

Certain Investments

**Home Mortgage Revenue Bond Indenture  
Funds Deposited In Investment  
As of September 30, 2011**

Provider - Ratings as of September 30, 2011 (Moody's/S&P)		Type of Funds			Total Amount
		Program	Reserve	Float <sup>(1)</sup>	Invested
Societe Generale, New York Branch	A1/A+	\$ -	\$ 32,640,988	\$ 47,841,960	\$ 80,482,948
Transamerica Life Insurance Company	A1/AA-	-	3,149,771	42,317,926	45,467,697
Rabobank Int.	Aaa/AA	-	13,160,304	-	13,160,304
Trinity Funding Company, LLC	NR/AA+	-	12,356	7,595,831	7,608,187
Natixis Funding Corporation	Aa3/A+	-	713,906	5,061,812	5,775,718
Citibank, N.A.	A1/A	-	34	2,326,744	2,326,778
Natixis Funding Corporation (French Gov. Guarantee)	Aaa/AAA	-	167,385	-	167,385
Bank of America, NA	A2/A	-	58	121,246	121,304
Pacific Life Company	A1/A+	-	17,929	-	17,929
General Electric Capital Corporation	Aa2/AA+	-	16,502	-	16,502
Totals in Investment and Repurchase Agreements		\$ -	\$ 49,879,233	\$ 105,265,519	\$ 155,144,752
Investments in SMIF ++		1,152,644	34,027,957	401,366,399	436,547,000
Investment at Cost (MMF & CD)		6,471	2,868,379	24,493,528	27,368,378
Total Funds Invested		\$ 1,159,115	\$ 86,775,569	\$ 531,125,446	\$ 619,060,130

++Moneys on deposit in the State's Centralized Treasury System are invested by the Treasurer in the Pooled Money Investment Account (the "PMIA"). As of September 30, 2011, the PMIA held approximately \$43.76 billion of State moneys (which include \$34.33 billion in SMIF), and approximately \$22.44 billion of moneys invested for 2,781 local governmental entities through the Local Agency Investment Fund.

(1) Float means accounts defined in the Indenture; the Revenue Account, Bond Account and Redemption Account, Recoveries of Principal Account, and Nonmortgage Investment Income Account.

**Home Mortgage Revenue Bond Indenture  
Summary of Investments in Securities  
As of September 30, 2011**

Type of Investment	Par Value Program Account	Par Value Reserve Account	Total Par Value	Market Value	Weighted Average Coupon	Weighted Average Remaining Maturity
GNMA Securities	\$ 25,209,313	\$ 4,177,463	\$ 29,386,776	\$ 31,109,798	3.85%	28.12 Years
FNMA Securities	48,469,543	75,502,087	123,971,630	130,553,386	4.67%	27.98 Years
REFCORP Bonds	-	-	-	-	0.00%	0.00 Years
Totals	\$ 73,678,856	\$ 79,679,550	\$ 153,358,406	\$ 161,663,184		

**Analysis of the State of California Pooled Money Investment Account Portfolio++  
As of September 30, 2011**

<u>Type of Security</u>	<u>Amount (Millions)</u>	<u>Percent of Total</u>
U.S. Treasury Bills and Notes	\$ 34,650	52.34 %
Federal Agency Coupons	1,907	2.88
Certificates of Deposit	6,360	9.61
IBRD Deb FR	300	0.45
Bank Notes	600	0.91
CDs - Floaters	-	0.00
Bankers' Acceptances	-	0.00
Repurchases	-	0.00
Federal Agency Discount Notes	4,342	6.56
Time Deposits	4,089	6.18
GNMAs	-	0.00
Commercial Paper	4,098	6.19
FHLMC	430	0.65
Corporate Bonds	-	0.00
Pooled Loans	9,417	14.23
NOW Account	-	0.00
State of California General Fund Loans	-	0.00
Reversed Repurchases	-	0.00
	<u>\$ 66,193</u>	<u>100.00 %</u>

++ Totals may not add due to rounding.

SOURCE: State of California, Office of the Treasurer.

The State's treasury operations are managed in compliance with the California Government Code and according to a statement of investment policy which sets forth permitted investment vehicles, liquidity parameters and maximum maturity of investments. The PMIA operates with the oversight of the Pooled Money Investment Board (consisting of the State Treasurer, the State Controller and Director of Finance).

The Treasurer does not invest in leveraged products or inverse floating rate securities. The investment policy permits the use of reverse repurchase agreements subject to limits of no more than 10 percent of the PMIA. All reverse repurchase agreements are cash matched either to the maturity of the reinvestment or an adequately positive cash flow date which is approximate to the maturity of the reinvestment. The PMIA does not hold any investments in obligations of California investor-owned utilities.

The average life to the investment portfolio of the PMIA as of September 30, 2011 was 236 days.