



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

THE GOVERNMENT NATIONAL  
MORTGAGE ASSOCIATION

October 7, 2004

MPM 04-06

MEMORANDUM FOR: All Participants in the Ginnie Mae Multiclass Securities Program

FROM: Michael J. Frenz, Executive Vice President

SUBJECT: Modification of Policy Regarding Computation of Closing WALs  
and Requirements for Publication of Supplemental Statements

The purpose of this Multiclass Participants Memorandum (“MPM”) is to inform interested parties in the Ginnie Mae Multiclass Securities Program of a modification to the computation of Closing WAL (“Weighted Average Life”) for multiclass securities and a change in the requirements for when a multiclass sponsor has to prepare a Supplemental Statement.

Effective immediately for transactions with a closing date of September 30, 2004, and thereafter, the policy regarding the preparation of Closing WAL reports and Supplemental Statements has been revised as follows:

| Previous Ginnie Mae WAL Policy   | New Ginnie Mae WAL Policy   |
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| Multiclass sponsors are required to prepare a Closing WAL report identifying the WAL to two decimal point precision, for of each security to be issued in a multiclass transaction. For any security with WAL differences of 10% or more at the related pricing prepayment speed, the sponsor is required to prepare a Supplemental Statement for investors disclosing such WAL differences. | All WALs, both in the Offering Circular Supplement and Supplemental Statement, are required to be identified to one decimal point precision. For short-duration bonds (WAL of two years or less in the Offering Circular Supplement), multiclass sponsors are required to prepare a Supplemental Statement if WAL difference is three months or more. For all other bonds, multiclass sponsors are required to prepare a Supplemental Statement if WAL difference is 10% or more. |

Ginnie Mae is modifying the computation of Closing WALs, and its policy regarding the publication of Supplemental Statements, to meet the needs of sponsors and investors of Ginnie Mae multiclass securities. Capitalized terms used herein and not otherwise defined will have the meaning ascribed to them in the Ginnie Mae Multiclass Securities Guide.

Questions regarding this MPM should be referred to the Office of Capital Markets at (202) 401-8970.