	7	1.96%
Townhouse	9	2.53%
Manufactured Home	0	0.00%
Total	356	100.00%

DELINQUENCY STATISTICS

Loans Outstanding:	# of Loans	<u>%</u>	Principal Outstanding:	\$ of Loans	<u>%</u>
60 days	6	1.69%	60 days	\$453,835 1.	.49%
90 days	12	3.37%	90 days	\$1,249,344 4.	.09%
In Foreclosure	3	0.84%	In Foreclosure	\$361,617 1.	.18%
REO (Conv, USDA)	3	0.84%	REO (Conv, USDA)	\$294,933 0.	.97%
Total	25		Total	\$2,359,728	

SERVICER AND MORTGAGE LOAN DATA

Servicers:	# of Loans	<u>%</u>	Mortgage Rates (%):		# of Loans
Bank of America	6	1.69%		5.875	2
Marsh Associates Inc.	186	52.24%		5.75	8
RBC Bank	102	28.66%		5.625	57
BB&T	60	16.85%		5.5	100
State Employees Credit Union	2	0.56%		5.375	30
Total	356	100.00%		5.25	12
				5.125	131
				4.625	16
			Total		356

PAGE NO. 2-1998-18

POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS)::

SELF-INSURANCE COVERAGE: Name of Self-Insurance Fund: Insurance Reserve Fund Series of Bonds Covered: 1998 Series 18

Current Funding Requirements: Total Dollar Amount (\$000) \$550 As % of Initial Principal Amount of Mortgage Loans Purchased 1.80% Claims to Date 0

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

\$550

LIST OF BONDS BY	MATURITY: : :							
CUSIP	Maturity	Bond	Interest	Original	Principal	Principal	Principal	Bond Call
Number	Date	Туре	Rate	Amount	Matured	Redemptions	Outstanding	Sequence (Note 1)
65821FAD8	07/01/05	Serial	1.10%	\$740,000	\$740,000	\$0	\$0	2
65821FAE6	01/01/06	Serial	1.20%	745,000	745,000	0	0	2
65821FAF3	07/01/06	Serial	1.35%	755,000	730,000	25,000	0	2
65821FAG1	01/01/07	Serial	1.60%	765,000	740,000	25,000	0	2
65821FAH9	07/01/07	Serial	1.70%	770,000	720,000	50,000	0	2
65821FAJ5	01/01/08	Serial	1.90%	780,000	665,000	115,000	0	2
65821FAK2	07/01/08	Serial	2.00%	450,000	380,000	70,000	0	2
65821FAL0	01/01/09	Serial	2.20%	455,000	385,000	70,000	0	2
65821FAM8	07/01/09	Serial	2.30%	460,000	385,000	75,000	0	2
65821FAN6	01/01/10	Serial	2.45%	470,000	380,000	90,000	0	2
65821FAP1	07/01/10	Serial	2.50%	475,000	380,000	95,000	0	2
65821FAQ9	01/01/11	Serial	2.70%	485,000	0	100,000	385,000	2
65821FAR7	07/01/11	Serial	2.75%	490,000	0	105,000	385,000	2
65821FAS5	01/01/12	Serial	3.00%	500,000	0	105,000	395,000	2
65821FAT3	07/01/12	Serial	3.00%	410,000	0	80,000	330,000	2
65821FAU0	01/01/13	Serial	3.10%	265,000	0	50,000	215,000	2
65821FAA4	07/01/24	Term (Note 2)	4.45%	6,985,000	0	1,475,000	5,510,000	2
65821FAB2	01/01/25	Term (Note 3)	4.45%	6,000,000	0	1,100,000	4,900,000	1
65821FAC0	07/01/34	Term (Note 4)	5.00%	8,000,000	0	8,000,000	0	2
	01/01/35	(Note 5)	Variable	20,000,000	380,000	825,000	18,795,000	
	Т	otal 1998 Series 18		\$50,000,000	\$6,630,000	\$12,455,000	\$30,915,000	

Note 1: See optional and special redemption provisions page 4-1998-18, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemptions begin January 1, 2013.

Note 3: Sinking fund redemptions begin January 1, 2013.

Note 4: Sinking fund redemptions begin July 1, 2012. AMT PAC bonds were sold at a premium with a coupon rate of 5.00% and a yield of 4.516%. Note 5: Variable rate loans associated with swap - Bank of America

PAGE NO. 3-1998-18

Call Date	Call Amount	Type of Call	Source Of Funds
05/01/05	\$185,000	Supersinker	Prepayments
10/01/05	\$125,000	Pro rata	Prepayments
04/01/06	\$370,000	Supersinker	Prepayments
04/01/06	\$680,000	Pro rata	Prepayments
04/01/06	\$40,000	Pro rata	Debt Service Reserve
08/01/06	\$155,000	Supersinker	Prepayments
08/01/06	\$20,000	Pro rata	Debt Service Reserve
01/01/07	\$1,205,000	Supersinker	Prepayments
01/01/07	\$830,000	Pro rata	Prepayments
01/01/07	\$55,000	Pro rata	Debt Service Reserve
05/01/07	\$950,000	Supersinker	Prepayments
05/01/07	\$360,000	Pro rata	Prepayments
05/01/07	\$40,000	Pro rata	Debt Service Reserve
11/01/07	\$1,295,000	Pro rata	Prepayments
11/01/07	\$40,000	Pro rata	Debt Service Reserve
02/01/08	\$995,000	Supersinker	Prepayments
02/01/08	\$260,000	Pro rata	Prepayments
02/01/08	\$25,000	Pro rata	Debt Service Reserve
07/01/08	\$970,000	Supersinker	Prepayments
01/01/09	\$940,000	Supersinker	Prepayments
01/01/09	\$65,000	Pro rata	Debt Service Reserve
07/01/09	\$915,000	Supersinker	Prepayments
07/01/09	\$30,000	Pro rata	Debt Service Reserve
01/01/10	\$585,000	Supersinker	Prepayments
01/01/10	\$20,000	Pro rata	Debt Service Reserve
06/01/10	\$435,000	Supersinker	Prepayments
06/01/10	\$15,000	Pro rata	Debt Service Reserve
12/01/10	\$825,000	Swap call	Prepayments
12/01/10	<u>\$25,000</u>	Pro rata	Debt Service Reserve

\$<u>12,455,000</u>

INDENTURE: : : : SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION) : : : : : : : : : : : : : : : : : : :	PAGE NO.	4-1998-18
Band Call Information:		
Special Redemption		

The 1998 Series 18 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:

- prepayments of mortgage loans financed with the proceeds of the Series 18, including the existing mortgage loans,
- (iii)
- excess revenues transferred from the revenue reserve fund, 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 other than the Series 18 bond and from certain moneys in (v) 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 18 bonds shall first be applied to the redemption or purchase of Series 18 Term bonds due July 1, 2034 during the periods up to the scheduled principal amounts set forth in the series resolution.

Moneys in excess of the debt service reserve requirement, from excess revenues in the revenue reserve fund and from cross call redemption sources shall be applied to the redemption of the Series 18 bonds in any manner. Moneys to be applied to redemption from prepayments in excess of the scheduled principal amounts 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 18 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after July 1, 2013, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.