

Offering Circular Supplement  
(To Base Offering Circular dated March 1, 2000)

**\$276,000,000**

## Government National Mortgage Association



**GINNIE MAE®**

Guaranteed REMIC Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2001-14



**The securities may not be suitable investments for you. You should consider carefully the risks of investing in them.**

**See "Risk Factors" beginning on page S-7 which highlights some of these risks.**

### **The Securities**

The Trust will issue the classes of securities listed on the inside front cover.

### **The Ginnie Mae Guaranty**

Ginnie Mae will guarantee the timely payment of principal and interest on the securities. The Ginnie Mae Guaranty is backed by the full faith and credit of the United States of America.

### **The Trust and its Asset**

The Trust will own (1) Ginnie Mae Certificates and (2) certain previously issued REMIC-related certificates.

The Sponsor and the Co-Sponsor will offer the securities from time to time in negotiated transactions at varying prices. We expect the closing date to be April 30, 2001.

You should read the Base Offering Circular as well as this Supplement.

The securities are exempt from registration under the Securities Act of 1933 and are "exempted securities" under the Securities Exchange Act of 1934.

**Merrill Lynch & Co.**

**Utendahl Capital Partners, L.P.**

The date of this Offering Circular Supplement is April 23, 2001.

### Ginnie Mae REMIC Trust 2001-14

The Trust will issue the classes of securities listed in the table below. If you own exchangeable securities identified in the table, you can exchange them for the corresponding MX Securities, and vice versa.

<u>Class of REMIC Securities</u>	<u>Original Principal Balance(2)</u>	<u>Interest Rate</u>	<u>Principal Type(3)</u>	<u>Interest Type(3)</u>	<u>Final Distribution Date(4)</u>	<u>CUSIP Number</u>
<b>Security Group 1</b>						
A(1) .....	\$205,912,500	6.50%	SEQ	FIX	February 2029	383739G78
VA .....	14,453,750	6.50	AD/SEQ	FIX	May 2008	383739G86
VB .....	4,633,750	6.50	AD/SEQ	FIX	February 2010	383739G94
Z .....	25,000,000	6.50	SEQ	FIX/Z	April 2031	383739H28
<b>Security Group 2</b>						
HA .....	\$ 4,222,000	6.75	SC/SEQ	FIX	March 2031	383739H36
HB .....	5,038,000	6.75	SC/SEQ	FIX	March 2031	383739H44
HC .....	16,740,000	6.75	SC/SEQ	FIX	March 2031	383739H51
<b>Residual</b>						
R .....	0	0.00	NPR	NPR	April 2031	383739H69

- (1) These Securities may be exchanged for MX Securities described in Schedule I.  
(2) Subject to increase as described under "Increase in Size" in this Supplement.  
(3) As defined under "Class Types" in Appendix I to the Base Offering Circular.  
(4) See "Yield, Maturity and Prepayment Considerations—Final Distribution Date" in this Supplement.

## AVAILABLE INFORMATION

You should purchase the securities only if you have read and understood the following documents:

- this Supplement
- the Base Offering Circular, and
- in the case of the Group 2 securities, the disclosure document relating to the Underlying Certificates.

The Base Offering Circular and the disclosure document relating to the Underlying Certificates are available on Ginnie Mae's website located at <http://www.ginniemae.gov>.

If you do not have access to the internet, call The Chase Manhattan Bank, which will act as information agent for the Trust, at (800) 234-GNMA, to order copies of the Base Offering Circular and the disclosure document relating to the Underlying Certificates.

Please consult the description of Class Types included in the Base Offering Circular as Appendix I and the Glossary included in the Base Offering Circular as Appendix II for definitions of capitalized terms.

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## TERMS SHEET

This terms sheet contains selected information for quick reference only. You should read this Supplement, particularly "Risk Factors," and each of the other documents listed under "Available Information."

**Sponsor:** Merrill Lynch, Pierce, Fenner & Smith Incorporated

**Trustee:** State Street Bank and Trust Company

**Tax Administrator:** The Trustee

**Closing Date:** April 30, 2001

**Distribution Dates:** For the Group 1 Securities, the 20th day of each month or, if the 19th day or the 20th day is not a Business Day, the first Business Day following the 20th day of each month, commencing in May 2001. For the Group 2 Securities, the first Business Day following each Underlying REMIC Distribution Date, commencing, in May 2001. The "Underlying REMIC Distribution Date" is the 16th day of each month or, if the 16th day is not a business day, the first business day thereafter. For purposes of the definition of Underlying REMIC Distribution Date, "business day" will have the meaning assigned to it for the Underlying REMIC Trust.

**Trust Assets:**

<u>Trust Asset Group</u>	<u>Trust Asset Type</u>	<u>Certificate Rate</u>	<u>Original Term To Maturity (in years)</u>
1	Ginnie Mae II	6.50%	30
2	Underlying Certificates	(1)	(1)

(1) Information regarding the Underlying REMIC Certificates and the related Mortgage Loans is set forth in Exhibits A and B to this Supplement.

**Security Groups:** This series of Securities consists of multiple Security Groups, as shown on the inside front cover of this Supplement. Payments on each Security Group will be based solely on payments on the Trust Asset Group with the same numerical designation.

**Assumed Characteristics of the Mortgage Loans Underlying the Group 1 Trust Assets(1):**

<u>Principal Balance(2)</u>	<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Weighted Average Mortgage Rate(3)</u>
\$250,000,000	334	20	7.27%

(1) As of April 1, 2001.

(2) Does not include Trust Assets that will be added to pay the Trustee Fee.

(3) The mortgage loans underlying the Group 1 Trust Assets may bear interest at rates ranging from 0.5% to 1.5% per annum above the related Certificate Rate.

The actual remaining terms to maturity, loan ages and Mortgage Rates of many of the Mortgage Loans will differ from the weighted averages shown above, perhaps significantly. See *“The Trust Assets—The Mortgage Loans”* in this Supplement. See Exhibit A to this Supplement for information regarding the characteristics of the Mortgage Loans included in the Underlying Trust.

**Modification and Exchange:** If you own exchangeable Securities you will be able, upon notice and payment of an exchange fee, to exchange them for a proportionate interest in the related Securities shown on Schedule I to this Supplement. See *“Description of the Securities—Modification and Exchange”* in this Supplement.

**Increased Minimum Denomination Classes:** Class AI. See *“Description of the Securities—Form of Securities”* in this Supplement.

**Interest Rates:** The Interest Rates are shown on the inside cover page of this Supplement or on Schedule I to this Supplement.

**Allocation of Principal:** On each Distribution Date for a Security Group, the following distributions will be made to the related Securities:

**SECURITY GROUP 1**

A percentage of the Group 1 Principal Distribution Amount will be applied to the Trustee Fee, and the remainder of the Group 1 Principal Distribution Amount (the “Group 1 Adjusted Principal Distribution Amount”) and the Z Accrual Amount will be allocated as follows:

- The Z Accrual Amount in the following order of priority:

Accretion Directed and Accrual	{	1. Sequentially, to VA and VB, in that order, until retired 2. To Z, until retired
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Sequential Pay	{	The Group 1 Adjusted Principal Distribution Amount sequentially, to A, VA, VB and Z, in that order, until retired
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**SECURITY GROUP 2**

SC/PT	{	The Group 2 Principal Distribution Amount sequentially, to HA, HB and HC, in that order, until retired.
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**Accrual Class:** Interest will accrue on the Accrual Class identified on the inside front cover of this Supplement at the per annum rate set forth on that page. However, no interest will be distributed to the Accrual Class as interest. Interest so accrued on the Accrual Class on each Distribution Date will constitute the Accrual Amount, which will be added to the Class Principal Balance of that Class on each Distribution Date and will be distributable as principal as set forth in this Terms Sheet under "Allocation of Principal."

**Notional Class:** The Notional Class will not receive distributions of principal but has a Class Notional Balance for convenience in describing its entitlement to interest. The Class Notional Balance of the Notional Class represents the percentage indicated below of, and reduces to that extent with, the Class Principal Balance indicated:

<u>Class</u>	<u>Maximum Original Class Notional Balance</u>	<u>Represents Approximately</u>
AI .....	\$23,759,134	11.5384615385% of A (SEQ Class)

**Tax Status:** Single REMIC Series. See "Certain Federal Income Tax Consequences" in this Supplement and in the Base Offering Circular.

**Regular and Residual Classes:** Class R is a Residual Class; all other Classes of REMIC Securities are Regular Classes.

## RISK FACTORS

*You should purchase securities only if you understand and are able to bear the associated risks. The risks applicable to your investment depend on the principal and interest type of your securities. This section highlights certain of these risks.*

***The rate of principal payments on the underlying mortgage loans will affect the rate of principal payments on your securities.*** The rate at which you will receive principal payments will depend largely on the rate of principal payments, including prepayments, on the mortgage loans underlying the related trust assets. We expect the rate of principal payments on the underlying mortgage loans to vary. Borrowers generally may prepay their mortgage loans at any time without penalty.

***Rates of principal payments can reduce your yield.*** The yield on your securities probably will be lower than you expect if:

- you bought your securities at a premium (interest only securities, for example) and principal payments are faster than you expected, or
- you bought your securities at a discount and principal payments are slower than you expected.

In addition, if your securities are interest only securities or securities purchased at a significant premium, you could lose money on your investment if prepayments occur at a rapid rate.

***An investment in the securities is subject to significant reinvestment risk.*** The rate of principal payments on your securities is uncertain. You may be unable to reinvest the payments on your securities at the same returns provided by the securities. Lower prevailing interest rates may result in an unexpected return of principal. In that interest rate climate, higher yielding reinvestment opportunities may be limited. Conversely, higher prevailing interest rates may result in slower returns of principal and you may not be able to take advantage of higher yielding investment opportunities. The final payment on your security may occur much earlier than the final distribution date.

***The rate of principal payments on the Underlying Certificates will directly affect***

***the rate of principal payments on the group 2 Securities.*** The Underlying Certificates will be sensitive to

- the rate of payments of principal (including prepayments) of the related mortgage loans, and
- the priorities for the distribution of principal among the classes of the underlying series.

As described in the underlying REMIC disclosure document, the Underlying Certificates represent a portion of a support class that is entitled to receive principal distributions only if scheduled payments have been made on other specified classes of the related underlying REMIC series (or if specified classes have been retired). Accordingly, Underlying Certificates may receive no principal distributions for extended periods of time or may receive principal payments that vary widely from period to period.

This supplement contains no information as to whether the Underlying Certificates have performed as originally anticipated. Additional information as to the Underlying Certificates may be obtained by performing an analysis of current principal factors of the Underlying Certificates in light of applicable information contained in the related underlying REMIC disclosure document.

***The securities may not be a suitable investment for you.*** The securities, especially the group 2 securities and, in particular, the interest only, accrual and residual classes, are not suitable investments for all investors.

In addition, although the sponsor intends to make a market for the purchase and sale of the securities after their initial issuance, it has no obligation to do so. There is no assurance that a secondary market will develop, that any secondary market will continue, or that the price at which you can sell an investment in any class will enable you to realize a desired yield on that investment.

You will bear the market risks of your investment. The market values of the classes are likely to fluctuate. These fluctuations may be significant and could result in significant losses to you.

The secondary markets for mortgage-related securities have experienced periods of illiquidity and can be expected to do so in the future. Illiquidity can have a severely adverse effect on the prices of classes that are especially sensitive to prepayment risk or that have been structured to meet the investment requirements of limited categories of investors.

The residual securities may experience significant adverse tax timing consequences. Accordingly, you are urged to consult tax advisors and to consider the after-tax effect of ownership of a residual security and the suitability of the residual securities to your investment objectives. See "Certain Federal Income Tax Consequences" in this supplement and in the base offering circular.

You are encouraged to consult advisors regarding the financial, legal, tax and other aspects of an investment in the securities. You should not purchase the securities of any class unless you understand and are able to bear the prepayment, yield, liquidity and market risks associated with that class.

***The actual characteristics of the underlying mortgage loans will affect the weighted average lives and yields of your securities.***

The yield and prepayment tables in this supplement are based on assumed characteristics which are likely to be different from the actual characteristics. As a result, the yields on your securities could be lower than you expected, even if the mortgage loans prepay at the constant prepayment rates set forth in the applicable table.

It is highly unlikely that the underlying mortgage loans will prepay at any of the prepayment rates assumed in this supplement, or at any constant prepayment rate.

## THE TRUST ASSETS

### General

The Sponsor intends to acquire the Trust Assets in privately negotiated transactions prior to the Closing Date and to sell them to the Trust according to the terms of a Trust Agreement between the Sponsor and the Trustee. The Sponsor will make certain representations and warranties with respect to the Trust Assets. All Trust Assets, regardless of whether the assets consist of Trust MBS or Underlying Certificates, will evidence, directly or indirectly, Ginnie Mae Certificates.

### The Trust MBS (Group 1)

The Group 1 Trust Assets are either:

1. Ginnie Mae II MBS Certificates guaranteed by Ginnie Mae, or
2. Ginnie Mae Platinum Certificates backed by Ginnie Mae II MBS Certificates and guaranteed by Ginnie Mae.

Each Mortgage Loan underlying a Ginnie Mae II MBS Certificate bears interest at a Mortgage Rate 0.50% to 1.50% per annum greater than the related Certificate Rate. Ginnie Mae receives a fee (the "Ginnie Mae Certificate Guaranty Fee") for its guaranty of each Ginnie Mae II MBS Certificate of 0.06% per annum of the outstanding principal balance of each related Mortgage Loan. The difference between (a) the Mortgage Rate and (b) the sum of the Certificate Rate and the Ginnie Mae Certificate Guaranty Fee is used to pay the related servicers of the Mortgage Loans a monthly servicing fee.



## **The Underlying Certificates (Group 2)**

The Group 2 Trust Assets are Underlying Certificates that represent beneficial ownership interests in a separate trust (an “Underlying Trust”), the assets of which evidence direct or indirect beneficial ownership interests in certain Ginnie Mae Certificates. The Underlying Certificates constitute a portion of a class of a series of certificates (an “Underlying REMIC Series”) described in the Underlying REMIC Disclosure Document, excerpts of which are attached as Exhibit B to this Supplement. The Underlying REMIC Disclosure Document may be obtained from the Information Agent as described under “Available Information.” Investors are cautioned that material changes in facts and circumstances may have occurred since the date of the Underlying REMIC Disclosure Document, including changes in prepayment rates, prevailing interest rates and other economic factors, which may limit the usefulness of, and be directly contrary to the assumptions used in preparing the information included in, the offering document. *See “Underlying Certificates” in the Base Offering Circular.*

The Underlying Certificates provide for monthly distributions and are further described in the table contained in Exhibit A to this Supplement. The table also sets forth information regarding approximate weighted average remaining terms to maturity, loan ages and mortgage rates of the Mortgage Loans underlying the related Ginnie Mae Certificates.

## **The Mortgage Loans**

The Mortgage Loans underlying the Group 1 Trust Assets are expected to have, on a weighted average basis, the characteristics set forth in the Terms Sheet under “Assumed Characteristics of the Mortgage Loans Underlying the Group 1 Trust Assets” and the general characteristics described in the Base Offering Circular. The Mortgage Loans underlying the Underlying Certificates are expected to have, on a weighted average basis, the characteristics set forth in Exhibit A to this Supplement. The Mortgage Loans will consist of first lien, single-family, fixed rate, residential mortgage loans that are insured or guaranteed by the Federal Housing Administration, the United States Department of Veterans Affairs, the Rural Housing Service or the United States Department of Housing and Urban Development (“HUD”). *See “The Ginnie Mae Certificates—General” in the Base Offering Circular.*

Specific information regarding the characteristics of the Mortgage Loans is not available. For purposes of this Supplement, certain assumptions have been made regarding the remaining terms to maturity, loan ages and, in the case of the Group 1 Trust Assets, Mortgage Rates of the Mortgage Loans. However, the actual remaining terms to maturity, loan ages and, in the case of the Group 1 Trust Assets, Mortgage Rates of many of the Mortgage Loans will differ from the characteristics assumed, perhaps significantly. This will be the case even if the weighted average characteristics of the Mortgage Loans are the same as the assumed characteristics. Small differences in the characteristics of the Mortgage Loans can have a significant effect on the weighted average lives and yields of the Securities. *See “Risk Factors” and “Yield, Maturity and Prepayment Considerations” in this Supplement.*

## **The Trustee Fee**

On each Distribution Date, the Trustee will retain a fixed percentage of all principal and interest distributions received on specified Trust Assets in payment of its fee (the “Trustee Fee”).

## **GINNIE MAE GUARANTY**

The Government National Mortgage Association (“Ginnie Mae”), a wholly-owned corporate instrumentality of the United States of America within HUD, guarantees the timely payment of principal and interest on the Securities (the “Ginnie Mae Guaranty”). The General Counsel of HUD has provided an opinion to the effect that Ginnie Mae has the authority to guarantee multiclass securities and that Ginnie Mae guaranties will constitute general obligations of the United States, for which the full faith and credit of the United States is pledged. *See “Ginnie Mae Guaranty” in the Base Offering Circular.*

## DESCRIPTION OF THE SECURITIES

### General

The description of the Securities contained in this Supplement is not complete and is subject to, and is qualified in its entirety by reference to, all of the provisions of the Trust Agreement. See *“Description of the Securities” in the Base Offering Circular.*

### Form of Securities

Each Class of Securities (other than the Residual Securities) initially will be issued and maintained in Book-Entry Form and may be transferred only on the book-entry system of the MBS Division of The Depository Trust Company (together with any successor, the “Book-Entry Depository”). Beneficial Owners of Securities in Book-Entry Form will ordinarily hold these Securities through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. By request accompanied by the payment of a transfer fee of \$25,000 per physical certificate to be issued, a Beneficial Owner may receive a Regular Security in certificated form.

The Residual Securities will not be issued in Book-Entry Form but will be issued in fully registered, certificated form and may be transferred or exchanged, subject to the transfer restrictions applicable to Residual Securities set forth in the Trust Agreement, at the Corporate Trust Office of the Trustee. See *“Description of the Securities—Forms of Securities; Book-Entry Procedures” in the Base Offering Circular.*

Each Class (other than the Increased Minimum Denomination Class) will be issued in minimum dollar denominations of initial principal balance of \$1,000 and integral multiples of \$1 in excess of \$1,000. The Increased Minimum Denomination Class will be issued in a minimum denomination of \$589,000 in notional balance.

### Distributions

Distributions on each Class of Securities will be made on each Distribution Date for that Class, as specified under *“Terms Sheet—Distribution Dates”* in this Supplement. On each Distribution Date, the Trustee will distribute the Distribution Amount to Holders of record as of the close of business on the last Business Day of the calendar month immediately preceding the month in which the Distribution Date occurs (each, a *“Record Date”*). For Book-Entry Securities, the Trustee will distribute principal and interest to the Book-Entry Depository, and Beneficial Owners will receive distributions through credits to accounts maintained for their benefit on the books and records of appropriate financial intermediaries. See *“Description of the Securities—Distributions”* and *“—Method of Distributions”* in the Base Offering Circular.

### Interest Distributions

On each Distribution Date, the Interest Distribution Amount will be distributed to the Holders of all Classes of Securities entitled to distributions of interest.

- Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months.
- Interest distributable on any Class on any Distribution Date will consist of 30 days’ interest on its Class Principal Balance (or Class Notional Balance) as of the related Record Date.
- Investors can calculate the amount of interest to be distributed on each Class of Securities on any Distribution Date by using the Class Factors published in the preceding month. See *“—Class Factors”* below.

### *Categories of Classes*

For purposes of interest distributions, the Classes will be categorized as shown under “Interest Type” on the inside cover page of this Supplement and on Schedule I to this Supplement. The abbreviations used on the inside cover page and on Schedule I to this Supplement are explained under “Class Types” in Appendix I to the Base Offering Circular.

### *Accrual Period*

The Accrual Period for each Class is the calendar month preceding the related Distribution Date.

### *Interest Rates*

Each Class will bear interest at the per annum Interest Rate shown on the inside cover page of this Supplement or on Schedule I to this Supplement.

### *Accrual Class*

Class Z is an Accrual Class. Interest will accrue on the Accrual Class and be distributed as described under “Terms Sheet–Accrual Class” in this Supplement.

## **Principal Distributions**

The Adjusted Principal Distribution Amount for Security Group 1, the Principal Distribution Amount for Security Group 2 and the Z Accrual Amount will be distributed to the Holders entitled thereto as described above under “Terms Sheet–Allocation of Principal.” Investors can calculate the amount of principal to be distributed with respect to any Distribution Date by using the Class Factors published in the preceding and current months. See “–Class Factors” below.

### *Categories of Classes*

For purposes of principal distributions, the Classes will be categorized as shown under “Principal Type” on the inside cover page of this Supplement and on Schedule I to this Supplement. The abbreviations used on the inside cover page, in the Terms Sheet and on Schedule I to this Supplement are explained under “Class Types” in Appendix I to the Base Offering Circular.

### *Notional Class*

The Notional Class will not receive principal distributions. For convenience in describing interest distributions, the Notional Class will have the original Class Notional Balance shown on Schedule I to this Supplement. The Class Notional Balance will reduce as shown under “Terms Sheet — Notional Class” in this Supplement.

## **Residual Securities**

The Class R Securities will represent the beneficial ownership of the Residual Interest in the Trust REMIC. The Class R Securities have no Class Principal Balance and do not accrue interest. The Class R Securities will be entitled to receive the proceeds of the disposition of any assets remaining in the Trust REMIC after the Class Principal Balance of each Class of Regular Securities has been reduced to zero. However, any remaining proceeds are not likely to be significant. The Residual Securities may not be transferred to a Plan Investor, a Non-U.S. Person or a Disqualified Organization.

## **Class Factors**

The Trustee will calculate and make available for each Class of Securities, no later than the day preceding the applicable Distribution Date, the factor (carried out to eight decimal places) that

when multiplied by the Original Class Principal Balance (or original Class Notional Balance) of that Class, determines the Class Principal Balance (or Class Notional Balance) after giving effect to the distribution of principal to be made on the Securities (and any addition to the Class Principal Balance of the Accrual Class) on that Distribution Date (each, a “Class Factor”).

- The Class Factor for each Class for the month of issuance is 1.00000000.
- The Class Factor for any Class of Securities for any month following the issuance of the Securities will reflect its remaining Class Principal Balance (or Class Notional Balance) after giving effect to any principal distribution (or addition to principal) to be made on the Distribution Date occurring in that month.
- The Class Factors for the MX Classes and the Classes of REMIC Securities that are exchangeable for the MX Classes will be calculated assuming that the maximum possible amount of each Class is outstanding at all times, regardless of any exchanges that may occur.
- Based on the Class Factors published each month (and Interest Rates), investors in any Class (other than an Accrual Class) can calculate the amount of principal and interest to be distributed to that Class, and investors in the Accrual Class can calculate the total amount of principal to be distributed to (or interest to be added to the Class Principal Balance of) that Class.
- Investors may obtain current Class Factors on gREX.

*See “Description of the Securities–Distributions” in the Base Offering Circular.*

### **Termination**

The Trustee, at its option, may purchase or cause the sale of the Trust Assets and thereby terminate the Trust on any Distribution Date on which the aggregate of the Class Principal Balances of the Securities is less than 1% of the aggregate Original Class Principal Balances of the Securities. The Trustee will terminate the Trust and retire the Securities on any Distribution Date upon the Trustee’s determination that the REMIC status of the Trust REMIC has been lost or that a substantial risk exists that this status will be lost for the then current taxable year.

Upon any termination of the Trust, the Holder of any outstanding Security will be entitled to receive that Holder’s allocable share of the Class Principal Balance of that Class plus any accrued and unpaid interest thereon at the applicable Interest Rate. The Residual Holders will be entitled to their pro rata share of any assets remaining in the Trust REMIC after payment in full of the amounts described in the foregoing sentence. However, any remaining assets are not likely to be significant.

### **Modification and Exchange**

All or a portion of the Class A Securities may be exchanged for proportionate interests in various subcombinations of MX Classes. Similarly, all or a portion of these MX Classes may be exchanged for proportionate interests in the related REMIC Securities or in other subcombinations of the MX Classes. Each subcombination may be effected only in proportions that result in the principal and interest entitlements of the Securities received being equal to the entitlements of the Securities surrendered. *See the example under “Description of the Securities–Modification and Exchange” in the Base Offering Circular.*

A Beneficial Owner proposing to effect an exchange must notify the Trustee through the Beneficial Owner’s Book Entry Depository participant. This notice must be received by the Trustee not later than two Business Days before the proposed exchange date. The exchange date can be any Business Day other than the last Business Day of the month. The notice must contain the outstanding principal balance of the Securities to be included in the exchange and the proposed exchange date. The notice is required to be delivered to the Trustee in writing at its Corporate Trust

Office, State Street Bank and Trust Company, Global Investor Service Group, Corporate Trust, 2 Avenue de Lafayette, Boston, Massachusetts 02111. The Trustee may be contacted by telephone at (617) 662-1337 and by fax at (617) 662-1435.

A fee will be payable to the Trustee in connection with each exchange equal to  $\frac{1}{32}$  of 1% of the outstanding principal balance of the Securities surrendered for exchange (but not less than \$2,000 or more than \$25,000); provided, however, that no fee will be payable in respect of an interest only security. The fee must be paid not later than two business days prior to the exchange.

The first distribution on a REMIC Security or an MX Security received in an exchange will be made on the Distribution Date in the month following the month of the exchange. The distribution will be made to the Holder of record as of the Record Date in the month of exchange.

See “Description of the Securities–Modification and Exchange” in the Base Offering Circular.

## **YIELD, MATURITY AND PREPAYMENT CONSIDERATIONS**

### **General**

The prepayment experience of the Mortgage Loans underlying the Trust Assets will affect the Weighted Average Lives of and the yields realized by investors in the related Class or Classes of Securities.

- The Mortgage Loans do not contain “due-on-sale” provisions, and any Mortgage Loan may be prepaid in full or in part at any time without penalty.
- The rate of payments (including prepayments and payments in respect of liquidations) on the Mortgage Loans is dependent on a variety of economic, geographic, social and other factors, including prevailing market interest rates and general economic factors.

The rate of prepayments with respect to single-family mortgage loans has fluctuated significantly in recent years. Although there is no assurance that prepayment patterns for the Mortgage Loans will conform to patterns for more traditional types of conventional fixed-rate mortgage loans, generally:

- if mortgage interest rates fall materially below the Mortgage Rates on any of the Mortgage Loans (giving consideration to the cost of refinancing), the rate of prepayment of those Mortgage Loans would be expected to increase; and
- if mortgage interest rates rise materially above the Mortgage Rates on any of the Mortgage Loans, the rate of prepayment of those Mortgage Loans would be expected to decrease.

In addition, following any Mortgage Loan default and the subsequent liquidation of the underlying Mortgaged Property, the principal balance of the Mortgage Loan will be distributed through a combination of liquidation proceeds, Ginnie Mae Issuer advances and, to the extent necessary, proceeds of Ginnie Mae’s guaranty of the Ginnie Mae Certificates. As a result, a high level of defaults experienced on the Mortgage Loans will accelerate the distribution of principal of the Securities.

Under certain circumstances, the Trustee has the option to purchase the Trust’s assets, thereby effecting early retirement of the Securities. See “Description of the Securities–Termination” in this Supplement.

Investors in the Group 2 Securities are urged to review the discussion under “Risk Factors–The rate of principal payments on the Underlying REMIC Certificates will directly affect the rate of principal payments on the group 2 securities” in this Supplement.

### **Accretion Directed Classes**

Classes VA and VB are Accretion Directed Classes. The Z Accrual Amount will be applied to making principal distributions on those Classes as described in this Supplement.

Because the Accretion Directed Classes are entitled to principal payments in an amount equal to interest accrued on the Accrual Class, the Weighted Average Life of that Class cannot exceed its Weighted Average Life as shown in the following table under any prepayment scenario, even a scenario where there are no prepayments.

- Moreover, based on the Modeling Assumptions, if the related Mortgage Loans prepay at any constant rate at or below the rate for an Accretion Directed Class shown in the table below, its Class Principal Balance would be reduced to zero on, but not before, its Final Distribution Date, and its Weighted Average Life would equal its maximum Weighted Average Life.
- However, the Weighted Average Lives of Classes VA and VB will be reduced at prepayment speeds higher than the constant rates shown in the table below. See “Yield, Maturity and Prepayment Considerations–Decrement Tables” in this Supplement.

#### **Accretion Directed Classes**

<u>Class</u>	<u>Maximum Weighted Average Life (in Years)</u>	<u>Final Distribution Date</u>	<u>Prepayment Rate at or below</u>
VA .....	3.8	May 2008	352% PSA
VB .....	7.9	February 2010	280% PSA

The Mortgage Loans will have characteristics that differ from those of the Modeling Assumptions. Therefore, even if the related Mortgage Loans prepay at a rate at or somewhat below the “at or below” rate shown for any Accretion Directed Class, the Class Principal Balance of that Class could be reduced to zero before its Final Distribution Date, and its Weighted Average Life could be shortened.

#### **Assumability**

Each Mortgage Loan is subject to assumption upon the sale of the related Mortgaged Property. See “Yield, Maturity and Prepayment Considerations—Assumability of Government Loans” in the Base Offering Circular.

#### **Final Distribution Date**

The Final Distribution Date for each Class, which is set forth on the inside cover page of this Supplement or on Schedule I to this Supplement, is the latest date on which the related Class Principal Balance or Class Notional Balance will be reduced to zero.

- The actual retirement of any Class may occur earlier than its Final Distribution Date.
- According to the terms of the Ginnie Mae Guaranty, Ginnie Mae will guarantee payment in full of the Class Principal Balance of each Class of Securities no later than its Final Distribution Date.

#### **Modeling Assumptions**

Unless otherwise indicated, the tables that follow have been prepared on the basis of the characteristics of the Mortgage Loans underlying the Trust Assets, the characteristics of the Underlying REMIC Certificates, the priorities of distributions on the Underlying REMIC Certificates and the following assumptions (the “Modeling Assumptions”), among others:

1. The Mortgage Loans underlying the Group 1 Trust Assets have the assumed characteristics shown under “Assumed Characteristics of the Mortgage Loans Underlying the Group 1 Trust Assets” in the Terms Sheet, except in the case of information set forth under the 0% PSA Prepayment Assumption Rate, for which each Mortgage Loan underlying a Group 1 Trust Asset is assumed to have an original and a remaining term to maturity of 360 months and a Mortgage Rate of 1.5% per annum higher than the related Certificate Rate.

2. The Mortgage Loans prepay at the constant percentages of PSA (described below) shown in the related table.
3. Distributions on the Group 1 and Group 2 Securities are always received on the 20th day of the month and the 17th day of the month, respectively, whether or not a Business Day, commencing in May 2001.
4. A termination of the Trust and the Underlying Trust does not occur.
5. The Closing Date for the Securities is April 30, 2001.
6. No expenses or fees are paid by the Trust.
7. Distributions on the Underlying REMIC Certificates are made as described in the Underlying REMIC Disclosure Document.
8. Each Class is held from the Closing Date and is not exchanged in whole or in part.

When reading the tables and the related text, investors should bear in mind that the Modeling Assumptions, like any other stated assumptions, are unlikely to be entirely consistent with actual experience.

- For example, most of the Mortgage Loans will not have the characteristics assumed, many Distribution Dates will occur on a Business Day after the 20th or 17th day of the month, as applicable, and the Trustee may cause a termination of the Trust as described under “Description of the Securities—Termination” in this Supplement.
- In addition, distributions on the Securities are based on Certificate Factors and Calculated Certificate Factors, if applicable, which may not reflect actual receipts on the Trust Assets.

See “Description of the Securities—Distributions” in the Base Offering Circular.

## Decrement Tables

Prepayments of mortgage loans are commonly measured by a prepayment standard or model. The model used in this Supplement (“PSA”) is the standard prepayment assumption model of The Bond Market Association. PSA represents an assumed rate of prepayment each month relative to the then outstanding principal balance of the Mortgage Loans to which the model is applied. See “Yield, Maturity and Prepayment Considerations—Standard Prepayment Assumption Models” in the Base Offering Circular.

The decrement tables set forth below are based on the assumption that the Mortgage Loans prepay at the indicated percentages of PSA (the “PSA Prepayment Assumption Rates”). As used in the table, each of the PSA Prepayment Assumption Rates reflects a percentage of the 100% PSA assumed prepayment rate. **The Mortgage Loans will not prepay at any of the PSA Prepayment Assumption Rates and the timing of changes in the rate of prepayments actually experienced on the Mortgage Loans will not follow the pattern described for the PSA assumption.**

The decrement tables set forth below illustrate the percentage of the Original Class Principal Balance (or, in the case of the Notional Class, the original Class Notional Balance) that would remain outstanding following the distribution made each specified month for each Regular or MX Class, based on the assumption that the related Mortgage Loans prepay at the PSA Prepayment Assumption Rates. The percentages set forth in the following decrement tables have been rounded to the nearest whole percentage (including rounding down to zero).

The decrement tables also indicate the Weighted Average Life of each Class under each PSA Prepayment Assumption Rate. The Weighted Average Life of each Class is calculated by:

- (a) multiplying the net reduction, if any, of the Class Principal Balance (or the net reduction of the Class Notional Balance, in the case of the Notional Class) from one Distribution Date

to the next Distribution Date by the number of years from the date of issuance thereof to the related Distribution Date,

- (b) summing the results, and
- (c) dividing the sum by the aggregate amount of the assumed net reductions in principal balance or notional amount, as applicable, referred to in clause (a).

The information shown for the Notional Class is for illustrative purposes only, as the Notional Class is not entitled to distributions of principal and has no weighted average life. The weighted average life shown for the Notional Class has been calculated on the assumption that a reduction in the Class Notional Balance thereof is a distribution of principal.

**The Weighted Average Lives are likely to vary, perhaps significantly, from those set forth in the tables below due to the differences between the actual characteristics of the Mortgage Loans underlying the related Trust Assets and the Modeling Assumptions.**



## Percentages of Original Class Principal (or Class Notional) Balances and Weighted Average Lives

Security Group 1 PSA Prepayment Assumption Rates																				
Distribution Date	Classes A, AB, AC, AD, AE and AI					Class VA					Class VB					Class Z				
	0%	100%	174%	250%	350%	0%	100%	174%	250%	350%	0%	100%	174%	250%	350%	0%	100%	174%	250%	350%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
April 2002	99	92	88	83	77	88	88	88	88	88	100	100	100	100	100	100	107	107	107	107
April 2003	98	84	75	66	55	76	76	76	76	76	100	100	100	100	100	114	114	114	114	114
April 2004	97	76	64	52	38	63	63	63	63	63	100	100	100	100	100	121	121	121	121	121
April 2005	95	69	54	40	25	49	49	49	49	49	100	100	100	100	100	130	130	130	130	130
April 2006	94	62	45	30	15	34	34	34	34	34	100	100	100	100	100	138	138	138	138	138
April 2007	93	56	37	21	7	18	18	18	18	18	100	100	100	100	100	148	148	148	148	148
April 2008	91	50	30	14	0	1	1	1	1	1	100	100	100	100	100	157	157	157	157	157
April 2009	89	44	23	8	0	0	0	0	0	0	45	45	45	45	0	168	168	168	168	138
April 2010	87	39	18	3	0	0	0	0	0	0	0	0	0	0	0	176	176	176	176	106
April 2011	85	34	13	0	0	0	0	0	0	0	0	0	0	0	0	176	176	176	168	82
April 2012	83	29	8	0	0	0	0	0	0	0	0	0	0	0	0	176	176	176	139	63
April 2013	80	24	4	0	0	0	0	0	0	0	0	0	0	0	0	176	176	176	114	48
April 2014	78	20	1	0	0	0	0	0	0	0	0	0	0	0	0	176	176	176	94	37
April 2015	75	16	0	0	0	0	0	0	0	0	0	0	0	0	0	176	176	158	77	28
April 2016	72	12	0	0	0	0	0	0	0	0	0	0	0	0	0	176	176	136	62	21
April 2017	68	9	0	0	0	0	0	0	0	0	0	0	0	0	0	176	176	115	50	16
April 2018	65	5	0	0	0	0	0	0	0	0	0	0	0	0	0	176	176	98	40	12
April 2019	61	2	0	0	0	0	0	0	0	0	0	0	0	0	0	176	176	82	32	9
April 2020	57	0	0	0	0	0	0	0	0	0	0	0	0	0	0	176	170	68	25	6
April 2021	52	0	0	0	0	0	0	0	0	0	0	0	0	0	0	176	146	56	20	5
April 2022	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	176	124	45	15	3
April 2023	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	176	103	36	11	2
April 2024	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	176	83	27	8	2
April 2025	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	176	64	20	6	1
April 2026	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	176	46	14	4	1
April 2027	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	176	29	8	2	0
April 2028	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	176	13	3	1	0
April 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	162	0	0	0	0
April 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	84	0	0	0	0
April 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	18.7	7.8	5.1	3.7	2.7	3.8	3.8	3.8	3.8	3.8	7.9	7.9	7.9	7.9	7.2	29.0	22.9	18.4	14.5	11.1

Security Group 2 PSA Prepayment Assumption Rates															
Distribution Date	Class HA					Class HB					Class HC				
	0%	100%	175%	250%	350%	0%	100%	175%	250%	350%	0%	100%	175%	250%	350%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
April 2002	100	100	100	100	56	100	100	100	100	100	100	100	100	100	100
April 2003	100	100	100	64	0	100	100	100	100	0	100	100	100	100	0
April 2004	100	100	100	0	0	100	100	100	0	0	100	100	100	78	0
April 2005	100	100	100	0	0	100	100	100	0	0	100	100	100	31	0
April 2006	100	100	100	0	0	100	100	100	0	0	100	100	100	0	0
April 2007	100	100	100	0	0	100	100	100	0	0	100	100	100	0	0
April 2008	100	100	100	0	0	100	100	100	0	0	100	100	100	0	0
April 2009	100	100	100	0	0	100	100	100	0	0	100	100	100	0	0
April 2010	100	100	100	0	0	100	100	100	0	0	100	100	100	0	0
April 2011	100	100	99	0	0	100	100	100	0	0	100	100	100	0	0
April 2012	100	100	58	0	0	100	100	100	0	0	100	100	100	0	0
April 2013	100	100	13	0	0	100	100	100	0	0	100	100	100	0	0
April 2014	100	100	0	0	0	100	100	71	0	0	100	100	100	0	0
April 2015	100	100	0	0	0	100	100	32	0	0	100	100	100	0	0
April 2016	100	100	0	0	0	100	100	0	0	0	100	100	98	0	0
April 2017	100	100	0	0	0	100	100	0	0	0	100	100	86	0	0
April 2018	100	100	0	0	0	100	100	0	0	0	100	100	75	0	0
April 2019	100	100	0	0	0	100	100	0	0	0	100	100	65	0	0
April 2020	100	100	0	0	0	100	100	0	0	0	100	100	55	0	0
April 2021	100	100	0	0	0	100	100	0	0	0	100	100	45	0	0
April 2022	100	77	0	0	0	100	100	0	0	0	100	100	37	0	0
April 2023	100	0	0	0	0	100	74	0	0	0	100	100	29	0	0
April 2024	100	0	0	0	0	100	0	0	0	0	100	96	22	0	0
April 2025	100	0	0	0	0	100	0	0	0	0	100	71	15	0	0
April 2026	100	0	0	0	0	100	0	0	0	0	100	47	10	0	0
April 2027	15	0	0	0	0	100	0	0	0	0	100	25	5	0	0
April 2028	0	0	0	0	0	0	0	0	0	0	32	6	1	0	0
April 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	25.9	21.3	11.2	2.1	1.0	26.2	22.3	13.5	2.4	1.2	26.8	24.9	19.9	3.6	1.6

## Yield Considerations

An investor seeking to maximize yield should make a decision whether to invest in any Class based on the anticipated yield of that Class resulting from its purchase price, the investor's own projection of Mortgage Loan prepayment rates under a variety of scenarios and in the case of the Group 2 Securities, the investor's own projection of principal payment rates on the Underlying REMIC Certificates under a variety of scenarios. **No representation is made regarding Mortgage Loan prepayment rates, Underlying Certificate payment rates or the yield of any Class.**

### *Prepayments: Effect on Yields*

The yields to investors will be sensitive in varying degrees to the rate of prepayments on the related Mortgage Loans.

- In the case of Regular Securities or MX Securities (especially Interest Only Securities) purchased at a premium, faster than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.
- Investors in the Interest Only Class should also consider the risk that rapid rates of principal payments could result in the failure of investors to recover fully their investments.
- In the case of Regular Securities or MX Securities purchased at a discount, slower than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.

See "Risk Factors—Rates of principal payments can reduce your yield" in this Supplement.

Rapid rates of prepayments on the Mortgage Loans are likely to coincide with periods of low prevailing interest rates.

- During periods of low prevailing interest rates, the yields at which an investor may be able to reinvest amounts received as principal payments on the investor's Class of Securities may be lower than the yield on that Class.

Slow rates of prepayments on the Mortgage Loans are likely to coincide with periods of high prevailing interest rates.

- During periods of high prevailing interest rates, the amount of principal payments available to an investor for reinvestment at those high rates may be relatively low.

The Mortgage Loans will not prepay at any constant rate until maturity, nor will all of the Mortgage Loans underlying any Group of Trust Assets prepay at the same rate at any one time. The timing of changes in the rate of prepayments may affect the actual yield to an investor, even if the average rate of principal prepayments is consistent with the investor's expectation. In general, the earlier a prepayment of principal on the Mortgage Loans, the greater the effect on an investor's yield. As a result, the effect on an investor's yield of principal prepayments occurring at a rate higher (or lower) than the rate anticipated by the investor during the period immediately following the Closing Date is not likely to be offset by a later equivalent reduction (or increase) in the rate of principal prepayments.

### *Payment Delay: Effect on Yields*

The effective yield on any Class will be less than the yield otherwise produced by its Interest Rate and purchase price because (1) on the first Distribution Date, 30 days' interest will be payable on (or added to the principal amount of) that Class even though interest began to accrue approximately 50 days earlier in the case of the Group 1 Securities and 47 days earlier in the case of the Group 2 Securities, and (2) on each subsequent Distribution Date, the interest payable will accrue during the related Accrual Period, which will end approximately 20 days earlier in the case of the Group 1 Securities and 17 days earlier in the case of the Group 2 Securities.

## Yield Table

The following table shows the pre-tax yields to maturity on a corporate bond equivalent basis of Class AI at various constant percentages of PSA.

The Mortgage Loans will not prepay at any constant rate until maturity. Moreover, the Mortgage Loans will have characteristics that differ from those of the Modeling Assumptions. **Therefore, the actual pre-tax yield of Class AI may differ from those shown in the table below even if Class AI is purchased at the assumed price shown.**

The yields were calculated by

1. determining the monthly discount rates that, when applied to the applicable assumed streams of cash flows to be paid on Class AI, would cause the discounted present value of the assumed streams of cash flows to equal the assumed purchase price of that Class plus accrued interest, and
2. converting the monthly rates to corporate bond equivalent rates.

These calculations do not take into account variations that may occur in the interest rates at which investors may be able to reinvest funds received by them as distributions on their Securities and consequently do not purport to reflect the return on any investment in Class AI when those reinvestment rates are considered.

The information set forth in the following tables was prepared on the basis of the Modeling Assumptions and the assumption that the purchase price of Class AI (expressed as a percentage of its original Class Notional Balance) plus accrued interest is as indicated in the related table. **The assumed purchase price is not necessarily that at which actual sales will occur.**

### SECURITY GROUP 1

#### Sensitivity of Class AI to Prepayments Assumed Price 17.0%\*

PSA Prepayment Assumption Rates				
<u>100%</u>	<u>174%</u>	<u>250%</u>	<u>348%</u>	<u>350%</u>
29.6%	22.0%	13.1%	0.1%	(0.1)%

\* The price does not include accrued interest. Accrued interest has been added to the price in calculating the yields set forth in the table.

## CERTAIN FEDERAL INCOME TAX CONSEQUENCES

The following tax discussion, when read in conjunction with the discussion of “Certain Federal Income Tax Consequences” in the Base Offering Circular, describes the material federal income tax considerations for investors in the Securities. However, these two tax discussions do not purport to deal with all federal tax consequences applicable to all categories of investors, some of which may be subject to special rules.

**Investors should consult their own tax advisors in determining the federal, state, local and any other tax consequences to them of the purchase, ownership and disposition of the Securities.**

### REMIC Election

In the opinion of Milbank, Tweed, Hadley & McCloy LLP for federal income tax purposes, the Trust will constitute a Single REMIC Series.

### Regular Securities

The Regular Securities will be treated as debt instruments issued by the Trust REMIC for federal income tax purposes. Income on the Regular Securities must be reported under an accrual method of accounting.

The Class Z Securities are Accrual Securities. Holders of Accrual Securities are required to accrue all income from their Securities (other than income attributable to market discount or de minimis market discount) under the Original Issue Discount (“OID”) rules based on the expected payments on the Accrual Securities at the prepayment assumption described below.

Based on anticipated prices (including accrued interest), the assumed Mortgage Loan characteristics and the prepayment assumptions described below, no Class of Regular Securities other than the Class described in the preceding paragraph is expected to be issued with OID.

Prospective investors in the Securities should be aware, however, that the foregoing expectations about OID could change because of differences (1) between anticipated purchase prices and actual purchase prices or (2) between the assumed characteristics of the Trust Assets and the characteristics of the Trust Assets actually delivered to the Trust. The prepayment assumption that should be used in determining the rates of accrual of OID, if any, on the Regular Securities is 174% PSA in the case of the Group 1 Securities and 175% PSA in the case of the Group 2 Securities (as described in “Yield, Maturity and Prepayment Considerations” in this Supplement). No representation is made, however, about the rate at which prepayments on the Mortgage Loans underlying any Group of Trust Assets actually will occur at any time after the date of this Supplement. See “*Certain Federal Income Tax Consequences*” in the Base Offering Circular.

OID accruals on the Underlying Certificates will be computed using the same prepayment assumption as set forth above.

The Regular Securities generally will be treated as “regular interests” in a REMIC for domestic building and loan associations, “permitted assets” for financial asset securitization investment trusts (“FASITs”), and “real estate assets” for real estate investment trusts (“REITs”) as described in “Certain Federal Income Tax Consequences” in the Base Offering Circular. Similarly, interest on the Regular Securities will be considered “interest on obligations secured by mortgages on real property” for REITs.

### Residual Securities

The Class R Securities will represent the beneficial ownership of the Residual Interest in the Trust REMIC. The Residual Securities, i.e., the Class R Securities, generally will be treated as “residual interests” in a REMIC for domestic building and loan associations and as “real estate assets” for REITs, as described in “Certain Federal Income Tax Consequences” in the Base Offering Circular, but will not be treated as debt for federal income tax purposes. Instead, the Holders of the

Residual Securities will be required to report, and will be taxed on, their pro rata shares of the taxable income or loss of the Trust REMIC, and these requirements will continue until there are no Securities of any Class outstanding. Thus, Residual Holders will have taxable income attributable to the Residual Securities even though they will not receive principal or interest distributions with respect to the Residual Securities, which could result in a negative after-tax return for the Residual Holders.

Prospective Holders of Residual Securities should be aware that, at issuance, based on the expected prices of the Regular and Residual Securities and the prepayment assumption described above, the residual interests represented by the Residual Securities will be treated as “noneconomic residual interests” as that term is defined in Treasury regulations.

On December 8, 2000, the IRS issued Revenue Procedure 2001-12, effective February 4, 2000 pending finalization of proposed regulations, which expands the safe harbor for transfers of non-economic residual interests to include transfers to certain taxable domestic corporations with significant gross and net assets, provided that those corporations agree to transfer the residual interest only to other taxable domestic corporations in transactions qualifying for one of the safe harbor provisions. Eligibility for the expanded safe harbor requires, among other things, that the transferor not know of any facts or circumstances that reasonably indicate that the taxes associated with the residual interest will not be paid. The Revenue Procedure provides that transfers to foreign branches of domestic corporations or transfers involving arrangements that subject income from the residual interest to net tax by a foreign country or possession of the United States is not within the safe harbor, and also provides that if the amount of consideration given to the transferee to acquire the residual interest is so low that under any set of reasonable assumptions a reasonable person would conclude that the taxes associated with holding the residual interest will not be paid, then the transferor will be deemed to know that the transferee cannot or will not pay those taxes. See “*Certain Federal Income Tax Consequences—Tax Treatment of Residual Securities—Non-Recognition of Certain Transfers for Federal Income Tax Purposes*” in the Base Offering Circular.

### **MX Securities**

For a discussion of certain federal income tax consequences applicable to the MX Classes, see “*Certain Federal Income Tax Consequences—Tax Treatment of MX Securities*”, “*—Exchanges of MX Classes and Regular Classes*” and “*—Taxation of Foreign Holders of REMIC Securities and MX Securities*” in the Base Offering Circular.

### **ERISA MATTERS**

Ginnie Mae guarantees distributions of principal and interest with respect to the Securities. The Ginnie Mae Guaranty is supported by the full faith and credit of the United States of America. The Securities will qualify as “guaranteed governmental mortgage pool certificates” within the meaning of a Department of Labor regulation, the effect of which is to provide that mortgage loans underlying a “guaranteed governmental mortgage pool certificate” will not be considered assets of an employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), solely by reason of the Plan’s purchase and holding of that certificate.

**Plan investors should consult with their advisors, however, to determine whether the purchase, holding, or resale of a Security could give rise to a transaction that is prohibited or is not otherwise permissible under either ERISA or the Code.**

See “*ERISA Considerations*” in the Base Offering Circular.

The Residual Securities are not offered to, and may not be transferred to, Plans.

### **LEGAL INVESTMENT CONSIDERATIONS**

Institutions whose investment activities are subject to legal investment laws and regulations or to review by certain regulatory authorities may be subject to restrictions on investment in the

Securities. **No representation is made about the proper characterization of any Class for legal investment or other purposes, or about the permissibility of the purchase by particular investors of any Class under applicable legal investment restrictions.**

**Investors should consult their own legal advisors regarding applicable investment restrictions and the effect of any restrictions on the liquidity of the Securities prior to investing in the Securities.**

*See “Legal Investment Considerations” in the Base Offering Circular.*

#### **PLAN OF DISTRIBUTION**

Subject to the terms and conditions of the Sponsor Agreement, the Sponsor has agreed to purchase all of the Securities if any are sold and purchased. The Sponsor proposes to offer each Class to the public from time to time for sale in negotiated transactions at varying prices to be determined at the time of sale, plus accrued interest from April 1, 2001. The Sponsor may effect these transactions by sales to or through certain securities dealers. These dealers may receive compensation in the form of discounts, concessions or commissions from the Sponsor and/or commissions from any purchasers for which they act as agents. Some of the Securities may be sold through dealers in relatively small sales. In the usual case, the commission charged on a relatively small sale of securities will be a higher percentage of the sales price than that charged on a large sale of securities.

#### **INCREASE IN SIZE**

Before the Closing Date, Ginnie Mae, the Trustee and the Sponsor may agree to increase the size of this offering. In that event, the Securities will have the same characteristics as described in this Supplement, except that the Original Class Principal Balance (or original Class Notional Balance) of each Class receiving principal distributions from the same Trust Asset Group will increase by the same proportion. The Trust Agreement, the Final Data Statement and the Supplemental Statement, if any, will reflect any increase in the size of the transaction.

#### **LEGAL MATTERS**

Certain legal matters will be passed upon for Ginnie Mae by Brown & Wood LLP, Washington, DC; for the Trust by Milbank, Tweed, Hadley & McCloy LLP, New York, NY; and for the Trustee by Peabody & Arnold LLP, Boston, MA.

## Available Combinations

Class	REMIC Securities		MX Securities						Increased Minimum Denomination (5)
	Original Class Principal Balance	Related MX Class (1)	Maximum Original Class Principal Balance (2)	Principal Type (3)	Interest Rate	Interest Type (3)	CUSIP Number	Final Distribution Date (4)	
A	\$205,912,500	AB	\$205,912,500	SEQ	6.00%	FIX	383739H77	February 2029	N/A
		AC	205,912,500	SEQ	6.25	FIX	383739H85	February 2029	N/A
		AD	56,157,954	SEQ	8.50	FIX	383739H93	February 2029	N/A
		AE	205,912,500	SEQ	5.75	FIX	383739J26	February 2029	N/A
		AI	23,759,134	NTL(SEQ)	6.50	FIX/IO	383739J34	February 2029	\$589,000

(1) Various subcombinations are permitted. See "Description of the Securities—Modification and Exchange" in the Base Offering Circular for a discussion of subcombinations.

(2) The amount shown for each MX Class represents the maximum Original Class Principal Balance of that Class, assuming it were to be issued on the Closing Date.

(3) As defined under "Class Types" in Appendix I to this Supplement.

(4) See "Yield, Maturity and Prepayment Considerations—Final Distribution Date" in this Supplement.

(5) Each Class will be issued in the denominations specified. If no denomination is indicated for a Class, that Class will be issued in the denomination specified under "Description of the Securities — Form of Securities" in this Supplement.

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Underlying Certificates

Trust Asset Group	Underlying Series	Class	Issue Date	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Principal Balance of Class	Underlying REMIC Certificate Factor(2)	Principal Balance in the Trust	Percentage of Class in the Trust	Approximate Weighted Average Coupon of Mortgage Loans	Approximate Weighted Remaining Term to Maturity of Mortgage Loans (in months)	Approximate Weighted Average Loan Age of Mortgage Loans (in months)	Ginnie Mae I or II
2	Ginnie Mae 2001-6	H	3/30/01	383739RG6	6.75%	FIX	March 2031	SUP	\$30,392,593	1.00	\$26,000,000	(3)	6.5%	323	31	I

(1) As defined under "Class Types" in Appendix I to the Base Offering Circular.

(2) Underlying REMIC Certificate Factors are as of April 2001.

(3) 85.5471594674%

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**Cover Page, Inside Cover Page and Terms Sheet  
from Underlying REMIC Disclosure Document**

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**Offering Circular Supplement  
(To Base Offering Circular dated March 1, 2000)**

**\$2,155,000,000**

**Government National Mortgage Association**



**GINNIE MAE®**

**Guaranteed REMIC Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2001-6**



**The securities may not be suitable investments for you. You should consider carefully the risks of investing in them.**

**See “Risk Factors” beginning on page S-11 which highlights some of these risks.**

**The Securities**

The Trust will issue the classes of securities listed on the inside front cover.

**The Ginnie Mae Guaranty**

Ginnie Mae will guarantee the timely payment of principal and interest on the securities. The Ginnie Mae Guaranty is backed by the full faith and credit of the United States of America.

**The Trust and its Assets**

The Trust will own Ginnie Mae Certificates.

The Sponsor and the Co-Sponsor will offer the securities from time to time in negotiated transactions at varying prices. We expect the closing date to be March 30, 2001.

You should read the Base Offering Circular as well as this Supplement.

The securities are exempt from registration under the Securities Act of 1933 and are “exempted securities” under the Securities Exchange Act of 1934.

**Salomon Smith Barney**

**Myerberg & Company, L.P.**

The date of this Offering Circular Supplement is March 22, 2001.

## Ginnie Mae REMIC Trust 2001-6

The Trust will issue the classes of securities listed in the table below. If you own exchangeable securities identified in the table, you can exchange them for the corresponding MX securities, and vice versa.

Class of REMIC Securities	Original Principal Balance(2)	Interest Rate	Principal Type(3)	Interest Type(3)	Final Distribution Date(4)	CUSIP Number	Class of REMIC Securities	Original Principal Balance(2)	Interest Rate	Principal Type(3)	Interest Type(3)	Final Distribution Date(4)	CUSIP Number
<b>Security Group 1</b>													
A .....	\$ 58,650,000	7.00%	TAC	FIX	December 2029	383739PQ6	MA .....	\$ 5,615,000	6.50%	SEQ	FIX	February 2029	383739QX0
CA .....	5,568,000	7.00	SUP	FIX	January 2030	383739PR4	MB .....	4,511,000	6.50	SEQ	FIX	December 2029	383739QY8
CB .....	33,580,000	7.00	SUP	FIX	September 2030	383739PS2	MC .....	3,879,000	6.50	SEQ	FIX	July 2030	383739QZ5
CD .....	7,860,000	7.00	SUP	FIX	November 2030	383739PT0	MD .....	2,267,000	6.50	SEQ	FIX	December 2030	383739RA9
CE .....	6,882,000	7.00	SUP	FIX	December 2030	383739PU7	ME .....	2,128,000	6.50	SEQ	FIX	March 2031	383739RB7
CG .....	8,960,000	7.00	SUP	FIX	March 2031	383739PV5	SB .....	75,000,000	(5)	NTL (SEQ)	INV/IO	March 2031	383739RC5
CH .....	1,500,000	7.00	AD/SUP	FIX	March 2011	383739PW3	<b>Security Group 4</b>						
CJ .....	1,500,000	7.00	AD/SUP	FIX	December 2016	383739PX1	EG .....	2,307,407	0.00	SUP	PO	March 2031	383739RD3
CK .....	1,500,000	7.00	SUP	FIX	February 2021	383739PY9	FC .....	46,647,059	(5)	SUP	FLT	January 2030	383739RE1
PA .....	200,000,000	6.00	PAC	FIX	July 2026	383739PZ6	G .....	14,800,000	7.00	SUP	FIX	March 2031	383739RF8
PB .....	50,000,000	6.50	PAC	FIX	October 2027	383739QA0	H(1) .....	30,392,593	6.75	SUP	FIX	March 2031	383739RG6
PC(1) ...	119,400,000	7.00	PAC	FIX	May 2030	383739QB8	PH .....	224,000,000	5.86	PAC	FIX	July 2027	383739RH4
PD(1) ...	47,200,000	7.00	PAC	FIX	March 2031	383739QC6	PK .....	22,055,384	6.50	NTL (PAC)	FIX/IO	July 2027	383739RJ0
PI .....	32,142,857	7.00	NTL (PAC)	FIX/IO	October 2027	383739QD4	PL .....	20,200,000	6.50	PAC	FIX	March 2028	383739RK7
YA .....	39,900,000	7.00	PAC	FIX	March 2031	383739QE2	PM(1) ...	76,800,000	6.50	PAC	FIX	June 2030	383739RL5
ZA .....	11,000,000	7.00	SUP	FIX/Z	December 2029	383739QF9	PN(1) ...	32,100,000	6.50	PAC	FIX	March 2031	383739RM3
ZB .....	10,000,000	7.00	TAC	FIX/Z	September 2028	383739QG7	SC .....	14,352,941	(5)	SUP	INV	January 2030	383739RN1
ZD .....	1,500,000	7.00	SUP	FIX/Z	March 2031	383739QH5	YC .....	27,600,000	6.50	PAC	FIX	February 2031	383739RP6
<b>Security Group 2</b>							YD .....	3,600,000	6.50	PAC	FIX	March 2031	383739RQ4
BA(1) ...	62,200,000	7.00	SUP	FIX	May 2030	383739QJ1	YE .....	2,600,000	6.50	PAC	FIX	March 2031	383739RR2
BC .....	13,000,000	7.00	SUP	FIX	August 2030	383739QK8	ZE .....	4,600,000	6.50	SUP	FIX/Z	March 2028	383739RS0
BD .....	9,000,000	7.00	SUP	FIX	October 2030	383739QL6	<b>Security Group 5</b>						
BE .....	6,000,000	7.00	SUP	FIX	November 2030	383739QM4	FD(1) ...	130,500,000	(5)	PAC	FLT	March 2031	383739RT8
BF .....	24,700,000	7.00	SUP	FIX	March 2031	383739QN2	FE(1) ...	450,000	(5)	PAC	FLT	March 2031	383739RU5
PE .....	341,400,000	6.00	PAC	FIX	November 2027	383739QP7	FG(1) ...	19,050,000	(5)	SUP	FLT	March 2031	383739RV3
PF(1) ...	153,600,000	7.00	PAC	FIX	September 2030	383739QQ5	QA(1) ...	833,333	(5)	NTL (PAC/SUP)	INV/IO	March 2031	383739RW1
PG .....	33,700,000	7.00	PAC	FIX	March 2031	383739QR3	QB(1) ...	833,333	(5)	NTL (PAC/SUP)	INV/IO	March 2031	383739RX9
PJ .....	48,771,428	7.00	NTL (PAC)	FIX/IO	November 2027	383739QS1	QC(1) ...	833,333	(5)	NTL (PAC/SUP)	INV/IO	March 2031	383739RY7
YB .....	81,400,000	7.00	PAC	FIX	March 2031	383739QT9	SD(1) ...	150,000,000	(5)	NTL (PAC/SUP)	INV/IO	March 2031	383739RZ4
ZC .....	25,000,000	7.00	SUP	FIX/Z	April 2029	383739QU6	SE(1) ...	833,333	(5)	NTL (PAC/SUP)	INV/IO	March 2031	383739SA8
<b>Security Group 3</b>							<b>Residual</b>						
DA .....	56,600,000	6.50	SEQ	FIX	February 2028	383739QV4	RR .....	0	0.00	NPR	NPR	March 2031	383739SB6
FB .....	75,000,000	(5)	SEQ	FLT	March 2031	383739QW2							

- (1) These Securities may be exchanged for MX Securities described in Schedule I.
- (2) Subject to increase as described under "Increase in Size" in this Supplement. The amount shown for each Notional Class (indicated by "NTL" under Principal Type) is its original Class Notional Balance and does not represent principal that will be paid.
- (3) As defined under "Class Types" in Appendix I to the Base Offering Circular. The type of Class with which the Class Notional Balance of each Notional Class will be reduced is indicated in parentheses.
- (4) See "Yield, Maturity and Prepayment Considerations — Final Distribution Date" in this Supplement.
- (5) See "Terms Sheet — Interest Rates" in this Supplement.

## TERMS SHEET

This terms sheet contains selected information for quick reference only. You should read this Supplement, particularly "Risk Factors," and each of the other documents listed under "Available Information."

**Sponsor:** Salomon Smith Barney Inc.

**Trustee:** Bank One Trust Company, N.A.

**Tax Administrator:** The Trustee

**Closing Date:** March 30, 2001

**Distribution Dates:** For the Group 2, Group 3, Group 4 and Group 5 Securities, the 16th day of each month or, if the 16th day is not a Business Day, the first Business Day thereafter, commencing in April 2001. For the Group 1 Securities, the 20th day of each month or, if the 19th day or the 20th day is not a Business Day, the first Business Day following the 20th day of each month, commencing in April 2001.

### Trust Assets:

<u>Trust Asset Group</u>	<u>Trust Asset Type</u>	<u>Certificate Rate</u>	<u>Original Term To Maturity (in years)</u>
1	Ginnie Mae II	7.0%	30
2	Ginnie Mae I	7.0	30
3	Ginnie Mae I	7.5	30
4	Ginnie Mae I	6.5	30
5	Ginnie Mae I	9.0	30

**Security Groups:** This series of Securities consists of multiple Security Groups, as shown on the inside front cover of this Supplement and on Schedule I to this Supplement. Payments on each Security Group will be based solely on payments on the Trust Asset Group with the same numerical designation.

**Assumed Characteristics of the Mortgage Loans Underlying the Trust Assets<sup>1</sup>:**

<u>Principal Balance<sup>2</sup></u>	<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Weighted Average Mortgage Rate<sup>3</sup></u>
<b>Group 1 Trust Assets</b>			
\$605,000,000	353	3	7.75%
<b>Group 2 Trust Assets</b>			
\$150,000,000	334	24	7.50%
<u>600,000,000</u>	<u>322</u>	<u>32</u>	<u>7.50%</u>
<u>\$750,000,000</u>			
<b>Group 3 Trust Assets</b>			
\$150,000,000	310	43	8.00%
<b>Group 4 Trust Assets</b>			
\$500,000,000	329	30	7.00%
<b>Group 5 Trust Assets</b>			
\$150,000,000	352	6	9.50%

<sup>1</sup> As of March 1, 2001.

<sup>2</sup> Does not include Trust Assets that will be added to pay the Trustee Fee.

<sup>3</sup> The Mortgage Loans underlying the Group 1 Trust Assets bear interest at rates ranging from 0.5% to 1.5% per annum above the related Certificate Rate.

The actual remaining terms to maturity, loan ages and, in the case of the Group 1 Trust Assets, Mortgage Rates of many of the Mortgage Loans will differ from the weighted averages shown above, perhaps significantly. See *"The Trust Assets — The Mortgage Loans"* in this Supplement.

**Modification and Exchange:** If you own exchangeable Securities you will be able, upon notice and payment of an exchange fee, to exchange them for a proportionate interest in the related Securities shown on Schedule I to this Supplement. See *"Description of the Securities — Modification and Exchange"* in this Supplement.

**Increased Minimum Denomination Classes:** Each Class that constitutes a Principal Only, Interest Only or Inverse Floating Rate Class. See *"Description of the Securities — Form of Securities"* in this Supplement.

**Interest Rates:** The Interest Rates for the Fixed Rate Classes are shown on the inside cover page of this Supplement or on Schedule I to this Supplement.



The Floating Rate and Inverse Floating Rate Classes will bear interest at per annum rates based on one-month LIBOR (hereinafter referred to as “LIBOR”) as follows:

<u>Class</u>	<u>Interest Rate Formula(1)</u>	<u>Initial Interest Rate(2)</u>	<u>Minimum Rate</u>	<u>Maximum Rate</u>	<u>Delay (in days)</u>	<u>LIBOR for Minimum Interest Rate</u>
FB.....	LIBOR + 0.40%	5.9700%	0.40%	8.5000%	0	0.00%
FC.....	LIBOR + 0.45%	6.0300	0.45	8.5000	0	0.00%
FD.....	LIBOR + 0.25%	5.4837	0.25	9.0000	0	0.00%
FE.....	LIBOR + 0.25%	5.4837	0.25	9.0000	0	0.00%
FG.....	LIBOR + 0.25%	5.4837	0.25	9.0000	0	0.00%
FH.....	LIBOR + 0.30%	5.5337	0.30	9.0000	0	0.00%
FI.....	LIBOR + 0.25%	5.4837	0.25	9.0000	0	0.00%
FJ.....	LIBOR + 0.35%	5.5837	0.35	9.0000	0	0.00%
FK.....	LIBOR + 0.40%	5.6337	0.40	9.0000	0	0.00%
FX.....	LIBOR + 0.45%	5.6837	0.45	9.0000	0	0.00%
QA.....	1566.00% - (LIBOR × 180.00)	9.0000	0.00	9.0000	0	8.70%
QB.....	1557.00% - (LIBOR × 180.00)	9.0000	0.00	9.0000	0	8.65%
QC.....	1548.00% - (LIBOR × 180.00)	9.0000	0.00	9.0000	0	8.60%
SB.....	8.10% - LIBOR	2.5300	0.00	8.1000	0	8.10%
SC.....	26.1625% - (LIBOR × 3.25)	8.0275	0.00	26.1625	0	8.05%
SD.....	8.55% - LIBOR	3.3163	0.00	8.5500	0	8.55%
SE.....	1575.00% - (LIBOR × 180.00)	9.0000	0.00	9.0000	0	8.75%
SI.....	8.75% - LIBOR	3.5163	0.00	8.7500	0	8.75%
SJ.....	8.70% - LIBOR	3.4663	0.00	8.7000	0	8.70%
SK.....	8.65% - LIBOR	3.4163	0.00	8.6500	0	8.65%
SL.....	8.60% - LIBOR	3.3663	0.00	8.6000	0	8.60%

- (1) LIBOR will be established on the basis of the BBA LIBOR method, as described under “Description of the Securities — Interest Distributions — Floating Rate and Inverse Floating Rate Classes” in this Supplement.
- (2) The initial Interest Rate will be in effect during the first Accrual Period; the Interest Rate will adjust monthly thereafter.

**Allocation of Principal:** On each Distribution Date for a Security Group, the following distributions will be made to the related Securities:

#### SECURITY GROUP 1

A percentage of the Group 1 Principal Distribution Amount will be applied to the Trustee Fee, and the remainder of the Group 1 Principal Distribution Amount (the “Group 1 Adjusted Principal Distribution Amount”) and the ZA Accrual Amount, the ZB Accrual Amount and the ZD Accrual Amount will be allocated as follows:

- The ZA Accrual Amount and ZB Accrual Amount in the following order of priority:

PAC	{	1. To YA, until reduced to its Scheduled Principal Balance for that Distribution Date
TAC	{	2. Sequentially, to ZB and A, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date



- The Group 2 Adjusted Principal Distribution Amount in the following order of priority:

- |                |   |   |
|----------------|---|---|
| <b>PAC</b>     | { | 1. Sequentially, to PE, PF and PG, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date |
|                |   | 2. To YB, until reduced to its Scheduled Principal Balance for that Distribution Date   |
| <b>Support</b> | { | 3. To ZC, until retired   |
|                |   | 4. Sequentially, to BA, BC, BD, BE and BF, in that order, until retired   |
| <b>PAC</b>     | { | 5. To YB, without regard to its Scheduled Principal Balance, until retired  |
|                |   | 6. Sequentially, to PE, PF and PG, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired            |

**SECURITY GROUP 3**

A percentage of the Group 3 Principal Distribution Amount will be applied to the Trustee Fee, and the remainder of the Group 3 Principal Distribution Amount (the “Group 3 Adjusted Principal Distribution Amount”) will be allocated as follows:

- |            |   |  |
|------------|---|--|
| <b>SEQ</b> | { | 1. Concurrently, as follows:   |
|            |   | a. 50% to FB, until retired  |
|            |   | b. 50%, sequentially, to DA, MA, MB, MC, MD and ME, in that order, until retired |

**SECURITY GROUP 4**

A percentage of the Group 4 Principal Distribution Amount will be applied to the Trustee Fee, and the remainder of the Group 4 Principal Distribution Amount (the “Group 4 Adjusted Principal Distribution Amount”) and the ZE Accrual Amount will be allocated as follows:

- The ZE Accrual in the following order of priority:

- |                |   |   |
|----------------|---|---|
| <b>PAC</b>     | { | 1. Sequentially, to YC, YD and YE, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date |
| <b>Accrual</b> | { | 2. To ZE, until retired   |

- The Group 4 Adjusted Principal Distribution Amount in the following order of priority:

- |                |   |   |
|----------------|---|---|
| <b>PAC</b>     | { | 1. Sequentially, to PH, PL, PM and PN, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date |
|                |   | 2. Sequentially, to YC, YD and YE, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date     |
| <b>Support</b> | { | 3. To ZE, until retired   |
|                |   | 4. Concurrently, to FC and SC, pro rata, until retired  |
|                |   | 5. Concurrently, to EG, G and H, pro rata, until retired  |

- PAC { 6. Sequentially, to YC, YD and YE, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired
- 7. Sequentially, to PH, PL, PM and PN, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired

**Security Group 5**

A percentage of the Group 5 Principal Distribution Amount will be applied to the Trustee Fee, and the remainder of the Group 5 Principal Distribution Amount (the “Group 5 Adjusted Principal Distribution Amount”) will be allocated in the following order of priority:

- PAC { 1. Sequentially, to FD and FE, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
- Support { 2. To FG, until retired
- PAC { 3. Sequentially, to FD and FE, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired

**Scheduled Principal Balances:** The Scheduled Principal Balances for the Classes listed below are included in Schedule II to this Supplement. They were calculated using, among other things, the following Structuring Ranges and Rate:

<u>Class</u>	<u>Ranges and Rate</u>
PA, PB, PC and PD (in the aggregate) .....	95% PSA through 250% PSA
YA .....	120% PSA through 250% PSA
PE, PF and PG (in the aggregate) .....	100% PSA through 250% PSA
YB .....	145% PSA through 250% PSA
PH, PL, PM and PN (in the aggregate) .....	100% PSA through 250% PSA
YC, YD and YE (in the aggregate) .....	121% PSA through 240% PSA
FD and FE (in the aggregate) .....	580% PSA through 770% PSA
A and ZB (in the aggregate) .....	219% PSA

**Accrual Classes:** Interest will accrue on each Accrual Class identified on the inside front cover of this Supplement at the per annum rate set forth on that page. However, no interest will be distributed to the Accrual Classes as interest. Interest so accrued on each Accrual Class on each Distribution Date will constitute an Accrual Amount, which will be added to the Class Principal Balance of that Class on each Distribution Date and will be distributable as principal as set forth in this Terms Sheet under “Allocation of Principal.”

**Notional Classes:** The Notional Classes will not receive distributions of principal but have Class Notional Balances for convenience in describing their entitlements to interest. The Class Notional Balance of each Notional Class represents the percentage indicated below of, and reduces to that extent with, the Class Principal Balance indicated:

<u>Class</u>	<u>Original Class Notional Balance</u>	<u>Represents Approximately</u>
HI .....	\$ 31,561,538	103.8461538462% of H (SUP Class)
JI .....	\$119,400,000	100% of PC (PAC Class)
KI .....	\$ 47,200,000	100% of PD (PAC Class)
LI .....	\$153,600,000	100% of PF (PAC Class)
NI .....	\$ 76,800,000	100% of PM (PAC Class)
OI .....	\$ 32,100,000	100% of PN (PAC Class)
TI .....	\$ 62,200,000	100% of BA (SUP Class)
PI .....	\$ 28,571,429	14.2857142857% of PA (PAC Class)
	<u>3,571,428</u>	7.1428571429% of PB (PAC Class)
	<u>\$ 32,142,857</u>	
PJ .....	\$ 48,771,428	14.2857142857% of PE (PAC Class)
PK .....	\$ 22,055,384	9.8461538462% of PH (PAC Class)
QA .....	\$ 833,333	0.5555555556% of FD, FE and FG (PAC & SUP Classes)
QB .....	\$ 833,333	0.5555555556% of FD, FE and FG (PAC & SUP Classes)
QC .....	\$ 833,333	0.5555555556% of FD, FE and FG (PAC & SUP Classes)
SB .....	\$ 75,000,000	100% of FB (SEQ Class)
SD .....	\$150,000,000	100% of FD, FE and FG (PAC & SUP Classes)
SE .....	\$ 833,333	0.5555555556% of FD, FE and FG (PAC & SUP Classes)
SI .....	\$150,000,000	100% of FD, FE and FG (PAC & SUP Classes)
SJ .....	\$150,000,000	100% of FD, FE and FG (PAC & SUP Classes)
SK .....	\$150,000,000	100% of FD, FE and FG (PAC & SUP Classes)
SL .....	\$150,000,000	100% of FD, FE and FG (PAC & SUP Classes)

**Tax Status:** Double REMIC Series. See “*Certain Federal Income Tax Consequences*” in this Supplement and in the Base Offering Circular.

**Regular and Residual Classes:** Class RR is a Residual Class and includes the Residual Interests of the Issuing REMIC and the Pooling REMIC; all other Classes of REMIC Securities are Regular Classes.

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**\$276,000,000**

**Government National  
Mortgage Association**

**GINNIE MAE<sup>®</sup>**

**Guaranteed REMIC  
Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2001-14**

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***OFFERING CIRCULAR SUPPLEMENT***  
**April 23, 2001**

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**Merrill Lynch & Co.  
Utendahl Capital Partners, L.P.**