

CALIFORNIA HOUSING FINANCE AGENCY

FINANCIAL STATEMENT SUMMARY

SEPTEMBER 30, 2012

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**CALIFORNIA HOUSING FINANCE FUND
STATEMENTS OF NET POSITION
WITH ADDITIONAL COMBINING INFORMATION**

September 30, 2012

ADDITIONAL COMBINING INFORMATION				
	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	COMBINED TOTALS
ASSETS				
Current assets:				
Cash and cash equivalents	106,271,422.96	947,067.09	46,564,277.22	153,782,767.27
Investments	540,643,459.65	79,073,156.63	818,248,150.14	1,437,964,766.42
Current portion - program loans receivable	84,334,530.45	44,750,650.41	45,464,623.73	174,549,804.59
Interest receivable - Program loans	17,061,684.34	5,816,184.18	7,820,948.52	30,698,817.04
Interest receivable - Investments	2,821,981.19	623,338.93	1,498,400.51	4,943,720.63
Accounts receivable	16,986,849.87	0.00	3,678,559.11	20,665,408.98
Due from (to) other funds	(28,506,026.55)	959,106.10	27,546,920.45	0.00
Other assets	174,672.70	470,756.47	54,021,297.54	54,666,726.71
Total current assets	739,788,574.61	132,640,259.81	1,004,843,177.22	1,877,272,011.64
Noncurrent assets:				
Investments	409,399,752.87	108,677,814.33	56,815,516.53	574,893,083.73
Program loans receivable	3,432,338,203.48	1,199,184,004.57	489,988,718.05	5,121,510,926.10
Due from (to) other funds	0.00	0.00	0.00	0.00
Deferred financing costs	17,579,988.41	3,420,941.05	4,334.69	21,005,264.15
Other assets	61,687,450.53	0.00	1,078,429.05	62,765,879.58
Total Noncurrent assets	3,921,005,395.29	1,311,282,759.95	547,886,998.32	5,780,175,153.56
Total Assets	4,660,793,969.90	1,443,923,019.76	1,552,730,175.54	7,657,447,165.20
DEFERRED OUTFLOWS OF RESOURCES				
Accumulated decrease in fair value of hedging derivatives.....	0.00	93,556,250.23	129,889,599.88	223,445,850.11
LIABILITIES				
Current liabilities:				
Bonds payable	98,149,300.30	33,713,866.60	0.00	131,863,166.90
Interest payable	17,701,337.53	6,557,465.52	10,241,479.75	34,500,282.80
Due to (from) other government entities	(66,384.02)	0.00	1,715,301.62	1,648,917.60
Compensated absences	0.00	0.00	4,092,419.17	4,092,419.17
Deposits and other liabilities	3,772,452.94	167,456.74	237,868,885.74	241,808,795.42
Total current liabilities	119,556,706.75	40,438,788.86	253,918,086.28	413,913,581.89
Noncurrent liabilities:				
Bonds payable	4,342,870,798.21	1,243,686,932.79	0.00	5,586,557,731.00
Notes payable	0.00	0.00	87,147,322.21	87,147,322.21
Due to (from) other government entities	1,505,173.29	16,827,380.54	14,286,449.92	32,619,003.75
Other liabilities.....	0.00	134,482,063.21	182,956,395.20	317,438,458.41
Deferred revenues.....	1,616,974.08	12,769.49	21,303,040.14	22,932,783.71
Total noncurrent liabilities	4,345,992,945.58	1,395,009,146.03	305,693,207.47	6,046,695,299.08
Total Liabilities	4,465,549,652.33	1,435,447,934.89	559,611,293.75	6,460,608,880.97
DEFERRED INFLOWS OF RESOURCES				
Accumulated increase in fair value of hedging derivatives.....	0.00	0.00	0.00	0.00
NET POSITION				
Invested in capital assets	0.00	0.00	1,028,429.05	1,028,429.05
Restricted by indenture.....	195,244,317.57	102,031,335.10	0.00	297,275,652.67
Restricted by statute.....	0.00	0.00	1,121,980,052.62	1,121,980,052.62
Total Net position.....	195,244,317.57	102,031,335.10	1,123,008,481.67	1,420,284,134.34

**CALIFORNIA HOUSING FINANCE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
WITH ADDITIONAL COMBINING INFORMATION**

YEAR ENDED SEPTEMBER 30, 2012

	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.....	48,223,423.82	14,089,470.08	3,471,725.98	65,784,619.88
Interest income - Investments -- net	5,890,129.26	1,900,443.90	1,103,184.44	8,893,757.60
Increase (decrease) in fair value of investments	6,847,231.87	461,476.90	275,923.35	7,584,632.12
Loan commitment fees	40,794.14	0.00	247,125.90	287,920.04
Other loan fees	0.00	0.00	6,461,548.40	6,461,548.40
Other revenues	90,218.09	(6,188,713.05)	9,264,232.79	3,165,737.83
Total Operating revenues	61,091,797.18	10,262,677.83	20,823,740.86	92,178,215.87
OPERATING EXPENSES				
Interest	26,263,411.56	8,846,493.67	10,598,429.78	45,708,335.01
Amortization of bond discount and bond premium	(557,704.07)	107,064.72	0.00	(450,639.35)
Mortgage servicing fees	2,616,798.99	1,302.90	551.55	2,618,653.44
Provision (reversal) for estimated loan losses	17,646,104.22	(185,510.00)	11,996,536.98	29,457,131.20
Salaries and General expenses	0.00	0.00	9,459,762.13	9,459,762.13
Other expenses	10,288,906.55	2,480,657.67	22,142,619.64	34,912,183.86
Total Operating expenses	56,257,517.25	11,250,008.96	54,197,900.08	121,705,426.29
Operating income (loss) before transfers	4,834,279.93	(987,331.13)	(33,374,159.22)	(29,527,210.42)
Transfers in (out).....	0.00	0.00	0.00	0.00
Transfers (intrafund).....	(32,011,756.97)	2,170,060.34	29,841,696.63	0.00
Increase (decrease) in net assets.....	(27,177,477.04)	1,182,729.21	(3,532,462.59)	(29,527,210.42)
Net assets at beginning of year	222,421,794.61	100,848,605.89	1,126,540,944.26	1,449,811,344.76
Net assets at end of year	195,244,317.57	102,031,335.10	1,123,008,481.67	1,420,284,134.34

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

YEAR ENDED SEPTEMBER 30, 2012

	ADDITIONAL COMBINING INFORMATION			
	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	COMBINED TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	47,498,763.00	14,052,617.70	2,552,847.45	64,104,228.15
Payments to suppliers	(2,802,395.28)	(46,249.99)	(2,736,775.14)	(5,585,420.41)
Payments to employees	0.00	0.00	(6,935,051.47)	(6,935,051.47)
Internal activity - payments other funds	0.00	0.00	0.00	0.00
Other receipts (payments)	148,791,885.00	4,686,162.31	36,545,886.37	190,023,933.68
Net cash provided by (used in) operating activities	193,488,252.72	18,692,530.02	29,426,907.21	241,607,689.95
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intrafund transfers	(32,011,756.97)	2,170,060.34	29,841,696.63	0.00
Changes in due to (from) other government entities	1,195.68	0.00	1,947,280.39	1,948,476.07
Net cash provided by (used for) noncapital financing activities	(32,010,561.29)	2,170,060.34	31,788,977.02	1,948,476.07
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sales of bonds	0.00	64,876.45	0.00	64,876.45
Payment of bond principal	(24,250,000.00)	(13,610,000.00)	(781,693.08)	(38,641,693.08)
Early bond redemptions	(733,145,000.00)	(17,906,615.44)	0.00	(751,051,615.44)
Interest paid on debt	(50,489,782.60)	(17,872,578.15)	(27,799,654.69)	(96,162,015.44)
Interfund transfers	0.00	0.00	0.00	0.00
Decrease (increase) in deferred financing costs	1,467,232.65	(3,000.00)	(101,450.82)	1,362,781.83
Net cash provided by (used for) capital and related financing activities	(806,417,549.95)	(49,327,317.14)	(28,682,798.59)	(884,427,665.68)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from maturity and sale of investments	705,155,752.51	88,354,182.16	172,162,708.52	965,672,643.19
Purchase of investments	(489,851,944.53)	(62,326,555.71)	(189,161,092.21)	(741,339,592.45)
Interest on investments	7,608,327.23	2,346,611.33	501,177.42	10,456,115.98
Net cash provided by (used for) investing activities	222,912,135.21	28,374,237.78	(16,497,206.27)	234,789,166.72
Net increase (decrease) in cash and cash equivalents	(422,027,723.31)	(90,489.00)	16,035,879.37	(406,082,332.94)
Cash and cash equivalents at beginning of year	528,299,146.27	1,037,556.09	30,528,397.85	559,865,100.21
Cash and cash equivalents at end of year	106,271,422.96	947,067.09	46,564,277.22	153,782,767.27
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:				
Operating income (loss)	4,834,279.93	(987,331.13)	(33,374,159.22)	(29,527,210.42)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Interest expense on debt	26,263,411.56	8,846,493.67	10,598,429.78	45,708,335.01
Interest on investments	(5,890,129.26)	(1,900,443.90)	(1,103,184.44)	(8,893,757.60)
Changes in fair value of investments	(6,847,231.87)	(461,476.90)	(275,923.35)	(7,584,632.12)
Accretion of capital appreciation bonds	0.00	0.00	0.00	0.00
Amortization of bond discount	12,098.47	3,762.94	0.00	15,861.41
Amortization of deferred losses	(1,571,092.20)	103,301.78	0.00	(1,467,790.42)
Amortization of bond issuance costs	1,251,684.31	138,419.92	102,272.13	1,492,376.36
Amortization of bond premium	(797,345.74)	0.00	0.00	(797,345.74)
Amortization of deferred revenue	(40,794.14)	0.00	(247,125.90)	(287,920.04)
Depreciation	0.00	0.00	69,010.56	69,010.56
Provision (reversal for estimated loan losses)	17,646,104.22	(185,510.00)	11,996,536.98	29,457,131.20
Provision for yield reduction payments	0.00	(1,055,508.30)	0.00	(1,055,508.30)
Provision for nonmortgage investment excess	0.00	0.00	0.00	0.00

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

YEAR ENDED SEPTEMBER 30, 2012

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	(23,933,569.42)	(64,876.45)	(18,063,299.21)	(42,061,745.08)
Collection of principal from program loans - net	179,355,289.46	9,808,644.58	12,873,479.34	202,037,413.38
Interest receivable	(724,660.82)	(36,852.38)	(918,878.53)	(1,680,391.73)
Accounts receivable	3,628,177.77	0.00	1,861,014.78	5,489,192.55
Due from (to) other funds	281,131.97	(23.15)	(281,108.82)	0.00
Decrease (Increase) in other assets and deferred outflow.....	(105,157.42)	4,537,128.59	42,120,358.58	46,552,329.75
Compensated absences	0.00	0.00	(161,694.44)	(161,694.44)
Deposits and other liab	126,055.90	133,049.07	11,178,699.17	11,437,804.14
Due to other governments.....	0.00	0.00	0.00	0.00
Deferred revenue	0.00	(186,248.32)	(6,947,520.20)	(7,133,768.52)
Net cash provided by (used for) operating activities	<u>193,488,252.72</u>	<u>18,692,530.02</u>	<u>29,426,907.21</u>	<u>241,607,689.95</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION				
Noncash transfer of program loan to REO.....	31,441,646.28	0.00	0.00	31,441,646.28

**CALIFORNIA HOUSING FINANCE FUND
STATEMENTS OF NET POSITION
HOMEOWNERSHIP PROGRAMS**

September 30, 2012

	HOME MORTGAGE REVENUE BONDS	SINGLE FAMILY HOUSING PROGRAM BONDS	RESIDENTIAL MORTGAGE REVENUE BONDS	RESIDENTIAL MORTGAGE REVENUE BONDS OVERCOLLATERALIZATION	TOTAL HOMEOWNERSHIP PROGRAMS
ASSETS					
Current assets:					
Cash and cash equivalents	14,993,346.28	7,214.96	91,213,797.63	57,064.09	106,271,422.96
Investments	510,358,316.05	1,779,953.35	25,985,645.25	2,519,545.00	540,643,459.65
Current portion - program loans receivable	79,355,406.05	0.00	2,653,175.30	2,325,949.10	84,334,530.45
Interest receivable - Program loans	14,997,044.75	293,167.23	1,520,007.59	251,464.77	17,061,684.34
Interest receivable - Investments	2,000,241.84	1,445.12	797,492.38	22,801.85	2,821,981.19
Accounts receivable	15,961,238.46	0.00	987,323.69	38,287.72	16,986,849.87
Due from (to) other funds	(38,901,633.69)	(626,435.69)	10,170,967.42	851,075.41	(28,506,026.55)
Other assets	159,730.14	0.00	0.00	14,942.56	174,672.70
Total current assets	598,923,689.88	1,455,344.97	133,328,409.26	6,081,130.50	739,788,574.61
Noncurrent assets:					
Investments	128,449,519.70	0.00	273,087,795.02	7,862,438.15	409,399,752.87
Program loans receivable	2,948,491,317.73	41,424,806.69	404,731,121.67	37,690,957.39	3,432,338,203.48
Due from (to) other funds	0.00	0.00	0.00	0.00	0.00
Deferred financing costs	15,800,487.25	468,238.08	1,311,263.08	0.00	17,579,988.41
Other assets.....	55,485,980.09	0.00	6,201,470.44	0.00	61,687,450.53
Total Noncurrent assets	3,148,227,304.77	41,893,044.77	685,331,650.21	45,553,395.54	3,921,005,395.29
Total Assets	3,747,150,994.65	43,348,389.74	818,660,059.47	51,634,526.04	4,660,793,969.90
DEFERRED OUTFLOWS OF RESOURCES					
Accumulated decrease in fair value of hedging derivatives.....	0.00	0.00	0.00	0.00	0.00
LIABILITIES					
Current liabilities:					
Bonds payable	84,869,300.30	0.00	13,280,000.00	0.00	98,149,300.30
Interest payable	13,427,122.64	358,877.04	3,915,337.85	0.00	17,701,337.53
Due to (from) other government entities	(66,384.02)	0.00	0.00	0.00	(66,384.02)
Compensated absences	0.00	0.00	0.00	0.00	0.00
Deposits and other liabilities	3,631,365.73	7,946.33	125,137.21	8,003.67	3,772,452.94
Total current liabilities	101,861,404.65	366,823.37	17,320,475.06	8,003.67	119,556,706.75
Noncurrent liabilities:					
Bonds payable	3,490,048,540.39	77,545,000.00	775,277,257.82	0.00	4,342,870,798.21
Notes payable	0.00	0.00	0.00	0.00	0.00
Due to (from) other government entities	1,505,173.29	0.00	0.00	0.00	1,505,173.29
Other liabilities.....	0.00	0.00	0.00	0.00	0.00
Deferred revenues.....	1,529,302.18	0.00	0.00	87,671.90	1,616,974.08
Total noncurrent liabilities	3,493,083,015.86	77,545,000.00	775,277,257.82	87,671.90	4,345,992,945.58
Total Liabilities	3,594,944,420.51	77,911,823.37	792,597,732.88	95,675.57	4,465,549,652.33
DEFERRED INFLOWS OF RESOURCES					
Accumulated increase in fair value of hedging derivatives.....	0.00	0.00	0.00	0.00	0.00
NET POSITION					
Invested in capital assets	0.00	0.00	0.00	0.00	0.00
Restricted by indenture.....	152,206,574.14	(34,563,433.63)	26,062,326.59	51,538,850.47	195,244,317.57
Restricted by statute.....	0.00	0.00	0.00	0.00	0.00
Total Net position.....	152,206,574.14	(34,563,433.63)	26,062,326.59	51,538,850.47	195,244,317.57

**CALIFORNIA HOUSING FINANCE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
HOMEOWNERSHIP PROGRAMS**

YEAR ENDED SEPTEMBER 30, 2012

	HOME MORTGAGE REVENUE BONDS	SINGLE FAMILY HOUSING PROGRAM BONDS	RESIDENTIAL MORTGAGE REVENUE BONDS	RESIDENTIAL MORTGAGE REVENUE BONDS OVERCOLLATERALIZATION	TOTAL HOMEOWNERSHIP PROGRAMS
OPERATING REVENUES					
Interest income:					
Program loans and loan agreements -- net.....	42,715,644.86	350,189.35	4,440,570.70	717,018.91	48,223,423.82
Interest income - Investments -- net	3,201,722.90	1,448.03	2,618,768.43	68,189.90	5,890,129.26
Increase (decrease) in fair value of investments	1,484,016.39	0.00	5,300,506.82	62,708.66	6,847,231.87
Loan commitment fees	37,848.52	0.00	0.00	2,945.62	40,794.14
Other loan fees	0.00	0.00	0.00	0.00	0.00
Other revenues	90,218.09	0.00	0.00	0.00	90,218.09
Total Operating revenues	47,529,450.76	351,637.38	12,359,845.95	850,863.09	61,091,797.18
OPERATING EXPENSES					
Interest	20,841,476.01	533,986.23	4,887,949.32	0.00	26,263,411.56
Amortization of bond discount and bond premium	(588,597.29)	0.00	30,893.22	0.00	(557,704.07)
Mortgage servicing fees	2,315,102.38	0.00	279,949.12	21,747.49	2,616,798.99
Provision (reversal) for estimated loan losses	12,733,069.88	880,078.21	4,013,232.13	19,724.00	17,646,104.22
Salaries and General expenses	0.00	0.00	0.00	0.00	0.00
Other expenses	9,825,488.78	98,686.80	359,195.81	5,535.16	10,288,906.55
Total Operating expenses	45,126,539.76	1,512,751.24	9,571,219.60	47,006.65	56,257,517.25
Operating income (loss) before transfers	2,402,911.00	(1,161,113.86)	2,788,626.35	803,856.44	4,834,279.93
Transfers in (out).....	0.00	0.00	0.00	0.00	0.00
Transfers (intrafund).....	(34,237,412.89)	211,821.08	2,013,834.84	0.00	(32,011,756.97)
Increase (decrease) in net assets.....	(31,834,501.89)	(949,292.78)	4,802,461.19	803,856.44	(27,177,477.04)
Net assets at beginning of year	184,041,076.03	(33,614,140.85)	21,259,865.40	50,734,994.03	222,421,794.61
Net assets at end of year	152,206,574.14	(34,563,433.63)	26,062,326.59	51,538,850.47	195,244,317.57

**CALIFORNIA HOUSING FINANCE FUND
STATEMENT OF CASH FLOWS
HOMEOWNERSHIP PROGRAMS**

YEAR ENDED SEPTEMBER 30, 2012

	HOME MORTGAGE REVENUE BONDS	SINGLE FAMILY HOUSING PROGRAM BONDS	RESIDENTIAL MORTGAGE REVENUE BONDS	RESIDENTIAL MORTGAGE REVENUE BONDS OVERCOLLATERALIZATION	TOTAL HOMEOWNERSHIP PROGRAMS
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	43,606,811.52	256,023.45	2,920,563.11	715,364.92	47,498,763.00
Payments to suppliers	(2,563,061.32)	(2,365.32)	(215,405.34)	(21,563.30)	(2,802,395.28)
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)	579,142,820.84	545,361.38	(431,071,961.35)	175,664.13	148,791,885.00
Net cash provided by (used in) operating activities	620,186,571.04	799,019.51	(428,366,803.58)	869,465.75	193,488,252.72
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Intrafund transfers	(34,237,412.89)	211,821.08	2,013,834.84	0.00	(32,011,756.97)
Changes in due to (from) other government entities	1,195.68	0.00	0.00	0.00	1,195.68
Net cash provided by (used for) noncapital financing activities	(34,236,217.21)	211,821.08	2,013,834.84	0.00	(32,010,561.29)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sales of bonds	0.00	0.00	0.00	0.00	0.00
Payment of bond principal	(22,420,000.00)	0.00	(1,830,000.00)	0.00	(24,250,000.00)
Early bond redemptions	(672,045,000.00)	0.00	(61,100,000.00)	0.00	(733,145,000.00)
Interest paid on debt	(44,137,747.29)	(1,060,941.93)	(5,291,093.38)	0.00	(50,489,782.60)
Interfund transfers	0.00	0.00	0.00	0.00	0.00
Decrease (increase) in deferred financing costs	1,798,635.40	0.00	(331,402.75)	0.00	1,467,232.65
Net cash provided by (used for) capital and related financing activities	(736,804,111.89)	(1,060,941.93)	(68,552,496.13)	0.00	(806,417,549.95)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from maturity and sale of investments	593,048,365.72	1,354,755.30	109,768,930.99	983,700.50	705,155,752.51
Purchase of investments	(443,816,329.58)	(1,300,639.65)	(42,869,430.79)	(1,865,544.51)	(489,851,944.53)
Interest on investments	4,883,352.08	1,357.73	2,655,138.73	68,478.69	7,608,327.23
Net cash provided by (used for) investing activities	154,115,388.22	55,473.38	69,554,638.93	(813,365.32)	222,912,135.21
Net increase (decrease) in cash and cash equivalents	3,261,630.16	5,372.04	(425,350,825.94)	56,100.43	(422,027,723.31)
Cash and cash equivalents at beginning of year	11,731,716.12	1,842.92	516,564,623.57	963.66	528,299,146.27
Cash and cash equivalents at end of year	14,993,346.28	7,214.96	91,213,797.63	57,064.09	106,271,422.96
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:					
Operating income (loss)	2,402,911.00	(1,161,113.86)	2,788,626.35	803,856.44	4,834,279.93
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Interest expense on debt	20,841,476.01	533,986.23	4,887,949.32	0.00	26,263,411.56
Interest on investments	(3,201,722.90)	(1,448.03)	(2,618,768.43)	(68,189.90)	(5,890,129.26)
Changes in fair value of investments	(1,484,016.39)	0.00	(5,300,506.82)	(62,708.66)	(6,847,231.87)
Accretion of capital appreciation bonds	0.00	0.00	0.00	0.00	0.00
Amortization of bond discount	12,098.47	0.00	0.00	0.00	12,098.47
Amortization of deferred losses	196,649.98	0.00	(1,767,742.18)	0.00	(1,571,092.20)
Amortization of bond issuance costs	1,218,192.36	6,519.16	26,972.79	0.00	1,251,684.31
Amortization of bond premium	(797,345.74)	0.00	0.00	0.00	(797,345.74)
Amortization of deferred revenue	(37,848.52)	0.00	0.00	(2,945.62)	(40,794.14)
Depreciation	0.00	0.00	0.00	0.00	0.00
Provision (reversal for estimated loan losses	12,733,069.88	880,078.21	4,013,232.13	19,724.00	17,646,104.22
Provision for yield reduction payments	0.00	0.00	0.00	0.00	0.00
Provision for nonmortgage investment excess	0.00	0.00	0.00	0.00	0.00

**CALIFORNIA HOUSING FINANCE FUND
STATEMENT OF CASH FLOWS
HOMEOWNERSHIP PROGRAMS**

YEAR ENDED SEPTEMBER 30, 2012

	HOME MORTGAGE REVENUE BONDS	SINGLE FAMILY HOUSING PROGRAM BONDS	RESIDENTIAL MORTGAGE REVENUE BONDS	RESIDENTIAL MORTGAGE REVENUE BONDS OVERCOLLATERALIZATION	TOTAL HOMEOWNERSHIP PROGRAMS
Changes in certain assets and liabilities:					
Purchase of program loans	405,770,373.99	0.00	(429,703,943.41)	0.00	(23,933,569.42)
Collection of principal from program loans - net	165,503,430.98	723,421.35	12,104,943.87	1,023,493.26	179,355,289.46
Interest receivable	891,166.66	(94,165.90)	(1,520,007.59)	(1,653.99)	(724,660.82)
Accounts receivable	4,590,448.29	0.00	(987,323.69)	25,053.17	3,628,177.77
Due from (to) other funds	11,658,902.80	(94,592.08)	(10,410,227.61)	(872,951.14)	281,131.97
Decrease(Increase) in other assets and deferred outflow	(110,761.42)	0.00	0.00	5,604.00	(105,157.42)
Compensated absences	0.00	0.00	0.00	0.00	0.00
Deposits and other liab	(454.41)	6,334.43	119,991.69	184.19	126,055.90
Due to other governments.....	0.00	0.00	0.00	0.00	0.00
Deferred revenue	0.00	0.00	0.00	0.00	0.00
Net cash provided by (used for) operating activities	<u>620,186,571.04</u>	<u>799,019.51</u>	<u>(428,366,803.58)</u>	<u>869,465.75</u>	<u>193,488,252.72</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION					
Noncash transfer of Prog. loan to REO.....	39,779,228.93	0.00	(8,337,582.65)	0.00	31,441,646.28

**CALIFORNIA HOUSING FINANCE FUND
STATEMENTS OF NET POSITION
MULTIFAMILY RENTAL HOUSING PROGRAMS**

September 30, 2012

	MULTIFAMILY LOAN PURCHASE BONDS	MULTIFAMILY HOUSING REVENUE BONDS II	MULTIFAMILY HOUSING REVENUE BONDS III	MULTIFAMILY HOUSING PROGRAM BONDS	MULTIFAMILY CONDUITS	AFFORDABLE MULTIFAMILY HOUSING REVENUE BONDS	TOTAL MULTIFAMILY RENTAL HOUSING PROGRAMS
ASSETS							
Current assets:							
Cash and cash equivalents	153.95	204.80	740,408.89	18,213.59	188,085.86	0.00	947,067.09
Investments	757,918.25	3,581,853.93	62,219,354.50	8,090,000.00	0.00	4,424,029.95	79,073,156.63
Current portion - program loans receivable	10,000,000.00	1,131,503.73	26,614,633.43	5,806,275.32	330,282.90	867,955.03	44,750,650.41
Interest receivable - Program loans	0.00	184,309.06	3,999,353.54	1,369,784.07	25,370.98	237,366.53	5,816,184.18
Interest receivable - Investments	0.00	3,180.26	492,269.67	3,311.00	0.00	124,578.00	623,338.93
Accounts receivable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due from (to) other funds	(177.78)	0.00	0.00	959,283.88	0.00	0.00	959,106.10
Other assets	0.00	31,925.51	365,895.23	29.24	0.00	72,906.49	470,756.47
Total current assets	10,757,894.42	4,932,977.29	94,431,915.26	16,246,897.10	543,739.74	5,726,836.00	132,640,259.81
Noncurrent assets:							
Investments	0.00	0.00	66,880,228.62	0.00	0.00	41,797,585.71	108,677,814.33
Program loans receivable	3,569,288.89	30,047,003.29	744,634,632.53	26,108,359.43	55,180,606.81	339,644,113.62	1,199,184,004.57
Due from (to) other funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred financing costs	0.00	31,950.60	3,133,010.94	103,709.45	0.00	152,270.06	3,420,941.05
Other assets.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Noncurrent assets	3,569,288.89	30,078,953.89	814,647,872.09	26,212,068.88	55,180,606.81	381,593,969.39	1,311,282,759.95
Total Assets	14,327,183.31	35,011,931.18	909,079,787.35	42,458,965.98	55,724,346.55	387,320,805.39	1,443,923,019.76
DEFERRED OUTFLOWS OF RESOURCES							
Accumulated decrease in fair value of hedging derivatives	0.00	0.00	93,556,250.23	0.00	0.00	0.00	93,556,250.23
LIABILITIES							
Current liabilities:							
Bonds payable	0.00	609,906.18	25,367,556.18	0.00	5,506,619.17	2,229,785.07	33,713,866.60
Interest payable	81,503.38	323,248.75	5,765,322.08	6,557.66	25,370.98	355,462.67	6,557,465.52
Due to (from) other government entities	0.00	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	0.00
Deposits and other liabilities	302.71	1,433.34	157,688.19	8,020.77	11.73	0.00	167,456.74
Total current liabilities	81,806.09	934,588.27	31,290,566.45	14,578.43	5,532,001.88	2,585,247.74	40,438,788.86
Noncurrent liabilities:							
Bonds payable	14,248,182.01	31,108,064.98	749,300,414.74	23,595,000.00	50,192,344.67	375,242,926.39	1,243,686,932.79
Notes payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due to (from) other government entities	0.00	0.00	16,827,380.54	0.00	0.00	0.00	16,827,380.54
Other liabilities.....	0.00	0.00	134,482,063.21	0.00	0.00	0.00	134,482,063.21
Deferred revenues.....	0.00	0.00	12,769.49	0.00	0.00	0.00	12,769.49
Total noncurrent liabilities	14,248,182.01	31,108,064.98	900,622,627.98	23,595,000.00	50,192,344.67	375,242,926.39	1,395,009,146.03
Total Liabilities	14,329,988.10	32,042,653.25	931,913,194.43	23,609,578.43	55,724,346.55	377,828,174.13	1,435,447,934.89
DEFERRED INFLOWS OF RESOURCES							
Accumulated increase in fair value of hedging derivatives.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET POSITION							
Invested in capital assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Restricted by indenture.....	(2,804.79)	2,969,277.93	70,722,843.15	18,849,387.55	0.00	9,492,631.26	102,031,335.10
Restricted by statute.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Net position.....	(2,804.79)	2,969,277.93	70,722,843.15	18,849,387.55	0.00	9,492,631.26	102,031,335.10

**CALIFORNIA HOUSING FINANCE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MULTIFAMILY RENTAL HOUSING PROGRAMS**

YEAR ENDED SEPTEMBER 30, 2012

	MULTIFAMILY LOAN PURCHASE BONDS	MULTIFAMILY HOUSING REVENUE BONDS II	MULTIFAMILY HOUSING REVENUE BONDS III	MULTIFAMILY HOUSING PROGRAM BONDS	MULTIFAMILY CONDUITS	AFFORDABLE MULTIFAMILY HOUSING REVENUE BONDS	TOTAL MULTIFAMILY RENTAL HOUSING PROGRAMS
OPERATING REVENUES							
Interest income:							
Program loans and loan agreements -- net.....	238,702.34	554,571.49	11,980,958.94	477,931.98	77,686.47	759,618.86	14,089,470.08
Interest income - Investments -- net	30.65	3,183.60	1,507,830.86	14,774.99	0.00	374,623.80	1,900,443.90
Increase (decrease) in fair value of investments	0.00	0.00	254,179.89	(1,468.46)	0.00	208,765.47	461,476.90
Loan commitment fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other loan fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	(6,188,713.05)	0.00	0.00	0.00	(6,188,713.05)
Total Operating revenues	238,732.99	557,755.09	7,554,256.64	491,238.51	77,686.47	1,343,008.13	10,262,677.83
OPERATING EXPENSES							
Interest	237,712.47	486,335.21	7,494,757.36	16,073.49	77,686.47	533,928.67	8,846,493.67
Amortization of bond discount and bond premium	0.00	3,762.94	96,452.82	0.00	0.00	6,848.96	107,064.72
Mortgage servicing fees	0.00	0.00	1,302.90	0.00	0.00	0.00	1,302.90
Provision (reversal) for estimated loan losses	0.00	(4,166.00)	(174,878.00)	(3,110.00)	0.00	(3,356.00)	(185,510.00)
Salaries and General expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other expenses	1,020.52	26,730.68	2,056,959.84	123,647.82	0.00	272,298.81	2,480,657.67
Total Operating expenses	238,732.99	512,662.83	9,474,594.92	136,611.31	77,686.47	809,720.44	11,250,008.96
Operating income (loss) before transfers	0.00	45,092.26	(1,920,338.28)	354,627.20	0.00	533,287.69	(987,331.13)
Transfers in (out).....	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers (intrafund).....	0.00	0.00	(2,169,127.73)	4,339,188.07	0.00	0.00	2,170,060.34
Increase (decrease) in net assets.....	0.00	45,092.26	(4,089,466.01)	4,693,815.27	0.00	533,287.69	1,182,729.21
Net assets at beginning of year	(2,804.79)	2,924,185.67	74,812,309.16	14,155,572.28	0.00	8,959,343.57	100,848,605.89
Net assets at end of year	(2,804.79)	2,969,277.93	70,722,843.15	18,849,387.55	0.00	9,492,631.26	102,031,335.10

**CALIFORNIA HOUSING FINANCE FUND
STATEMENTS OF NET POSITION
OTHER PROGRAMS AND ACCOUNTS**

September 30, 2012

	HOUSING ASSISTANCE TRUST	CONTRACT ADMINISTRATION PROGRAMS	SUPPLEMENTARY BOND SECURITY ACCOUNT	EMERGENCY RESERVE ACCOUNT	LOAN SERVICING	LOAN WAREHOUSING	CITIGROUP GLOBAL MARKETS	OPERATING ACCOUNT	TOTAL OTHER PROGRAMS AND ACCOUNTS
ASSETS									
Current assets:									
Cash and cash equivalents	14,879,349.71	4,476,406.75	304.50	738.75	26,685,590.80	251.21	163,144.11	358,491.39	46,564,277.22
Investments	196,113,150.14	343,525,000.00	8,208,000.00	32,036,000.00	211,979,000.00	0.00	0.00	26,387,000.00	818,248,150.14
Current portion - program loans receivable	25,871,245.75	16,645,365.88	0.00	0.00	0.00	0.00	2,948,012.10	0.00	45,464,623.73
Interest receivable - Program loans	874,555.75	6,552,818.17	0.00	0.00	0.00	0.00	393,574.60	0.00	7,820,948.52
Interest receivable - Investments	941,634.79	311,506.67	7,224.79	28,176.20	185,043.83	0.25	0.00	24,813.98	1,498,400.51
Accounts receivable	574.36	0.00	0.00	75,834.64	2,577,380.70	0.00	0.00	1,024,769.41	3,678,559.11
Due from (to) other funds	213,619.80	175,278.19	17,734,858.19	0.25	(5,050,309.81)	(0.25)	(39.62)	14,473,513.70	27,546,920.45
Other assets	54,010,000.00	0.00	0.00	0.00	0.00	0.00	0.00	11,297.54	54,021,297.54
Total current assets	292,904,130.30	371,686,375.66	25,950,387.48	32,140,749.84	236,376,705.52	251.21	3,504,691.19	42,279,886.02	1,004,843,177.22
Noncurrent assets:									
Investments	56,815,516.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	56,815,516.53
Program loans receivable	127,560,077.95	280,579,477.85	0.00	0.00	0.00	0.00	81,849,162.25	0.00	489,988,718.05
Due from (to) other funds	0.00	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	0.00	4,334.69	4,334.69
Other assets	50,000.00	0.00	0.00	0.00	0.00	0.00	0.00	1,028,429.05	1,078,429.05
Total Noncurrent assets	184,425,594.48	280,579,477.85	0.00	0.00	0.00	0.00	81,849,162.25	1,032,763.74	547,886,998.32
Total Assets	477,329,724.78	652,265,853.51	25,950,387.48	32,140,749.84	236,376,705.52	251.21	85,353,853.44	43,312,649.76	1,552,730,175.54
DEFERRED OUTFLOWS OF RESOURCES									
Accumulated decrease in fair value of hedging deri	129,889,599.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	129,889,599.88
LIABILITIES									
Current liabilities:									
Bonds payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest payable	9,769,561.52	0.00	0.00	0.00	0.00	0.00	471,918.23	0.00	10,241,479.75
Due to (from) other government entities	0.00	808,265.62	0.00	0.00	0.00	0.00	0.00	907,036.00	1,715,301.62
Compensated absences	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,092,419.17	4,092,419.17
Deposits and other liabilities	3,966.31	7,361,318.29	0.00	0.00	228,610,572.44	0.00	0.00	1,893,028.70	237,868,885.74
Total current liabilities	9,773,527.83	8,169,583.91	0.00	0.00	228,610,572.44	0.00	471,918.23	6,892,483.87	253,918,086.28
Noncurrent liabilities:									
Bonds payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Notes payable	0.00	0.00	0.00	0.00	0.00	0.00	87,147,322.21	0.00	87,147,322.21
Due to (from) other government entities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,286,449.92	14,286,449.92
Other liabilities.....	182,956,395.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	182,956,395.20
Deferred revenues.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,303,040.14	21,303,040.14
Total noncurrent liabilities	182,956,395.20	0.00	0.00	0.00	0.00	0.00	87,147,322.21	35,589,490.06	305,693,207.47
Total Liabilities	192,729,923.03	8,169,583.91	0.00	0.00	228,610,572.44	0.00	87,619,240.44	42,481,973.93	559,611,293.75
DEFERRED INFLOWS OF RESOURCES									
Accumulated increase in fair value of hedging deriv	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET POSITION									
Invested in capital assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,028,429.05	1,028,429.05
Restricted by indenture.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Restricted by statute.....	414,489,401.63	644,096,269.60	25,950,387.48	32,140,749.84	7,766,133.08	251.21	(2,265,387.00)	(197,753.22)	1,121,980,052.62
Total Net position.....	414,489,401.63	644,096,269.60	25,950,387.48	32,140,749.84	7,766,133.08	251.21	(2,265,387.00)	830,675.83	1,123,008,481.67

**CALIFORNIA HOUSING FINANCE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
OTHER PROGRAMS AND ACCOUNTS**

YEAR ENDED SEPTEMBER 30, 2012

	<u>HOUSING ASSISTANCE TRUST</u>	<u>CONTRACT ADMINISTRATION PROGRAMS</u>	<u>SUPPLEMENTARY BOND SECURITY ACCOUNT</u>	<u>EMERGENCY RESERVE ACCOUNT</u>	<u>LOAN SERVICING</u>	<u>LOAN WAREHOUSING</u>	<u>CITIGROUP GLOBAL MARKETS</u>	<u>OPERATING ACCOUNT</u>	<u>TOTAL OTHER PROGRAMS AND ACCOUNTS</u>
OPERATING REVENUES									
Interest income:									
Program loans and loan agreements -- net.....	2,333,525.53	1,138,200.45	0.00	0.00	0.00	0.00	0.00	0.00	3,471,725.98
Interest income - Investments -- net	721,703.50	305,098.54	22,826.98	28,176.45	564.99	0.00	0.00	24,813.98	1,103,184.44
Increase (decrease) in fair value of investments	275,923.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	275,923.35
Loan commitment fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	247,125.90	247,125.90
Other loan fees	220,000.00	0.00	0.00	0.00	1,213,040.72	0.00	0.00	5,028,507.68	6,461,548.40
Other revenues	(8,407,793.04)	641,268.50	0.00	0.00	16,990,382.33	0.00	0.00	40,375.00	9,264,232.79
Total Operating revenues	(4,856,640.66)	2,084,567.49	22,826.98	28,176.45	18,203,988.04	0.00	0.00	5,340,822.56	20,823,740.86
OPERATING EXPENSES									
Interest	10,598,429.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,598,429.78
Amortization of bond discount and bond premium	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mortgage servicing fees	551.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	551.55
Provision (reversal) for estimated loan losses	8,384,779.33	3,628,854.65	0.00	0.00	0.00	0.00	(17,097.00)	0.00	11,996,536.98
Salaries and General expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,459,762.13	9,459,762.13
Other expenses	39,498.92	4,701,535.91	0.00	0.00	17,344,166.47	0.00	0.00	57,418.34	22,142,619.64
Total Operating expenses	19,023,259.58	8,330,390.56	0.00	0.00	17,344,166.47	0.00	(17,097.00)	9,517,180.47	54,197,900.08
Operating income (loss) before transfers	(23,879,900.24)	(6,245,823.07)	22,826.98	28,176.45	859,821.57	0.00	17,097.00	(4,176,357.91)	(33,374,159.22)
Transfers in (out).....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers (intrafund).....	(15,400,826.85)	0.00	0.00	0.00	(2,000,000.00)	(3,396,987.37)	0.00	50,639,510.85	29,841,696.63
Increase (decrease) in net assets.....	(39,280,727.09)	(6,245,823.07)	22,826.98	28,176.45	(1,140,178.43)	(3,396,987.37)	17,097.00	46,463,152.94	(3,532,462.59)
Net assets at beginning of year	453,770,128.72	650,342,092.67	25,927,560.50	32,112,573.39	8,906,311.51	3,397,238.58	(2,282,484.00)	(45,632,477.11)	1,126,540,944.26
Net assets at end of year	414,489,401.63	644,096,269.60	25,950,387.48	32,140,749.84	7,766,133.08	251.21	(2,265,387.00)	830,675.83	1,123,008,481.67

