INDENTURE: SINGLE FAMILY REVENUE BONDS (1998 RESOLUTION) BOND SERIES: 26

GENERAL MORTGAGE LOAN INFORMATION

| Mortgage Loan Prin Outstanding: | \$51,453,884 | | | |
|---------------------------------|-----------------|--|--|--|
| Mortgage Rates: | 5.125% - 6.250% | | | |
| Average Purchase Price: | \$114,391 | | | |
| Average Original Loan Amount: | \$109,289 | | | |
| Total No. of Loans Originated: | 552 | | | |
| Total No. of Loans Paid Off: | 75 | | | |
| Total No. of Loans Outstanding: | 477 | | | |

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. | | | | | | |
|---|------------|----------|--|--|--|--|
| Loan Type: | # of Loans | <u>%</u> | | | | |
| CONV | 304 | 63.73% | | | | |
| FHA | 59 | 12.37% | | | | |
| VA | 31 | 6.50% | | | | |
| USDA | 33 | 6.92% | | | | |
| HUD-184 | 0 | 0.00% | | | | |
| Guaranty Fund | 0 | 0.00% | | | | |
| Other (< 80%LTV) | 50 | 10.48% | | | | |
| Total | 477 | 100.00% | | | | |

| Private Mortgage Insurers: | # of Loans | <u>%</u> |
|----------------------------|------------|----------|
| MGIC | 88 | 18.45% |
| RMIC | 33 | 6.92% |
| AIG-UGIC | 36 | 7.55% |
| GENWORTH | 133 | 27.88% |
| PMI MTG. INS. CO. | 9 | 1.89% |
| TRIAD | 2 | 0.42% |
| RADIAN GUARANTY INC. | 2 | 0.42% |
| CMG MTG INS CO | 2 | 0.42% |
| Total | 305 | 63.87% |

| New/Existing: | # of Loans | <u>%</u> |
|------------------------|-------------------|----------|
| New Construction | 134 | 28.09% |
| Existing Home | 343 | 71.91% |
| Total | 477 | 100.00% |
| | | |
| Type of Housing: | <u># of Loans</u> | <u>%</u> |
| Single Family Detached | 359 | 75.26% |
| Condominium | 34 | 7.13% |
| Townhouse | 79 | 16.56% |
| Manufactured Home | 5 | 1.05% |
| Total | 477 | 100.00% |

DELINQUENCY STATISTICS

| Loans Outstanding: | # of Loans | <u>%</u> | Princi |
|--------------------|------------|----------|--------|
| 60 days | 12 | 2.52% | 60 day |
| 90 days | 18 | 3.77% | 90 day |
| In Foreclosure | 7 | 1.47% | In For |
| REO (Conv, USDA) | 9 | 1.89% | REO (C |
| Total | 47 | | |

| Principal Outstanding: | <u>\$ of Loans</u> | <u>%</u> |
|------------------------|--------------------|----------|
| 60 days | \$1,455,854 | 2.83% |
| 90 days | \$2,086,408 | 4.05% |
| In Foreclosure | \$717,870 | 1.40% |
| REO (Conv, USDA) | \$946,916 | 1.84% |
| Total | \$5,207,048 | |

SERVICER AND MORTGAGE LOAN DATA

| Servicers: | # of Loans | <u>s %</u> | Mortgage Rates (%): | | # of Loans |
|------------------------------|------------|------------|---------------------|-------|------------|
| Bank of America | 3 | 0.63% | | 6.25 | 3 |
| Marsh Associates Inc. | 197 | 41.30% | | 6.125 | 7 |
| RBC Bank | 153 | 3 32.07% | | 5.99 | 1 |
| BB&T | 115 | 5 24.11% | | 5.875 | 7 |
| State Employees Credit Union | 0 | 9 1.89% | | 5.75 | 47 |
| US Bank Home Mortgage | (| 0.00% | | 5.625 | 181 |
| Total | 477 | 100.00% | | 5.5 | 228 |
| | | | | 5.125 | 3 |
| | | | Total | | 477 |

None

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

POOL INSURANCE COVERAGE (DOLLARS IN THOUSANDS):

SELF-INSURANCE COVERAGE: Name of Self-Insurance Fund: Insurance Reserve Fund Series of Bonds Covered: 1998 Series 26

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

\$710

1.38% Claims to Date 0

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\$710

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) |
| 658207DA0 | 07/01/08 | Serial | 3.40% | 170,000 | 170,000 | 0 | 0 | 2 |
| 658207CJ2 | | | | , | , | | 0 | |
| 658207CJ2 658207CK9 | 01/01/09 07/01/09 | Serial Serial | 3.80% 3.85% | 500,000 510,000 | 500,000 510,000 | 0 0 | 0 | 2 2 |
| 658207CL7 | 01/01/10 | Serial | 3.90% | , | , | 0 | 0 | |
| | | | | 520,000 | 520,000 | | Ũ | 2 |
| 658207CM5 | 07/01/10 | Serial | 3.90% | 280,000 | 280,000 | 0 | 0 | 2 |
| 658207DB8 | 07/01/10 | Serial | 3.50% | 250,000 | 250,000 | 0 | 0 | 2 |
| 658207CN3 | 01/01/11 | Serial | 3.95% | 295,000 | 0 | 0 | 295,000 | 2 |
| 658207DC6 | 01/01/11 | Serial | 3.55% | 250,000 | 0 | 0 | 250,000 | 2 |
| 658207CP8 | 07/01/11 | Serial | 3.95% | 555,000 | 0 | 0 | 555,000 | 2 |
| 658207DD4 | 01/01/12 | Serial | 3.60% | 565,000 | 0 | 0 | 565,000 | 2 |
| 658207CQ6 | 07/01/12 | Serial | 4.00% | 580,000 | 0 | 0 | 580,000 | 2 |
| 658207CR4 | 01/01/13 | Serial | 4.05% | 590,000 | 0 | 0 | 590,000 | 2 |
| 658207CS2 | 07/01/13 | Serial | 4.05% | 605,000 | 0 | 0 | 605,000 | 2 |
| 658207CT0 | 01/01/14 | Serial | 4.10% | 615,000 | 0 | 0 | 615,000 | 2 |
| 658207CU7 | 07/01/14 | Serial | 4.10% | 630,000 | 0 | 0 | 630,000 | 2 |
| 658207DE2 | 01/01/15 | Serial | 3.75% | 645,000 | 0 | 0 | 645,000 | 2 |
| 658207DF9 | 07/01/15 | Serial | 3.75% | 660,000 | 0 | 0 | 660,000 | 2 |
| 658207DG7 | 01/01/16 | Serial | 3.80% | 675,000 | 0 | 0 | 675,000 | 2 |
| 658207DH5 | 07/01/16 | Serial | 3.80% | 690,000 | 0 | 0 | 690,000 | 2 |
| 658207DJ1 | 01/01/17 | Serial | 3.85% | 705,000 | 0 | 0 | 705,000 | 2 |
| 658207DK8 | 07/01/17 | Serial | 3.85% | 720,000 | 0 | 0 | 720.000 | 2 |
| 658207CV5 | 07/01/22 | Term (Note 2) | 4.55% | 5,505,000 | 0 | 0 | 5,505,000 | 2 |
| 658207CW3 | 07/01/28 | Term (Note 3) | 4.60% | 8,385,000 | 0 | 0 | 8,385,000 | 2 |
| 658207CX1 | 07/01/32 | Term (Note 4) | 4.65% | 7,280,000 | 0 | 0 | 7,280,000 | 2 |
| 658207CY9 | 01/01/38 | Term (Note 5) | 5.50% | 19,500,000 | ů 0 | 7,800,000 | 11,700,000 | 2 |
| 658207CZ6 | 07/01/38 | Term (Note 6) | 4.70% | 13,320,000 | 0 | 200,000 | 13,120,000 | 2 |
| 000207020 | 07/01/30 | | 4.7070 | 13,320,000 | 0 | 200,000 | 13,120,000 | 2 |
| | Т | otal 1998 Series 26 | | \$65,000,000 | \$2,230,000 | \$8,000,000 | \$54,770,000 | |

Note 1: See optional and special redemption provisions page 4-1998-26, (i.e. "1" denotes first call priority from prepayments).

Note 2: Sinking fund redemptions begin January 1, 2018.

Note 2: Sinking fund redemptions begin January 1, 2023. Note 4: Sinking fund redemptions begin January 1, 2029. Note 5: Sinking fund redemptions begin July 1, 2018. AMT PAC bonds were sold at a premium with a coupon rate of 5.50% and a yield of 5.084%. Note 6: Sinking fund redemptions begin January 1, 2033.

LIST OF UNSCHEDULED REDEMPTIONS

Type of Call Call Date Source Of Funds Call Amount 7/1/2008 1/1/2009 \$550,000 \$1,060,000 Supersinker Prepayments Prepayments Debt Service Reserve Supersinker 1/1/2009 7/1/2009 7/1/2009 \$45,000 \$1,245,000 \$35,000 Pro rata Supersinker Pro rata Prepayments Debt Service Reserve \$35,000 \$1,560,000 \$45,000 \$1,700,000 \$30,000 \$1,685,000 1/1/2010 1/1/2010 Prepayments Debt Service Reserve Supersinker Pro rata 6/1/2010 6/1/2010 6/1/2010 12/1/2010 12/1/2010 Supersinker Pro rata Prepayments Debt Service Reserve Supersinker Pro rata Prepayments Debt Service Reserve \$45,000

<u>\$8,000,000</u>

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Bond Call Information:

Special Redemption

The 1998 Series 26 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) prepayments of mortgage loans financed with the proceeds of the Series 26, 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 26 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 26 bonds shall first be applied to the redemption or purchase of Series 26 term bonds due January 1, 2038 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 26 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 26 bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after January 1, 2016, in whole, or in part, at the principal amount thereof plus accrued interest to the date of redemption, without premium.