

Offering Circular Supplement
(To Base Offering Circular dated October 1, 2004)



\$914,201,070

Government National Mortgage Association

GINNIE MAE®

**Guaranteed REMIC Pass-Through Securities
and MX Securities
Ginnie Mae REMIC Trust 2004-086**

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-8 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 stripped mortgage-backed 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 October 29, 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.

Bear, Stearns & Co. Inc. Utendahl Capital Partners, L.P.

The date of this Offering Circular Supplement is October 25, 2004.

Ginnie Mae REMIC Trust 2004-086

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

Class of REMIC Securities	Original Principal Balance(2)	Interest Rate	Principal Type(3)	Interest Type(3)	Final Distribution Date(4)	CUSIP Number
Security Group 1						
B(1) . . .	\$ 3,012,000	6.0%	SEQ	FIX	October 2034	38374J XH 4
FP(1) ..	200,000,000	(5)	PAC/AD	FLT	September 2034	38374J XJ 0
GA(1) ..	44,444,444	4.5	PAC/AD	FIX	September 2034	38374J XK 7
PO	5,555,556	0.0	PAC/AD	PO	September 2034	38374J XL 5
SP	200,000,000	(5)	NTL (PAC/AD)	INV/IO	September 2034	38374J XM 3
ZD(1) ..	48,188,000	6.0	SUP	FIX/Z	September 2034	38374J XN 1
Security Group 2						
D(1) . . .	3,261,158	6.0	SEQ	FIX	October 2034	38374J XP 6
EA(1) ..	67,666,667	4.5	PAC/AD	FIX	September 2034	38374J XQ 4
FE(1) ..	203,000,000	(5)	PAC/AD	FLT	September 2034	38374J XR 2
JS	203,000,000	(5)	NTL (PAC/AD)	INV/IO	September 2034	38374J XS 0
ZB(1) ..	52,188,000	6.0	SUP	FIX/Z	September 2034	38374J XT 8
Security Group 3						
FJ(1) . . .	40,000,000	(5)	SC/PT	FLT	July 2034	38374J XU 5
SG(1) ..	40,000,000	(5)	NTL (SC/PT)	INV/IO	July 2034	38374J XV 3
SK(1) ..	40,000,000	(5)	NTL (SC/PT)	INV/IO	July 2034	38374J XW 1
SU(1) ..	40,000,000	(5)	NTL (SC/PT)	INV/IO	July 2034	38374J XX 9
Security Group 4						
AS(1) ..	100,000,000	(5)	NTL (PAC/AD)	INV/IO	July 2034	38374J XY 7
BS(1) ..	100,000,000	(5)	NTL (PAC/AD)	INV/IO	July 2034	38374J XZ 4
C	4,938,000	5.5	SEQ	FIX	October 2034	38374J YA 8
CS(1) ..	100,000,000	(5)	NTL (PAC/AD)	INV/IO	July 2034	38374J YB 6
DS(1) ..	100,000,000	(5)	NTL (PAC/AD)	INV/IO	July 2034	38374J YC 4
FX(1) ..	100,000,000	(5)	PAC/AD	FLT	July 2034	38374J YD 2
SL(1) ..	100,000,000	(5)	NTL (PAC/AD)	INV/IO	July 2034	38374J YE 0
TA(1) ..	100,000,000	4.0	PAC/AD	FIX	July 2034	38374J YF 7
ZX(1) ..	3,278,684	5.5	SUP	FIX/Z	January 2026	38374J YG 5
ZY(1) ..	38,668,561	5.5	SUP	FIX/Z	July 2034	38374J YH 3
Residual						
RR	0	0.0	NPR	NPR	October 2034	38374J YJ 9

(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 3 securities, the disclosure document relating to the Underlying SMBS Securities (the “Underlying SMBS Security Disclosure Document”).

The Base Offering Circular and the Underlying SMBS Security 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: Bear, Stearns & Co. Inc.

Trustee: U.S. Bank National Association

Tax Administrator: The Trustee

Closing Date: October 29, 2004

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 November 2004.

Trust Assets:

Trust Asset Group	Trust Asset Type	Certificate Rate	Original Term To Maturity (in years)
1	Ginnie Mae II	6.0%	30
2	Ginnie Mae II	6.0	30
3	Underlying SMBS Securities	(1)	(1)
4	Ginnie Mae II	5.5	30

(1) Certain information regarding the Underlying SMBS Securities 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. In the case of Combinations 1, 2, 3, 4 and 5 one or more MX Classes may be created from certain Securities in different Trust Asset Groups, resulting in these Securities receiving payments from more than one Trust Asset Group.

Assumed Characteristics of the Mortgage Loans Underlying the Group 1, Group 2 and Group 4 Trust Assets(1):

Principal Balance(2)	Weighted Average Remaining Term to Maturity (in months)	Weighted Average Loan Age (in months)	Weighted Average Mortgage Rate(3)
Group 1 Trust Assets			
\$301,200,000	352	8	6.36%
Group 2 Trust Assets			
\$326,115,825	352	8	6.36%
Group 4 Trust Assets			
\$246,885,245	356	4	6.05%

(1) As of October 1, 2004.

(2) Does not include the Group 1 Trust Assets that will be added to pay the Trustee Fee.

(3) The Mortgage Loans underlying the Group 1, 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 1, 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

Exhibit A to this Supplement for certain information regarding the characteristics of the Mortgage Loans included in the related Underlying Trusts.

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 or Interest Only 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
AS	6.65% - LIBOR	0.0500%	0.00%	0.05%	0	6.65%
BS	6.70% - LIBOR	0.0500%	0.00%	0.05%	0	6.70%
CS	6.75% - LIBOR	0.0500%	0.00%	0.05%	0	6.75%
DS	6.80% - LIBOR	0.0500%	0.00%	0.05%	0	6.80%
FA	LIBOR + 0.40%	2.1375%	0.40%	6.50%	0	0.00%
FE	LIBOR + 0.40%	2.1375%	0.40%	6.50%	0	0.00%
FG	LIBOR + 0.40%	2.2400%	0.40%	7.00%	0	0.00%
FH	LIBOR + 0.35%	2.1900%	0.35%	7.00%	0	0.00%
FJ	LIBOR + 0.30%	2.1400%	0.30%	7.00%	0	0.00%
FL	LIBOR + 0.40%	2.1375%	0.40%	7.00%	0	0.00%
FP	LIBOR + 0.40%	2.1375%	0.40%	6.50%	0	0.00%
FT	LIBOR + 0.35%	2.0875%	0.35%	7.00%	0	0.00%
FV	LIBOR + 0.30%	2.0375%	0.30%	7.00%	0	0.00%
FW	LIBOR + 0.25%	1.9875%	0.25%	7.00%	0	0.00%
FX	LIBOR + 0.20%	1.9375%	0.20%	7.00%	0	0.00%
JS	6.10% - LIBOR	4.3625%	0.00%	6.10%	0	6.10%
SG	6.60% - LIBOR	4.7600%	0.00%	6.60%	0	6.60%
SK	6.70% - LIBOR	0.0500%	0.00%	0.05%	0	6.70%
SL	6.60% - LIBOR	4.8625%	0.00%	6.60%	0	6.60%
SM	6.70% - LIBOR	4.8600%	0.00%	6.70%	0	6.70%
SP	6.10% - LIBOR	4.3625%	0.00%	6.10%	0	6.10%
ST	6.65% - LIBOR	4.9125%	0.00%	6.65%	0	6.65%
SU	6.65% - LIBOR	0.0500%	0.00%	0.05%	0	6.65%
SV	6.70% - LIBOR	4.9625%	0.00%	6.70%	0	6.70%
SW	6.75% - LIBOR	5.0125%	0.00%	6.75%	0	6.75%
SX	6.80% - LIBOR	5.0625%	0.00%	6.80%	0	6.80%
SY	6.65% - LIBOR	4.8100%	0.00%	6.65%	0	6.65%

(1) LIBOR will be established on the basis of the BBA LIBOR method, as described under “Description of the Securities — Interest Distributions — Floating Rate and Inverse Floating Rate Classes” in this Supplement.

(2) The initial Interest Rate will be in effect during the first Accrual Period; the Interest Rate will adjust monthly thereafter.

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

SECURITY GROUP 1

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

1. Concurrently, to FP, GA and PO, pro rata, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
2. To ZD, until retired
3. Concurrently, to FP, GA and PO, pro rata, without regard to their Aggregate Scheduled Principal Balance, until retired
4. To B, until retired

SECURITY GROUP 2

The Group 2 Principal Distribution Amount and the ZB Accrual Amount will be allocated as follows:

1. Concurrently, to EA and FE, pro rata, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
2. To ZB, until retired
3. Concurrently, to EA and FE, pro rata, without regard to their Aggregate Scheduled Principal Balance, until retired
4. To D, until retired

SECURITY GROUP 3

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

SECURITY GROUP 4

The Group 4 Principal Distribution Amount and the ZX and ZY Accrual Amounts will be allocated as follows:

- The ZX and ZY Accrual Amounts, while ZX is outstanding, as follows:
 1. Concurrently, to FX and TA, pro rata, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
 2. Sequentially, to ZX and ZY, in that order, until retired
- The Group 4 Principal Distribution Amount in the following order of priority:
 1. Concurrently, to FX and TA, pro rata, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
 2. Sequentially, to ZX and ZY, in that order, until retired
 3. Concurrently, to FX and TA, pro rata, without regard to their Aggregate Scheduled Principal Balance, until retired
 4. To C, 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 Ranges:

<u>Classes</u>	<u>Structuring Ranges</u>
FP, GA and PO (in the aggregate)	350% PSA through 500% PSA
EA and FE (in the aggregate)	350% PSA through 500% PSA
FX and TA (in the aggregate)	350% PSA through 500% PSA

Accrual Classes: Interest will accrue on each Accrual Class identified on the inside front cover of this Supplement at the per annum rate set forth on that page. However, no interest will be distributed to the Accrual Classes, other than Class ZY, as interest. No interest will be distributed to Accrual Class ZY until the Distribution Date following the Distribution Date on which the Class ZX Principal Balance has been reduced to zero. Interest so accrued on each Accrual Class on each Distribution Date will constitute an Accrual Amount, which will be added to the Class Principal Balance of that Class on each Distribution Date and will be distributable as principal as set forth in this Terms Sheet under “Allocation of Principal.” After interest distributions commence on Accrual Class ZY, interest distributions will continue until the Class Principal Balance of such class is reduced to zero.

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

<u>Class</u>	<u>Original Class Notional Balance</u>	<u>Represents Approximately</u>
AS	\$ 100,000,000	100% of Class FX (PAC/AD Class)
BS	100,000,000	100% of Class FX (PAC/AD Class)
CS	100,000,000	100% of Class FX (PAC/AD Class)
DS	100,000,000	100% of Class FX (PAC/AD Class)
JS	203,000,000	100% of Class FE (PAC/AD Class)
PI	37,370,370	33.3333333333% of Class PA (PAC/AD Class)
SG	40,000,000	100% of Class FJ (SC/PT Class)
SK	40,000,000	100% of Class FJ (SC/PT Class)
SL	100,000,000	100% of Class FX (PAC/AD Class)
SM	40,000,000	100% of Class FJ (SC/PT Class)
SP	200,000,000	100% of Class FP (PAC/AD Class)
ST	100,000,000	100% of Class FX (PAC/AD Class)
SU	40,000,000	100% of Class FJ (SC/PT Class)
SV	100,000,000	100% of Class FX (PAC/AD Class)
SW	100,000,000	100% of Class FX (PAC/AD Class)
SX	100,000,000	100% of Class FX (PAC/AD Class)
SY	40,000,000	100% of Class FJ (SC/PT Class)
TI	18,181,818	18.1818181818% of TA (PAC/AD 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 classes, the related 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 related PAC classes for that distribution date, this excess will be distributed to the related support classes.

The rate of principal payments on the underlying SMBS securities will directly affect the rate of principal payments on the group 3 securities. The underlying SMBS securities will be sensitive in varying degrees to the rate of payments of principal (including prepayments) of the related mortgage loans. The certificate rate of the underlying SMBS securities exceeds the interest rate on the related mortgage loans. If prevailing interest rates are higher than the interest rates on the related mortgage loans, then borrowers will be less likely to make principal prepayments resulting in slower returns of principal payments on the group 3 securities. If prevailing interest rates are lower than the interest rates on the related mortgage loans, then the underlying SMBS securities will experience

significant principal prepayments resulting in faster prepayments than anticipated by investors in the group 3 securities.

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

The securities may not be a suitable investment for you. The securities, especially the group 3 securities and, in particular, the support, interest only, principal only, interest 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 SMBS Securities, will evidence, directly or indirectly, Ginnie Mae Certificates.

The Trust MBS (Groups 1, 2 and 4)

The Group 1, Group 2 and Group 4 Trust Assets are either:

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

Each Mortgage Loan underlying a Ginnie Mae II MBS Certificate issued prior to July 1, 2003 bears interest at a Mortgage Rate 0.50% to 1.50% per annum greater than the related Certificate Rate. Each Mortgage Loan underlying a Ginnie Mae II MBS Certificate issued on or after July 1, 2003 bears interest at a Mortgage Rate 0.25% to 0.75% per annum greater than the related Certificate Rate. Ginnie Mae receives a fee (the “Ginnie Mae Certificate Guaranty Fee”) for its guaranty of each Ginnie Mae II MBS Certificate of 0.06% per annum of the outstanding principal balance of each related Mortgage Loan. The difference between (a) the Mortgage Rate and (b) the sum of the Certificate Rate and the Ginnie Mae Certificate Guaranty Fee is used to pay the related servicers of the Mortgage Loans a monthly servicing fee.

The Underlying SMBS Securities (Group 3)

The Group 3 Trust Assets are Underlying SMBS Securities that represent beneficial ownership interests in separate trusts, the assets of which evidence direct or indirect beneficial ownership interests in certain Ginnie Mae Certificates. Distributions on the Underlying SMBS Securities are based on and backed by the principal and interest distributions from Ginnie Mae II Certificates which have a Certificate Rate of 5.5%. Each Underlying SMBS Security constitutes all or a portion of a class of a separate Series of certificates described in the Underlying SMBS Security Disclosure Document, excerpts of which are attached as Exhibit A to this Supplement. The Underlying SMBS Security 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 SMBS Security 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 SMBS Securities” in the Base Offering Circular.*

Each Underlying SMBS Security 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, Group 2 and Group 4 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, Group 2 and Group 4 Trust Assets” and the general characteristics described in the Base Offering Circular. The Mortgage Loans underlying the Underlying SMBS Securities are expected to have, on a weighted average basis, the characteristics set forth in Exhibit A to this Supplement. The Mortgage Loans will consist of first lien, single-family, fixed rate, residential mortgage loans that are insured or guaranteed by the Federal Housing Administration, the United States Department of Veterans Affairs, the Rural Housing Service or the United States Department of Housing and Urban Development (“HUD”). See *“The Ginnie Mae Certificates — General” in the Base Offering Circular.*

Specific information regarding the characteristics of the Mortgage Loans is not available. For purposes of this Supplement, certain assumptions have been made regarding the remaining terms to maturity, loan ages and, in the case of the Group 1, Group 2 and Group 4 Trust Assets, Mortgage Rates of the Mortgage Loans. However, the actual remaining terms to maturity, loan ages and, in the case of the Group 1, Group 2 and Group 4 Trust Assets, Mortgage Rates of many of the Mortgage Loans will differ from the characteristics assumed, perhaps significantly. This will be the case even if the weighted average characteristics of the Mortgage Loans are the same as the assumed characteristics. Small differences in the characteristics of the Mortgage Loans can have a significant effect on the weighted average lives and yields of the Securities. See *“Risk Factors” and “Yield, Maturity and Prepayment Considerations” in this Supplement.*

The Trustee Fee

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

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 Date” 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	The calendar month preceding the related Distribution Date
Floating Rate and Inverse Floating Rate Classes	From the 20th day of the month preceding the month of the related Distribution Date through the 19th 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.

Accrual Classes

Each of Class ZB, ZD, ZX and ZY is an Accrual Class. Interest will accrue on the Accrual Classes and be distributed as described under “Terms Sheet — Accrual Classes” in this Supplement.

Principal Distributions

The Principal Distribution Amount or the Adjusted Principal Distribution Amount for each Group, as applicable, and the Accrual Amounts 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 each Distribution Date, the factor (carried out to eight decimal places) that when multiplied by the Original Class Principal Balance (or original Class Notional Balance) of that Class, determines the Class Principal Balance (or Class Notional Balance) after giving effect to the distribution of principal to be made on the Securities (and any addition to the Class Principal Balance of an Accrual Class) 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 (or addition to principal) 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 (other than an Accrual Class) can calculate the amount of principal and interest to be distributed to that Class, and investors in an Accrual Class can calculate the total amount of principal to be distributed to (or interest to be added to the Class Principal Balance of) that Class 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.

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 or, in the case of Combination 5 and 10, 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 Combination 5 and 10, the Class PA and TA 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 Class PA 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 One Federal Street, 3rd Floor, Boston, Massachusetts, 02110, Attention: Corporate Trust Services. The Trustee may be contacted by telephone at (617) 603-6451 and by fax at (617) 603-6644.

A fee will be payable to the Trustee in connection with each exchange equal to $\frac{1}{32}$ of 1% of the outstanding principal balance (or notional balance) of the Securities surrendered for exchange (but not less than \$2,000 or more than \$25,000); provided, however that no fee will be payable in respect of an interest only security, unless all securities involved in the exchange are interest only securities. If the notional balance of the interest only securities surrendered exceeds that of the interest only securities received, the fee will be based on the latter. 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 3 Securities are urged to review the discussion under "Risk Factors — The rate of principal payments on the underlying SMBS securities will directly affect the rate of principal payments on the group 3 securities" in this Supplement.

Accretion Directed Classes

Classes EA, FE, FP, FX, GA, PO and TA are Accretion Directed Classes. The related Accrual Amount will be applied to making principal distributions on those Classes as described in this Supplement. In addition, each of Class JS and SP is a Notional Class whose Class Notional Balance is determined by reference to the Class Principal Balance of Class FE and FP, respectively. Each of Class AS, BS, CS, DS and SL is a Notional Class whose Class Notional Balance is determined by reference to the Class Principal Balance of Class FX.

Each of Class EA, FE, FP, FX, GA, PO and TA has the AD designation in the suffix position, rather than the prefix position, in its class principal type because it does not have principal payment stability through the applicable pricing prepayment assumption. Although the Accretion Directed Classes are entitled to receive payments from the related Accrual Amounts, they do not have principal payment stability through any prepayment rate significantly higher than 0% PSA.

Securities that Receive Principal on the Basis of Schedules

As described in this Supplement, the PAC Classes will receive principal payments in accordance with aggregate schedules calculated on the basis of, among other things, Structuring Ranges. See *"Terms Sheet — Scheduled Principal Balances."* However, whether any such Classes will adhere to their applicable schedule and receive "Scheduled Payments" on a Distribution Date will largely depend on the level of prepayments experienced by the related Mortgage Loans.

The PAC Classes exhibit Effective Ranges of constant prepayment rates at which such Classes in the aggregate will receive Scheduled Payments. Those ranges may differ from the Structuring Ranges

used to create the related principal balance schedule. Based on the Modeling Assumptions, the initial Effective Ranges for the PAC Classes are as follows:

<u>PAC Classes</u>	<u>Initial Effective Ranges</u>
FP, GA and PO (in the aggregate)	326% PSA through 507% PSA
EA and FE (in the aggregate)	326% PSA through 507% PSA
FX and TA (in the aggregate)	350% PSA through 500% PSA

- The principal payment stability of the PAC Classes will be supported by the related 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 the related Classes in the above table, those Classes could fail to receive Scheduled Payments.

If the related Mortgage Loans prepay at rates that are generally below the Effective Range for the related PAC Classes, the amount available to pay principal on the Securities may be insufficient to produce Scheduled Payments on such related PAC Classes, and their Weighted Average Lives may be extended, perhaps significantly.

If the related Mortgage Loans prepay at rates that are generally above the Effective Range for the related PAC Classes, their supporting Classes may be retired earlier than those PAC Classes, and their Weighted Average Lives 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

The tables that follow have been prepared on the basis of the characteristics of the Underlying SMBS Securities and the following assumptions (the “Modeling Assumptions”), among others:

1. The Mortgage Loans underlying the Group 1, Group 2 and Group 4 Trust Assets have the assumed characteristics shown under “Assumed Characteristics of the Mortgage Loans Underlying the Group 1, Group 2 and Group 4 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, Group 2 or Group 4 Trust Asset is assumed to have an original and a remaining term to maturity of 360 months and each Mortgage Loan underlying a Group 1, Group 2 and Group 4 Trust Asset is assumed to have a Mortgage Rate of 1.50% per annum higher than the related Certificate Rate.

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

3. Distributions on the Securities are always received on the 20th day of the month, whether or not a Business Day, commencing in November 2004.

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

5. The Closing Date for the Securities is October 29, 2004.

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

7. Distributions on the Underlying SMBS Securities are made as described in the Underlying SMBS Security Disclosure Document.

8. Each Class is held from the Closing Date and is not exchanged in whole or in part.

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

- For example, most of the Mortgage Loans will not have the characteristics assumed, many Distribution Dates will occur on a Business Day after the 20th day of the month, 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**

Distribution Date	Class B					Classes FP, GA, PO and SP					Class ZD				
	0%	350%	381%	500%	750%	0%	350%	381%	500%	750%	0%	350%	381%	500%	750%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 2005	100	100	100	100	100	98	86	86	86	86	106	100	94	73	28
October 2006	100	100	100	100	100	95	66	66	66	54	113	100	87	37	0
October 2007	100	100	100	100	100	93	47	47	47	29	120	100	82	17	0
October 2008	100	100	100	100	100	90	32	32	32	15	127	100	80	12	0
October 2009	100	100	100	100	100	87	21	21	21	8	135	97	76	12	0
October 2010	100	100	100	100	100	84	13	13	13	4	143	89	69	12	0
October 2011	100	100	100	100	100	80	8	8	8	1	152	79	61	12	0
October 2012	100	100	100	100	100	76	4	4	4	0	161	69	53	12	0
October 2013	100	100	100	100	62	73	2	2	2	0	171	60	46	12	0
October 2014	100	100	100	100	33	68	0	0	0	0	182	51	40	12	0
October 2015	100	100	100	100	18	64	0	0	0	0	193	38	29	7	0
October 2016	100	100	100	100	9	59	0	0	0	0	205	28	20	3	0
October 2017	100	100	100	95	5	54	0	0	0	0	218	20	13	0	0
October 2018	100	100	100	64	3	48	0	0	0	0	231	14	8	0	0
October 2019	100	100	100	43	1	42	0	0	0	0	245	9	5	0	0
October 2020	100	100	100	29	1	36	0	0	0	0	261	5	2	0	0
October 2021	100	100	93	19	0	29	0	0	0	0	277	2	0	0	0
October 2022	100	100	68	13	0	22	0	0	0	0	294	0	0	0	0
October 2023	100	76	49	8	0	14	0	0	0	0	312	0	0	0	0
October 2024	100	56	35	5	0	6	0	0	0	0	331	0	0	0	0
October 2025	100	40	25	3	0	0	0	0	0	0	336	0	0	0	0
October 2026	100	29	17	2	0	0	0	0	0	0	309	0	0	0	0
October 2027	100	20	12	1	0	0	0	0	0	0	279	0	0	0	0
October 2028	100	14	8	1	0	0	0	0	0	0	247	0	0	0	0
October 2029	100	9	5	0	0	0	0	0	0	0	212	0	0	0	0
October 2030	100	6	3	0	0	0	0	0	0	0	175	0	0	0	0
October 2031	100	3	2	0	0	0	0	0	0	0	134	0	0	0	0
October 2032	100	2	1	0	0	0	0	0	0	0	91	0	0	0	0
October 2033	100	0	0	0	0	0	0	0	0	0	44	0	0	0	0
October 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average															
Life (years):	29.9	21.1	19.7	15.4	9.8	12.7	3.3	3.3	3.3	2.5	25.8	10.1	8.2	2.7	0.7

Security Group 2

Distribution Date	Class D					Classes EA, FE and JS					Class ZB				
	0%	350%	381%	500%	750%	0%	350%	381%	500%	750%	0%	350%	381%	500%	750%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 2005	100	100	100	100	100	98	86	86	86	86	106	100	94	73	28
October 2006	100	100	100	100	100	95	66	66	66	54	113	100	87	37	0
October 2007	100	100	100	100	100	93	47	47	47	29	120	100	82	17	0
October 2008	100	100	100	100	100	90	32	32	32	15	127	100	80	12	0
October 2009	100	100	100	100	100	87	21	21	21	8	135	97	76	12	0
October 2010	100	100	100	100	100	84	13	13	13	4	143	89	69	12	0
October 2011	100	100	100	100	100	80	8	8	8	1	152	79	61	12	0
October 2012	100	100	100	100	100	76	4	4	4	0	161	69	53	12	0
October 2013	100	100	100	100	62	73	2	2	2	0	171	60	46	12	0
October 2014	100	100	100	100	33	68	0	0	0	0	182	51	40	12	0
October 2015	100	100	100	100	18	64	0	0	0	0	193	38	29	7	0
October 2016	100	100	100	100	9	59	0	0	0	0	205	28	20	3	0
October 2017	100	100	100	95	5	54	0	0	0	0	218	20	13	0	0
October 2018	100	100	100	64	3	48	0	0	0	0	231	14	8	0	0
October 2019	100	100	100	43	1	42	0	0	0	0	245	9	5	0	0
October 2020	100	100	100	29	1	36	0	0	0	0	261	5	2	0	0
October 2021	100	100	93	19	0	29	0	0	0	0	277	2	0	0	0
October 2022	100	100	68	13	0	22	0	0	0	0	294	0	0	0	0
October 2023	100	76	49	8	0	14	0	0	0	0	312	0	0	0	0
October 2024	100	56	35	5	0	6	0	0	0	0	331	0	0	0	0
October 2025	100	40	25	3	0	0	0	0	0	0	336	0	0	0	0
October 2026	100	29	17	2	0	0	0	0	0	0	309	0	0	0	0
October 2027	100	20	12	1	0	0	0	0	0	0	279	0	0	0	0
October 2028	100	14	8	1	0	0	0	0	0	0	246	0	0	0	0
October 2029	100	9	5	0	0	0	0	0	0	0	212	0	0	0	0
October 2030	100	6	3	0	0	0	0	0	0	0	174	0	0	0	0
October 2031	100	3	2	0	0	0	0	0	0	0	134	0	0	0	0
October 2032	100	2	1	0	0	0	0	0	0	0	91	0	0	0	0
October 2033	100	0	0	0	0	0	0	0	0	0	44	0	0	0	0
October 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average															
Life (years):	29.9	21.1	19.7	15.4	9.8	12.7	3.3	3.3	3.3	2.5	25.8	10.1	8.2	2.7	0.7

Security Group 1 and Security Group 2

Distribution Date	Class G					Classes FA, PA, PI, PJ, PK, PL PM, PN, PT, PU and PV					Class ZA				
	0%	350%	381%	500%	750%	0%	350%	381%	500%	750%	0%	350%	381%	500%	750%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 2005	100	100	100	100	100	98	86	86	86	86	106	100	94	73	28
October 2006	100	100	100	100	100	95	66	66	66	54	113	100	87	37	0
October 2007	100	100	100	100	100	93	47	47	47	29	120	100	82	17	0
October 2008	100	100	100	100	100	90	32	32	32	15	127	100	80	12	0
October 2009	100	100	100	100	100	87	21	21	21	8	135	97	76	12	0
October 2010	100	100	100	100	100	84	13	13	13	4	143	89	69	12	0
October 2011	100	100	100	100	100	80	8	8	8	1	152	79	61	12	0
October 2012	100	100	100	100	100	76	4	4	4	0	161	69	53	12	0
October 2013	100	100	100	100	62	73	2	2	2	0	171	60	46	12	0
October 2014	100	100	100	100	33	68	0	0	0	0	182	51	40	12	0
October 2015	100	100	100	100	18	64	0	0	0	0	193	38	29	7	0
October 2016	100	100	100	100	9	59	0	0	0	0	205	28	20	3	0
October 2017	100	100	100	95	5	54	0	0	0	0	218	20	13	0	0
October 2018	100	100	100	64	3	48	0	0	0	0	231	14	8	0	0
October 2019	100	100	100	43	1	42	0	0	0	0	245	9	5	0	0
October 2020	100	100	100	29	1	36	0	0	0	0	261	5	2	0	0
October 2021	100	100	93	19	0	29	0	0	0	0	277	2	0	0	0
October 2022	100	100	68	13	0	22	0	0	0	0	294	0	0	0	0
October 2023	100	76	49	8	0	14	0	0	0	0	312	0	0	0	0
October 2024	100	56	35	5	0	6	0	0	0	0	331	0	0	0	0
October 2025	100	40	25	3	0	0	0	0	0	0	336	0	0	0	0
October 2026	100	29	17	2	0	0	0	0	0	0	308	0	0	0	0
October 2027	100	20	12	1	0	0	0	0	0	0	279	0	0	0	0
October 2028	100	14	8	1	0	0	0	0	0	0	246	0	0	0	0
October 2029	100	9	5	0	0	0	0	0	0	0	212	0	0	0	0
October 2030	100	6	3	0	0	0	0	0	0	0	174	0	0	0	0
October 2031	100	3	2	0	0	0	0	0	0	0	134	0	0	0	0
October 2032	100	2	1	0	0	0	0	0	0	0	91	0	0	0	0
October 2033	100	0	0	0	0	0	0	0	0	0	44	0	0	0	0
October 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average															
Life (years):	29.9	21.1	19.7	15.4	9.8	12.7	3.3	3.3	3.3	2.5	25.8	10.1	8.2	2.7	0.7

Security Group 3

Distribution Date	Classes FG, FH, FJ, SG, SK SM, SU and SY				
	0%	100%	300%	450%	600%
Initial Percent	100	100	100	100	100
October 2005	99	96	91	88	84
October 2006	97	90	77	67	58
October 2007	96	84	62	48	37
October 2008	94	77	50	35	23
October 2009	93	71	40	25	15
October 2010	91	66	32	18	9
October 2011	89	61	26	13	6
October 2012	87	56	21	9	4
October 2013	85	51	17	6	2
October 2014	83	47	13	5	1
October 2015	80	43	11	3	1
October 2016	78	39	8	2	1
October 2017	75	35	7	2	0
October 2018	72	32	5	1	0
October 2019	69	29	4	1	0
October 2020	66	26	3	1	0
October 2021	63	23	3	0	0
October 2022	59	20	2	0	0
October 2023	55	18	1	0	0
October 2024	51	16	1	0	0
October 2025	47	13	1	0	0
October 2026	43	11	1	0	0
October 2027	38	10	0	0	0
October 2028	33	8	0	0	0
October 2029	27	6	0	0	0
October 2030	22	5	0	0	0
October 2031	16	3	0	0	0
October 2032	9	2	0	0	0
October 2033	2	0	0	0	0
October 2034	0	0	0	0	0
Weighted Average					
Life (years):	18.7	10.9	5.3	3.8	2.9

Security Group 4

Classes AS, BS, CS, DS, FL, FT
 FV, FW, FX, SL, ST, SV, SW,
 SX, TA, TB, TC, TD, TE and TI

Distribution Date	Class C					Class E									
	0%	350%	381%	500%	750%	0%	350%	381%	500%	750%					
Initial Percent	100	100	100	100	100	100	100	100	100	100					
October 2005	98	89	89	89	89	100	100	100	100	100					
October 2006	95	70	70	70	64	100	100	100	100	100					
October 2007	92	50	50	50	34	100	100	100	100	100					
October 2008	89	33	33	33	17	100	100	100	100	100					
October 2009	86	21	21	21	8	100	100	100	100	100					
October 2010	83	13	13	13	3	100	100	100	100	100					
October 2011	79	7	7	7	1	100	100	100	100	100					
October 2012	75	3	3	3	0	100	100	100	100	67					
October 2013	71	0	0	0	0	100	100	100	100	36					
October 2014	67	0	0	0	0	100	100	100	100	19					
October 2015	63	0	0	0	0	100	100	100	100	10					
October 2016	58	0	0	0	0	100	100	100	77	6					
October 2017	53	0	0	0	0	100	100	100	52	3					
October 2018	47	0	0	0	0	100	100	100	35	2					
October 2019	41	0	0	0	0	100	100	92	24	1					
October 2020	35	0	0	0	0	100	97	68	16	0					
October 2021	28	0	0	0	0	100	73	50	11	0					
October 2022	21	0	0	0	0	100	54	36	7	0					
October 2023	13	0	0	0	0	100	40	26	5	0					
October 2024	5	0	0	0	0	100	30	19	3	0					
October 2025	0	0	0	0	0	100	22	13	2	0					
October 2026	0	0	0	0	0	100	16	9	1	0					
October 2027	0	0	0	0	0	100	11	7	1	0					
October 2028	0	0	0	0	0	100	8	4	0	0					
October 2029	0	0	0	0	0	100	5	3	0	0					
October 2030	0	0	0	0	0	100	3	2	0	0					
October 2031	0	0	0	0	0	100	2	1	0	0					
October 2032	0	0	0	0	0	100	1	1	0	0					
October 2033	0	0	0	0	0	100	0	0	0	0					
October 2034	0	0	0	0	0	0	0	0	0	0					
Weighted Average															
Life (years):	12.5	3.4	3.4	3.4	2.7	29.9	19.1	17.8	13.9	9.0	25.7	9.9	8.1	3.2	1.0

Distribution Date	Class ZX					Class ZY				
	0%	350%	381%	500%	750%	0%	350%	381%	500%	750%
Initial Percent	100	100	100	100	100	100	100	100	100	100
October 2005	106	33	0	0	0	106	106	104	88	55
October 2006	112	0	0	0	0	112	108	97	54	0
October 2007	118	0	0	0	0	118	108	91	28	0
October 2008	125	0	0	0	0	125	108	88	19	0
October 2009	132	0	0	0	0	132	106	86	19	0
October 2010	139	0	0	0	0	139	99	79	19	0
October 2011	147	0	0	0	0	147	90	72	19	0
October 2012	155	0	0	0	0	155	80	63	19	0
October 2013	164	0	0	0	0	164	69	55	18	0
October 2014	173	0	0	0	0	173	50	38	9	0
October 2015	183	0	0	0	0	183	36	25	2	0
October 2016	193	0	0	0	0	193	24	16	0	0
October 2017	204	0	0	0	0	204	16	9	0	0
October 2018	216	0	0	0	0	216	9	3	0	0
October 2019	228	0	0	0	0	228	4	0	0	0
October 2020	241	0	0	0	0	241	0	0	0	0
October 2021	254	0	0	0	0	254	0	0	0	0
October 2022	269	0	0	0	0	269	0	0	0	0
October 2023	284	0	0	0	0	284	0	0	0	0
October 2024	300	0	0	0	0	300	0	0	0	0
October 2025	122	0	0	0	0	317	0	0	0	0
October 2026	0	0	0	0	0	299	0	0	0	0
October 2027	0	0	0	0	0	269	0	0	0	0
October 2028	0	0	0	0	0	236	0	0	0	0
October 2029	0	0	0	0	0	202	0	0	0	0
October 2030	0	0	0	0	0	165	0	0	0	0
October 2031	0	0	0	0	0	125	0	0	0	0
October 2032	0	0	0	0	0	82	0	0	0	0
October 2033	0	0	0	0	0	36	0	0	0	0
October 2034	0	0	0	0	0	0	0	0	0	0
Weighted Average										
Life (years):	21.0	0.8	0.5	0.3	0.1	25.9	9.9	8.4	3.4	1.0

Yield Considerations

An investor seeking to maximize yield should make a decision whether to invest in any Class based on the anticipated yield of that Class resulting from its purchase price, the investor's own projection of Mortgage Loan prepayment rates under a variety of scenarios, and in the case of the Group 3 Securities, the investor's own projection of principal payment rates on the Underlying SMBS Securities under a variety of scenarios, and, in the case of a Floating Rate or an Interest Only 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 SMBS Security 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 certain Inverse Floating Rate Classes

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

The effective yield on any Fixed Rate 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 (or added to the principal amount of) that Class even though interest began to accrue approximately 50 days earlier.

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 PO to Prepayments
Assumed Price 84.0%

PSA Prepayment Assumption Rates			
350%	381%	500%	750%
5.6%	5.6%	5.6%	7.4%

Sensitivity of Class SP to Prepayments
Assumed Price 7.343750%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>350%</u>	<u>381%</u>	<u>500%</u>	<u>750%</u>
0.73750%	55.8%	55.8%	55.8%	45.8%
1.73750%	38.3%	38.3%	38.3%	27.1%
4.73750%	(16.1)%	(16.1)%	(16.1)%	(31.7)%
6.10000% and above	**	**	**	**

SECURITY GROUP 1 AND SECURITY GROUP 2

Sensitivity of Class PI to Prepayments
Assumed Price 17.593750%*

<u>PSA Prepayment Assumption Rates</u>				
<u>350%</u>	<u>381%</u>	<u>500%</u>	<u>609%</u>	<u>750%</u>
4.2%	4.2%	4.2%	0.0%	(9.6)%

SECURITY GROUP 2

Sensitivity of Class JS to Prepayments
Assumed Price 7.187500%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>350%</u>	<u>381%</u>	<u>500%</u>	<u>750%</u>
0.73750%	58.0%	58.0%	58.0%	48.0%
1.73750%	40.0%	40.0%	40.0%	28.9%
4.73750%	(15.4)%	(15.4)%	(15.4)%	(31.0)%
6.10000% and above	**	**	**	**

SECURITY GROUP 3

Sensitivity of Class SG to Prepayments
Assumed Price 9.898438%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>300%</u>	<u>450%</u>	<u>600%</u>
0.84%	58.1%	47.2%	38.7%	29.9%
1.84%	45.9%	34.8%	26.2%	17.3%
4.84%	10.8%	(0.9)%	(10.2)%	(19.9)%
6.60% and above	**	**	**	**

Sensitivity of Class SK to Prepayments
Assumed Price 0.125000%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>300%</u>	<u>450%</u>	<u>600%</u>
6.650% and below	36.2%	24.9%	16.2%	7.1%
6.675%	13.3%	1.6%	(7.6)%	(17.3)%
6.700% 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 10.148438%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>300%</u>	<u>450%</u>	<u>600%</u>
0.84%	57.5%	46.6%	38.1%	29.3%
1.84%	45.7%	34.6%	26.0%	17.1%
4.84%	11.4%	(0.3)%	(9.5)%	(19.2)%
6.70% and above	**	**	**	**

Sensitivity of Class SU to Prepayments
Assumed Price 0.125000%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>300%</u>	<u>450%</u>	<u>600%</u>
6.600% and below	36.2%	24.9%	16.2%	7.1%
6.625%	13.3%	1.6%	(7.6)%	(17.3)%
6.650% and above	**	**	**	**

Sensitivity of Class SY to Prepayments
Assumed Price 10.023438%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>300%</u>	<u>450%</u>	<u>600%</u>
0.84%	57.8%	46.9%	38.4%	29.6%
1.84%	45.8%	34.7%	26.1%	17.2%
4.84%	11.1%	(0.6)%	(9.9)%	(19.6)%
6.65% and above	**	**	**	**

SECURITY GROUP 4
Sensitivity of Class AS to Prepayments
Assumed Price 0.125000%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>350%</u>	<u>381%</u>	<u>500%</u>	<u>750%</u>
6.60% and below	14.5%	14.5%	14.5%	4.1%
6.625%	(14.2)%	(14.2)%	(14.2)%	(27.3)%
6.650% and above	**	**	**	**

Sensitivity of Class BS to Prepayments
Assumed Price 0.125000%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>350%</u>	<u>381%</u>	<u>500%</u>	<u>750%</u>
6.650% and below	14.5%	14.5%	14.5%	4.1
6.675%	(14.2)%	(14.2)%	(14.2)%	(27.3)%
6.700% 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 CS to Prepayments
Assumed Price 0.125000%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>350%</u>	<u>381%</u>	<u>500%</u>	<u>750%</u>
6.700% and below	14.5%	14.5%	14.5%	4.1%
6.725%	(14.2)%	(14.2)%	(14.2)%	(27.3)%
6.750% and above	**	**	**	**

Sensitivity of Class DS to Prepayments
Assumed Price 0.125000%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>350%</u>	<u>381%</u>	<u>500%</u>	<u>750%</u>
6.750% and below	14.5%	14.5%	14.5%	4.1%
6.775%	(14.2)%	(14.2)%	(14.2)%	(27.3)%
6.800% and above	**	**	**	**

Sensitivity of Class SL to Prepayments
Assumed Price 9.656250%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>350%</u>	<u>381%</u>	<u>500%</u>	<u>750%</u>
0.73750%	42.3%	42.3%	42.3%	34.1%
1.73750%	28.6%	28.6%	28.6%	19.4%
4.73750%	(15.1)%	(15.1)%	(15.1)%	(28.3)%
6.60000% and above	**	**	**	**

Sensitivity of Class ST to Prepayments
Assumed Price 9.781250%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>350%</u>	<u>381%</u>	<u>500%</u>	<u>750%</u>
0.73750%	41.9%	41.9%	41.9%	33.7%
1.73750%	28.4%	28.4%	28.4%	19.2%
4.73750%	(14.7)%	(14.7)%	(14.7)%	(27.8)%
6.65000% and above	**	**	**	**

Sensitivity of Class SV to Prepayments
Assumed Price 9.906250%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>350%</u>	<u>381%</u>	<u>500%</u>	<u>750%</u>
0.73750%	41.6%	41.6%	41.6%	33.3%
1.73750%	28.3%	28.3%	28.3%	19.1%
4.73750%	(14.3)%	(14.3)%	(14.3)%	(27.4)%
6.70000% 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 SW to Prepayments
Assumed Price 10.031250%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>350%</u>	<u>381%</u>	<u>500%</u>	<u>750%</u>
0.73750%	41.3%	41.3%	41.3%	33.0%
1.73750%	28.1%	28.1%	28.1%	18.9%
4.73750%	(13.9)%	(13.9)%	(13.9)%	(26.9)%
6.75000% and above	**	**	**	**

Sensitivity of Class SX to Prepayments
Assumed Price 10.156250%*

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>350%</u>	<u>381%</u>	<u>500%</u>	<u>750%</u>
0.73750%	40.9%	40.9%	40.9%	32.6%
1.73750%	27.9%	27.9%	27.9%	18.7%
4.73750%	(13.5)%	(13.5)%	(13.5)%	(26.5)%
6.80000% and above	**	**	**	**

Sensitivity of Class TI to Prepayments
Assumed Price 18.875000%*

<u>PSA Prepayment Assumption Rates</u>				
<u>288%</u>	<u>350%</u>	<u>381%</u>	<u>500%</u>	<u>750%</u>
0.0%	(1.4)%	(1.4)%	(1.4)%	(13.2)%

* 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.

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 Stroock & Stroock & Lavan LLP, 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 PO 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 AS, BS, CS, DS, JS, SG, SK, SL, SP and SU 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 Interest Weighted Securities should expect to accrue all income on these Securities (other than income attributable to market discount or *de minimus* market discount) under the OID rules based on the expected payments on these Securities at the prepayment assumption described below.

The Class ZB, ZD, ZX and ZY Securities are Accrual Securities. Holders of Accrual Securities are required to accrue all income from their Securities (other than income attributable to market discount or *de minimis* market discount) under the OID rules based on the expected payments on the Accrual Securities at the prepayment assumption described below.

Other than the Regular Securities described in the preceding three paragraphs, based on anticipated prices (including accrued interest), the assumed Mortgage Loan characteristics and the prepayment assumptions described below and, in the case of the Floating Rate Classes, the constant LIBOR values described below, no Class is expected to be issued with OID.

Prospective investors in the Regular 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 381% PSA in the case of the Group 1, Group 2 and Group 4 Securities and 300% PSA in the case of the Group 3 Securities (as described in “Yield, Maturity and Prepayment Considerations” in this Supplement). In the case of the Floating Rate and Inverse Floating Rate Classes, the constant value of LIBOR to be used for these determinations is 1.7375% in the case of the Group 1, Group 2 and Group 4 Securities and 1.8400% 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 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 REMIC, 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 SMBS Securities will be computed using the same prepayment assumption as set forth under “Certain Federal Income Tax Consequences — Regular Securities” in this Supplement.

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) October 1, 2004 on the Fixed Rate Classes, and (2) October 20, 2004 on the 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, Group 2 and Group 4 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) the Aggregate Scheduled Principal Balances of each Class receiving principal distributions or interest distributions based upon a notional balance from the same Trust Asset Group 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 Hunton & Williams LLP, for the Trust by Stroock & Stroock & Lavan LLP and Marcell Solomon & Associates, P.C. and for the Trustee by Nixon Peabody LLP.

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)
Security Group 1 and Security Group 2								
Combination 1								
FP	\$200,000,000	FA	\$403,000,000	PAC/AD	(6)	FLT	38374J YK 6	September 2034
FE	203,000,000							
Combination 2								
ZB	52,188,000	ZA	100,376,000	SUP	6.00%	FIX/Z	38374J YL 4	September 2034
ZD	48,188,000							
Combination 3								
B	3,012,000	G	6,273,158	SEQ	6.00	FIX	38374J YM 2	October 2034
D	3,261,158							
Combination 4								
GA	44,444,444	PA	112,111,111	PAC/AD	4.50	FIX	38374J YN 0	September 2034
EA	67,666,667							
Combination 5(7)								
PA(5)	112,111,111	PI	37,370,370	NTL (PAC/AD)	6.00	FIX/IO	38374J YP 5	September 2034
		PJ	112,111,111	PAC/AD	4.25	FIX	38374J YQ 3	September 2034
		PK	112,111,111	PAC/AD	4.00	FIX	38374J YR 1	September 2034
		PL	112,111,111	PAC/AD	3.75	FIX	38374J YS 9	September 2034
		PM	112,111,111	PAC/AD	3.50	FIX	38374J YT 7	September 2034
		PN	112,111,111	PAC/AD	3.25	FIX	38374J YU 4	September 2034
		PT	112,111,111	PAC/AD	3.00	FIX	38374J YV 2	September 2034
		PU	112,111,111	PAC/AD	2.75	FIX	38374J YW 0	September 2034
		PV	112,111,111	PAC/AD	2.50	FIX	38374J YX 8	September 2034
Combination 6								
FJ	40,000,000	FH	40,000,000	SC/PT	(6)	FLT	38374J YY 6	July 2034
SK	40,000,000							
Combination 7								
SU	40,000,000	FG	40,000,000	SC/PT	(6)	FLT	38374J YZ 3	July 2034
SK	40,000,000							
FJ	40,000,000							
Combination 8								
SU	40,000,000	SY	40,000,000	NTL (SC/PT)	(6)	INV/IO	38374J ZA 7	July 2034
SG	40,000,000							
Combination 9								
SU	40,000,000	SM	40,000,000	NTL (SC/PT)	(6)	INV/IO	38374J ZB 5	July 2034
SK	40,000,000							
SG	40,000,000							
Combination 10(7)								
TA	100,000,000	TB	100,000,000	PAC/AD	3.75	FIX	38374J ZC 3	July 2034
		TC	100,000,000	PAC/AD	3.50	FIX	38374J ZD 1	July 2034
		TD	100,000,000	PAC/AD	3.25	FIX	38374J ZE 9	July 2034
		TE	100,000,000	PAC/AD	3.00	FIX	38374J ZF 6	July 2034
		TI	18,181,818	NTL (PAC/AD)	5.50	FIX/IO	38374J ZG 4	July 2034

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)
Combination 11								
ZX	3,278,684	E	41,947,245	SEQ	5.50	FIX/Z	38374J ZH 2	July 2034
ZY	38,668,561							
Combination 12								
DS	100,000,000	FW	100,000,000	PAC/AD	(6)	FLT	38374J ZJ 8	July 2034
FX	100,000,000							
Combination 13								
CS	100,000,000	FV	100,000,000	PAC/AD	(6)	FLT	38374J ZK 5	July 2034
DS	100,000,000							
FX	100,000,000							
Combination 14								
BS	100,000,000	FT	100,000,000	PAC/AD	(6)	FLT	38374J ZL 3	July 2034
CS	100,000,000							
DS	100,000,000							
FX	100,000,000							
Combination 15								
AS	100,000,000	FL	100,000,000	PAC/AD	(6)	FLT	38374J ZM 1	July 2034
BS	100,000,000							
CS	100,000,000							
DS	100,000,000							
FX	100,000,000							
Combination 16								
AS	100,000,000	ST	100,000,000	NTL (PAC/AD)	(6)	INV/IO	38374J ZN 9	July 2034
SL	100,000,000							
Combination 17								
AS	100,000,000	SV	100,000,000	NTL (PAC/AD)	(6)	INV/IO	38374J ZP 4	July 2034
BS	100,000,000							
SL	100,000,000							
Combination 18								
AS	100,000,000	SW	100,000,000	NTL (PAC/AD)	(6)	INV/IO	38374J ZQ 2	July 2034
BS	100,000,000							
CS	100,000,000							
SL	100,000,000							
Combination 19								
AS	100,000,000	SX	100,000,000	NTL (PAC/AD)	(6)	INV/IO	38374J ZR 0	July 2034
BS	100,000,000							
CS	100,000,000							
DS	100,000,000							
SL	100,000,000							

(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) MX Class.

(6) The Interest Rate will be calculated as described under "Terms Sheet — Interest Rates" in this Supplement.

(7) In the case of Combination 5 and 10, various subcombinations are permitted. See "Description of the Securities — Modification and Exchange" in the Base Offering Circular for a discussion of subcombinations.

SCHEDULED PRINCIPAL BALANCES

<u>Distribution Date</u>	<u>Classes FP, GA and PO (in the aggregate)</u>	<u>Classes EA and FE (in the aggregate)</u>	<u>Classes FX and TA (in the aggregate)</u>
Initial Balance	\$250,000,000.00	\$270,666,667.00	\$200,000,000.00
November 2004	248,078,610.03	268,586,336.08	199,019,469.04
December 2004	245,981,886.47	266,316,167.64	197,892,781.84
January 2005	243,712,288.24	263,858,824.01	196,620,891.38
February 2005	241,272,594.59	261,217,314.36	195,205,014.21
March 2005	238,665,900.76	258,394,989.97	193,646,630.06
April 2005	235,895,612.58	255,395,538.38	191,947,480.56
May 2005	232,965,440.08	252,222,976.56	190,109,567.24
June 2005	229,879,390.27	248,881,642.96	188,135,148.72
July 2005	226,641,758.77	245,376,188.55	186,026,737.12
August 2005	223,257,120.65	241,711,566.86	183,787,093.61
September 2005	219,730,320.27	237,893,022.98	181,419,223.32
October 2005	216,066,460.30	233,926,081.69	178,926,369.32
November 2005	212,270,889.80	229,816,534.53	176,312,005.90
December 2005	208,349,191.56	225,570,426.11	173,579,831.12
January 2006	204,307,168.61	221,194,039.49	170,733,758.60
February 2006	200,150,829.97	216,693,880.77	167,777,908.57
March 2006	195,886,375.75	212,076,662.96	164,716,598.30
April 2006	191,520,181.58	207,349,289.08	161,554,331.81
May 2006	187,058,782.46	202,518,834.71	158,295,789.01
June 2006	182,508,856.02	197,592,529.89	154,945,814.16
July 2006	177,877,205.40	192,577,740.49	151,509,403.91
August 2006	173,170,741.59	187,481,949.23	147,991,694.68
September 2006	168,559,397.91	182,489,146.62	144,397,949.65
October 2006	164,041,273.19	177,597,274.21	140,733,545.34
November 2006	159,614,503.99	172,804,314.41	137,003,957.73
December 2006	155,277,263.80	168,108,289.63	133,214,748.13
January 2007	151,027,762.36	163,507,261.53	129,502,324.68
February 2007	146,864,244.95	158,999,330.19	125,865,149.07
March 2007	142,784,991.62	154,582,633.44	122,301,713.56
April 2007	138,788,316.60	150,255,346.01	118,810,540.40
May 2007	134,872,567.55	146,015,678.90	115,390,181.18
June 2007	131,036,124.93	141,861,878.60	112,039,216.32
July 2007	127,277,401.35	137,792,226.41	108,756,254.44
August 2007	123,594,840.94	133,805,037.75	105,539,931.84
September 2007	119,986,918.73	129,898,661.50	102,388,911.93
October 2007	116,452,140.02	126,071,479.31	99,301,884.71
November 2007	112,989,039.80	122,321,904.98	96,277,566.25
December 2007	109,596,182.15	118,648,383.83	93,314,698.13
January 2008	106,272,159.70	115,049,392.05	90,412,047.01
February 2008	103,015,593.02	111,523,436.10	87,568,404.06
March 2008	99,825,130.08	108,069,052.13	84,782,584.53
April 2008	96,699,445.75	104,684,805.37	82,053,427.24
May 2008	93,637,241.20	101,369,289.56	79,379,794.12
June 2008	90,637,243.46	98,121,126.42	76,760,569.77
July 2008	87,698,204.82	94,938,965.03	74,194,660.99
August 2008	84,818,902.41	91,821,481.36	71,680,996.37
September 2008	81,998,137.66	88,767,377.69	69,218,525.81
October 2008	79,234,735.84	85,775,382.13	66,806,220.14
November 2008	76,545,238.83	82,863,404.92	64,443,070.71
December 2008	73,937,244.88	80,039,672.85	62,128,088.93
January 2009	71,408,301.00	77,301,530.02	59,860,305.96
February 2009	68,956,027.61	74,646,400.01	57,648,214.24

<u>Distribution Date</u>	<u>Classes FP, GA and PO (in the aggregate)</u>	<u>Classes EA and FE (in the aggregate)</u>	<u>Classes FX and TA (in the aggregate)</u>
March 2009	\$66,578,116.41	\$72,071,783.56	\$55,503,275.74
April 2009	64,272,328.18	69,575,256.24	53,423,465.99
May 2009	62,036,490.79	67,154,466.22	51,406,821.26
June 2009	59,868,497.16	64,807,132.12	49,451,436.67
July 2009	57,766,303.34	62,531,040.90	47,555,464.49
August 2009	55,727,926.59	60,324,045.83	45,717,112.41
September 2009	53,751,443.61	58,184,064.50	43,934,641.87
October 2009	51,834,988.72	56,109,076.89	42,206,366.49
November 2009	49,976,752.17	54,097,123.56	40,530,650.48
December 2009	48,174,978.46	52,146,303.77	38,905,907.15
January 2010	46,427,964.71	50,254,773.79	37,330,597.44
February 2010	44,734,059.12	48,420,745.17	35,803,228.47
March 2010	43,091,659.39	46,642,483.08	34,322,352.21
April 2010	41,499,211.32	44,918,304.74	32,886,564.08
May 2010	39,955,207.31	43,246,577.84	31,494,501.71
June 2010	38,458,184.99	41,625,719.04	30,144,843.64
July 2010	37,006,725.88	40,054,192.53	28,836,308.10
August 2010	35,599,454.06	38,530,508.57	27,567,651.86
September 2010	34,235,034.91	37,053,222.13	26,337,669.00
October 2010	32,912,173.89	35,620,931.58	25,145,189.90
November 2010	31,629,615.30	34,232,277.35	23,989,080.04
December 2010	30,386,141.16	32,885,940.72	22,868,239.06
January 2011	29,180,570.08	31,580,642.55	21,781,599.65
February 2011	28,011,756.14	30,315,142.14	20,728,126.61
March 2011	26,878,587.85	29,088,236.06	19,706,815.88
April 2011	25,779,987.11	27,898,757.03	18,716,693.59
May 2011	24,714,908.24	26,745,572.85	17,756,815.18
June 2011	23,682,336.97	25,627,585.36	16,826,264.51
July 2011	22,681,289.52	24,543,729.40	15,924,153.01
August 2011	21,710,811.69	23,492,971.84	15,049,618.86
September 2011	20,769,977.98	22,474,310.61	14,201,826.19
October 2011	19,857,890.71	21,486,773.78	13,379,964.29
November 2011	18,973,679.22	20,529,418.67	12,583,246.86
December 2011	18,116,499.03	19,601,330.93	11,810,911.30
January 2012	17,285,531.07	18,701,623.75	11,062,217.97
February 2012	16,479,980.92	17,829,437.00	10,336,449.51
March 2012	15,699,078.08	16,983,936.42	9,632,910.20
April 2012	14,942,075.24	16,164,312.90	8,950,925.26
May 2012	14,208,247.59	15,369,781.65	8,289,840.28
June 2012	13,496,892.14	14,599,581.56	7,649,020.56
July 2012	12,807,327.09	13,852,974.41	7,027,850.54
August 2012	12,138,891.17	13,129,244.22	6,425,733.25
September 2012	11,490,943.04	12,427,696.61	5,842,089.69
October 2012	10,862,860.66	11,747,658.09	5,276,358.35
November 2012	10,254,040.78	11,088,475.49	4,727,994.68
December 2012	9,663,898.30	10,449,515.33	4,196,470.52
January 2013	9,091,865.79	9,830,163.23	3,681,273.71
February 2013	8,537,392.91	9,229,823.32	3,181,907.50
March 2013	7,999,945.93	8,647,917.72	2,697,890.17
April 2013	7,479,007.22	8,083,885.99	2,228,754.56
May 2013	6,974,074.75	7,537,184.57	1,774,047.59
June 2013	6,484,661.68	7,007,286.33	1,333,329.88
July 2013	6,010,295.82	6,493,680.05	906,175.35
August 2013	5,550,519.27	5,995,869.92	492,170.78
September 2013	5,104,887.93	5,513,375.14	90,915.43
October 2013	4,672,971.14	5,045,729.38	0.00
November 2013	4,254,351.22	4,592,480.44	0.00

<u>Distribution Date</u>	<u>Classes FP, GA and PO (in the aggregate)</u>	<u>Classes EA and FE (in the aggregate)</u>	<u>Classes FX and TA (in the aggregate)</u>
December 2013	\$3,848,623.13	\$4,153,189.77	\$0.00
January 2014	3,455,394.06	3,727,432.05	0.00
February 2014	3,074,283.06	3,314,794.85	0.00
March 2014	2,704,920.73	2,914,878.17	0.00
April 2014	2,346,948.80	2,527,294.14	0.00
May 2014	2,000,019.87	2,151,666.60	0.00
June 2014	1,663,797.02	1,787,630.77	0.00
July 2014	1,337,953.53	1,434,832.90	0.00
August 2014	1,022,172.58	1,092,929.97	0.00
September 2014	716,146.93	761,589.30	0.00
October 2014	419,578.63	440,488.32	0.00
November 2014	132,178.77	129,314.21	0.00
December 2014 and thereafter	0.00	0.00	0.00

Underlying SMBS Securities

Trust Asset Group	Issuer	Series	Class	Issue Date	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Principal or Notional Balance of Class	Underlying Certificate Factor(2)	Principal or Notional 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)
3	Ginnie Mae SMBS	01	1	7/30/2004	37610VAA3	0.0%	PO	July 2034	PT	\$2,200,000,000	0.98114020	\$40,000,000	1.8531315455%	5.902%	352	6
3	Ginnie Mae SMBS	01	2	7/30/2004	37610VAB1	5.5	IO	July 2034	NTL (PT)	2,200,000,000	0.98114020	50,909,090	2.3585310000	5.902	352	6

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

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

**Cover Page and Terms Sheet
from Underlying SMBS Security Disclosure Document**

Offering Circular Supplement
(To SMBS Base Offering Circular dated July 1, 2004)



\$2,200,000,000

Government National Mortgage Association

GINNIE MAE[®]

**Guaranteed Stripped Mortgage-Backed Securities
Ginnie Mae SMBS Trust 01**

The Securities

The Trust will issue the classes of Securities listed in the table below, and certain additional classes of Securities as further described herein, which may be exchanged for other Securities or for the underlying Ginnie Mae Platinum Certificate or a portion thereof.

<u>Class</u>	<u>Original Principal Balance (1)</u>	<u>Interest Rate</u>	<u>Principal Type (2)</u>	<u>Interest Type (2)</u>
1	\$2,200,000,000	0.0%	PT	PO
2	\$2,200,000,000	5.5%	NTL (PT)	IO

- (1) Subject to adjustment as described under "Increase or Decrease in Size" in this Supplement. The amount shown for the Notional Class (indicated by "NTL" under Principal Type) is its original Class Notional Balance and does not represent principal that will be paid.
- (2) As defined under "Class Types" in Appendix I to the SMBS Base Offering Circular.

The yields on some Classes of Securities will be extremely sensitive to prepayment experience on the underlying mortgage loans. You should carefully consider the associated risks, including, for the Class 2 Securities, the risk that you might not recover your initial investment. See "Yield, Maturity and Prepayment Considerations" on page S-9 hereof. See also "Risk Factors" on page 5 of the SMBS Base Offering Circular, which highlights certain investment risks.

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 a Ginnie Mae Platinum Certificate (#781764) backed by Ginnie Mae II Certificates. The Weighted Average Remaining Term to Maturity, Weighted Average Loan Age and the Weighted Average Mortgage Rate of the mortgage loans underlying the Trust Asset is 355 months, 3 months and 5.904%, respectively.

The Sponsor and the Co-Managers will offer the Securities from time to time in negotiated transactions at varying prices. We expect the Closing Date to be July 30, 2004. You should read the SMBS 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.

Goldman, Sachs & Co.

**RBS Greenwich Capital
Bear, Stearns & Co. Inc.
JPMorgan
Citigroup
Merrill Lynch & Co.
Credit Suisse First Boston
Lehman Brothers**

**UBS Investment Bank
Deutsche Bank Securities
Banc of America Securities LLC
Countrywide Securities Corp.
Morgan Stanley
Nomura**

The date of this Offering Circular Supplement is July 27, 2004.

TERMS SHEET

This terms sheet contains selected information for quick reference only. You should read this Supplement, particularly “Risk Factors” on page 5 of the SMBS Base Offering Circular.

Sponsor: Goldman, Sachs & Co.

Co-Managers: Greenwich Capital Markets Inc.
 UBS Securities LLC
 Bear, Stearns & Co. Inc.
 Deutsche Bank Securities
 J.P. Morgan Securities Inc.
 Banc of America Securities LLC
 Citigroup Global Markets Inc.
 Countrywide Securities Corp.
 Merrill Lynch & Co. Inc.
 Morgan Stanley & Co. Inc.
 Credit Suisse First Boston LLC
 Nomura Securities International, Inc.
 Lehman Brothers Inc.

Trustee: U.S. Bank National Association

Tax Administrator: The Trustee

Closing Date: July 30, 2004

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 August 2004.

Final Distribution Date: July 20, 2034

Trust Asset:

<u>Trust Asset Type</u>	<u>Certificate Rate</u>	<u>Principal Balance</u>	<u>Original Term to Maturity (in years)</u>
Ginnie Mae Platinum Certificate (#781764) Backed by Ginnie Mae II Certificates	5.5%	\$2,200,000,000	30

Actual Characteristics of the Mortgage Loans Underlying the Trust Asset¹:

<u>Principal Balance</u>	<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Weighted Average Mortgage Rate²</u>
\$2,200,000,000	355	3	5.904%

¹ As of July 1, 2004.

² The Mortgage Loans underlying the Trust Asset 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 Trust Asset will differ from the weighted averages shown above, perhaps significantly. See “*The Trust Asset — The Mortgage Loans*” in this Supplement.

Range of Characteristics of the Ginnie Mae II Certificates Underlying the Trust Asset¹:

<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Weighted Average Mortgage Rate²</u>
347 - 357	1 - 9	5.861% - 5.993%

¹ As of July 1, 2004.

² The Mortgage Loans underlying the Ginnie Mae II Certificates 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 Ginnie Mae II Certificates may be outside the ranges of the weighted averages shown above. See *"The Trust Asset — The Mortgage Loans"* in this Supplement.

Issuance of Securities: The Securities will be issued in book-entry form through the book-entry system of the U.S. Federal Reserve Banks (the "Fedwire Book-Entry System"). See *"Description of the Securities — Form of Securities"* in this Supplement.

Exchange: You will be able, upon notice and, after October 28, 2004, payment of an exchange fee, to exchange your Securities for a proportionate interest in other Securities or in the underlying Trust Asset. See *"Description of the Securities — Exchange Procedures"* in this Supplement.

Eligible Investors: The Securities are only to be offered and sold to institutional Accredited Investors.

Interest Payments: Class 1 is a Principal Only Security and will not be entitled to any payments of interest. Class 2 will bear interest at the rate specified on the cover page. The 22 additional classes of Securities authorized for issuance by the Trust will bear interest beginning at a rate of 0.5% per annum for Class 3 Securities and increasing in increments of 0.5% for each successive Class to a rate of 11.0% for Class 24 Securities. On each Distribution Date, interest will be paid on each of the outstanding Securities (other than Class 1, the Principal Only Security) in an amount equal to one-twelfth (1/12) of the product of (i) the stated rate for such Security and (ii) the outstanding Class Principal Balance or Class Notional Balance of such Security.

Allocation of Principal: On each Distribution Date, the Principal Distribution Amount will be allocated among the outstanding Securities (other than Class 2, the Notional Security) *pro rata* based on the outstanding Class Principal Balance of each Security.



\$914,201,070

**Government National
Mortgage Association**

GINNIE MAE[®]

**Guaranteed REMIC Pass-Through Securities
and MX Securities
Ginnie Mae REMIC Trust 2004-086**

OFFERING CIRCULAR SUPPLEMENT
October 25, 2004

Bear, Stearns & Co. Inc.
Utendahl Capital Partners, L.P.