

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

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

Bond Issues:

Multifamily Housing Revenue Bonds III (the "Bonds")

- 1997 Series A, B & C dated March 1, 1997
- 1998 Series A, B & C dated April 1, 1998
- 1998 Series D dated October 8, 1998
- 1999 Series A dated May 7, 1999
- 2000 Series A & B dated July 12, 2000
- 2000 Series C & D dated November 16, 2000
- 2001 Series A, B & C dated February 22, 2001
- 2001 Series D & E dated June 28, 2001
- 2001 Series F, G & H dated November 15, 2001
- 2002 Series A dated June 5, 2002
- 2002 Series B & C dated September 10, 2002
- 2002 Series D & E dated December 18, 2002
- 2003 Series A dated June 4, 2003
- 2003 Series B dated September 10, 2003
- 2003 Series C dated December 10, 2003
- 2004 Series A & B dated June 24, 2004
- 2004 Series C & D dated November 17, 2004
- 2005 Series A & B dated June 15, 2005

Annual Report:

The Issuer's "annual report" (as defined in the Continuing Disclosure Agreement, dated November 14, 1995 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 Multifamily Housing Revenue Bonds III 2005 Series C, D, & E 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.

Multifamily Housing Revenue Bonds III (the "Bonds")

1997 Series A, B & C
1998 Series A, B & C
1998 Series D
1999 Series A
2000 Series A & B
2000 Series C & D
2001 Series A, B & C
2001 Series D & E
2001 Series F, G & H
2002 Series A
2002 Series B & C
2002 Series D & E
2003 Series A
2003 Series B
2003 Series C
2004 Series A & B
2004 Series C & D
2005 Series A & B

The Issuer's Audited Financial Statements are shown as Appendix F of the Official Statement for the Multifamily Housing Revenue Bonds III 2005 Series C, D, & E.

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.)

Amounts in the Reserve Account are attached as Appendix A. There are no balances in the Supplementary Reserve Account for these issues.

Bond redemptions and the source of funds for such redemptions are attached as Appendix B.

The status of the Issuer's Loan portfolio, including the interest rates on the Loans, the principal amount of Loans to be made, purchased or otherwise acquired, including the type of such loans and the principal amount of the current Loan portfolio, is shown as Appendices A, B, and C of the Official Statement for the Multifamily Housing Revenue Bonds III 2005 Series C, D, & E.

There have been no principal prepayments with respect to the Loans.

There is one loan delinquency as of June 30, 2005 under this indenture (Ridgeway Apartments, County of Marin, California). The results of this delinquency have been disclosed under separate cover. There have been no loan foreclosures as of June 30, 2005 under this indenture.

A surety bond in the amount of \$3,170,310 has been deposited in the Bond Reserve Account in respect of the Bond Reserve Account requirement.

There is no Loan Reserve Account Requirement for the following bond series:

- 1997 Series A, B & C
- 1998 Series A, B & C
- 1998 Series D
- 1999 Series A
- 2000 Series A & B
- 2000 Series C & D
- 2001 Series A, B & C
- 2001 Series D & E
- 2001 Series F, G & H
- 2002 Series A
- 2002 Series B & C
- 2002 Series D & E
- 2003 Series A
- 2003 Series B
- 2003 Series C
- 2004 Series A & B

CALIFORNIA HOUSING FINANCE AGENCY

BOND REDEMPTION HISTORY AS OF AUGUST 1, 2005

MULTIFAMILY HOUSING PROGRAM BONDS			SOURCES OF SPECIAL REDEMPTION FUNDS				
Indenture & Bond Series	Redemption Date	Redemption Amount	Unexpended Proceeds	Recoveries of Principal	Reduction of Reserves	Available Revenues	Optional or Special Redemptions
MULTIFAMILY HOUSING REVENUE BONDS III 1997 Series A	8/1/01	\$130,000	\$0	\$130,000	\$0	\$0	\$0
	2/1/02	165,000	0	165,000	0	0	0
	8/1/02	400,000	0	400,000	0	0	0
	8/1/03	620,000	0	616,658	0	3,342	0
	8/1/04	600,000	0	595,576	0	4,424	0
	6/8/05	4,050,000	0	4,046,279	0	3,721	0
	Subtotal	\$5,965,000	\$0	\$5,953,513	\$0	\$11,487	\$0
MULTIFAMILY HOUSING REVENUE BONDS III 1997 Series B	8/1/98	\$45,620,000	\$0	\$0	\$0	\$0	\$45,620,000
MULTIFAMILY HOUSING REVENUE BONDS III 1997 Series C	8/1/98	\$31,295,000	\$0	\$0	\$0	\$0	\$31,295,000
MULTIFAMILY HOUSING REVENUE BONDS III 1998 Series A	8/1/02	\$3,600,000	\$0	\$3,600,000	\$0	\$0	\$0
	8/1/03	1,575,000	0	1,570,108	0	4,892	0
	2/1/04	80,000	0	78,845	0	1,155	0
	8/1/04	1,060,000	0	1,058,165	0	1,835	0
	8/1/05	570,000	0	0	0	570,000	0
	Subtotal	\$6,885,000	\$0	\$6,307,118	\$0	\$577,882	\$0
MULTIFAMILY HOUSING REVENUE BONDS III 1998 Series B	8/1/01	\$1,120,000	\$0	\$1,120,000	\$0	\$0	\$0
	2/1/02	1,370,000	0	1,370,000	0	0	0
	8/1/02	285,000	0	285,000	0	0	0
	8/1/03	1,890,000	0	1,887,514	0	2,486	0
	8/1/04	1,420,000	0	1,415,614	0	4,386	0
	2/1/05	1,585,000	0	1,582,555	0	2,445	0
	8/1/05	40,000	0	0	0	40,000	0
	Subtotal	\$7,710,000	\$0	\$7,660,683	\$0	\$49,317	\$0
MULTIFAMILY HOUSING REVENUE BONDS III 1998 Series C	2/1/00	\$75,000	\$75,000	\$0	\$0	\$0	\$0
MULTIFAMILY HOUSING REVENUE BONDS III 1998 Series D	4/1/01	\$13,625,000	\$1,302,883	\$0	\$0	\$97,117	\$12,225,000
MULTIFAMILY HOUSING REVENUE BONDS III 1999 Series A	8/1/02	\$200,000	\$0	\$200,000	\$0	\$0	\$0
	8/1/03	380,000	0	377,906	0	2,094	0
	2/1/04	890,000	0	886,548	0	3,452	0
	8/1/04	3,625,000	0	3,623,112	0	1,888	0
	Subtotal	\$5,095,000	\$0	\$5,087,565	\$0	\$7,435	\$0
MULTIFAMILY HOUSING REVENUE BONDS III 2001 Series A	8/1/02	\$755,000	\$0	\$755,000	\$0	\$0	\$0
MULTIFAMILY HOUSING REVENUE BONDS III 2001 Series B	1/4/05	\$8,690,000	\$0	\$8,619,973		\$70,027	\$0
MULTIFAMILY HOUSING REVENUE BONDS III 2001 Series C	6/8/05	\$10,630,000	\$0	\$10,629,292		\$708	\$0
MULTIFAMILY HOUSING REVENUE BONDS III 2001 Series D	2/1/05	\$865,000	\$0	\$860,109	\$0	\$4,891	\$0

CALIFORNIA HOUSING FINANCE AGENCY

BOND REDEMPTION HISTORY AS OF AUGUST 1, 2005

MULTIFAMILY HOUSING PROGRAM BONDS			SOURCES OF SPECIAL REDEMPTION FUNDS				
Indenture & Bond Series	Redemption Date	Redemption Amount	Unexpended Proceeds	Recoveries of Principal	Reduction of Reserves	Available Revenues	Optional or Special Redemptions
MULTIFAMILY HOUSING REVENUE BONDS III 2001 Series E	8/1/03	\$7,730,000	\$0	\$0	\$0	\$7,730,000	\$0
	2/1/04	1,465,000	0	1,461,686	0	3,314	0
	8/1/05	2,730,000	0	0	0	2,730,000	0
	Subtotal	\$11,925,000	\$0	\$1,461,686	\$0	\$10,463,314	\$0
MULTIFAMILY HOUSING REVENUE BONDS III 2001 Series G	8/4/04	\$8,555,000	\$0	\$8,555,000	\$0	\$0	\$0
	2/2/05	135,000	0	135,000	0	0	0
	8/3/05	2,525,000	0	0	0	2,525,000	0
	Subtotal	\$11,215,000	\$0	\$8,690,000	\$0	\$2,525,000	\$0
MULTIFAMILY HOUSING REVENUE BONDS III 2002 Series A	2/1/05	\$5,240,000	\$0	\$5,240,000	\$0	\$0	\$0
	8/3/05	6,100,000	0	0	0	6,100,000	0
	Subtotal	\$11,340,000	\$0	\$5,240,000	\$0	\$6,100,000	\$0
MULTIFAMILY HOUSING REVENUE BONDS III INDENTURE TOTALS TO DATE		\$171,690,000	\$1,377,883	\$61,264,940	\$0	\$19,907,177	\$89,140,000