

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



\$279,374,128

Government National Mortgage Association

GINNIE MAE[®]

**Guaranteed REMIC Pass-Through Securities
and MX Securities
Ginnie Mae REMIC Trust 2004-049**

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

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

The Securities

The Trust will issue the Classes of Securities listed on the inside front cover.

The Ginnie Mae Guaranty

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

The Trust and its Assets

The Trust will own Ginnie Mae Certificates.

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

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

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

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

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

Ginnie Mae REMIC Trust 2004-049

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

Class of REMIC Securities	Original Principal Balance(2)	Interest Rate	Principal Type(3)	Interest Type(3)	Final Distribution Date(4)	CUSIP Number
Security Group 1						
F	\$100,000,000	(5)	SEQ/AD	FLT	November 2030	38374G U6 7
PO	25,000,000	0.0%	SEQ/AD	PO	November 2030	38374G U7 5
S	100,000,000	(5)	NTL (SEQ/AD)	INV/IO	November 2030	38374G U8 3
Z	7,198,961	6.0	SEQ	FIX/Z	June 2034	38374G U9 1
Security Group 2						
FM	100,000,000	(5)	PAC/AD	FLT	January 2034	38374G V2 5
JZ(1) . . .	18,741,081	6.0	SUP/AD	FIX/Z	January 2034	38374G V3 3
MZ	981,167	6.0	SEQ	FIX/Z	June 2034	38374G V4 1
OM	25,000,000	0.0	PAC/AD	PO	January 2034	38374G V5 8
SM	100,000,000	(5)	NTL (PAC/AD)	INV/IO	January 2034	38374G V6 6
UZ(1) . .	2,452,919	6.0	SUP/AD	FIX/Z	July 2026	38374G V7 4
Residual						
RR	0	0.0	NPR	NPR	June 2034	38374G V8 2

- (1) These Securities may be exchanged for MX Securities described in Schedule I.
- (2) Subject to increase as described under “Increase in Size” in this Supplement. The amount shown for each Notional Class (indicated by “NTL” under Principal Type) is its original Class Notional Balance and does not represent principal that will be paid.
- (3) As defined under “Class Types” in Appendix I to the Base Offering Circular. The type of Class with which the Class Notional Balance of each Notional Class will be reduced is indicated in parentheses.
- (4) See “Yield, Maturity and Prepayment Considerations — Final Distribution Date” in this Supplement.
- (5) See “Terms Sheet — Interest Rates” in this Supplement.

AVAILABLE INFORMATION

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

- this Offering Circular Supplement (this “Supplement”) and
- the Base Offering Circular.

The Base Offering Circular is available on Ginnie Mae’s website located at <http://www.ginniemae.gov>.

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

Please consult the standard abbreviations of Class Types included in the Base Offering Circular as Appendix I and the Glossary included in the Base Offering Circular as Appendix II for definitions of capitalized terms.

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TERMS SHEET

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

Sponsor: Bear, Stearns & Co. Inc.

Trustee: U.S. Bank National Association

Tax Administrator: The Trustee

Closing Date: June 30, 2004

Distribution Date: The 20th day of each month or, if the 20th day is not a Business Day, the first Business Day thereafter, commencing in July 2004.

Trust Assets:

<u>Trust Asset Group</u>	<u>Trust Asset Type</u>	<u>Certificate Rate</u>	<u>Original Term To Maturity (in years)</u>
1	Ginnie Mae II	6.0%	30
2	Ginnie Mae II	6.0	30

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

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

<u>Principal Balance(2)</u>	<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Weighted Average Mortgage Rate(3)</u>
Group 1 Trust Assets			
\$132,198,961	349	8	6.373%
Group 2 Trust Assets			
\$147,175,167	351	7	6.370%

(1) As of June 1, 2004.

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

(3) The Mortgage Loans underlying the Trust Assets may bear interest at rates ranging from 0.25% to 1.50% per annum above the related Certificate Rate.

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

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

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

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

Interest Rates: The Interest Rates for the Fixed Rate Classes are shown on the inside cover page of this Supplement or on Schedule I to this Supplement.

The Floating Rate and Inverse Floating Rate Classes will bear interest at per annum rates based on one-month LIBOR (hereinafter referred to as “LIBOR”) as follows:

Class	Interest Rate Formula(1)	Initial Interest Rate(2)	Minimum Rate	Maximum Rate	Delay (in days)	LIBOR for Minimum Interest Rate
F	LIBOR + 0.40%	1.51375%	0.40%	7.50%	0	0.0000%
S	7.10%-LIBOR	5.98625%	0.00%	7.10%	0	7.1000%
FM	LIBOR + 0.35%	1.45000%	0.35%	7.50%	0	0.0000%
SM	7.15% - LIBOR	6.05000%	0.00%	7.15%	0	7.1500%

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

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

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

SECURITY GROUP 1

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

1. To F and PO, pro rata, until retired
2. To Z, until retired

SECURITY GROUP 2

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

- The JZ Accrual Amount in the following order of priority:
 1. While UZ is outstanding, concurrently, to FM and OM, pro rata, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
 2. Sequentially, to UZ and JZ, in that order, until retired
- The Group 2 Adjusted Principal Distribution Amount and the MZ and UZ Accrual Amounts in the following order of priority:
 1. Concurrently, to FM and OM, pro rata, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
 2. Sequentially, to UZ and JZ, in that order, until retired
 3. Concurrently, to FM and OM, pro rata, without regard to their Aggregate Scheduled Principal Balances, until retired
 4. To MZ, until retired

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

<u>Class</u>	<u>Structuring Range</u>
FM and OM (in the aggregate)	174% PSA through 250% PSA

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

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

<u>Class</u>	<u>Original Class Notional Balance</u>	<u>Represents Approximately</u>
S	\$100,000,000	100% of F (SEQ/AD Class)
SM	100,000,000	100% of FM (PAC/AD Class)

Tax Status: Double REMIC Series. See “*Certain Federal Income Tax Consequences*” in this Supplement and in the Base Offering Circular.

Regular and Residual Classes: Class RR is a Residual Class and includes the Residual Interest of the Issuing REMIC and the Pooling REMIC; all other Classes of REMIC Securities are Regular Classes.

RISK FACTORS

You should purchase securities only if you understand and are able to bear the associated risks. The risks applicable to your investment depend on the principal and interest type of your securities. This section highlights certain of these risks.

The rate of principal payments on the underlying mortgage loans will affect the rate of principal payments on your securities. The rate at which you will receive principal payments will depend largely on the rate of principal payments, including prepayments, on the mortgage loans underlying the related trust assets. We expect the rate of principal payments on the underlying mortgage loans to vary. Borrowers generally may prepay their mortgage loans at any time without penalty.

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

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

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

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

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

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

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

The securities may not be a suitable investment for you. The securities, in particular, the support, principal only, interest only inverse floating rate, accrual and residual classes, are not suitable investments for all investors.

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

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

The secondary markets for mortgage-related securities have experienced periods of illiquidity and can be expected to do so in the future. Illiquidity can have a severely adverse effect on the prices of classes that are especially sensitive to prepayment or interest rate risk or that have been structured to meet the investment requirements of limited categories of investors.

The residual securities may experience significant adverse tax timing consequences. Accordingly, you are urged to consult tax advisors and to consider the after-tax effect of ownership of a residual security and the suitability of the residual securities to your investment objectives. See “*Certain Federal Income Tax Consequences*” in this supplement and in the base offering circular.

You are encouraged to consult advisors regarding the financial, legal, tax and other aspects of an investment in the securities. You should not

purchase the securities of any class unless you understand and are able to bear the prepayment, yield, liquidity and market risks associated with that class.

The actual characteristics of the underlying mortgage loans will affect the weighted average lives and yields of your securities. The yield and prepayment tables in this supplement are based on assumed characteristics which are likely to be different from the actual characteristics. As a result, the yields on your securities could be lower than you expected, even if the mortgage loans prepay at the constant prepayment rates set forth in the applicable table.

It is highly unlikely that the underlying mortgage loans will prepay at any of the prepayment rates assumed in this supplement, or at any constant prepayment rate.

THE TRUST ASSETS

General

The Sponsor intends to acquire the Trust Assets in privately negotiated transactions prior to the Closing Date and to sell them to the Trust according to the terms of a Trust Agreement between the Sponsor and the Trustee. The Sponsor will make certain representations and warranties with respect to the Trust Assets. All Trust Assets will evidence, directly or indirectly, Ginnie Mae Certificates.

The Trust MBS

The Trust MBS are either:

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

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

The Mortgage Loans

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

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

The Trustee Fee

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

GINNIE MAE GUARANTY

The Government National Mortgage Association (“Ginnie Mae”), a wholly-owned corporate instrumentality of the United States of America within HUD, guarantees the timely payment of principal and interest on the Securities. The General Counsel of HUD has provided an opinion to the effect that Ginnie Mae has the authority to guarantee multiclass securities and that Ginnie Mae guaranties will constitute general obligations of the United States, for which the full faith and credit of the United States is pledged. See “*Ginnie Mae Guaranty*” in the *Base Offering Circular*.

DESCRIPTION OF THE SECURITIES

General

The description of the Securities contained in this Supplement is not complete and is subject to, and is qualified in its entirety by reference to, all of the provisions of the Trust Agreement. See “*Description of the Securities*” in the *Base Offering Circular*.

Form of Securities

Each Class of Securities other than the Residual Securities initially will be issued and maintained, and may be transferred only on the Fedwire Book-Entry System. Beneficial Owners of Book-Entry Securities will ordinarily hold these Securities through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations that are eligible to maintain book-entry accounts on the Fedwire Book-Entry System. By request accompanied by the payment of a transfer fee of \$25,000 per Certificated Security to be issued, a Beneficial Owner may receive a Regular Security in certificated form.

The Residual Securities will not be issued in book-entry form but will be issued in fully registered, certificated form and may be transferred or exchanged, subject to the transfer restrictions applicable to Residual Securities set forth in the Trust Agreement, at the Corporate Trust Office of the Trustee. See “*Description of the Securities — Forms of Securities; Book-Entry Procedures*” in the *Base Offering Circular*.

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

Distributions

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

Interest Distributions

The Interest Distribution Amount will be distributed on each Distribution Date to the Holders of all Classes of Securities entitled to distributions of interest.

- Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months.
- Interest distributable on any Class for any Distribution Date will consist of 30 days' interest on its Class Principal Balance (or Class Notional Balance) as of the related Record Date.
- Investors can calculate the amount of interest to be distributed on each Class of Securities for any Distribution Date by using the Class Factors published in the preceding month. See “— Class Factors” below.

Categories of Classes

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

Accrual Periods

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

<u>Class</u>	<u>Accrual Period</u>
Fixed Rate Classes	The calendar month preceding the related Distribution Date
Floating Rate and Inverse Floating Rate Classes	From the 20th day of the month preceding the month of the related Distribution Date through the 19th day of the month of that Distribution Date

Fixed Rate Classes

Each Fixed Rate Class will bear interest at the per annum Interest Rate shown on the inside cover page of this Supplement or on Schedule I to this Supplement.

Floating Rate and Inverse Floating Rate Classes

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

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

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

Accrual Classes

Each of Classes JZ, MZ, UZ and Z is an Accrual Class. Interest will accrue on the Accrual Classes and be distributed as described under “Terms Sheet — Accrual Classes” in this Supplement.

Principal Distributions

The Group 1 Adjusted Principal Distribution Amount, the Group 2 Adjusted Principal Distribution Amount and the JZ, MZ, UZ and Z Accrual Amounts will be distributed to the Holders entitled thereto as described under “Terms Sheet — Allocation of Principal” in this Supplement. Investors can calculate the amount of principal to be distributed with respect to any Distribution Date by using the Class Factors published in the preceding and current months. See “— Class Factors” below.

Categories of Classes

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

Notional Classes

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

Residual Securities

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

Class Factors

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

- The Class Factor for any Class of Securities for the month following the issuance of the Securities will reflect its remaining Class Principal Balance (or Class Notional Balance) after giving effect to any principal distribution (or addition to principal) to be made or any reduction of Class Notional Balance on the Distribution Date occurring in that month.
- The Class Factor for each Class for the month of issuance is 1.00000000.

- The Class Factors for the MX Classes and the Classes of REMIC Securities that are exchangeable for the MX Classes will be calculated assuming that the maximum possible amount of each Class is outstanding at all times, regardless of any exchanges that may occur.
- Based on the Class Factors published in the preceding and current months (and Interest Rates), investors in any Class (other than an Accrual Class) can calculate the amount of principal and interest to be distributed to that Class, and investors in an Accrual Class can calculate the total amount of principal and interest to be distributed to (or interest to be added to the Class Principal Balance of) that Class on the Distribution Date in the current month.
- Investors may obtain current Class Factors on e-Access.

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

Termination

The Trustee, at its option, may purchase or cause the sale of the Trust Assets and thereby terminate the Trust on any Distribution Date on which the aggregate of the Class Principal Balances of the Securities is less than 1% of the aggregate Original Class Principal Balances of the Securities. The Trustee will terminate the Trust and retire the Securities on any Distribution Date upon the Trustee’s determination that the REMIC status of either Trust REMIC has been lost or that a substantial risk exists that this status will be lost for the then current taxable year.

Upon any termination of the Trust, the Holder of any outstanding Security (other than a Residual or Notional Class Security) will be entitled to receive that Holder’s allocable share of the Class Principal Balance of that Class plus any accrued and unpaid interest thereon at the applicable Interest Rate, and any Holder of any outstanding Notional Class Security will be entitled to receive that Holder’s allocable share of any accrued and unpaid interest thereon at the applicable Interest Rate. The Residual Holders will be entitled to their pro rata share of any assets remaining in the Trust REMICs after payment in full of the amounts described in the foregoing sentence. However, any remaining assets are not likely to be significant.

Modification and Exchange

All or a portion of the Classes of REMIC Securities specified on the inside cover page may be exchanged for a proportionate interest in the related MX Class shown on Schedule I to this Supplement. Similarly, all or a portion of the related MX Class may be exchanged for proportionate interests in the related Classes of REMIC Securities. This process may occur repeatedly.

Each exchange may be effected only in proportions that result in the principal and interest entitlements of the Securities received being equal to the entitlements of the Securities surrendered.

A Beneficial Owner proposing to effect an exchange must notify the Trustee through the Beneficial Owner’s Book-Entry Depository participant. This notice must be received by the Trustee not later than two Business Days before the proposed exchange date. The exchange date can be any Business Day other than the last Business Day of the month. The notice must contain the outstanding principal balance of the Securities to be included in the exchange and the proposed exchange date. The notice is required to be delivered to the Trustee in writing at its Corporate Trust Office at U.S. Bank National Association, Global Investor Service Group, Corporate Trust Department, One Federal Street, 3rd Floor, Boston, Massachusetts, 02110, Attention: 2004-049. The Trustee may be contacted by telephone at (617) 603-6451 and by fax at (503) 258-5979.

A fee will be payable to the Trustee in connection with each exchange equal to 1/32 of 1% of the outstanding principal balance of the Securities surrendered for exchange (but not less than \$2,000 or more than \$25,000). The fee must be paid concurrently with the exchange.

The first distribution on a REMIC Security or an MX Security received in an exchange will be made on the Distribution Date in the month following the month of the exchange. The distribution will be made to the Holder of record as of the Record Date in the month of exchange.

See “Description of the Securities — Modification and Exchange” in the Base Offering Circular.

YIELD, MATURITY AND PREPAYMENT CONSIDERATIONS

General

The prepayment experience of the Mortgage Loans underlying the Trust Assets will affect the Weighted Average Lives of and the yields realized by investors in the related Securities.

- The Mortgage Loans do not contain “due-on-sale” provisions, and any Mortgage Loan may be prepaid in full or in part at any time without penalty.
- The rate of payments (including prepayments and payments in respect of liquidations) on the Mortgage Loans is dependent on a variety of economic, geographic, social and other factors, including prevailing market interest rates and general economic factors.

The rate of prepayments with respect to single-family mortgage loans has fluctuated significantly in recent years. Although there is no assurance that prepayment patterns for the Mortgage Loans will conform to patterns for more traditional types of conventional fixed-rate mortgage loans, generally:

- if mortgage interest rates fall materially below the Mortgage Rates on any of the Mortgage Loans (giving consideration to the cost of refinancing), the rate of prepayment of those Mortgage Loans would be expected to increase; and
- if mortgage interest rates rise materially above the Mortgage Rates on any of the Mortgage Loans, the rate of prepayment of those Mortgage Loans would be expected to decrease.

In addition, following any Mortgage Loan default and the subsequent liquidation of the underlying Mortgaged Property, the principal balance of the Mortgage Loan will be distributed through a combination of liquidation proceeds, advances from the related Ginnie Mae Issuer and, to the extent necessary, proceeds of Ginnie Mae’s guaranty of the Ginnie Mae Certificates. As a result, defaults experienced on the Mortgage Loans will accelerate the distribution of principal of the Securities.

Under certain circumstances, the Trustee has the option to purchase the Trust Assets, thereby effecting early retirement of the Securities. See “Description of the Securities — Termination” in this Supplement.

Accretion Directed Classes

Classes F, FM, JZ, OM, PO and UZ are Accretion Directed Classes. The related Accrual Amount will be applied to making principal distributions on those Classes as described in this Supplement. Classes S and SM are Notional Classes whose Class Notional Balance is determined by reference to the Class Principal Balance of Classes F and FM, respectively.

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

Securities that Receive Principal on the Basis of Schedules

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

The PAC Classes exhibit an Effective Range of constant prepayment rates at which such Classes in the aggregate will receive Scheduled Payments. That range may differ from the Structuring Range used to create the related principal balance schedule. Based on the Modeling Assumptions, the *initial* Effective Range for the PAC Classes is as follows:

<u>PAC Classes</u>	<u>Initial Effective Range</u>
FM and OM (in the aggregate)	174% PSA through 250% PSA

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

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

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

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

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

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

Assumability

Each Mortgage Loan may be assumed, subject to HUD review and approval, upon the sale of the related Mortgaged Property. *See “Yield, Maturity and Prepayment Considerations — Assumability of Government Loans” in the Base Offering Circular.*

Final Distribution Date

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

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

Modeling Assumptions

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

1. The Mortgage Loans underlying the Trust Assets have the assumed characteristics shown under “Assumed Characteristics of the Mortgage Loans Underlying the Trust Assets” in the Terms Sheet; except in the case of information set forth under the 0% PSA Prepayment Assumption Rate, for which each Mortgage Loan is assumed to have an original and a remaining term to maturity of 360 months and a Mortgage Rate of 1.50% per annum higher than the related Certificate Rate.

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

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

4. A termination of the Trust does not occur.

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

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

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

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

- For example, most of the Mortgage Loans will not have the characteristics assumed, many Distribution Dates will occur on a Business Day after the 20th of the month, and the Trustee may cause a termination of the Trust as described under “Description of the Securities — Termination” in this Supplement.
- In addition, distributions on the Securities are based on Certificate Factors and Calculated Certificate Factors, if applicable, which may not reflect actual receipts on the Trust Assets.

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

Decrement Tables

Prepayments of mortgage loans are commonly measured by a prepayment standard or model. The model used in this Supplement (“PSA”) is the standard prepayment assumption model of The Bond Market Association. PSA represents an assumed rate of prepayment each month relative to the then outstanding principal balance of the Mortgage Loans to which the model is applied. *See “Yield, Maturity and Prepayment Considerations — Standard Prepayment Assumption Models” in the Base Offering Circular.*

The decrement tables set forth below are based on the assumption that the Mortgage Loans prepay at the indicated percentages of PSA (the “PSA Prepayment Assumption Rates”). As used in the table, each of the PSA Prepayment Assumption Rates reflects a percentage of the 100% PSA assumed prepayment rate. **The Mortgage Loans will not prepay at any of the PSA Prepayment Assumption**

Rates and the timing of changes in the rate of prepayments actually experienced on the Mortgage Loans will not follow the pattern described for the PSA assumption.

The decrement tables set forth below illustrate the percentage of the Original Class Principal Balance (or, in the case of a Notional Class, the original Class Notional Balance) that would remain outstanding following the distribution made each specified month for each Regular or MX Class, based on the assumption that the related Mortgage Loans prepay at the PSA Prepayment Assumption Rates. The percentages set forth in the following decrement tables have been rounded to the nearest whole percentage (including rounding down to zero).

The decrement tables also indicate the Weighted Average Life of each Class under each PSA Prepayment Assumption Rate. The Weighted Average Life of each Class is calculated by:

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

The information shown for each Notional Class is for illustrative purposes only, as a Notional Class is not entitled to distributions of principal and has no weighted average life. The weighted average life shown for each Notional Class has been calculated on the assumption that a reduction in the Class Notional Balance thereof is a distribution of principal.

The Weighted Average Lives are likely to vary, perhaps significantly, from those set forth in the tables below due to the differences between the actual characteristics of the Mortgage Loans underlying the Trust Assets and the Modeling Assumptions.

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

Date	Security Group 1 PSA Prepayment Assumption Rates									
	Classes F, PO and S					Class Z				
	0%	125%	250%	375%	500%	0%	125%	250%	375%	500%
Initial percent	100	100	100	100	100	100	100	100	100	100
June 2005	99	95	91	87	83	106	106	106	106	106
June 2006	97	86	77	67	58	113	113	113	113	113
June 2007	96	78	63	49	38	120	120	120	120	120
June 2008	94	70	51	36	24	127	127	127	127	127
June 2009	92	62	41	25	13	135	135	135	135	135
June 2010	90	55	32	17	6	143	143	143	143	143
June 2011	88	49	25	10	1	152	152	152	152	152
June 2012	86	43	19	5	0	161	161	161	161	119
June 2013	84	37	14	1	0	171	171	171	171	81
June 2014	81	32	9	0	0	182	182	182	143	56
June 2015	79	27	5	0	0	193	193	193	107	38
June 2016	76	23	1	0	0	205	205	205	81	26
June 2017	73	18	0	0	0	218	218	188	60	17
June 2018	69	14	0	0	0	231	231	154	45	12
June 2019	66	10	0	0	0	245	245	126	34	8
June 2020	62	6	0	0	0	261	261	102	25	5
June 2021	58	3	0	0	0	277	277	82	18	3
June 2022	53	0	0	0	0	294	285	66	13	2
June 2023	48	0	0	0	0	312	247	52	10	2
June 2024	43	0	0	0	0	331	212	41	7	1
June 2025	38	0	0	0	0	351	179	32	5	1
June 2026	32	0	0	0	0	373	150	25	3	0
June 2027	25	0	0	0	0	396	122	19	2	0
June 2028	19	0	0	0	0	421	98	14	2	0
June 2029	11	0	0	0	0	446	75	10	1	0
June 2030	3	0	0	0	0	474	54	6	1	0
June 2031	0	0	0	0	0	413	35	4	0	0
June 2032	0	0	0	0	0	285	17	2	0	0
June 2033	0	0	0	0	0	148	1	0	0	0
June 2034	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	17.1	7.6	4.8	3.5	2.7	28.3	22.6	16.9	12.7	9.9

Date	Security Group 2 PSA Prepayment Assumption Rates														
	Class C					Classes FM, OM and SM					Class JZ				
	0%	174%	205%	250%	500%	0%	174%	205%	250%	500%	0%	174%	205%	250%	500%
Initial percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June 2005	106	100	94	86	39	98	93	93	93	93	106	106	106	97	44
June 2006	113	100	85	63	0	95	82	82	82	73	113	113	96	71	0
June 2007	120	100	76	42	0	93	70	70	70	50	120	113	86	48	0
June 2008	127	100	70	28	0	90	60	60	60	34	127	113	79	32	0
June 2009	135	100	66	20	0	87	50	50	50	23	135	113	74	22	0
June 2010	143	100	63	15	0	84	42	42	42	16	143	113	71	17	0
June 2011	152	100	62	13	0	81	35	35	35	10	152	113	70	15	0
June 2012	161	99	61	13	0	78	28	28	28	7	161	112	69	15	0
June 2013	171	97	59	13	0	74	23	23	23	4	171	110	67	15	0
June 2014	182	93	56	13	0	70	18	18	18	2	182	105	64	15	0
June 2015	193	89	53	13	0	66	14	14	14	1	193	100	60	15	0
June 2016	205	83	50	13	0	61	11	11	11	0	205	94	57	15	0
June 2017	218	78	47	13	0	56	8	8	8	0	218	88	53	15	0
June 2018	231	72	43	13	0	51	6	6	6	0	231	82	49	15	0
June 2019	245	66	40	13	0	45	4	4	4	0	245	75	45	15	0
June 2020	261	61	37	13	0	39	2	2	2	0	261	69	42	15	0
June 2021	277	55	34	13	0	33	1	1	1	0	277	63	39	15	0
June 2022	294	49	30	12	0	26	0	0	0	0	294	55	34	13	0
June 2023	312	38	21	6	0	19	0	0	0	0	312	43	24	7	0
June 2024	331	28	14	1	0	11	0	0	0	0	331	32	16	1	0
June 2025	351	20	7	0	0	2	0	0	0	0	351	22	8	0	0
June 2026	332	12	1	0	0	0	0	0	0	0	373	13	2	0	0
June 2027	298	5	0	0	0	0	0	0	0	0	337	5	0	0	0
June 2028	261	0	0	0	0	0	0	0	0	0	296	0	0	0	0
June 2029	222	0	0	0	0	0	0	0	0	0	251	0	0	0	0
June 2030	179	0	0	0	0	0	0	0	0	0	202	0	0	0	0
June 2031	133	0	0	0	0	0	0	0	0	0	150	0	0	0	0
June 2032	83	0	0	0	0	0	0	0	0	0	94	0	0	0	0
June 2033	30	0	0	0	0	0	0	0	0	0	34	0	0	0	0
June 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	25.8	17.0	11.2	4.7	0.8	13.1	6.0	6.0	6.0	3.6	26.2	17.0	11.9	5.1	0.9

**Security Group 2
PSA Prepayment Assumption Rates**

<u>Date</u>	<u>Class MZ</u>					<u>Class UZ</u>				
	<u>0%</u>	<u>174%</u>	<u>205%</u>	<u>250%</u>	<u>500%</u>	<u>0%</u>	<u>174%</u>	<u>205%</u>	<u>250%</u>	<u>500%</u>
Initial percent	100	100	100	100	100	100	100	100	100	100
June 2005	106	106	106	106	106	106	53	3	0	0
June 2006	113	113	113	113	113	113	3	0	0	0
June 2007	120	120	120	120	120	120	0	0	0	0
June 2008	127	127	127	127	127	127	0	0	0	0
June 2009	135	135	135	135	135	135	0	0	0	0
June 2010	143	143	143	143	143	143	0	0	0	0
June 2011	152	152	152	152	152	152	0	0	0	0
June 2012	161	161	161	161	161	161	0	0	0	0
June 2013	171	171	171	171	171	171	0	0	0	0
June 2014	182	182	182	182	182	182	0	0	0	0
June 2015	193	193	193	193	193	193	0	0	0	0
June 2016	205	205	205	205	205	205	0	0	0	0
June 2017	218	218	218	218	146	218	0	0	0	0
June 2018	231	231	231	231	98	231	0	0	0	0
June 2019	245	245	245	245	66	245	0	0	0	0
June 2020	261	261	261	261	44	261	0	0	0	0
June 2021	277	277	277	277	29	277	0	0	0	0
June 2022	294	294	294	294	19	294	0	0	0	0
June 2023	312	312	312	312	13	312	0	0	0	0
June 2024	331	331	331	331	8	331	0	0	0	0
June 2025	351	351	351	269	5	351	0	0	0	0
June 2026	373	373	373	207	3	22	0	0	0	0
June 2027	396	396	313	156	2	0	0	0	0	0
June 2028	421	387	238	115	1	0	0	0	0	0
June 2029	446	289	174	81	1	0	0	0	0	0
June 2030	474	204	120	55	0	0	0	0	0	0
June 2031	503	131	75	33	0	0	0	0	0	0
June 2032	534	67	38	16	0	0	0	0	0	0
June 2033	567	12	7	3	0	0	0	0	0	0
June 2034	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	29.8	26.2	25.1	23.3	14.6	21.7	1.1	0.6	0.4	0.1

Yield Considerations

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

Prepayments: Effect on Yields

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

- In the case of Regular Securities or MX Securities purchased at a premium (especially Interest Only Classes), faster than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.
- Investors in the Interest Only Classes should also consider the risk that rapid rates of principal payments could result in the failure of investors to recover fully their investments.
- In the case of Regular Securities or MX Securities purchased at a discount (especially Principal Only Classes), slower than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.

See "Risk Factors — Rates of principal payments can reduce your yield" in this Supplement.

Rapid rates of prepayments on the Mortgage Loans are likely to coincide with periods of low prevailing interest rates.

During periods of low prevailing interest rates, the yields at which an investor may be able to reinvest amounts received as principal payments on the investor's Class of Securities may be lower than the yield on that Class.

Slow rates of prepayments on the Mortgage Loans are likely to coincide with periods of high prevailing interest rates.

During periods of high prevailing interest rates, the amount of principal payments available to an investor for reinvestment at those high rates may be relatively low.

The Mortgage Loans will not prepay at any constant rate until maturity, nor will all of the Mortgage Loans underlying either Trust Asset Group prepay at the same rate at any one time. The timing of changes in the rate of prepayments may affect the actual yield to an investor, even if the average rate of principal prepayments is consistent with the investor's expectation. In general, the earlier a prepayment of principal on the Mortgage Loans, the greater the effect on an investor's yield. As a result, the effect on an investor's yield of principal prepayments occurring at a rate higher (or lower) than the rate anticipated by the investor during the period immediately following the Closing Date is not likely to be offset by a later equivalent reduction (or increase) in the rate of principal prepayments.

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

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

Payment Delay: Effect on Yields of the Fixed Rate Classes

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

Yield Tables

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

The Mortgage Loans will not prepay at any constant rate until maturity, and it is unlikely that LIBOR will remain constant. Moreover, it is likely that the Mortgage Loans will experience actual prepayment rates that differ from those of the Modeling Assumptions. **Therefore, the actual pre-tax yield of any Class may differ from those shown in the applicable table below for that Class even if the Class is purchased at the assumed price shown.**

The yields were calculated by

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

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

The information set forth in the following tables was prepared on the basis of the Modeling Assumptions and the assumptions that (1) the Interest Rate applicable to each Inverse Floating Rate Class for each Accrual Period following the first Accrual Period will be based on the indicated level of LIBOR and (2) the purchase price of each Class (expressed as a percentage of its original Class Principal Balance or Class Notional Balance) plus accrued interest (in the case of the interest-bearing Classes) is as indicated in the related table. **The assumed purchase price is not necessarily that at which actual sales will occur.**

SECURITY GROUP 1

**Sensitivity of Class PO to Prepayments
Assumed Price 76.750000%**

PSA Prepayment Assumption Rates			
<u>125%</u>	<u>250%</u>	<u>375%</u>	<u>500%</u>
3.7%	6.0%	8.3%	10.5%

**Sensitivity of Class S to Prepayments
Assumed Price 10.246094%***

<u>LIBOR</u>	PSA Prepayment Assumption Rates			
	<u>125%</u>	<u>250%</u>	<u>375%</u>	<u>500%</u>
0.11375%	68.0%	59.9%	51.4%	42.4%
1.11375%	55.9%	47.7%	38.9%	29.7%
4.11375%	20.6%	11.4%	1.2%	(9.6)%
7.10000% and above	**	**	**	**

SECURITY GROUP 2

**Sensitivity of Class OM to Prepayments
Assumed Price 73.625000%**

PSA Prepayment Assumption Rates			
<u>174%</u>	<u>205%</u>	<u>250%</u>	<u>500%</u>
5.6%	5.6%	5.6%	9.2%

**Sensitivity of Class SM to Prepayments
Assumed Price 11.171875%***

<u>LIBOR</u>	PSA Prepayment Assumption Rates			
	<u>174%</u>	<u>205%</u>	<u>250%</u>	<u>500%</u>
0.10000%	57.6%	57.6%	57.6%	48.4%
1.10000%	46.5%	46.5%	46.5%	36.4%
4.10000%	13.9%	13.9%	13.9%	0.4%
7.15000% and above	**	**	**	**

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

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

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

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

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

REMIC Elections

In the opinion of Stroock & Stroock & Lavan LLP, the Trust will constitute a Double REMIC Series for federal income tax purposes. Separate REMIC elections will be made for the Pooling REMIC and the Issuing REMIC.

Regular Securities

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

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

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

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

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

Prospective investors in the Regular Securities should be aware, however, that the foregoing expectations about OID could change because of differences (1) between anticipated purchase prices and actual purchase prices or (2) between the assumed characteristics of the Trust Assets and the characteristics of the Trust Assets actually delivered to the Trust. The prepayment assumption that should be used in determining the rates of accrual of OID, if any, on the Regular Securities is 250% PSA in the case of the Group 1 Securities and 205% in the case of the Group 2 Securities (as described in “Yield, Maturity and Prepayment Considerations” in this Supplement). In the case of the Floating Rate Classes, the constant value of LIBOR to be used for these determinations is 1.11375% in the case of the Group 1 Securities and 1.10% in the case of the Group 2 Securities. No representation is made, however,

about the rate at which prepayments on the Mortgage Loans underlying any Group of Trust Assets actually will occur or the level of LIBOR at any time after the date of this Supplement. See “*Certain Federal Income Tax Consequences*” in the Base Offering Circular.

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

Residual Securities

The Class RR Securities will represent the beneficial ownership of the Residual Interest in the Pooling REMIC and the beneficial ownership of the Residual Interest in the Issuing REMIC. The Residual Securities, *i.e.*, the Class RR Securities, generally will be treated as “residual interests” in a REMIC for domestic building and loan associations and as “real estate assets” for REITs, as described in “*Certain Federal Income Tax Consequences*” in the Base Offering Circular, but will not be treated as debt for federal income tax purposes. Instead, the Holders of the Residual Securities will be required to report, and will be taxed on, their pro rata shares of the taxable income or loss of the Trust REMIC, and these requirements will continue until there are no outstanding regular interests in the respective Trust REMICs. Thus, Residual Holders will have taxable income attributable to the Residual Securities even though they will not receive principal or interest distributions with respect to the Residual Securities, which could result in a negative after-tax return for the Residual Holders. It is not expected that the Pooling REMIC will have a substantial amount of taxable income or loss in any period. However, even though the Holders of the Class RR Securities are not entitled to any stated principal or interest payments on the Class RR Securities, the Issuing REMIC may have substantial taxable income in certain periods, and offsetting tax losses may not occur until much later periods. Accordingly, a Holder of the Class RR Securities may experience substantial adverse tax timing consequences. Prospective investors are urged to consult their own tax advisors and consider the after-tax effect of ownership of the Residual Securities and the suitability of the Residual Securities to their investment objectives.

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

Regulations were recently finalized proposed regarding the federal income tax treatment of “inducement fees” received by transferees of noneconomic REMIC residual interests. The final 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. The rules set forth in the final regulations apply to taxable years ending on or after May 11, 2004. Prospective purchasers of the Class RR Securities should consult with their tax advisors regarding the effect of these final regulations.

MX Securities

For a discussion of certain federal income tax consequences applicable to the MX Classes, see “*Certain Federal Income Tax Consequences — Tax Treatment of MX Securities*”, “*— Exchanges of MX Classes and Regular Classes*” and “*— Taxation of Foreign Holders of REMIC Securities and MX Securities*” in the Base Offering Circular.

ERISA MATTERS

Ginnie Mae guarantees distributions of principal and interest with respect to the Securities. The Ginnie Mae Guaranty is supported by the full faith and credit of the United States of America. The Regular and MX Securities will qualify as “guaranteed governmental mortgage pool certificates” within the meaning of a Department of Labor regulation, the effect of which is to provide that mortgage loans and participations therein underlying a “guaranteed governmental mortgage pool certificate” will not be considered assets of an employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), or subject to section 4975 of the Code (each, a “Plan”), solely by reason of the Plan’s purchase and holding of that certificate.

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

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

See “ERISA Considerations” in the Base Offering Circular.

The Residual Securities are not offered to, and may not be transferred to, a Plan Investor.

LEGAL INVESTMENT CONSIDERATIONS

Institutions whose investment activities are subject to legal investment laws and regulations or to review by certain regulatory authorities may be subject to restrictions on investment in the Securities. **No representation is made about the proper characterization of any Class for legal investment or other purposes, or about the permissibility of the purchase by particular investors of any Class under applicable legal investment restrictions.**

Investors should consult their own legal advisors regarding applicable investment restrictions and the effect of any restrictions on the liquidity of the Securities prior to investing in the Securities.

See “Legal Investment Considerations” in the Base Offering Circular.

PLAN OF DISTRIBUTION

Subject to the terms and conditions of the Sponsor Agreement, the Sponsor has agreed to purchase all of the Securities if any are sold and purchased. The Sponsor proposes to offer each Class to the public from time to time for sale in negotiated transactions at varying prices to be determined at the time of sale, plus accrued interest, if any, from (1) June 1, 2004 on the Fixed Rate Classes and (2) June 20, 2004 on the Floating Rate and Inverse Floating Rate Classes. The Sponsor may effect these transactions by sales to or through certain securities dealers. These dealers may receive compensation in the form of discounts, concessions or commissions from the Sponsor and/or commissions from any purchasers for which they act as agents. Some of the Securities may be sold through dealers in relatively small sales. In the usual case, the commission charged on a relatively small sale of securities will be a higher percentage of the sales price than that charged on a large sale of securities.

INCREASE IN SIZE

Before the Closing Date, Ginnie Mae, the Trustee and the Sponsor may agree to increase the size of this offering. In that event, the Securities will have the same characteristics as described in this Supplement, except that (1) the Original Class Principal Balance (or original Class Notional Balance) and (2) Aggregate Scheduled Principal Balances of each Class receiving principal distributions or interest distributions based upon a notional balance from the same Trust Asset Group will increase by the same proportion. The Trust Agreement, the Final Data Statement, the Final Schedules and the Supplemental Statement, if any, will reflect any increase in the size of the transaction.

LEGAL MATTERS

Certain legal matters will be passed upon for Ginnie Mae by Hunton & Williams LLP, for the Trust by Stroock & Stroock & Lavan LLP and Marcell Solomon & Associates, P.C., and for the Trustee by Nixon Peabody LLP.

Schedule I

Available Combinations(1)

REMIC Securities		MX Securities						
Class	Original Class Principal Balance or Class Notional Balance	Related MX Class	Maximum Original Class Principal Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
Security Group 2 Combination 1								
JZ	\$18,741,081	C	\$21,194,000	SUP/AD	6.0%	FIX/Z	38374G V9 0	January 2034
UZ	2,452,919							

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

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

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

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

SCHEDULED PRINCIPAL BALANCES

<u>Distribution Date</u>	<u>Classes FM and OM (in the aggregate)</u>
Initial Balance	\$125,000,000.00
July 2004	124,505,216.52
August 2004	123,967,452.90
September 2004	123,387,026.32
October 2004	122,764,292.53
November 2004	122,099,645.52
December 2004	121,393,517.18
January 2005	120,646,376.91
February 2005	119,858,731.13
March 2005	119,031,122.74
April 2005	118,164,130.59
May 2005	117,258,368.79
June 2005	116,314,486.03
July 2005	115,333,164.88
August 2005	114,315,120.91
September 2005	113,261,101.91
October 2005	112,171,886.96
November 2005	111,048,285.48
December 2005	109,891,136.23
January 2006	108,701,306.29
February 2006	107,479,689.96
March 2006	106,227,207.61
April 2006	104,944,804.56
May 2006	103,633,449.82
June 2006	102,334,564.26
July 2006	101,048,031.28
August 2006	99,773,735.39
September 2006	98,511,562.13
October 2006	97,261,398.11
November 2006	96,023,130.98
December 2006	94,796,649.42
January 2007	93,581,843.15
February 2007	92,378,602.88
March 2007	91,186,820.35
April 2007	90,006,388.28
May 2007	88,837,200.37
June 2007	87,679,151.33
July 2007	86,532,136.82
August 2007	85,396,053.44
September 2007	84,270,798.77
October 2007	83,156,271.33
November 2007	82,052,370.57
December 2007	80,958,996.85
January 2008	79,876,051.47
February 2008	78,803,436.63
March 2008	77,741,055.42
April 2008	76,688,811.83
May 2008	75,646,610.75
June 2008	74,614,357.92
July 2008	73,591,959.95
August 2008	72,579,324.33
September 2008	71,576,359.39
October 2008	70,582,974.29

<u>Distribution Date</u>	<u>Classes FM and OM (in the aggregate)</u>
November 2008	\$ 69,599,079.04
December 2008	68,624,584.49
January 2009	67,659,402.28
February 2009	66,703,444.89
March 2009	65,756,625.60
April 2009	64,818,858.48
May 2009	63,890,058.40
June 2009	62,970,141.00
July 2009	62,059,022.71
August 2009	61,156,620.73
September 2009	60,262,853.02
October 2009	59,377,638.28
November 2009	58,500,895.98
December 2009	57,632,546.32
January 2010	56,772,510.24
February 2010	55,920,709.40
March 2010	55,077,066.19
April 2010	54,241,503.71
May 2010	53,413,945.77
June 2010	52,594,316.87
July 2010	51,782,542.23
August 2010	50,978,547.73
September 2010	50,182,259.95
October 2010	49,393,606.15
November 2010	48,612,514.24
December 2010	47,838,912.81
January 2011	47,072,731.10
February 2011	46,313,899.01
March 2011	45,562,347.07
April 2011	44,818,006.46
May 2011	44,080,809.00
June 2011	43,350,687.12
July 2011	42,627,573.90
August 2011	41,911,402.99
September 2011	41,203,400.19
October 2011	40,505,430.49
November 2011	39,817,352.90
December 2011	39,139,028.38
January 2012	38,470,319.79
February 2012	37,811,091.88
March 2012	37,161,211.25
April 2012	36,520,546.35
May 2012	35,888,967.42
June 2012	35,266,346.49
July 2012	34,652,557.35
August 2012	34,047,475.53
September 2012	33,450,978.27
October 2012	32,862,944.48
November 2012	32,283,254.77
December 2012	31,711,791.35
January 2013	31,148,438.08
February 2013	30,593,080.41
March 2013	30,045,605.37
April 2013	29,505,901.54
May 2013	28,973,859.02
June 2013	28,449,369.45
July 2013	27,932,325.93

<u>Distribution Date</u>	<u>Classes FM and OM (in the aggregate)</u>
August 2013	\$ 27,422,623.06
September 2013	26,920,156.87
October 2013	26,424,824.83
November 2013	25,936,525.82
December 2013	25,455,160.12
January 2014	24,980,629.37
February 2014	24,512,836.58
March 2014	24,051,686.07
April 2014	23,597,083.50
May 2014	23,148,935.82
June 2014	22,707,151.28
July 2014	22,271,639.36
August 2014	21,842,310.82
September 2014	21,419,077.64
October 2014	21,001,852.99
November 2014	20,590,551.27
December 2014	20,185,088.04
January 2015	19,785,380.03
February 2015	19,391,345.12
March 2015	19,002,902.32
April 2015	18,619,971.75
May 2015	18,242,474.64
June 2015	17,870,333.31
July 2015	17,503,471.14
August 2015	17,141,812.58
September 2015	16,785,283.10
October 2015	16,433,809.22
November 2015	16,087,318.46
December 2015	15,745,739.36
January 2016	15,409,001.42
February 2016	15,077,035.13
March 2016	14,749,771.93
April 2016	14,427,144.21
May 2016	14,109,085.30
June 2016	13,795,529.44
July 2016	13,486,411.78
August 2016	13,181,668.38
September 2016	12,881,236.15
October 2016	12,585,052.90
November 2016	12,293,057.29
December 2016	12,005,188.83
January 2017	11,721,387.86
February 2017	11,441,595.54
March 2017	11,165,753.86
April 2017	10,893,805.59
May 2017	10,625,694.31
June 2017	10,361,364.37
July 2017	10,100,760.89
August 2017	9,843,829.74
September 2017	9,590,517.55
October 2017	9,340,771.69
November 2017	9,094,540.24
December 2017	8,851,772.01
January 2018	8,612,416.53
February 2018	8,376,424.00
March 2018	8,143,745.32
April 2018	7,914,332.09

<u>Distribution Date</u>	<u>Classes FM and OM (in the aggregate)</u>
May 2018	\$ 7,688,136.54
June 2018	7,465,111.58
July 2018	7,245,210.79
August 2018	7,028,388.35
September 2018	6,814,599.12
October 2018	6,603,798.54
November 2018	6,395,942.71
December 2018	6,190,988.29
January 2019	5,988,892.59
February 2019	5,789,613.46
March 2019	5,593,109.37
April 2019	5,399,339.36
May 2019	5,208,263.01
June 2019	5,019,840.48
July 2019	4,834,032.50
August 2019	4,650,800.29
September 2019	4,470,105.67
October 2019	4,291,910.93
November 2019	4,116,178.93
December 2019	3,942,873.00
January 2020	3,771,957.02
February 2020	3,603,395.33
March 2020	3,437,152.80
April 2020	3,273,194.76
May 2020	3,111,487.02
June 2020	2,951,995.89
July 2020	2,794,688.11
August 2020	2,639,530.90
September 2020	2,486,491.94
October 2020	2,335,539.34
November 2020	2,186,641.66
December 2020	2,039,767.90
January 2021	1,894,887.47
February 2021	1,751,970.22
March 2021	1,610,986.42
April 2021	1,471,906.74
May 2021	1,334,702.26
June 2021	1,199,344.46
July 2021	1,065,805.21
August 2021	934,056.77
September 2021	804,071.80
October 2021	675,823.32
November 2021	549,284.72
December 2021	424,429.77
January 2022	301,232.61
February 2022	179,667.70
March 2022	59,709.90
April 2022 and thereafter	0.00



\$279,374,128

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June 23, 2004

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