

Offering Circular Supplement  
(To Base Offering Circular dated July 1, 2003)



**\$538,134,019**

## **Government National Mortgage Association**

### **GINNIE MAE®**

**Guaranteed REMIC Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2004-004**

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 Assets**

The Trust will own (1) Ginnie Mae Certificates and (2) certain previously issued 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 January 30, 2004.

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.

**JPMorgan**

**Blaylock & Partners, L.P.**

The date of this Offering Circular Supplement is January 23, 2004.

### Ginnie Mae REMIC Trust 2004-004

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>						
AO(1) . . . . .	\$ 22,750,000	0.00%	SUP	PO	January 2034	38374E6S1
FA . . . . .	50,000,000	(5)	SUP	FLT	January 2034	38374E6T9
FB(1) . . . . .	34,291,764	(5)	TAC	FLT	January 2034	38374E6U6
MA . . . . .	16,186,000	5.00	PAC	FIX	November 2018	38374E6V4
MB(1) . . . . .	141,073,000	5.00	PAC	FIX	July 2026	38374E6W2
MC(1) . . . . .	55,398,000	5.00	PAC	FIX	November 2028	38374E6X0
MG . . . . .	23,625,000	5.00	PAC	FIX	January 2034	38374E6Y8
MO(1) . . . . .	24,004,236	0.00	TAC	PO	January 2034	38374E6Z5
MU(1) . . . . .	51,900,000	5.00	PAC	FIX	October 2030	38374E7A9
MV(1) . . . . .	60,399,000	5.00	PAC	FIX	October 2032	38374E7B7
MW(1) . . . . .	18,123,000	5.00	PAC	FIX	May 2033	38374E7C5
SC(1) . . . . .	34,291,764	(5)	NTL (TAC)	INV/IO	January 2034	38374E7D3
SG(1) . . . . .	50,000,000	(5)	NTL (SUP)	INV/IO	January 2034	38374E7E1
TA . . . . .	2,250,000	(5)	SUP	INV	January 2034	38374E7F8
<b>Security Group 2</b>						
AD(1) . . . . .	30,431,822	5.75	SC/PT	FIX	March 2030	38374E7G6
<b>Security Group 3</b>						
SA(1) . . . . .	46,213,182	(5)	NTL (SC/PT)	INV/IO/DLY	August 2033	38374E7H4
SO(1) . . . . .	7,702,197	0.00	SC/PT	PO	August 2033	38374E7J0
<b>Residual</b>						
RR . . . . .	0	0.00	NPR	NPR	January 2034	38374E7K7

- (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.

## AVAILABLE INFORMATION

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

- this Offering Circular Supplement (this “Supplement”),
- the Base Offering Circular and
- in the case of the Group 2 and Group 3 securities, the disclosure document relating to the Underlying Certificates (the “Underlying Certificate Disclosure Document”).

The Base Offering Circular and the Underlying Certificate Disclosure Document are available on Ginnie Mae’s website located at <http://www.ginniemae.gov>.

If you do not have access to the internet, call JPMorgan Chase Bank, which will act as information agent for the Trust, at (800) 234-GNMA, to order copies of the Base Offering Circular. In addition, you can obtain copies of any other document listed above by contacting JPMorgan Chase Bank at the telephone number listed above.

Please consult the standard abbreviations 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:** J.P. Morgan Securities Inc.

**Trustee:** JPMorgan Chase Bank

**Tax Administrator:** The Trustee

**Closing Date:** January 30, 2004

**Distribution Dates:** For the Group 1 Securities, the 16th day of each month or, if the 16th day is not a Business Day, the first Business Day thereafter, commencing in February 2004. For the Group 2 and Group 3 Securities, the 20th day of each month or, if the 20th day is not a Business Day, the first Business Day thereafter, commencing in February 2004.

**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 I	5.0%	30
2	Underlying Certificate	(1)	(1)
3	Underlying Certificate	(1)	(1)

<sup>(1)</sup> Certain information regarding the Underlying Certificates is set forth in Exhibits A and B to this Supplement.

**Security Groups:** This series of Securities consists of multiple Security Groups (each, a “Group”), as shown on the inside front cover of this Supplement and on Schedule I to this Supplement. Payments on each 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<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>Mortgage Rate</u>
<b>Group 1 Trust Assets</b> \$500,000,000	355	4	5.5%

<sup>1</sup> As of January 1, 2004.

<sup>2</sup> Does not include Group 1 Trust Assets that will be added to pay the Trustee Fee.

The actual remaining terms to maturity and loan ages of many of the Mortgage Loans underlying the Group 1 Trust Assets 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 certain information regarding the characteristics of the Mortgage Loans included in the Underlying Trust.

**Issuance of Securities:** The Securities, other than the Residual Securities, will initially be issued in book-entry form through the book-entry system of the U.S. Federal Reserve Banks (the

“Fedwire Book-Entry System”). The Residual Securities will be issued in fully registered, certificated form. See “Description of the Securities — Form of Securities” 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>
FA	LIBOR + 1.40%	2.500000%	1.40%	7.50000000%	0	0.00%
FB	LIBOR + 0.50%	1.600000%	0.50%	8.50000000%	0	0.00%
SA	5.5999995% – LIBOR	4.481249%	0.00%	5.59999950%	19	5.60%
SB	11.428571% – (LIBOR × 1.4285714)	9.857142%	0.00%	11.42857100%	0	8.00%
SC	8.00% – LIBOR	6.900000%	0.00%	8.00000000%	0	8.00%
SD	14.6666671% – (LIBOR × 1.8333334)	12.650000%	0.00%	14.66666710%	0	8.00%
SE	19.20% – (LIBOR × 2.40)	16.560000%	0.00%	19.20000000%	0	8.00%
SG	5.65% – LIBOR	4.550000%	0.00%	5.65000000%	0	5.65%
SH	12.4175824% – (LIBOR × 2.1978022)	10.000000%	0.00%	12.41758240%	0	5.65%
SJ	11.30% – (LIBOR × 2.00)	9.100000%	0.00%	11.30000000%	0	5.65%
SK	15.5375% – (LIBOR × 2.75)	12.512500%	0.00%	15.53750000%	0	5.65%
SL	22.60% – (LIBOR × 4.00)	18.200000%	0.00%	22.60000000%	0	5.65%
SM	13.99999875% – (LIBOR × 2.50)	11.203123%	0.00%	13.99999875%	19	5.60%
SN	20.5333315% – (LIBOR × 3.6666667)	16.431247%	0.00%	20.53333150%	19	5.60%
SP	33.599997% – (LIBOR × 6.00)	26.887497%	0.00%	33.59999700%	19	5.60%
TA	135.555555% – (LIBOR × 22.222222)	10.000000%	0.00%	10.00000000%	0	6.10%

- (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”) will be allocated in the following order of priority:

1. Sequentially, to MA, MB, MC, MU, MV, MW and MG, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
2. Concurrently, to FB and MO, pro rata, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date

3. Concurrently, to AO, FA and TA, pro rata, until retired
4. Concurrently, to FB and MO, pro rata, without regard to their Aggregate Scheduled Principal Balances for that Distribution Date, until retired
5. Sequentially, to MA, MB, MC, MU, MV, MW and MG, in that order, without regard to their Aggregate Scheduled Principal Balances, until retired

**SECURITY GROUP 2**

The Group 2 Principal Distribution Amount will be allocated to AD, until retired

**SECURITY GROUP 3**

The Group 3 Principal Distribution Amount will be allocated to SO, until retired

**Scheduled Principal Balances:** The Aggregate 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 Range or Rate:

<u>Class</u>	<u>Structuring Range or Rate</u>
MA, MB, MC, MG, MU, MV and MW (in the aggregate) . . . . .	115% PSA through 265% PSA
FB and MO (in the aggregate) . . . . .	10% CPR

**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 Balances indicated:

<u>Class</u>	<u>Original Class Notional Balance</u>	<u>Represents Approximately</u>
IA . . . . .	\$34,996,595	115% of AD (SC/PT Class)
IM . . . . .	\$56,429,200	40% of MB (PAC Class)
IN . . . . .	\$11,079,600	20% of MC (PAC Class)
SA . . . . .	\$46,213,182	600% of SO (SC/PT Class)
SC . . . . .	\$34,291,764	100% of FB (TAC Class)
SG . . . . .	\$50,000,000	100% of FA (SUP Class)

**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 Interest of the Issuing REMIC and the Pooling REMIC; 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 (principal only securities, for example) 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.

***The level of LIBOR will affect the yields on floating rate and inverse floating rate securities.*** If LIBOR performs differently from what you expect, the yield on your securities may be lower than you expect. Lower levels of LIBOR will generally reduce the yield on floating rate securities; higher levels of LIBOR will generally reduce the yield on inverse floating rate securities. You should bear in mind that the timing of changes in the level of LIBOR may affect your yield: generally, the earlier a change, the greater the effect on your yield. It is doubtful that LIBOR will remain constant.

***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.

***Support securities will be more sensitive to rates of principal payments than other securities.*** If principal prepayments result in principal distributions on any distribution date equal to or less than the amount needed to produce scheduled payments on the PAC and TAC classes, the support classes will not receive any principal distribution on that date. If prepayments result in principal distributions on any distribution date greater than the amount needed to produce scheduled payments on the PAC and TAC classes for that distribution date, this excess will be distributed to the support classes.

***The rate of principal payments on the underlying certificates will directly affect the rate of principal payments on the group 2 and group 3 securities.*** The underlying certificates will be sensitive in varying degrees 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 certificate disclosure document, the underlying certificates are not entitled to distributions of principal until certain classes of the underlying series have been retired and, accordingly, distributions of principal of the related mortgage loans for extended periods may be applied to the distribution of principal of those classes of certificates having priority over the underlying certificates. In addition, the underlying certificates are support classes that are entitled to receive principal distributions only if scheduled payments have been made on other specified classes of the related underlying 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.

Further, prepayments on the related mortgage loans may have occurred at rates faster or slower than those initially assumed.

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 certificate disclosure documents.

***The securities may not be a suitable investment for you.*** The securities, especially the group 2 and group 3 securities and, in particular, the support, interest only, principal only, inverse floating rate 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 or interest rate 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 the 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 I MBS Certificates guaranteed by Ginnie Mae, or
2. Ginnie Mae Platinum Certificates backed by Ginnie Mae I MBS Certificates and guaranteed by Ginnie Mae.

Each Mortgage Loan underlying a Ginnie Mae I MBS Certificate bears interest at a Mortgage Rate 0.50% per annum greater than the related Certificate Rate. The difference between the Mortgage Rate and the Certificate Rate is used to pay the related servicers of the Mortgage Loans a monthly servicing fee and Ginnie Mae a fee for its guaranty of the Ginnie Mae I MBS Certificate of 0.44% per annum and 0.06% per annum, respectively, of the outstanding principal balance of the Mortgage Loan.

### The Underlying Certificates (Groups 2 and 3)

The Group 2 and Group 3 Trust Assets are Underlying Certificates that represent beneficial ownership interests in a separate trust, the assets of which evidence direct or indirect beneficial ownership interests in certain Ginnie Mae Certificates. Each Underlying Certificate constitutes all or a portion of a class of a separate Series of certificates described in the Underlying Certificate Disclosure Document, excerpts of which are attached as Exhibit B to this Supplement. The Underlying Certificate Disclosure Document may be obtained from the Information Agent as described under “Available Information” in this Supplement. Investors are cautioned that material changes in facts and circumstances may have occurred since the date of the Underlying Certificate 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.*

Each Underlying Certificate provides for monthly distributions and is 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 and loan ages of the Mortgage Loans. However, the actual remaining terms to maturity and loan ages 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.

## **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 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, and may be transferred only on the Fedwire Book-Entry System. Beneficial Owners of Book-Entry Securities will ordinarily hold these Securities through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations that are eligible to maintain book-entry accounts on the Fedwire Book-Entry System. By request accompanied by the payment of a transfer fee of \$25,000 per Certificated Security 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 Classes) 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 Classes will be issued in minimum denominations that equal \$100,000 in initial principal or notional balance.

## **Distributions**

Distributions on the Securities will be made on each Distribution Date as specified under “Terms Sheet — Distribution Dates” in this Supplement. On each Distribution Date for a Security, or in the case of the Certificated Securities, on the first Business Day after the related Distribution Date, the Distribution Amount will be distributed to the 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. Beneficial Owners of Book-Entry Securities will receive distributions through credits to accounts maintained for their benefit on the books and records of the appropriate financial intermediaries. Holders of Certificated Securities will receive distributions by check or, subject to the restrictions set forth in the Base Offering Circular, by wire transfer. See “Description of the Securities — Distributions” and “— Method of Distributions” in the Base Offering Circular.

## **Interest Distributions**

The Interest Distribution Amount will be distributed on each Distribution Date 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 for 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 for 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 Periods*

The Accrual Period for each Class is set forth in the table below:

<u>Class</u>	<u>Accrual Period</u>
Fixed Rate Classes and Group 3 Inverse Floating Classes	The calendar month preceding the related Distribution Date
Group 1 Floating Rate and Inverse Floating Rate Classes	From the 16th day of the month preceding the month of the related Distribution Date through the 15th day of the month of that Distribution Date

### *Fixed Rate Classes*

Each Fixed Rate 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.

### *Floating Rate and Inverse Floating Rate Classes*

The Floating Rate and Inverse Floating Rate Classes will bear interest as shown under “Terms Sheet — Interest Rates” in this Supplement. The Interest Rates for the Floating Rate and Inverse Floating Rate Classes will be based on LIBOR. LIBOR will be determined based on the BBA LIBOR method, as described under “Description of the Securities — Interest Rate Indices — Determination of LIBOR — BBA LIBOR” in the Base Offering Circular.

*For information regarding the manner in which the Trustee determines LIBOR and calculates the Interest Rates for the Floating Rate and Inverse Floating Rate Classes, see “Description of the Securities — Interest Rate Indices — Determination of LIBOR” in the Base Offering Circular.*

The Trustee’s determination of LIBOR and its calculation of the Interest Rates will be final, except in the case of clear error. Investors can obtain LIBOR levels and Interest Rates for the current and preceding Accrual Periods from Ginnie Mae’s Multiclass Securities e-Access located on Ginnie Mae’s website (“e-Access”) or by calling the Information Agent at (800) 234-GNMA.

### **Principal Distributions**

The Principal Distribution Amount or the Adjusted Principal Distribution Amount for each Group, as applicable, will be distributed to the Holders entitled thereto as described under “Terms Sheet — Allocation of Principal” in this Supplement. 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 Classes*

The Notional Classes will not receive principal distributions. For convenience in describing interest distributions, the Notional Classes will have the original Class Notional Balances shown on the inside cover page of this Supplement and on Schedule I to this Supplement. The Class Notional Balances will be reduced as shown under “Terms Sheet — Notional Classes” in this Supplement.

### **Residual Securities**

The Class RR Securities will represent the beneficial ownership of the Residual Interest in the Issuing REMIC and the beneficial ownership of the Residual Interest in the Pooling REMIC, as described under “Certain Federal Income Tax Consequences” in the Base Offering Circular. The Class RR Securities have no Class Principal Balance and do not accrue interest. The Class RR Securities will be entitled to receive the proceeds of the disposition of any assets remaining in the Trust REMICs 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 or any reduction of Class Notional Balance on that Distribution Date (each, a “Class Factor”).

- The Class Factor for any Class of Securities for the 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 to be made or any reduction of Class Notional Balance on the Distribution Date occurring in that month.
- The Class Factor for each Class for the month of issuance is 1.00000000.
- 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 in the preceding and current months (and Interest Rates), investors in any Class can calculate the amount of principal and interest to be distributed to that Class on the Distribution Date in the current month.
- Investors may obtain current Class Factors on e-Access.

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

### **Trading**

For the sole purpose of facilitating trading and settlement, the Principal Only Classes will be treated as non-delay classes.

### **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 either 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 (other than a Residual or Notional Class 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, and any Holder of any outstanding Notional Class Security will be entitled to receive that Holder’s allocable share of 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 REMICs 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 Classes of REMIC Securities specified on the inside cover page may be exchanged for a proportionate interest in the related MX Class or Classes shown on Schedule I to this Supplement. Similarly, all or a portion of the related MX Class or Classes may be exchanged for proportionate interests in the related Class or Classes of REMIC Securities and, in the case of Combinations 4, 5 and 17, other related MX Classes. This process may occur repeatedly.

Each exchange 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.

In the case of Combinations 4, 5 and 17, the related Classes of REMIC 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 at 153 West 51st Street, 6th Floor, New York, New York 10019, Attention: Trust Administrator, Ginnie Mae 2004-004. The Trustee may be contacted by telephone at (212) 373-1139 and by fax at (212) 373-1384.

A fee will be payable to the Trustee in connection with each exchange equal to 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). The fee must be paid concurrently with 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 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, advances from the related Ginnie Mae Issuer and, to the extent necessary, proceeds of Ginnie Mae’s guaranty of the Ginnie Mae Certificates. As a result, 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 Assets, thereby effecting early retirement of the Securities. *See “Description of the Securities — Termination” in this Supplement.*

Investors in the Group 2 and Group 3 Securities are urged to review the discussion under “Risk Factors — The rate of principal payments on the underlying certificates will directly affect the rate of principal payments on the group 2 and group 3 securities” in this Supplement.

**Securities that Receive Principal on the Basis of Schedules**

As described in this Supplement, each PAC and TAC Class will receive principal payments in accordance with a schedule calculated on the basis of, among other things, a Structuring Range or Rate. *See “Terms Sheet — Scheduled Principal Balances.”* However, whether any such Class will adhere to its schedule and receive “Scheduled Payments” on a Distribution Date will largely depend on the level of prepayments experienced by the related Mortgage Loans.

Each PAC and TAC Class exhibits an Effective Range of constant prepayment rates at which such Class will receive Scheduled Payments. That range may differ from the Structuring Range or Rate used to create the related principal balance schedule. Based on the Modeling Assumptions, the *initial* Effective Ranges for the PAC and TAC Classes are as follows:

<b>PAC Classes</b>	<b><u>Initial Effective Range</u></b>
MA, MB, MC, MG, MU, MV and MW (in the aggregate) ..	115% PSA through 265% PSA
<b>TAC Classes</b>	<b><u>Initial Effective Range</u></b>
FB and MO (in the aggregate) .....	10% CPR through 18% CPR

- The principal payment stability of the PAC Classes will be supported by the TAC and Support Classes.

- The principal payment stability of the TAC Classes will be supported by the Support Classes.

**If all of the Classes supporting a given Class are retired before the Class being supported is retired, the outstanding Class will no longer have an Effective Range and will become more sensitive to prepayments on the related Mortgage Loans.**

There is no assurance that the related Mortgage Loans will have the characteristics assumed in the Modeling Assumptions, which were used to determine the initial Effective Ranges. If the initial Effective Ranges were calculated using the actual characteristics of the related Mortgage Loans, the initial Effective Ranges could differ from those shown in the above tables. Therefore, even if the Mortgage Loans were to prepay at a constant rate within the initial Effective Range shown for any Class in the above tables, that Class could fail to receive Scheduled Payments.

Moreover, the Mortgage Loans will not prepay at any *constant* rate. Non-constant prepayment rates can cause any PAC or TAC Class not to receive Scheduled Payments, even if prepayment rates remain within the initial Effective Range, if any, for that Class. Further, the Effective Range for any PAC or TAC Class can narrow, shift over time or cease to exist depending on the actual characteristics of the related Mortgage Loans.

If the related Mortgage Loans prepay at rates that are generally below the Effective Range for any PAC or TAC Class, the amount available to pay principal on the Securities may be insufficient to produce Scheduled Payments on such related PAC or TAC Class, if any, and its Weighted Average Life may be extended, perhaps significantly.

If the related Mortgage Loans prepay at rates that are generally above the Effective Range for any PAC or TAC Class, its supporting Classes may be retired earlier than that PAC or TAC Class, and its Weighted Average Life may be shortened, perhaps significantly.

### **Assumability**

Each Mortgage Loan may be assumed, subject to HUD review and approval, 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 Underlying Certificates, the priorities of distributions on the Underlying 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.

2. The Mortgage Loans prepay at the constant percentages of PSA (described below) shown in the related table.

3. Distributions on the Group 1 Securities are always received on the 16th day of the month and distributions on the Group 2 and Group 3 Securities are always received on the 20th day of the month, in each case, whether or not a Business Day, commencing in February 2004.

4. A termination of the Trust or the Underlying Trust does not occur.

5. The Closing Date for the Securities is January 30, 2004.

6. No expenses or fees are paid by the Trust other than the Trustee Fee.

7. Distributions on the Underlying Certificates are made as described in the Underlying Certificate 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 16th or 20th 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 a 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 any 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 each Notional Class is for illustrative purposes only, as a Notional Class is not entitled to distributions of principal and has no weighted average life. The weighted average life shown for each 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 AO, FA, SG, SH, SJ, SK, SL and TA					Class CJ					Class CK					Class CL				
	0%	115%	235%	265%	500%	0%	115%	235%	265%	500%	0%	115%	235%	265%	500%	0%	115%	235%	265%	500%
	Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 2005	100	100	100	100	96	100	100	100	100	100	100	100	100	100	100	100	100	100	99	99
January 2006	100	100	100	100	24	100	100	100	100	100	100	100	100	100	100	100	100	100	91	91
January 2007	100	100	94	74	0	100	100	100	100	100	100	100	100	100	100	100	100	99	82	82
January 2008	100	100	68	44	0	100	100	100	100	73	100	100	100	100	100	100	97	73	73	48
January 2009	100	100	50	23	0	100	100	100	100	46	100	100	100	100	66	95	65	65	65	30
January 2010	100	100	38	9	0	100	85	85	85	28	100	100	100	100	40	92	55	55	55	18
January 2011	100	100	30	2	0	100	70	70	70	15	100	99	99	99	21	90	45	45	45	10
January 2012	100	100	27	0	0	100	56	56	56	6	100	79	79	79	9	88	36	36	36	4
January 2013	100	100	26	0	0	100	43	43	43	0	100	62	62	62	0	85	28	28	28	0
January 2014	100	100	24	0	0	100	33	33	33	0	100	47	47	47	0	82	22	22	22	0
January 2015	100	100	22	0	0	100	25	25	25	0	100	35	35	35	0	79	16	16	16	0
January 2016	100	100	20	0	0	100	18	18	18	0	100	25	25	25	0	76	12	12	12	0
January 2017	100	100	18	0	0	100	12	12	12	0	100	17	17	17	0	73	8	8	8	0
January 2018	100	100	16	0	0	100	7	7	7	0	100	10	10	10	0	70	5	5	5	0
January 2019	100	100	14	0	0	100	3	3	3	0	100	5	5	5	0	66	2	2	2	0
January 2020	100	100	12	0	0	94	0	0	0	0	100	0	0	0	0	61	0	0	0	0
January 2021	100	100	10	0	0	86	0	0	0	0	100	0	0	0	0	56	0	0	0	0
January 2022	100	95	9	0	0	76	0	0	0	0	100	0	0	0	0	50	0	0	0	0
January 2023	100	84	7	0	0	67	0	0	0	0	95	0	0	0	0	43	0	0	0	0
January 2024	100	74	6	0	0	56	0	0	0	0	80	0	0	0	0	37	0	0	0	0
January 2025	100	65	5	0	0	45	0	0	0	0	65	0	0	0	0	30	0	0	0	0
January 2026	100	55	4	0	0	34	0	0	0	0	48	0	0	0	0	22	0	0	0	0
January 2027	100	46	3	0	0	22	0	0	0	0	31	0	0	0	0	14	0	0	0	0
January 2028	100	38	3	0	0	9	0	0	0	0	13	0	0	0	0	6	0	0	0	0
January 2029	100	30	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2030	100	23	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2031	100	16	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2032	85	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2033	44	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	28.8	22.9	7.6	4.0	1.7	20.4	9.0	9.0	9.0	5.2	21.8	10.3	10.3	10.3	5.9	16.6	6.9	6.9	6.9	4.2

PSA Prepayment Assumption Rates																				
Distribution Date	Classes FB, MO, NA, NB, NC, ND, SB, SC, SD and SE					Classes IM, MB, MH, MJ, MK, ML, MN, MP and MT					Classes IN, MC, MD and ME					Class MA				
	0%	115%	235%	265%	500%	0%	115%	235%	265%	500%	0%	115%	235%	265%	500%	0%	115%	235%	265%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 2005	100	100	79	73	36	100	98	98	98	98	100	100	100	100	100	100	58	0	0	0
January 2006	100	100	37	22	4	100	76	76	76	76	100	100	100	100	100	14	0	0	0	0
January 2007	100	100	0	0	0	96	49	49	49	16	100	100	100	100	100	0	0	0	0	0
January 2008	100	100	0	0	0	91	24	24	24	0	100	100	100	100	10	0	0	0	0	0
January 2009	100	100	0	0	0	85	1	1	1	0	100	100	100	100	0	0	0	0	0	0
January 2010	100	100	0	0	0	78	0	0	0	0	100	49	49	49	0	0	0	0	0	0
January 2011	100	100	0	0	0	72	0	0	0	0	100	0	0	0	0	0	0	0	0	0
January 2012	100	100	0	0	0	65	0	0	0	0	100	0	0	0	0	0	0	0	0	0
January 2013	100	98	0	0	0	57	0	0	0	0	100	0	0	0	0	0	0	0	0	0
January 2014	100	92	0	0	0	50	0	0	0	0	100	0	0	0	0	0	0	0	0	0
January 2015	100	84	0	0	0	41	0	0	0	0	100	0	0	0	0	0	0	0	0	0
January 2016	100	73	0	0	0	33	0	0	0	0	100	0	0	0	0	0	0	0	0	0
January 2017	100	61	0	0	0	23	0	0	0	0	100	0	0	0	0	0	0	0	0	0
January 2018	100	48	0	0	0	14	0	0	0	0	100	0	0	0	0	0	0	0	0	0
January 2019	100	35	0	0	0	3	0	0	0	0	100	0	0	0	0	0	0	0	0	0
January 2020	100	21	0	0	0	0	0	0	0	0	81	0	0	0	0	0	0	0	0	0
January 2021	100	7	0	0	0	0	0	0	0	0	52	0	0	0	0	0	0	0	0	0
January 2022	100	0	0	0	0	0	0	0	0	0	21	0	0	0	0	0	0	0	0	0
January 2023	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2024	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2025	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2026	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2027	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2028	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2029	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2030	78	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2031	31	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	26.6	13.7	1.7	1.4	0.9	9.6	3.0	3.0	3.0	2.4	17.0	6.0	6.0	6.0	3.7	1.2	0.5	0.5	0.5	0.5

**Security Group 1  
PSA Prepayment Assumption Rates**

Distribution Date	Class MG					Class MU					Class MV					Class MW				
	0%	115%	235%	265%	500%	0%	115%	235%	265%	500%	0%	115%	235%	265%	500%	0%	115%	235%	265%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 2005	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 2006	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 2007	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 2008	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 2009	100	100	100	100	100	100	100	100	100	14	100	100	100	100	100	100	100	100	100	100
January 2010	100	100	100	100	100	100	100	100	100	0	100	100	100	100	55	100	100	100	100	100
January 2011	100	100	100	100	100	100	98	98	98	0	100	100	100	100	16	100	100	100	100	100
January 2012	100	100	100	100	100	100	48	48	48	0	100	100	100	100	0	100	100	100	100	64
January 2013	100	100	100	100	100	100	4	4	4	0	100	100	100	100	0	100	100	100	100	2
January 2014	100	100	100	100	69	100	0	0	0	0	100	72	72	72	0	100	100	100	100	0
January 2015	100	100	100	100	47	100	0	0	0	0	100	46	46	46	0	100	100	100	100	0
January 2016	100	100	100	100	32	100	0	0	0	0	100	25	25	25	0	100	100	100	100	0
January 2017	100	100	100	100	22	100	0	0	0	0	100	7	7	7	0	100	100	100	100	0
January 2018	100	100	100	100	15	100	0	0	0	0	100	0	0	0	0	100	75	75	75	0
January 2019	100	100	100	100	10	100	0	0	0	0	100	0	0	0	0	100	35	35	35	0
January 2020	100	100	100	100	7	100	0	0	0	0	100	0	0	0	0	100	3	3	3	0
January 2021	100	81	81	81	4	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
January 2022	100	65	65	65	3	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
January 2023	100	51	51	51	2	87	0	0	0	0	100	0	0	0	0	100	0	0	0	0
January 2024	100	40	40	40	1	50	0	0	0	0	100	0	0	0	0	100	0	0	0	0
January 2025	100	31	31	31	1	11	0	0	0	0	100	0	0	0	0	100	0	0	0	0
January 2026	100	23	23	23	0	0	0	0	0	0	75	0	0	0	0	100	0	0	0	0
January 2027	100	18	18	18	0	0	0	0	0	0	37	0	0	0	0	100	0	0	0	0
January 2028	100	13	13	13	0	0	0	0	0	0	0	0	0	0	0	93	0	0	0	0
January 2029	65	9	9	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2030	6	6	6	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2031	4	4	4	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2032	2	2	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2033	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average																				
Life (years)	25.3	19.9	19.9	19.9	11.6	20.0	8.0	8.0	8.0	4.6	22.7	11.0	11.0	11.0	6.2	24.3	14.7	14.7	14.7	8.2

**Security Group 2  
PSA Prepayment Assumption Rates**

Classes A, AB, AC, AD, AE, BO  
and IA

Distribution Date	0%	100%	210%	300%	500%
Initial Percent	100	100	100	100	100
January 2005	100	100	77	57	11
January 2006	100	100	39	0	0
January 2007	100	100	1	0	0
January 2008	100	100	0	0	0
January 2009	100	100	0	0	0
January 2010	100	100	0	0	0
January 2011	100	100	0	0	0
January 2012	100	100	0	0	0
January 2013	100	100	0	0	0
January 2014	100	100	0	0	0
January 2015	100	100	0	0	0
January 2016	100	100	0	0	0
January 2017	100	89	0	0	0
January 2018	100	74	0	0	0
January 2019	98	57	0	0	0
January 2020	93	35	0	0	0
January 2021	88	14	0	0	0
January 2022	83	0	0	0	0
January 2023	77	0	0	0	0
January 2024	71	0	0	0	0
January 2025	65	0	0	0	0
January 2026	58	0	0	0	0
January 2027	51	0	0	0	0
January 2028	44	0	0	0	0
January 2029	16	0	0	0	0
January 2030	0	0	0	0	0
January 2031	0	0	0	0	0
January 2032	0	0	0	0	0
January 2033	0	0	0	0	0
January 2034	0	0	0	0	0
Weighted Average					
Life (years)	21.9	15.2	1.7	1.1	0.6

<b>Security Group 3 PSA Prepayment Assumption Rates</b>					
<b>Classes SA, SO, SM, SN and SP</b>					
<b>Distribution Date</b>	<b>0%</b>	<b>100%</b>	<b>210%</b>	<b>300%</b>	<b>500%</b>
Initial Percent .....	100	100	100	100	100
January 2005 .....	100	100	91	82	63
January 2006 .....	100	100	75	52	5
January 2007 .....	100	100	59	24	0
January 2008 .....	100	100	48	5	0
January 2009 .....	100	100	39	0	0
January 2010 .....	100	100	33	0	0
January 2011 .....	100	100	30	0	0
January 2012 .....	100	100	28	0	0
January 2013 .....	100	100	27	0	0
January 2014 .....	100	100	25	0	0
January 2015 .....	100	100	23	0	0
January 2016 .....	100	100	21	0	0
January 2017 .....	100	96	19	0	0
January 2018 .....	100	89	17	0	0
January 2019 .....	100	83	15	0	0
January 2020 .....	100	76	13	0	0
January 2021 .....	100	69	11	0	0
January 2022 .....	100	62	10	0	0
January 2023 .....	100	56	8	0	0
January 2024 .....	100	49	7	0	0
January 2025 .....	100	43	6	0	0
January 2026 .....	100	36	5	0	0
January 2027 .....	100	30	4	0	0
January 2028 .....	100	25	3	0	0
January 2029 .....	92	19	2	0	0
January 2030 .....	71	14	1	0	0
January 2031 .....	48	9	1	0	0
January 2032 .....	25	4	0	0	0
January 2033 .....	0	0	0	0	0
January 2034 .....	0	0	0	0	0
Weighted Average Life (years) .....	26.9	20.1	6.7	2.1	1.2

## 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, in the case of the Group 2 or Group 3 Securities, the investor’s own projection of principal payment rates on the Underlying Certificates under a variety of scenarios and, in the case of a Floating Rate or an Inverse Floating Rate Class, the investor’s own projection of levels of LIBOR under a variety of scenarios. **No representation is made regarding Mortgage Loan prepayment rates, Underlying Certificate payment rates, LIBOR levels 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 purchased at a premium (especially Interest Only Classes), 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 Classes 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 (especially Principal Only Classes), 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 Trust Asset Group 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.

#### *LIBOR: Effect on Yields of the Floating Rate and Inverse Floating Rate Classes*

Low levels of LIBOR can reduce the yield of the Floating Rate Classes. High levels of LIBOR can significantly reduce the yield of the Inverse Floating Rate Classes. In addition, the Floating Rate Classes will not benefit from a higher yield at high levels of LIBOR and Class TA may not benefit from particularly low levels of LIBOR because the rate on such Classes is capped at a maximum rate described under "Terms Sheet — Interest Rates."

#### *Payment Delay: Effect on Yields of the Fixed Rate Classes and Delay Classes*

The effective yield on any Fixed Rate or Delay Class will be less than the yield otherwise produced by its Interest Rate and purchase price because, on each Distribution Date, 30 days' interest will be payable on that Class even though interest began to accrue approximately 46 or 50 days earlier, as applicable.

### **Yield Tables**

The following tables show the pre-tax yields to maturity on a corporate bond equivalent basis of specified Classes at various constant percentages of PSA and, in the case of the Inverse Floating Rate Classes, at various constant levels of LIBOR.

The Mortgage Loans will not prepay at any constant rate until maturity, and it is unlikely that LIBOR will remain constant. Moreover, it is likely that the Mortgage Loans will experience actual prepayment rates that differ from those of the Modeling Assumptions. **Therefore, the actual pre-tax yield of any Class may differ from those shown in the applicable table below for that Class even if the Class 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 the applicable Class, 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 (in the case of interest-bearing Classes), 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 any Class 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 assumptions that (1) the Interest Rate applicable to each Inverse Floating Rate Class for each Accrual Period following the first Accrual Period will be based on the indicated level of LIBOR and (2) the purchase price of each Class (expressed as a percentage of its original Class Principal Balance or Class Notional Balance) plus accrued interest (in the case of the interest-bearing Classes) 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 AO to Prepayments Assumed Price 50.000000%

PSA Prepayment Assumption Rates			
115%	235%	265%	500%
3.1%	11.4%	18.5%	46.9%

#### Sensitivity of Class IM to Prepayments Assumed Price 11.890625%\*

PSA Prepayment Assumption Rates				
115%	235%	265%	488%	500%
13.0%	13.0%	13.0%	0.0%	(1.0)%

#### Sensitivity of Class IN to Prepayments Assumed Price 21.156250%\*

PSA Prepayment Assumption Rates				
115%	235%	265%	415%	500%
12.1%	12.1%	12.1%	0.0%	(7.8)%

#### Sensitivity of Class MO to Prepayments Assumed Price 80.000000%

PSA Prepayment Assumption Rates			
115%	235%	265%	500%
1.6%	14.3%	16.7%	27.6%

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

**Sensitivity of Class SB to Prepayments**  
**Assumed Price 94.578125%\***

<b>LIBOR</b>	<b>PSA Prepayment Assumption Rates</b>			
	<b>115%</b>	<b>235%</b>	<b>265%</b>	<b>500%</b>
0.1% .....	12.4%	15.5%	16.1%	18.6%
1.1% .....	10.9%	14.0%	14.6%	17.1%
4.1% .....	6.3%	9.5%	10.1%	12.6%
8.0% and above .....	0.4%	3.7%	4.3%	6.9%

**Sensitivity of Class SC to Prepayments**  
**Assumed Price 10.203125%\***

<b>LIBOR</b>	<b>PSA Prepayment Assumption Rates</b>			
	<b>115%</b>	<b>235%</b>	<b>265%</b>	<b>500%</b>
0.1% .....	90.5%	26.5%	11.0%	(45.1)%
1.1% .....	77.8%	11.4%	(4.2)%	(57.3)%
4.1% .....	41.6%	(36.2)%	(52.0)%	(94.8)%
8.0% and above .....	**	**	**	**

**Sensitivity of Class SD to Prepayments**  
**Assumed Price 98.703125%\***

<b>LIBOR</b>	<b>PSA Prepayment Assumption Rates</b>			
	<b>115%</b>	<b>235%</b>	<b>265%</b>	<b>500%</b>
0.1% .....	15.1%	15.8%	16.0%	16.5%
1.1% .....	13.2%	13.9%	14.1%	14.7%
4.1% .....	7.4%	8.3%	8.5%	9.1%
8.0% and above .....	0.1%	1.1%	1.3%	2.1%

**Sensitivity of Class SE to Prepayments**  
**Assumed Price 104.484375%\***

<b>LIBOR</b>	<b>PSA Prepayment Assumption Rates</b>			
	<b>115%</b>	<b>235%</b>	<b>265%</b>	<b>500%</b>
0.1% .....	18.7%	16.2%	15.8%	13.8%
1.1% .....	16.3%	13.8%	13.4%	11.5%
4.1% .....	9.0%	6.8%	6.4%	4.6%
8.0% and above .....	(0.3)%	(2.2)%	(2.6)%	(4.0)%

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

\*\* Indicates that investors will suffer a loss of virtually all of their investment.



**Sensitivity of Class SG to Prepayments**  
**Assumed Price 9.296875%\***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>115%</u>	<u>235%</u>	<u>265%</u>	<u>500%</u>
0.10% .....	67.3%	61.2%	55.1%	(0.6)%
1.10% .....	54.2%	46.7%	39.2%	(20.0)%
4.10% .....	17.0%	4.7%	(14.9)%	(87.6)%
5.65% and above .....	**	**	**	**

**Sensitivity of Class SH to Prepayments**  
**Assumed Price 70.453125%\***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>115%</u>	<u>235%</u>	<u>265%</u>	<u>500%</u>
0.10% .....	18.1%	22.2%	25.2%	39.0%
1.10% .....	14.9%	19.1%	22.2%	36.0%
4.10% .....	5.8%	9.9%	13.5%	27.1%
5.65% and above .....	1.6%	5.3%	9.2%	22.7%

**Sensitivity of Class SJ to Prepayments**  
**Assumed Price 68.593750%\***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>115%</u>	<u>235%</u>	<u>265%</u>	<u>500%</u>
0.10% .....	16.9%	21.4%	24.7%	39.6%
1.10% .....	14.0%	18.5%	21.9%	36.8%
4.10% .....	5.6%	10.0%	13.9%	28.6%
5.65% and above .....	1.7%	5.7%	9.9%	24.5%

**Sensitivity of Class SK to Prepayments**  
**Assumed Price 75.562500%\***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>115%</u>	<u>235%</u>	<u>265%</u>	<u>500%</u>
0.10% .....	21.1%	24.2%	26.5%	37.5%
1.10% .....	17.3%	20.5%	22.9%	33.9%
4.10% .....	6.4%	9.6%	12.5%	23.3%
5.65% and above .....	1.3%	4.2%	7.3%	18.1%

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

\*\* Indicates that investors will suffer a loss of virtually all of their investment.

**Sensitivity of Class SL to Prepayments**  
**Assumed Price 87.187500%\***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>115%</u>	<u>235%</u>	<u>265%</u>	<u>500%</u>
0.10% .....	26.8%	28.2%	29.2%	34.4%
1.10% .....	21.8%	23.3%	24.4%	29.6%
4.10% .....	7.5%	9.1%	10.5%	15.8%
5.65% and above .....	0.6%	2.0%	3.7%	9.0%

**Sensitivity of Class TA to Prepayments**  
**Assumed Price 98.250000%\***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>115%</u>	<u>235%</u>	<u>265%</u>	<u>500%</u>
5.650% and below .....	10.4%	10.6%	10.8%	11.4%
5.875% .....	5.2%	5.4%	5.6%	6.3%
6.100% and above .....	0.1%	0.3%	0.6%	1.3%

**SECURITY GROUP 2**

**Sensitivity of Class BO to Prepayments**  
**Assumed Price 93.000000%**

	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>210%</u>	<u>300%</u>	<u>500%</u>
0.5%	4.4%	7.0%	11.9%	

**Sensitivity of Class IA to Prepayments**  
**Assumed Price 5.500000%\***

	<u>PSA Prepayment Assumption Rates</u>				
	<u>100%</u>	<u>210%</u>	<u>279%</u>	<u>300%</u>	<u>500%</u>
104.0%	43.5%	0.5%	(10.9)%	(93.1)%	

**SECURITY GROUP 3**

**Sensitivity of Class SA to Prepayments**  
**Assumed Price 7.828125%\***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>210%</u>	<u>300%</u>	<u>500%</u>
0.11875% .....	77.7%	58.8%	31.3%	(24.0)%
1.11875% .....	62.4%	43.7%	13.5%	(42.6)%
4.11875% .....	18.7%	3.8%	(47.5)%	**
5.60000% and above .....	**	**	**	**

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

\*\* Indicates that investors will suffer a loss of virtually all of their investment.

**Sensitivity of Class SM to Prepayments**  
**Assumed Price 84.5625%\***

<b>LIBOR</b>	<b>PSA Prepayment Assumption Rates</b>			
	<b>100%</b>	<b>210%</b>	<b>300%</b>	<b>500%</b>
0.11875% .....	16.8%	19.5%	24.0%	30.5%
1.11875% .....	13.7%	16.4%	21.1%	27.6%
4.11875% .....	5.0%	7.2%	12.4%	18.9%
5.60000% and above .....	0.8%	2.8%	8.2%	14.7%

**Sensitivity of Class SN to Prepayments**  
**Assumed Price 93.6875%\***

<b>LIBOR</b>	<b>PSA Prepayment Assumption Rates</b>			
	<b>100%</b>	<b>210%</b>	<b>300%</b>	<b>500%</b>
0.11875% .....	22.2%	23.1%	24.6%	26.7%
1.11875% .....	18.1%	19.0%	20.5%	22.7%
4.11875% .....	6.0%	6.9%	8.8%	11.1%
5.60000% and above .....	0.3%	1.0%	3.1%	5.6%

**Sensitivity of Class SO to Prepayments**  
**Assumed Price 65.000000%**

<b>PSA Prepayment Assumption Rates</b>			
<b>100%</b>	<b>210%</b>	<b>300%</b>	<b>500%</b>
2.2%	8.4%	22.6%	41.4%

**Sensitivity of Class SP to Prepayments**  
**Assumed Price 111.9375%\***

<b>LIBOR</b>	<b>PSA Prepayment Assumption Rates</b>			
	<b>100%</b>	<b>210%</b>	<b>300%</b>	<b>500%</b>
0.11875% .....	30.7%	28.6%	25.4%	20.6%
1.11875% .....	24.9%	22.9%	19.7%	15.0%
4.11875% .....	7.8%	6.3%	2.9%	(1.3)%
5.60000% and above .....	(0.6)%	(1.6)%	(5.1)%	(9.0)%

\* 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 Elections**

In the opinion of Cleary, Gottlieb, Steen & Hamilton, the Trust will constitute a Double REMIC Series for federal income tax purposes. Separate REMIC elections will be made for the Pooling REMIC and the Issuing REMIC.

### **Regular Securities**

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

The Class AO, MO and SO Securities are Principal Only Securities. Principal Only Securities are treated for federal income tax purposes as having been issued with an amount of original issue discount (“OID”) equal to the difference between their principal balance and their issue price.

The Class SA, SC and SG Securities are “Interest Weighted Securities” as described in “Certain Federal Income Tax Consequences — Tax Treatment of Regular Securities — Interest Weighted Securities and Non-VRDI Securities” in the Base Offering Circular. Although the tax treatment of Interest Weighted Securities is not entirely certain, Holders of the Interest Weighted Securities should expect to accrue all income on these Securities (other than income attributable to market discount or *de minimis market discount*) under the OID rules based on the expected payments on these securities at the prepayment assumption described below.

In addition to the Securities described in the preceding two paragraphs, based on anticipated prices (including accrued interest), the assumed Mortgage Loan characteristics, the prepayment assumption described below and, in the case of the Floating Rate Classes, the constant LIBOR value described below, Classes MG, MV, MW and TA are 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 235% PSA in the case of the Group 1 Securities and 210% PSA in the case of the Group 2 and Group 3 Securities (as described in “Yield, Maturity and Prepayment Considerations” in this Supplement). In the case of the Floating Rate Classes, the constant value of LIBOR to be used for these determinations is 1.1% in the case of the Group 1 Securities and 1.11875% in the case of the Group 3 Securities. No representation is made, however, about the rate at which prepayments on the Mortgage Loans underlying any Group of Trust Assets actually will occur or the level of LIBOR at any time after the date of this Supplement. See “Certain Federal Income Tax Consequences” in the Base Offering Circular.

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 RR Securities will represent the beneficial ownership of the Residual Interest in the Pooling REMIC and the beneficial ownership of the Residual Interest in the Issuing REMIC. The Residual Securities, *i.e.*, the Class RR 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 REMICs, and these requirements will continue until there are no outstanding regular interests in the respective Trust REMICs. 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. It is not expected that the Pooling REMIC will have a substantial amount of taxable income or loss in any period. However, even though the Holders of the Class RR Securities are not entitled to any stated principal or interest payments on the Class RR Securities, the Issuing REMIC may have substantial taxable income in certain periods, and offsetting tax losses may not occur until much later periods. Accordingly, a Holder of the Class RR Securities may experience substantial adverse tax timing consequences. Prospective investors are urged to consult their own tax advisors and consider the after-tax effect of ownership of the Residual Securities and the suitability of the Residual Securities to their investment objectives.

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.

OID accruals on the Underlying Certificates will be computed using the same prepayment assumption as set forth under “Certain Federal Income Tax Consequences — Regular Securities” in this Supplement.

Regulations have been proposed regarding the federal income tax treatment of “inducement fees” received by transferees of noneconomic REMIC residual interests. The proposed regulations (i) provide tax accounting rules for the treatment of such fees as income over an appropriate period and (ii) clarify that inducement fees will be treated as income from sources within the United States. If these rules are finalized as proposed, the final regulations will apply to taxable years ending on or after the date the final regulations are published, and thus the rules in the proposed regulations may apply to the treatment of any inducement fee received in connection with the purchase of Class RR Securities. Prospective purchasers of the Class RR Securities should consult with their tax advisors regarding the effect of these proposed regulations.

### **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 Regular and MX 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 and participations therein 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”), or subject to section 4975 of the Code (each, a “Plan”), solely by reason of the Plan’s purchase and holding of that certificate.

Governmental plans and certain church plans, while not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of ERISA and the Code, may nevertheless be subject to local, state or other federal laws that are substantially similar to the foregoing provisions of ERISA and the Code. Fiduciaries of any such plans should consult with their counsel before purchasing any of the Securities.

**Prospective 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, a Plan Investor.

## 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, if any, from (1) January 1, 2004 on the Fixed Rate Classes and the Group 3 Inverse Floating Rate Classes, and (2) January 16, 2004 on the Group 1 Floating Rate and Inverse Floating Rate Classes. 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 Group 1 Securities will have the same characteristics as described in this Supplement, except that (1) the Original Class Principal Balance (or original Class Notional Balance) and (2) Aggregate Scheduled Principal Balances of each Class will increase by the same proportion. The Trust Agreement, the Final Data Statement, the Final Schedules 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 Sidley Austin Brown & Wood LLP, New York, NY, for the Trust by Cleary, Gottlieb, Steen & Hamilton and Marcell Solomon & Associates, P.C., and for the Trustee by Ungaretti & Harris, Chicago, IL.

Available Combinations(1)

REMIC Securities		MX Securities						
Class	Original Class Principal Balance or Class Notional Balance	Related MX Class	Maximum Original Class Principal Balance or Class Notional Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date (4)
<b>Security Group 1</b>								
Combination 1								
MC	\$ 55,398,000	CJ	\$185,820,000	PAC	5.00%	FIX	38374FAA2	May 2033
MU	51,900,000							
MV	60,399,000							
MW	18,123,000							
Combination 2								
MU	\$ 51,900,000	CK	\$130,422,000	PAC	5.00%	FIX	38374FAB0	May 2033
MV	60,399,000							
MW	18,123,000							
Combination 3								
MB	\$100,000,000	CL	\$285,820,000	PAC	5.00%	FIX	38374FAC8	May 2033
MC	55,398,000							
MU	51,900,000							
MV	60,399,000							
MW	18,123,000							
Combination 4(6)								
MB	\$141,073,000	IM	\$ 56,429,200	NTL(PAC)	5.00%	FIX/IO	38374FAD6	July 2026
		MH	141,073,000	PAC	4.25	FIX	38374FAE4	July 2026
		MJ	141,073,000	PAC	4.50	FIX	38374FAF1	July 2026
		MK	141,073,000	PAC	3.00	FIX	38374FAG9	July 2026
		ML	141,073,000	PAC	3.25	FIX	38374FAH7	July 2026
		MN	141,073,000	PAC	3.50	FIX	38374FAJ3	July 2026
		MP	141,073,000	PAC	3.75	FIX	38374FAK0	July 2026
		MT	141,073,000	PAC	4.00	FIX	38374FAL8	July 2026
Combination 5(6)								
MC	\$ 55,398,000	IN	\$ 11,079,600	NTL(PAC)	5.00%	FIX/IO	38374FAM6	November 2028
		MD	55,398,000	PAC	4.00	FIX	38374FAN4	November 2028
		ME	55,398,000	PAC	4.50	FIX	38374FAP9	November 2028



REMIC Securities

MX Securities

Class	Original Class Principal Balance or Class Notional Balance	Related MX Class	Maximum Original Class Principal Balance or Class Notional Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
Combination 6								
FB	\$ 30,405,365	NA	\$ 54,409,601	TAC	4.75%	FIX	38374FAQ7	January 2034
MO	24,004,236							
SC	30,405,365							
Combination 7								
FB	\$ 34,291,764	NB	\$ 58,296,000	TAC	5.00%	FIX	38374EAR5	January 2034
MO	24,004,236							
SC	34,291,764							
Combination 8								
FB	\$ 34,291,764	NC	\$ 52,996,363	TAC	5.50%	FIX	38374EAS3	January 2034
MO	18,704,599							
SC	34,291,764							
Combination 9								
FB	\$ 34,291,764	ND	\$ 48,579,999	TAC	6.00%	FIX	38374FAT1	January 2034
MO	14,288,235							
SC	34,291,764							
Combination 10								
MO	\$ 24,004,236	SB	\$ 24,004,236	TAC	(5)	INV	38374EAU8	January 2034
SC	34,291,764							
Combination 11								
MO	\$ 18,704,598	SD	\$ 18,704,598	TAC	(5)	INV	38374FAV6	January 2034
SC	34,291,764							
Combination 12								
MO	\$ 14,288,235	SE	\$ 14,288,235	TAC	(5)	INV	38374FAW4	January 2034
SC	34,291,764							
Combination 13								
AO	\$ 22,750,000	SH	\$ 22,750,000	SUP	(5)	INV	38374FAX2	January 2034
SG	50,000,000							
Combination 14								
AO	\$ 22,750,000	SJ	\$ 22,750,000	SUP	(5)	INV	38374EAY0	January 2034
SG	45,500,000							
Combination 15								
AO	\$ 18,181,818	SK	\$ 18,181,818	SUP	(5)	INV	38374FAZ7	January 2034
SG	50,000,000							

REMIC Securities		MX Securities						
Class	Original Class Principal Balance or Class Notional Balance	Related MX Class	Maximum Original Class Principal Balance or Class Notional Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
Combination 16								
AO	\$ 12,500,000	SL	\$ 12,500,000	SUP	(5)	INV	38374FBA1	January 2034
SG	50,000,000							
<b>Security Group 2</b>								
Combination 17(6)								
AD	\$ 30,431,822	A	\$ 30,431,822	SC/PT	5.00%	FIX	38374FBB9	March 2030
		AB	30,431,822	SC/PT	5.25	FIX	38374FBC7	March 2030
		AC	30,431,822	SC/PT	5.50	FIX	38374FBD5	March 2030
		AE	29,163,829	SC/PT	6.00	FIX	38374FBE3	March 2030
		BO	30,431,822	SC/PT	0.00	PO	38374FBF0	March 2030
		IA	34,996,595	NTL(SC/PT)	5.00	FIX/IO	38374FBG8	March 2030
<b>Security Group 3</b>								
Combination 18								
SA	\$ 19,255,493	SM	\$ 7,702,197	SC/PT	(5)	INV/DLY	38374FBH6	August 2033
SO	7,702,197							
Combination 19								
SA	\$ 28,241,390	SN	\$ 7,702,197	SC/PT	(5)	INV/DLY	38374FBJ2	August 2033
SO	7,702,197							
Combination 20								
SA	\$ 46,213,182	SP	\$ 7,702,197	SC/PT	(5)	INV/DLY	38374FBK9	August 2033
SO	7,702,197							

(1) All exchanges must comply with minimum denominations restrictions.

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

(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.

(5) The Interest Rate will be calculated as described under “Terms Sheet — Interest Rates” in this Supplement.

(6) In the case of Combinations 4, 5 and 17, various subcombinations are permitted. See “Description of the Securities — Modification and Exchange” in the Base Offering Circular for a discussion of subcombinations.

**Schedule II**

**SCHEDULED PRINCIPAL BALANCES**

<u>Distribution Date</u>	<u>Classes FB and MO (in the aggregate)</u>	<u>Classes MA, MB, MC, MG, MU, MV and MW (in the aggregate)</u>
Initial Balance .....	\$58,296,000.00	\$366,704,000.00
February 2004.....	54,411,284.98	365,659,786.03
March 2004 .....	50,669,673.86	364,517,898.14
April 2004 .....	47,070,325.69	363,278,770.31
May 2004 .....	43,612,345.05	361,942,894.58
June 2004.....	40,294,782.26	360,510,820.83
July 2004 .....	37,116,633.68	358,983,156.44
August 2004 .....	34,076,841.98	357,360,565.97
September 2004 .....	31,174,296.59	355,643,770.70
October 2004 .....	28,407,834.12	353,833,548.19
November 2004 .....	25,776,238.85	351,930,731.72
December 2004 .....	23,278,243.31	349,936,209.71
January 2005 .....	20,912,528.90	347,850,925.07
February 2005.....	18,677,726.56	345,675,874.49
March 2005 .....	16,572,417.44	343,412,107.73
April 2005 .....	14,595,133.81	341,060,726.73
May 2005 .....	12,744,359.74	338,622,884.83
June 2005.....	11,018,532.10	336,099,785.80
July 2005 .....	9,416,041.48	333,492,682.88
August 2005 .....	7,935,233.10	330,802,877.79
September 2005 .....	6,574,407.99	328,031,719.62
October 2005 .....	5,331,823.93	325,180,603.77
November 2005 .....	4,205,696.67	322,250,970.74
December 2005 .....	3,194,201.11	319,244,304.95
January 2006 .....	2,295,472.48	316,162,133.47
February 2006.....	1,507,607.67	313,006,024.74
March 2006 .....	828,666.44	309,777,587.25
April 2006 .....	166,014.37	306,569,126.65
May 2006 .....	0.00	303,380,523.17
June 2006.....	0.00	300,211,657.75
July 2006 .....	0.00	297,062,412.04
August 2006 .....	0.00	293,932,668.39
September 2006 .....	0.00	290,822,309.85
October 2006 .....	0.00	287,731,220.18
November 2006 .....	0.00	284,659,283.80
December 2006 .....	0.00	281,606,385.85

<u>Distribution Date</u>	<u>Classes FB and MO (in the aggregate)</u>	<u>Classes MA, MB, MC, MG, MU, MV and MW (in the aggregate)</u>
January 2007 .....	\$ 0.00	\$278,572,412.15
February 2007 .....	0.00	275,557,249.18
March 2007 .....	0.00	272,560,784.11
April 2007 .....	0.00	269,582,904.78
May 2007 .....	0.00	266,623,499.71
June 2007 .....	0.00	263,682,458.05
July 2007 .....	0.00	260,759,669.65
August 2007 .....	0.00	257,855,024.99
September 2007 .....	0.00	254,968,415.20
October 2007 .....	0.00	252,099,732.08
November 2007 .....	0.00	249,248,868.06
December 2007 .....	0.00	246,415,716.21
January 2008 .....	0.00	243,600,170.24
February 2008 .....	0.00	240,802,124.48
March 2008 .....	0.00	238,021,473.92
April 2008 .....	0.00	235,258,114.15
May 2008 .....	0.00	232,511,941.38
June 2008 .....	0.00	229,782,852.45
July 2008 .....	0.00	227,070,744.82
August 2008 .....	0.00	224,375,516.53
September 2008 .....	0.00	221,697,066.27
October 2008 .....	0.00	219,035,293.29
November 2008 .....	0.00	216,390,097.48
December 2008 .....	0.00	213,761,379.30
January 2009 .....	0.00	211,149,039.81
February 2009 .....	0.00	208,552,980.66
March 2009 .....	0.00	205,973,104.09
April 2009 .....	0.00	203,409,312.90
May 2009 .....	0.00	200,861,510.50
June 2009 .....	0.00	198,329,600.86
July 2009 .....	0.00	195,813,488.52
August 2009 .....	0.00	193,313,078.60
September 2009 .....	0.00	190,828,276.76
October 2009 .....	0.00	188,358,989.25
November 2009 .....	0.00	185,905,122.87
December 2009 .....	0.00	183,466,584.97
January 2010 .....	0.00	181,043,283.45
February 2010 .....	0.00	178,635,126.76
March 2010 .....	0.00	176,242,023.90
April 2010 .....	0.00	173,863,884.41

<u>Distribution Date</u>	<u>Classes FB and MO (in the aggregate)</u>	<u>Classes MA, MB, MC, MG, MU, MV and MW (in the aggregate)</u>
May 2010 .....	\$ 0.00	\$171,500,618.37
June 2010.....	0.00	169,152,136.40
July 2010 .....	0.00	166,818,349.63
August 2010 .....	0.00	164,499,169.75
September 2010 .....	0.00	162,194,508.96
October 2010 .....	0.00	159,904,279.98
November 2010 .....	0.00	157,628,396.05
December 2010 .....	0.00	155,366,770.95
January 2011 .....	0.00	153,119,318.93
February 2011.....	0.00	150,885,954.80
March 2011 .....	0.00	148,666,593.83
April 2011 .....	0.00	146,461,151.84
May 2011 .....	0.00	144,269,545.11
June 2011.....	0.00	142,091,690.45
July 2011 .....	0.00	139,927,505.16
August 2011 .....	0.00	137,776,907.01
September 2011 .....	0.00	135,639,814.28
October 2011 .....	0.00	133,516,145.74
November 2011 .....	0.00	131,405,820.63
December 2011 .....	0.00	129,308,758.69
January 2012 .....	0.00	127,224,880.12
February 2012.....	0.00	125,154,105.59
March 2012 .....	0.00	123,110,175.75
April 2012 .....	0.00	121,097,989.51
May 2012 .....	0.00	119,117,067.95
June 2012.....	0.00	117,166,939.25
July 2012 .....	0.00	115,247,138.58
August 2012 .....	0.00	113,357,208.01
September 2012 .....	0.00	111,496,696.39
October 2012 .....	0.00	109,665,159.28
November 2012 .....	0.00	107,862,158.79
December 2012 .....	0.00	106,087,263.58
January 2013 .....	0.00	104,340,048.69
February 2013.....	0.00	102,620,095.44
March 2013 .....	0.00	100,926,991.40
April 2013 .....	0.00	99,260,330.26
May 2013 .....	0.00	97,619,711.73
June 2013.....	0.00	96,004,741.46
July 2013 .....	0.00	94,415,030.99
August 2013 .....	0.00	92,850,197.59

<u>Distribution Date</u>	<u>Classes FB and MO (in the aggregate)</u>	<u>Classes MA, MB, MC, MG, MU, MV and MW (in the aggregate)</u>
September 2013 .....	\$ 0.00	\$ 91,309,864.24
October 2013 .....	0.00	89,793,659.53
November 2013 .....	0.00	88,301,217.56
December 2013 .....	0.00	86,832,177.87
January 2014 .....	0.00	85,386,185.36
February 2014.....	0.00	83,962,890.23
March 2014 .....	0.00	82,561,947.85
April 2014 .....	0.00	81,183,018.75
May 2014 .....	0.00	79,825,768.50
June 2014.....	0.00	78,489,867.64
July 2014 .....	0.00	77,174,991.63
August 2014 .....	0.00	75,880,820.74
September 2014 .....	0.00	74,607,040.04
October 2014 .....	0.00	73,353,339.26
November 2014 .....	0.00	72,119,412.76
December 2014 .....	0.00	70,904,959.46
January 2015 .....	0.00	69,709,682.76
February 2015.....	0.00	68,533,290.49
March 2015 .....	0.00	67,375,494.84
April 2015 .....	0.00	66,236,012.28
May 2015 .....	0.00	65,114,563.52
June 2015.....	0.00	64,010,873.44
July 2015 .....	0.00	62,924,671.00
August 2015 .....	0.00	61,855,689.24
September 2015 .....	0.00	60,803,665.18
October 2015 .....	0.00	59,768,339.74
November 2015 .....	0.00	58,749,457.74
December 2015 .....	0.00	57,746,767.79
January 2016 .....	0.00	56,760,022.29
February 2016.....	0.00	55,788,977.30
March 2016 .....	0.00	54,833,392.54
April 2016 .....	0.00	53,893,031.35
May 2016 .....	0.00	52,967,660.57
June 2016.....	0.00	52,057,050.55
July 2016 .....	0.00	51,160,975.07
August 2016 .....	0.00	50,279,211.31
September 2016 .....	0.00	49,411,539.75
October 2016 .....	0.00	48,557,744.20
November 2016 .....	0.00	47,717,611.68
December 2016 .....	0.00	46,890,932.40

<u>Distribution Date</u>	<u>Classes FB and MO (in the aggregate)</u>	<u>Classes MA, MB, MC, MG, MU, MV and MW (in the aggregate)</u>
January 2017 .....	\$ 0.00	\$ 46,077,499.74
February 2017 .....	0.00	45,277,110.13
March 2017 .....	0.00	44,489,563.11
April 2017 .....	0.00	43,714,661.17
May 2017 .....	0.00	42,952,209.80
June 2017 .....	0.00	42,202,017.39
July 2017 .....	0.00	41,463,895.20
August 2017 .....	0.00	40,737,657.35
September 2017 .....	0.00	40,023,120.72
October 2017 .....	0.00	39,320,104.96
November 2017 .....	0.00	38,628,432.41
December 2017 .....	0.00	37,947,928.09
January 2018 .....	0.00	37,278,419.66
February 2018 .....	0.00	36,619,737.34
March 2018 .....	0.00	35,971,713.94
April 2018 .....	0.00	35,334,184.75
May 2018 .....	0.00	34,706,987.56
June 2018 .....	0.00	34,089,962.59
July 2018 .....	0.00	33,482,952.46
August 2018 .....	0.00	32,885,802.18
September 2018 .....	0.00	32,298,359.07
October 2018 .....	0.00	31,720,472.76
November 2018 .....	0.00	31,151,995.14
December 2018 .....	0.00	30,592,780.34
January 2019 .....	0.00	30,042,684.69
February 2019 .....	0.00	29,501,566.67
March 2019 .....	0.00	28,969,286.90
April 2019 .....	0.00	28,445,708.12
May 2019 .....	0.00	27,930,695.12
June 2019 .....	0.00	27,424,114.73
July 2019 .....	0.00	26,925,835.81
August 2019 .....	0.00	26,435,729.19
September 2019 .....	0.00	25,953,667.64
October 2019 .....	0.00	25,479,525.87
November 2019 .....	0.00	25,013,180.46
December 2019 .....	0.00	24,554,509.89
January 2020 .....	0.00	24,103,394.45
February 2020 .....	0.00	23,659,716.24
March 2020 .....	0.00	23,223,359.17
April 2020 .....	0.00	22,794,208.88

<u>Distribution Date</u>	<u>Classes FB and MO (in the aggregate)</u>	<u>Classes MA, MB, MC, MG, MU, MV and MW (in the aggregate)</u>
May 2020 .....	\$ 0.00	\$ 22,372,152.74
June 2020 .....	0.00	21,957,079.86
July 2020 .....	0.00	21,548,880.99
August 2020 .....	0.00	21,147,448.56
September 2020 .....	0.00	20,752,676.61
October 2020 .....	0.00	20,364,460.81
November 2020 .....	0.00	19,982,698.40
December 2020 .....	0.00	19,607,288.17
January 2021 .....	0.00	19,238,130.46
February 2021 .....	0.00	18,875,127.12
March 2021 .....	0.00	18,518,181.48
April 2021 .....	0.00	18,167,198.35
May 2021 .....	0.00	17,822,083.99
June 2021 .....	0.00	17,482,746.07
July 2021 .....	0.00	17,149,093.68
August 2021 .....	0.00	16,821,037.27
September 2021 .....	0.00	16,498,488.66
October 2021 .....	0.00	16,181,361.04
November 2021 .....	0.00	15,869,568.89
December 2021 .....	0.00	15,563,027.99
January 2022 .....	0.00	15,261,655.42
February 2022 .....	0.00	14,965,369.52
March 2022 .....	0.00	14,674,089.87
April 2022 .....	0.00	14,387,737.28
May 2022 .....	0.00	14,106,233.76
June 2022 .....	0.00	13,829,502.53
July 2022 .....	0.00	13,557,467.95
August 2022 .....	0.00	13,290,055.56
September 2022 .....	0.00	13,027,192.02
October 2022 .....	0.00	12,768,805.14
November 2022 .....	0.00	12,514,823.79
December 2022 .....	0.00	12,265,177.97
January 2023 .....	0.00	12,019,798.73
February 2023 .....	0.00	11,778,618.16
March 2023 .....	0.00	11,541,569.42
April 2023 .....	0.00	11,308,586.67
May 2023 .....	0.00	11,079,605.09
June 2023 .....	0.00	10,854,560.85
July 2023 .....	0.00	10,633,391.10
August 2023 .....	0.00	10,416,033.95



<u>Distribution Date</u>	<u>Classes FB and MO (in the aggregate)</u>	<u>Classes MA, MB, MC, MG, MU, MV and MW (in the aggregate)</u>
September 2023 .....	\$ 0.00	\$ 10,202,428.47
October 2023 .....	0.00	9,992,514.64
November 2023 .....	0.00	9,786,233.39
December 2023 .....	0.00	9,583,526.54
January 2024 .....	0.00	9,384,336.81
February 2024 .....	0.00	9,188,607.80
March 2024 .....	0.00	8,996,283.97
April 2024 .....	0.00	8,807,310.64
May 2024 .....	0.00	8,621,633.98
June 2024 .....	0.00	8,439,200.97
July 2024 .....	0.00	8,259,959.41
August 2024 .....	0.00	8,083,857.93
September 2024 .....	0.00	7,910,845.91
October 2024 .....	0.00	7,740,873.54
November 2024 .....	0.00	7,573,891.77
December 2024 .....	0.00	7,409,852.30
January 2025 .....	0.00	7,248,707.60
February 2025 .....	0.00	7,090,410.83
March 2025 .....	0.00	6,934,915.91
April 2025 .....	0.00	6,782,177.47
May 2025 .....	0.00	6,632,150.82
June 2025 .....	0.00	6,484,791.98
July 2025 .....	0.00	6,340,057.64
August 2025 .....	0.00	6,197,905.17
September 2025 .....	0.00	6,058,292.58
October 2025 .....	0.00	5,921,178.56
November 2025 .....	0.00	5,786,522.43
December 2025 .....	0.00	5,654,284.11
January 2026 .....	0.00	5,524,424.19
February 2026 .....	0.00	5,396,903.85
March 2026 .....	0.00	5,271,684.86
April 2026 .....	0.00	5,148,729.60
May 2026 .....	0.00	5,028,001.03
June 2026 .....	0.00	4,909,462.69
July 2026 .....	0.00	4,793,078.68
August 2026 .....	0.00	4,678,813.66
September 2026 .....	0.00	4,566,632.85
October 2026 .....	0.00	4,456,502.00
November 2026 .....	0.00	4,348,387.39
December 2026 .....	0.00	4,242,255.84

<u>Distribution Date</u>	<u>Classes FB and MO (in the aggregate)</u>	<u>Classes MA, MB, MC, MG, MU, MV and MW (in the aggregate)</u>
January 2027 .....	\$ 0.00	\$ 4,138,074.69
February 2027 .....	0.00	4,035,811.76
March 2027 .....	0.00	3,935,435.41
April 2027 .....	0.00	3,836,914.48
May 2027 .....	0.00	3,740,218.27
June 2027 .....	0.00	3,645,316.61
July 2027 .....	0.00	3,552,179.76
August 2027 .....	0.00	3,460,778.47
September 2027 .....	0.00	3,371,083.94
October 2027 .....	0.00	3,283,067.82
November 2027 .....	0.00	3,196,702.20
December 2027 .....	0.00	3,111,959.61
January 2028 .....	0.00	3,028,813.03
February 2028 .....	0.00	2,947,235.83
March 2028 .....	0.00	2,867,201.83
April 2028 .....	0.00	2,788,685.25
May 2028 .....	0.00	2,711,660.70
June 2028 .....	0.00	2,636,103.20
July 2028 .....	0.00	2,561,988.19
August 2028 .....	0.00	2,489,291.45
September 2028 .....	0.00	2,417,989.17
October 2028 .....	0.00	2,348,057.92
November 2028 .....	0.00	2,279,474.61
December 2028 .....	0.00	2,212,216.56
January 2029 .....	0.00	2,146,261.40
February 2029 .....	0.00	2,081,587.14
March 2029 .....	0.00	2,018,172.14
April 2029 .....	0.00	1,955,995.09
May 2029 .....	0.00	1,895,035.02
June 2029 .....	0.00	1,835,271.31
July 2029 .....	0.00	1,776,683.64
August 2029 .....	0.00	1,719,252.02
September 2029 .....	0.00	1,662,956.79
October 2029 .....	0.00	1,607,778.59
November 2029 .....	0.00	1,553,698.38
December 2029 .....	0.00	1,500,697.39
January 2030 .....	0.00	1,448,757.20
February 2030 .....	0.00	1,397,859.64
March 2030 .....	0.00	1,347,986.84
April 2030 .....	0.00	1,299,121.23

<u>Distribution Date</u>	<u>Classes FB and MO (in the aggregate)</u>	<u>Classes MA, MB, MC, MG, MU, MV and MW (in the aggregate)</u>
May 2030 .....	\$ 0.00	\$ 1,251,245.51
June 2030 .....	0.00	1,204,342.64
July 2030 .....	0.00	1,158,395.89
August 2030 .....	0.00	1,113,388.76
September 2030 .....	0.00	1,069,305.03
October 2030 .....	0.00	1,026,128.74
November 2030 .....	0.00	983,844.18
December 2030 .....	0.00	942,435.91
January 2031 .....	0.00	901,888.70
February 2031 .....	0.00	862,187.60
March 2031 .....	0.00	823,317.88
April 2031 .....	0.00	785,265.07
May 2031 .....	0.00	748,014.89
June 2031 .....	0.00	711,553.34
July 2031 .....	0.00	675,866.60
August 2031 .....	0.00	640,941.11
September 2031 .....	0.00	606,763.50
October 2031 .....	0.00	573,320.63
November 2031 .....	0.00	540,599.58
December 2031 .....	0.00	508,587.61
January 2032 .....	0.00	477,272.22
February 2032 .....	0.00	446,641.09
March 2032 .....	0.00	416,682.10
April 2032 .....	0.00	387,383.34
May 2032 .....	0.00	358,733.09
June 2032 .....	0.00	330,719.80
July 2032 .....	0.00	303,332.14
August 2032 .....	0.00	276,558.93
September 2032 .....	0.00	250,389.20
October 2032 .....	0.00	224,812.14
November 2032 .....	0.00	199,817.12
December 2032 .....	0.00	175,393.70
January 2033 .....	0.00	151,531.59
February 2033 .....	0.00	128,220.68
March 2033 .....	0.00	105,451.00
April 2033 .....	0.00	83,212.79
May 2033 .....	0.00	61,496.40
June 2033 .....	0.00	40,292.37
July 2033 .....	0.00	19,591.39
August 2033 and thereafter .....	0.00	0.00

Underlying Certificates

Trust Asset Group	Issuer	Series	Class	Issue Date	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Principal Balance of Class	Underlying Certificate Factor(2)	Principal Balance in the Trust	Percentage of Class in Trust	Approximate Weighted Average Coupon of Mortgage Loans	Approximate Weighted Average 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	2003-067	AD	8/29/2003	38374BWW9	5.75%	FIX	March 2030	SUP/AD	\$32,750,000	0.92921594	\$30,431,822	100%	5.429%	348	6	II
3	Ginnie Mae	2003-067	SC	8/29/2003	38374BXT5	(3)	INV/DLY	August 2033	SUP	7,944,373	0.96951615	7,702,197	100	5.429	348	6	II

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

(2) Underlying Certificate Factors are as of January 2004.

(3) This Underlying Certificate bears interest during its interest accrual period, subject to the applicable maximum and minimum interest rates, as further described in the Underlying Certificate Disclosure Document, excerpts of which are attached as Exhibit B to this Supplement.

**Cover Page and Terms Sheet  
from Underlying Certificate Disclosure Document**

Offering Circular Supplement  
(To Base Offering Circular dated July 1, 2003)



\$1,261,538,462

**Government National Mortgage Association**  
**GINNIE MAE®**

**Guaranteed REMIC Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2003-067**

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-9 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 (1) Ginnie Mae Certificates and (2) certain callable securities.

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 August 29, 2003.

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.

**JPMorgan**

**Blaylock & Partners, L.P.**

The date of this Offering Circular Supplement is August 21, 2003.

## Ginnie Mae REMIC Trust 2003-067

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.

<b>Class of REMIC Securities</b>	<b>Original Principal Balance(2)</b>	<b>Interest Rate</b>	<b>Principal Type(3)</b>	<b>Interest Type(3)</b>	<b>Final Distribution Date(4)</b>	<b>CUSIP Number</b>
<b>Security Group 1</b>						
AH(1)	\$120,086,450	6.00%	SEQ/CC	FIX	December 2029	38374BWH2
AJ	5,000,000	5.00	SEQ/CC	FIX	July 2027	38374B WJ8
AK	945,443	5.75	SEQ/CC	FIX	December 2029	38374BWK5
C	16,000,000	5.50	SEQ/CC	FIX	August 2033	38374BWL3
ET	21,840,833	6.00	SEQ/CC	FIX	June 2032	38374BWM1
JO(1)	2,727,600	0.00	SEQ/CC	PO	June 2032	38374BWN9
JV	5,000,000	6.00	SEQ/CC	FIX	June 2032	38374BWP4
QO(1)	1,600,000	0.00	SEQ/CC	PO	August 2033	38374BWP2
RO(1)	2,640,567	0.00	SEQ/CC	PO	March 2031	38374BWR0
TO(1)	24,017,290	0.00	SEQ/CC	PO	December 2029	38374BWS8
WO(1)	141,817	0.00	SEQ/CC	PO	December 2029	38374BWT6
<b>Security Group 2</b>						
AB	23,818,000	5.50	SUP/AD	FIX	March 2030	38374BWU3
AC	10,182,000	5.50	SUP/AD	FIX	December 2030	38374B WV1
AD	32,750,000	5.75	SUP/AD	FIX	March 2030	38374BWW9
AG(1)	14,101,200	6.00	SUP/AD	FIX	December 2030	38374BWX7
BO(1)	10,519,654	0.00	SUP/AD	PO	December 2030	38374B WY5
CO(1)	11,122,121	0.00	SUP	PO	August 2033	38374B WZ2
DO(1)	613,155	0.00	SUP/AD	PO	December 2030	38374B XA6
FB	47,666,232	(5)	SUP	FLT/DLY	August 2033	38374B XB4
FO	8,983,125	0.00	PAC	PO	August 2033	38374B XC2
FP	14,971,875	(5)	PAC	FLT	August 2033	38374B XD0
HA	92,845,000	3.50	PAC	FIX	October 2026	38374B XE8
HB	62,059,000	5.00	PAC	FIX	November 2030	38374B XF5
HC	53,086,000	5.00	PAC	FIX	November 2032	38374B XG3
HD	77,306,000	4.00	PAC	FIX	October 2022	38374B XH1
HE	40,957,000	5.00	PAC	FIX	June 2028	38374B XJ7
IG	59,652,100	5.00	NTL(PAC)	FIX/IO	June 2028	38374B XK4
PA	35,000,000	5.00	PAC	FIX	June 2028	38374B XL2
PB	109,532,000	5.00	PAC	FIX	November 2032	38374B XM0
PC	23,959,000	5.00	PAC	FIX	August 2033	38374B XN8
PE	25,000,000	3.40	PAC	FIX	October 2026	38374B XP3
PG	25,000,000	3.65	PAC	FIX	June 2028	38374B XQ1
PH	9,257,000	5.00	PAC	FIX	June 2028	38374B XR9
PN	7,937,000	4.00	PAC	FIX	November 2020	38374B XS7
SC	7,944,373	(5)	SUP	INV/DLY	August 2033	38374B XT5
SP	14,971,875	(5)	NTL(PAC)	INV/IO	August 2033	38374B XU2
VB(1)	19,059,000	5.00	SUP/AD	FIX	August 2014	38374B XV0
VC(1)	10,125,665	5.00	SUP/AD	FIX	August 2018	38374B XW8
ZA	26,205,600	5.00	SUP	FIX/Z	August 2033	38374B XX6
<b>Security Group 3</b>						
GO	4,166,700	0.00	SEQ/CC	PO	August 2033	38374B XY4
IO(1)	150,000,000	5.50	NTL/CC(SEQ)	FIX/IO	February 2030	38374B XZ1
KB	30,833,300	6.00	SEQ/CC	FIX	August 2032	38374B YA5
KC	15,000,000	6.00	SEQ/CC	FIX	August 2033	38374B YB3
KO(1)	150,000,000	0.00	SEQ/CC	PO	February 2030	38374B YC1
<b>Security Group 4</b>						
FM	50,000,000	(5)	PT	FLT	August 2033	38374B YD9
NO(1)	11,538,462	0.00	PT	PO	August 2033	38374B YE7
SM(1)	50,000,000	(5)	NTL(PT)	INV/IO	August 2033	38374B YF4
<b>Residual</b>						
RR	0	0.00	NPR	NPR	August 2033	38374B YG2

- (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:** J.P. Morgan Securities Inc.

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

**Tax Administrator:** The Trustee

**Closing Date:** August 29, 2003

**Distribution Date:** The 20th day of each month or, if the 20th day is not a Business Day, the first Business Day thereafter, commencing in September 2003.

**Trust Assets:**

Trust Asset Group	Trust Asset Type	Certificate Rate	Original Term To Maturity (in years)
1	Underlying Callable Securities <sup>1</sup>	5.0%	30
2	Ginnie Mae II	5.0	30
3	Underlying Callable Securities <sup>1</sup>	5.5	30
4	Ginnie Mae II	6.5	30

<sup>(1)</sup> Certain information regarding the Underlying Callable Securities is set forth in the Series 2003-C1 Offering Circular attached to this Supplement as Exhibit A.

**Security Groups:** This series of Securities consists of multiple Security Groups (each, a “Group”), as shown on the inside front cover of this Supplement and on Schedule I to this Supplement. Payments on each 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 2 and Group 4 Trust Assets<sup>1</sup>:**

Principal Balance <sup>2</sup>	Weighted Average Remaining Term to Maturity (in months)	Weighted Average Loan Age (in months)	Weighted Average Mortgage Rate <sup>3</sup>
<b>Group 2 Trust Assets</b>			
\$800,000,000	358	1	5.80%
<b>Group 4 Trust Assets</b>			
\$61,538,462	340	20	7.25%

<sup>1</sup> As of August 1, 2003.

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

<sup>3</sup> The Mortgage Loans underlying the Group 2 and Group 4 Trust Assets may bear interest at rates ranging from 0.25% to 1.50% per annum above the related Certificate Rate.

The actual remaining terms to maturity, loan ages and Mortgage Rates of many of the Mortgage Loans underlying the Group 2 and Group 4 Trust Assets will differ from the weighted averages shown above, perhaps significantly. See “The Trust Assets — The Mortgage Loans” in this Supplement. See the Series 2003-C1 Offering Circular attached to this Supplement as Exhibit A



for certain information regarding the characteristics of the Mortgage Loans underlying the Underlying Callable Securities.

**Underlying Callable Securities:** The Group 1 and Group 3 Trust Assets include Underlying Callable Securities as described in the Series 2003-C1 Offering Circular attached to this Supplement. The Underlying Callable Securities are subject to redemption on any related distribution date occurring in February 2004 or thereafter. Any redemption would result in the concurrent payment in full of the Group 1 or Group 3 Securities, as applicable. *See “Risk Factors — Early redemption of the underlying callable securities will significantly affect yields on the group 1 and group 3 securities” in this Supplement.*

**Issuance of Securities:** The Securities, other than the Residual Securities, will initially be issued in book-entry form through the book-entry system of the U.S. Federal Reserve Banks (the “Fedwire Book-Entry System”). The Residual Securities will be issued in fully registered, certificated form. *See “Description of the Securities — Form of Securities” 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:

Class	Interest Rate Formula(1)	Initial Interest Rate(2)	Minimum Rate	Maximum Rate	Delay (in days)	LIBOR for Minimum Interest Rate
FB .....	LIBOR + 1.4%	2.500000%	1.40%	7.000000%	19	0.00%
FM .....	LIBOR + 0.45%	1.560000	0.45	8.000000	0	0.00
FP .....	LIBOR + 0.9%	2.000000	0.90	8.000000	0	0.00
SA .....	32.716666% - (LIBOR x 4.3333333)	27.906665	0.00	32.716666	0	7.55
SB .....	22.65% - (LIBOR x 3.0)	19.32000	0.00	22.650000	0	7.55
SC .....	33.599997% - (LIBOR x 6.0)	26.999997	0.00	33.599997	19	5.60
SD .....	16.61% - (LIBOR x 2.2)	14.168000	0.00	16.610000	0	7.55
SM .....	7.55% - LIBOR	6.440000	0.00	7.550000	0	7.55
SP .....	7.1% - LIBOR	6.000000	0.00	7.100000	0	7.10

(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.

Upon any redemption of Underlying Callable Securities, each related Class of Securities will be entitled to additional interest as described in “The Trust Assets — The Underlying Callable Securities” in this Supplement.

**Allocation of Principal:** On each Distribution Date the following distributions will be made to the related Securities:

#### **SECURITY GROUP 1**

The Group 1 Principal Distribution Amount will be allocated in the following order of priority:

1. Concurrently,
  - a. 95.9469875026% to AH and TO, pro rata, until retired
  - b. 4.0530124974% in the following order of priority:
    - i. To AJ, until retired
    - ii. Concurrently, to AK and WO, pro rata, until retired
2. Concurrently, (a) 83.3333312294% to ET and (b) 16.6666687706% to RO, until RO is retired
3. Concurrently, to ET, JO and JV, pro rata, based on their then outstanding balances, until retired
4. Concurrently, to C and QO, pro rata, until retired

#### **SECURITY GROUP 2**

A percentage of the Group 2 Principal Distribution Amount will be applied to the Trustee Fee, and the remainder of the Group 2 Principal Distribution Amount (the "Group 2 Adjusted Principal Distribution Amount") and the Accrual Amount will be allocated in the following order of priority:

- The Accrual Amount in the following order of priority:
  1. Sequentially, to VB and VC, in that order, until retired
  2. Concurrently,
    - a. 51.6006591972% in the following order of priority:
      - i. To AD, until retired
      - ii. Concurrently, to AG and DO, pro rata, until retired
    - b. 36.9629464617% sequentially, to AB and AC, in that order, until retired
    - c. 11.4363943411% to BO, until retired
  3. To ZA, until retired
- The Group 2 Adjusted Principal Distribution Amount in the following order of priority:
  1. To the PAC Classes, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date, in the following order of priority:
    - a. Concurrently,
      - i. 18.8137905084% concurrently, to PA and PG, pro rata, until retired
      - ii. 13.2304846119% sequentially, to PN, PE and PH, in that order, until retired
      - iii. 67.9557248797% sequentially, to HD, HA and HE, in that order, until HE has been reduced to \$2,015,709.67

- b. Concurrently,
  - i. 18.8137905084% concurrently, to PA and PG, pro rata, until retired
  - ii. 13.2304846119% sequentially, to PN, PE and PH, in that order, until retired
  - iii. 17.9557248797% to HE, until retired
  - iv. 50% sequentially, to HB and HC, in that order, until retired
- c. Concurrently,
  - i. 50% to PB, until retired
  - ii. 50% sequentially, to HB and HC, in that order, until retired
- d. Concurrently, to PC, FO and FP, pro rata, until retired
- 2. Concurrently,
  - a. 68.8320671440% in the following order of priority:
    - i. Concurrently,
      - (A) 51.6006591972% in the following order of priority:
        - (I) To AD, until retired
        - (II) Concurrently, to AG and DO, pro rata, until retired
      - (B) 36.9629464617% sequentially, to AB and AC, in that order, until retired
      - (C) 11.4363943411% to BO, until retired
    - ii. Sequentially, to VB, VC and ZA, in that order, until retired
  - b. 31.1679328560% concurrently, to CO, FB and SC, pro rata, until retired
- 3. To the PAC Classes, in the same manner and priority as described in step 1 above, but without regard to their Aggregate Scheduled Principal Balances, until retired

**SECURITY GROUP 3**

The Group 3 Principal Distribution Amount will be allocated in the following order of priority:

- 1. To KO, until retired
- 2. Concurrently,
  - a. 91.6666% sequentially, to KB and KC, in that order, until retired
  - b. 8.3334% to GO, until retired

**SECURITY GROUP 4**

The Group 4 Principal Distribution Amount will be allocated concurrently, to FM and NO, pro rata, until retired

**Scheduled Principal Balances:** The Aggregate Scheduled Principal Balances for the PAC Classes are included in Schedule II to this Supplement. They were calculated using, among other things, the following Structuring Range:

<u>Classes</u>	<u>Structuring Range</u>
FO, FP, HA, HB, HC, HD, HE, PA, PB, PC, PE, PG, PH and PN (in the aggregate) .....	115% PSA through 265% PSA

**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 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 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 Balances indicated:

<u>Class</u>	<u>Original Class Notional Balance</u>	<u>Represents Approximately</u>
IG .....	\$ 27,853,500	30% of HA (PAC Class)
	15,461,200	20% of HD (PAC Class)
	8,000,000	32% of PE (PAC Class)
	6,750,000	27% of PG (PAC Class)
	<u>1,587,400</u>	20% of PN (PAC Class)
	<u>\$ 59,652,100</u>	
IO .....	\$150,000,000	100% of KO (SEQ/CC Class)
SM .....	\$ 50,000,000	100% of FM (PT Class)
SP.....	\$ 14,971,875	100% of FP (PAC Class)

**Tax Status:** Double REMIC Series. Separate REMIC elections will be made as to each Trust Asset Group of Underlying Callable Securities and the Trust Assets other than the Underlying Callable Securities. 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 Interest of the Issuing REMIC and the Pooling REMICs; all other Classes of REMIC Securities are Regular Classes.



**\$538,134,019**

**Government National  
Mortgage Association**

**GINNIE MAE®**

**Guaranteed REMIC  
Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2004-004**

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**OFFERING CIRCULAR SUPPLEMENT  
January 23, 2004**

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**JPMorgan**

**Blaylock & Partners, L.P.**