

**S.E.C. RULE 15c2-12
ANNUAL REPORT**

The California Housing Finance Agency (the "Agency") hereby provides its annual report for the fiscal year ended June 30, 2005 in connection with the following Bonds:

Bond Issues:

Home Mortgage Revenue Bonds (the "Bonds")
California Valley Housing Finance Authority Series 1997, dated April 23, 1998

Annual Report:

The Issuer's "annual report" (as defined in the Continuing Disclosure Agreement, dated March 1, 1997 as supplemented, with respect to the Bonds, hereinafter the "Disclosure Agreement") for the fiscal year ended June 30, 2005 consists of information contained in the Official Statement for the Issuer's Home Mortgage Revenue Bonds 2005 Series H which is incorporated herein by reference. A copy of this Official Statement has previously been filed with the several Nationally Recognized Municipal Securities Information Repositories and is available from any of them. In addition, attached hereto are items required under the Annual Reports section of the Disclosure Agreement in compliance with S.E.C. Rule 15c2-12.

Other Matters:

This annual report is provided solely for purposes of the Disclosure Agreement. The filing of this report does not constitute or imply any representation (i) that all of the information provided is material to investors, (ii) regarding any other financial or operating information about the Issuer or the Bonds, or (iii) that no changes, circumstances or events have occurred since the end of the fiscal year to which this report relates (other than as contained in this report), or that no other information exists, which may have a bearing on the Issuer's financial condition, the security for the Bonds, or an investor's decision to buy, sell, or hold the Bonds. The information contained in this report has been obtained from sources that are believed to be reliable, but such information is not guaranteed as to accuracy or completeness. No statement in this annual report should be construed as a prediction or representation about future financial performance of the Issuer.

The information provided herein may relate to bonds or other obligations of the Issuer in addition to the ones listed above.

CALIFORNIA HOUSING FINANCE AGENCY

By: 

Bruce D. Gilbertson
Director of Financing

Date: December 27, 2005

The following information is being provided in accordance with the Continuing Disclosure Agreement for the bond issues mentioned below.

Home Mortgage Revenue Bonds (the "Bonds")
California Valleys Housing Finance Authority Series 1997

The Issuer's Audited Financial Statements are shown as Appendix A of the Official Statement for the Home Mortgage Revenue Bonds 2005 Series H.

A description of all bonds issued by the Issuer and outstanding as of November 3, 2005 is shown on pages H-26 through H-28 of the Official Statement for the Home Mortgage Revenue Bonds 2005 Series H. (Please note that this table does not include bonds with \$0 outstanding.)

There is no reserve requirement for this issue.

A schedule of bond redemptions and the source of funds for such redemptions is shown as Appendix C of the Official Statement for the Home Mortgage Revenue Bonds 2005 Series H.

The status of the Issuer's mortgage loan portfolio, including the interest rates on the Mortgage Loans and the principal amount of the current Mortgage Loan portfolio is shown on pages H-5 through H-24 of the Official Statement for the Home Mortgage Revenue Bonds 2005 Series H.

A summary of the Mortgage Loan delinquencies, including the percentage of loans that are 30 days, 60 days, 90 days or 120 days delinquent or in foreclosure is shown on page H-25 of the Official Statement for the Home Mortgage Revenue Bonds 2005 Series H.

The balance in the Issuer's Housing Loan Insurance Fund and the rating assigned it claims-paying ability, and the aggregate unpaid principal balance of the Issuer loans insured by the Fund is shown on pages 38 through 39 of the Official Statement for the Home Mortgage Revenue Bonds 2005 Series H.