

**Offering Circular Supplement  
(To Base Offering Circular dated January 1, 2002)**

**\$1,297,011,164**

## **Government National Mortgage Association**



**GINNIE MAE®**

**Guaranteed REMIC Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2002-40**



**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) a certain previously issued certificate.

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 June 28, 2002.

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.**

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

**The date of this Offering Circular Supplement is June 24, 2002.**

### Ginnie Mae REMIC Trust 2002-40

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
<b>Security Group 1</b>						
A . . . . .	\$200,000,000	6.10%	NSJ/TAC	FIX	July 2028	38373MCK4
FA(1) ..	100,617,500	(5)	SEQ	FLT	July 2028	38373MCL2
IB(1)...	12,388,269	6.50	NTL (PAC)	FIX/IO	July 2028	38373MCM0
PE(1) ..	121,092,000	5.75	PAC	FIX	April 2024	38373MCN8
PF(1) ..	85,743,000	5.75	PAC	FIX	August 2026	38373MCP3
PK(1) ..	39,949,000	6.00	PAC	FIX	July 2028	38373MCQ1
PL(1) ..	41,366,000	6.00	PAC	FIX	August 2027	38373MCR9
SD(1) ..	33,539,000	(5)	NTL (SEQ)	INV/IO	August 2017	38373MCS7
SE(1) ..	67,078,500	(5)	NTL (SEQ)	INV/IO	July 2028	38373MCT5
VA(1)..	41,402,000	6.50	AD/SEQ	FIX	March 2013	38373MCU2
VB(1)..	26,711,000	6.50	SEQ(6)	FIX	July 2017	38373MCV0
VC ....	48,432,000	6.50	SEQ(6)	FIX	October 2014	38373MCW8
VD ....	56,825,000	6.50	SEQ(6)	FIX	July 2022	38373MCX6
Z . . . . .	14,337,500	6.10	NSJ/SUP	FIX/Z	July 2028	38373MCY4
ZA(1)..	41,302,000	6.50	SEQ	FIX/Z	June 2032	38373MCZ1
ZB . . . . .	600,000	6.10	SUP	FIX/Z	July 2028	38373MDA5
ZE . . . . .	39,623,000	6.50	SEQ	FIX/Z	December 2030	38373MDB3
<b>Security Group 2</b>						
F(1) . . . .	37,137,035	(5)	SC/PT	FLT	April 2031	38373MDC1
FM(1)..	4,642,129	(5)	SC/PT	FLT/INV	April 2031	38373MDD9
<b>Security Group 3</b>						
NA(1)	70,435,000	6.50	SUP	FIX	April 2031	38373MDE7
NB(1)..	14,312,000	6.50	SUP	FIX	October 2031	38373MDF4
NC(1)..	2,780,000	6.50	SUP	FIX	November 2031	38373MDG2
ND(1)	17,213,000	6.50	SUP	FIX	June 2032	38373MDH0
NE(1)..	2,500,000	6.25	SUP	FIX	June 2032	38373MDJ6
NG(1)	2,500,000	6.75	SUP	FIX	June 2032	38373MDK3
NI . . . . .	33,846,153	6.50	NTL (PAC)	FIX/IO	September 2029	38373MDL1
UJ . . . . .	200,000,000	5.40	PAC	FIX	September 2029	38373MDM9
UK ....	21,771,000	6.50	PAC	FIX	June 2032	38373MDN7
UL(1)..	65,721,000	6.50	PAC	FIX	November 2031	38373MDP2
<b>Residual</b>						
RR ....	0	0.0	NPR	NPR	June 2032	38373MDQ0

- (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 or Classes 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.
- (6) Based on the Modeling Assumptions, Classes VB, VC and VD have maximum average weighted lives of 13.0, 7.0 and 16.5, respectively, which will remain constant at prepayment rates at or below 196% PSA, 142% PSA and 56% PSA, respectively.

## AVAILABLE INFORMATION

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

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

The Base Offering Circular is 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:** State Street Bank and Trust Company

**Tax Administrator:** The Trustee

**Closing Date:** June 28, 2002

**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 July 2002.

**Trust Assets:**

<u>Trust Asset Group</u>	<u>Trust Asset Type</u>	<u>Certificate Rate</u>	<u>Original Term To Maturity (in years)</u>
1	Ginnie Mae II	6.5%	30
2	Underlying Certificate	(1)	(1)
3	Ginnie Mae II	6.5%	30

(1) Certain information regarding the Underlying Certificate is set forth in Exhibits A and B to this Supplement.

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

**Assumed Characteristics of the Mortgage Loans Underlying the Group 1 and Group 3 Trust Assets(1):**

<u>Principal Balance(2)</u>	<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Weighted Average Mortgage Rate(3)</u>
<b>Group 1 Trust Assets</b> \$858,000,000	356	3	7.20%
<b>Group 3 Trust Assets</b> \$397,232,000	338	15	7.25%

(1) As of June 1, 2002.

(2) Does not include Group 1 and Group 3 Trust Assets that will be added to pay the Trustee Fee.

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

The actual remaining terms to maturity, loan ages and Mortgage Rates of many of the Mortgage Loans underlying the Group 1 and Group 3 Trust Assets will differ from the weighted averages shown above, perhaps significantly. See “*The Trust Assets—The Mortgage Loans*” in this Supplement. See Exhibit A to this Supplement for certain information regarding the characteristics of the Mortgage Loans included in the Underlying Trust.

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

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

**Increased Minimum Denomination Classes:** Each Class that constitutes an Interest Only or Inverse Floating Rate Class (including Class FM). 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
F	LIBOR + 0.40%	2.2575%	0.40%	9.00%	0	0.00%
FA	LIBOR + 0.40%	2.2400%	0.40%	8.50%	0	0.00%
FE	LIBOR + 0.50%	2.3575%	0.50%	8.00%	0	0.00%
FM	<i>If LIBOR is less than or equal to 7.50%</i> LIBOR + 1.30%	3.1575%	0.00%	8.80%	0	8.60%
	<i>If LIBOR is greater than 7.50%</i> 68.8%-(LIBOR x 8.0)					
SA	8.10%-LIBOR	6.2600%	0.00%	8.10%	0	8.10%
SD	8.10%-LIBOR	6.2600%	0.00%	8.10%	0	8.10%
SE	8.10%-LIBOR	6.2600%	0.00%	8.10%	0	8.10%

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

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

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

### SECURITY GROUP 1

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

- The Z and ZB Accrual Amounts in the following order of priority:
  1. If the Principal Balance of the Group 1 Trust Assets (net of any related Trustee Fee) (the “Adjusted Group 1 Trust Asset Balance”) is greater than or equal to the 251% PSA Balance for that Distribution Date, then to A, until reduced to its Scheduled Principal Balance for that Distribution Date
  2. To Z, until retired
  3. To A, without regard to its Scheduled Principal Balance, until retired
  4. To ZB, until retired
- The ZA Accrual Amount, sequentially, to VA, VB and ZA, in that order, until retired
- The ZE Accrual Amount, sequentially, to VC, VD and ZE, in that order, until retired

- The Group 1 Adjusted Principal Distribution Amount in the following order of priority:
  1. Concurrently:
    - a. 16.6666666667% to FA, until retired
    - b. 83.3333333333% in the following order of priority:
      - i. Sequentially, to PE, PF, PL and PK, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
      - ii. If the Adjusted Group 1 Trust Asset Balance is greater than or equal to the 251% PSA Balance for that Distribution Date, then to A, until reduced to its Scheduled Principal Balance for that Distribution Date
      - iii. To Z, until retired
      - iv. To A, without regard to its Scheduled Principal Balance, until retired
      - v. To ZB, until retired
      - vi. Sequentially, to PE, PF, PL and PK, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired
  2. Sequentially, to VC, VD and ZE, in that order, until retired
  3. Sequentially, to VA, VB and ZA, in that order, until retired

### **SECURITY GROUP 2**

The Group 2 Principal Distribution Amount will be allocated concurrently to F and FM, pro rata, until retired.

### **SECURITY GROUP 3**

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

1. Sequentially, to UJ, UL and UK, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
2. Sequentially, to NA, NB and NC, in that order, until retired
3. Concurrently, to ND, NE and NG, pro rata, until retired
4. Sequentially, to UJ, UL and UK, in that order, without regard their Aggregate Scheduled Principal Balance, until retired

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

<u>Class</u>	<u>Structuring Ranges or Rate</u>
A .....	245% PSA
PE, PF, PK and PL (in the aggregate) .....	100% PSA through 250% PSA
UJ, UK and UL (in the aggregate) .....	115% PSA through 265% PSA

**251% PSA Balances:** The 251% PSA Balances are included in Schedule III to this Supplement. The 251% PSA Balances were calculated using a Structuring Rate of 251% PSA and the assumed characteristics of the related Trust MBS to be delivered on the Closing Date. The actual characteristics of the related Trust MBS may vary from the characteristics assumed in preparing the 251% PSA Balances included in Schedule III to this Supplement and, if so, we may recalculate such balances and make them available on gREX shortly after the Closing Date.

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

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

<u>Class</u>	<u>Approximate Original Class Notional Balance</u>	<u>Represents Approximately</u>
IB .....	\$ 11,137,269 1,251,000 <u>\$ 12,388,269</u>	5.3846153846% of PE and PF as a whole (PAC Classes) 1.5384615385% of PK and PL as a whole (PAC Classes)
ID .....	\$ 9,314,769	7.6923076923% of PE (PAC Class)
IH .....	3,182,000	7.6923076923% of PL (PAC Class)
IM .....	9,893,423	11.5384615385% of PF (PAC Class)
NI .....	33,846,153	16.9230769231% of UJ (PAC Class)
SA .....	100,617,500	100% of FA (SEQ Class)
SD .....	33,539,000	100% of first \$33,539,000 of FA (SEQ Class)
SE .....	67,078,500	100% of last \$67,078,500 of FA (SEQ Class)
UI .....	5,055,461	7.6923076923% of UL (PAC 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 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 (including Class FM); higher levels of LIBOR will generally reduce the yield on inverse floating rate securities (including Class FM). You should bear in mind that the timing of changes in the level of LIBOR may affect your yield: generally, the earlier a change, the greater the effect on your yield. It is doubtful that LIBOR will remain constant.

***An investment in the securities is subject to significant reinvestment risk.*** The rate of principal payments on your securities is uncertain. You may be unable to reinvest the payments on your securities at the same returns provided by the

securities. Lower prevailing interest rates may result in an unexpected return of principal. In that interest rate climate, higher yielding reinvestment opportunities may be limited. Conversely, higher prevailing interest rates may result in slower returns of principal and you may not be able to take advantage of higher yielding investment opportunities. The final payment on your security may occur much earlier than the final distribution date.

***Support securities will be more sensitive to rates of principal payments than other securities.*** If principal prepayments result in principal distributions on any distribution date equal to or less than the amount needed to produce scheduled payments on the PAC and TAC classes, the 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 and TAC classes for that distribution date, this excess will be distributed to the related support classes.

***The occurrence of a trigger event may significantly affect the weighted average life of non-sticky jump securities.*** The principal distribution priorities of non-sticky jump securities will change temporarily upon the occurrence of a specified trigger event on any Distribution Date as described under “Terms Sheet—Allocation of Principal” in this Supplement. A change in principal distribution priority could significantly extend or shorten the weighted average life of any non-sticky jump class from the anticipated weighted average life at the time of purchase. Consequently, an investor in non-sticky jump securities should carefully consider the likelihood and probable frequency of the occurrence of the trigger event in analyzing the anticipated weighted average life of the securities acquired.

***The rate of principal payments on the underlying certificate will directly affect the rate of principal payments on the group 2 securities.*** The underlying certificate will be sensitive to



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

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

***The securities may not be a suitable investment for you.*** The securities, especially the group 2 securities and, in particular, support, interest only, inverse floating rate, non-sticky jump, accrual and residual classes, are not suitable investments for all investors.

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

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

The secondary markets for mortgage-related securities have experienced periods of illiquidity and can be expected to do so in the future.

Illiquidity can have a severely adverse effect on the prices of classes that are especially sensitive to prepayment 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 Certificate will evidence, directly or indirectly, Ginnie Mae Certificates.

### The Trust MBS (Groups 1 and 3)

The Trust MBS are either:

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

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

### The Underlying Certificates (Group 2)

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

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

### The Mortgage Loans

The Mortgage Loans underlying the Group 1 and Group 3 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 and Group 3 Trust Assets” and the general characteristics described in the Base Offering Circular. The Mortgage Loans underlying the Underlying Certificate 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 Mortgage Rates of the Mortgage Loans. However, the actual remaining terms to

maturity, loan ages and 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 book-entry system of the U.S. Federal Reserve Banks (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 the following minimum denominations:

<u>Class</u>	<u>Minimum Denomination</u>
FM.....	\$ 106,000
IB .....	\$ 716,000*
NI .....	\$ 667,000*
SD .....	\$2,353,000*
SE .....	\$ 953,000*

\*Notional balance

See Schedule I to this Supplement for the increased minimum denominations of the MX Classes.

## 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, in the Terms Sheet 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 gREX or by calling the Information Agent at (800) 234-GNMA.

#### *Accrual Classes*

Each of Class Z, Class ZA, Class ZB and Class ZE 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 Adjusted Principal Distribution Amount or, in the case of the Group 2 Securities, the Principal Distribution Amount and the Z, ZA, ZB and ZE Accrual Amounts, if applicable, will be distributed to the Holders entitled thereto as described under “Terms Sheet—Allocation of Principal” in this Supplement. Investors can calculate the amount of principal to be distributed with respect to any Distribution Date by using the Class Factors published in the preceding and current months. See “—Class Factors” below.

#### *Categories of Classes*

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

#### *Notional Classes*

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

#### **Residual Securities**

The Class RR Securities will represent the beneficial ownership of the Residual Interest in the Issuing REMIC and the beneficial ownership of the Residual Interest in the Pooling REMIC, as described under “Certain Federal Income Tax Consequences” in the Base Offering Circular. The Class RR Securities have no Class Principal Balance and do not accrue interest. The Class RR Securities will be entitled to receive the proceeds of the disposition of any assets remaining in the related Trust REMIC after the Class Principal Balance of each Class of Regular Securities has been reduced to zero. However, any remaining proceeds are not likely to be significant. The Residual Securities may not be transferred to a Plan Investor, a Non-U.S. Person or a Disqualified Organization.

#### **Class Factors**

The Trustee will calculate and make available for each Class of Securities, no later than the day preceding the 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 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 any 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 gREX.

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

### **Termination**

The Trustee, at its option, may purchase or cause the sale of the Trust Assets and thereby terminate the Trust on any Distribution Date on which the aggregate of the Class Principal Balances of the Securities is less than 1% of the aggregate Original Class Principal Balances of the Securities. The Trustee will terminate the Trust and retire the Securities on any Distribution Date upon the Trustee’s determination that the REMIC status of 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 related Trust REMIC after payment in full of the amounts described in the foregoing sentence. However, any remaining assets are not likely to be significant.

### **Modification and Exchange**

All or a portion of the Classes of REMIC Securities specified on the inside cover page may be exchanged for a proportionate interest in the related MX Class or Classes shown on Schedule I to this Supplement. Similarly, all or a portion of the related MX Class or Classes may be exchanged for proportionate interests in the related Class or Classes of REMIC Securities and, in the case of Combinations 5, 7 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 Combinations 5, 7 and 10, the Class PF, Class PE and Class UL Securities may be exchanged for proportionate interests in various subcombinations of MX Classes. Similarly, all or a portion of these MX Classes may be exchanged for proportionate interests in the related REMIC Securities or in other subcombinations of the MX Classes. Each subcombination may be effected only in proportions that result in the principal and interest entitlements of the Securities received being equal to the entitlements of the Securities surrendered. *See the example under “Description of the Securities—Modification and Exchange” in the Base Offering Circular.*

A Beneficial Owner proposing to effect an exchange must notify the Trustee through the Beneficial Owner’s Book-Entry Depository participant. This notice must be received by the Trustee not later than two Business Days before the proposed exchange date. The exchange date can be any Business Day

other than the last Business Day of the month. The notice must contain the outstanding principal balance of the Securities to be included in the exchange and the proposed exchange date. The notice is required to be delivered to the Trustee in writing at its Corporate Trust Office at State Street Bank and Trust Company, Global Investor Service Group, Corporate Trust Department, 2 Avenue de Lafayette, Boston, Massachusetts 02111-1724, Attention: 2002-34 Trust Administrator. The Trustee may be contacted by telephone at (617) 662-1337 and by fax at (617) 662-1435.

A fee will be payable to the Trustee in connection with each exchange equal to  $\frac{1}{32}$  of 1% of the outstanding principal balance (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 2 Securities are urged to review the discussion under “Risk Factors—The rate of principal payments on the underlying certificates will directly affect the rate of principal payments on the group 2 securities” in this Supplement.

### **Accretion Directed Class**

Class VA is an Accretion Directed Class. The related Accrual Amount will be applied to making principal distributions on Class VA as described in this Supplement.

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

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

**Accretion Directed Class**

<u>Class</u>	<u>Maximum Weighted Average Life (in Years)</u>	<u>Final Distribution Date</u>	<u>Prepayment Rate at or below</u>
VA	6.0	March 20, 2013	296% PSA

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

Classes VB, VC and VD are not categorized as Accretion Directed Classes. However, Class VC receives principal distributions from its related Accrual Amount and Classes VB and VD receive principal distributions from their respective related Accrual Amounts after Classes VA and VC, respectively, have been retired. As a result, based on the Modeling Assumptions, Classes VB, VC and VD have maximum weighted average lives of 13.0, 7.0 and 16.5 years, respectively, which will remain constant at prepayment rates on the related Mortgage Loans at or below 196% PSA, 142% PSA and 56% PSA, respectively.

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

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

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

<u>PAC Classes</u>	<u>Initial Effective Ranges</u>
PE, PF, PK and PL (in the aggregate) .....	100% PSA through 257% PSA
UJ, UK and UL (in the aggregate).....	115% PSA through 265% PSA
<u>TAC Class</u>	<u>Initial Effective Rate</u>
A.....	245% PSA

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

**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 or Rate 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 or Rate. If the initial Effective Ranges or Rate were calculated using the actual characteristics of the related Mortgage Loans, the initial Effective Ranges or Rate could differ from those shown in the above tables or an initial Effective Rate might not exist. Therefore, even if the related Mortgage Loans were to prepay at a constant rate within the initial Effective Range or at the initial Effective Rate shown for any Class in the above table, that Class could fail to receive Scheduled Payments.

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

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

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

#### **Non-Sticky Jump Classes**

Classes A and Z have been designated as Non-Sticky Jump Classes because their principal distribution priorities will change temporarily (“jump”) on any Distribution Date that the applicable trigger is met but will revert (not “stick”) on any subsequent Distribution Date that the applicable trigger is not met. See “Terms Sheet—Allocation of Principal” in this Supplement.

The Weighted Average Life of a Non-Sticky Jump Class that jumps ahead in priority of principal distributions may be shortened, perhaps significantly. Conversely, the Weighted Average Life of a Non-Sticky Jump Class that is jumped by another Class may be extended, perhaps significantly. The yield to investors may be less than anticipated for any Class purchased at a premium if the Weighted Average Life is shortened and for any Class purchased at a discount if the Weighted Average Life is extended.

The trigger event for the Non-Sticky Jump Classes is determined by reference to the 251% PSA Balances, which were calculated as set forth under “Terms Sheet—251% Principal Balances” in this Supplement.

The Sponsor may recalculate the 251% PSA Balances based upon the actual characteristics of the Group 1 Trust Assets delivered on the Closing Date, which may vary from the characteristics assumed in preparing the 251% PSA Balances set forth in Schedule III to this Supplement. If recalculated, the 251% PSA Balances will reflect the aggregate unpaid principal amount of the Group 1 Trust Assets, net of the Trustee Fee, for each Distribution Date assuming that the Mortgage Loans underlying the Group 1 Trust Assets prepay at a constant rate of approximately 251% PSA and that each of the Mortgage Loans underlying the Group 1 Trust Assets has the same interest rate, remaining term to maturity and loan age as the weighted average mortgage rate, weighted average remaining term to maturity and weighted average loan age of the Group 1 Trust Assets delivered on the Closing Date. If recalculated, the 251% PSA Balances will be made available on gREX shortly after the Closing Date.

## **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 Certificate, the priorities of distributions on the Underlying Certificate and the following assumptions (the “Modeling Assumptions”), among others:

1. The Mortgage Loans underlying the Group 1 and Group 3 Trust Assets have the assumed characteristics shown under “Assumed Characteristics of the Mortgage Loans Underlying the Group 1 and Group 3 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 and Group 3 Trust Asset is assumed to have an original and a remaining term to maturity of 360 months and a Mortgage Rate of 1.5% per annum higher than the related Certificate Rate.

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

3. Distributions on the Securities are always received on the 20th day of the month, whether or not a Business Day, commencing in July 2002.

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

5. The Closing Date for the Securities is June 28, 2002.

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

7. Distributions on the Underlying Certificates are made as described in the Underlying Certificate Disclosure Document.

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

9. The 251% PSA Balances are as set forth in Schedule III.

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 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 PSA Prepayment Assumption Rates

Distribution Date	Class A						Classes AE, FA and SA					Class C						
	0%	100%	220%	250%	251%	252%	500%	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%	
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June 2003	100	100	91	90	90	97	80	99	96	93	92	85	100	100	100	100	100	100
June 2004	99	99	74	69	69	76	27	98	89	79	76	57	100	100	100	100	100	100
June 2005	99	99	54	45	45	51	0	96	79	62	57	26	100	100	100	100	100	100
June 2006	98	98	38	27	27	33	0	95	71	47	41	5	100	100	100	100	100	100
June 2007	97	97	26	13	13	19	0	93	62	34	28	0	100	100	100	100	100	100
June 2008	97	97	17	4	4	10	0	91	55	23	16	0	100	100	100	100	100	100
June 2009	96	96	11	0	0	4	0	89	47	13	7	0	100	100	100	100	100	86
June 2010	95	89	1	0	0	0	0	87	40	5	0	0	100	100	100	100	100	59
June 2011	95	72	0	0	0	0	0	85	34	0	0	0	100	100	100	100	100	40
June 2012	94	56	0	0	0	0	0	83	28	0	0	0	100	100	100	100	100	28
June 2013	93	41	0	0	0	0	0	80	22	0	0	0	100	100	100	100	100	19
June 2014	92	26	0	0	0	0	0	77	17	0	0	0	100	100	100	100	100	13
June 2015	91	12	0	0	0	0	0	74	11	0	0	0	100	100	100	100	88	9
June 2016	90	0	0	0	0	0	0	71	7	0	0	0	100	100	95	73	6	6
June 2017	89	0	0	0	0	0	0	67	2	0	0	0	100	100	80	60	4	4
June 2018	88	0	0	0	0	0	0	63	0	0	0	0	100	100	67	49	3	3
June 2019	86	0	0	0	0	0	0	59	0	0	0	0	100	100	55	40	2	2
June 2020	85	0	0	0	0	0	0	54	0	0	0	0	100	100	46	32	1	1
June 2021	84	0	0	0	0	0	0	49	0	0	0	0	100	100	37	26	1	1
June 2022	82	0	0	0	0	0	0	44	0	0	0	0	100	100	30	20	1	1
June 2023	69	0	0	0	0	0	0	38	0	0	0	0	100	100	24	16	0	0
June 2024	51	0	0	0	0	0	0	32	0	0	0	0	100	100	19	12	0	0
June 2025	32	0	0	0	0	0	0	25	0	0	0	0	100	87	15	9	0	0
June 2026	11	0	0	0	0	0	0	17	0	0	0	0	100	72	11	7	0	0
June 2027	0	0	0	0	0	0	0	9	0	0	0	0	100	57	8	5	0	0
June 2028	0	0	0	0	0	0	0	1	0	0	0	0	100	44	6	4	0	0
June 2029	0	0	0	0	0	0	0	0	0	0	0	0	100	31	4	2	0	0
June 2030	0	0	0	0	0	0	0	0	0	0	0	0	100	19	2	1	0	0
June 2031	0	0	0	0	0	0	0	0	0	0	0	0	66	7	1	0	0	0
June 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	20.6	10.3	3.7	3.0	3.0	3.4	1.6	17.3	7.1	4.1	3.7	2.2	29.3	25.7	18.5	17.0	9.2	

### Security Group 1 PSA Prepayment Assumption Rates

Distribution Date	Class IB					Classes ID, PB, PC and PE					Classes IH, PL and PW							
	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%			
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June 2003	97	91	91	91	91	95	83	83	83	83	100	100	100	100	100	100	100	100
June 2004	95	75	75	75	75	90	52	52	52	52	100	100	100	100	100	100	100	100
June 2005	92	55	55	55	32	84	14	14	14	0	100	100	100	100	100	100	100	100
June 2006	88	36	36	36	3	78	0	0	0	0	100	100	100	100	100	100	100	0
June 2007	85	18	18	18	0	71	0	0	0	0	100	100	100	100	100	100	100	0
June 2008	81	7	7	7	0	64	0	0	0	0	100	47	47	47	47	47	47	0
June 2009	77	3	3	3	0	56	0	0	0	0	100	0	0	0	0	0	0	0
June 2010	72	0	0	0	0	47	0	0	0	0	100	0	0	0	0	0	0	0
June 2011	67	0	0	0	0	38	0	0	0	0	100	0	0	0	0	0	0	0
June 2012	62	0	0	0	0	28	0	0	0	0	100	0	0	0	0	0	0	0
June 2013	56	0	0	0	0	17	0	0	0	0	100	0	0	0	0	0	0	0
June 2014	50	0	0	0	0	5	0	0	0	0	100	0	0	0	0	0	0	0
June 2015	43	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0
June 2016	36	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0
June 2017	28	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0
June 2018	19	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0
June 2019	10	0	0	0	0	0	0	0	0	0	99	0	0	0	0	0	0	0
June 2020	7	0	0	0	0	0	0	0	0	0	43	0	0	0	0	0	0	0
June 2021	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2022	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	11.2	3.3	3.3	3.3	2.5	7.2	2.0	2.0	2.0	1.9	17.9	6.0	6.0	6.0	6.0	6.0	3.7	

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

### Security Group 1 PSA Prepayment Assumption Rates

Distribution Date	Classes IM, PF, PH, PJ and PM					Class PA					Class PG				
	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June 2003	100	100	100	100	100	98	93	93	93	93	97	90	90	90	90
June 2004	100	100	100	100	100	96	80	80	80	80	94	72	72	72	72
June 2005	100	100	100	100	60	93	64	64	64	46	91	50	50	50	25
June 2006	100	68	68	68	0	91	49	49	49	9	87	28	28	28	0
June 2007	100	20	20	20	0	88	34	34	34	0	83	8	8	8	0
June 2008	100	0	0	0	0	85	21	21	21	0	79	0	0	0	0
June 2009	100	0	0	0	0	81	8	8	8	0	74	0	0	0	0
June 2010	100	0	0	0	0	78	0	0	0	0	69	0	0	0	0
June 2011	100	0	0	0	0	74	0	0	0	0	63	0	0	0	0
June 2012	100	0	0	0	0	70	0	0	0	0	58	0	0	0	0
June 2013	100	0	0	0	0	65	0	0	0	0	51	0	0	0	0
June 2014	100	0	0	0	0	60	0	0	0	0	44	0	0	0	0
June 2015	89	0	0	0	0	55	0	0	0	0	37	0	0	0	0
June 2016	69	0	0	0	0	49	0	0	0	0	29	0	0	0	0
June 2017	48	0	0	0	0	42	0	0	0	0	20	0	0	0	0
June 2018	25	0	0	0	0	36	0	0	0	0	10	0	0	0	0
June 2019	0	0	0	0	0	28	0	0	0	0	0	0	0	0	0
June 2020	0	0	0	0	0	20	0	0	0	0	0	0	0	0	0
June 2021	0	0	0	0	0	11	0	0	0	0	0	0	0	0	0
June 2022	0	0	0	0	0	2	0	0	0	0	0	0	0	0	0
June 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	14.8	4.4	4.4	4.4	3.1	12.7	4.0	4.0	4.0	2.8	10.4	3.0	3.0	3.0	2.4

### Security Group 1 PSA Prepayment Assumption Rates

Distribution Date	Class PK					Class SD					Class SE				
	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June 2003	100	100	100	100	100	96	88	78	76	55	100	100	100	100	100
June 2004	100	100	100	100	100	93	66	36	28	0	100	100	100	100	85
June 2005	100	100	100	100	100	88	38	0	0	0	100	100	92	86	40
June 2006	100	100	100	100	66	84	12	0	0	0	100	100	70	62	8
June 2007	100	100	100	100	0	79	0	0	0	0	100	93	51	42	0
June 2008	100	100	100	100	0	74	0	0	0	0	100	82	34	25	0
June 2009	100	57	57	57	0	68	0	0	0	0	100	71	20	10	0
June 2010	100	0	0	0	0	62	0	0	0	0	100	60	8	0	0
June 2011	100	0	0	0	0	55	0	0	0	0	100	51	0	0	0
June 2012	100	0	0	0	0	48	0	0	0	0	100	42	0	0	0
June 2013	100	0	0	0	0	40	0	0	0	0	100	33	0	0	0
June 2014	100	0	0	0	0	31	0	0	0	0	100	25	0	0	0
June 2015	100	0	0	0	0	22	0	0	0	0	100	17	0	0	0
June 2016	100	0	0	0	0	12	0	0	0	0	100	10	0	0	0
June 2017	100	0	0	0	0	1	0	0	0	0	100	3	0	0	0
June 2018	100	0	0	0	0	0	0	0	0	0	95	0	0	0	0
June 2019	100	0	0	0	0	0	0	0	0	0	88	0	0	0	0
June 2020	100	0	0	0	0	0	0	0	0	0	81	0	0	0	0
June 2021	82	0	0	0	0	0	0	0	0	0	74	0	0	0	0
June 2022	14	0	0	0	0	0	0	0	0	0	66	0	0	0	0
June 2023	0	0	0	0	0	0	0	0	0	0	57	0	0	0	0
June 2024	0	0	0	0	0	0	0	0	0	0	47	0	0	0	0
June 2025	0	0	0	0	0	0	0	0	0	0	37	0	0	0	0
June 2026	0	0	0	0	0	0	0	0	0	0	26	0	0	0	0
June 2027	0	0	0	0	0	0	0	0	0	0	14	0	0	0	0
June 2028	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0
June 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	19.5	7.1	7.1	7.1	4.1	9.0	2.5	1.6	1.5	1.0	21.4	9.4	5.3	4.8	2.8

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

Security Group 1 PSA Prepayment Assumption Rates															
Distribution Date	Class VA					Class VB					Class VC				
	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June 2003	93	93	93	93	93	100	100	100	100	100	95	95	95	95	95
June 2004	86	86	86	86	86	100	100	100	100	100	89	89	89	89	89
June 2005	79	79	79	79	79	100	100	100	100	100	82	82	82	82	82
June 2006	70	70	70	70	70	100	100	100	100	100	76	76	76	76	76
June 2007	62	62	62	62	62	100	100	100	100	100	69	69	69	69	0
June 2008	53	53	53	53	53	100	100	100	100	100	61	61	61	61	0
June 2009	43	43	43	43	5	100	100	100	100	100	53	53	53	53	0
June 2010	32	32	32	32	0	100	100	100	100	0	44	44	44	28	0
June 2011	21	21	21	21	0	100	100	100	100	0	35	35	11	0	0
June 2012	9	9	9	9	0	100	100	100	100	0	25	25	0	0	0
June 2013	0	0	0	0	0	94	94	94	94	0	15	15	0	0	0
June 2014	0	0	0	0	0	73	73	73	73	0	4	4	0	0	0
June 2015	0	0	0	0	0	50	50	50	3	0	0	0	0	0	0
June 2016	0	0	0	0	0	26	26	8	0	0	0	0	0	0	0
June 2017	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0
June 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	6.0	6.0	6.0	6.0	5.1	13.0	13.0	12.8	12.3	7.4	7.0	7.0	6.4	6.0	3.9

Security Group 1 PSA Prepayment Assumption Rates																		
Distribution Date	Class VD					Class Z							Class ZA					
	0%	100%	220%	250%	500%	0%	100%	220%	250%	251%	252%	500%	0%	100%	220%	250%	500%	
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June 2003	100	100	100	100	100	106	106	106	101	100	0	0	107	107	107	107	107	107
June 2004	100	100	100	100	100	113	113	113	98	95	0	0	114	114	114	114	114	114
June 2005	100	100	100	100	100	120	120	120	94	89	0	0	121	121	121	121	121	121
June 2006	100	100	100	100	100	128	128	128	95	89	0	0	130	130	130	130	130	130
June 2007	100	100	100	100	58	136	136	136	98	92	0	0	138	138	138	138	138	138
June 2008	100	100	100	100	0	144	144	144	104	97	0	0	148	148	148	148	148	148
June 2009	100	100	100	100	0	153	153	153	75	68	0	0	157	157	157	157	157	157
June 2010	100	100	100	100	0	163	163	163	0	0	0	0	168	168	168	168	168	156
June 2011	100	100	100	44	0	173	173	0	0	0	0	0	179	179	179	179	107	107
June 2012	100	100	37	0	0	184	184	0	0	0	0	0	191	191	191	191	191	73
June 2013	100	100	0	0	0	195	195	0	0	0	0	0	204	204	204	204	204	50
June 2014	100	100	0	0	0	208	208	0	0	0	0	0	218	218	218	218	218	34
June 2015	93	93	0	0	0	221	221	0	0	0	0	0	232	232	232	232	232	23
June 2016	82	82	0	0	0	234	220	0	0	0	0	0	248	248	248	193	16	16
June 2017	71	71	0	0	0	249	60	0	0	0	0	0	264	264	212	158	11	11
June 2018	58	34	0	0	0	265	0	0	0	0	0	0	265	265	176	129	7	7
June 2019	45	0	0	0	0	281	0	0	0	0	0	0	265	265	146	105	5	5
June 2020	31	0	0	0	0	299	0	0	0	0	0	0	265	265	121	85	3	3
June 2021	16	0	0	0	0	318	0	0	0	0	0	0	265	265	99	68	2	2
June 2022	0	0	0	0	0	338	0	0	0	0	0	0	265	265	80	54	1	1
June 2023	0	0	0	0	0	359	0	0	0	0	0	0	265	265	64	42	1	1
June 2024	0	0	0	0	0	381	0	0	0	0	0	0	265	265	51	33	1	1
June 2025	0	0	0	0	0	405	0	0	0	0	0	0	265	230	40	25	0	0
June 2026	0	0	0	0	0	431	0	0	0	0	0	0	265	190	30	19	0	0
June 2027	0	0	0	0	0	307	0	0	0	0	0	0	265	152	22	14	0	0
June 2028	0	0	0	0	0	1	0	0	0	0	0	0	265	116	16	9	0	0
June 2029	0	0	0	0	0	0	0	0	0	0	0	0	265	82	10	6	0	0
June 2030	0	0	0	0	0	0	0	0	0	0	0	0	265	50	6	3	0	0
June 2031	0	0	0	0	0	0	0	0	0	0	0	0	175	19	2	1	0	0
June 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	16.5	15.3	9.8	8.9	5.1	25.3	14.7	8.4	7.0	6.7	0.5	0.3	29.3	25.7	18.8	17.6	10.5	10.5

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

Distribution Date	Security Group 1 PSA Prepayment Assumption Rates									
	Class ZB					Class ZE				
	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100
June 2003	106	106	106	106	106	107	107	107	107	107
June 2004	113	113	113	113	113	114	114	114	114	114
June 2005	120	120	120	120	0	121	121	121	121	121
June 2006	128	128	128	128	0	130	130	130	130	130
June 2007	136	136	136	136	0	138	138	138	138	138
June 2008	144	144	144	144	0	148	148	148	148	67
June 2009	153	153	153	153	0	157	157	157	157	0
June 2010	163	163	163	0	0	168	168	168	168	0
June 2011	173	173	0	0	0	179	179	179	179	0
June 2012	184	184	0	0	0	191	191	191	155	0
June 2013	195	195	0	0	0	204	204	164	81	0
June 2014	208	208	0	0	0	218	218	96	20	0
June 2015	221	221	0	0	0	232	232	38	0	0
June 2016	234	234	0	0	0	248	248	0	0	0
June 2017	249	249	0	0	0	264	264	0	0	0
June 2018	265	0	0	0	0	282	282	0	0	0
June 2019	281	0	0	0	0	301	269	0	0	0
June 2020	299	0	0	0	0	321	210	0	0	0
June 2021	318	0	0	0	0	343	155	0	0	0
June 2022	338	0	0	0	0	366	103	0	0	0
June 2023	359	0	0	0	0	366	54	0	0	0
June 2024	381	0	0	0	0	366	7	0	0	0
June 2025	405	0	0	0	0	366	0	0	0	0
June 2026	431	0	0	0	0	366	0	0	0	0
June 2027	458	0	0	0	0	366	0	0	0	0
June 2028	486	0	0	0	0	366	0	0	0	0
June 2029	0	0	0	0	0	231	0	0	0	0
June 2030	0	0	0	0	0	75	0	0	0	0
June 2031	0	0	0	0	0	0	0	0	0	0
June 2032	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	26.1	15.4	8.7	7.8	2.5	27.3	19.3	12.0	10.9	6.0

Distribution Date	Security Group 2 PSA Prepayment Assumption Rates				
	Classes F, FE and FM				
	0%	150%	260%	400%	550%
Initial Percent	100	100	100	100	100
June 2003	99	92	88	82	75
June 2004	98	83	73	62	50
June 2005	96	75	61	46	33
June 2006	95	67	51	35	22
June 2007	93	60	42	26	14
June 2008	92	54	35	19	9
June 2009	90	48	29	14	6
June 2010	88	43	24	11	4
June 2011	86	38	20	8	3
June 2012	84	34	16	6	2
June 2013	82	30	13	4	1
June 2014	79	26	11	3	1
June 2015	77	23	9	2	0
June 2016	74	20	7	2	0
June 2017	71	18	6	1	0
June 2018	67	15	5	1	0
June 2019	64	13	4	1	0
June 2020	60	11	3	0	0
June 2021	56	10	2	0	0
June 2022	51	8	2	0	0
June 2023	46	7	1	0	0
June 2024	41	5	1	0	0
June 2025	35	4	1	0	0
June 2026	29	3	1	0	0
June 2027	23	2	0	0	0
June 2028	16	1	0	0	0
June 2029	9	1	0	0	0
June 2030	1	0	0	0	0
June 2031	0	0	0	0	0
June 2032	0	0	0	0	0
Weighted Average Life (years)	18.5	8.4	5.6	3.7	2.7

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

### Security Group 3 PSA Prepayment Assumption Rates

Distribution Date	Class N					Class NA					Class NB				
	0%	115%	230%	265%	500%	0%	115%	230%	265%	500%	0%	115%	230%	265%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June 2003	100	100	82	77	40	100	100	72	64	7	100	100	100	100	100
June 2004	100	100	62	51	0	100	100	41	23	0	100	100	100	100	0
June 2005	100	100	46	31	0	100	100	16	0	0	100	100	100	66	0
June 2006	100	100	35	18	0	100	100	0	0	0	100	100	92	0	0
June 2007	100	100	27	8	0	100	100	0	0	0	100	100	31	0	0
June 2008	100	100	22	3	0	100	100	0	0	0	100	100	0	0	0
June 2009	100	100	19	0	0	100	100	0	0	0	100	100	0	0	0
June 2010	100	100	18	0	0	100	100	0	0	0	100	100	0	0	0
June 2011	100	98	17	0	0	100	97	0	0	0	100	100	0	0	0
June 2012	100	95	15	0	0	100	93	0	0	0	100	100	0	0	0
June 2013	100	91	14	0	0	100	86	0	0	0	100	100	0	0	0
June 2014	100	86	13	0	0	100	79	0	0	0	100	100	0	0	0
June 2015	100	81	11	0	0	100	70	0	0	0	100	100	0	0	0
June 2016	100	75	10	0	0	100	61	0	0	0	100	100	0	0	0
June 2017	100	69	9	0	0	100	52	0	0	0	100	100	0	0	0
June 2018	100	63	8	0	0	100	43	0	0	0	100	100	0	0	0
June 2019	100	57	7	0	0	100	33	0	0	0	100	100	0	0	0
June 2020	100	51	6	0	0	100	24	0	0	0	100	100	0	0	0
June 2021	100	45	5	0	0	100	14	0	0	0	100	100	0	0	0
June 2022	100	39	4	0	0	100	5	0	0	0	100	100	0	0	0
June 2023	100	34	3	0	0	100	0	0	0	0	100	83	0	0	0
June 2024	100	28	2	0	0	100	0	0	0	0	100	42	0	0	0
June 2025	100	23	2	0	0	100	0	0	0	0	100	2	0	0	0
June 2026	100	18	1	0	0	100	0	0	0	0	100	0	0	0	0
June 2027	100	13	1	0	0	100	0	0	0	0	100	0	0	0	0
June 2028	100	9	1	0	0	100	0	0	0	0	100	0	0	0	0
June 2029	84	5	0	0	0	76	0	0	0	0	100	0	0	0	0
June 2030	59	1	0	0	0	36	0	0	0	0	100	0	0	0	0
June 2031	31	0	0	0	0	0	0	0	0	0	59	0	0	0	0
June 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	28.3	18.3	4.9	2.4	0.9	27.6	15.1	1.8	1.4	0.6	29.1	21.8	4.7	3.2	1.2

### Security Group 3 PSA Prepayment Assumption Rates

Distribution Date	Class NC					Classes ND, NE and NG					Classes NI and UJ				
	0%	115%	230%	265%	500%	0%	115%	230%	265%	500%	0%	100%	220%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June 2003	100	100	100	100	100	100	100	100	100	100	98	88	88	88	88
June 2004	100	100	100	100	0	100	100	100	100	0	97	73	73	73	63
June 2005	100	100	100	100	0	100	100	100	100	0	95	59	59	59	30
June 2006	100	100	100	0	0	100	100	100	87	0	92	46	46	46	7
June 2007	100	100	100	0	0	100	100	100	42	0	90	34	34	34	0
June 2008	100	100	53	0	0	100	100	100	14	0	88	23	23	23	0
June 2009	100	100	0	0	0	100	100	92	2	0	85	12	12	12	0
June 2010	100	100	0	0	0	100	100	87	0	0	82	3	3	3	0
June 2011	100	100	0	0	0	100	100	82	0	0	79	0	0	0	0
June 2012	100	100	0	0	0	100	100	76	0	0	76	0	0	0	0
June 2013	100	100	0	0	0	100	100	69	0	0	72	0	0	0	0
June 2014	100	100	0	0	0	100	100	62	0	0	68	0	0	0	0
June 2015	100	100	0	0	0	100	100	56	0	0	64	0	0	0	0
June 2016	100	100	0	0	0	100	100	49	0	0	59	0	0	0	0
June 2017	100	100	0	0	0	100	100	43	0	0	54	0	0	0	0
June 2018	100	100	0	0	0	100	100	38	0	0	48	0	0	0	0
June 2019	100	100	0	0	0	100	100	32	0	0	42	0	0	0	0
June 2020	100	100	0	0	0	100	100	27	0	0	36	0	0	0	0
June 2021	100	100	0	0	0	100	100	23	0	0	29	0	0	0	0
June 2022	100	100	0	0	0	100	100	19	0	0	22	0	0	0	0
June 2023	100	100	0	0	0	100	100	15	0	0	13	0	0	0	0
June 2024	100	100	0	0	0	100	100	12	0	0	4	0	0	0	0
June 2025	100	100	0	0	0	100	100	9	0	0	0	0	0	0	0
June 2026	100	0	0	0	0	100	89	7	0	0	0	0	0	0	0
June 2027	100	0	0	0	0	100	66	5	0	0	0	0	0	0	0
June 2028	100	0	0	0	0	100	44	3	0	0	0	0	0	0	0
June 2029	100	0	0	0	0	100	23	2	0	0	0	0	0	0	0
June 2030	100	0	0	0	0	100	3	0	0	0	0	0	0	0	0
June 2031	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
June 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	29.3	23.3	6.0	3.7	1.3	29.7	25.8	14.6	5.0	1.5	14.4	3.9	3.9	3.9	2.4



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

Distribution Date	Security Group 3 PSA Prepayment Assumption Rates									
	Class UK					Classes UL, UM, UN and UI				
	0%	115%	230%	265%	500%	0%	115%	230%	265%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100
June 2003	100	100	100	100	100	100	100	100	100	100
June 2004	100	100	100	100	100	100	100	100	100	100
June 2005	100	100	100	100	100	100	100	100	100	100
June 2006	100	100	100	100	100	100	100	100	100	100
June 2007	100	100	100	100	100	100	100	100	100	74
June 2008	100	100	100	100	100	100	100	100	100	40
June 2009	100	100	100	100	100	100	100	100	100	17
June 2010	100	100	100	100	100	100	100	100	100	1
June 2011	100	100	100	100	71	100	83	83	83	0
June 2012	100	100	100	100	49	100	62	62	62	0
June 2013	100	100	100	100	33	100	44	44	44	0
June 2014	100	100	100	100	23	100	30	30	30	0
June 2015	100	100	100	100	15	100	18	18	18	0
June 2016	100	100	100	100	10	100	8	8	8	0
June 2017	100	100	100	100	7	100	0	0	0	0
June 2018	100	81	81	81	5	100	0	0	0	0
June 2019	100	65	65	65	3	100	0	0	0	0
June 2020	100	51	51	51	2	100	0	0	0	0
June 2021	100	40	40	40	1	100	0	0	0	0
June 2022	100	31	31	31	1	100	0	0	0	0
June 2023	100	24	24	24	1	100	0	0	0	0
June 2024	100	18	18	18	0	100	0	0	0	0
June 2025	100	13	13	13	0	84	0	0	0	0
June 2026	100	9	9	9	0	53	0	0	0	0
June 2027	100	6	6	6	0	19	0	0	0	0
June 2028	44	4	4	4	0	0	0	0	0	0
June 2029	2	2	2	2	0	0	0	0	0	0
June 2030	0	0	0	0	0	0	0	0	0	0
June 2031	0	0	0	0	0	0	0	0	0	0
June 2032	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	26.0	18.9	18.9	18.9	10.7	24.1	11.0	11.0	11.0	5.9

## **Yield Considerations**

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

### *Prepayments: Effect on Yields*

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

- In the case of Regular Securities or MX Securities purchased at a premium (especially Interest Only Classes), faster than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.
- Investors in the Interest Only Classes should also consider the risk that rapid rates of principal payments could result in the failure of investors to recover fully their investments.
- In the case of Regular Securities or MX Securities purchased at a discount, 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, including Class FM. High levels of LIBOR can significantly reduce the yield of the Inverse Floating Rate Classes, including Class FM. In addition, the Floating Rate Classes will not benefit from a higher yield at high levels of LIBOR because the rate on such Classes is capped at a maximum rate described under "Terms Sheet—Interest Rates." Class FM will not benefit from low levels of LIBOR because it assumes the characteristics of a Floating Rate Class when LIBOR is less than or equal to 7.50%.

### *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; 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 (including Class FM) 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 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 IB to Prepayments Assumed Price 14.250%\*

PSA Prepayment Assumption Rates				
100%	220%	250%	500%	615%
21.7%	21.7%	21.7%	8.6%	0.0%

##### Sensitivity of Class ID to Prepayments Assumed Price 9.875%\*

PSA Prepayment Assumption Rates				
100%	220%	250%	500%	794%
21.2%	21.2%	21.2%	17.1%	0.0%

##### Sensitivity of Class IH to Prepayments Assumed Price 24.250%\*

PSA Prepayment Assumption Rates				
100%	220%	250%	479%	500%
17.1%	17.1%	17.1%	0.0%	(1.8)%

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

**Sensitivity of Class IM to Prepayments  
Assumed Price 19.000%\***

<b>PSA Prepayment Assumption Rates</b>				
<u>100%</u>	<u>220%</u>	<u>250%</u>	<u>500%</u>	<u>527%</u>
19.3%	19.3%	19.3%	2.5%	0.1%

**Sensitivity of Class SA to Prepayments  
Assumed Price 8.750%\***

<u>LIBOR</u>	<b>PSA Prepayment Assumptions</b>			
	<u>100%</u>	<u>220%</u>	<u>250%</u>	<u>500%</u>
0.840% .....	89.0%	80.4%	78.1%	57.9%
1.840% .....	74.0%	65.0%	62.5%	41.3%
4.840% .....	30.9%	19.2%	16.0%	(10.5)%
8.100% and above .....	**	**	**	**

**Sensitivity of Class SD to Prepayments  
Assumed Price 4.500%\***

<u>LIBOR</u>	<b>PSA Prepayment Assumptions</b>			
	<u>100%</u>	<u>220%</u>	<u>250%</u>	<u>500%</u>
0.840% .....	193.0%	165.7%	158.9%	105.7%
1.840% .....	156.7%	128.8%	122.0%	69.9%
4.840% .....	54.8%	22.9%	15.9%	(32.6)%
8.100% and above .....	**	**	**	**

**Sensitivity of Class SE to Prepayments  
Assumed Price 10.750%\***

<u>LIBOR</u>	<b>PSA Prepayment Assumptions</b>			
	<u>100%</u>	<u>220%</u>	<u>250%</u>	<u>500%</u>
0.840% .....	76.4%	71.9%	70.3%	54.3%
1.840% .....	64.6%	59.1%	57.3%	39.6%
4.840% .....	29.2%	19.4%	16.6%	(8.0)%
8.100% 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.

**SECURITY GROUP 2**  
**Sensitivity of Class FM to Prepayments**  
**Assumed Price 94.750%\***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>150%</u>	<u>260%</u>	<u>400%</u>	<u>550%</u>
0.85750% .....	2.9%	3.3%	3.8%	4.4%
1.85750% .....	4.0%	4.4%	4.8%	5.4%
4.85750% .....	7.2%	7.5%	8.0%	8.6%
7.50000% .....	10.0%	10.4%	10.8%	11.4%
8.00000% .....	5.7%	6.1%	6.6%	7.1%
8.60000% and above .....	0.7%	1.0%	1.5%	2.1%

**SECURITY GROUP 3**  
**Sensitivity of Class NI to Prepayments**  
**Assumed Price 15.500%\***

<u>PSA Prepayment Assumption Rates</u>				
<u>115%</u>	<u>230%</u>	<u>265%</u>	<u>491%</u>	<u>500%</u>
21.0%	21.0%	21.0%	0.1%	(1.0)%

**Sensitivity of Class UI to Prepayments**  
**Assumed Price 38.875%\***

<u>PSA Prepayment Assumption Rates</u>				
<u>115%</u>	<u>230%</u>	<u>265%</u>	<u>487%</u>	<u>500%</u>
12.3%	12.3%	12.3%	0.0%	(0.9)%

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

**CERTAIN FEDERAL INCOME TAX CONSEQUENCES**

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

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

**REMIC Elections**

In the opinion of 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 IB, NI, SD and SE Securities are “Interest Weighted Securities” as described in “Certain Federal Income Tax Consequences—Tax Treatment of Regular Securities—Interest Weighted Securities and Non-VRDI Securities” in the Base Offering Circular. Although the tax treatment of Interest

Weighted Securities is not entirely certain, Holders of the Interest Weighted Securities should expect to accrue all income on these Securities (other than income attributable to market discount or *de minimis* market discount) under the original issue discount (“OID”) rules based on the expected payments on these securities at the prepayment assumption described below.

The Class Z, ZA, ZB and ZE 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.

In addition to the Securities described in the preceding two paragraphs, based on anticipated prices (including accrued interest), the assumed Mortgage Loan characteristics, the prepayment assumptions described below and, in the case of the Floating Rate and Inverse Floating Rate Classes, the constant LIBOR values described below, Class FM is expected to be issued with OID.

Prospective investors in the Securities should be aware, however, that the foregoing expectations about OID could change because of differences (1) between anticipated purchase prices and actual purchase prices or (2) between the assumed characteristics of the Trust Assets and the characteristics of the Trust Assets actually delivered to the Trust. The prepayment assumption that should be used in determining the rates of accrual of OID, if any, on the Regular Securities is 220% PSA in the case of the Group 1 Securities, 260% PSA in the case of the Group 2 Securities and 230% 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 1.84% in the case of the Group 1 Securities and 1.8575% in the case of the Group 2 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*.

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

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

### **Residual Securities**

The Class RR Securities will represent the beneficial ownership of the Residual Interest in the Pooling REMIC and the beneficial ownership of the Residual Interest in the Issuing REMIC. The Residual Securities, *i.e.*, the Class RR Securities, generally will be treated as “residual interests” in a REMIC for domestic building and loan associations and as “real estate assets” for REITs, as described in “*Certain Federal Income Tax Consequences*” in the *Base Offering Circular*, but will not be treated as debt for federal income tax purposes. Instead, the Holders of the Residual Securities will be required to report, and will be taxed on, their pro rata shares of the taxable income or loss of the Trust REMICs, and these requirements will continue until there are no outstanding regular interests in the respective Trust REMICs. Thus, Residual Holders will have taxable income attributable to the Residual Securities even though they will not receive principal or interest distributions with respect to the Residual Securities, which could result in a negative after-tax return for the Residual Holders. It is not expected that the Pooling REMIC will have a substantial amount of taxable income or loss in any period. However, 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 assumptions 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.

### **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 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.

**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) June 1, 2002 on the Fixed Rate Classes and (2) June 20, 2002 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 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 Scheduled Principal Balances, 251% PSA Balances and 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 Sidley Austin Brown & Wood LLP, New York, NY, for the Trust by Stroock & Stroock & Lavan LLP and the Law Offices of Joseph C. Reid, P.A. and for the Trustee by Peabody & Arnold, LLP.



**Schedule I**

**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)	Increased Minimum Denomination(5)
1-1-S	<b>Security Group 1</b>									
	Combination 1									
	PE	\$121,092,000	PG	\$206,835,000	PAC	5.75%	FIX	38373MDR8	August 2026	N/A
	PF	85,743,000								
	Combination 2									
	VA	41,402,000	C	109,415,000	SEQ	6.50	FIX	38373MDS6	June 2032	N/A
	VB	26,711,000								
	ZA	41,302,000								
	Combination 3									
	IB	12,388,269	PA	288,150,000	PAC	6.10	FIX	38373MDT4	July 2028	N/A
	PE	121,092,000								
	PF	85,743,000								
	PK	39,949,000								
	PL	41,366,000								
	Combination 4									
	FA	100,617,500	AE	100,617,500	SEQ	8.50	FIX	38373MDU1	July 2028	N/A
	SD	33,539,000								
	SE	67,078,500								
	Combination 5									
	PF(7)	85,743,000	PH	85,743,000	PAC	5.50	FIX	38373MDV9	August 2026	N/A
			PJ	85,743,000	PAC	5.25	FIX	38373MDW7	August 2026	N/A
			PM	85,743,000	PAC	5.00	FIX	38373MDX5	August 2026	N/A
			IM	9,893,423	NTL(PAC)	6.50	FIX/IO	38373MDY3	August 2026	\$535,000
Combination 6										
SD	\$ 33,539,000	SA	\$100,617,500	NTL(SEQ)	(6)	INV/IO	38373MDZ0	July 2028	\$1,189,000	
SE	67,078,500									
Combination 7										
PE(7)	121,092,000	PB	121,092,000	PAC	5.25%	FIX	38373MEA4	April 2024	N/A	
		PC	121,092,000	PAC	5.50	FIX	38373MEB2	April 2024	N/A	
		ID	9,314,769	NTL(PAC)	6.50	FIX/IO	38373MEC0	April 2024	\$1,034,000	
Combination 8										
PL	41,366,000	PW	41,366,000	PAC	5.50%	FIX	38373MED8	August 2027	N/A	
		IH	3,182,000	NTL(PAC)	6.50	FIX/IO	38373MEE6	August 2027	\$418,000	
<b>Security Group 2</b>										
Combination 9										
F	37,137,035	FE	41,779,164	SC/PT	(6)	FLT	38373MEF3	April 2031	N/A	
FM	4,642,129									
<b>Security Group 3</b>										
Combination 10										
UL(7)	65,721,000	UM	65,721,000	PAC	6.25%	FIX	38373MEG1	November 2031	N/A	
		UN	65,721,000	PAC	6.00	FIX	38373MEH9	November 2031	N/A	
		UI	5,055,461	NTL(PAC)	6.50	FIX/IO	38373MEJ5	November 2031	\$261,000	

REMIC Securities		MX Securities							
Class	Original Class Principal Balance or Class Notional Balance	Related MX Class	Maximum Original Class Principal Balance or Class Notional Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)	Increased Minimum Denomination(5)
Combination 11									
NA	70,435,000	N	109,740,000	SUP	6.50%	FIX	38373MEK2	June 2032	N/A
NB	14,312,000								
NC	2,780,000								
ND	17,213,000								
NE	2,500,000								
NG	2,500,000								

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

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

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

## Schedule II

## SCHEDULED PRINCIPAL BALANCES

<u>Distribution Date</u>	<u>Class A</u>	<u>Classes PE, PF, PK and PL (in the aggregate)</u>	<u>Classes UJ, UK and UL (in the aggregate)</u>
Initial Balance .....	\$200,000,000.00	\$288,150,000.00	\$287,492,000.00
July 2002.....	199,226,030.87	287,093,145.30	285,893,521.11
August 2002.....	198,277,634.94	285,914,033.57	284,220,490.36
September 2002 .....	197,155,539.05	284,613,003.97	282,473,702.45
October 2002.....	195,860,778.14	283,190,458.87	280,653,995.77
November 2002 .....	194,394,695.49	281,646,863.72	278,762,251.71
December 2002.....	192,758,942.25	279,982,746.86	276,799,394.04
January 2003 .....	190,955,476.22	278,198,699.31	274,766,388.13
February 2003.....	188,986,559.96	276,295,374.51	272,664,240.17
March 2003 .....	186,854,758.13	274,273,487.95	270,493,996.43
April 2003 .....	184,562,934.13	272,133,816.81	268,256,742.32
May 2003 .....	182,114,246.00	269,877,199.52	265,953,601.57
June 2003 .....	179,512,141.65	267,504,535.25	263,585,735.26
July 2003.....	176,760,353.27	265,016,783.37	261,154,340.84
August 2003.....	173,862,891.17	262,414,962.85	258,660,651.17
September 2003 .....	170,824,036.82	259,700,151.62	256,105,933.44
October 2003.....	167,648,335.26	256,873,485.83	253,566,367.47
November 2003 .....	164,340,586.82	253,936,159.13	251,041,863.26
December 2003.....	160,905,838.23	250,889,421.85	248,532,331.34
January 2004 .....	157,349,373.01	247,734,580.12	246,037,682.76
February 2004.....	153,676,701.37	244,472,994.99	243,557,829.11
March 2004 .....	149,893,549.43	241,106,081.48	241,092,682.50
April 2004 .....	146,005,847.94	237,635,307.54	238,642,155.57
May 2004 .....	142,019,720.40	234,062,193.05	236,206,161.47
June 2004 .....	137,941,470.76	230,388,308.68	233,784,613.87
July 2004.....	133,777,570.57	226,615,274.77	231,377,426.96
August 2004.....	129,534,645.76	222,744,760.14	228,984,515.41
September 2004 .....	125,219,462.95	218,778,480.87	226,605,794.44
October 2004.....	120,995,827.79	214,832,083.57	224,241,179.75
November 2004 .....	116,862,339.46	210,905,465.54	221,890,587.53
December 2004.....	112,817,616.58	206,998,524.64	219,553,934.49
January 2005 .....	108,860,296.94	203,111,159.25	217,231,137.83
February 2005.....	104,989,037.23	199,243,268.24	214,922,115.23
March 2005 .....	101,202,512.83	195,394,751.05	212,626,784.86
April 2005 .....	97,499,417.48	191,565,507.60	210,345,065.40
May 2005 .....	93,878,463.10	187,755,438.34	208,076,875.99
June 2005 .....	90,338,379.52	183,964,444.22	205,822,136.25
July 2005.....	86,877,914.25	180,192,426.72	203,580,766.28
August 2005.....	83,495,832.21	176,439,287.80	201,352,686.68
September 2005 .....	80,190,915.54	172,704,929.94	199,137,818.47
October 2005.....	76,961,963.33	168,989,256.12	196,936,083.19
November 2005 .....	73,807,791.41	165,292,169.81	194,747,402.82
December 2005.....	70,727,232.13	161,613,575.00	192,571,699.81
January 2006 .....	67,719,134.11	157,953,376.14	190,408,897.06
February 2006.....	64,782,362.05	154,311,478.20	188,258,917.94
March 2006 .....	61,915,796.49	150,687,786.61	186,121,686.29
April 2006 .....	59,118,333.62	147,082,207.31	183,997,126.36
May 2006 .....	56,388,885.05	143,494,646.72	181,885,162.89
June 2006 .....	53,726,377.60	139,925,011.73	179,785,721.04

<u>Distribution Date</u>	<u>Class A</u>	<u>Classes PE, PF, PK and PL (in the aggregate)</u>	<u>Classes UJ, UK and UL (in the aggregate)</u>
July 2006.....	\$ 51,129,753.11	\$136,373,209.71	\$177,698,726.44
August 2006.....	48,597,968.22	132,839,148.52	175,624,105.14
September 2006.....	46,129,994.18	129,322,736.48	173,561,783.65
October 2006.....	43,724,816.65	125,823,882.38	171,511,688.88
November 2006.....	41,381,435.51	122,342,495.49	169,473,748.22
December 2006.....	39,098,864.66	118,878,485.55	167,447,889.46
January 2007.....	36,876,131.82	115,431,762.73	165,434,040.83
February 2007.....	34,712,278.39	112,002,237.70	163,432,130.98
March 2007.....	32,606,359.18	108,589,821.58	161,442,089.00
April 2007.....	30,557,442.33	105,194,425.93	159,463,844.38
May 2007.....	28,564,609.04	101,815,962.79	157,497,327.04
June 2007.....	26,626,953.45	98,454,344.62	155,542,467.32
July 2007.....	24,743,582.45	95,109,484.36	153,599,195.96
August 2007.....	22,913,615.48	91,781,295.38	151,667,444.13
September 2007.....	21,136,184.41	88,469,691.50	149,747,143.39
October 2007.....	19,410,433.33	85,174,586.99	147,838,225.73
November 2007.....	17,735,518.39	81,895,896.55	145,940,623.52
December 2007.....	16,110,607.67	78,633,535.32	144,054,269.54
January 2008.....	14,534,880.96	75,387,418.88	142,179,096.97
February 2008.....	13,007,529.66	72,157,463.25	140,315,039.39
March 2008.....	11,527,756.59	68,943,584.85	138,462,030.77
April 2008.....	10,094,775.83	65,745,700.58	136,620,005.48
May 2008.....	8,707,812.59	62,563,727.73	134,788,898.27
June 2008.....	7,366,103.03	59,397,584.01	132,968,644.29
July 2008.....	6,068,894.16	56,247,187.60	131,159,179.05
August 2008.....	4,815,443.62	53,112,457.04	129,360,438.48
September 2008.....	3,605,019.61	49,993,311.32	127,572,358.86
October 2008.....	2,436,900.68	46,889,669.86	125,794,876.85
November 2008.....	1,310,375.64	43,801,452.47	124,027,929.52
December 2008.....	224,743.41	40,728,579.37	122,271,454.26
January 2009.....	0.00	37,670,971.21	120,525,388.89
February 2009.....	0.00	34,628,549.03	118,789,671.55
March 2009.....	0.00	31,601,234.29	117,064,240.78
April 2009.....	0.00	28,588,948.84	115,349,035.47
May 2009.....	0.00	25,591,614.95	113,643,994.87
June 2009.....	0.00	22,609,155.25	111,949,058.61
July 2009.....	0.00	19,641,492.83	110,264,166.65
August 2009.....	0.00	16,688,551.11	108,589,259.34
September 2009.....	0.00	13,750,253.95	106,924,277.35
October 2009.....	0.00	10,826,525.58	105,269,161.73
November 2009.....	0.00	7,917,290.62	103,623,853.86
December 2009.....	0.00	5,022,474.09	101,988,295.49
January 2010.....	0.00	2,142,001.39	100,362,428.69
February 2010.....	0.00	0.00	98,750,184.72
March 2010.....	0.00	0.00	97,162,498.71
April 2010.....	0.00	0.00	95,599,006.62
May 2010.....	0.00	0.00	94,059,349.69
June 2010.....	0.00	0.00	92,543,174.44
July 2010.....	0.00	0.00	91,050,132.53
August 2010.....	0.00	0.00	89,579,880.72
September 2010.....	0.00	0.00	88,132,080.79

<u>Distribution Date</u>	<u>Class A</u>	<u>Classes PE, PF, PK and PL (in the aggregate)</u>	<u>Classes UJ, UK and UL (in the aggregate)</u>
October 2010.....	\$ 0.00	\$ 0.00	\$ 86,706,399.46
November 2010 .....	0.00	0.00	85,302,508.31
December 2010.....	0.00	0.00	83,920,083.74
January 2011 .....	0.00	0.00	82,558,806.88
February 2011.....	0.00	0.00	81,218,363.51
March 2011 .....	0.00	0.00	79,898,444.01
April 2011 .....	0.00	0.00	78,598,743.30
May 2011 .....	0.00	0.00	77,318,960.76
June 2011 .....	0.00	0.00	76,058,800.15
July 2011.....	0.00	0.00	74,817,969.59
August 2011.....	0.00	0.00	73,596,181.46
September 2011 .....	0.00	0.00	72,393,152.34
October 2011.....	0.00	0.00	71,208,602.99
November 2011 .....	0.00	0.00	70,042,258.23
December 2011.....	0.00	0.00	68,893,846.91
January 2012 .....	0.00	0.00	67,763,101.87
February 2012.....	0.00	0.00	66,649,759.86
March 2012 .....	0.00	0.00	65,553,561.46
April 2012 .....	0.00	0.00	64,474,251.09
May 2012 .....	0.00	0.00	63,411,576.88
June 2012 .....	0.00	0.00	62,365,290.68
July 2012.....	0.00	0.00	61,335,147.95
August 2012.....	0.00	0.00	60,320,907.77
September 2012 .....	0.00	0.00	59,322,332.71
October 2012.....	0.00	0.00	58,339,188.86
November 2012 .....	0.00	0.00	57,371,245.72
December 2012.....	0.00	0.00	56,418,276.17
January 2013 .....	0.00	0.00	55,480,056.44
February 2013.....	0.00	0.00	54,556,366.02
March 2013 .....	0.00	0.00	53,646,987.65
April 2013 .....	0.00	0.00	52,751,707.25
May 2013 .....	0.00	0.00	51,870,313.90
June 2013 .....	0.00	0.00	51,002,599.76
July 2013.....	0.00	0.00	50,148,360.05
August 2013.....	0.00	0.00	49,307,392.99
September 2013 .....	0.00	0.00	48,479,499.77
October 2013.....	0.00	0.00	47,664,484.50
November 2013 .....	0.00	0.00	46,862,154.17
December 2013.....	0.00	0.00	46,072,318.61
January 2014 .....	0.00	0.00	45,294,790.42
February 2014.....	0.00	0.00	44,529,385.00
March 2014 .....	0.00	0.00	43,775,920.41
April 2014 .....	0.00	0.00	43,034,217.44
May 2014 .....	0.00	0.00	42,304,099.48
June 2014 .....	0.00	0.00	41,585,392.53
July 2014.....	0.00	0.00	40,877,925.14
August 2014.....	0.00	0.00	40,181,528.40
September 2014 .....	0.00	0.00	39,496,035.88
October 2014.....	0.00	0.00	38,821,283.58
November 2014 .....	0.00	0.00	38,157,109.95
December 2014.....	0.00	0.00	37,503,355.79

<u>Distribution Date</u>	<u>Class A</u>	<u>Classes PE, PF, PK and PL (in the aggregate)</u>	<u>Classes UJ, UK and UL (in the aggregate)</u>
January 2015 .....	\$ 0.00	\$ 0.00	\$ 36,859,864.26
February 2015 .....	0.00	0.00	36,226,480.82
March 2015 .....	0.00	0.00	35,603,053.21
April 2015 .....	0.00	0.00	34,989,431.43
May 2015 .....	0.00	0.00	34,385,467.67
June 2015 .....	0.00	0.00	33,791,016.30
July 2015 .....	0.00	0.00	33,205,933.85
August 2015 .....	0.00	0.00	32,630,078.95
September 2015 .....	0.00	0.00	32,063,312.33
October 2015 .....	0.00	0.00	31,505,496.77
November 2015 .....	0.00	0.00	30,956,497.07
December 2015 .....	0.00	0.00	30,416,180.03
January 2016 .....	0.00	0.00	29,884,414.41
February 2016 .....	0.00	0.00	29,361,070.91
March 2016 .....	0.00	0.00	28,846,022.15
April 2016 .....	0.00	0.00	28,339,142.61
May 2016 .....	0.00	0.00	27,840,308.65
June 2016 .....	0.00	0.00	27,349,398.43
July 2016 .....	0.00	0.00	26,866,291.93
August 2016 .....	0.00	0.00	26,390,870.90
September 2016 .....	0.00	0.00	25,923,018.83
October 2016 .....	0.00	0.00	25,462,620.94
November 2016 .....	0.00	0.00	25,009,564.15
December 2016 .....	0.00	0.00	24,563,737.04
January 2017 .....	0.00	0.00	24,125,029.85
February 2017 .....	0.00	0.00	23,693,334.45
March 2017 .....	0.00	0.00	23,268,544.29
April 2017 .....	0.00	0.00	22,850,554.41
May 2017 .....	0.00	0.00	22,439,261.42
June 2017 .....	0.00	0.00	22,034,563.42
July 2017 .....	0.00	0.00	21,636,360.07
August 2017 .....	0.00	0.00	21,244,552.47
September 2017 .....	0.00	0.00	20,859,043.21
October 2017 .....	0.00	0.00	20,479,736.33
November 2017 .....	0.00	0.00	20,106,537.28
December 2017 .....	0.00	0.00	19,739,352.92
January 2018 .....	0.00	0.00	19,378,091.47
February 2018 .....	0.00	0.00	19,022,662.55
March 2018 .....	0.00	0.00	18,672,977.09
April 2018 .....	0.00	0.00	18,328,947.36
May 2018 .....	0.00	0.00	17,990,486.91
June 2018 .....	0.00	0.00	17,657,510.60
July 2018 .....	0.00	0.00	17,329,934.55
August 2018 .....	0.00	0.00	17,007,676.10
September 2018 .....	0.00	0.00	16,690,653.86
October 2018 .....	0.00	0.00	16,378,787.61
November 2018 .....	0.00	0.00	16,071,998.35
December 2018 .....	0.00	0.00	15,770,208.24
January 2019 .....	0.00	0.00	15,473,340.61
February 2019 .....	0.00	0.00	15,181,319.92
March 2019 .....	0.00	0.00	14,894,071.76

<u>Distribution Date</u>	<u>Class A</u>	<u>Classes PE, PF, PK and PL (in the aggregate)</u>	<u>Classes UJ, UK and UL (in the aggregate)</u>
April 2019 .....	\$ 0.00	\$ 0.00	\$ 14,611,522.83
May 2019 .....	0.00	0.00	14,333,600.90
June 2019 .....	0.00	0.00	14,060,234.86
July 2019 .....	0.00	0.00	13,791,354.61
August 2019 .....	0.00	0.00	13,526,891.12
September 2019 .....	0.00	0.00	13,266,776.40
October 2019 .....	0.00	0.00	13,010,943.45
November 2019 .....	0.00	0.00	12,759,326.27
December 2019 .....	0.00	0.00	12,511,859.87
January 2020 .....	0.00	0.00	12,268,480.20
February 2020 .....	0.00	0.00	12,029,124.19
March 2020 .....	0.00	0.00	11,793,729.69
April 2020 .....	0.00	0.00	11,562,235.49
May 2020 .....	0.00	0.00	11,334,581.29
June 2020 .....	0.00	0.00	11,110,707.71
July 2020 .....	0.00	0.00	10,890,556.22
August 2020 .....	0.00	0.00	10,674,069.20
September 2020 .....	0.00	0.00	10,461,189.86
October 2020 .....	0.00	0.00	10,251,862.30
November 2020 .....	0.00	0.00	10,046,031.41
December 2020 .....	0.00	0.00	9,843,642.95
January 2021 .....	0.00	0.00	9,644,643.45
February 2021 .....	0.00	0.00	9,448,980.27
March 2021 .....	0.00	0.00	9,256,601.55
April 2021 .....	0.00	0.00	9,067,456.21
May 2021 .....	0.00	0.00	8,881,493.91
June 2021 .....	0.00	0.00	8,698,665.11
July 2021 .....	0.00	0.00	8,518,920.97
August 2021 .....	0.00	0.00	8,342,213.42
September 2021 .....	0.00	0.00	8,168,495.08
October 2021 .....	0.00	0.00	7,997,719.30
November 2021 .....	0.00	0.00	7,829,840.12
December 2021 .....	0.00	0.00	7,664,812.27
January 2022 .....	0.00	0.00	7,502,591.17
February 2022 .....	0.00	0.00	7,343,132.91
March 2022 .....	0.00	0.00	7,186,394.23
April 2022 .....	0.00	0.00	7,032,332.53
May 2022 .....	0.00	0.00	6,880,905.83
June 2022 .....	0.00	0.00	6,732,072.82
July 2022 .....	0.00	0.00	6,585,792.77
August 2022 .....	0.00	0.00	6,442,025.59
September 2022 .....	0.00	0.00	6,300,731.80
October 2022 .....	0.00	0.00	6,161,872.48
November 2022 .....	0.00	0.00	6,025,409.32
December 2022 .....	0.00	0.00	5,891,304.60
January 2023 .....	0.00	0.00	5,759,521.15
February 2023 .....	0.00	0.00	5,630,022.36
March 2023 .....	0.00	0.00	5,502,772.18
April 2023 .....	0.00	0.00	5,377,735.10
May 2023 .....	0.00	0.00	5,254,876.16
June 2023 .....	0.00	0.00	5,134,160.90

<u>Distribution Date</u>	<u>Class A</u>	<u>Classes PE, PF, PK and PL (in the aggregate)</u>	<u>Classes UJ, UK and UL (in the aggregate)</u>
July 2023.....	\$ 0.00	\$ 0.00	\$ 5,015,555.40
August 2023.....	0.00	0.00	4,899,026.27
September 2023.....	0.00	0.00	4,784,540.58
October 2023.....	0.00	0.00	4,672,065.94
November 2023.....	0.00	0.00	4,561,570.42
December 2023.....	0.00	0.00	4,453,022.60
January 2024.....	0.00	0.00	4,346,391.52
February 2024.....	0.00	0.00	4,241,646.69
March 2024.....	0.00	0.00	4,138,758.08
April 2024.....	0.00	0.00	4,037,696.13
May 2024.....	0.00	0.00	3,938,431.72
June 2024.....	0.00	0.00	3,840,936.15
July 2024.....	0.00	0.00	3,745,181.20
August 2024.....	0.00	0.00	3,651,139.03
September 2024.....	0.00	0.00	3,558,782.27
October 2024.....	0.00	0.00	3,468,083.94
November 2024.....	0.00	0.00	3,379,017.45
December 2024.....	0.00	0.00	3,291,556.67
January 2025.....	0.00	0.00	3,205,675.82
February 2025.....	0.00	0.00	3,121,349.52
March 2025.....	0.00	0.00	3,038,552.80
April 2025.....	0.00	0.00	2,957,261.05
May 2025.....	0.00	0.00	2,877,450.04
June 2025.....	0.00	0.00	2,799,095.90
July 2025.....	0.00	0.00	2,722,175.15
August 2025.....	0.00	0.00	2,646,664.65
September 2025.....	0.00	0.00	2,572,541.60
October 2025.....	0.00	0.00	2,499,783.58
November 2025.....	0.00	0.00	2,428,368.48
December 2025.....	0.00	0.00	2,358,274.57
January 2026.....	0.00	0.00	2,289,480.40
February 2026.....	0.00	0.00	2,221,964.89
March 2026.....	0.00	0.00	2,155,707.27
April 2026.....	0.00	0.00	2,090,687.07
May 2026.....	0.00	0.00	2,026,884.16
June 2026.....	0.00	0.00	1,964,278.71
July 2026.....	0.00	0.00	1,902,851.19
August 2026.....	0.00	0.00	1,842,582.37
September 2026.....	0.00	0.00	1,783,453.32
October 2026.....	0.00	0.00	1,725,445.39
November 2026.....	0.00	0.00	1,668,540.23
December 2026.....	0.00	0.00	1,612,719.77
January 2027.....	0.00	0.00	1,557,966.21
February 2027.....	0.00	0.00	1,504,262.03
March 2027.....	0.00	0.00	1,451,589.97
April 2027.....	0.00	0.00	1,399,933.05
May 2027.....	0.00	0.00	1,349,274.55
June 2027.....	0.00	0.00	1,299,598.00
July 2027.....	0.00	0.00	1,250,887.18
August 2027.....	0.00	0.00	1,203,126.14
September 2027.....	0.00	0.00	1,156,299.16
October 2027.....	0.00	0.00	1,110,390.75
November 2027.....	0.00	0.00	1,065,385.70
December 2027.....	0.00	0.00	1,021,269.01



<u>Distribution Date</u>	<u>Class A</u>	<u>Classes PE, PF, PK and PL (in the aggregate)</u>	<u>Classes UJ, UK and UL (in the aggregate)</u>
January 2028 .....	\$ 0.00	\$ 0.00	\$ 978,025.89
February 2028 .....	0.00	0.00	935,641.83
March 2028 .....	0.00	0.00	894,102.50
April 2028 .....	0.00	0.00	853,393.82
May 2028 .....	0.00	0.00	813,501.90
June 2028 .....	0.00	0.00	774,413.11
July 2028 .....	0.00	0.00	736,113.99
August 2028 .....	0.00	0.00	698,591.30
September 2028 .....	0.00	0.00	661,832.01
October 2028 .....	0.00	0.00	625,823.31
November 2028 .....	0.00	0.00	590,552.55
December 2028 .....	0.00	0.00	556,007.31
January 2029 .....	0.00	0.00	522,175.35
February 2029 .....	0.00	0.00	489,044.63
March 2029 .....	0.00	0.00	456,603.28
April 2029 .....	0.00	0.00	424,839.63
May 2029 .....	0.00	0.00	393,742.19
June 2029 .....	0.00	0.00	363,299.64
July 2029 .....	0.00	0.00	333,500.86
August 2029 .....	0.00	0.00	304,334.87
September 2029 .....	0.00	0.00	275,790.90
October 2029 .....	0.00	0.00	247,858.32
November 2029 .....	0.00	0.00	220,526.67
December 2029 .....	0.00	0.00	193,785.67
January 2030 .....	0.00	0.00	167,625.18
February 2030 .....	0.00	0.00	142,035.25
March 2030 .....	0.00	0.00	117,006.05
April 2030 .....	0.00	0.00	92,527.92
May 2030 .....	0.00	0.00	68,591.37
June 2030 .....	0.00	0.00	45,187.03
July 2030 .....	0.00	0.00	22,305.69
August 2030 and thereafter .....	0.00	0.00	0.00

## 251% PSA BALANCES

<u>Distribution Date</u>	<u>251% PSA Balances</u>
Initial Balance .....	\$858,000,000.00
July 2002 .....	855,857,485.38
August 2002 .....	853,350,292.49
September 2002 .....	850,479,744.76
October 2002 .....	847,247,633.96
November 2002 .....	843,656,220.43
December 2002 .....	839,708,232.27
January 2003 .....	835,406,863.57
February 2003 .....	830,755,771.63
March 2003 .....	825,759,073.14
April 2003 .....	820,421,339.38
May 2003 .....	814,747,590.44
June 2003 .....	808,743,288.39
July 2003 .....	802,414,329.49
August 2003 .....	795,767,035.43
September 2003 .....	788,808,143.53
October 2003 .....	781,544,796.13
November 2003 .....	773,984,528.92
December 2003 .....	766,135,258.40
January 2004 .....	758,005,268.53
February 2004 .....	749,603,196.44
March 2004 .....	740,938,017.38
April 2004 .....	732,019,028.84
May 2004 .....	722,855,833.99
June 2004 .....	713,458,324.37
July 2004 .....	703,836,661.90
August 2004 .....	694,001,260.32
September 2004 .....	683,962,766.07
October 2004 .....	674,064,921.21
November 2004 .....	664,305,787.42
December 2004 .....	654,683,452.80
January 2005 .....	645,196,031.61
February 2005 .....	635,841,663.84
March 2005 .....	626,618,514.92
April 2005 .....	617,524,775.33
May 2005 .....	608,558,660.27
June 2005 .....	599,718,409.34
July 2005 .....	591,002,286.21
August 2005 .....	582,408,578.24
September 2005 .....	573,935,596.25
October 2005 .....	565,581,674.10
November 2005 .....	557,345,168.47
December 2005 .....	549,224,458.48
January 2006 .....	541,217,945.40
February 2006 .....	533,324,052.40
March 2006 .....	525,541,224.17
April 2006 .....	517,867,926.70
May 2006 .....	510,302,646.93
June 2006 .....	502,843,892.51

<u>Distribution Date</u>	<u>251% PSA Balances</u>
July 2006 .....	\$495,490,191.51
August 2006 .....	488,240,092.12
September 2006 .....	481,092,162.40
October 2006 .....	474,044,990.00
November 2006 .....	467,097,181.88
December 2006 .....	460,247,364.08
January 2007 .....	453,494,181.44
February 2007 .....	446,836,297.33
March 2007 .....	440,272,393.43
April 2007 .....	433,801,169.46
May 2007 .....	427,421,342.93
June 2007 .....	421,131,648.93
July 2007 .....	414,930,839.83
August 2007 .....	408,817,685.13
September 2007 .....	402,790,971.14
October 2007 .....	396,849,500.81
November 2007 .....	390,992,093.48
December 2007 .....	385,217,584.65
January 2008 .....	379,524,825.80
February 2008 .....	373,912,684.11
March 2008 .....	368,380,042.30
April 2008 .....	362,925,798.39
May 2008 .....	357,548,865.51
June 2008 .....	352,248,171.68
July 2008 .....	347,022,659.59
August 2008 .....	341,871,286.45
September 2008 .....	336,793,023.75
October 2008 .....	331,786,857.09
November 2008 .....	326,851,785.96
December 2008 .....	321,986,823.59
January 2009 .....	317,190,996.71
February 2009 .....	312,463,345.43
March 2009 .....	307,802,923.01
April 2009 .....	303,208,795.68
May 2009 .....	298,680,042.51
June 2009 .....	294,215,755.19
July 2009 .....	289,815,037.85
August 2009 .....	285,477,006.95
September 2009 .....	281,200,791.05
October 2009 .....	276,985,530.67
November 2009 .....	272,830,378.14
December 2009 .....	268,734,497.42
January 2010 .....	264,697,063.94
February 2010 .....	260,717,264.45
March 2010 .....	256,794,296.89
April 2010 .....	252,927,370.17
May 2010 .....	249,115,704.11
June 2010 .....	245,358,529.21
July 2010 .....	241,655,086.57
August 2010 .....	238,004,627.69
September 2010 .....	234,406,414.36
October 2010 .....	230,859,718.53

<u>Distribution Date</u>	<u>251% PSA Balances</u>
November 2010 .....	\$227,363,822.14
December 2010 .....	223,918,016.99
January 2011 .....	220,521,604.63
February 2011 .....	217,173,896.21
March 2011 .....	213,874,212.34
April 2011 .....	210,621,882.97
May 2011 .....	207,416,247.29
June 2011 .....	204,256,653.53
July 2011 .....	201,142,458.93
August 2011 .....	198,073,029.54
September 2011 .....	195,047,740.16
October 2011 .....	192,065,974.16
November 2011 .....	189,127,123.42
December 2011 .....	186,230,588.17
January 2012 .....	183,375,776.91
February 2012 .....	180,562,106.27
March 2012 .....	177,789,000.92
April 2012 .....	175,055,893.44
May 2012 .....	172,362,224.23
June 2012 .....	169,707,441.39
July 2012 .....	167,091,000.64
August 2012 .....	164,512,365.18
September 2012 .....	161,971,005.59
October 2012 .....	159,466,399.79
November 2012 .....	156,998,032.85
December 2012 .....	154,565,396.95
January 2013 .....	152,167,991.27
February 2013 .....	149,805,321.91
March 2013 .....	147,476,901.75
April 2013 .....	145,182,250.40
May 2013 .....	142,920,894.10
June 2013 .....	140,692,365.61
July 2013 .....	138,496,204.15
August 2013 .....	136,331,955.28
September 2013 .....	134,199,170.85
October 2013 .....	132,097,408.88
November 2013 .....	130,026,233.48
December 2013 .....	127,985,214.79
January 2014 .....	125,973,928.89
February 2014 .....	123,991,957.71
March 2014 .....	122,038,888.93
April 2014 .....	120,114,315.94
May 2014 .....	118,217,837.76
June 2014 .....	116,349,058.92
July 2014 .....	114,507,589.44
August 2014 .....	112,693,044.71
September 2014 .....	110,905,045.45
October 2014 .....	109,143,217.60
November 2014 .....	107,407,192.30
December 2014 .....	105,696,605.76
January 2015 .....	104,011,099.23
February 2015 .....	102,350,318.95

<u>Distribution Date</u>	<u>251% PSA Balances</u>
March 2015 .....	\$100,713,916.00
April 2015 .....	99,101,546.33
May 2015 .....	97,512,870.62
June 2015 .....	95,947,554.28
July 2015 .....	94,405,267.31
August 2015 .....	92,885,684.31
September 2015 .....	91,388,484.36
October 2015 .....	89,913,351.01
November 2015 .....	88,459,972.17
December 2015 .....	87,028,040.07
January 2016 .....	85,617,251.23
February 2016 .....	84,227,306.34
March 2016 .....	82,857,910.27
April 2016 .....	81,508,771.95
May 2016 .....	80,179,604.37
June 2016 .....	78,870,124.48
July 2016 .....	77,580,053.17
August 2016 .....	76,309,115.18
September 2016 .....	75,057,039.10
October 2016 .....	73,823,557.24
November 2016 .....	72,608,405.67
December 2016 .....	71,411,324.09
January 2017 .....	70,232,055.82
February 2017 .....	69,070,347.76
March 2017 .....	67,925,950.31
April 2017 .....	66,798,617.33
May 2017 .....	65,688,106.11
June 2017 .....	64,594,177.31
July 2017 .....	63,516,594.90
August 2017 .....	62,455,126.15
September 2017 .....	61,409,541.55
October 2017 .....	60,379,614.80
November 2017 .....	59,365,122.73
December 2017 .....	58,365,845.27
January 2018 .....	57,381,565.41
February 2018 .....	56,412,069.18
March 2018 .....	55,457,145.57
April 2018 .....	54,516,586.51
May 2018 .....	53,590,186.81
June 2018 .....	52,677,744.17
July 2018 .....	51,779,059.09
August 2018 .....	50,893,934.83
September 2018 .....	50,022,177.41
October 2018 .....	49,163,595.57
November 2018 .....	48,318,000.67
December 2018 .....	47,485,206.74
January 2019 .....	46,665,030.38
February 2019 .....	45,857,290.75
March 2019 .....	45,061,809.54
April 2019 .....	44,278,410.92
May 2019 .....	43,506,921.51
June 2019 .....	42,747,170.37

<u>Distribution Date</u>	<u>251% PSA Balances</u>
July 2019 .....	\$ 41,998,988.92
August 2019 .....	41,262,210.94
September 2019 .....	40,536,672.55
October 2019 .....	39,822,212.12
November 2019 .....	39,118,670.32
December 2019 .....	38,425,890.02
January 2020 .....	37,743,716.30
February 2020 .....	37,071,996.39
March 2020 .....	36,410,579.66
April 2020 .....	35,759,317.60
May 2020 .....	35,118,063.76
June 2020 .....	34,486,673.75
July 2020 .....	33,865,005.20
August 2020 .....	33,252,917.73
September 2020 .....	32,650,272.91
October 2020 .....	32,056,934.28
November 2020 .....	31,472,767.27
December 2020 .....	30,897,639.19
January 2021 .....	30,331,419.23
February 2021 .....	29,773,978.39
March 2021 .....	29,225,189.50
April 2021 .....	28,684,927.16
May 2021 .....	28,153,067.73
June 2021 .....	27,629,489.31
July 2021 .....	27,114,071.70
August 2021 .....	26,606,696.40
September 2021 .....	26,107,246.57
October 2021 .....	25,615,607.00
November 2021 .....	25,131,664.11
December 2021 .....	24,655,305.92
January 2022 .....	24,186,422.00
February 2022 .....	23,724,903.50
March 2022 .....	23,270,643.09
April 2022 .....	22,823,534.93
May 2022 .....	22,383,474.71
June 2022 .....	21,950,359.55
July 2022 .....	21,524,088.04
August 2022 .....	21,104,560.18
September 2022 .....	20,691,677.40
October 2022 .....	20,285,342.50
November 2022 .....	19,885,459.65
December 2022 .....	19,491,934.39
January 2023 .....	19,104,673.57
February 2023 .....	18,723,585.36
March 2023 .....	18,348,579.24
April 2023 .....	17,979,565.94
May 2023 .....	17,616,457.46
June 2023 .....	17,259,167.07
July 2023 .....	16,907,609.21
August 2023 .....	16,561,699.59
September 2023 .....	16,221,355.05
October 2023 .....	15,886,493.66

<u>Distribution Date</u>	<u>251% PSA Balances</u>
November 2023 .....	\$ 15,557,034.62
December 2023 .....	15,232,898.26
January 2024 .....	14,914,006.07
February 2024 .....	14,600,280.63
March 2024 .....	14,291,645.62
April 2024 .....	13,988,025.80
May 2024 .....	13,689,347.00
June 2024 .....	13,395,536.09
July 2024 .....	13,106,520.98
August 2024 .....	12,822,230.62
September 2024 .....	12,542,594.95
October 2024 .....	12,267,544.89
November 2024 .....	11,997,012.38
December 2024 .....	11,730,930.29
January 2025 .....	11,469,232.45
February 2025 .....	11,211,853.65
March 2025 .....	10,958,729.58
April 2025 .....	10,709,796.86
May 2025 .....	10,464,993.01
June 2025 .....	10,224,256.44
July 2025 .....	9,987,526.43
August 2025 .....	9,754,743.11
September 2025 .....	9,525,847.50
October 2025 .....	9,300,781.43
November 2025 .....	9,079,487.56
December 2025 .....	8,861,909.39
January 2026 .....	8,647,991.19
February 2026 .....	8,437,678.06
March 2026 .....	8,230,915.87
April 2026 .....	8,027,651.25
May 2026 .....	7,827,831.60
June 2026 .....	7,631,405.08
July 2026 .....	7,438,320.58
August 2026 .....	7,248,527.73
September 2026 .....	7,061,976.87
October 2026 .....	6,878,619.06
November 2026 .....	6,698,406.05
December 2026 .....	6,521,290.28
January 2027 .....	6,347,224.89
February 2027 .....	6,176,163.67
March 2027 .....	6,008,061.08
April 2027 .....	5,842,872.24
May 2027 .....	5,680,552.90
June 2027 .....	5,521,059.45
July 2027 .....	5,364,348.91
August 2027 .....	5,210,378.91
September 2027 .....	5,059,107.70
October 2027 .....	4,910,494.13
November 2027 .....	4,764,497.62
December 2027 .....	4,621,078.19
January 2028 .....	4,480,196.44
February 2028 .....	4,341,813.53

<u>Distribution Date</u>	<u>251% PSA Balances</u>
March 2028 .....	\$ 4,205,891.18
April 2028 .....	4,072,391.65
May 2028 .....	3,941,277.78
June 2028 .....	3,812,512.89
July 2028 .....	3,686,060.89
August 2028 .....	3,561,886.16
September 2028 .....	3,439,953.63
October 2028 .....	3,320,228.71
November 2028 .....	3,202,677.33
December 2028 .....	3,087,265.90
January 2029 .....	2,973,961.32
February 2029 .....	2,862,730.97
March 2029 .....	2,753,542.71
April 2029 .....	2,646,364.84
May 2029 .....	2,541,166.16
June 2029 .....	2,437,915.87
July 2029 .....	2,336,583.67
August 2029 .....	2,237,139.66
September 2029 .....	2,139,554.40
October 2029 .....	2,043,798.86
November 2029 .....	1,949,844.44
December 2029 .....	1,857,662.95
January 2030 .....	1,767,226.63
February 2030 .....	1,678,508.09
March 2030 .....	1,591,480.37
April 2030 .....	1,506,116.89
May 2030 .....	1,422,391.45
June 2030 .....	1,340,278.25
July 2030 .....	1,259,751.85
August 2030 .....	1,180,787.19
September 2030 .....	1,103,359.57
October 2030 .....	1,027,444.67
November 2030 .....	953,018.49
December 2030 .....	880,057.41
January 2031 .....	808,538.15
February 2031 .....	738,437.77
March 2031 .....	669,733.66
April 2031 .....	602,403.55
May 2031 .....	536,425.49
June 2031 .....	471,777.86
July 2031 .....	408,439.35
August 2031 .....	346,388.96
September 2031 .....	285,606.02
October 2031 .....	226,070.13
November 2031 .....	167,761.23
December 2031 .....	110,659.52
January 2032 .....	54,745.51
February 2032 and thereafter .....	0.00



**Exhibit A**

**Underlying Certificate**

<b>Trust Asset Group</b>	<b>Issuer</b>	<b>Series</b>	<b>Class</b>	<b>Issue Date</b>	<b>CUSIP Number</b>	<b>Interest Rate</b>	<b>Interest Type(1)</b>	<b>Final Distribution Date</b>	<b>Principal Type(1)</b>	<b>Original Principal Balance of Class</b>	<b>Underlying Certificate Factor(2)</b>	<b>Principal or Notional Balance in the Trust</b>	<b>Percentage of Class in Trust</b>	<b>Approximate Weighted Average Coupon of Mortgage Loans</b>	<b>Approximate Weighted Remaining Term to Maturity of Mortgage Loans (in months)</b>	<b>Approximate Weighted Average Loan Age of Mortgage Loans (in months)</b>	<b>Ginnie Mae I or II</b>
2	Ginnie Mae	2001-18	FA	April 30, 2001	383739S83	(3)	FLT	April 2031	PT	\$200,000,000	0.83558328	\$41,779,164	25%	7.284%	337	15	II

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

(2) Underlying Certificate Factors are as of June, 2002.

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

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

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

**\$371,153,846**

## **Government National Mortgage Association**



**GINNIE MAE®**

**Guaranteed REMIC Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2001-18**



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

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

### **The Securities**

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

### **The Ginnie Mae Guaranty**

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

### **The Trust and its Assets**

The Trust will own Ginnie Mae Certificates.

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

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

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

**Salomon Smith Barney Inc. Utendahl Capital Partners, L.P.**

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

### Ginnie Mae REMIC Trust 2001-18

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
<b>Security Group 1</b>						
EA(1).....	\$ 27,000,000	0.0%	SEQ	PO	May 2025	383739S67
EB(1).....	19,153,846	0.0	SEQ	PO	April 2031	383739S75
FA.....	200,000,000	(5)	PT	FLT	April 2031	383739S83
QA(1).....	117,000,000	(5)	NTL (SEQ)	INV/IO	May 2025	383739S91
QB(1).....	83,000,000	(5)	NTL (SEQ)	INV/IO	April 2031	383739T25
QC(1).....	117,000,000	(5)	NTL (SEQ)	INV/IO	May 2025	383739T33
QD(1).....	83,000,000	(5)	NTL (SEQ)	INV/IO	April 2031	383739T41
<b>Security Group 2</b>						
FB(1).....	102,941,176	(5)	PT	FLT	April 2031	383739T58
GA(1).....	12,000,000	0.0	SEQ	PO	November 2024	383739T66
GB(1).....	10,058,824	0.0	SEQ	PO	April 2031	383739T74
UA(1).....	56,000,000	(5)	NTL (SEQ)	INV/IO	November 2024	383739T82
UB(1).....	56,000,000	(5)	NTL (SEQ)	INV/IO	November 2024	383739T90
UC(1).....	56,000,000	(5)	NTL (SEQ)	INV/IO	November 2024	383739U23
UD(1).....	46,941,176	(5)	NTL (SEQ)	INV/IO	April 2031	383739U31
UE(1).....	46,941,176	(5)	NTL (SEQ)	INV/IO	April 2031	383739U49
UG(1).....	46,941,176	(5)	NTL (SEQ)	INV/IO	April 2031	383739U56
<b>Residual</b>						
RR.....	0	0.0	NPR	NPR	April 2031	383739U64

(1) These Securities may be exchanged for MX Securities described in Schedule I.

(2) Subject to increase as described under "Increase in Size" in this Supplement. The amount shown for each Notional Class (indicated by "NTL" under Principal Type) is its original Class Notional Balance and does not represent principal that will be paid.

(3) As defined under "Class Types" in Appendix I to the Base Offering Circular. The type of Class with which the Class Notional Balance of each Notional Class will be reduced is indicated in parentheses.

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

(5) See "Terms Sheet—Interest Rates" in this Supplement.

## TERMS SHEET

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

**Sponsor:** Salomon Smith Barney Inc.

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

**Tax Administrator:** The Trustee

**Closing Date:** April 30, 2001

**Distribution Date:** The 20th day of each month or, if the 19th day or the 20th day is not a Business Day, the first Business Day following the 20th day of each month, commencing in May 2001.

**Trust Assets:**

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

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

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

<u>Principal Balance(2)</u>	<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Weighted Average Mortgage Rate(3)</u>
<b>Group 1 Trust Assets</b> \$246,153,846	355	2	7.25%
<b>Group 2 Trust Assets</b> \$125,000,000	355	2	7.75%

(1) As of April 1, 2001.

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

(3) The Mortgage Loans underlying the Trust Assets bear interest at rates ranging from 0.5% to 1.5% per annum above the related Certificate Rate.

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

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

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

**Interest Rates:** The Interest Rate for the Fixed Rate Class is shown 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
FA	LIBOR + 0.50%	5.55000%	0.5%	8.000000%	0	0.0000%
FB	LIBOR + 0.40%	5.45000%	0.4%	8.500000%	0	0.0000%
QA	7.00%–LIBOR	1.95000%	0.0%	7.000000%	0	7.0000%
QB	7.00%–LIBOR	1.95000%	0.0%	7.000000%	0	7.0000%
QC	7.50%–LIBOR	0.50000%	0.0%	0.500000%	0	7.5000%
QD	7.50%–LIBOR	0.50000%	0.0%	0.500000%	0	7.5000%
QE	7.50%–LIBOR	2.45000%	0.0%	7.500000%	0	7.5000%
QF	7.50%–LIBOR	2.45000%	0.0%	7.500000%	0	7.5000%
QG	7.50%–LIBOR	2.45000%	0.0%	7.500000%	0	7.5000%
QH	7.00%–LIBOR	1.95000%	0.0%	7.000000%	0	7.0000%
QI	7.50%–LIBOR	0.50000%	0.0%	0.500000%	0	7.5000%
SA	32.50%–(LIBOR x 4.333334)	10.61666%	0.0%	32.500000%	0	7.5000%
SB	32.50%–(LIBOR x 4.333334)	10.61666%	0.0%	32.500000%	0	7.5000%
SC	32.50%–(LIBOR x 4.333334)	10.61666%	0.0%	32.500000%	0	7.5000%
SD	30.333333%–(LIBOR x 4.333334)	8.45000%	0.0%	30.333333%	0	7.0000%
SE	30.333333%–(LIBOR x 4.333334)	8.45000%	0.0%	30.333333%	0	7.0000%
SG	150.00%–(LIBOR x 20.00)	10.00000%	0.0%	10.000000%	0	7.5000%
SH	150.00%–(LIBOR x 20.00)	10.00000%	0.0%	10.000000%	0	7.5000%
SI	150.00%–(LIBOR x 20.00)	10.00000%	0.0%	10.000000%	0	7.5000%
TA	8.10%–LIBOR	1.10000%	0.0%	1.100000%	0	8.1000%
TB	8.10%–LIBOR	1.10000%	0.0%	1.100000%	0	8.1000%
TC	7.50%–LIBOR	0.50000%	0.0%	0.500000%	0	7.5000%
TD	8.10%–LIBOR	0.60000%	0.0%	0.600000%	0	8.1000%
TE	8.10%–LIBOR	1.10000%	0.0%	1.100000%	0	8.1000%
TG	7.50%–LIBOR	2.45000%	0.0%	7.500000%	0	7.5000%
TH	8.10%–LIBOR	3.05000%	0.0%	8.100000%	0	8.1000%
TI	7.50%–LIBOR	2.45000%	0.0%	7.500000%	0	7.5000%
TJ	8.10%–LIBOR	3.05000%	0.0%	8.100000%	0	8.1000%
TM	7.50%–LIBOR	2.45000%	0.0%	7.500000%	0	7.5000%
TN	8.10%–LIBOR	3.05000%	0.0%	8.100000%	0	8.1000%
UA	7.00%–LIBOR	1.95000%	0.0%	7.000000%	0	7.0000%
UB	7.50%–LIBOR	0.50000%	0.0%	0.500000%	0	7.5000%
UC	8.10%–LIBOR	0.60000%	0.0%	0.600000%	0	8.1000%
UD	7.00%–LIBOR	1.95000%	0.0%	7.000000%	0	7.0000%
UE	7.50%–LIBOR	0.50000%	0.0%	0.500000%	0	7.5000%
UG	8.10%–LIBOR	0.60000%	0.0%	0.600000%	0	8.1000%
WA	32.66666%–(LIBOR x 4.666667)	9.10000%	0.0%	32.666660%	0	7.0000%
WB	35.00%–(LIBOR x 4.666667)	11.43333%	0.0%	35.000000%	0	7.5000%
WC	37.80%–(LIBOR x 4.666667)	14.23333%	0.0%	37.800000%	0	8.1000%
WD	32.66666%–(LIBOR x 4.666667)	9.10000%	0.0%	32.666660%	0	7.0000%
WE	35.00%–(LIBOR x 4.666667)	11.43333%	0.0%	35.000000%	0	7.5000%
WG	37.80%–(LIBOR x 4.666667)	14.23333%	0.0%	37.800000%	0	8.1000%
WH	32.66666%–(LIBOR x 4.666667)	9.10000%	0.0%	32.666660%	0	7.0000%
WI	35.00%–(LIBOR x 4.666667)	11.43333%	0.0%	35.000000%	0	7.5000%
WJ	37.80%–(LIBOR x 4.666667)	14.23333%	0.0%	37.800000%	0	8.1000%

(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, the following distributions will be made to the related Securities:

## SECURITY GROUP 1

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

**Pass-Through** 1. 81.2500000508% to FA, until retired

**Sequential** 2. 18.7499999492% sequentially, to EA and EB, in that order, until retired

## SECURITY GROUP 2

A percentage of the Group 2 Principal Distribution Amount will be applied to the Trustee Fee, and the remainder of the Group 2 Principal Distribution Amount (the “Group 2 Adjusted Principal Distribution Amount”) will be allocated concurrently, as follows:

**Pass-Through** 1. 82.3529408000% to FB, until retired

**Sequential** 2. 17.6470592000% sequentially, to GA and GB, in that order, until retired

**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>
QA, QC and QF .....	\$117,000,000	433.3333333333% of EA (SEQ Class)
QB, QD and QG .....	\$ 83,000,000	433.3333368139% of EB (SEQ Class)
QE, QH and QI .....	\$200,000,000	100% of FA (PT Class)
UA, UB, UC, TA, TG and TH .....	\$ 56,000,000	466.6666666667% of GA (SEQ Class)
UD, UE, UG, TB, TI and TJ .....	\$ 46,941,176	466.6666401559% of GB (SEQ Class)
TC, TD, TE, TM and TN .....	\$102,941,176	100% of FB (PT 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 Interests of the Issuing REMIC and the Pooling REMIC; all other Classes of REMIC Securities are Regular Classes.



**\$1,297,011,164**

**Government National  
Mortgage Association**

**GINNIE MAE®**

**Guaranteed REMIC Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2002-40**

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***OFFERING CIRCULAR SUPPLEMENT***  
**June 24, 2002**

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**Bear, Stearns & Co. Inc.  
Blaylock & Partners, L.P.**