



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-9000

GOVERNMENT NATIONAL
MORTGAGE ASSOCIATION

February 21, 2008

APM 08-03

MEMORANDUM FOR: All Participants in Ginnie Mae Programs

FROM: Thomas R. Weakland, Acting Executive Vice President

SUBJECT: LIBOR Index is Now Available for Forward Market Adjustable Rate Mortgage (ARM) Products

Ginnie Mae is pleased to announce that the London Interbank Offered Rate (LIBOR) index options for forward market ARM pools and loan packages are now available on web-based GinnieNET, effective immediately. The new pool types listed below complement LIBOR index options already in place for Ginnie Mae's reverse mortgage securitizations, the Home Equity Conversion Mortgage ("HMBS") program.

As previously announced in APM 07-04, dated April 5, 2007, the LIBOR is the interest rate offered by major international banks for U.S. dollar deposits of a stated maturity, and is published in the Money Rates section of The Wall Street Journal. Issuers may select either the Constant Maturity Treasury (CMT) index or the LIBOR at pooling.

The new LIBOR index pool types that are available include the following:

- RL/QL 1-Yr Adjustable Rate Securities
- TL 3-Yr Hybrid Adjustable Rate Securities
- FL/FB 5-Yr Hybrid Adjustable Rate Securities
- SL 7-Yr Hybrid Adjustable Rate Securities
- XL 10-Yr Hybrid Adjustable Rate Securities

ARM loans tied to the CMT index may only be pooled with an applicable CMT index option, while ARM loans tied to the LIBOR index may only be pooled with an applicable pool type listed above. ARM loans with different indexes may not be commingled.

This enhancement to the Ginnie Mae MBS Program is only available for ARM pools and loan packages transmitted electronically through web-based GinnieNET. Updates to the Ginnie Mae Mortgage-Backed Securities Guide, 5500.3, Rev. 1 ("Guide") are now available and may be accessed on the Ginnie Mae website at www.ginniemae.gov.

For additional assistance, issuers may contact their Ginnie Mae Account Executive in the Office of Mortgage-Backed Securities at (202) 708-2043.