

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) September 26, 2008

CONSUMER PORTFOLIO SERVICES, INC.

(Exact Name of Registrant as Specified in Charter)

CALIFORNIA

(State or Other Jurisdiction
of Incorporation)

1-14116

(Commission
File Number)

33-0459135

(IRS Employer
Identification No.)

16355 Laguna Canyon Road, Irvine, CA 92618

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code (949) 753-6800

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

The information contained in Item 2.01 of this report is hereby incorporated by reference into this Item 1.01.

CPS disclaims any implication that the agreements relating to such transactions are other than agreements entered into in the ordinary course of CPS's business.

ITEM 2.01. COMPLETION OF THE ACQUISITION OR DISPOSITION OF ASSETS.

On September 26, 2008, the registrant and its wholly owned subsidiary CALT SPE, LLC ("Subsidiary") entered into a series of agreements under which the Subsidiary purchased from the registrant, and transferred to Auto Loan Trust, a Delaware statutory trust (the "Trust") approximately \$198.7 million in adjusted principal balances of automobile purchase receivables. The purchase price was funded by the Trust's issuance and sale of structured notes, and was determined by negotiation. An affiliate of Citigroup purchased 95% of the notes, and the registrant purchased the remaining 5%. Another subsidiary of the registrant, Folio Funding II LLC, is indebted to a separate affiliate of Citigroup in the principal amount of approximately \$68.25 million under a term credit facility, the terms of which were amended and restated on July 10, 2008. The description of the terms of that facility and of its amendment and restatement, contained in the registrant's report on Form 8-K filed July 16, 2008, is incorporated herein by this reference.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

Neither financial statements nor pro forma financial information are filed with this report.

The following exhibits are filed as a part of this report:

<u>Exhibit Number</u>	<u>Description</u>
10.24	Purchase and Sale Agreement re Motor Vehicle Contracts dated as of September 26, 2008 (to be filed by amendment).
10.25	Transfer and Servicing Agreement dated as of September 26, 2008 (to be filed by amendment).
99.1	Consumer Portfolio Services, Inc. October 1, 2008 press release.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Consumer Portfolio Services, Inc.

Dated: October 2, 2008

By: /s/ Robert E. Riedl
Robert E. Riedl
Senior Vice President and Chief Investment Officer

EXHIBIT INDEX

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[CPS Logo]

NEWS RELEASE

CPS Completes \$199 Million Whole Loan Sale

IRVINE, California, October 1, 2008 – Consumer Portfolio Services, Inc. (Nasdaq: CPSS) today announced that it completed a structured whole loan sale last Friday, selling \$198.7 million of automobile purchase receivables.

In the transaction, an affiliate of Citigroup purchased 95% of structured notes backed by automotive purchase receivables, while CPS purchased the remaining 5%. A portion of the cash proceeds were used to repay outstanding warehouse indebtedness. The Company also retains a shared participation in the future performance of the sold receivables.

“While the securitization market remains challenging, we are pleased to have completed this transaction,” said Charles E. Bradley, Jr., Chairman and Chief Executive Officer of CPS. “Being able to access liquidity in this difficult market environment is a testament to the platform we have built over the last few years.”

The sale of notes was a private offering of securities, not registered under the Securities Act of 1933, or any state securities law. All of such securities having been sold, this announcement of their sale appears as a matter of record only.

About Consumer Portfolio Services, Inc.

Consumer Portfolio Services, Inc. is a specialty finance company engaged in purchasing and servicing new and used retail automobile contracts originated primarily by franchised automobile dealerships and to a lesser extent by select independent dealers of used automobiles in the United States. We serve as an alternative source of financing for dealers, facilitating sales to sub-prime customers, who have limited credit history, low income or past credit problems and who otherwise might not be able to obtain financing from traditional sources.

Investor Contacts

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