



May 26, 2009

Interested Parties;

Subject: Summary of California Housing Finance Fund Financial Statements –
As of and for the period ending December 31, 2008

Operating Results

The Agency is reporting an operating loss of \$26.8 million in the combined statements of revenue, expenses and changes in fund equity for the California Housing Finance Fund (Finance Fund) for the quarter ending December 31, 2008. For the six month period ending December 31, 2008 there was an operating loss of \$48.9 million. Operating results of the Finance Fund fell by approximately \$71.4 million when comparing the six month results as of December 31, 2008 to the operating income of \$22.5 million for the six month results ending December 31, 2007. The operating loss for the quarter is primarily attributable to the continuing decline of the California real estate market, basis mismatch on variable rate bonds and the early termination of interest rate swap agreements as explained below.

Operating results for the quarter by program were as follows: The homeownership bond programs realized net losses of \$4.8 million (with the Agency's Home Mortgage Revenue Bond (HMRB) Indenture accounting for \$2.3 million of the loss), the multifamily bond programs realized net losses of \$8.7 million and other programs and accounts recorded an operating loss of \$13.3 million. Net operating losses for the six month period ending December 31, 2008 were \$7.1 million, \$5.9 million and \$35.9 million, respectively. These losses are largely due to expected losses stemming from real estate exposure.

The California Real Estate Market

Throughout calendar year 2008, single family loan delinquencies have been on the increase and 3,699 borrowers, or 10.8% of single family borrowers, were delinquent on one or more first mortgage payments on December 31, 2008. By comparison, 1,932 borrowers, or 6.1% of all single family borrowers, were delinquent on their first mortgages as of December 31, 2007. In addition, the number of foreclosures has increased significantly from recent years and for the period from January 1, 2008 through December 31, 2008, 486 CalHFA borrowers had lost their homes through foreclosure (231 loans that were insured by FHA and 255 loans that were conventionally insured or without mortgage insurance).

The continued rise in loan delinquencies, increases in foreclosures and additional home price depreciation in California have contributed directly to increased allowances for loan losses and other reserves. For the quarter ending December 31, 2008 for homeownership programs, the allowance for loan losses on delinquent loans was increased by \$2.9 million and foreclosed properties were written down by \$1.8 million to reflect anticipated losses upon sale of the properties.

The Finance Fund has also recorded losses to cover anticipated indemnification payments to the California Housing Loan Insurance Fund for loans subject to what is frequently referred to as "gap" insurance. The indemnification payments are for losses up to 50% of the outstanding principal balance of each loan for which either the primary mortgage insurance covers less than 50% of loan principal or primary mortgage insurance may not be required because the loan-to-value ratio was below 80% at loan origination or because the borrower demonstrated equity of 20% or more in the property. The gap insurance loss reserve expense increased by \$12.5 million during the quarter

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and increased by \$37.2 million for the six-month period ending December 31, 2008. The actual gap insurance claims paid during the first two quarters of the fiscal year were \$500 thousand and \$406 thousand, respectively. The reserves and payments are charged to the Supplementary Bond Security Account, an account that is part of the Agency's general obligation capital base, not the HMRB Indenture.

Basis Mismatch

In addition to losses attributable to the California real estate market, the Finance Fund incurred losses due to basis mismatch, the difference between the actual interest rates paid to bondholders on floating rate securities (variable rate demand obligations and auction rate securities) and the variable rates received from swap counterparties on interest rate swaps entered into to hedge the Agency's variable rate exposure. The mismatch is a result of higher interest rate resets on variable rate bonds, including rates resulting from failed auctions and rates paid to liquidity banks when bondholders put their variable rate demand obligations to the remarketing agents and other investors are unwilling to purchase the securities. In addition a dysfunctional municipal bond market resulted in an unusually high SIFMA/LIBOR ratio and interest rate compression has continued this relationship. The basis mismatch for the September 30, 2008 and December 31, 2008 quarters were \$9.3 million and \$12.9 million respectively and are reflected in the income statements for the HMRB Indenture and the Multifamily Housing Revenue Bond III Indenture. By comparison, the basis mismatch for the period from July 1, 2007 to December 31, 2007 was \$5.5 million.

Early Termination of Interest Rate Swaps

On November 18, 2009, in response to Lehman Brothers' bankruptcy filing, the Agency terminated all \$482.7 million of swap notional with Lehman Brothers via a market quotation process and paid Lehman Brothers \$42.6 million to terminate the swaps. At the same time and as part of the market quotation process, the Agency elected to replace some, but not all, of the Lehman Brothers swap contracts with counterparties that are more highly rated. The Agency accepted bids from Goldman Sachs for \$53.8 million of swap notional and bids from Deutsche Bank for \$286 million of swap notional. The Agency received payments of \$28.9 million from the replacement counterparties in exchange for the off market fixed receiver swap contracts. The net effect of the termination event resulting from the Lehman Brothers bankruptcy was an operating loss of \$13.7 million. In addition the Agency has periodically terminated small portions of interest rate swap notional to better match the outstanding balance of unhedged floating rate bonds. These swap management strategies resulting in termination payments to counterparties of \$1.3 million.

Balance Sheet Results

During the quarter ending December 31, 2008 the Finance Fund's total assets increased by \$12.9 million resulting in a six month increase of \$338 million and now total \$11.2 billion. Cash and investments increased by \$2.8 million and Program Loans Receivable increased by \$13.6 million resulting in a six month increase of \$144.8 million and \$201.2 million, respectively. The Finance Fund's total liabilities decreased by \$4.6 million for the quarter and decreased \$22.2 million for the six month period. Bonds outstanding decreased by \$144 million and loss reserves increased by \$12.5 million for the quarter. Fund equity increased by \$360.5 million to over \$1.8 billion for the six month period. The primary reason for the increase in equity and total assets was transfers into the fund of \$409 million of which \$370 million was from the state Department of Mental Health and \$39 million was from the state Department of Housing and Community Development. CalHFA has contracted with the state to use the transferred amount of \$370 million in administering a loan and operating subsidy program that will provide housing for the mentally ill homeless and use the transferred amount of \$39 million in administering loan programs under Proposition 46 and Proposition 1C. Under applicable statutes such amounts are not available for other Finance Fund purposes.

Summary

While fiscal year operating results as of December 31, 2008 were disappointing, the Finance Fund would have realized an operating gain of approximately \$36.9 million for the six month period were it not for charges for loan losses and insurance reserves, experiencing extraordinarily high basis mismatch, and the early termination of interest rate swaps.

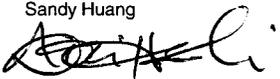
CALIFORNIA HOUSING FINANCE AGENCY

FINANCIAL STATEMENT SUMMARY

DECEMBER 31, 2008

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Report Date: 15-May-09

**CALIFORNIA HOUSING FINANCE FUND
COMBINED BALANCE SHEET
WITH ADDITIONAL COMBINING INFORMATION**

December 31, 2008

ADDITIONAL COMBINING INFORMATION				
	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	COMBINED TOTALS
ASSETS				
Current assets:				
Cash and cash equivalents	18,663,896.90	5,175,587.01	68,401,519.40	92,241,003.31
Investments	752,291,234.60	179,927,707.63	1,160,200,263.31	2,092,419,205.54
Current portion - program loans receivable	96,715,525.89	105,513,419.70	72,388,647.31	274,617,592.90
Interest receivable - Program loans	27,288,807.38	7,221,747.23	2,065,425.90	36,575,980.51
Interest receivable - Investments	9,137,963.57	1,758,691.62	8,130,090.68	19,026,745.87
Accounts receivable	8,672,696.79	1,061.01	8,775,128.96	17,448,886.76
Due from (to) other funds	(24,617,844.87)	(33,991,954.30)	58,609,799.17	0.00
Other assets	107,399.23	533,454.34	67,821.21	708,674.78
Total current assets	888,259,679.49	266,139,714.24	1,378,638,695.94	2,533,038,089.67
Noncurrent assets:				
Investments	167,576,727.89	16,826,148.85	53,902,429.60	238,305,306.34
Program loans receivable	6,543,431,468.10	1,212,688,435.67	574,605,751.25	8,330,725,655.02
Due from (to) other funds	0.00	0.00	0.00	0.00
Deferred financing costs	33,867,887.65	6,498,879.91	35,403.07	40,402,170.63
Other assets	63,508,904.97	0.00	817,950.05	64,326,855.02
Total Noncurrent assets	6,808,384,988.61	1,236,013,464.43	629,361,533.97	8,673,759,987.01
Total Assets	7,696,644,668.10	1,502,153,178.67	2,008,000,229.91	11,206,798,076.68
LIABILITIES AND FUND EQUITY				
Current liabilities:				
Bonds payable	99,815,270.81	29,677,139.71	0.00	129,492,410.52
Interest payable	141,026,829.58	23,205,704.28	3,634,886.05	167,867,419.91
Due to (from) other government entities	(600,433.51)	0.00	353,338,908.59	352,738,475.08
Compensated absences	0.00	0.00	2,704,093.88	2,704,093.88
Deposits and other liabilities	8,641,386.89	457,066.09	287,909,270.69	297,007,723.67
Total current liabilities	248,883,053.77	53,339,910.08	647,587,159.21	949,810,123.06
Noncurrent liabilities:				
Bonds and debenture notes payable	7,009,500,914.27	1,353,324,585.98	23,133,890.32	8,385,959,390.57
Due to (from) other government entities	22,133,709.95	12,397,208.09	0.00	34,530,918.04
Deferred revenue	5,067,628.75	14,725.33	25,803,951.47	30,886,305.55
Total noncurrent liabilities	7,036,702,252.97	1,365,736,519.40	48,937,841.79	8,451,376,614.16
Total Liabilities	7,285,585,306.74	1,419,076,429.48	696,525,001.00	9,401,186,737.22
Fund equity				
Invested in capital assets	0.00	0.00	838,829.83	838,829.83
Restricted by indenture	411,059,361.36	83,076,749.19	0.00	494,136,110.55
Restricted by statute	0.00	0.00	1,310,636,399.08	1,310,636,399.08
Total Fund equity	411,059,361.36	83,076,749.19	1,311,475,228.91	1,805,611,339.46
Total Liabilities and Fund equity	7,696,644,668.10	1,502,153,178.67	2,008,000,229.91	11,206,798,076.68

**CALIFORNIA HOUSING FINANCE FUND
 COMBINED STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN FUND EQUITY
 WITH ADDITIONAL COMBINING INFORMATION**

December 31, 2008

	ADDITIONAL COMBINING INFORMATION			
	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	COMBINED TOTALS
OPERATING REVENUES				
Interest income:				
Program loans and loan agreements -- net.....	168,741,591.28	45,001,882.87	10,861,797.71	224,605,271.86
Interest income - Investments -- net	18,229,658.35	4,249,282.11	17,224,569.49	39,703,509.95
Increase (decrease) in fair value of investments	5,598,244.97	345,775.38	(676,652.30)	5,267,368.05
Loan commitment fees	100,971.18	2,116.53	813,021.03	916,108.74
Other loan fees	606,691.49	99,822.00	9,812,135.87	10,518,649.36
Other revenues	412,639.84	1,222,880.28	35,956,042.18	37,591,562.30
Total Operating revenues	193,689,797.11	50,921,759.17	73,990,913.98	318,602,470.26
OPERATING EXPENSES				
Interest	151,615,456.89	28,828,339.12	6,842,914.08	187,286,710.09
Amortization of bond discount and bond premium	(463,266.51)	331,748.82	0.00	(131,517.69)
Mortgage servicing fees	9,944,539.78	3,521.45	57,167.36	10,005,228.59
Provision (reversal) for estimated loan losses	8,634,362.11	(885,290.78)	(3,176,175.97)	4,572,895.36
Operating expenses	0.00	0.00	17,980,230.69	17,980,230.69
Other expenses	31,064,531.91	28,506,818.89	88,188,860.01	147,760,210.81
Total Operating expenses	200,795,624.18	56,785,137.50	109,892,996.17	367,473,757.85
Operating income (loss) before transfers	(7,105,827.07)	(5,863,378.33)	(35,902,082.19)	(48,871,287.59)
Transfers (interfund).....	0.00	0.00	409,378,500.00	409,378,500.00
Transfers (intrafund).....	1,627,568.32	108,070.21	(1,735,638.53)	0.00
Increase (decrease) in fund equity.....	(5,478,258.75)	(5,755,308.12)	371,740,779.28	360,507,212.41
Fund equity at beginning of year	416,537,620.11	88,832,057.31	939,734,449.63	1,445,104,127.05
Fund equity at end of year	411,059,361.36	83,076,749.19	1,311,475,228.91	1,805,611,339.46

**CALIFORNIA HOUSING FINANCE FUND
COMBINING STATEMENT OF CASH FLOWS
WITH ADDITIONAL COMBINING INFORMATION**

December 31, 2008

ADDITIONAL COMBINING INFORMATION				
	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	COMBINED TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	170,202,959.16	44,380,152.83	14,628,452.03	229,211,564.02
Payments to suppliers	(10,392,114.78)	(72,611.20)	(6,337,249.33)	(16,801,975.31)
Payments to employees	0.00	0.00	(12,577,499.85)	(12,577,499.85)
Internal activity - payments other funds	0.00	0.00	0.00	0.00
Other receipts (payments)	(501,146,751.17)	52,747,600.19	210,158,372.72	(238,240,778.26)
Net cash provided by (used in) operating activities	(341,335,906.79)	97,055,141.82	205,872,075.57	(38,408,689.40)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intrafund transfers	1,627,568.32	108,070.21	(1,735,638.53)	0.00
Changes in due to (from) other government entities	(600,433.51)	0.00	732,323.09	131,889.58
Net cash provided by (used for) noncapital financing activities	1,027,134.81	108,070.21	(1,003,315.44)	131,889.58
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sales of bonds	250,000,000.00	0.00	0.00	250,000,000.00
Payment of bond principal	(39,845,230.61)	(23,706,979.24)	0.00	(63,552,209.85)
Early bond redemptions	(137,377,117.86)	(152,750,000.00)	0.00	(290,127,117.86)
Interest paid on debt	(131,158,446.11)	(29,972,822.00)	(7,100,844.84)	(168,232,112.95)
Interfund transfers	0.00	0.00	409,378,500.00	409,378,500.00
Decrease (increase) in deferred financing costs	(1,955,653.09)	(12,444.53)	27,233.22	(1,940,864.40)
Net cash provided by (used for) capital and related financing activities	(60,336,447.67)	(206,442,245.77)	402,304,888.38	135,526,194.94
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from maturity and sale of investments.....	1,200,840,393.09	272,270,893.78	945,097,824.30	2,418,209,111.17
Purchase of investments	(882,009,295.70)	(169,505,782.53)	(1,578,764,896.63)	(2,630,279,974.86)
Interest on investments	22,095,843.78	5,805,286.30	14,387,958.63	42,289,088.71
Net cash provided by (used for) investing activities	340,926,941.17	108,570,397.55	(619,279,113.70)	(169,781,774.98)
Net increase (decrease) in cash and cash equivalents	(59,718,278.48)	(708,636.19)	(12,105,465.19)	(72,532,379.86)
Cash and cash equivalents at beginning of year	78,382,175.38	5,884,223.20	80,506,984.59	164,773,383.17
Cash and cash equivalents at end of year	18,663,896.90	5,175,587.01	68,401,519.40	92,241,003.31
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:				
Operating income (loss)	(7,105,827.07)	(5,863,378.33)	(35,902,082.19)	(48,871,287.59)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Interest expense on debt	151,615,456.89	28,828,339.12	6,842,914.08	187,286,710.09
Interest on investments	(18,229,658.35)	(4,249,282.11)	(17,224,569.49)	(39,703,509.95)
Changes in fair value of investments.....	(5,598,244.97)	(345,775.38)	676,652.30	(5,267,368.05)
Accretion of capital appreciation bonds	1,683,403.32	0.00	0.00	1,683,403.32
Amortization of bond discount	17,154.77	14,229.36	0.00	31,384.13
	125,769.12	317,519.46	0.00	443,288.58
Amortization of deferred losses				
Amortization of bond issuance costs	1,479,213.47	1,109,924.20	7,873.92	2,597,011.59
Amortization of bond premium	(606,190.40)	0.00	0.00	(606,190.40)
Amortization of deferred revenue	(100,971.18)	(2,116.53)	(813,021.03)	(916,108.74)
Depreciation	0.00	0.00	96,802.43	96,802.43
Provision (reversal for estimated loan losses	9,986,651.66	935,996.78	(3,088,518.71)	7,834,129.73
Provision for yield reduction payments	0.00	0.00	0.00	0.00
Provision for nonmortgage investment excess	(385,775.27)	0.00	0.00	(385,775.27)

**CALIFORNIA HOUSING FINANCE FUND
COMBINING STATEMENT OF CASH FLOWS
WITH ADDITIONAL COMBINING INFORMATION**

December 31, 2008

ADDITIONAL COMBINING INFORMATION				
HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	COMBINED TOTALS	
Changes in certain assets and liabilities:				
Purchase of program loans	(537,033,036.76)	(63,085,317.21)	113,554,026.02	(486,564,327.95)
Collection of principal from program loans - net	132,580,295.77	108,929,785.21	42,546,954.55	284,057,035.53
Interest receivable	1,461,367.88	(621,730.04)	3,766,654.32	4,606,292.16
Accounts receivable	(231,778.46)	(722.46)	(6,526,699.33)	(6,759,200.25)
Due from (to) other funds	(73,264,228.72)	32,170,295.46	41,093,933.26	0.00
Other assets	12,306.88	(36,180.93)	831.69	(23,042.36)
Compensated absences	0.00	0.00	228,804.48	228,804.48
Deposits and other liab	4,456,000.04	(1,046,444.78)	59,833,353.22	63,242,908.48
Due to other governments.....	0.00	0.00	11.37	11.37
Deferred revenue	(2,197,815.41)	0.00	778,154.68	(1,419,660.73)
Net cash provided by (used for) operating activities	<u>(341,335,906.79)</u>	<u>97,055,141.82</u>	<u>205,872,075.57</u>	<u>(38,408,689.40)</u>

**CALIFORNIA HOUSING FINANCE FUND
SUMMARY BALANCE SHEET
HOMEOWNERSHIP PROGRAMS**

December 31, 2008

	HOME MORTGAGE REVENUE BONDS	SINGLE FAMILY MORTGAGE BONDS II	DRAW DOWN BONDS	SINGLE FAMILY HOUSING PROGRAM BONDS	TOTAL HOMEOWNERSHIP PROGRAMS
ASSETS					
Current assets:					
Cash and cash equivalents	17,929,860.79	600,483.53	86,158.76	47,393.82	18,663,896.90
Investments	736,357,438.07	8,187,796.53	88,000.00	7,658,000.00	752,291,234.60
Current portion - program loans receivable	94,845,737.75	1,869,788.14	0.00	0.00	96,715,525.89
Interest receivable - Program loans	26,863,044.98	266,389.28	0.00	159,373.12	27,288,807.38
Interest receivable - Investments	8,890,843.29	117,550.66	560.65	129,008.97	9,137,963.57
Accounts receivable	8,568,709.57	103,987.22	0.00	0.00	8,672,696.79
Due from (to) other funds	(24,630,743.54)	(73,733.85)	(65,130.50)	151,763.02	(24,617,844.87)
Other assets	106,307.98	1,091.25	0.00	0.00	107,399.23
Total current assets	868,931,198.89	11,073,352.76	109,588.91	8,145,538.93	888,259,679.49
Noncurrent assets:					
Investments	166,954,763.51	621,964.38	0.00	0.00	167,576,727.89
Program loans receivable	6,412,085,722.51	50,621,828.70	0.00	80,723,916.89	6,543,431,468.10
Due from (to) other funds	0.00	0.00	0.00	0.00	0.00
Deferred financing costs	33,056,881.95	144,241.88	0.00	666,763.82	33,867,887.65
Other assets	63,508,904.97	0.00	0.00	0.00	63,508,904.97
Total Noncurrent assets	6,675,606,272.94	51,388,034.96	0.00	81,390,680.71	6,808,384,988.61
Total Assets	7,544,537,471.83	62,461,387.72	109,588.91	89,536,219.64	7,696,644,668.10
LIABILITIES AND FUND EQUITY					
Current liabilities:					
Bonds payable	96,155,641.18	3,659,629.63	0.00	0.00	99,815,270.81
Interest payable	138,810,635.82	744,072.93	0.00	1,472,120.83	141,026,829.58
Due to (from) other government entities	(600,433.51)	0.00	0.00	0.00	(600,433.51)
Compensated absences	0.00	0.00	0.00	0.00	0.00
Deposits and other liabilities	8,615,616.51	18,505.29	0.00	7,265.09	8,641,386.89
Total current liabilities	242,981,460.00	4,422,207.85	0.00	1,479,385.92	248,883,053.77
Noncurrent liabilities:					
Bonds and debenture notes payable	6,887,470,224.62	28,830,689.65	0.00	93,200,000.00	7,009,500,914.27
Due to (from) other government entities	20,712,793.61	927,980.84	0.00	492,935.50	22,133,709.95
Deferred revenue	9,011,578.36	(3,943,949.61)	0.00	0.00	5,067,628.75
Total noncurrent liabilities	6,917,194,596.59	25,814,720.88	0.00	93,692,935.50	7,036,702,252.97
Total Liabilities	7,160,176,056.59	30,236,928.73	0.00	95,172,321.42	7,285,585,306.74
Fund equity					
Invested in capital assets	0.00	0.00	0.00	0.00	0.00
Restricted by indenture	384,361,415.24	32,224,458.99	109,588.91	(5,636,101.78)	411,059,361.36
Restricted by statute	0.00	0.00	0.00	0.00	0.00
Total Fund equity	384,361,415.24	32,224,458.99	109,588.91	(5,636,101.78)	411,059,361.36
Total Liabilities and Fund equity	7,544,537,471.83	62,461,387.72	109,588.91	89,536,219.64	7,696,644,668.10

**CALIFORNIA HOUSING FINANCE FUND
COMBINED STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN FUND EQUITY
HOMEOWNERSHIP PROGRAM**

December 31, 2008

	HOME MORTGAGE REVENUE BONDS	SINGLE FAMILY MORTGAGE BONDS II	DRAW DOWN BONDS	SINGLE FAMILY HOUSING PROGRAM BONDS	TOTAL HOMEOWNERSHIP PROGRAMS
OPERATING REVENUES					
Interest income:					
Program loans and loan agreements -- net.....	166,871,011.76	1,698,029.34	0.00	172,550.18	168,741,591.28
Interest income - Investments -- net	17,568,037.15	193,019.65	2,710.93	465,890.62	18,229,658.35
Increase (decrease) in fair value of investments	5,585,121.39	13,123.58	0.00	0.00	5,598,244.97
Loan commitment fees	90,591.35	10,379.83	0.00	0.00	100,971.18
Other loan fees	606,691.49	0.00	0.00	0.00	606,691.49
Other revenues	412,639.84	0.00	0.00	0.00	412,639.84
Total Operating revenues	191,134,092.98	1,914,552.40	2,710.93	638,440.80	193,689,797.11
OPERATING EXPENSES					
Interest	148,713,099.72	907,948.60	0.00	1,994,408.57	151,615,456.89
Amortization of bond discount and bond premium	(466,945.86)	3,679.35	0.00	0.00	(463,266.51)
Mortgage servicing fees	9,845,694.47	98,845.31	0.00	0.00	9,944,539.78
Provision (reversal) for estimated loan losses	7,192,270.70	(4,182.65)	0.00	1,446,274.06	8,634,362.11
Operating expenses	0.00	0.00	0.00	0.00	0.00
Other expenses	30,097,870.63	(598,859.53)	0.00	1,565,520.81	31,064,531.91
Total Operating expenses	195,381,989.66	407,431.08	0.00	5,006,203.44	200,795,624.18
Operating income (loss) before transfers	(4,247,896.68)	1,507,121.32	2,710.93	(4,367,762.64)	(7,105,827.07)
Transfers (interfund).....	0.00	0.00	0.00	0.00	0.00
Transfers (intrafund).....	0.00	0.00	(440,434.71)	2,068,003.03	1,627,568.32
Increase (decrease) in fund equity.....	(4,247,896.68)	1,507,121.32	(437,723.78)	(2,299,759.61)	(5,478,258.75)
Fund equity at beginning of year	388,609,311.92	30,717,337.67	547,312.69	(3,336,342.17)	416,537,620.11
Fund equity at end of year	384,361,415.24	32,224,458.99	109,588.91	(5,636,101.78)	411,059,361.36

**CALIFORNIA HOUSING FINANCE FUND
SUPPLEMENTAL COMBINING STATEMENT OF CASH FLOWS -
HOMEOWNERSHIP PROGRAMS**

December 31, 2008

	HOME MORTGAGE REVENUE BONDS	SINGLE FAMILY MORTGAGE BONDS II	DRAW DOWN BONDS	SINGLE FAMILY HOUSING PROGRAM BONDS	TOTAL HOMEOWNERSHIP PROGRAMS
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	168,296,242.36	1,726,757.07	0.00	179,959.73	170,202,959.16
Payments to suppliers	(10,282,734.61)	(102,477.74)	0.00	(6,902.43)	(10,392,114.78)
Payments to employees	0.00	0.00	0.00	0.00	0.00
Internal activity - payments other funds	0.00	0.00	0.00	0.00	0.00
Other receipts (payments)	(477,815,926.53)	2,455,306.67	(37,051.47)	(25,749,079.84)	(501,146,751.17)
Net cash provided by (used in) operating activities	(319,802,418.78)	4,079,586.00	(37,051.47)	(25,576,022.54)	(341,335,906.79)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Intrafund transfers	0.00	0.00	(440,434.71)	2,068,003.03	1,627,568.32
Changes in due to (from) other government entities	(600,433.51)	0.00	0.00	0.00	(600,433.51)
Net cash provided by (used for) noncapital financing activities	(600,433.51)	0.00	(440,434.71)	2,068,003.03	1,027,134.81
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sales of bonds	250,000,000.00	0.00	0.00	0.00	250,000,000.00
Payment of bond principal	(37,065,230.61)	(2,780,000.00)	0.00	0.00	(39,845,230.61)
Early bond redemptions	(121,777,117.86)	(600,000.00)	0.00	(15,000,000.00)	(137,377,117.86)
Interest paid on debt	(128,057,653.96)	(983,254.00)	0.00	(2,117,538.15)	(131,158,446.11)
Interfund transfers	0.00	0.00	0.00	0.00	0.00
Decrease (increase) in deferred financing costs	(1,955,653.09)	0.00	0.00	0.00	(1,955,653.09)
Net cash provided by (used for) capital and related financing activities	(38,855,655.52)	(4,363,254.00)	0.00	(17,117,538.15)	(60,336,447.67)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from maturity and sale of investments	1,153,711,359.62	5,768,033.47	0.00	41,361,000.00	1,200,840,393.09
Purchase of investments	(874,412,856.68)	(6,091,439.02)	(2,000.00)	(1,503,000.00)	(882,009,295.70)
Interest on investments	21,184,804.83	205,511.82	3,392.09	702,135.04	22,095,843.78
Net cash provided by (used for) investing activities	300,483,307.77	(117,893.73)	1,392.09	40,560,135.04	340,926,941.17
Net increase (decrease) in cash and cash equivalents	(58,775,200.04)	(401,561.73)	(476,094.09)	(65,422.62)	(59,718,278.48)
Cash and cash equivalents at beginning of year	76,705,060.83	1,002,045.26	562,252.85	112,816.44	78,382,175.38
Cash and cash equivalents at end of year	17,929,860.79	600,483.53	86,158.76	47,393.82	18,663,896.90
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:					
Operating income (loss)	(4,247,896.68)	1,507,121.32	2,710.93	(4,367,762.64)	(7,105,827.07)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Interest expense on debt	148,713,099.72	907,948.60	0.00	1,994,408.57	151,615,456.89
Interest on investments	(17,568,037.15)	(193,019.65)	(2,710.93)	(465,890.62)	(18,229,658.35)
Changes in fair value of investments	(5,585,121.39)	(13,123.58)	0.00	0.00	(5,598,244.97)
Accretion of capital appreciation bonds	1,683,403.32	0.00	0.00	0.00	1,683,403.32
Amortization of bond discount	17,026.22	128.55	0.00	0.00	17,154.77
Amortization of deferred losses	122,218.32	3,550.80	0.00	0.00	125,769.12
Amortization of bond issuance costs	1,361,085.53	12,639.47	0.00	105,488.47	1,479,213.47
Amortization of bond premium	(606,190.40)	0.00	0.00	0.00	(606,190.40)
Amortization of deferred revenue	(90,591.35)	(10,379.83)	0.00	0.00	(100,971.18)
Depreciation	0.00	0.00	0.00	0.00	0.00
Provision (reversal) for estimated loan losses	7,192,270.70	(4,182.65)	0.00	2,798,563.62	9,986,651.67
Provision for yield reduction payments	0.00	0.00	0.00	0.00	0.00
Provision for nonmortgage investment excess	(385,775.27)	0.00	0.00	0.00	(385,775.27)

**CALIFORNIA HOUSING FINANCE FUND
SUPPLEMENTAL COMBINING STATEMENT OF CASH FLOWS -
HOMEOWNERSHIP PROGRAMS**

December 31, 2008

	HOME MORTGAGE REVENUE BONDS	SINGLE FAMILY MORTGAGE BONDS II	DRAW DOWN BONDS	SINGLE FAMILY HOUSING PROGRAM BONDS	TOTAL HOMEOWNERSHIP PROGRAMS
Changes in certain assets and liabilities:					
Purchase of program loans	(510,709,175.19)	0.00	0.00	(26,323,861.57)	(537,033,036.76)
Collection of principal from program loans - net	129,592,545.94	2,442,212.77	0.00	545,537.05	132,580,295.76
Interest receivable	1,425,230.60	28,727.73	0.00	7,409.55	1,461,367.88
Accounts receivable	(223,625.99)	(8,152.47)	0.00	0.00	(231,778.46)
Due from (to) other funds	(73,413,551.40)	47,856.61	(37,051.47)	138,517.54	(73,264,228.72)
Other assets	11,631.37	675.51	0.00	0.00	12,306.88
Compensated absences	0.00	0.00	0.00	0.00	0.00
Deposits and other liab	4,464,643.76	(211.21)	0.00	(8,432.51)	4,456,000.04
Due to other governments.....	0.00	0.00	0.00	0.00	0.00
Deferred revenue	(1,555,609.44)	(642,205.97)	0.00	0.00	(2,197,815.41)
Net cash provided by (used for) operating activities	<u>(319,802,418.78)</u>	<u>4,079,586.00</u>	<u>(37,051.47)</u>	<u>(25,576,022.54)</u>	<u>(341,335,906.79)</u>

**CALIFORNIA HOUSING FINANCE FUND
SUMMARY BALANCE SHEET
MULTIFAMILY RENTAL HOUSING PROGRAMS**

December 31, 2008

	MULTIFAMILY LOAN PURCHASE BONDS	MULTIFAMILY HOUSING REVENUE BONDS II	MULTIFAMILY HOUSING REVENUE BONDS III	MULTIFAMILY DRAW DOWN BONDS	MULTIFAMILY HOUSING PROGRAM BONDS	TOTAL MULTIFAMILY RENTAL HOUSING PROGRAMS
ASSETS						
Current assets:						
Cash and cash equivalents	1,538,996.24	30,342.49	3,514,150.98	0.00	92,097.30	5,175,587.01
Investments	0.00	11,664,000.00	165,223,707.63	0.00	3,040,000.00	179,927,707.63
Current portion - program loans receivable	24,000,000.00	1,018,484.88	79,406,838.48	0.00	1,088,096.34	105,513,419.70
Interest receivable - Program loans	0.00	378,266.71	5,457,535.92	0.00	1,385,944.60	7,221,747.23
Interest receivable - Investments	0.00	71,013.86	1,614,922.57	0.00	72,755.19	1,758,691.62
Accounts receivable	0.00	0.00	1,061.01	0.00	0.00	1,061.01
Due from (to) other funds	(812.88)	0.00	(33,991,141.42)	0.00	0.00	(33,991,954.30)
Other assets	0.00	(48,292.60)	581,079.53	0.00	667.41	533,454.34
Total current assets	25,538,183.36	13,113,815.34	221,808,154.70	0.00	5,679,560.84	266,139,714.24
Noncurrent assets:						
Investments	0.00	0.00	16,826,148.85	0.00	0.00	16,826,148.85
Program loans receivable	39,968,181.54	54,605,806.66	1,070,613,357.38	0.00	47,501,090.09	1,212,688,435.67
Due from (to) other funds	0.00	0.00	0.00	0.00	0.00	0.00
Deferred financing costs	0.00	87,119.54	6,160,236.39	0.00	251,523.98	6,498,879.91
Other assets	0.00	0.00	0.00	0.00	0.00	0.00
Total Noncurrent assets	39,968,181.54	54,692,926.20	1,093,599,742.62	0.00	47,752,614.07	1,236,013,464.43
Total Assets	65,506,364.90	67,806,741.54	1,315,407,897.32	0.00	53,432,174.91	1,502,153,178.67
LIABILITIES AND FUND EQUITY						
Current liabilities:						
Bonds payable	0.00	654,906.29	29,022,233.42	0.00	0.00	29,677,139.71
Interest payable	477,269.84	1,683,958.34	20,179,909.78	0.00	864,566.32	23,205,704.28
Due to (from) other government entities	0.00	0.00	0.00	0.00	0.00	0.00
Compensated absences	0.00	0.00	0.00	0.00	0.00	0.00
Deposits and other liabilities	1,364.80	5,733.36	449,967.93	0.00	0.00	457,066.09
Total current liabilities	478,634.64	2,344,597.99	49,652,111.13	0.00	864,566.32	53,339,910.08
Noncurrent liabilities:						
Bonds and debenture notes payable	65,030,535.05	58,840,957.13	1,180,228,093.80	0.00	49,225,000.00	1,353,324,585.98
Due to (from) other government entities	0.00	0.00	12,397,208.09	0.00	0.00	12,397,208.09
Deferred revenue	0.00	0.00	14,725.33	0.00	0.00	14,725.33
Total noncurrent liabilities	65,030,535.05	58,840,957.13	1,192,640,027.22	0.00	49,225,000.00	1,365,736,519.40
Total Liabilities	65,509,169.69	61,185,555.12	1,242,292,138.35	0.00	50,089,566.32	1,419,076,429.48
Fund equity						
Invested in capital assets	0.00	0.00	0.00	0.00	0.00	0.00
Restricted by indenture	(2,804.79)	6,621,186.42	73,115,758.97	0.00	3,342,608.59	83,076,749.19
Restricted by statute	0.00	0.00	0.00	0.00	0.00	0.00
Total Fund equity	(2,804.79)	6,621,186.42	73,115,758.97	0.00	3,342,608.59	83,076,749.19
Total Liabilities and Fund equity	65,506,364.90	67,806,741.54	1,315,407,897.32	0.00	53,432,174.91	1,502,153,178.67

**CALIFORNIA HOUSING FINANCE FUND
COMBINED STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN FUND EQUITY
MULTIFAMILY PROGRAM**

December 31, 2008

	MULTIFAMILY LOAN PURCHASE BONDS	MULTIFAMILY HOUSING REVENUE BONDS II	MULTIFAMILY HOUSING REVENUE BONDS III	MULTIFAMILY DRAW DOWN BONDS	MULTIFAMILY HOUSING PROGRAM BONDS	TOTAL MULTIFAMILY RENTAL HOUSING PROGRAMS
OPERATING REVENUES						
Interest income:						
Program loans and loan agreements -- net	2,789,732.74	2,203,311.14	37,713,411.48	0.00	2,295,427.51	45,001,882.87
Interest income - Investments -- net	2,929.05	237,248.51	3,823,917.35	11.69	185,175.51	4,249,282.11
Increase (decrease) in fair value of investments	0.00	0.00	345,775.38	0.00	0.00	345,775.38
Loan commitment fees	0.00	0.00	2,116.53	0.00	0.00	2,116.53
Other loan fees	0.00	0.00	99,822.00	0.00	0.00	99,822.00
Other revenues	0.00	0.00	1,222,880.28	0.00	0.00	1,222,880.28
Total Operating revenues	2,792,661.79	2,440,559.65	43,207,923.02	11.69	2,480,603.02	50,921,759.17
OPERATING EXPENSES						
Interest	2,783,131.29	2,022,385.84	23,066,245.47	0.00	956,576.52	28,828,339.12
Amortization of bond discount and bond premium	0.00	14,229.36	317,519.46	0.00	0.00	331,748.82
Mortgage servicing fees	0.00	0.00	3,521.45	0.00	0.00	3,521.45
Provision (reversal) for estimated loan losses	0.00	(7,994.00)	(854,298.00)	0.00	(22,998.78)	(885,290.78)
Operating expenses	0.00	0.00	0.00	0.00	0.00	0.00
Other expenses	9,530.50	124,005.08	28,368,296.79	0.00	4,986.52	28,506,818.89
Total Operating expenses	2,792,661.79	2,152,626.28	50,901,285.17	0.00	938,564.26	56,785,137.50
Operating income (loss) before transfers	0.00	287,933.37	(7,693,362.15)	11.69	1,542,038.76	(5,863,378.33)
Transfers (interfund).....	0.00	0.00	0.00	0.00	0.00	0.00
Transfers (intrafund).....	0.00	0.00	339,256.24	(2,542.25)	(228,643.78)	108,070.21
Increase (decrease) in fund equity.....	0.00	287,933.37	(7,354,105.91)	(2,530.56)	1,313,394.98	(5,755,308.12)
Fund equity at beginning of year	(2,804.79)	6,333,253.05	80,469,864.88	2,530.56	2,029,213.61	88,832,057.31
Fund equity at end of year	(2,804.79)	6,621,186.42	73,115,758.97	0.00	3,342,608.59	83,076,749.19

**CALIFORNIA HOUSING FINANCE FUND
SUPPLEMENTAL COMBINING STATEMENT OF CASH FLOWS -
MULTIFAMILY RENTAL HOUSING PROGRAMS**

December 31, 2008

	MULTIFAMILY LOAN PURCHASE BONDS	MULTIFAMILY HOUSING REVENUE BONDS II	MULTIFAMILY HOUSING REVENUE BONDS III	MULTIFAMILY DRAW DOWN BONDS	MULTIFAMILY HOUSING PROGRAM BONDS	TOTAL MULTIFAMILY RENTAL HOUSING PROGRAMS
Changes in certain assets and liabilities:						
Purchase of program loans	0.00	0.00	(48,474,652.46)	0.00	(14,610,664.75)	(63,085,317.21)
Collection of principal from program loans - net	10,014,556.68	516,483.05	98,416,814.66	0.00	892,574.60	109,840,428.99
Interest receivable	0.00	(2,954.75)	464,742.21	0.00	(1,083,517.50)	(621,730.04)
Accounts receivable	0.00	0.00	(722.46)	0.00	0.00	(722.46)
Due from (to) other funds	(125.11)	0.00	32,170,420.57	0.00	0.00	32,170,295.46
Other assets	0.00	(302.73)	(35,524.55)	0.00	(353.65)	(36,180.93)
Compensated absences	0.00	0.00	0.00	0.00	0.00	0.00
Deposits and other liab	(209.33)	2,866.68	(1,049,102.13)	0.00	0.00	(1,046,444.78)
Due to other governments.....	0.00	0.00	0.00	0.00	0.00	0.00
Deferred revenue	0.00	0.00	0.00	0.00	0.00	0.00
Net cash provided by (used for) operating activities	12,794,424.48	2,598,377.77	93,258,677.00	0.00	(11,596,337.43)	97,055,141.82

**CALIFORNIA HOUSING FINANCE FUND
SUMMARY BALANCE SHEET
OTHER PROGRAMS AND ACCOUNTS**

December 31, 2008

	HOUSING ASSISTANCE TRUST	CONTRACT ADMINISTRATION PROGRAMS	SUPPLEMENTAL BOND SECURITY ACCOUNT	EMERGENCY RESERVE ACCOUNT	LOAN SERVICING	LOAN WAREHOUSING	OPERATING ACCOUNT	TOTAL OTHER PROGRAMS AND ACCOUNTS
ASSETS								
Current assets:								
Cash and cash equivalents	1,644,750.41	1,200,485.77	367.45	62.19	30,819,903.27	33,817,164.38	918,785.93	68,401,519.40
Investments	172,875,370.49	441,397,000.00	41,188,000.00	65,075,000.00	141,000,000.00	235,136,892.82	63,528,000.00	1,160,200,263.31
Current portion - program loans receivable	53,727,429.39	0.00	0.00	0.00	0.00	18,661,217.92	0.00	72,388,647.31
Interest receivable - Program loans	861,568.58	442,645.11	0.00	0.00	0.00	761,212.21	0.00	2,065,425.90
Interest receivable - Investments	959,275.30	2,750,033.88	263,343.66	424,084.56	923,528.59	1,707,389.01	1,102,435.68	8,130,090.68
Accounts receivable	13,968.97	0.00	0.00	3,739,154.94	4,891,636.46	99,732.68	30,635.91	8,775,128.96
Due from (to) other funds	17,844,699.17	(10,075,076.44)	25,049,667.61	14,637,995.57	(4,674,418.23)	12,006,931.27	3,820,000.22	58,609,799.17
Other assets	10,983.05	0.00	0.00	0.00	0.00	0.00	56,838.16	67,821.21
Total current assets	247,938,045.36	435,715,088.32	66,501,378.72	83,876,297.26	172,960,650.09	302,190,540.29	69,456,695.90	1,378,638,695.94
Noncurrent assets:								
Investments	2,178,301.98	0.00	0.00	0.00	0.00	51,724,127.62	0.00	53,902,429.60
Program loans receivable	298,835,635.01	197,012,167.56	0.00	0.00	0.00	78,757,948.68	0.00	574,605,751.25
Due from (to) other funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred financing costs	0.00	0.00	0.00	0.00	0.00	0.00	35,403.07	35,403.07
Other assets	0.00	0.00	0.00	0.00	0.00	0.00	817,950.05	817,950.05
Total Noncurrent assets	301,013,936.99	197,012,167.56	0.00	0.00	0.00	130,482,076.30	853,353.12	629,361,533.97
Total Assets	548,951,982.35	632,727,255.88	66,501,378.72	83,876,297.26	172,960,650.09	432,672,616.59	70,310,049.02	2,008,000,229.91
LIABILITIES AND FUND EQUITY								
Current liabilities:								
Bonds payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest payable	941,438.41	0.00	0.00	0.00	0.00	2,693,447.64	0.00	3,634,886.05
Due to (from) other government entities	5,439.52	684,613.72	0.00	0.00	0.00	350,000,000.00	2,648,855.35	353,338,908.59
Compensated absences	0.00	0.00	0.00	0.00	0.00	0.00	2,704,093.88	2,704,093.88
Deposits and other liabilities	9,355.74	6,250,441.60	44,906,156.58	0.00	161,881,557.78	73,684,518.75	1,177,240.24	287,909,270.69
Total current liabilities	956,233.67	6,935,055.32	44,906,156.58	0.00	161,881,557.78	426,377,966.39	6,530,189.47	647,587,159.21
Noncurrent liabilities:								
Bonds and debenture notes payable	23,133,890.32	0.00	0.00	0.00	0.00	0.00	0.00	23,133,890.32
Due to (from) other government entities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred revenue	0.00	0.00	0.00	0.00	0.00	59,659.35	25,744,292.12	25,803,951.47
Total noncurrent liabilities	23,133,890.32	0.00	0.00	0.00	0.00	59,659.35	25,744,292.12	48,937,841.79
Total Liabilities	24,090,123.99	6,935,055.32	44,906,156.58	0.00	161,881,557.78	426,437,625.74	32,274,481.59	696,525,001.00
Fund equity								
Invested in capital assets	0.00	0.00	0.00	0.00	0.00	0.00	838,829.83	838,829.83
Restricted by indenture	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Restricted by statute	524,861,858.36	625,792,200.56	21,595,222.14	83,876,297.26	11,079,092.31	6,234,990.85	37,196,737.60	1,310,636,399.08
Total Fund equity	524,861,858.36	625,792,200.56	21,595,222.14	83,876,297.26	11,079,092.31	6,234,990.85	38,035,567.43	1,311,475,228.91
Total Liabilities and Fund equity	548,951,982.35	632,727,255.88	66,501,378.72	83,876,297.26	172,960,650.09	432,672,616.59	70,310,049.02	2,008,000,229.91

**CALIFORNIA HOUSING FINANCE FUND
 COMBINED STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN FUND EQUITY
 OTHER PROGRAMS AND ACCOUNTS**

December 31, 2008

	HOUSING ASSISTANCE TRUST	CONTRACT ADMINISTRATION PROGRAMS	SUPPLEMENTAL BOND SECURITY ACCOUNT	EMERGENCY RESERVE ACCOUNT	LOAN SERVICING	LOAN WAREHOUSING	OPERATING ACCOUNT	TOTAL OTHER PROGRAMS AND ACCOUNTS
OPERATING REVENUES								
Interest income:								
Program loans and loan agreements -- net.....	10,401,236.78	218,807.92	0.00	0.00	0.00	241,753.01	0.00	10,861,797.71
Interest income - Investments -- net	1,852,348.44	5,367,501.68	885,015.73	1,262,252.57	115,629.87	6,347,793.71	1,394,027.49	17,224,569.49
Increase (decrease) in fair value of investments	134,551.89	0.00	0.00	0.00	0.00	(811,204.19)	0.00	(676,652.30)
Loan commitment fees	0.00	0.00	0.00	0.00	0.00	0.00	813,021.03	813,021.03
Other loan fees	23,135.00	0.00	0.00	0.00	4,248,921.80	37,123.81	5,502,955.26	9,812,135.87
Other revenues	1,110,300.15	10,000.00	0.00	0.00	34,775,552.34	0.00	60,189.69	35,956,042.18
Total Operating revenues	13,521,572.26	5,596,309.60	885,015.73	1,262,252.57	39,140,104.01	5,815,466.34	7,770,193.47	73,990,913.98
OPERATING EXPENSES								
Interest	743,453.51	0.00	0.00	0.00	0.00	6,099,460.57	0.00	6,842,914.08
Amortization of bond discount and bond premium	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mortgage servicing fees	12,586.41	0.00	0.00	0.00	0.00	44,580.95	0.00	57,167.36
Provision (reversal) for estimated loan losses	(3,225,919.17)	1,247,790.94	0.00	0.00	0.00	(1,198,047.74)	0.00	(3,176,175.97)
Operating expenses	0.00	0.00	0.00	0.00	0.00	0.00	17,980,230.69	17,980,230.69
Other expenses	40,403.22	11,956,952.24	38,095,754.41	0.00	36,403,611.49	75,902.95	1,616,235.70	88,188,860.01
Total Operating expenses	(2,429,476.03)	13,204,743.18	38,095,754.41	0.00	36,403,611.49	5,021,896.73	19,596,466.39	109,892,996.17
Operating income (loss) before transfers	15,951,048.29	(7,608,433.58)	(37,210,738.68)	1,262,252.57	2,736,492.52	793,569.61	(11,826,272.92)	(35,902,082.19)
Transfers (interfund).....	0.00	409,378,500.00	0.00	0.00	0.00	0.00	0.00	409,378,500.00
Transfers (intrafund).....	439,183.02	0.00	0.00	0.00	500,000.00	612,232.95	(3,287,054.50)	(1,735,638.53)
Increase (decrease) in fund equity.....	16,390,231.31	401,770,066.42	(37,210,738.68)	1,262,252.57	3,236,492.52	1,405,802.56	(15,113,327.42)	371,740,779.28
Fund equity at beginning of year	508,471,627.05	224,022,134.14	58,805,960.82	82,614,044.69	7,842,599.79	4,829,188.29	53,148,894.85	939,734,449.63
Fund equity at end of year	524,861,858.36	625,792,200.56	21,595,222.14	83,876,297.26	11,079,092.31	6,234,990.85	38,035,567.43	1,311,475,228.91

**CALIFORNIA HOUSING FINANCE FUND
SUPPLEMENTAL COMBINING STATEMENT OF CASH FLOWS -
OTHER PROGRAMS AND ACCOUNTS**

December 31, 2008

	HOUSING ASSISTANCE TRUST	CONTRACT ADMINISTRATION PROGRAMS	SUPPLEMENTAL BOND SECURITY ACCOUNT	EMERGENCY RESERVE ACCOUNT	LOAN SERVICING	LOAN WAREHOUSING	OPERATING ACCOUNT	TOTAL OTHER PROGRAMS AND ACCOUNTS
Changes in certain assets and liabilities:								
Purchase of program loans	(59,683,718.35)	(29,444,602.91)	0.00	0.00	0.00	202,682,347.28	0.00	113,554,026.02
Collection of principal from program loans - net	37,423,024.81	1,939,993.36	0.00	0.00	0.00	3,183,936.38	0.00	42,546,954.55
Interest receivable	3,454,444.30	(140,682.45)	0.00	0.00	0.00	452,892.47	0.00	3,766,654.32
Accounts receivable	(289.81)	0.00	0.00	(3,734,251.37)	(3,012,230.19)	222,173.16	(2,101.12)	(6,526,699.33)
Due from (to) other funds	19,980,954.26	(2,270,555.66)	(37,423.62)	4,170,695.58	(199,019.63)	(13,677,363.36)	33,126,645.69	41,093,933.26
Other assets	13,170.00	0.00	0.00	0.00	0.00	0.00	(12,338.31)	831.69
Compensated absences	0.00	0.00	0.00	0.00	0.00	0.00	228,804.48	228,804.48
Deposits and other liab	3,983.84	(568,490.26)	37,189,714.75	0.00	(9,278,048.02)	33,257,676.08	(771,483.17)	59,833,353.22
Due to other governments.....	11.37	0.00	0.00	0.00	0.00	0.00	0.00	11.37
Deferred revenue	0.00	0.00	0.00	0.00	0.00	10,431.81	767,722.87	778,154.68
Net cash provided by (used for) operating activities	12,070,171.06	(40,339,030.42)	(943,463.28)	436,444.21	(9,868,435.19)	225,107,783.84	19,408,605.35	205,872,075.57