

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



**\$246,665,000**

## Government National Mortgage Association

### GINNIE MAE®

Guaranteed Multifamily REMIC Pass-Through Securities  
Ginnie Mae REMIC Trust 2004-025

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. Ginnie Mae does not guarantee the payment of any prepayment penalties.

#### The Trust and its Assets

The Trust will own the Ginnie Mae Multifamily Certificates described on Exhibit A.

The Sponsor will offer the securities from time to time in negotiated transactions at varying prices. We expect the closing date to be April 30, 2004.

You should read the Base Offering Circular for Guaranteed Multifamily REMIC Pass-Through Securities, Chapter 32 of the Ginnie Mae Mortgage-Backed Securities Guide 5500.3, as amended, and this Supplement.

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

**JPMorgan**



**Blaylock & Partners L.P.**

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

### Ginnie Mae REMIC Trust 2004-025

The Trust will issue the classes of securities listed in the table below.

Class	Original Principal Balance(1)	Interest Rate	Principal Type(2)	Interest Type(2)	Final Distribution Date(3)	CUSIP Number
A .....	\$ 19,135,000	3.267%	SEQ	FIX	January 2023	38374F2N3
AB .....	3,300,000	1.698	SEQ	FIX	November 2006	38374F2P8
AC .....	35,565,000	3.377	SEQ	FIX	January 2023	38374F2Q6
BA .....	70,000,000	4.930	SEQ	FIX	November 2044	38374F2R4
BC .....	34,500,000	4.581	SEQ	FIX	November 2044	38374F2S2
C .....	39,165,000	(4)	SEQ	WAC/DLY	May 2045	38374F2T0
D .....	10,000,000	(4)	SEQ	WAC/DLY	March 2046	38374F2U7
E .....	35,000,000	(4)	SEQ	WAC/DLY	March 2046	38374F2V5
IO .....	246,665,000	(4)	NTL(PT)	WAC/IO/DLY	March 2046	38374F2W3
RR .....	0	0.000	NPR	NPR	March 2046	38374F2X1

- (1) Subject to increase as described under “Increase in Size” in this Supplement. The amount shown for the Notional Class (indicated by “NTL” under Principal Type) is its original Class Notional Balance and does not represent principal that will be paid.
- (2) As defined under “Class Types” in Appendix I to the Multifamily Base Offering Circular. The Class Notional Balance of Class IO will be reduced in proportion to the Aggregate Class Principal Balance of Classes A, AB, AC, BA, BC, C, D, and E.
- (3) See “Yield, Maturity and Prepayment Considerations—Final Distribution Date” in this Supplement.
- (4) Classes C, D, E and IO will bear interest during each Accrual Period at a variable rate per annum as described in this Supplement. See “Terms Sheet—Interest Rates” in this Supplement.

## AVAILABLE INFORMATION

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

- this Offering Circular Supplement (this “Supplement”),
- the Base Offering Circular for the Guaranteed Multifamily REMIC Pass-Through Securities dated as of July 1, 2003 (hereinafter referred to as the “Multifamily Base Offering Circular”), and
- Chapter 32 of the Ginnie Mae Mortgage-Backed Securities Guide 5500.3, as amended (the “MBS Guide”).

The Multifamily Base Offering Circular and the MBS Guide are available on Ginnie Mae’s website located at <http://www.ginniemae.gov>.

If you do not have access to the internet, call JPMorgan Chase Bank, which will act as information agent for the Trust, at (800) 234-GNMA, to order copies of the Multifamily Base Offering Circular and Chapter 32 of the MBS Guide.

In addition, you can obtain copies of the disclosure documents related to the Ginnie Mae Multifamily Certificates by contacting JPMorgan Chase Bank at the telephone number listed above.

Please consult the standard abbreviations of Class Types included in the Multifamily Base Offering Circular as Appendix I and the Glossary included in the Multifamily 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,” the Multifamily Base Offering Circular and Chapter 32 of the MBS Guide.

**Sponsor:** J.P. Morgan Securities Inc.

**Co-Manager:** GMAC Commercial Holding Capital Markets

**Trustee:** U.S. Bank National Association

**Tax Administrator:** The Trustee

**Closing Date:** April 30, 2004

**Distribution Date:** The 16th day of each month or, if the 16th day is not a Business Day, the first Business Day thereafter, commencing in May 2004.

### Composition of the Trust Assets:

The Ginnie Mae Multifamily Certificates will consist of:

(i) 36 fixed rate Ginnie Mae Project Loan Certificates, which have an aggregate balance of approximately \$136,161,250 as of the Cut-off Date, and

(ii) 60 fixed rate Ginnie Mae Construction Loan Certificates, which have an aggregate balance of approximately \$110,576,173 as of the Cut-off Date.

### Certain Characteristics of the Ginnie Mae Multifamily Certificates and the Related Mortgage Loans Underlying the Trust Assets (as of April 1, 2004 (the “Cut-off Date”))<sup>(1)</sup>:

The Ginnie Mae Multifamily Certificates and the related Mortgage Loans will have the following characteristics, aggregated on the basis of the applicable FHA insurance program:

FHA Insurance Program	Principal Balance	Number of Trust Assets	Percent of Total Balance	Weighted Average Mortgage Interest Rate	Weighted Average Certificate Rate	Weighted Average Original Term to Maturity <sup>(2)</sup> (in months)	Weighted Average Remaining Term to Maturity <sup>(2)</sup> (in months)	Weighted Average Period From Issuance <sup>(3)</sup> (in months)	Weighted Average Remaining Lockout Period (in months)	Weighted Average Total Remaining Lockout and Prepayment Penalty Period (in months)
221 (d) (4)	\$105,727,609	49	42.9%	5.709%	5.442%	491	484	7	68	127
223 (a) 7	58,552,413	18	23.7	5.533	5.258	351	346	5	57	115
223 (f)	39,644,590	9	16.1	5.421	5.149	403	401	2	56	82
232	17,499,754	12	7.1	5.946	5.696	432	426	6	63	122
232/223 (a) 7	12,202,090	2	4.9	5.871	5.517	391	388	3	47	95
221 (d) (4) / 223 (a) (7)	9,064,666	2	3.7	5.668	5.418	449	445	4	58	118
241	2,350,646	2	1.0	5.562	5.292	263	260	3	61	121
220	1,536,516	1	0.6	6.500	6.250	509	496	13	70	130
232/223 (f)	159,140	1	0.1	7.500	7.120	494	478	16	58	118
<b>Total/Weighted Average</b>	<b>\$246,737,423</b>	<b>96</b>	<b>100.0%</b>	<b>5.649%</b>	<b>5.377%</b>	<b>431</b>	<b>426</b>	<b>5</b>	<b>62</b>	<b>114</b>

(1) Includes Ginnie Mae Multifamily Certificates added to pay the Trustee Fee. Some of the columns may not foot due to rounding.

(2) Based on the assumption that each Ginnie Mae Construction Loan Certificate will convert to a Ginnie Mae Project Loan Certificate.

(3) Based on the issue date of the related Ginnie Mae Multifamily Certificate.

*The information contained in this chart has been collected and summarized by the Sponsor and the Co-Manager based on publicly available information, including the disclosure documents for the Ginnie Mae Multifamily Certificates. See “The Ginnie Mae Multifamily Certificates — The Mortgage Loans” and Exhibit A to this Supplement.*

**Lockout Periods and Prepayment Penalties:** The Mortgage Loans prohibit voluntary prepayments during specified lockout periods with remaining terms that range from 33 to 109 months. The Mortgage Loans have a weighted average remaining lockout period of approximately 62 months. Some of the Mortgage Loans provide for payment of Prepayment Penalties during specified periods beginning on the applicable lockout period end date. See “*The Ginnie Mae Multifamily Certificates — Certain Additional Characteristics of the Mortgage Loans*” and “*Characteristics of the Ginnie Mae Multifamily Certificates and the Related Mortgage Loans*” in Exhibit A to this Supplement. Prepayment Penalties received by the Trust will be allocated as described in this Supplement.

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

**Increased Minimum Denomination Class:** Class IO. 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.

The Weighted Average Coupon Classes will bear interest at per annum Interest Rates based on the Weighted Average Certificate Rate of the Ginnie Mae Multifamily Certificates (hereinafter referred to as “WACR”) as follows:

Class C will bear interest during each Accrual Period at a per annum rate equal to the lesser of WACR and 5.1900%.

Class D will bear interest during each Accrual Period at a per annum rate equal to the lesser of WACR and 5.2170%.

Class E will bear interest during each Accrual Period at a per annum rate equal to the lesser of WACR and 5.1663%.

Class IO will bear interest during each Accrual Period at a rate per annum equal to WACR less the weighted average of the applicable Interest Rate for Classes A, AB, AC, BA, BC, C, D and E for that Accrual Period, weighted based on the Class Principal Balance of each Class for the related Distribution Date (before giving effect to any payments on such Distribution Date).

Classes C, D, E and IO will bear interest during the initial Accrual Period at the following approximate Interest Rates:

<u>Class</u>	<u>Approximate Initial Interest Rate</u>
C .....	5.1900%
D .....	5.2170%
E .....	5.1663%
IO .....	0.8054%

**Allocation of Principal:** On each Distribution Date, a percentage of the Principal Distribution Amount will be applied to the Trustee Fee, and the remainder of the Principal Distribution Amount (the “Adjusted Principal Distribution Amount”) will be allocated in the following order of priority:

1. Concurrently:
  - a. 32.9913793103% to A, until retired
  - b. Sequentially, 67.0086206897% to AB and AC, in that order, until retired

2. Concurrently, to BA and BC, pro rata, until retired
3. Concurrently, until C has been retired:
  - a. 88.1658471509% to C, until retired
  - b. 11.8341528491% to D
4. Concurrently:
  - a. 11.9342590754% to D, until retired
  - b. 88.0657409246% to E, until retired

**Allocation of Prepayment Penalties:** On each Distribution Date, the Trustee will pay 100% of any Prepayment Penalties that are collected and passed through to the Trust to Class IO.

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

<u>Class</u>	<u>Original Class Notional Balance</u>	<u>Represents</u>
IO .....	\$246,665,000	100% of A, AB, AC, BA, BC, C, D and E (in the aggregate) (SEQ Classes)

**Tax Status:** Double REMIC Series. See “*Certain Federal Income Tax Consequences*” in this Supplement and in the Multifamily 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 will vary. Following any lockout period, and upon payment of any applicable prepayment penalty, borrowers may prepay their mortgage loans at any time. Borrowers may also prepay their mortgage loans during a lockout period or without paying any applicable prepayment penalty with the approval of the FHA.

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

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

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

***An investment in the securities is subject to significant reinvestment and extension 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 pay-

ment on your security may occur much earlier than the final distribution date.

***Defaults will increase the rate of prepayment.*** Lending on multifamily properties and nursing facilities is generally viewed as exposing the lender to a greater risk of loss than single-family lending. If a mortgagor defaults on a mortgage loan and the loan is subsequently foreclosed upon or assigned to FHA for FHA insurance benefits or otherwise liquidated, the effect would be comparable to a prepayment of the mortgage loan; however, no prepayment penalty would be received. Similarly, mortgage loans as to which there is a material breach of a representation may be purchased out of the trust without the payment of a prepayment penalty.

***Extensions of the term to maturity of the Ginnie Mae construction loan certificates delay the payment of principal to the trust and will affect the yield to maturity on your securities.*** Depending on its date of issuance, the extension of the term to maturity of any Ginnie Mae construction loan certificate will require the related Ginnie Mae issuer to obtain the consent of either (i) all the holders of the related Ginnie Mae construction loan certificates or (ii) the contracted security purchaser, the entity bound under contract with the Ginnie Mae issuer to purchase all the Ginnie Mae construction loan certificates related to a particular multifamily project. However, the sponsor, on behalf of itself and all future holders of each Ginnie Mae construction loan certificate to be deposited into the trust and all related Ginnie Mae construction loan certificates (whether or not currently outstanding), has waived the right to withhold consent to any requests of the related Ginnie Mae issuer to extend the term to maturity of those Ginnie Mae construction loan certificates (provided that any such extension, when combined with previously granted extensions in respect of such Ginnie Mae construction loan certificates, would not extend the term to maturity beyond the term of the underlying mortgage loan insured by



FHA). This waiver effectively permits the related Ginnie Mae issuer to extend the maturity of the Ginnie Mae construction loan certificates in its sole discretion, subject only to the prior written approval of Ginnie Mae. A holder of a Ginnie Mae construction loan certificate is only entitled to interest at the specified interest rate on the outstanding principal balance of the Ginnie Mae construction loan certificate until the earliest of (1) the liquidation of the mortgage loan, (2) at the related Ginnie Mae Issuer's option, either (a) the first Ginnie Mae certificate payment date of the Ginnie Mae project loan certificate following the conversion of the Ginnie Mae construction loan certificate or (b) the date of conversion of the Ginnie Mae construction loan certificate to a Ginnie Mae project loan certificate, and (3) the maturity date (as adjusted for any previously granted extensions) of the Ginnie Mae construction loan certificate. Any extension of the term to maturity may delay the commencement of principal payments to the trust and affect the yield on your securities.

***The failure of a Ginnie Mae construction loan certificate to convert into a Ginnie Mae project loan certificate prior to its maturity date (as adjusted for any previously granted extensions), for any reason, will result in the full payment of the principal balance of the Ginnie Mae construction loan certificate on its maturity date and, accordingly, will affect the rate of prepayment.*** The Ginnie Mae construction loan certificate may fail to convert if the prerequisites for conversion outlined in Chapter 32 of the MBS Guide are not satisfied, including, but not limited to, (1) final endorsement by FHA of the underlying mortgage loan, (2) completion of the cost certification process, and (3) the delivery of supporting documentation including, among other things, the note or other evidence of indebtedness and assignments endorsed to Ginnie Mae. Upon maturity of the Ginnie Mae construction loan certificates, absent any extensions, the related Ginnie Mae Issuer is obligated to pay to the holders of the Ginnie Mae construction loan certificates the outstanding principal amount. The payment of any Ginnie Mae construction loan certificate on the maturity date may affect the yield on your securities.

***Any delay in the conversion of a Ginnie Mae construction loan certificate to a Ginnie Mae project loan certificate will delay the payment of principal on your securities.*** The conversion of a Ginnie Mae construction loan certificate to a Ginnie Mae project loan certificate can be delayed for a wide variety of reasons, including work stoppages, construction defects, inclement weather, completion of or delays in the cost certification process and changes in contractors, owners and architects related to the multifamily project. During any such delay, the trust will not be entitled to any principal payments that may have been made by the borrower on the related underlying mortgage loan. The distribution of any such principal payments will not occur until the earliest of (1) the liquidation of the mortgage loan, (2) at the related Ginnie Mae Issuer's option, either (a) the first Ginnie Mae certificate payment date of the Ginnie Mae project loan certificate following the conversion of the Ginnie Mae construction loan certificate or (b) the date of conversion of the Ginnie Mae construction loan certificate to a Ginnie Mae project loan certificate, and (3) the maturity date (as adjusted for any previously granted extensions) of the Ginnie Mae construction loan certificate. However, the holders of the securities will not receive any such amounts until the next distribution date on the securities and will not be entitled to receive any interest on such amount.

***The yield on securities that would benefit from a faster than expected payment of principal (such as securities purchased at a discount) may be adversely affected if the underlying mortgage loan begins to amortize prior to the conversion of a Ginnie Mae construction loan certificate to a Ginnie Mae project loan certificate.*** As holders of Ginnie Mae construction loan certificates are entitled only to interest, any scheduled payments of principal received with respect to the mortgage loans underlying the Ginnie Mae construction loan certificate will not be passed through to the trust. Any such amounts will be deposited into a non-interest bearing, custodial account maintained by the related Ginnie Mae issuer and will be distributed to the trust (unless otherwise negotiated between the Ginnie Mae Issuer and the contracted security purchaser) on the earliest of (1) the liquidation of the mortgage loan, (2) at



the related Ginnie Mae Issuer's option, either (a) the first Ginnie Mae certificate payment date of the Ginnie Mae project loan certificate following the conversion of the Ginnie Mae construction loan certificate or (b) the date of conversion of the Ginnie Mae construction loan certificate to a Ginnie Mae project loan certificate, and (3) the maturity date (as adjusted for any previously granted extensions) of the Ginnie Mae construction loan certificate. However, the holders of the securities will not receive any such amounts until the next distribution date on the securities and will not be entitled to receive any interest on such amount. The delay in payment of the scheduled principal may affect, perhaps significantly, the yield on those securities that would benefit from a higher than anticipated rate of prepayment of principal.

***If the amount of the underlying mortgage loan at final endorsement by FHA is less than the aggregate principal amount of the Ginnie Mae construction loan certificates upon completion of the particular multifamily project, the Ginnie Mae construction loan certificates must be prepaid in the amount equal to the difference between the aggregate principal balance of the Ginnie Mae construction loan certificates and the principal balance of the Ginnie Mae project loan certificates issued upon conversion.*** The reduction in the underlying mortgage loan amount could occur as a result of the cost certification process that takes place prior to the conversion to a Ginnie Mae project loan certificate. In such a case, the rate of prepayment on your securities may be higher than expected.

***Available information about the mortgage loans is limited.*** Generally, neither audited financial statements nor recent appraisals are available with respect to the mortgage loans, the mortgaged properties, or the operating revenues, expenses and values of the mortgaged properties. Default, delinquency and other information relevant to the likelihood of prepayment of the multifamily mortgage loans underlying the Ginnie Mae multifamily certificates is not made generally available to the public and will not be reported to you. Accordingly, at a time when you might be buying or selling your securities, you

may not be aware of matters that, if known, would affect the value of your securities.

***FHA has authority to override lockouts and prepayment limitations.*** FHA insurance and certain mortgage loan and trust provisions may affect lockouts and the right to receive prepayment penalties. FHA may override any lockout or prepayment penalty provision if it determines that it is in the best interest of the federal government to allow the mortgagor to refinance or to prepay in part its mortgage loan.

***Holders entitled to prepayment penalties may not receive them.*** Prepayment penalties received by the trustee will be distributed to Class IO. Ginnie Mae, however, does not guarantee that mortgagors will in fact pay any prepayment penalties or that such prepayment penalties will be received by the trustee. Accordingly, holders of the classes entitled to receive prepayment penalties will receive them only to the extent that the trustee receives them. Moreover, even if the trustee distributes prepayment penalties to the holders of those classes, the additional amounts may not offset the reduction in yield caused by the corresponding prepayments.

***The securities may not be a suitable investment for you.*** The securities, in particular, the interest only and residual classes, are not suitable investments for all investors. Only "accredited investors," as defined in Rule 501(a) of Regulation D of the Securities Act of 1933, who have substantial experience in mortgage-backed securities and are capable of understanding the risks should invest in the securities.

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 Multifamily 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 prepayment rates of the underlying mortgage loans will affect the weighted average lives and yields of your securities.* The yield and decrement tables in this supplement are based on assumed prepayment rates. 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. As a result, the yields on your securities could be lower than you expected.

## THE GINNIE MAE MULTIFAMILY CERTIFICATES

### General

The Sponsor intends to acquire the Ginnie Mae Multifamily Certificates 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 Ginnie Mae Multifamily Certificates.

### The Ginnie Mae Multifamily Certificates

The Ginnie Mae Multifamily Certificates are guaranteed by Ginnie Mae pursuant to its Ginnie Mae I Program. Each Mortgage Loan underlying a Ginnie Mae Multifamily Certificate bears interest at a Mortgage Rate that is greater than the related Certificate Rate.

For each Mortgage Loan underlying a Ginnie Mae Multifamily Certificate, the difference between (a) the Mortgage Rate and (b) the related Certificate Rate is used to pay the servicer of the Mortgage Loan a monthly fee for servicing the Mortgage Loan and to pay Ginnie Mae a fee for its guarantee of the related Ginnie Mae Multifamily Certificate (together, the “Servicing and Guaranty Fee Rate”). The per annum rate used to calculate these fees for the Mortgage Loans in the Trust is shown on Exhibit A to this Supplement.

The Ginnie Mae Multifamily Certificates included in the Trust consist of (i) Ginnie Mae Construction Loan Certificates issued during the construction phase of a multifamily project, which are redeemable for Ginnie Mae Project Loan Certificates (the “Trust CLCs”) and (ii) Ginnie Mae Project Loan Certificates deposited into the Trust on the Closing Date or issued upon conversion of a Trust CLC (collectively, the “Trust PLCs”).

### The Trust CLCs

Each Trust CLC is based on and backed by a single Mortgage Loan secured by a multifamily project under construction and insured by the Federal Housing Administration (“FHA”) pursuant to an FHA Insurance Program described under “FHA Insurance Programs” in this Supplement. Ginnie Mae Construction Loan Certificates are generally issued monthly by the related Ginnie Mae Issuer as construction progresses on the related multifamily project and as advances are insured by FHA. Prior to the issuance of

Ginnie Mae Construction Loan Certificates, the Ginnie Mae Issuer must provide Ginnie Mae with supporting documentation regarding advances and disbursements on the Mortgage Loan and must satisfy the prerequisites for issuance as described in Chapter 32 of the MBS Guide. Each Ginnie Mae Construction Loan Certificate may be redeemed for a pro rata share of a Ginnie Mae Project Loan Certificate that bears the same interest rate as the Ginnie Mae Construction Loan Certificate.

The original maturity of a Ginnie Mae Construction Loan Certificate is at least 200% of the construction period anticipated by FHA for the multifamily project. The stated maturity of the Ginnie Mae Construction Loan Certificates may be extended after issuance at the request of the related Ginnie Mae Issuer with the prior written approval of Ginnie Mae. With respect to Ginnie Mae Construction Loan Certificates issued prior to December 31, 2002, prior to approving any extension request, Ginnie Mae requires that all of the holders of all related Ginnie Mae Construction Loan Certificates consent to the extension of the term to maturity. With respect to Ginnie Mae Construction Loan Certificates issued after December 31, 2002, prior to approving any extension request, Ginnie Mae requires that the contracted security purchaser, the entity bound under contract with the related Ginnie Mae issuer to purchase all of the Ginnie Mae Construction Loan Certificates related to a particular multifamily project, consent to the extension of the term to maturity. The Sponsor, as the holder or contracted security purchaser of the Trust CLCs and any previously issued or hereafter existing Ginnie Mae Construction Loan Certificates relating to the Trust CLCs identified on Exhibit A to this supplement (the "Sponsor CLCs"), has waived its right and the right of all future holders of the Sponsor CLCs, including the Trustee, as the assignee of the Sponsor's rights in the Trust CLCs, to withhold consent to any extension requests, provided that the length of the extension does not, in combination with any previously granted extensions related thereto, exceed the term of the underlying Mortgage Loan insured by FHA. In addition, as a condition to the transfer of the Sponsor CLCs and the Trust CLCs, the Sponsor Agreement will require the Sponsor to obtain from each purchaser of Sponsor CLCs, and the Trust Agreement will require the Trustee to obtain from each purchaser of Trust CLCs, a written agreement pursuant to which each such purchaser will agree to the material terms of the waiver and to not transfer the Sponsor CLC or Trust CLC, as applicable, to any subsequent purchaser that has not executed a written agreement substantially similar in form and substance to the agreement executed by such purchaser. The waiver effected by the Sponsor, together with the transfer restrictions in the Sponsor Agreement and Trust Agreement, will effectively permit the related Ginnie Mae Issuer to extend the maturity of the Ginnie Mae CLCs in its sole discretion, subject only to the prior written approval of Ginnie Mae.

Each Trust CLC will provide for the payment to the Trust of monthly payments of interest equal to a pro rata share of the interest payments on the underlying Mortgage Loan, less applicable servicing and guaranty fees. The Trust will not be entitled to receive any payments of principal collected on the related Mortgage Loan as long as the Trust CLC is outstanding. During such period any prepayments and other recoveries of principal (other than proceeds from the liquidation of the Mortgage Loan) or any Prepayment Penalties on the underlying Mortgage Loan received by the Ginnie Mae Issuer will be deposited into a non-interest bearing escrow account (the "P&I Custodial Account"). Any such amounts will be held for distribution to the Trust (unless otherwise negotiated between the Ginnie Mae Issuer and the contracted security purchaser) on the earliest of (i) the liquidation of the mortgage loan, (ii) at the related Ginnie Mae Issuer's option, either (a) the first Ginnie Mae Certificate Payment Date of the Ginnie Mae Project Loan Certificate following the conversion of the Ginnie Mae Construction Loan Certificate or (b) the date of conversion of the Ginnie Mae Construction Loan Certificate to a Ginnie Mae Project Loan Certificate, and (iii) the applicable Maturity Date. However, the Holders of the Securities will not receive any such amounts until the next Distribution Date and will not be entitled to receive any interest on such amount.

At any time following the final endorsement of the underlying Mortgage Loan by FHA, prior to the Maturity Date and upon satisfaction of the prerequisites for conversion outlined in Chapter 32 of the MBS Guide, Ginnie Mae Construction Loan Certificates will be redeemed for Ginnie Mae Project Loan Certificates. The Ginnie Mae Project Loan Certificates will be issued at the identical interest rate as the Ginnie Mae Construction Loan Certificates. The aggregate principal amount of the Ginnie Mae Project Loan

Certificates may be less than or equal to the aggregate amount of advances that has been disbursed and insured on the Mortgage Loan underlying the related Ginnie Mae Construction Loan Certificates. Any difference between the principal balance of the Ginnie Mae Construction Loan Certificates and the principal balance of the Ginnie Mae Project Loan Certificates issued at conversion will be disbursed to the holders of the Ginnie Mae Construction Loan Certificates as principal upon conversion.

### **The Trust PLCs**

Each Trust PLC will be based on and backed by one or more multifamily Mortgage Loans with an original term to maturity of generally no more than 40 years.

Each Trust PLC will provide for the payment to the registered holder of that Trust PLC of monthly payments of principal and interest equal to the aggregate amount of the scheduled monthly principal and interest payments on the Mortgage Loans underlying that Trust PLC, less applicable servicing and guaranty fees. In addition, each such payment will include any prepayments and other unscheduled recoveries of principal of, and any Prepayment Penalties on, the underlying Mortgage Loans to the extent received by the Ginnie Mae Issuer during the month preceding the month of the payment.

### **The Mortgage Loans**

Each Ginnie Mae Multifamily Certificate represents a beneficial interest in one or more Mortgage Loans.

Ninety-six (96) Mortgage Loans will underlie the Ginnie Mae Multifamily Certificates, which as of the Closing Date consist of 60 Mortgage Loans that underlie the Trust CLCs (the “Trust CLC Mortgage Loans”) and 36 Mortgage Loans that underlie the Trust PLCs (the “Trust PLC Mortgage Loans”). These Mortgage Loans have an aggregate balance of approximately \$246,737,423 as of the Cut-off Date, after giving effect to all payments of principal due on or before that date, which consist of approximately \$110,576,173 Trust CLC Mortgage Loans and approximately \$136,161,250 Trust PLC Mortgage Loans. The Mortgage Loans have, on a weighted average basis, the other characteristics set forth in the Terms Sheet under “Certain Characteristics of the Mortgage Loans Underlying the Trust Assets (as of April 1, 2004 (the ‘Cut-off Date’))” and, on an individual basis, the characteristics described in Exhibit A to this Supplement. They also have the general characteristics described below. The Mortgage Loans consist of first lien and second lien, multifamily, fixed rate mortgage loans that are secured by a lien on the borrower’s fee simple estate in a multifamily property consisting of five or more dwelling units or nursing facilities and insured by FHA or coinsured by FHA and the related mortgage lender. See “*The Ginnie Mae Multifamily Certificates — General*” in the *Multifamily Base Offering Circular*.

### **FHA Insurance Programs**

FHA multifamily insurance programs generally are designed to assist private and public mortgagors in obtaining financing for the construction, purchase or rehabilitation of multifamily housing pursuant to the National Housing Act of 1934 (the “Housing Act”). Mortgage Loans are provided by FHA-approved institutions, which include mortgage banks, commercial banks, savings and loan associations, trust companies, insurance companies, pension funds, state and local housing finance agencies and certain other approved entities. Mortgage Loans insured under the programs described below will have such maturities and amortization features as FHA may approve, provided that generally the minimum mortgage loan term will be at least ten years and the maximum mortgage loan term will not exceed the lesser of 40 years and 75 percent of the estimated remaining economic life of the improvements on the mortgaged property.

Tenant eligibility for FHA-insured projects generally is not restricted by income, except for projects as to which rental subsidies are made available with respect to some or all the units therein or to specified tenants.

The following is a summary of the various FHA insurance programs under which the Mortgage Loans are insured.

*Section 220 (Urban Renewal Mortgage Insurance).* Section 220 of the Housing Act provides for federal insurance of mortgage loans on multifamily rental projects located in federally aided urban renewal areas or in areas having a local redevelopment or urban renewal plan certified by the FHA. The mortgage loans may finance the rehabilitation of existing salvable housing (including the refinancing of existing loans) or new construction in targeted areas. The purpose of Section 220 is to encourage quality rental housing in urban areas targeted for overall revitalization.

*Section 221(d)(4) (Housing for Moderate Income and Displaced Families).* Section 221(d)(4) of the Housing Act provides for mortgage insurance to assist private industry in the construction or substantial rehabilitation of rental and cooperative housing for low- and moderate- income families and families that have been displaced as a result of urban renewal, governmental actions or disaster.

*Section 223(a)(7) (Refinancing of FHA-Insured Mortgages).* Section 223(a)(7) of the Housing Act permits FHA to refinance existing insured mortgage loans under any section or title of the Housing Act. Such refinancing results in prepayment of the existing insured mortgage. The new, refinanced mortgage loan is limited to the original principal amount of the existing mortgage loan and the unexpired term of the existing mortgage loan plus 12 years.

*Section 223(f) (Purchase or Refinancing of Existing Projects).* Section 223(f) of the Housing Act provides for federal insurance of mortgage loans originated by FHA-approved lenders in connection with the purchase or refinancing of existing multifamily housing complexes, hospitals and nursing homes that do not require substantial rehabilitation. The principal objective of the Section 223(f) program is to permit the refinancing of mortgage loans to provide for a lower debt service or the purchase of existing properties in order to preserve an adequate supply of affordable rental housing. Such projects may have been financed originally with conventional or FHA-insured mortgage loans.

*Section 232 (Mortgage Insurance for Nursing Homes, Immediate Care Facilities and Board and Care Homes).* Section 232 of the Housing Act provides for FHA insurance of private construction mortgage loans to finance new or rehabilitated nursing homes, intermediate care facilities, board and care homes, assisted living for the frail or elderly or allowable combinations thereof, including equipment to be used in their operation. Section 232 also provides for supplemental loans to finance the purchase and installation of fire safety equipment in these facilities.

*Section 241 (Supplemental Loans for Multifamily Projects).* Section 241 of the Housing Act provide for FHA insurance to finance property improvements, energy-conserving improvements or supplemental increases to any FHA-insured multifamily loan. The overall purpose of the Section 241 loan program is to provide a project with a means to remain competitive, to extend its economic life and to finance the replacement of obsolete equipment without the refinancing of the existing mortgage.

### **Certain Additional Characteristics of the Mortgage Loans**

*Mortgage Rates; Calculations of Interest.* The Mortgage Loans bear interest at Mortgage Rates that will remain fixed for their remaining terms. All of the Mortgage Loans accrue interest on the basis of a 360-day year consisting of twelve 30-day months. *See “Characteristics of the Ginnie Mae Multifamily Certificates and the Related Mortgage Loans” in Exhibit A to this Supplement.*

*Due Dates.* Monthly payments on the Mortgage Loans are due on the first day of each month.

*Amortization.* The Trust PLC Mortgage Loans are fully-amortizing over their remaining terms to stated maturity. None of the Trust CLC Mortgage Loans have begun to amortize. However, regardless of the scheduled amortization of Trust CLC Mortgage Loans the Trust will not be entitled to receive any principal payments with respect to any Trust CLC Mortgage Loans until the earliest of (i) the liquidation of the Mortgage Loan, (ii) at the related Ginnie Mae Issuer’s option, either (a) the first Ginnie Mae Certificate Payment Date of the Ginnie Mae Project Loan Certificate following the conversion of the Ginnie Mae Construction Loan Certificate or (b) the date of conversion of the Ginnie Mae Construction Loan Certificate



to a Ginnie Mae Project Loan Certificate, and (iii) the applicable Maturity Date. The Ginnie Mae Issuer will deposit any principal payments that it receives in connection with any Trust CLC into the related P&I Custodial Account. The Trust will not be entitled to recover any interest thereon.

Certain of the Mortgage Loans may provide that, if the related borrower makes a partial principal prepayment, such borrower will not be in default if it fails to make any subsequent scheduled payment of principal provided that such borrower continues to pay interest in a timely manner and the unpaid principal balance of such Mortgage Loan at the time of such failure is at or below what it would otherwise be in accordance with its amortization schedule if such partial principal prepayment had not been made. Under certain circumstances, the Mortgage Loans also permit the reamortization thereof if prepayments are received as a result of condemnation or insurance payments with respect to the related Mortgaged Property.

*Level Payments.* Although the Mortgage Loans currently have amortization schedules that provide for level monthly payments, the amortization schedules of substantially all of the Mortgage Loans are subject to change upon the approval of FHA that may result in non-level payments.

Furthermore, in the absence of a change in the amortization schedule of the Mortgage Loans, Mortgage Loans that provide for level monthly payments may still receive non-level payments as a result of the fact that, at any time:

- FHA may permit any Mortgage Loan to be refinanced or partially prepaid without regard to any lockout period or Prepayment Penalty; and
- condemnation of, or occurrence of a casualty loss on, the Mortgaged Property securing any Mortgage Loan or the acceleration of payments due under any Mortgage Loan by reason of a default may result in prepayment.

*“Due-on-Sale” Provisions.* The Mortgage Loans do not contain “due-on-sale” clauses restricting sale or other transfer of the related Mortgaged Property. Any transfer of the Mortgaged Property is subject to HUD review and approval under the terms of HUD’s Regulatory Agreement with the owner, which is incorporated by reference into the mortgage.

*Prepayment Restrictions.* The Mortgage Loans have lockout provisions that prohibit voluntary prepayment for a number of years following origination. The Mortgage Loans have remaining lockout terms that range from approximately 33 to 109 months. The Mortgage Loans have a weighted average remaining lockout term of approximately 62 months. The enforceability of these lockout provisions under certain state laws is unclear.

Certain of the Mortgage Loans have a period (a “Prepayment Penalty Period”) during which voluntary prepayments must be accompanied by a prepayment penalty equal to a specified percentage of the principal amount of the Mortgage Loan being prepaid (each a “Prepayment Penalty”). Any Prepayment Penalty Period will follow the termination of the lockout provision. *See “Characteristics of the Ginnie Mae Multifamily Certificates and the Related Mortgage Loans” in Exhibit A to this Supplement.*

Exhibit A to this Supplement sets forth, for each Mortgage Loan, as applicable, a description of the related Prepayment Penalty, if any, the period during which the Prepayment Penalty applies and the first month in which the borrower may repay the Mortgage Loan.

Notwithstanding the foregoing, FHA guidelines require all of the Mortgage Loans to include a provision that allows FHA to override any lockout and/or Prepayment Penalty provisions if FHA determines that it is in the best interest of the federal government to allow the mortgagor to refinance or partially prepay the Mortgage Loan without restrictions or penalties and any such payment will avoid or mitigate an FHA insurance claim.

Notwithstanding the foregoing, the Trust will not be entitled to receive any principal prepayments or any applicable Prepayment Penalties with respect to the Trust CLC Mortgage Loans until the earliest of (i) the liquidation of such Mortgage Loans, (ii) at the related Ginnie Mae Issuer’s option, either (a) the first Ginnie

Mae Certificate Payment Date of the Ginnie Mae Project Loan Certificate following the conversion of the Ginnie Mae Construction Loan Certificate or (b) the date of conversion of the Ginnie Mae Construction Loan Certificate to a Ginnie Mae Project Loan Certificate, and (iii) the applicable Maturity Date. However, the Holders of the Securities will not receive any such amounts until the next Distribution Date and will not be entitled to receive any interest on such amount.

*Coinsurance.* Certain of the Trust PLC Mortgage Loans may be federally insured under FHA coinsurance programs that provide for the retention by the mortgage lender of a portion of the mortgage insurance risk that otherwise would be assumed by FHA under the applicable FHA insurance program. As part of such coinsurance programs, FHA delegates to mortgage lenders approved by FHA for participation in such coinsurance programs certain underwriting functions generally performed by FHA. Accordingly, there can be no assurance that such mortgage loans were underwritten in conformity with FHA underwriting guidelines applicable to mortgage loans that were solely federally insured or that the default risk with respect to coinsured mortgage loans is comparable to that of FHA-insured mortgage loans generally. As a result, there can be no assurance as to the likelihood of future default or as to the rate of prepayment on the coinsured Trust PLC Mortgage Loans will be comparable to that of FHA-insured mortgage loans generally.

### **The Trustee Fee**

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

## **GINNIE MAE GUARANTY**

The Government National Mortgage Association (“Ginnie Mae”), a wholly-owned corporate instrumentality of the United States of America within HUD, guarantees the timely payment of principal and interest on the Securities. The 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 Multifamily Base Offering Circular.* Ginnie Mae does not guarantee the collection or the payment to Holders of any Prepayment Penalties.

## **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 Multifamily Base Offering Circular.*

### **Form of Securities**

Each Class of Securities other than the Residual Securities initially will be issued and maintained in book-entry form and may be transferred only on the 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 located at One Federal Street-3rd Floor, Boston, Massachusetts 02110, Attn: Ginnie Mae REMIC Program Agency



Group. See “Description of the Securities — Forms of Securities; Book-Entry Procedures” in the Multifamily Base Offering Circular.

Each Class (other than the Increased Minimum Denomination Class) will be issued in minimum dollar denominations of initial principal balance of \$1,000 and integral multiples of \$1 in excess of \$1,000. The Increased Minimum Denomination Class will be issued in minimum denominations that equal \$100,000 in initial notional balance.

### **Distributions**

Distributions on the Securities will be made on each Distribution Date, as specified under “Terms Sheet — Distribution Date” in this Supplement. On each Distribution Date for a Security, or in the case of the Certificated Securities, on the first Business Day after the related Distribution Date, the Distribution Amount will be distributed to the Holders of record as of the close of business on the last Business Day of the calendar month immediately preceding the month in which the Distribution Date occurs. Beneficial Owners of Book-Entry Securities will receive distributions through credits to accounts maintained for their benefit on the books and records of the appropriate financial intermediaries. Holders of Certificated Securities will receive distributions by check or, subject to the restrictions set forth in the Base Offering Circular, by wire transfer. See “Description of the Securities — Distributions” and “— Method of Distributions” in the related 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. The abbreviations used on the inside cover page and in the Terms Sheet are explained under “Class Types” in Appendix I to the Multifamily Base Offering Circular.

#### *Accrual Periods*

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

### *Weighted Average Coupon Classes*

The Weighted Average Coupon Classes will bear interest at per annum Interest Rates based on WACR as follows:

Class C will bear interest during each Accrual Period at a per annum rate equal to the lesser of WACR and 5.1900%.

Class D will bear interest during each Accrual Period at a per annum rate equal to the lesser of WACR and 5.2170%.

Class E will bear interest during each Accrual Period at a per annum rate equal to the lesser of WACR and 5.1663%.

Class IO will bear interest during each Accrual Period at a rate per annum equal to WACR less the weighted average of the applicable Interest Rate for Classes A, AB, AC, BA, BC, C, D and E for that Accrual Period, weighted based on the Class Principal Balance of each Class for the related Distribution Date (before giving effect to any payments on such Distribution Date).

Classes C, D, E and IO will bear interest during the Initial Accrual Period at the following approximate interest rates:

<u>Class</u>	<u>Approximate Initial Interest Rate</u>
C.....	5.1900%
D.....	5.2170%
E.....	5.1663%
IO.....	0.8054%

The Trustee's determination of these Interest Rates will be final except in the case of clear error. Investors can obtain Interest Rates for the current and preceding Accrual Period from Ginnie Mae's Multiclass Securities e-Access located on Ginnie Mae's website ("e-Access") or by calling the Information Agent at (800) 234-GNMA.

### **Principal Distributions**

The Adjusted Principal Distribution Amount will be distributed to the Holders entitled thereto as described above 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. The abbreviations used on the inside cover page and in the Terms Sheet are explained under "Class Types" in Appendix I to the Multifamily Base Offering Circular.

### *Notional Class*

The Notional Class will not receive principal distributions. For convenience in describing interest distributions, the Notional Class will have the original Class Notional Balance shown on the inside cover page of this Supplement. The Class Notional Balance will be reduced as shown under "Terms Sheet — Notional Class" in this Supplement.

## **Prepayment Penalty Distributions**

The Trustee will distribute any Prepayment Penalties that are received by the Trust during the related interest Accrual Period as described in “Terms Sheet — Allocation of Prepayment Penalties” 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 Multifamily Base Offering Circular. The Class RR Securities have no Class Principal Balance and do not accrue interest. The Class RR Securities will be entitled to receive the proceeds of the disposition of any assets remaining in the Trust REMICs after the Class Principal Balance of each Class of Regular Securities has been reduced to zero. However, any remaining proceeds are not likely to be significant. The Residual Securities may not be transferred to a Plan Investor, a Non-U.S. Person or a Disqualified Organization.

## **Class Factors**

The Trustee will calculate and make available for each Class of Securities, no later than the day preceding the Distribution Date, the factor (carried out to eight decimal places) that when multiplied by the Original Class Principal Balance (or original Class Notional Balance) of that Class, determines the Class Principal Balance (or Class Notional Balance) after giving effect to the distribution of principal to be made on the Securities or any reduction of Class Notional Balance on that Distribution Date (each, a “Class Factor”).

- The Class Factor for any Class of Securities for the month following the issuance of the Securities will reflect its remaining Class Principal Balance (or Class Notional Balance) after giving effect to any principal distribution (or addition to principal) to be made or any reduction of Class Notional Balance on the Distribution Date occurring in that month.
- The Class Factor for each Class for the month of issuance is 1.00000000.
- Based on the Class Factors published in the preceding and current months (and Interest Rates), investors in any Class can calculate the amount of principal and interest to be distributed to that Class on the Distribution Date in the current month.
- Investors may obtain current Class Factors on e-Access.

*See “Description of the Securities — Distributions” in the Multifamily 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 Security of the Notional Class will be entitled to receive that Holder’s allocable share of any accrued and unpaid interest thereon at the applicable Interest Rate. The Residual Holders will be entitled to their pro rata share of any assets remaining in the Trust REMICs after payment in full of the amounts described in the foregoing sentence. However, any remaining assets are not likely to be significant.

## YIELD, MATURITY AND PREPAYMENT CONSIDERATIONS

### General

The prepayment experience of the Mortgage Loans underlying the Ginnie Mae Multifamily Certificates will affect the Weighted Average Lives of and the yields realized by investors in the Securities.

- Mortgage Loan principal payments may be in the form of scheduled or unscheduled amortization.
- The terms of each Mortgage Loan provide that, following the applicable lockout period, and upon payment of any applicable Prepayment Penalty, the Mortgage Loan may be voluntarily prepaid in whole or in part.
- In addition, in some circumstances FHA may permit a Mortgage Loan to be refinanced or partially prepaid without regard to lockout or Prepayment Penalty provisions. *See “Characteristics of the Ginnie Mae Multifamily Certificates and the Related Mortgage Loans” in Exhibit A to this Supplement.*
- The condemnation of, or occurrence of a casualty loss on, the Mortgaged Property securing any Mortgage Loan or the acceleration of payments due under the Mortgage Loan by reason of default may also result in a prepayment at any time.

Mortgage Loan prepayment rates are likely to fluctuate over time. No representation is made as to the expected Weighted Average Lives of the Securities or the percentage of the original unpaid principal balance of the Mortgage Loans that will be paid to Holders at any particular time. A number of factors may influence the prepayment rate.

- While some prepayments occur randomly, the payment behavior of the Mortgage Loans may be influenced by a variety of economic, tax, geographic, demographic, legal and other factors.
- These factors may include the age, geographic distribution and payment terms of the Mortgage Loans; remaining depreciable lives of the underlying properties; characteristics of the borrowers; amount of the borrowers’ equity; the availability of mortgage financing; in a fluctuating interest rate environment, the difference between the interest rates on the Mortgage Loans and prevailing mortgage interest rates; the extent to which the Mortgage Loans are assumed or refinanced or the underlying properties are sold or conveyed; changes in local industry and population as they affect vacancy rates; population migration; and the attractiveness of other investment alternatives.
- These factors may also include the application of lockout periods or the assessment of Prepayment Penalties. *For a more detailed description of the lockout and Prepayment Penalty provisions of the Mortgage Loans, see “Characteristics of the Ginnie Mae Multifamily Certificates and the Related Mortgage Loans” in Exhibit A to this Supplement.*

No representation is made concerning the particular effect that any of these or other factors may have on the prepayment behavior of the Mortgage Loans. The relative contribution of these or other factors may vary over time.

Notwithstanding the foregoing, the Trust will not be entitled to receive any principal prepayments or any applicable Prepayment Penalties with respect to the Trust CLC Mortgage Loans until the earliest of (i) the liquidation of such Mortgage Loans, (ii) at the related Ginnie Mae Issuer’s option, either (a) the first Ginnie Mae Certificate Payment Date of the Ginnie Mae Project Loan Certificate following the conversion of the Ginnie Mae Construction Loan Certificate or (b) the date of conversion of the Ginnie Mae Construction Loan Certificate to a Ginnie Mae Project Loan Certificate, and (iii) the applicable Maturity Date. However, the Holders of the Securities will not receive any such amounts until the next Distribution Date and will not be entitled to receive any interest on such amount.

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 Multifamily 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.

### **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 FHA Loans"* in the Multifamily Base Offering Circular.

### **Final Distribution Date**

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

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

### **Modeling Assumptions**

Unless otherwise indicated, the tables that follow are based on the following assumptions (the "Modeling Assumptions"), among others:

1. The Mortgage Loans underlying the Trust Assets have the characteristics shown under "Characteristics of the Ginnie Mae Multifamily Certificates and the Related Mortgage Loans" in Exhibit A to this Supplement.
2. There are no voluntary payments during any lockout period.
3. There are no prepayments on any Trust CLC.
4. With respect to each Trust PLC, the underlying Mortgage Loan prepays at 100% PLD (as defined under "— Prepayment Assumptions" in this Supplement) and, beginning on the applicable Lockout End Date, at the constant percentages of CPR (described below) shown in the related table.
5. The Issue Date, Lockout End Date and Prepayment Penalty End Date of each Ginnie Mae Multifamily Certificate is the first day of the month indicated on Exhibit A.
6. Distributions on the Securities, including all distributions of prepayments on the Mortgage Loans, are always received on the 16th day of the month, whether or not a Business Day, commencing in May 2004.
7. One hundred percent (100%) of any Prepayment Penalties are received by the Trustee and distributed to Class IO.
8. A termination of the Trust does not occur.
9. The Closing Date for the Securities is April 30, 2004.
10. No expenses or fees are paid by the Trust other than the Trustee Fee.

11. Each Trust CLC converts to a Trust PLC on the date on which amortization payments are scheduled to begin on the related Mortgage Loan.

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, many Distribution Dates will occur on the first Business Day after the 16th of the month, prepayments may not occur during the Prepayment Penalty Period, 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, Corrected 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 Multifamily Base Offering Circular.

### **Prepayment Assumptions**

Prepayments of mortgage loans are commonly measured by a prepayment standard or model. One of the models used in this Supplement is the constant prepayment rate (“CPR”) model, which represents an assumed constant rate of voluntary prepayment each month relative to the then outstanding principal balance of the Mortgage Loans underlying any Trust PLC to which the model is applied. See “Yield, Maturity and Prepayment Considerations — Prepayment Assumption Models” in the Multifamily Base Offering Circular.

In addition, this Supplement uses another model to measure involuntary prepayments. This model is the Project Loan Default or PLD model provided by the Sponsor and the Co-Manager. The PLD model represents an assumed rate of involuntary prepayments each month as specified in the table below (the “PLD Model Rates”), in each case expressed as a per annum percentage of the then-outstanding principal balance of each Mortgage Loan underlying any Trust PLC in relation to its loan age. For example, 0% PLD represents 0% of such assumed rate of involuntary prepayments; 50% PLD represents 50% of such assumed rate of involuntary prepayments; 100% PLD represents 100% of such assumed rate of involuntary prepayments; and so forth.

The following PLD model table was prepared on the basis of 100% PLD. Ginnie Mae had no part in the development of the PLD model and makes no representation as to the accuracy or reliability of the PLD model.

Project Loan Default	
Mortgage Loan Age (in months) (1)	Involuntary Prepayment Default Rate (2)
1-12	1.30%
13-24	2.47
25-36	2.51
37-48	2.20
49-60	2.13
61-72	1.46
73-84	1.26
85-96	0.80
97-108	0.57
109-168	0.50
169-240	0.25
241-maturity	0.00

- (1) For purposes of the PLD model, Mortgage Loan Age means the number of months elapsed since the Issue Date indicated on Exhibit A. In the case of any Trust CLC Mortgage Loans, the Mortgage Loan Age is the number of months that have elapsed after the expiration of the Remaining Interest Only Period indicated on Exhibit A.
- (2) Assumes that involuntary prepayments start immediately.

The decrement tables set forth below are based on the assumption that the Trust PLC Mortgage Loans prepay at the indicated percentages of CPR (the “CPR Prepayment Assumption Rates”) and 100% PLD and that the Trust CLC Mortgage Loans prepay at 0% CPR and 0% PLD until the Trust CLCs convert to Ginnie Mae Project Loan Certificates, after which they prepay at the CPR Prepayment Assumption Rates and 100% PLD. **It is unlikely that the Mortgage Loans will prepay at any of the CPR Prepayment Assumption Rates or PLD Model Rates and the timing of changes in the rate of prepayments actually experienced on the Mortgage Loans is unlikely to follow the pattern described for the CPR Prepayment Assumption Rates or PLD Model Rates.**

### Decrement Tables

The decrement tables set forth below illustrate the percentage of the Original Class Principal Balance (or, in the case of the Notional Class, the original Class Notional Balance) that would remain outstanding following the distribution made each specified month for each Regular Class, based on the assumption that the Trust PLC Mortgage Loans prepay at the CPR Prepayment Assumption Rates and 100% PLD and the Trust CLC Mortgage Loans prepay at 0% CPR and 0% PLD until the Trust CLCs convert to Ginnie Mae Project Loan Certificates, after which they prepay at the CPR Prepayment Assumption Rates and 100% PLD. 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 CPR Prepayment Assumption Rate and the PLD percentage rates indicated above for the Trust PLC Mortgage Loans and the Trust CLC Mortgage Loans. The Weighted Average Life of each Class is calculated by:

- (a) multiplying the net reduction, if any, of the Class Principal Balance (or the net reduction of the Class Notional Balance, in the case of the Notional Class) from one Distribution Date to the next Distribution Date by the number of years from the date of issuance thereof to the related Distribution Date,
- (b) summing the results, and
- (c) dividing the sum by the aggregate amount of the assumed net reductions in principal balance or notional amount, as applicable, referred to in clause (a).

**The Weighted Average Lives are likely to vary, perhaps significantly, from those set forth in the tables below due to the differences between the actual rate of prepayments on the Mortgage Loans underlying the Ginnie Mae Multifamily Certificates and the Modeling Assumptions.**

The information shown for the 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 the Notional Class has been calculated on the assumption that a reduction in the Class Notional Balance thereof is a distribution of principal.

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

Distribution Date	CPR Prepayment Assumption Rates																			
	Class A					Class AB					Class AC					Classes BA and BC				
	0%	5%	15%	25%	40%	0%	5%	15%	25%	40%	0%	5%	15%	25%	40%	0%	5%	15%	25%	40%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
April 2005	92	92	92	92	92	9	9	9	9	9	100	100	100	100	100	100	100	100	100	100
April 2006	80	80	80	80	80	0	0	0	0	0	87	87	87	87	87	100	100	100	100	100
April 2007	66	65	64	64	62	0	0	0	0	0	72	71	70	69	68	100	100	100	100	100
April 2008	52	50	46	42	36	0	0	0	0	0	57	54	50	46	40	100	100	100	100	100
April 2009	39	33	22	12	0	0	0	0	0	0	43	36	24	13	0	100	100	100	100	99
April 2010	28	11	0	0	0	0	0	0	0	0	30	12	0	0	0	100	100	88	71	49
April 2011	18	0	0	0	0	0	0	0	0	0	19	0	0	0	0	100	92	60	33	0
April 2012	9	0	0	0	0	0	0	0	0	0	9	0	0	0	0	100	79	36	2	0
April 2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100	67	16	0	0
April 2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	96	57	0	0	0
April 2015	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	91	46	0	0	0
April 2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	86	37	0	0	0
April 2017	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	82	28	0	0	0
April 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	77	19	0	0	0
April 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	72	11	0	0	0
April 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	66	4	0	0	0
April 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	61	0	0	0	0
April 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	56	0	0	0	0
April 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	50	0	0	0	0
April 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45	0	0	0	0
April 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	39	0	0	0	0
April 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	33	0	0	0	0
April 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	28	0	0	0	0
April 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21	0	0	0	0
April 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15	0	0	0	0
April 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9	0	0	0	0
April 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0
April 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2036	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2037	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2038	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2039	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2040	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2041	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2042	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2043	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2044	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2045	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April 2046	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	4.3	3.8	3.5	3.4	3.2	0.6	0.6	0.6	0.6	0.6	4.7	4.1	3.8	3.6	3.5	18.8	10.9	7.5	6.6	6.0

CPR Prepayment Assumption Rates

Distribution Date	Class C					Class D					Class E					Class IO				
	0%	5%	15%	25%	40%	0%	5%	15%	25%	40%	0%	5%	15%	25%	40%	0%	5%	15%	25%	40%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
April 2005	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	98	98	98	98	98
April 2006	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	95	95	95	95	95
April 2007	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	92	92	92	91	91
April 2008	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	89	88	87	86	85
April 2009	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	86	84	82	79	76
April 2010	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	83	79	71	64	55
April 2011	100	100	100	100	97	100	100	100	100	98	100	100	100	100	100	81	73	60	48	34
April 2012	100	100	100	100	20	100	100	100	100	58	100	100	100	100	100	79	68	49	35	20
April 2013	100	100	100	53	0	100	100	100	75	34	100	100	100	100	72	77	63	41	26	12
April 2014	100	100	99	15	0	100	100	100	55	20	100	100	100	100	42	75	58	34	19	7
April 2015	100	100	67	0	0	100	100	83	41	12	100	100	100	85	25	73	54	28	14	4
April 2016	100	100	40	0	0	100	100	68	30	7	100	100	100	62	14	71	50	23	10	2
April 2017	100	100	17	0	0	100	100	57	22	4	100	100	100	46	8	69	46	19	7	1
April 2018	100	100	0	0	0	100	100	47	16	2	100	100	98	33	5	67	42	16	5	1
April 2019	100	100	0	0	0	100	100	38	11	1	100	100	81	24	3	64	39	13	4	0
April 2020	100	100	0	0	0	100	100	32	8	1	100	100	67	18	2	62	36	11	3	0
April 2021	100	92	0	0	0	100	96	26	6	0	100	100	55	13	1	60	33	9	2	0
April 2022	100	77	0	0	0	100	88	21	4	0	100	100	45	9	1	58	30	7	1	0
April 2023	100	62	0	0	0	100	80	17	3	0	100	100	37	7	0	55	27	6	1	0
April 2024	100	48	0	0	0	100	73	14	2	0	100	100	30	5	0	53	25	5	1	0
April 2025	100	36	0	0	0	100	66	12	2	0	100	100	24	3	0	51	23	4	1	0
April 2026	100	24	0	0	0	100	60	9	1	0	100	100	20	2	0	48	20	3	0	0
April 2027	100	13	0	0	0	100	54	8	1	0	100	100	16	2	0	46	18	3	0	0
April 2028	100	2	0	0	0	100	49	6	1	0	100	100	13	1	0	43	16	2	0	0
April 2029	100	0	0	0	0	100	43	5	0	0	100	91	10	1	0	41	15	2	0	0
April 2030	100	0	0	0	0	100	38	4	0	0	100	81	8	1	0	38	13	1	0	0
April 2031	100	0	0	0	0	100	34	3	0	0	100	71	6	0	0	35	11	1	0	0
April 2032	89	0	0	0	0	94	30	2	0	0	100	62	5	0	0	32	10	1	0	0
April 2033	73	0	0	0	0	86	26	2	0	0	100	54	4	0	0	29	9	1	0	0
April 2034	56	0	0	0	0	77	22	1	0	0	100	46	3	0	0	26	7	0	0	0
April 2035	41	0	0	0	0	69	19	1	0	0	100	39	2	0	0	23	6	0	0	0
April 2036	26	0	0	0	0	61	16	1	0	0	100	33	2	0	0	21	5	0	0	0
April 2037	10	0	0	0	0	53	13	1	0	0	100	27	1	0	0	18	4	0	0	0
April 2038	0	0	0	0	0	44	10	0	0	0	94	22	1	0	0	15	4	0	0	0
April 2039	0	0	0	0	0	36	8	0	0	0	76	17	1	0	0	12	3	0	0	0
April 2040	0	0	0	0	0	30	6	0	0	0	64	14	0	0	0	10	2	0	0	0
April 2041	0	0	0	0	0	25	5	0	0	0	52	11	0	0	0	8	2	0	0	0
April 2042	0	0	0	0	0	19	4	0	0	0	40	8	0	0	0	6	1	0	0	0
April 2043	0	0	0	0	0	12	2	0	0	0	26	5	0	0	0	4	1	0	0	0
April 2044	0	0	0	0	0	6	1	0	0	0	13	2	0	0	0	2	0	0	0	0
April 2045	0	0	0	0	0	1	0	0	0	0	2	0	0	0	0	0	0	0	0	0
April 2046	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average																				
Life (years)	30.4	20.0	11.7	9.1	7.6	33.6	24.9	15.1	11.3	8.9	37.2	30.3	18.8	13.6	10.3	20.5	14.0	9.2	7.4	6.3

## 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 and the investor's own projection of Mortgage Loan prepayment rates under a variety of scenarios, the investor's own projection of the likelihood of extensions of the maturity of any Trust CLC or delays with respect to the conversion of a Trust CLC to a Ginnie Mae Project Loan Certificate. **No representation is made regarding Mortgage Loan Prepayment rates, the occurrence and duration of extensions, if any, the timing of conversions, if any, 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 purchased at a premium, (especially the Interest Only Class) faster than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.
- Investors in the Interest Only Class should also consider the risk that rapid rates of principal payments could result in the failure of investors to recover fully their investments.
- In the case of Regular Securities 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.

The Mortgage Loans prohibit voluntary prepayment during specified lockout periods with remaining terms that range from approximately 33 to 109 months. The Mortgage Loans have a weighted average remaining lockout period of approximately 62 months and a weighted average remaining term to maturity of 426 months.

- Certain of the Mortgage Loans also provide for payment of a Prepayment Penalty in connection with prepayments for a period extending beyond the lockout period. See *"The Ginnie Mae Multifamily Certificates — Certain Additional Characteristics of the Mortgage Loans"* and *"Characteristics of the Ginnie Mae Multifamily Certificates and the Related Mortgage Loans"* in Exhibit A to this Supplement. The required payment of a Prepayment Penalty may not be a sufficient disincentive to prevent a borrower from voluntarily prepaying a Mortgage Loan.
- In addition, in some circumstances FHA may permit a Mortgage Loan to be refinanced or partially prepaid without regard to lockout or Prepayment Penalty provisions.

Notwithstanding the foregoing, the Trust will not be entitled to receive any principal prepayments or any applicable Prepayment Penalties with respect to the Trust CLC Mortgage Loans until the earliest of (i) the liquidation of such Mortgage Loans, (ii) at the related Ginnie Mae Issuer's option, either (a) the first Ginnie Mae Certificate Payment Date of the Ginnie Mae Project Loan Certificate following the conversion of the Ginnie Mae Construction Loan Certificate or (b) the date of conversion of the Ginnie Mae Construction Loan Certificate to a Ginnie Mae Project Loan Certificate, and (iii) the applicable Maturity Date. However, the Holders of the Securities will not receive any such amounts until the next Distribution Date and will not be entitled to receive any interest on such amounts.

Information relating to lockout periods and Prepayment Penalties is contained under *"Characteristics of the Mortgage Loans"* and *"Yield, Maturity and Prepayment Considerations"* in this Supplement and in Exhibit A to 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 prepay at the same rate at any one time. The timing of changes in the rate of prepayments may affect the actual yield to an investor, even if the average rate of principal prepayments is consistent with the investor's expectation. In general, the earlier a prepayment of principal on the Mortgage Loans, the greater the effect on an investor's yield. As a result, the effect on an investor's yield of principal prepayments occurring at a rate higher (or lower) than the rate anticipated by the investor during the period immediately following the Closing Date is not likely to be offset by a later equivalent reduction (or increase) in the rate of principal prepayments.

#### *Payment Delay: Effect on Yields*

The effective yield on any Class will be less than the yield otherwise produced by its Interest Rate and purchase price because on any 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 46 days earlier.

#### **Yield Table**

The following table shows the pre-tax yields to maturity on a corporate bond equivalent basis of Class IO based on the assumption that the Trust PLC Mortgage Loans prepay at the CPR Prepayment Assumption Rates and 100% PLD and the Trust CLC Mortgage Loans prepay at 0% CPR and 0% PLD until the Trust CLCs convert to Ginnie Mae Project Loan Certificates after which they prepay at the CPR Prepayment Assumption Rates and 100% PLD.

The Mortgage Loans will not prepay at any constant rate until maturity. 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 Class IO may differ from those shown in the table below for Class IO even if Class IO is purchased at the assumed price shown.

The yields were calculated by:

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

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

The information set forth in the following table was prepared on the basis of the Modeling Assumptions and the assumption that the purchase price of Class IO (expressed as a percentage of its original

Class Notional Balance) plus accrued interest is as indicated in the table. **The assumed purchase price is not necessarily that at which actual sales will occur.**

**Sensitivity of Class IO to Prepayments  
Assumed Price 4.25%\***

CPR Prepayment Assumption Rates			
5%	15%	25%	40%
8.0%	7.2%	8.0%	9.4%

\* 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 Multifamily Base Offering Circular, describes the material federal income tax considerations for investors in the Securities. However, these two tax discussions do not purport to deal with all federal tax consequences applicable to all categories of investors, some of which may be subject to special rules.

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

**REMIC Elections**

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

**Regular Securities**

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

The Class IO 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 Multifamily 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.

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

Prospective investors in the Regular Securities should be aware, however, that the foregoing expectations about OID could change because of differences between anticipated purchase prices and actual purchase prices. The prepayment assumption that should be used in determining the rates of accrual of OID, if any, on the Regular Securities is 15% CPR and 100% PLD (as described in “Yield, Maturity and Prepayment Considerations” in this Supplement). No representation is made, however, about the rate at which

prepayments on the Mortgage Loans underlying the Ginnie Mae Multifamily Certificates actually will occur. See *“Certain Federal Income Tax Consequences” in the Multifamily Base Offering Circular.*

The Regular Securities generally will be treated as “regular interests” in a REMIC for domestic building and loan associations, “permitted assets” for financial asset securitization investment trusts (“FASITs”), and “real estate assets” for real estate investment trusts (“REITs”) as described in “Certain Federal Income Tax Consequences” in the Multifamily 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 Multifamily 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 related Trust REMICs, and these requirements will continue until there are no outstanding regular interests in the respective Trust REMICs. Thus, Residual Holders will have taxable income attributable to the Residual Securities even though they will not receive principal or interest distributions with respect to the Residual Securities, which could result in a negative after-tax return for the Residual Holders. It is not expected that the Pooling REMIC will have a substantial amount of taxable income or loss in any period. However, even though the Holders of the Class RR Securities are not entitled to any stated principal or interest payments on the Class RR Securities, the Issuing REMIC may have substantial taxable income in certain periods, and offsetting tax losses may not occur until much later periods. Accordingly, a Holder of the Class RR Securities may experience substantial adverse tax timing consequences. Prospective investors are urged to consult their own tax advisors and consider the after-tax effect of ownership of the Residual Securities and the suitability of the Residual Securities to their investment objectives.

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

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



## 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 Securities will qualify as “guaranteed governmental mortgage pool certificates” within the meaning of a Department of Labor regulation, the effect of which is to provide that mortgage loans and participations therein underlying a “guaranteed governmental mortgage pool certificate” will not be considered assets of an employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), or subject to section 4975 of the Code (each, a “Plan”) solely by reason of the Plan’s purchase and holding of that certificate.

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

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

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

## PLAN OF DISTRIBUTION

Subject to the terms and conditions of the Sponsor Agreement, the Sponsor has agreed to purchase all of the Securities if any are sold and purchased. The Sponsor proposes to offer each Class to the public from time to time for sale in negotiated transactions at varying prices to be determined at the time of sale, plus accrued interest from April 1, 2004 on the Regular 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 the Original Class Principal Balance (or original Class Notional Balance) will increase by the same proportion of each Class. The Trust Agreement, the Final Data Statement and the Supplemental Statement, if any, will reflect any increase in the size of the transaction.

### **LEGAL MATTERS**

Certain legal matters will be passed upon for Ginnie Mae by Sidley Austin Brown & Wood, LLP, New York, New York and the Law Offices of Joseph C. Reid, P.A., New York, New York, for the Trust by Cleary, Gottlieb, Steen & Hamilton and Marcell Solomon & Associates, P.C., and for the Trustee by Nixon Peabody, LLP.

Characteristics of the Ginnie Mae Multifamily Certificates and the Related Mortgage Loans\*

Pool Number	Security Type	FHA Program	City	State	Principal Balance as of the Cut-off Date	Mortgage Interest Rate	Certificate Rate	Servicing Guaranty Fee Rate	Maturity Date	Original Term to Maturity (mos.)	Remaining Term to Maturity (mos.)	Period from Issuance (mos.)	Issue Date	Lockout End Date	Prepayment Penalty End Date	Lockout/Prepayment Restriction Code	Remaining Lockout Period (mos.)	Total Remaining Prepayment Penalty (mos.)	Remaining Interest Only Period (mos.)†
589269	PLC	223(a)7	Dublin	OH	\$9,334,383.75	5.750%	5.500%	0.250%	Jun-35	387	374	13	Mar-03	May-08	May-13	2	49	109	0
627510	PLC	223(a)7	Clay	NY	8,951,709.39	5.290	5.040	0.250	Oct-33	355	354	1	Mar-04	Apr-09	Apr-14	2	60	120	0
590293	PLC	221(a)7	Georgetown	TX	7,856,391.95	6.040	5.790	0.250	Jul-39	426	423	3	Jan-04	Feb-07	Feb-12	2	34	94	0
506355	CLC	221(a)7	Arvada	CO	7,757,699.00	5.700	5.400	0.300	Dec-45	503	500	3	Jan-04	Feb-11	Feb-16	2	82	142	20
609279	PLC	223(a)7	Costa Mesa	CA	7,503,919.13	5.900	5.650	0.250	Oct-38	420	414	6	Oct-03	Nov-08	Nov-13	2	55	115	0
626414	PLC	223(a)7	Los Angeles	CA	7,170,000.00	5.375	5.125	0.250	Apr-39	421	420	1	Mar-04	Jun-09	N/A	2	62	62	0
506349	PLC	221(a)7/223(a)7	Tucson	AZ	6,680,668.69	5.550	5.300	0.250	Jan-44	481	477	4	Dec-03	Mar-09	Mar-14	2	59	119	0
621543	CLC	221(a)7	Odenton	MD	6,573,072.00	5.590	5.340	0.250	Sep-45	500	497	3	Jan-04	Aug-10	Aug-15	3	76	112	17
607577	CLC	221(a)7	Baton Rouge	LA	6,251,216.00	5.150	4.850	0.300	Mar-45	499	491	8	Aug-03	May-10	May-15	2	73	133	11
619752	PLC	232/223(a)7	Lancaster	CA	6,172,799.57	5.550	5.300	0.250	Mar-34	361	359	2	Feb-04	Apr-09	Apr-14	2	60	120	0
621578	PLC	232/223(a)7	Knoxville	TN	6,029,290.61	6.200	5.740	0.460	Jan-39	421	417	4	Dec-03	Jan-07	Jan-10	3	33	69	0
620980	PLC	223(a)7	Indianapolis	IN	5,970,172.51	5.625	5.250	0.375	Jan-29	300	297	3	Jan-04	Jan-09	Jan-14	2	57	117	0
619760	PLC	232	Waterloo	CA	5,775,397.26	5.500	5.250	0.250	Sep-31	330	329	1	Mar-04	Apr-09	Apr-14	2	60	120	0
626408	PLC	223(a)7	Los Angeles	CA	5,684,995.07	5.375	5.125	0.250	Mar-39	421	419	2	Feb-04	May-09	N/A	1	61	61	0
621057	PLC	223(a)7	Dayton	OH	5,654,900.63	5.200	4.950	0.250	Oct-35	380	378	2	Feb-04	Apr-09	Apr-14	2	60	120	0
626407	PLC	223(a)7	Los Angeles	CA	5,136,639.24	5.375	5.125	0.250	Mar-39	421	419	2	Feb-04	May-09	N/A	1	61	61	0
595692	CLC	221(a)7	Sparks	NV	4,986,142.00	5.370	5.120	0.250	Mar-45	498	491	7	Sep-03	Jan-10	Jan-15	2	69	129	11
588500	CLC	221(a)7	North Charleston	SC	4,840,834.00	5.750	5.500	0.250	Nov-45	512	499	13	Mar-03	Aug-09	Aug-14	2	64	124	19
530933	CLC	221(a)7	California	MD	4,460,447.00	5.530	5.280	0.250	Aug-45	498	496	2	Feb-04	Oct-10	Oct-15	2	78	138	16
626413	PLC	223(a)7	Los Angeles	CA	4,200,000.00	5.500	5.250	0.250	Apr-39	421	420	1	Mar-04	Jun-09	N/A	1	62	62	0
598910	PLC	223(a)7	Cincinnati	OH	4,198,099.61	5.750	5.250	0.300	Jan-24	240	237	3	Jan-04	Feb-09	Feb-14	2	58	118	0
626597	PLC	223(a)7	Lakewood	CO	3,913,676.10	5.400	5.150	0.250	Feb-39	420	418	2	Feb-04	Apr-07	Apr-12	2	36	96	0
580551	CLC	221(a)7	Flagstaff	AZ	3,904,001.00	6.100	5.850	0.250	Aug-44	498	484	14	Feb-03	Oct-09	Oct-14	4	66	126	4
626596	PLC	223(a)7	Lakewood	CO	3,833,803.12	5.400	5.150	0.250	Feb-39	420	418	2	Feb-04	Apr-07	Apr-12	2	36	96	0
609245	CLC	221(a)7	Covington	LA	3,821,028.00	6.200	5.950	0.250	Nov-44	496	487	9	Jul-03	Nov-09	Nov-14	2	67	127	7
580557	CLC	221(a)7	Las Vegas	NV	3,781,219.00	5.875	5.625	0.250	Feb-45	503	490	13	Mar-03	Apr-10	Apr-15	2	72	132	10
594403	CLC	221(a)7	Hurst	TX	3,210,094.00	5.500	5.250	0.250	Jan-45	499	489	10	Jun-03	Feb-10	Feb-15	2	70	130	9
621048	PLC	223(a)7	Omaha	NE	3,136,020.71	5.000	4.750	0.250	Nov-38	420	415	5	Nov-03	Jan-09	Jan-14	2	57	117	0
621058	PLC	223(a)7	Sanita Cruz	CA	3,070,281.66	5.125	4.875	0.250	May-20	195	193	2	Feb-04	Apr-09	Apr-14	2	60	120	0
619902	CLC	221(a)7	Pescott Valley	AZ	2,864,790.00	5.700	5.400	0.300	Apr-45	495	492	3	Jan-04	Jun-10	Jun-15	2	74	134	12
610055	PLC	223(a)7	Blacksburg	VA	2,724,211.76	5.700	5.450	0.250	Nov-31	337	331	6	Oct-03	Dec-08	Dec-13	2	56	116	0
626609	PLC	223(a)7	Hyannis	MA	2,594,055.98	5.750	5.500	0.250	Jan-26	263	261	2	Feb-04	Apr-09	Apr-14	2	60	120	0

\* Based on publicly available information, including the disclosure documents for the Ginnie Mae Multifamily Certificates, the information with respect to the Mortgage Loans set forth on this Exhibit A has been collected and summarized by the Sponsor and the Co-Manager.  
 † The remaining interest only period reflects the number of months remaining during which the Ginnie Mae Construction Loan Certificate is expected to remain outstanding, based on the remaining construction period for the Ginnie Mae Construction Loan Certificate.

- Lockout/Prepayment Restriction Codes:**
- (1) Lockout before the Lockout End Date; thereafter no Prepayment Penalty is imposed.
  - (2) Lockout before the Lockout End Date; thereafter a Prepayment Penalty of 5% of the prepaid amount until the twelfth mortgage loan payment date beyond the Lockout End Date disclosed above, declining thereafter by 1% annually up to but not including the Prepayment Penalty End Date.
  - (3) Lockout before the Lockout End Date; thereafter a Prepayment Penalty of 3% of the prepaid amount until the twelfth mortgage loan payment date beyond the Lockout End Date disclosed above, declining thereafter by 1% annually up to but not including the Prepayment Penalty End Date.
  - (4) Lockout before the Lockout End Date; thereafter a Prepayment Penalty of 5% of the prepaid amount until the twelfth mortgage loan payment date beyond the Lockout End Date disclosed above, declining thereafter by 1% annually up to but not including the Prepayment Penalty End Date. The mortgage note underlying this Mortgage Loan provides for the payment of a Prepayment Penalty of 1% beyond the Prepayment Penalty End Date, but that Prepayment Penalty will be paid to the servicer of the Mortgage Loan and not to the Trust.

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Pool Number	Security Type	FHA Program	City	State	Principal Balance as of the Cut-off Date	Mortgage Interest Rate	Certificate Rate	Servicing and Guaranty Fee Rate	Maturity Date	Original Term to Maturity (mos.)	Remaining Term to Maturity (mos.)	Period from Issuance (mos.)	Issue Date	Lockout End Date	Prepayment Penalty End Date	Lockout/Prepayment Restriction Code	Remaining Lockout Period (mos.)	Total Remaining Lockout and Prepayment Penalty Period (mos.)†	Remaining Interest Only Period (mos.)†
624090	CLC	221(d)(4)	Hickory	NC	\$2,558,445.00	6.050%	5.800%	0.250%	Oct-45	501	498	3	Jan-04	Apr-10	Apr-15	2	72	132	18
506351	CLC	221(d)(4)	Tallahassee	FL	2,538,190.00	5.750	5.420	0.330	Aug-45	499	496	3	Jan-04	Oct-10	Oct-15	2	78	138	16
612505	CLC	221(d)(4)	McCookville	IN	2,527,646.00	5.125	4.750	0.375	Jun-45	498	489	9	Jul-03	Jul-10	Jul-15	2	75	135	14
609247	CLC	221(d)(4)	Houston	TX	2,455,168.00	5.250	5.000	0.250	Apr-45	501	492	9	Jul-03	Apr-10	Apr-15	2	72	132	12
580559	CLC	221(d)(4)	Sierra Vista	AZ	2,413,781.00	5.750	5.500	0.250	May-44	496	484	12	Apr-03	Oct-09	Oct-14	4	66	126	4
580534	CLC	221(d)(4)	Phoenix	AZ	2,388,245.00	6.250	6.000	0.250	May-44	497	481	16	Dec-02	Jul-09	Jul-14	4	63	123	1
627486	PLC	221(d)(4)/223(a)(7)	Fairbanks	AK	2,383,996.92	6.000	5.750	0.250	Dec-33	360	356	4	Dec-03	Jan-09	Jan-14	2	57	117	0
619745	CLC	232	San Antonio	CA	2,336,402.00	6.700	6.450	0.250	May-40	435	433	2	Feb-04	Jun-08	Jun-13	2	50	110	14
626603	CLC	221(d)(4)	Shedd	LA	2,315,643.00	5.480	5.230	0.250	Jul-45	497	475	2	Feb-04	Sep-10	Sep-15	2	77	137	15
506357	PLC	223(f)	Wauchesa	WI	2,248,868.31	5.350	5.050	0.300	Mar-39	421	419	2	Feb-04	May-09	May-14	2	61	121	0
610046	CLC	221(d)(4)	Garner	NC	2,018,026.00	5.500	5.280	0.250	Jul-45	495	495	6	Oct-03	Sep-10	Sep-15	2	77	137	15
619759	PLC	241	Waterloo	NY	1,987,448.74	5.500	5.250	0.250	Jan-24	238	237	1	Mar-04	Apr-09	Apr-14	2	60	120	0
586413	CLC	221(d)(4)	Greensboro	NC	1,876,792.00	5.800	5.550	0.250	Jan-45	501	489	12	Apr-03	Mar-10	Mar-15	2	71	131	9
619733	CLC	221(d)(4)	San Antonio	TX	1,872,868.00	5.950	5.700	0.250	Mar-45	494	494	3	Jan-04	Mar-10	Mar-15	2	71	131	12
619363	PLC	223(a)(7)	Plainwell	MI	1,863,551.90	5.500	5.180	0.320	Oct-27	284	282	2	Feb-04	Feb-09	Feb-14	2	58	118	0
619872	CLC	221(d)(4)	Surprise	AZ	1,818,700.00	5.700	5.450	0.250	Jan-45	496	489	7	Sep-03	Mar-08	Mar-13	2	47	107	9
626406	PLC	223(a)(7)	Chicago	IL	1,805,138.84	5.500	5.250	0.250	Jul-38	413	411	2	Feb-04	Feb-09	N/A	1	58	58	0
607556	CLC	232	Lafayette	LA	1,729,192.00	5.950	5.700	0.250	Jul-44	495	483	12	Apr-03	Sep-09	Sep-14	2	65	125	3
627509	PLC	223(a)(7)	Atlanta	TN	1,656,481.06	5.750	5.500	0.250	Jan-32	334	333	1	Mar-04	Apr-09	Apr-14	2	60	120	0
610091	PLC	223(a)(7)	Mobile	AL	1,610,044.80	5.450	5.200	0.250	Jul-34	366	363	3	Jan-04	Feb-09	Feb-14	2	58	118	0
607559	CLC	232	Yucaipa	CA	1,602,384.00	6.500	6.250	0.250	Nov-44	499	487	12	Apr-03	Jan-10	Jan-15	2	69	129	6
602300	CLC	220	Hartford	CT	1,536,516.00	6.500	6.250	0.250	Aug-45	509	496	13	Mar-03	Feb-10	Feb-15	2	70	130	16
626409	PLC	223(f)	Omaha	NE	1,486,733.30	5.150	4.900	0.250	Mar-39	420	419	1	Nov-04	May-09	May-14	2	61	121	0
619883	CLC	221(d)(4)	Chandler	AZ	1,470,780.00	5.550	5.300	0.250	May-45	498	493	5	Nov-03	Jul-10	Jul-15	2	75	135	13
617871	CLC	221(d)(4)	Cumby	IN	1,462,140.00	5.030	4.740	0.290	May-45	501	493	8	Aug-03	Jun-10	Jun-15	2	74	134	13
597794	CLC	221(d)(4)	Lafayette	LA	1,417,782.00	6.150	5.900	0.250	May-44	497	481	16	Dec-02	Jul-09	Jul-14	2	63	123	1
619360	PLC	223(a)(7)	Zealand	MI	1,406,944.55	5.500	5.180	0.320	Oct-26	272	270	2	Feb-04	Feb-09	Feb-14	2	58	118	0
618932	CLC	221(d)(4)	Taylorville	UT	1,403,308.00	5.050	4.800	0.250	Oct-44	492	486	6	Oct-03	Dec-09	Dec-14	2	68	128	6
627513	PLC	223(a)(7)	Port Clinton	OH	1,319,640.33	5.450	5.200	0.250	Mar-34	360	359	1	Mar-04	Apr-09	Apr-14	2	60	120	0
607588	CLC	232	Wall	NJ	1,314,810.00	5.950	5.700	0.250	Nov-44	494	487	7	Sep-03	Jan-10	Jan-15	2	69	129	7
608877	CLC	232	St Albans	VT	1,286,509.00	5.750	5.500	0.250	Jul-44	492	483	9	Jul-03	Sep-09	Sep-14	2	65	125	3
621043	CLC	221(d)(4)	Palm Coast	FL	1,254,357.00	5.650	5.400	0.250	Mar-45	497	491	6	Oct-03	Dec-09	Dec-14	2	68	128	11
612318	CLC	221(d)(4)	Lexington	KY	1,248,823.00	5.750	5.370	0.380	Oct-43	483	474	9	Jul-03	Dec-09	Dec-14	2	68	128	6
568004	CLC	221(d)(4)	Cincinnati	OH	1,080,027.00	6.000	5.750	0.250	May-44	494	481	13	Mar-03	Jun-09	Jun-14	2	62	122	1
619889	CLC	221(d)(4)	Avondale	AZ	1,041,448.00	5.400	5.150	0.250	Apr-45	497	492	5	Nov-03	Jun-08	Jun-13	2	50	110	12
610086	CLC	221(d)(4)	Staunton	VA	979,985.00	5.800	5.550	0.250	Jun-45	496	494	2	Feb-04	Apr-10	Apr-15	2	72	132	14
594176	CLC	221(d)(4)	Seneca	SC	944,988.00	5.875	5.625	0.250	May-44	496	481	15	Jan-03	Jul-09	Jul-14	2	63	123	1

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**Lockout/Prepayment Restriction Codes:**

- (1) Lockout before the Lockout End Date; thereafter no Prepayment Penalty is imposed.
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Pool Number	Security Type	FHA Program	City	State	Principal Balance as of the Cut-off Date	Mortgage Interest Rate	Certificate Rate	Servicing and Guaranty Fee Rate	Original Term to Maturity (mos.)	Remaining Term to Maturity (mos.)	Period from Issuance (mos.)	Issue Date	Lockout End Date	Prepayment Penalty End Date	Lockout/Prepayment Restriction Code	Remaining Lockout Period (mos.)	Total Remaining Prepayment Penalty Period (mos.)†	Remaining Interest Only Period (mos.)†
595696	CLC	221(d)(4)	Albuquerque	NM	\$ 915,145.00	6.000%	5.750%	0.250%	498	496	2	Feb-04	Jul-10	Jul-15	2	75	135	16
580526	CLC	221(d)(4)	Tucson	AZ	833,023.00	6.650	6.400	0.250	495	477	18	Oct-02	May-09	May-14	4	61	121	0
617909	CLC	221(d)(4)	Wilmington	NC	795,944.00	5.470	5.220	0.250	510	503	7	Sep-03	Jun-10	Jun-15	2	74	134	23
610080	CLC	232	Laurel Park	NC	773,066.00	5.520	5.270	0.250	496	493	3	Jan-04	Feb-10	Feb-15	2	70	130	13
588630	CLC	221(d)(4)	Clarksville	TN	754,176.00	5.580	5.330	0.250	497	492	5	Nov-03	Feb-10	Feb-15	2	70	130	12
610089	PLC	223(a)7	Henderson	NC	749,513.27	5.490	5.110	0.380	421	418	3	Jan-04	Feb-09	Feb-14	2	58	118	0
602324	CLC	232	Pleasantville	NJ	738,109.00	5.750	5.500	0.250	496	485	11	May-03	Nov-09	Nov-14	2	67	127	5
602332	CLC	232	Zebulon	NC	725,611.00	6.200	5.950	0.250	493	482	11	May-03	May-09	May-14	2	61	121	3
580561	CLC	221(d)(4)	Chicago	IL	650,024.00	5.750	5.500	0.250	501	489	12	Apr-03	Mar-10	Mar-15	4	71	131	9
617931	CLC	221(d)(4)	Culpeper	VA	641,073.00	6.125	5.875	0.250	458	454	4	Dec-03	Apr-10	Apr-15	2	72	132	10
624097	PLC	221(d)(4)	Russellville	AR	636,236.14	6.125	5.875	0.250	162	162	3	Jan-04	Jan-14	Jan-14	2	57	117	0
579852	CLC	221(d)(4)	Marin City	CA	580,244.00	6.100	5.750	0.350	492	478	14	Feb-03	Nov-08	Nov-13	2	55	115	0
609237	CLC	232	Hingham	MA	552,055.00	5.800	5.550	0.250	492	483	9	Jul-03	Aug-09	Aug-14	2	64	124	4
506353	CLC	221(d)(4)	Burlington	MA	533,274.00	6.000	5.625	0.375	501	497	4	Dec-10	Dec-10	Dec-15	2	80	140	17
625798	PLC	223(a)7	Clarksburg	WV	514,886.91	6.000	5.500	0.500	360	359	1	Mar-04	May-09	May-14	2	61	121	0
610149	PLC	223(a)7	Springfield	MA	458,728.60	5.850	5.600	0.250	318	308	10	Jun-03	Jul-08	Jul-13	2	51	111	0
583887	PLC	232	Morgan City	LA	442,017.71	7.450	7.200	0.250	472	471	1	Mar-04	May-13	N/A	1	109	109	0
597680	CLC	221(d)(4)	Bountiful	UT	436,559.00	6.150	5.900	0.250	492	480	12	Apr-03	Jan-09	Jan-14	2	57	117	0
594174	CLC	221(d)(4)	Athens	GA	363,362.00	6.750	6.500	0.250	500	479	21	Jul-02	May-09	May-14	2	61	121	0
580571	CLC	241	Suffield	CT	363,197.00	5.900	5.520	0.380	397	386	11	May-03	Aug-09	Aug-14	2	64	124	2
598938	CLC	221(d)(4)	Norwich	CT	334,719.00	6.250	6.000	0.250	498	492	6	Oct-03	Jun-10	Jun-15	2	74	134	11
506345	CLC	221(d)(4)	Beverly	MA	306,473.00	5.900	5.520	0.380	489	484	5	Nov-03	Oct-09	Oct-14	2	66	126	4
610084	CLC	221(d)(4)	Saxepahaw	NC	306,233.00	5.580	5.330	0.250	501	499	2	Feb-04	May-10	May-15	2	73	133	19
100005	CLC	232	Burlington	NC	224,201.00	5.400	5.150	0.250	470	460	10	Jun-03	May-09	May-14	2	61	121	5
589186	CLC	221(d)(4)	Gary	IN	208,866.00	5.750	5.400	0.350	492	482	10	Jun-03	Apr-09	Apr-14	2	60	120	2
595979	CLC	232/223(f)	Healdsburg	CA	159,140.00	7.500	7.120	0.380	494	478	16	Dec-02	Feb-09	Feb-14	2	58	118	0
595402	CLC	221(d)(4)	Austin	TX	37,682.00	6.500	6.250	0.250	495	481	14	Feb-03	May-09	May-14	2	61	121	1

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**Lockout/Prepayment Restriction Codes:**

- (1) Lockout before the Lockout End Date; thereafter no Prepayment Penalty is imposed.
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**\$246,665,000**

**Government National  
Mortgage Association**

**GINNIE MAE®**

**Guaranteed Multifamily REMIC  
Pass-Through Securities  
Ginnie Mae REMIC Trust 2004-025**

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**OFFERING CIRCULAR SUPPLEMENT  
April 23, 2004**

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**JPMorgan**

**GMAC**  
COMMERCIAL HOLDING  
Capital Markets

**Blaylock & Partners L.P.**