

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



\$63,454,495

Government National Mortgage Association
GINNIE MAE®

Guaranteed REMIC Pass-Through Securities
Ginnie Mae REMIC Trust 2004-085

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-6 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 a previously issued certificate.

The Sponsor and the Co-Sponsor will offer the securities from time to time in negotiated transactions at varying prices. We expect the closing date to be October 29, 2004.

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

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

Merrill Lynch & Co.

Myerberg & Company, L.P.

The date of this Offering Circular Supplement is October 22, 2004.

Ginnie Mae REMIC Trust 2004-085

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

<u>Class of REMIC Securities</u>	<u>Original Principal Balance(1)</u>	<u>Interest Rate</u>	<u>Principal Type(2)</u>	<u>Interest Type(2)</u>	<u>Final Distribution Date(3)</u>	<u>CUSIP Number</u>
GC.....	\$42,000,000	4.5%	SC/SEQ/AD	FIX	January 2033	38374JWW2
GZ.....	7,353,497	4.5	SC/SEQ	FIX/Z	January 2033	38374JWX0
PO.....	14,100,998	0.0	SC/STP	PO	January 2033	38374JWY8
Residual						
R.....	0	0.0	NPR	NPR	January 2033	38374JWZ5

(1) Subject to increase as described under “Increase in Size” in this Supplement.

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

(3) See “Yield, Maturity and Prepayment Considerations — Final Distribution Date” in this Supplement.

AVAILABLE INFORMATION

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

- this Offering Circular Supplement (this “Supplement”),
- the Base Offering Circular and
- the disclosure document relating to the Underlying Certificate (the “Underlying Certificate Disclosure Document”).

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

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

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

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TERMS SHEET

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

Sponsor: Merrill Lynch, Pierce, Fenner & Smith Incorporated

Trustee: Wells Fargo Bank, N.A.

Tax Administrator: The Trustee

Closing Date: October 29, 2004

Distribution Date: The 17th day of each month or, if the 17th day is not a Business Day, the first Business Day thereafter, commencing in November 2004.

Trust Asset:

<u>Trust Asset Type</u>	<u>Certificate Rate</u>	<u>Original Term To Maturity (in years)</u>
Underlying Certificate	(1)	(1)

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

Assumed Characteristics of the Mortgage Loans Underlying the Trust Asset:

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

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

Increased Minimum Denomination Classes: Class PO. 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.

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”) and the GZ Accrual Amount will be allocated as follows:

- The GZ Accrual Amount to GC and GZ, in that order, until retired
- The Adjusted Principal Distribution Amount in the following order of priority:
 1. Concurrently:
 - a. 77.7777791786% to GC and GZ, in that order, until retired
 - b. 22.2222208214% to PO, until retired

Accrual Class: Interest will accrue on the Accrual Class identified on the inside front cover of this Supplement at the per annum rate set forth on that page. However, no interest will be distributed to the Accrual Class as interest. Interest so accrued on the Accrual Class on each

Distribution Date will constitute the Accrual Amount, which will be added to the Class Principal Balance of that Class on each Distribution Date and will be distributable as principal as set forth in this Terms Sheet under “Allocation of Principal.”

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

Regular and Residual Classes: Class R is a Residual Class and includes the Residual Interest of the Trust 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 trust asset. 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 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 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 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.

The rate of principal payments on the underlying certificate will directly affect the rate of principal payments on the securities. The underlying certificate will be sensitive in varying degrees to

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

In addition, the principal entitlement of the underlying certificate on any payment date is calculated on the basis of schedules; no assurance can be given that the underlying certificate will adhere to its schedule. Further, prepayments on the related mortgage loans may have occurred at rates faster or slower than those initially assumed.

This supplement contains no information as to whether the underlying certificate has adhered to its principal balance schedules, whether any related supporting classes remain outstanding or whether the underlying certificate otherwise has performed as originally anticipated. Additional information as to the underlying certificate may be obtained by performing an analysis of current principal factors of the underlying certificate in light of applicable information contained in the underlying certificate disclosure document.

The securities may not be a suitable investment for you. The securities, in particular, the principal only, 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 assur-

ance 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 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 in-

vestment 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 ASSET

General

The Sponsor intends to acquire the Trust Asset in a privately negotiated transaction prior to the Closing Date and to sell it 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 Asset. The Trust Asset will evidence, directly or indirectly, Ginnie Mae Certificates.

The Underlying Certificate

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

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

The Mortgage Loans

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

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

The Trustee Fee

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

GINNIE MAE GUARANTY

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

DESCRIPTION OF THE SECURITIES

General

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

Form of Securities

Each Class of Securities other than the Residual Securities initially will be issued and maintained, and may be transferred only on the Fedwire Book-Entry System. Beneficial Owners of Book-Entry Securities will ordinarily hold these Securities through one or more financial

intermediaries, such as banks, brokerage firms and securities clearing organizations that are eligible to maintain book-entry accounts on the Fedwire Book-Entry System. By request accompanied by the payment of a transfer fee of \$25,000 per Certificated Security to be issued, a Beneficial Owner may receive a Regular Security in certificated form.

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

Each Class (other than the Increased Minimum Denomination 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 principal 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 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 are explained under “Class Types” in Appendix I to the Base Offering Circular.

Accrual Period

The Accrual Period for each 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.

Accrual Class

Class GZ is an Accrual Class. Interest will accrue on the Accrual Class and be distributed as described under “Terms Sheet — Accrual Class” in this Supplement.

Principal Distributions

The Adjusted Principal Distribution Amount and the GZ Accrual Amount 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. The abbreviations used on the inside cover page are explained under “Class Types” in Appendix I to the Base Offering Circular.

Residual Securities

The Class R Securities will represent the beneficial ownership of the Residual Interest in the Trust REMIC. The Class R Securities have no Class Principal Balance and do not accrue interest. In addition to payments of principal and interest, the Class R Securities will be entitled to receive the proceeds of the disposition of any assets remaining in the Trust REMIC after the Class Principal Balance of each Class of Regular Securities has been reduced to zero. However, any remaining proceeds are not likely to be significant. The Residual Securities may not be transferred to a Plan Investor, a Non-U.S. Person or a Disqualified Organization.

Class Factors

The Trustee will calculate and make available for each Class of Securities, no later than the day preceding the Distribution Date, the factor (carried out to eight decimal places) that when multiplied by the Original Class Principal Balance of that Class, determines the Class Principal Balance after giving effect to the distribution of principal to be made on the Securities (and any addition to the Class Principal Balance of the Accrual Class) 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 after giving effect to any principal distribution (or addition to principal) to be made on the Distribution Date occurring in that month.
- The Class Factor for each Class for the month of issuance is 1.00000000.

- Based on the Class Factors published in the preceding and current months (and Interest Rates), investors in any Class (other than the Accrual Class) can calculate the amount of principal and interest to be distributed to that Class, and investors in the Accrual Class can calculate the total amount of principal to be distributed to (or interest to be added to the Class Principal Balance of) that Class on the Distribution Date in the current month.
- Investors may obtain current Class Factors on Ginnie Mae's Multiclass Securities e-Access located on Ginnie Mae's website ("e-Access").

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

Trading

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

Termination

The Trustee, at its option, may purchase or cause the sale of the Trust Asset 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 the 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 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 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 REMIC 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 Trust Asset will affect the Weighted Average Lives of and the yields realized by investors in the 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 Asset, thereby effecting early retirement of the Securities. See *"Description of the Securities — Termination" in this Supplement*.

Investors in the Securities are urged to review the discussion under "Risk Factors — The rate of principal payments on the underlying certificate will directly affect the rate of principal payments on the securities" in this Supplement.

Accretion Directed Class

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

Class GC 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 it is entitled to receive payments from the GZ Accrual Amount, it does not have principal payment stability through any prepayment rate significantly higher than 0% PSA.

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, is the latest date on which the related Class Principal Balance will be reduced to zero.

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

Modeling Assumptions

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

1. The Mortgage Loans prepay at the constant percentages of PSA (described below) shown in the related table.
2. Distributions on the Securities are always received on the 17th day of the month, whether or not a Business Day, commencing in November 2004.
3. A termination of the Trust or the Underlying Trust does not occur.
4. The Closing Date for the Securities is October 29, 2004.
5. No expenses or fees are paid by the Trust other than the Trustee Fee.
6. Distributions on the Underlying Certificate are made as described in the Underlying Certificate Disclosure Document.

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 17th 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 Asset.

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 that would remain outstanding following the distribution made each specified month for each Regular Class, based on the assumption that the 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 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 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 characteristics of the Mortgage Loans underlying the Trust Asset and the Modeling Assumptions.

**Percentages of Original Class Principal Balances
and Weighted Average Lives**

Distribution Date	PSA Prepayment Assumption Rates														
	Class GC					Class GZ					Class PO				
	0%	100%	200%	300%	400%	0%	100%	200%	300%	400%	0%	100%	200%	300%	400%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 2005	97	90	83	80	80	105	105	105	105	105	98	92	86	83	83
October 2006	93	78	63	58	58	109	109	109	109	109	96	83	70	66	66
October 2007	90	67	46	39	39	114	114	114	114	114	93	74	56	50	50
October 2008	86	56	31	22	22	120	120	120	120	120	91	65	44	37	37
October 2009	82	46	17	8	8	125	125	125	125	125	88	58	33	26	26
October 2010	78	36	5	0	0	131	131	131	120	120	86	50	24	18	18
October 2011	73	27	0	0	0	137	137	107	81	81	83	43	16	12	12
October 2012	69	18	0	0	0	143	143	60	53	53	80	37	9	8	8
October 2013	64	10	0	0	0	150	150	32	32	32	77	31	5	5	5
October 2014	59	2	0	0	0	157	157	18	18	18	73	25	3	3	3
October 2015	53	0	0	0	0	164	131	7	7	7	70	20	1	1	1
October 2016	47	0	0	0	0	171	97	0	0	0	66	14	0	0	0
October 2017	41	0	0	0	0	179	65	0	0	0	62	10	0	0	0
October 2018	35	0	0	0	0	188	35	0	0	0	58	5	0	0	0
October 2019	28	0	0	0	0	196	7	0	0	0	53	1	0	0	0
October 2020	21	0	0	0	0	205	0	0	0	0	48	0	0	0	0
October 2021	13	0	0	0	0	215	0	0	0	0	43	0	0	0	0
October 2022	6	0	0	0	0	224	0	0	0	0	38	0	0	0	0
October 2023	0	0	0	0	0	219	0	0	0	0	33	0	0	0	0
October 2024	0	0	0	0	0	179	0	0	0	0	27	0	0	0	0
October 2025	0	0	0	0	0	138	0	0	0	0	21	0	0	0	0
October 2026	0	0	0	0	0	94	0	0	0	0	14	0	0	0	0
October 2027	0	0	0	0	0	47	0	0	0	0	7	0	0	0	0
October 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	10.8	4.8	2.9	2.6	2.6	21.5	12.6	8.2	7.9	7.9	14.5	6.6	4.0	3.6	3.6

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 the investor’s own projection of principal payment rates on the Underlying Certificate under a variety of scenarios. **No representation is made regarding Mortgage Loan prepayment rates, Underlying Certificate payment rates 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 Mortgage Loans.

- In the case of Regular Securities purchased at a premium, faster than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.
- In the case of Regular Securities purchased at a discount (especially the Principal Only Class), 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 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 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 47 days earlier.

Yield Tables

The following tables show the pre-tax yields to maturity on a corporate bond equivalent basis of Class PO at various constant percentages of PSA.

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 PO may differ from those shown in the applicable table below for Class PO even if that 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 Class PO, would cause the discounted present value of the assumed streams of cash flows to equal the assumed purchase price of Class PO, 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 PO 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 (1) the purchase price of Class PO (expressed as a

percentage of its original Class Principal Balance) is as indicated in the table. **The assumed purchase price is not necessarily that at which actual sales will occur.**

**Sensitivity of Class PO to Prepayments
Assumed Price 82.625%**

PSA Prepayment Assumption Rates			
100%	200%	300%	400%
3.0%	5.1%	5.7%	5.7%

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 Election

In the opinion of Milbank, Tweed, Hadley & McCloy LLP, the Trust will constitute a Single REMIC Series for federal income tax purposes.

Regular Securities

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

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

The Class GZ 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 two paragraphs, based on anticipated prices (including accrued interest), the assumed Mortgage Loan characteristics and the prepayment assumption 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 (1) between anticipated purchase prices and actual purchase prices or (2) between the assumed characteristics of the Trust Asset and the characteristics of the Trust Asset 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 200% PSA (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 Trust Asset actually will occur. See *“Certain Federal Income Tax Consequences” in the Base Offering Circular.*

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

Residual Securities

The Class R Securities will represent the beneficial ownership of the Residual Interest in the Trust REMIC. The Residual Securities, *i.e.*, the Class R 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 Securities of any Class outstanding, even though the Holders previously may have received full payment of their stated interest and principal. 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. Prospective investors are urged to consult their own tax advisors and consider the after-tax effect of ownership of the Residual Securities and the suitability of the Residual Securities to their investment objectives.

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

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

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 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 October 1, 2004 on the Fixed 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 the Original Class Principal Balance of each Class will increase by the same proportion. 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 Milbank, Tweed, Hadley & McCloy LLP, and for the Trustee by Seward & Kissell, LLP.

Exhibit A

Underlying Certificate

Trust Asset Group	Issuer	Series	Class	Issue Date	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Principal Balance of Class	Underlying Certificate Factor(2)	Principal Balance in the Trust(3)	Percentage of Class in Trust	Approximate Weighted Average Coupon of Mortgage Loans	Approximate Weighted Average Remaining Term to Maturity of Mortgage Loans (in months)	Approximate Weighted Average Loan Age of Mortgage Loans (in months)	Ginnie Mae I or II
1	Ginnie Mae	2003-060	NA	July 30, 2003	38374BKA0	3.50%	FIX	January 2033	PAC/AD	\$270,687,334	0.89767844	\$63,454,495	26.1140161069%	5.5%	340	16	1

- (1) As defined under "Class Types" in Appendix I to the Base Offering Circular.
- (2) Underlying Certificate Factors are as of October 2004.
- (3) Does not include the Trust Assets that will be added to pay the Trustee Fee.

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

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



\$928,468,614

**Government National Mortgage Association
GINNIE MAE®**

**Guaranteed REMIC Pass-Through Securities
and MX Securities
Ginnie Mae REMIC Trust 2003-060**

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

See "Risk Factors" beginning on page S-9 which highlights some of these risks.

The Securities

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

The Ginnie Mae Guaranty

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

The Trust and its Assets

The Trust will own 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 July 30, 2003.

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

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

LEHMAN BROTHERS

THE WILLIAMS CAPITAL GROUP, L.P.

The date of this Offering Circular Supplement is July 23, 2003.

Ginnie Mae REMIC Trust 2003-060

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

<u>Class of REMIC Securities</u>	<u>Original Principal Balance(2)</u>	<u>Interest Rate</u>	<u>Principal Type(3)</u>	<u>Interest Type(3)</u>	<u>Final Distribution Date(4)</u>	<u>CUSIP Number</u>
Security Group 1						
FM	\$135,343,666	(5)	PAC/AD	FLT	January 2033	38374B J Z 7
NA	270,687,334	3.50%	PAC/AD	FIX	January 2033	38374B KA 0
NF	80,249,125	(5)	SCH/AD	FLT	July 2033	38374B KB 8
NO	15,260,819	0.00	SUP	PO	July 2033	38374B KC 6
NS	36,476,875	(5)	SCH/AD	INV	July 2033	38374B KD 4
NZ	35,882,181	5.50	SUP	FIX/Z	July 2033	38374B KE 2
SM	135,343,666	(5)	NTL(PAC/AD)	INV/IO	January 2033	38374B KF 9
ZN	5,100,000	5.00	PAC	FIX/Z	July 2033	38374B KG 7
Security Group 2						
CB	102,772,000	4.75	PAC I	FIX	November 2029	38374B KH 5
CE	10,652,000	5.00	PAC I	FIX	July 2033	38374B KJ 1
CI	5,138,600	5.00	NTL (PAC I)	FIX/IO	November 2029	38374B KK 8
CY(1)	35,388,000	4.50	PAC I	FIX	October 2032	38374B KL 6
DA	4,524,000	5.00	PAC II	FIX	February 2033	38374B KM 4
DB	3,828,000	5.00	PAC II	FIX	June 2033	38374B KN 2
DC	2,002,000	5.00	PAC II	FIX	July 2033	38374B KP 7
DE	17,926,000	5.00	SUP	FIX	October 2031	38374B KQ 5
DG	5,402,000	5.00	SUP	FIX	March 2032	38374B KR 3
DH	17,506,000	5.00	SUP	FIX	July 2033	38374B KS 1
IC(1)	3,538,800	5.00	NTL (PAC I)	FIX/IO	October 2032	38374B KT 9
Security Group 3						
FJ(1)	23,722,946	(5)	TAC/AD	FLT	May 2033	38374B KU 6
GA	50,000,000	2.95	PAC/AD	FIX	May 2033	38374B KV 4
GI	18,636,363	5.50	NTL (PAC/AD)	FIX/IO	May 2033	38374B KW 2
GS(1)	14,233,768	(5)	TAC/AD	INV	May 2033	38374B KX 0
GZ	3,314,344	5.00	SUP	FIX/Z	July 2033	38374B KY 8
IG	8,353,055	5.50	NTL (STP)	FIX/IO	July 2033	38374B KZ 5
SH(1)	23,722,946	(5)	NTL (TAC/AD)	INV/IO	May 2033	38374B LA 9
SI(1)	23,722,946	(5)	NTL (TAC/AD)	INV/IO	May 2033	38374B LB 7
ZD	306,278	5.00	PAC	FIX/Z	July 2033	38374B LC 5
ZG	306,278	5.00	TAC/AD	FIX/Z	July 2033	38374B LD 3
Security Group 4						
IM	10,470,000	5.50	NTL (STP)	FIX/IO	July 2033	38374B LE 1
MB	325,000	4.50	PAC	FIX	July 2033	38374B LF 8
MC(1)	38,837,000	3.50	PAC	FIX	April 2033	38374B LG 6
MD(1)	1,002,000	3.50	PAC	FIX	July 2033	38374B LH 4
MI	7,243,454	5.50	NTL (PAC)	FIX/IO	July 2033	38374B LJ 0
MW	17,421,000	4.50	SUP	FIX	July 2033	38374B LK 7
Residual						
RR	0	0.00	NPR	NPR	July 2033	38374B LL 5

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

TERMS SHEET

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

Sponsor: Lehman Brothers Inc.

Trustee: U.S. Bank National Association

Tax Administrator: The Trustee

Closing Date: July 30, 2003

Distribution Dates: The 16th day of each month or, if the 16th day is not a Business Day, the first Business Day thereafter, commencing in August 2003.

Trust Assets:

<u>Trust Asset Group</u>	<u>Trust Asset Type</u>	<u>Certificate Rate</u>	<u>Original Term To Maturity (in years)</u>
1	Ginnie Mae I	5.0%	30
2	Ginnie Mae I	5.0%	30
3	Ginnie Mae I	5.5%	30
4	Ginnie Mae I	5.5%	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 Assets¹:

<u>Principal Balance²</u>	<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Mortgage Rate</u>
Group 1 Trust Assets			
\$579,000,000	357	3	5.5%
Group 2 Trust Assets			
\$200,000,000	357	3	5.5%
Group 3 Trust Assets			
\$ 91,883,614	355	5	6.0%
Group 4 Trust Assets			
\$ 57,585,000	346	4	6.0%

¹ As of July 1, 2003.

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

The actual remaining terms to maturity and loan ages of many of the Mortgage Loans underlying the Trust Assets 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, Interest Only or Inverse Floating Rate Class. See “Description of the Securities — Form of Securities” in this Supplement.

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

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

Class	Interest Rate Formula(1)	Initial Interest Rate(2)	Minimum Rate	Maximum Rate	Delay (in days)	LIBOR for Minimum Interest Rate
FJ	LIBOR + 0.40%	1.500000%	0.40%	8.000000%	0	0.00%
FM	LIBOR + 0.25%	1.350000	0.25	8.000000	0	0.00
GF	LIBOR + 0.55%	1.650000	0.55	8.000000	0	0.00
GS.....	12.416666% - (LIBOR x 1.666667)	10.583332	0.00	12.416666	0	7.45
NF.....	LIBOR + 0.50%	1.600000	0.50	8.000000	0	0.00
NS.....	16.50% - (LIBOR x 2.20)	14.080000	0.00	16.500000	0	7.50
SH.....	7.55% - LIBOR	0.100000	0.00	0.100000	0	7.55
SI	7.60% - LIBOR	0.050000	0.00	0.050000	0	7.60
SM	7.75% - LIBOR	6.650000	0.00	7.750000	0	7.75

(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 NZ and ZN Accrual Amounts will be allocated as follows:

- The NZ Accrual Amount, in the following order of priority:
 1. To NF and NS, pro rata, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
 2. To NZ

- The ZN Accrual Amount, in the following order of priority:
 1. To FM and NA, pro rata, until retired
 2. To ZN
- The Group 1 Adjusted Principal Distribution Amount, in the following order of priority:
 1. To the PAC Classes, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date, in the following order of priority:
 - a. To FM and NA, pro rata, while outstanding
 - b. To ZN, while outstanding
 2. Concurrently:
 - a. 9.0909095783% to NO, until retired
 - b. 90.9090904217% in the following order of priority:
 - i. To NF and NS, pro rata, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
 - ii. To NZ, until retired
 - iii. To NF and NS, pro rata, without regard to their Aggregate Scheduled Principal Balance, until retired
 3. To the PAC Classes, in the manner and order of priority described in Step 1 above, but without regard to their Aggregate Scheduled Principal Balance, until retired

SECURITY GROUP 2

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

1. To CB, CY and CE, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
2. To DA, DB and DC, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
3. To DE, DG and DH, in that order, until retired
4. To DA, DB and DC, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired
5. To CB, CY and CE, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired

SECURITY GROUP 3

A percentage of the Group 3 Principal Distribution Amount will be applied to the Trustee Fee, and the remainder of the Group 3 Principal Distribution Amount (the “Group 3 Adjusted Principal Distribution Amount”) and the GZ, ZD and ZG Accrual Amounts will be allocated as follows:

- The GZ Accrual Amount in the following order of priority:
 1. To the TAC Classes, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date, in the following order of priority:
 - a. To FJ and GS, pro rata, while outstanding
 - b. To ZG, while outstanding
 2. To GZ
- The ZD Accrual Amount to GA, until retired, and then to ZD
- The ZG Accrual Amount, in the following order of priority:
 1. To FJ and GS, pro rata, until retired
 2. To ZG
- The Group 3 Adjusted Principal Distribution Amount in the following order of priority:
 1. To GA and ZD, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
 2. To the TAC Classes, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date, in the following order of priority:
 - a. To FJ and GS, pro rata, while outstanding
 - b. To ZG, while outstanding
 3. to GZ, until retired
 4. To the TAC Classes, in the manner and order of priority described in Step 2 above, but without regard to their Aggregate Scheduled Principal Balance, until retired
 5. To GA and ZD, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired

SECURITY GROUP 4

The Group 4 Principal Distribution Amount will be allocated as follows:

1. To MC, MD and MB, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
2. To MW, until retired
3. To MC, MD and MB, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired

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

<u>Class</u>	<u>Structuring Ranges or Rate</u>
FM, NA and ZN (in the aggregate)	200% PSA through 450% PSA
NF and NS (in the aggregate)	500% PSA through 510% PSA
CB, CE and CY (in the aggregate)	125% PSA through 275% PSA
DA, DB and DC (in the aggregate)	135% PSA through 200% PSA
GA and ZD (in the aggregate)	285% PSA through 350% PSA
FJ, GS and ZG (in the aggregate)	140% PSA
MB, MC and MD (in the aggregate)	150% PSA through 365% 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 and unpaid 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>
CI	\$ 5,138,600	5% of CB (PAC I Class)
GI	\$ 18,636,363	37.2727272727% of GA (PAC/AD Class)
IC	\$ 3,538,800	10% of CY (PAC I Class)
IG	\$ 8,353,055	9.0909090909% of Group 3 Trust Assets (net of any Trustee Fee)
IM	\$ 10,470,000	18.1818181818% of Group 4 Trust Assets
MI	\$ 7,243,454	18.1818181818% of MC & MD (in the aggregate) (PAC Classes)
SH	\$ 23,722,946	100% of FJ (TAC/AD Class)
SI	\$ 23,722,946	100% of FJ (TAC/AD Class)
SM	\$135,343,666	100% of FM (PAC/AD Class)
UI	\$ 3,530,636	9.0909090909% of MC (PAC Class)

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

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



\$63,454,495

**Government National
Mortgage Association**

GINNIE MAE®

**Guaranteed REMIC
Pass-Through Securities
Ginnie Mae REMIC Trust 2004-085**

OFFERING CIRCULAR SUPPLEMENT
October 22, 2004

**Merrill Lynch & Co.
Myerberg & Company, L.P.**