

# HIGHLIGHTS OF THE 2008 ANNUAL REPORT



*Celebrating 40 Years  
of Financial Stability*



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-9000

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GOVERNMENT NATIONAL MORTGAGE ASSOCIATION



## GINNIE MAE

### Government National Mortgage Association

After 40 years, Ginnie Mae and its products, backed by the explicit full faith and credit of the U.S. Government, continue to bring stability and liquidity to the market even during times of turmoil. Since its inception, Ginnie Mae has guaranteed approximately \$2.9 trillion in MBS, providing access to affordable housing for millions of Americans and creating homeownership opportunities in every U.S. state and territory.

### GINNIE MAE'S MISSION

**To expand affordable housing in America by linking global capital markets to the nation's housing markets**

#### Significant Highlights and Achievements in FY 2008

- ➔ Ginnie Mae celebrated its 40th anniversary year by continuing to bring unmatched value to the mortgage market and, ultimately, the consumer.
- ➔ Ginnie Mae's FY 2008 MBS issuance was almost three times higher than the same period of 2007, and its market share increased significantly to 18.8 percent by the end of this fiscal year.
- ➔ In FY 2008, Ginnie Mae realized \$906.2 million of excess revenues over expenses for the U.S. Government.
- ➔ Ginnie Mae is providing liquidity to the struggling financial market by offering a multiple issuer security to accommodate the jumbo loans now insured by the Federal Housing Administration (FHA).
- ➔ Ginnie Mae quickly responded to the FHA's Hope for Homeowners program by creating a multiple issuer security under the Ginnie Mae II MBS Program.

### GINNIE MAE FINANCIAL HIGHLIGHTS

September 30	2008	2007	2006
<i>(Dollars in thousands)</i>			
<b>Balance Sheets Highlights and Liquidity Analysis</b>			
Funds with U.S. Treasury	\$ 4,836,300	\$ 4,432,600	\$ 4,056,500
U.S. Government Securities	\$ 9,254,000	\$ 8,735,900	\$ 8,358,100
Total Assets	\$ 14,888,400	\$ 13,710,700	\$ 12,892,700
Total Liabilities	\$ 1,361,700	\$ 1,090,200	\$ 1,010,500
Investment of U.S. Government	\$ 13,526,700	\$ 12,620,500	\$ 11,882,200
Total RPB Outstanding (1)	\$ 576,761,925	\$ 427,566,299	\$ 409,990,230
LLR (2) and Investment of U.S. Government	\$ 14,076,700	\$ 13,156,300	\$ 12,416,700
Investment of U.S. Government as a Percentage of Average Total Assets	94.59%	94.88%	94.95%
LLR and Investment of U.S. Government as a Percentage of RPB	2.44%	3.08%	3.03%
Capital Adequacy Ratio (3)	2.38%	2.98%	2.94%
<b>Highlights From Statements of Revenues and Expenses &amp; Profitability Ratios Years Ended September 30</b>			
MBS Program Income	\$ 381,900	\$ 308,500	\$ 300,300
Interest Income	\$ 633,500	\$ 482,800	\$ 549,000
Total Revenues	\$ 1,015,400	\$ 791,300	\$ 849,300
MBS Program Expenses	\$ 49,000	\$ 41,900	\$ 47,700
Administrative Expenses	\$ 8,800	\$ 10,600	\$ 10,600
Provision for Loss	\$ 50,200	\$ -	\$ -
Total Expenses	\$ 59,000	\$ 53,000	\$ 60,000
Excess of Revenues over Expenses	\$ 906,200	\$ 738,300	\$ 789,300
Total Expense as a Percentage of Average RPB	0.0117%	0.0127%	0.0146%
Provision for Loss as a Percentage of Average RPB	0.0100%	-	-

(1) Remaining Principal Balance (RPB) of Ginnie Mae MBS. This does not include \$38.7 million of GNMA guaranteed bonds.

(2) Loan Loss Reserve (LLR).

(3) LLR and Investment of U.S. Government divided by the sum of Total Assets and Remaining Principal Balance.