

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

\$1,267,052,142

**Government National Mortgage Association
GINNIE MAE®**



**Guaranteed REMIC Pass-Through Securities
and MX Securities
Ginnie Mae REMIC Trust 2002-67**



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 (1) Ginnie Mae Certificates and (2) a certain previously issued certificate.

The Sponsor and the Co-Sponsor will offer the securities from time to time in negotiated transactions at varying prices. We expect the closing date to be September 30, 2002.

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

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

Salomon Smith Barney Inc. MemphisFirst Capital Markets

The date of this Offering Circular Supplement is September 23, 2002.

Ginnie Mae REMIC Trust 2002-67

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						
UA.....	\$ 10,500,000	(5)	SC/SEQ	INV	November 2031	38373VQD5
UB	17,063,164	(5)	SC/SEQ	INV	November 2031	38373VQE3
Security Group 2						
BA.....	6,400,000	5.00%	SEQ	FIX	January 2017	38373VQF0
BC.....	5,973,333	5.00	SEQ	FIX	August 2023	38373VQG8
BD	3,733,333	5.00	SEQ	FIX	August 2026	38373VQH6
BE.....	1,706,667	5.00	SEQ	FIX	October 2027	38373VQJ2
BG	1,920,000	5.00	SEQ	FIX	January 2029	38373VQK9
BH	2,346,667	5.00	SEQ	FIX	May 2030	38373VQL7
BK.....	3,040,000	5.50	SEQ	FIX	June 2031	38373VQM5
BL	2,240,000	5.50	SEQ	FIX	March 2032	38373VQN3
BM	1,600,000	5.50	SEQ	FIX	September 2032	38373VQP8
BP.....	11,040,000	6.50	SEQ	FIX	May 2030	38373VQQ6
Security Group 3						
GA	61,874,440	6.00	SEQ	FIX	February 2030	38373VQR4
LF	100,000,000	(5)	PAC	FLT	May 2029	38373VQS2
LS	100,000,000	(5)	NTL(PAC)	INV/IO	May 2029	38373VQT0
LX(1)	673,430,493	5.703013	PAC	FIX	May 2029	38373VQU7
MA(1)	126,905,934	6.00	SUP	FIX	May 2029	38373VQV5
VA(1)	75,409,473	6.00	SEQ/AD	FIX	March 2013	38373VQW3
VB(1)	75,631,138	6.00	SEQ/AD	FIX	August 2019	38373VQX1
ZA.....	86,237,500	6.00	SEQ	FIX/Z	September 2032	38373VQY9
Residual						
RR.....	0	0.00	NPR	NPR	September 2032	38373VQZ6

- (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 the 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 the 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”),
- the Base Offering Circular, and
- in the case of the Group 1 securities, the disclosure document relating to the Underlying Certificate.

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

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

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

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TERMS SHEET

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

Sponsor: Salomon Smith Barney Inc.

Trustee: State Street Bank and Trust Company

Tax Administrator: The Trustee

Closing Date: September 30, 2002

Distribution Date: The 20th day of each month or, if the 20th day is not a Business Day, the first Business Day thereafter, commencing in October 2002.

Trust Assets:

<u>Trust Asset Group</u>	<u>Trust Asset Type</u>	<u>Certificate Rate</u>	<u>Original Term To Maturity (in years)</u>
1	Underlying Certificate	(1)	(1)
2	Ginnie Mae II	5.5%	30
3	Ginnie Mae II	6.0%	30

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

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

Assumed Characteristics of the Mortgage Loans Underlying the Group 2 and Group 3 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>Weighted Average Mortgage Rate³</u>
Group 2 Trust Assets			
\$ 40,000,000	348	9	6.25%
Group 3 Trust Assets			
\$1,199,488,978	355	3	6.75%

¹ As of September 1, 2002.

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

³ The Mortgage Loans underlying the Group 2 and Group 3 Trust Assets may bear interest at rates ranging from 0.5% to 1.5% per annum above the related Certificate Rate.

The actual remaining terms to maturity, loan ages and Mortgage Rates of many of the Mortgage Loans underlying the Group 2 and Group 3 Trust Assets will differ from the weighted averages shown above, perhaps significantly. See “The Trust Assets — The Mortgage Loans” in this Supplement. See Exhibit A to this Supplement for certain information regarding the characteristics of the Mortgage Loans included in the Underlying Trust.

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

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

Increased Minimum Denomination Classes: Each Class that constitutes 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:

<u>Class</u>	<u>Interest Rate Formula(1)</u>	<u>Initial Interest Rate(2)</u>	<u>Minimum Rate</u>	<u>Maximum Rate</u>	<u>Delay (in days)</u>	<u>LIBOR for Minimum Interest Rate</u>
LF.....	LIBOR + 0.35%	2.15%	0.35%	8.00%	0	0.00%
LS.....	7.65% – LIBOR	5.85%	0.00%	7.65%	0	7.65%
UA.....	22.80% – (LIBOR × 3)	17.34%	0.00%	22.80%	0	7.60%
UB.....	22.80% – (LIBOR × 3)	17.34%	0.00%	22.80%	0	7.60%

(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

The Group 1 Principal Distribution Amount will be allocated sequentially to UA and UB, in that order, until retired

SECURITY GROUP 2

The Group 2 Principal Distribution Amount will be allocated in the following order of priority:

1. Concurrently:
 - a. 33.3333333333% to BP, until retired
 - b. 66.6666666667%, sequentially, to BA, BC, BD, BE, BG and BH, in that order, until retired
2. Sequentially, to BK, BL and BM, in that order, 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 Accrual Amount will be allocated as follows:

- The Accrual Amount, sequentially, to VA, VB and ZA, in that order, until retired
- The Group 3 Adjusted Principal Distribution Amount in the following order of priority:
 1. Concurrently, to LF and LX, pro rata, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
 2. To MA, until retired
 3. Concurrently, to LF and LX, pro rata, without regard to their Aggregate Scheduled Principal Balances, until retired
 4. Sequentially, to GA, VA, VB and ZA, in that order, 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>
LF and LX (in the aggregate)	224% PSA through 300% PSA

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.”

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>
IL	\$640,097,142	95.0502166667% of LX (PAC Class)
LS	100,000,000	100% of LF (PAC Class)
MI	186,281,372	25% of MB (PAC/SUP 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 class will not receive any principal distribution on that date. If prepayments result in principal distributions on any distribution date greater than the amount needed to produce scheduled payments on the PAC classes for that distribution date, this excess will be distributed to the support class.

The rate of principal payments on the underlying certificate will directly affect the rate of principal payments on the group 1 securities. The underlying certificate will be sensitive to

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

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 performed as originally anticipated. Additional information as to the underlying certificate may be obtained by performing an analysis of current principal factors of the underlying certificate in light of applicable information contained in the related underlying certificate disclosure document.

The securities may not be a suitable investment for you. The securities, especially the group 1 and, in particular, the interest only, principal only, inverse floating rate, 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, regardless of whether the assets consist of Trust MBS or the Underlying Certificate will evidence, directly or indirectly, Ginnie Mae Certificates.

The Trust MBS (Groups 2 and 3)

The Group 2 and Group 3 Trust Assets are either:

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

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

The Underlying Certificate (Group 1)

The Group 1 Trust Assets consist of 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 of a class of a separate 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 Groups 2 and 3 Trust Assets are expected to have, on a weighted average basis, the characteristics set forth in the Terms Sheet under “Assumed Characteristics of the Mortgage Loans Underlying the Group 2 and Group 3 Trust Assets” and the general characteristics described in the Base Offering Circular. The Mortgage Loans underlying the Underlying Certificate are expected to have, on a weighted average basis, the characteristics set forth in Exhibit A to this Supplement. The Mortgage Loans will consist of first lien, single-family, fixed rate, residential mortgage loans that are insured or guaranteed by the Federal Housing Administration, the United States Department of Veterans Affairs, the Rural Housing Service or the United States Department of Housing and Urban Development (“HUD”). *See “The Ginnie Mae Certificates — General” in the Base Offering Circular.*

Specific information regarding the characteristics of the Mortgage Loans is not available. For purposes of this Supplement, certain assumptions have been made regarding the remaining terms to maturity, loan ages and Mortgage Rates of the Mortgage Loans. However, the actual remaining terms to maturity, loan ages and Mortgage Rates of many of the Mortgage Loans will differ from the characteristics assumed, perhaps significantly. This will be the case even if the

weighted average characteristics of the Mortgage Loans are the same as the assumed characteristics. Small differences in the characteristics of the Mortgage Loans can have a significant effect on the weighted average lives and yields of the Securities. *See “Risk Factors” and “Yield, Maturity and Prepayment Considerations” in this Supplement.*

The Trustee Fee

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

GINNIE MAE GUARANTY

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

DESCRIPTION OF THE SECURITIES

General

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

Form of Securities

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

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

Each Class (other than the Increased Minimum Denomination Classes) will be issued in minimum dollar denominations of initial principal balance of \$1,000 and integral multiples of

\$1 in excess of \$1,000. The Increased Minimum Denomination Classes will be issued in the following minimum denominations:

<u>Class</u>	<u>Minimum Denomination</u>
LS	\$1,067,000*
UA	\$ 95,000
UB	\$ 89,000

* Notional balance

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

Distributions

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

Interest Distributions

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

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

Categories of Classes

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

Accrual Periods

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

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

Fixed Rate Classes

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

Floating Rate and Inverse Floating Rate Classes

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

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

The Trustee’s determination of LIBOR and its calculation of the Interest Rates will be final, except in the case of clear error. Investors can obtain LIBOR levels and Interest Rates for the current and preceding Accrual Periods from gREX or by calling the Information Agent at (800) 234-GNMA.

Accrual Class

Class ZA 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 or Principal Distribution Amount for each Group and the 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 and on Schedule I to this Supplement. The abbreviations used on the inside cover page, in the Terms Sheet and on Schedule I to this Supplement are explained under “Class Types” in Appendix I to the Base Offering Circular.

Notional Classes

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

Residual Securities

The Class RR Securities will represent the beneficial ownership of the Residual Interest in the Issuing REMIC and the beneficial ownership of the Residual Interest in the Pooling REMIC, as described under “Certain Federal Income Tax Consequences” in the Base Offering Circular. The Class RR Securities have no Class Principal Balance and do not accrue interest. The Class RR Securities will be entitled to receive the proceeds of the disposition of any assets remaining in the 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 the 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 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 gREX.

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

Termination

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

Upon any termination of the Trust, the Holder of any outstanding Security (other than a Residual or Notional Class Security) will be entitled to receive that Holder's allocable share of the Class Principal Balance of that Class plus any accrued and unpaid interest thereon at the applicable Interest Rate, and any Holder of any outstanding Notional Class Security will be entitled to receive that Holder's allocable share of any accrued and unpaid interest thereon at the applicable Interest Rate. The Residual Holders will be entitled to their pro rata share of any assets remaining in the 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 or Classes shown on Schedule I to this Supplement. Similarly, all or a portion of the related MX Class or Classes may be exchanged for proportionate interests in the related Class or Classes of REMIC Securities or other related MX Classes. This process may occur repeatedly.

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

In the case of Combinations 1 and 3, the Class LX and Class MB Securities may be exchanged for proportionate interests in various subcombinations of MX Classes. Similarly, all or a portion of these MX Classes may be exchanged for proportionate interests in the related REMIC Securities or in other subcombinations of the MX Classes. Each subcombination may be effected only in proportions that result in the principal and interest entitlements of the Securities received being equal to the entitlements of the Securities surrendered. *See the example under "Description of the Securities — Modification and Exchange" in the Base Offering Circular.*

A Beneficial Owner proposing to effect an exchange must notify the Trustee through the Beneficial Owner's Book-Entry Depository participant. This notice must be received by the Trustee not later than two Business Days before the proposed exchange date. The exchange date can be any Business Day other than the last Business Day of the month. The notice must contain the outstanding principal balance of the Securities to be included in the exchange and the proposed exchange date. The notice is required to be delivered to the Trustee in writing at its Corporate Trust Office at 2 Avenue de Lafayette, Boston, Massachusetts 02111-1724. The Trustee may be contacted by telephone at (617) 662-1337 and by fax at (617) 662-1435.

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

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

distribution will be made to the Holder of record as of the Record Date in the month of exchange.

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

YIELD, MATURITY AND PREPAYMENT CONSIDERATIONS

General

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

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

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

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

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

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

Investors in the Group 1 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 group 1 securities” in this Supplement.

Accretion Directed Classes

Classes VA and VB are Accretion Directed Classes. The Accrual Amount will be applied to making principal distributions on those Classes as described in this Supplement.

Each of Class VA and VB 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. Classes VA and VB will have principal payment stability only through the prepayment rate shown in the table below.

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

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

Accretion Directed Classes

<u>Class</u>	<u>Maximum Weighted Average Life (in Years)</u>	<u>Final Distribution Date</u>	<u>Prepayment Rate at or below</u>
VA	5.8	March 2013	237% PSA
VB	13.9	August 2019	123% PSA

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

Securities that Receive Principal on the Basis of Schedules

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

Each PAC Class exhibits an Effective Range of constant prepayment rates at which such Class 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 are as follows:

PAC Classes	<u>Initial Effective Range</u>
LF and LX (in the aggregate)	224% PSA through 300% PSA

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

If all of the Classes supporting a given Class are retired before the Class being supported is retired, the outstanding Class will no longer have an Effective Range 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 were 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 related Mortgage Loans were to prepay at a constant rate within the initial Effective Range shown for any Class in the above table, that Class could fail to receive Scheduled Payments.

Moreover, the Mortgage Loans will not prepay at any *constant* rate. Non-constant prepayment rates can cause any PAC Class not to receive Scheduled Payments, even if prepayment rates remain within the initial Effective Range, if any, for that Class. Further, the Effective Range for any PAC Class can narrow or shift over time 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 any PAC Class, the amount available to pay principal on the Securities may be insufficient to produce Scheduled Payments on the PAC Classes and its Weighted Average Life may be extended, perhaps significantly.

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

Assumability

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

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

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

1. The Mortgage Loans underlying the Group 2 and Group 3 Trust Assets have the assumed characteristics shown under “Assumed Characteristics of the Mortgage Loans Underlying the Group 2 and Group 3 Trust Assets” in the Terms Sheet, except in the case of information set forth under the 0% PSA Prepayment Assumption Rate, for which each Mortgage Loan underlying a Group 2 or Group 3 Trust Asset is assumed to have an original and a remaining term to maturity of 360 months and a Mortgage Rate of 1.5% per annum higher than the related Certificate Rate.

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

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

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

5. The Closing Date for the Securities is September 30, 2002.

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

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

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

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

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

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

Decrement Tables

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

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

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

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

- (a) multiplying the net reduction, if any, of the Class Principal Balance (or the net reduction of the Class Notional Balance, in the case of any Notional Class) from one

Distribution Date to the next Distribution Date by the number of years from the date of issuance thereof to the related Distribution Date,

- (b) summing the results, and
- (c) dividing the sum by the aggregate amount of the assumed net reductions in principal balance or notional amount, as applicable, referred to in clause (a).

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

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

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

Security Group 1 PSA Prepayment Assumption Rates										
Distribution Date	Class UA					Class UB				
	0%	250%	500%	750%	1000%	0%	250%	500%	750%	1000%
Initial Percent	100	100	100	100	100	100	100	100	100	100
September 2003	96	57	18	0	0	100	100	100	88	64
September 2004	92	21	0	0	0	100	100	77	47	25
September 2005	87	0	0	0	0	100	94	53	26	10
September 2006	83	0	0	0	0	100	79	36	14	4
September 2007	77	0	0	0	0	100	66	25	7	2
September 2008	72	0	0	0	0	100	54	17	4	1
September 2009	66	0	0	0	0	100	45	12	2	0
September 2010	60	0	0	0	0	100	37	8	1	0
September 2011	53	0	0	0	0	100	31	5	1	0
September 2012	46	0	0	0	0	100	25	4	0	0
September 2013	38	0	0	0	0	100	21	2	0	0
September 2014	30	0	0	0	0	100	17	2	0	0
September 2015	21	0	0	0	0	100	14	1	0	0
September 2016	11	0	0	0	0	100	11	1	0	0
September 2017	1	0	0	0	0	100	9	0	0	0
September 2018	0	0	0	0	0	94	7	0	0	0
September 2019	0	0	0	0	0	87	5	0	0	0
September 2020	0	0	0	0	0	79	4	0	0	0
September 2021	0	0	0	0	0	71	3	0	0	0
September 2022	0	0	0	0	0	62	2	0	0	0
September 2023	0	0	0	0	0	53	2	0	0	0
September 2024	0	0	0	0	0	43	1	0	0	0
September 2025	0	0	0	0	0	32	1	0	0	0
September 2026	0	0	0	0	0	20	0	0	0	0
September 2027	0	0	0	0	0	8	0	0	0	0
September 2028	0	0	0	0	0	0	0	0	0	0
September 2029	0	0	0	0	0	0	0	0	0	0
September 2030	0	0	0	0	0	0	0	0	0	0
September 2031	0	0	0	0	0	0	0	0	0	0
September 2032	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	8.8	1.3	0.6	0.4	0.3	21.0	7.8	4.0	2.4	1.6

Security Group 2 PSA Prepayment Assumption Rates																					
Distribution Date	Class BA					Class BC					Class BD					Class BE					
	0%	100%	200%	300%	400%	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	100	100	100	100	100	100
September 2003	96	82	69	56	44	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2004	91	55	23	0	0	100	100	100	91	59	100	100	100	100	100	100	100	100	100	100	100
September 2005	86	28	0	0	0	100	100	76	28	0	100	100	100	100	75	100	100	100	100	100	100
September 2006	81	2	0	0	0	100	100	34	0	0	100	100	100	62	0	100	100	100	100	66	66
September 2007	76	0	0	0	0	100	76	0	0	0	100	100	95	0	0	100	100	100	89	0	0
September 2008	70	0	0	0	0	100	52	0	0	0	100	100	44	0	0	100	100	100	0	0	0
September 2009	63	0	0	0	0	100	29	0	0	0	100	100	0	0	0	100	100	97	0	0	0
September 2010	56	0	0	0	0	100	7	0	0	0	100	100	0	0	0	100	100	11	0	0	0
September 2011	49	0	0	0	0	100	0	0	0	0	100	79	0	0	0	100	100	0	0	0	0
September 2012	41	0	0	0	0	100	0	0	0	0	100	49	0	0	0	100	100	0	0	0	0
September 2013	32	0	0	0	0	100	0	0	0	0	100	20	0	0	0	100	100	0	0	0	0
September 2014	23	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	84	0	0	0	0
September 2015	13	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	29	0	0	0	0
September 2016	3	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0
September 2017	0	0	0	0	0	91	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0
September 2018	0	0	0	0	0	78	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0
September 2019	0	0	0	0	0	64	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0
September 2020	0	0	0	0	0	50	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0
September 2021	0	0	0	0	0	34	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0
September 2022	0	0	0	0	0	17	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0
September 2023	0	0	0	0	0	0	0	0	0	0	97	0	0	0	0	100	0	0	0	0	0
September 2024	0	0	0	0	0	0	0	0	0	0	66	0	0	0	0	100	0	0	0	0	0
September 2025	0	0	0	0	0	0	0	0	0	0	32	0	0	0	0	100	0	0	0	0	0
September 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	91	0	0	0	0	0
September 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	0	0	0	0	0
September 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	8.3	2.2	1.4	1.1	0.9	17.9	6.1	3.6	2.7	2.1	22.5	10.0	5.9	4.2	3.3	24.5	12.6	7.6	5.3	4.1	4.1

**Security Group 2
PSA Prepayment Assumption Rates**

Distribution Date	Class BG					Class BH					Class BK				
	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
September 2003	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2004	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2005	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2006	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2007	100	100	100	100	27	100	100	100	100	100	100	100	100	100	100
September 2008	100	100	100	73	0	100	100	100	100	42	100	100	100	100	100
September 2009	100	100	100	0	0	100	100	100	90	0	100	100	100	100	78
September 2010	100	100	100	0	0	100	100	100	34	0	100	100	100	100	26
September 2011	100	100	44	0	0	100	100	100	0	0	100	100	100	86	0
September 2012	100	100	0	0	0	100	100	88	0	0	100	100	100	43	0
September 2013	100	100	0	0	0	100	100	47	0	0	100	100	100	9	0
September 2014	100	100	0	0	0	100	100	11	0	0	100	100	100	0	0
September 2015	100	100	0	0	0	100	100	0	0	0	100	100	77	0	0
September 2016	100	79	0	0	0	100	100	0	0	0	100	100	46	0	0
September 2017	100	36	0	0	0	100	100	0	0	0	100	100	19	0	0
September 2018	100	0	0	0	0	100	96	0	0	0	100	100	0	0	0
September 2019	100	0	0	0	0	100	64	0	0	0	100	100	0	0	0
September 2020	100	0	0	0	0	100	34	0	0	0	100	100	0	0	0
September 2021	100	0	0	0	0	100	6	0	0	0	100	100	0	0	0
September 2022	100	0	0	0	0	100	0	0	0	0	100	77	0	0	0
September 2023	100	0	0	0	0	100	0	0	0	0	100	49	0	0	0
September 2024	100	0	0	0	0	100	0	0	0	0	100	22	0	0	0
September 2025	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
September 2026	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
September 2027	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
September 2028	25	0	0	0	0	100	0	0	0	0	100	0	0	0	0
September 2029	0	0	0	0	0	49	0	0	0	0	100	0	0	0	0
September 2030	0	0	0	0	0	0	0	0	0	0	69	0	0	0	0
September 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average															
Life (years)	25.7	14.7	8.9	6.3	4.8	27.0	17.5	11.0	7.7	5.9	28.2	21.0	14.0	9.9	7.6

**Security Group 2
PSA Prepayment Assumption Rates**

Distribution Date	Class BL					Class BM					Class BP				
	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
September 2003	100	100	100	100	100	100	100	100	100	100	99	95	91	87	84
September 2004	100	100	100	100	100	100	100	100	100	100	97	87	78	69	60
September 2005	100	100	100	100	100	100	100	100	100	100	96	79	65	51	40
September 2006	100	100	100	100	100	100	100	100	100	100	95	72	53	37	24
September 2007	100	100	100	100	100	100	100	100	100	100	93	65	43	26	13
September 2008	100	100	100	100	100	100	100	100	100	100	91	58	34	17	4
September 2009	100	100	100	100	100	100	100	100	100	100	89	52	27	10	0
September 2010	100	100	100	100	100	100	100	100	100	100	87	46	20	4	0
September 2011	100	100	100	100	82	100	100	100	100	100	85	40	14	0	0
September 2012	100	100	100	100	42	100	100	100	100	100	83	35	9	0	0
September 2013	100	100	100	100	12	100	100	100	100	100	80	30	5	0	0
September 2014	100	100	100	74	0	100	100	100	100	86	78	26	1	0	0
September 2015	100	100	100	44	0	100	100	100	100	63	75	22	0	0	0
September 2016	100	100	100	20	0	100	100	100	100	46	72	18	0	0	0
September 2017	100	100	100	0	0	100	100	100	100	34	69	14	0	0	0
September 2018	100	100	94	0	0	100	100	100	78	24	65	10	0	0	0
September 2019	100	100	67	0	0	100	100	100	61	18	61	7	0	0	0
September 2020	100	100	43	0	0	100	100	100	47	13	57	4	0	0	0
September 2021	100	100	23	0	0	100	100	100	36	9	53	1	0	0	0
September 2022	100	100	5	0	0	100	100	100	27	6	48	0	0	0	0
September 2023	100	100	0	0	0	100	100	87	21	4	43	0	0	0	0
September 2024	100	100	0	0	0	100	100	69	15	3	38	0	0	0	0
September 2025	100	95	0	0	0	100	100	53	11	2	32	0	0	0	0
September 2026	100	63	0	0	0	100	100	40	8	1	26	0	0	0	0
September 2027	100	33	0	0	0	100	100	29	5	1	20	0	0	0	0
September 2028	100	4	0	0	0	100	100	20	3	0	13	0	0	0	0
September 2029	100	0	0	0	0	100	68	12	2	0	5	0	0	0	0
September 2030	100	0	0	0	0	100	33	5	1	0	0	0	0	0	0
September 2031	66	0	0	0	0	100	0	0	0	0	0	0	0	0	0
September 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average															
Life (years)	29.1	24.5	17.8	12.9	9.9	29.8	27.5	23.7	18.7	14.6	18.0	8.1	4.9	3.5	2.8

**Security Group 3
PSA Prepayment Assumption Rates**

Distribution Date	Class GA					Classes II, IA, IB, IC, ID, IE, IF, IG, IH, IM, LN, LO, LP, LS, LT, LU, LV, LW, LX and LY				
	0%	224%	270%	300%	600%	0%	224%	270%	300%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100
September 2003	100	100	100	100	100	99	92	92	92	92
September 2004	100	100	100	100	100	97	76	76	76	61
September 2005	100	100	100	100	100	95	57	57	57	24
September 2006	100	100	100	100	100	94	41	41	41	1
September 2007	100	100	100	100	0	92	27	27	27	0
September 2008	100	100	100	100	0	90	14	14	14	0
September 2009	100	100	100	100	0	87	4	4	4	0
September 2010	100	100	100	47	0	85	0	0	0	0
September 2011	100	100	27	0	0	82	0	0	0	0
September 2012	100	65	0	0	0	80	0	0	0	0
September 2013	100	0	0	0	0	77	0	0	0	0
September 2014	100	0	0	0	0	73	0	0	0	0
September 2015	100	0	0	0	0	70	0	0	0	0
September 2016	100	0	0	0	0	66	0	0	0	0
September 2017	100	0	0	0	0	62	0	0	0	0
September 2018	100	0	0	0	0	58	0	0	0	0
September 2019	100	0	0	0	0	53	0	0	0	0
September 2020	100	0	0	0	0	48	0	0	0	0
September 2021	100	0	0	0	0	42	0	0	0	0
September 2022	100	0	0	0	0	36	0	0	0	0
September 2023	100	0	0	0	0	30	0	0	0	0
September 2024	100	0	0	0	0	23	0	0	0	0
September 2025	100	0	0	0	0	16	0	0	0	0
September 2026	100	0	0	0	0	8	0	0	0	0
September 2027	100	0	0	0	0	0	0	0	0	0
September 2028	100	0	0	0	0	0	0	0	0	0
September 2029	52	0	0	0	0	0	0	0	0	0
September 2030	0	0	0	0	0	0	0	0	0	0
September 2031	0	0	0	0	0	0	0	0	0	0
September 2032	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	27.0	10.2	8.7	8.0	4.3	16.1	3.6	3.6	3.6	2.3

**Security Group 3
PSA Prepayment Assumption Rates**

Distribution Date	Class MA					Classes MB, MC, MD, ME, MG, MH, MI and MJ				
	0%	224%	270%	300%	600%	0%	224%	270%	300%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100
September 2003	100	100	92	86	32	99	93	92	91	83
September 2004	100	100	75	59	0	97	79	76	74	52
September 2005	100	100	58	31	0	96	63	57	53	21
September 2006	100	100	47	14	0	94	49	41	37	1
September 2007	100	100	40	4	0	93	37	28	23	0
September 2008	100	100	37	0	0	91	26	18	12	0
September 2009	100	99	36	0	0	89	18	9	4	0
September 2010	100	70	8	0	0	87	10	1	0	0
September 2011	100	23	0	0	0	85	3	0	0	0
September 2012	100	0	0	0	0	82	0	0	0	0
September 2013	100	0	0	0	0	80	0	0	0	0
September 2014	100	0	0	0	0	77	0	0	0	0
September 2015	100	0	0	0	0	74	0	0	0	0
September 2016	100	0	0	0	0	71	0	0	0	0
September 2017	100	0	0	0	0	67	0	0	0	0
September 2018	100	0	0	0	0	63	0	0	0	0
September 2019	100	0	0	0	0	59	0	0	0	0
September 2020	100	0	0	0	0	55	0	0	0	0
September 2021	100	0	0	0	0	50	0	0	0	0
September 2022	100	0	0	0	0	45	0	0	0	0
September 2023	100	0	0	0	0	40	0	0	0	0
September 2024	100	0	0	0	0	34	0	0	0	0
September 2025	100	0	0	0	0	28	0	0	0	0
September 2026	100	0	0	0	0	21	0	0	0	0
September 2027	94	0	0	0	0	13	0	0	0	0
September 2028	38	0	0	0	0	5	0	0	0	0
September 2029	0	0	0	0	0	0	0	0	0	0
September 2030	0	0	0	0	0	0	0	0	0	0
September 2031	0	0	0	0	0	0	0	0	0	0
September 2032	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	25.8	8.4	4.5	2.5	0.8	17.5	4.3	3.7	3.4	2.1

**Security Group 3
PSA Prepayment Assumption Rates**

Distribution Date	Class VA					Class VB				
	0%	224%	270%	300%	600%	0%	224%	270%	300%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100
September 2003	93	93	93	93	93	100	100	100	100	100
September 2004	85	85	85	85	85	100	100	100	100	100
September 2005	78	78	78	78	78	100	100	100	100	100
September 2006	69	69	69	69	69	100	100	100	100	100
September 2007	60	60	60	60	3	100	100	100	100	100
September 2008	51	51	51	51	0	100	100	100	100	0
September 2009	40	40	40	40	0	100	100	100	100	0
September 2010	30	30	30	30	0	100	100	100	100	0
September 2011	18	18	18	0	0	100	100	100	87	0
September 2012	6	6	0	0	0	100	100	67	19	0
September 2013	0	0	0	0	0	93	89	4	0	0
September 2014	0	0	0	0	0	80	27	0	0	0
September 2015	0	0	0	0	0	65	0	0	0	0
September 2016	0	0	0	0	0	50	0	0	0	0
September 2017	0	0	0	0	0	34	0	0	0	0
September 2018	0	0	0	0	0	17	0	0	0	0
September 2019	0	0	0	0	0	0	0	0	0	0
September 2020	0	0	0	0	0	0	0	0	0	0
September 2021	0	0	0	0	0	0	0	0	0	0
September 2022	0	0	0	0	0	0	0	0	0	0
September 2023	0	0	0	0	0	0	0	0	0	0
September 2024	0	0	0	0	0	0	0	0	0	0
September 2025	0	0	0	0	0	0	0	0	0	0
September 2026	0	0	0	0	0	0	0	0	0	0
September 2027	0	0	0	0	0	0	0	0	0	0
September 2028	0	0	0	0	0	0	0	0	0	0
September 2029	0	0	0	0	0	0	0	0	0	0
September 2030	0	0	0	0	0	0	0	0	0	0
September 2031	0	0	0	0	0	0	0	0	0	0
September 2032	0	0	0	0	0	0	0	0	0	0
Weighted Average										
Life (years)	5.8	5.8	5.7	5.6	3.9	13.9	11.6	10.3	9.5	5.5

**Security Group 3
PSA Prepayment Assumption Rates**

Distribution Date	Class VC					Class ZA				
	0%	224%	270%	300%	600%	0%	224%	270%	300%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100
September 2003	96	96	96	96	96	106	106	106	106	106
September 2004	93	93	93	93	93	113	113	113	113	113
September 2005	89	89	89	89	89	120	120	120	120	120
September 2006	85	85	85	85	85	127	127	127	127	127
September 2007	80	80	80	80	51	135	135	135	135	135
September 2008	75	75	75	75	0	143	143	143	143	142
September 2009	70	70	70	70	0	152	152	152	152	89
September 2010	65	65	65	65	0	161	161	161	161	56
September 2011	59	59	59	44	0	171	171	171	171	35
September 2012	53	53	34	9	0	182	182	182	182	22
September 2013	47	45	2	0	0	193	193	193	158	14
September 2014	40	13	0	0	0	205	205	160	126	8
September 2015	33	0	0	0	0	218	192	130	100	5
September 2016	25	0	0	0	0	231	160	105	80	3
September 2017	17	0	0	0	0	245	134	85	63	2
September 2018	8	0	0	0	0	261	111	68	49	1
September 2019	0	0	0	0	0	275	91	55	39	1
September 2020	0	0	0	0	0	275	75	43	30	0
September 2021	0	0	0	0	0	275	61	34	23	0
September 2022	0	0	0	0	0	275	49	27	18	0
September 2023	0	0	0	0	0	275	39	21	13	0
September 2024	0	0	0	0	0	275	31	16	10	0
September 2025	0	0	0	0	0	275	24	12	7	0
September 2026	0	0	0	0	0	275	18	9	5	0
September 2027	0	0	0	0	0	275	13	6	4	0
September 2028	0	0	0	0	0	275	9	4	2	0
September 2029	0	0	0	0	0	275	6	3	1	0
September 2030	0	0	0	0	0	216	3	1	1	0
September 2031	0	0	0	0	0	112	1	0	0	0
September 2032	0	0	0	0	0	0	0	0	0	0
Weighted Average										
Life (years)	9.9	8.7	8.0	7.6	4.7	28.8	17.4	15.5	14.5	8.1

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, in the case of the Group 1 Securities, the investor's own projection of principal payment rates on the Underlying Certificate under a variety of scenarios, and, in the case of a Floating Rate or an Inverse Floating Rate Class, the investor's own projection of levels of LIBOR under a variety of scenarios. **No representation is made regarding Mortgage Loan prepayment rates, Underlying Certificate payment rates, LIBOR levels or the yield of any Class.**

Prepayments: Effect on Yields

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

- In the case of Regular Securities or MX Securities purchased at a premium (especially Interest Only Classes), faster than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.
- Investors in the Interest Only Classes should also consider the risk that rapid rates of principal payments could result in the failure of investors to recover fully their investments.
- In the case of Regular Securities or MX Securities purchased at a discount (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 underlying any Trust Asset Group prepay at the same rate at any one time. The timing of changes in the rate of prepayments may affect the actual yield to an investor, even if the average rate of principal prepayments is consistent with the investor's expectation. In general, the earlier a prepayment of principal on the Mortgage Loans, the greater the effect on an investor's yield. As a result, the effect on an investor's yield of principal prepayments occurring at a rate higher (or lower) than the rate anticipated by the investor during the period immediately following the Closing Date is not likely to be offset by a later equivalent reduction (or increase) in the rate of principal prepayments.

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

Low levels of LIBOR can reduce the yield of the Floating Rate Class. High levels of LIBOR can significantly reduce the yield of the Inverse Floating Rate Classes. In addition, the Floating

Rate Class 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 UA to Prepayments
Assumed Price 106.10%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>250%</u>	<u>500%</u>	<u>750%</u>	<u>1000%</u>
0.82%	15.1%	9.8%	3.5%	(4.2)%
1.82%	12.2%	7.1%	1.0%	(6.4)%
4.82%	3.7%	(0.8)%	(6.2)%	(12.9)%
7.60% and above	(3.9)%	(8.0)%	(12.8)%	(18.7)%

**Sensitivity of Class UB to Prepayments
Assumed Price 113.60%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>250%</u>	<u>500%</u>	<u>750%</u>	<u>1000%</u>
0.82%	17.4%	15.8%	13.7%	10.9%
1.82%	14.6%	13.0%	10.9%	8.2%
4.82%	6.2%	4.6%	2.7%	0.1%
7.60% and above	(1.5)%	(2.9)%	(4.7)%	(7.1)%

SECURITY GROUP 3

**Sensitivity of Class II to Prepayments
Assumed Price 16.00%***

<u>PSA Prepayment Assumption Rates</u>				
<u>224%</u>	<u>270%</u>	<u>300%</u>	<u>469%</u>	<u>600%</u>
13.4%	13.4%	13.4%	0.1%	(11.4)%

**Sensitivity of Class LP to Prepayments
Assumed Price 88.75%**

<u>PSA Prepayment Assumption Rates</u>			
<u>224%</u>	<u>270%</u>	<u>300%</u>	<u>600%</u>
3.4%	3.4%	3.4%	5.3%

**Sensitivity of Class LS to Prepayments
Assumed Price 9.625%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>224%</u>	<u>270%</u>	<u>300%</u>	<u>600%</u>
0.80%	61.0%	61.0%	61.0%	44.2%
1.80%	47.0%	47.0%	47.0%	28.3%
4.80%	3.7%	3.7%	3.7%	(23.2)%
7.65% 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.

Sensitivity of Class MI to Prepayments
Assumed Price 14.65%*

PSA Prepayment Assumption Rates				
224%	270%	300%	466%	600%
23.4%	19.0%	16.2%	0.1%	(12.4)%

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

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

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

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

REMIC Elections

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

Regular Securities

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

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

The Class ZA 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 Securities described in the preceding two paragraphs, based on anticipated prices (including accrued interest), the assumed Mortgage Loan characteristics, the prepayment assumption described below and, in the case of the Class LF, the constant LIBOR value described below, no Classes are expected to be issued with OID.

Prospective investors in the Securities should be aware, however, that the foregoing expectations about OID could change because of differences (1) between anticipated purchase prices and actual purchase prices or (2) between the assumed characteristics of the Trust Assets and the characteristics of the Trust Assets actually delivered to the Trust. The prepayment assumption that should be used in determining the rates of accrual of OID, if any, on the Regular Securities is 500% PSA in the case of the Group 1 Securities, 200% PSA in the case of the Group 2 Securities and 270% PSA in the case of the Group 3 Securities (as described in “Yield, Maturity and Prepayment Considerations” in this Supplement). In the case of Class LF, the constant value of LIBOR to be used for these determinations is 1.80%. No representation is made, however, about the rate at which prepayments on the Mortgage Loans underlying any Group of Trust Assets actually will occur or the level of LIBOR at any time after the date of this Supplement. See “*Certain Federal Income Tax Consequences*” in the Base Offering Circular.

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

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

Residual Securities

The Class RR Securities will represent the beneficial ownership of the Residual Interest in the Pooling REMIC and the beneficial ownership of the Residual Interest in the Issuing REMIC. The Residual Securities, *i.e.*, the Class RR Securities, generally will be treated as “residual interests” in a REMIC for domestic building and loan associations and as “real estate assets” for REITs, as described in “Certain Federal Income Tax Consequences” in the Base Offering Circular, but will not be treated as debt for federal income tax purposes. Instead, the Holders of the Residual Securities will be required to report, and will be taxed on, their pro rata shares of the taxable income or loss of the related Trust REMICs, and these requirements will continue until there are no Securities of any Class outstanding. 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. The proposed Treasury Regulations referred to in the Base Offering Circular relating to transfers of noneconomic residual interests were finalized recently. See “Certain Federal Income Tax

Consequences — Tax Treatment of Residual Securities — Non-Recognition of Certain Transfers for Federal Income Tax Purposes” in the Base Offering Circular. With certain exceptions, the final regulations incorporate the safe harbor rules in the proposed regulations (the “present value test”) and in Revenue Procedure 2001-12 (the “asset test”). Among other things, the final regulations modify the present value test to require use of the federal short term rate for the month of transfer for purposes of the present value calculations. In addition, in order to qualify for either safe harbor (the present value or asset test), a transfer of a noneconomic residual interest may not be to a foreign permanent establishment or fixed base of a U.S. taxpayer (an “offshore location”), and each transferee must represent that it will not cause income from the noneconomic residual interest to be attributable to an offshore location of the transferee or another U.S. taxpayer. The final regulations generally apply to transfers of noneconomic residual interests occurring on or after February 4, 2002, although the modifications noted above generally apply to transfers occurring on or after August 19, 2002.

Prospective Holders of Residual Securities should consult their tax advisors regarding the final regulations and their application to transfer of Residual Securities.

MX Securities

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

ERISA MATTERS

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

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

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

See “ERISA Considerations” in the Base Offering Circular.

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

LEGAL INVESTMENT CONSIDERATIONS

Institutions whose investment activities are subject to legal investment laws and regulations or to review by certain regulatory authorities may be subject to restrictions on investment

in the Securities. **No representation is made about the proper characterization of any Class for legal investment or other purposes, or about the permissibility of the purchase by particular investors of any Class under applicable legal investment restrictions.**

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

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

PLAN OF DISTRIBUTION

Subject to the terms and conditions of the Sponsor Agreement, the Sponsor has agreed to purchase all of the Securities if any are sold and purchased. The Sponsor proposes to offer each Class to the public from time to time for sale in negotiated transactions at varying prices to be determined at the time of sale, plus accrued interest, if any, from (1) September 1, 2002 on the Fixed Rate Classes and (2) September 20, 2002 on the Floating Rate and Inverse Floating Rate Classes. The Sponsor may effect these transactions by sales to or through certain securities dealers. These dealers may receive compensation in the form of discounts, concessions or commissions from the Sponsor and/or commissions from any purchasers for which they act as agents. Some of the Securities may be sold through dealers in relatively small sales. In the usual case, the commission charged on a relatively small sale of securities will be a higher percentage of the sales price than that charged on a large sale of securities.

INCREASE IN SIZE

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

LEGAL MATTERS

Certain legal matters will be passed upon for Ginnie Mae by Sidley Austin Brown & Wood LLP, New York, NY; for the Trust by Cleary, Gottlieb, Steen & Hamilton and Marcell Solomon & Associates and for the Trustee by Peabody & Arnold LLP.

Schedule I

Available Combinations(1)

Class	REMIC Securities		MX Securities						
	Original Class Principal Balance	Related MX Class	Maximum Original Class or Class Notional Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)	Increased Minimum Denomination(5)
Security Group 3									
Combination 1 (7)									
LX	\$673,430,493	LM	\$673,430,493	PAC	4.00%	FIX	38373VRA0	May 2029	N/A
		LN	673,430,493	PAC	4.25	FIX	38373VRB8	May 2029	N/A
		LA	673,430,493	PAC	4.50	FIX	38373VRC6	May 2029	N/A
		LO	673,430,493	PAC	4.75	FIX	38373VRD4	May 2029	N/A
		LY	673,430,493	PAC	5.00	FIX	38373VRE2	May 2029	N/A
		LT	673,430,493	PAC	5.25	FIX	38373VRF9	May 2029	N/A
		LU	673,430,493	PAC	5.50	FIX	38373VRG7	May 2029	N/A
		LV	667,927,453	PAC	5.75	FIX	38373VRH5	May 2029	N/A
		LW	640,097,142	PAC	6.00	FIX	38373VRJ1	May 2029	N/A
		LB	590,858,900	PAC	6.50	FIX	38373VRK8	May 2029	N/A
		LC	548,654,693	PAC	7.00	FIX	38373VRL6	May 2029	N/A
		LD	512,077,714	PAC	7.50	FIX	38373VRM4	May 2029	N/A
		LE	480,072,857	PAC	8.00	FIX	38373VRN2	May 2029	N/A
		LG	451,833,277	PAC	8.50	FIX	38373VRP7	May 2029	N/A
		LH	426,731,428	PAC	9.00	FIX	38373VRQ5	May 2029	N/A
		LP	673,430,493	PAC	0.00	PO	38373VRR3	May 2029	\$113,000
		IL	640,097,142	NTL (PAC)	6.00	FIX/IO	38373VRS1	May 2029	\$633,000
Combination 2		MB	\$745,125,488	PAC/SUP	6.00%	FIX	38373VRT9	May 2029	N/A
LW(6)	\$640,097,142								
MA	105,028,346								
Combination 3(7)									
MB(6)	\$745,125,488	MC	\$745,125,488	PAC/SUP	4.50%	FIX	38373VRU6	May 2029	N/A
		MD	745,125,488	PAC/SUP	4.75	FIX	38373VRV4	May 2029	N/A
		ME	745,125,488	PAC/SUP	5.00	FIX	38373VRW2	May 2029	N/A
		MG	745,125,488	PAC/SUP	5.25	FIX	38373VRX0	May 2029	N/A
		MH	745,125,488	PAC/SUP	5.50	FIX	38373VRY8	May 2029	N/A
		MJ	745,125,488	PAC/SUP	5.75	FIX	38373VRZ5	May 2029	N/A
		MI	186,281,372	NTL (PAC/SUP)	6.00	FIX/IO	38373VSA9	May 2029	\$695,000
Combination 4		VC	\$151,040,611	SEQ/AD	6.00%	FIX	38373VSB7	August 2019	N/A
VA	\$ 75,409,473								
VB	75,631,138								

(1) All exchanges must comply with minimum denominations restrictions.
(2) The amount shown for each MX Class represents the maximum Original Class Principal Balance (or original Class Notional Balance) of that Class, assuming it were to be issued on the Closing Date.
(3) As defined under "Class Types" in Appendix I to the Base Offering Circular.
(4) See "Yield, Maturity and Prepayment Considerations — Final Distribution Date" in this Supplement.
(5) Each Class will be issued in the denominations specified. If no denomination is indicated for a Class, that Class will be issued in the denomination specified under "Description of the Securities — Form of Securities" in this Supplement.
(6) MX Class.
(7) In the case of Combinations 1 and 3 various subcombinations are permitted. See "Description of the Securities — Modification and Exchange" in the Base Offering Circular for a discussion of subcombinations.

Schedule II

SCHEDULED PRINCIPAL BALANCES

<u>Distribution Date</u>	<u>Classes LF and LX (in the aggregate)</u>
Initial Balance	\$773,430,493.00
October 2002	770,559,223.94
November 2002	767,233,150.73
December 2002	763,453,973.60
January 2003	759,223,914.56
February 2003	754,545,717.11
March 2003	749,422,645.10
April 2003	743,858,480.47
May 2003	737,857,520.02
June 2003	731,424,571.28
July 2003	724,564,947.21
August 2003	717,284,460.11
September 2003	709,589,414.30
October 2003	701,486,598.07
November 2003	692,983,274.46
December 2003	684,087,171.19
January 2004	674,806,469.59
February 2004	665,149,792.70
March 2004	655,126,192.33
April 2004	644,745,135.40
May 2004	634,016,489.29
June 2004	622,950,506.51
July 2004	611,557,808.45
August 2004	599,849,368.50
September 2004	587,836,494.35
October 2004	575,530,809.66
November 2004	562,944,235.15
December 2004	550,088,968.97
January 2005	537,393,992.73
February 2005	524,857,347.85
March 2005	512,477,099.44
April 2005	500,251,336.02
May 2005	488,178,169.21
June 2005	476,255,733.48
July 2005	464,482,185.89
August 2005	452,855,705.74

<u>Distribution Date</u>	<u>Classes LF and LX (in the aggregate)</u>
September 2005	\$441,374,494.41
October 2005	430,036,775.04
November 2005	418,840,792.23
December 2005	407,784,811.85
January 2006	396,867,120.74
February 2006	386,086,026.50
March 2006	375,439,857.19
April 2006	364,926,961.12
May 2006	354,545,706.59
June 2006	344,294,481.64
July 2006	334,171,693.85
August 2006	324,175,770.07
September 2006	314,305,156.20
October 2006	304,558,316.95
November 2006	294,933,735.62
December 2006	285,429,913.90
January 2007	276,045,371.62
February 2007	266,778,646.53
March 2007	257,628,294.10
April 2007	248,592,887.30
May 2007	239,671,016.40
June 2007	230,861,288.73
July 2007	222,162,328.52
August 2007	213,572,776.63
September 2007	205,091,290.45
October 2007	196,716,543.61
November 2007	188,447,225.80
December 2007	180,282,042.64
January 2008	172,219,715.40
February 2008	164,258,980.88
March 2008	156,398,591.19
April 2008	148,637,313.57
May 2008	140,973,930.21
June 2008	133,407,238.08
July 2008	125,936,048.72
August 2008	118,559,188.10
September 2008	111,275,496.45
October 2008	104,083,828.03
November 2008	96,983,051.04
December 2008	89,972,047.39

<u>Distribution Date</u>	<u>Classes LF and LX (in the aggregate)</u>
January 2009	\$ 83,049,712.57
February 2009	76,218,876.71
March 2009	69,506,156.29
April 2009	62,909,547.95
May 2009	56,427,081.91
June 2009	50,056,821.41
July 2009	43,796,862.17
August 2009	37,645,331.82
September 2009	31,600,389.41
October 2009	25,660,224.84
November 2009	19,823,058.38
December 2009	14,087,140.17
January 2010	8,450,749.69
February 2010	2,912,195.31
March 2010 and thereafter	0.00

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	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	2001-57 SA	November 30, 2001	38375THM0	(3)	INV	November 2031	PT	\$33,333,333	0.82689495	\$27,563,164	100%	6.813%	307	42	II

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

(2) The Underlying Certificate Factor is as of September 2002.

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

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

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

\$1,225,254,299

Government National Mortgage Association



GINNIE MAE®

**Guaranteed REMIC Pass-Through Securities
and MX Securities
Ginnie Mae REMIC Trust 2001-57**



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 (1) Ginnie Mae Certificates and (2) certain previously issued 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 November 30, 2001.

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

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

Salomon Smith Barney Inc. The Williams Capital Group, L.P.

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

Ginnie Mae REMIC Trust 2001-57

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						
FA	\$100,000,000	(5)	PT	FLT	November 2031	38373THL2
SA	33,333,333	(5)	PT	INV	November 2031	38373THM0
Security Group 2						
A(1)	23,000,000	5.50%	SEQ	FIX	August 2010	38373THN8
C(1)	10,000,000	6.50	SEQ	FIX	April 2030	38373THP3
D(1)	12,801,788	6.50	SEQ	FIX	November 2031	38373THQ1
P	25,000,000	8.50	SEQ	FIX	December 2028	38373THR9
Z(1)	27,000,000	5.50	SEQ	FIX/Z	December 2028	38373THS7
Security Group 3						
KA(1)	190,276,207	6.00	SC/SEQ	FIX	August 2018	38373THT5
ZA(1)	111,000,000	6.00	SC/SEQ	FIX/Z	September 2027	38373THU2
Security Group 4						
KB(1)	10,907,852	6.10	SC/SEQ	FIX	July 2014	38373THV0
ZB(1)	9,400,000	6.10	SC/SEQ	FIX/Z	February 2029	38373THW8
Security Group 5						
KC(1)	15,735,684	6.50	SC/PT	FIX	July 2005	38373THX6
Security Group 6						
KD(1)	31,552,811	6.75	SC/SEQ	FIX	December 2015	38373THY4
ZD(1)	20,000,000	6.75	SC/SEQ	FIX/Z	January 2024	38373THZ1
Security Group 7						
KE(1)	99,782,002	6.80	SC/SEQ	FIX	August 2016	38373TJA 4
ZE(1)	58,400,000	6.80	SC/SEQ	FIX/Z	December 2025	38373TJB 2
Security Group 8						
KG(1)	111,393,271	7.00	SC/SEQ	FIX	December 2016	38373TJC 0
ZG(1)	60,000,000	7.00	SC/SEQ	FIX/Z	February 2027	38373TJD 8
Security Group 9						
KH(1)	49,749,536	7.25	SC/SEQ	FIX	June 2015	38373TJE 6
ZH(1)	30,000,000	7.25	SC/SEQ	FIX/Z	April 2024	38373TJF 3
Security Group 10						
KJ(1)	37,863,151	7.30	SC/SEQ	FIX	October 2014	38373TJG 1
ZJ(1)	24,500,000	7.30	SC/SEQ	FIX/Z	January 2025	38373TJH 9
Security Group 11						
KL(1)	47,240,412	7.32	SC/SEQ	FIX	September 2015	38373TJJ 5
ZL(1)	27,200,000	7.32	SC/SEQ	FIX/Z	February 2026	38373TJK 2
Security Group 12						
KM(1)	25,058,088	7.50	SC/SEQ	FIX	April 2015	38373TJL 0
ZM(1)	14,600,000	7.50	SC/SEQ	FIX/Z	May 2026	38373TJM 8
Security Group 13						
SB(1)	184,351,037	(5)	SC/NTL(PT)	INV/IO	May 2029	38373TJN 6
SC(1)	184,351,037	(5)	SC/NTL(PT)	INV/IO	May 2029	38373TJP 1
SD(1)	184,351,037	(5)	SC/NTL(PT)	INV/IO	May 2029	38373TJQ 9
Security Group 14						
EK(1)	19,035,296	0.00	SC/PT	PO	March 2024	38373TJR 7
SK(1)	88,831,381	(5)	SC/NTL(PT)	INV/IO/DLY	March 2024	38373TJS 5
Security Group 15						
EM	424,868	0.00	SC/PT	PO	September 2023	38373TJT 3
SM(1)	57,547,745	(5)	SC/NTL(PT)	INV/IO	September 2023	38373TJU 0
SN(1)	57,547,745	(5)	SC/NTL(PT)	INV/IO	September 2023	38373TJV 8
SO(1)	57,547,745	(5)	SC/NTL(PT)	INV/IO	September 2023	38373TJW 6
SP(1)	57,547,745	(5)	SC/NTL(PT)	INV/IO	September 2023	38373TJX 4
Residual						
R	0	0.00	NPR	NPR	November 2031	38373TKV 6

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

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

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

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

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

TERMS SHEET

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

Sponsor: Salomon Smith Barney Inc.

Trustee: Bank One Trust Company, N.A.

Tax Administrator: The Trustee

Closing Date: November 30, 2001

Distribution Date: For the Group 1 through 12 Securities, the 20th day of each month or, if the 19th day or the 20th day is not a Business Day, the first Business Day following the 20th day of each month, commencing in December 2001. For the Group 13 through 15 Securities, the first Business Day following each Underlying REMIC Distribution Date, commencing in December 2001. The “Underlying REMIC Distribution Date” is the 16th day of each month in the case of the Group 13 Securities, the 26th day of each month in the case of the Group 14 Securities and the 25th day of each month in the case of the Group 15 Securities or, if the 16th day, the 26th day or the 25th day is not a business day, the first business day thereafter. For purposes of the definition of Underlying REMIC Distribution Date, “business day” will have the meaning assigned to it for the related Underlying Trust. If Ginnie Mae converts to the book-entry system maintained by the U.S. Federal Reserve Banks (*see “Description of the Securities — Form of Securities” in this Supplement*), the Distribution Date for the Group 1 through 12 Securities will be the 20th day of each month or, if the 20th day is not a Business Day, the first Business Day thereafter. The Distribution Date for the Group 13 through 15 Securities may also change following such a conversion. If so, distributions will be made to Holders of the Securities included in the affected Group or Groups no later than they would have been had no such conversion taken place. See *“Description of the Securities — Form of Securities” in this Supplement*.

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	6.5	30
3	Underlying Certificates	(1)	(1)
4	Underlying Certificates	(1)	(1)
5	Underlying Certificates	(1)	(1)
6	Underlying Certificates	(1)	(1)
7	Underlying Certificates	(1)	(1)
8	Underlying Certificates	(1)	(1)
9	Underlying Certificates	(1)	(1)
10	Underlying Certificates	(1)	(1)
11	Underlying Certificates	(1)	(1)
12	Underlying Certificates	(1)	(1)
13	Underlying Certificates	(1)	(1)
14	Underlying Certificates	(1)	(1)
15	Underlying Certificates	(1)	(1)

¹ Information regarding the Underlying Certificates and the related Mortgage Loans is set forth in Exhibits A and B to this Supplement.

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

Assumed Characteristics of the Mortgage Loans Underlying the Group 1 and Group 2 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>Weighted Average Mortgage Rate³</u>
Group 1 Trust Assets			
\$133,333,333	324	30	6.812%
Group 2 Trust Assets			
\$97,801,788	356	3	7.25%

¹ As of November 1, 2001.

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

³ The Mortgage Loans underlying the Group 1 and Group 2 Trust Assets bear interest at rates ranging from 0.5% to 1.5% per annum above the related Certificate Rate.

The actual remaining terms to maturity, loan ages and, in the case of the Group 1 and Group 2 Trust Assets, 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. See Exhibit A to this Supplement for information regarding the characteristics of the Mortgage Loans included in the Underlying REMIC Trusts.

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 either one-month LIBOR (hereinafter referred to as “LIBOR”) or the Ten-year Treasury

Index (referred to in the table below as “10 yr Treas” and hereinafter referred to as “Ten-year Treasury Index”) as follows:

<u>Class</u>	<u>Interest Rate Formula(1)</u>	<u>Initial Interest Rate(2)</u>	<u>Minimum Rate</u>	<u>Maximum Rate</u>	<u>Delay (in days)</u>	<u>Rate of Applicable Index for Minimum Interest Rate</u>
FA	LIBOR + 0.40%	2.72000%	0.4%	8.00%	0	0.00%
SA	22.8% - (LIBOR × 3.0)	15.84000%	0.0%	22.80%	0	7.60%
SB	7.00% - LIBOR	4.91875%	0.0%	7.00%	0	7.00%
SC	7.60% - LIBOR	0.60000%	0.0%	0.60%	0	7.60%
SD	8.20% - LIBOR	0.60000%	0.0%	0.60%	0	8.20%
SE	7.60% - LIBOR	5.51875%	0.0%	7.60%	0	7.60%
SF	8.20% - LIBOR	6.11875%	0.0%	8.20%	0	8.20%
SG	8.20% - LIBOR	1.20000%	0.0%	1.20%	0	8.20%
SK	8.10% - 10 yr Treas	3.50000%	0.0%	8.10%	26	8.10%
SL	37.80% - (10 yr Treas × 4.666667)	16.33333%	0.0%	37.80%	26	8.10%
SM	7.00% - LIBOR	4.56250%	0.0%	7.00%	0	7.00%
SN	7.60% - LIBOR	0.60000%	0.0%	0.60%	0	7.60%
SO	8.20% - LIBOR	0.60000%	0.0%	0.60%	0	8.20%
SP	8.85% - LIBOR	0.65000%	0.0%	0.65%	0	8.85%
SQ	7.60% - LIBOR	5.16250%	0.0%	7.60%	0	7.60%
ST	8.20% - LIBOR	5.76250%	0.0%	8.20%	0	8.20%
SU	8.85% - LIBOR	6.41250%	0.0%	8.85%	0	8.85%
SV	8.85% - LIBOR	1.85000%	0.0%	1.85%	0	8.85%
SW	8.52% - LIBOR	1.25000%	0.0%	1.25%	0	8.52%

- (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 for a Security Group, the following distributions will be made to the related Securities:

SECURITY GROUP 1

Pass-Through { A percentage of the Group 1 Principal Distribution Amount will be applied to the Trustee Fee, and the remainder of the Group 1 Principal Distribution Amount (the “Group 1 Adjusted Principal Distribution Amount”) will be allocated concurrently, to FA and SA, pro rata, until retired.

SECURITY GROUP 2

The Group 2 Principal Distribution Amount and the Z Accrual Amount will be allocated in the following order of priority:

Accrual and SEQ { The Z Accrual Amount sequentially, to A and Z, in that order, until retired

SEQ { The Group 2 Principal Distribution Amount in the following order of priority:

1. Concurrently:
 - a. 66.666666667% sequentially, to A and Z, in that order, until retired.
 - b. 33.333333333% to P, until retired.
2. Sequentially, to C and D, in that order, until retired.

SECURITY GROUP 3

SEQ { The Group 3 Principal Distribution Amount and the ZA Accrual Amount will be allocated sequentially, to KA and ZA, in that order, until retired.

SECURITY GROUP 4

SEQ { The Group 4 Principal Distribution Amount and the ZB Accrual Amount will be allocated sequentially, to KB and ZB, in that order, until retired.

SECURITY GROUP 5

Pass-Through { The Group 5 Principal Distribution Amount will be allocated to KC, until retired.

SECURITY GROUP 6

SEQ { The Group 6 Principal Distribution Amount and the ZD Accrual Amount will be allocated sequentially, to KD and ZD, in that order, until retired.

SECURITY GROUP 7

SEQ { The Group 7 Principal Distribution Amount and the ZE Accrual Amount will be allocated sequentially, to KE and ZE, in that order, until retired.

SECURITY GROUP 8

SEQ { The Group 8 Principal Distribution Amount and the ZG Accrual Amount will be allocated sequentially, to KG and ZG, in that order, until retired.

SECURITY GROUP 9

SEQ { The Group 9 Principal Distribution Amount and the ZH Accrual Amount will be allocated sequentially, to KH and ZH, in that order, until retired.

SECURITY GROUP 10

SEQ { The Group 10 Principal Distribution Amount and the ZJ Accrual Amount will be allocated sequentially, to KJ and ZJ, in that order, until retired.

SECURITY GROUP 11

SEQ { The Group 11 Principal Distribution Amount and the ZL Accrual Amount will be allocated sequentially, to KL and ZL, in that order, until retired.

SECURITY GROUP 12

SEQ { The Group 12 Principal Distribution Amount and the ZM Accrual Amount will be allocated sequentially, to KM and ZM, in that order, until retired.

SECURITY GROUP 14

Pass-Through { The Group 14 Principal Distribution Amount will be allocated to EK until retired.

SECURITY GROUP 15

Pass-Through { The Group 15 Principal Distribution Amount will be allocated to EM until retired.

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 Balance or group of Trust Assets indicated:

<u>Class</u>	<u>Original Class Notional Balance</u>	<u>Represents Approximately</u>
SB	\$184,351,037	100% of the Group 13 Trust Assets
SC	184,351,037	100% of the Group 13 Trust Assets
SD	184,351,037	100% of the Group 13 Trust Assets
SE	184,351,037	100% of the Group 13 Trust Assets
SF	184,351,037	100% of the Group 13 Trust Assets
SG	184,351,037	100% of the Group 13 Trust Assets
SK	88,831,381	466.6666649155% of EK (SC/PT Class)
SM	57,547,745	13544.8527542672% of EM (SC/PT Class)
SN	57,547,745	13544.8527542672% of EM (SC/PT Class)
SO	57,547,745	13544.8527542672% of EM (SC/PT Class)
SP	57,547,745	13544.8527542672% of EM (SC/PT Class)
SQ	57,547,745	13544.8527542672% of EM (SC/PT Class)
ST	57,547,745	13544.8527542672% of EM (SC/PT Class)
SU	57,547,745	13544.8527542672% of EM (SC/PT Class)
SV	57,547,745	13544.8527542672% of EM (SC/PT Class)
SW	57,547,745	13544.8527542672% of EM (SC/PT Class)

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; all other Classes of REMIC Securities are Regular Classes.



\$1,267,052,142

**Government National
Mortgage Association**

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**Guaranteed REMIC
Pass-Through Securities
and MX Securities
Ginnie Mae REMIC Trust 2002-67**

OFFERING CIRCULAR SUPPLEMENT
September 23, 2002

**Salomon Smith Barney Inc.
MemphisFirst Capital Markets**