

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



**\$209,451,475**

**Government National Mortgage Association**

**GINNIE MAE®**

**Guaranteed REMIC Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2004-064**

**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-8 which highlights some of these risks.**

**The Securities**

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

**The Ginnie Mae Guaranty**

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

**The Trust and its Assets**

The Trust will own Ginnie Mae Certificates and 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 August 30, 2004.

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

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

**BANC OF AMERICA SECURITIES LLC**

**BLAYLOCK & PARTNERS, L.P.**

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

### Ginnie Mae REMIC Trust 2004-064

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>
<b>Security Group 1</b>						
CB .....	\$ 3,485,000	5.50%	SUP	FIX	October 2033	38374HRW2
CD .....	756,000	5.50	SUP	FIX	December 2033	38374HRX0
CE .....	2,443,000	5.50	SUP	FIX	August 2034	38374HRY8
DI .....	636,363	5.50	NTL(TAC)	FIX/IO	August 2034	38374HRZ5
DL .....	7,000,000	5.00	TAC	FIX	August 2034	38374HSA9
GA .....	11,038,000	5.50	SUP	FIX	July 2033	38374HSB7
GB .....	4,601,000	5.50	SUP	FIX	August 2034	38374HSC5
IB(1) .....	29,796,000	5.50	NTL(PAC)	FIX/IO	April 2028	38374HSD3
IC(1) .....	12,283,000	5.50	NTL(PAC)	FIX/IO	July 2030	38374HSE1
ID(1) .....	22,978,000	5.50	NTL(PAC)	FIX/IO	December 2033	38374HSF8
OB(1) .....	29,796,000	0.00	PAC	PO	April 2028	38374HSG6
OC(1) .....	12,283,000	0.00	PAC	PO	July 2030	38374HSH4
OD(1) .....	22,978,000	0.00	PAC	PO	December 2033	38374HSJ0
PD .....	5,618,000	5.50	PAC	FIX	August 2034	38374HSK7
ZD .....	2,000	5.50	SUP	FIX/Z	September 2032	38374HSL5
<b>Security Group 2</b>						
EA .....	11,575,000	4.75	SC/SEQ	FIX	January 2032	38374HSM3
EB .....	88,425,000	4.75	SC/SEQ	FIX	January 2032	38374HSN1
<b>Security Group 3</b>						
BO(1) .....	9,451,475	0.00	SC/PT	PO	November 2030	38374HSP6
SU(1) .....	25,991,555	(5)	NTL(SC/PT)	INV/IO	November 2030	38374HSQ4
SW(1) .....	25,991,555	(5)	NTL(SC/PT)	INV/IO	November 2030	38374HSR2
<b>Residual</b>						
RR .....	0	0.00	NPR	NPR	August 2034	38374HSS0

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

## AVAILABLE INFORMATION

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

- this Offering Circular Supplement (this “Supplement”),
- the Base Offering Circular and
- in the case of the Group 2 and Group 3 securities, each disclosure document relating to the Underlying Certificates (the “Underlying Certificate Disclosure Documents”).

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

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

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

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## TERMS SHEET

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

**Sponsor:** Banc of America Securities LLC

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

**Tax Administrator:** The Trustee

**Closing Date:** August 30, 2004

**Distribution Dates:** For the Group 2 Securities, the 17th day of each month or, if the 17th day is not a Business Day, the first Business Day thereafter, commencing in September 2004. For the Group 1 and Group 3 Securities, the 20th day of each month or, if the 20th day is not a Business Day, the first Business Day thereafter, commencing in September 2004.

**Trust Assets:**

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

(1) Certain information regarding the Underlying Certificates 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 1 Trust Assets<sup>1</sup>:**

Principal Balance <sup>2</sup>	Weighted Average Remaining Term to Maturity (in months)	Weighted Average Loan Age (in months)	Weighted Average Mortgage Rate <sup>3</sup>
<b>Group 1 Trust Assets</b> \$ 100,000,000	355	4	5.9%

<sup>1</sup> As of August 1, 2004.

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

<sup>3</sup> The Mortgage Loans underlying the Group 1 Trust Assets may bear interest at rates ranging from 0.25% to 1.50% per annum above the related Certificate Rate.

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

**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, Inverse Floating Rate or Interest Only 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 Inverse Floating Rate Classes will bear interest at per annum rates based on one-month LIBOR (hereinafter referred to as “LIBOR”) as follows:

Class	Interest Rate Formula(1)	Initial Interest Rate(2)	Minimum Rate	Maximum Rate	Delay (in days)	LIBOR for Minimum Interest Rate
SJ...	17.03999924% - (LIBOR × 2.39999989)	13.19999941%	0.0%	17.03999924%	0	7.10%
SK...	19.52499941% - (LIBOR × 2.74999987)	15.12499961%	0.0%	19.52499941%	0	7.10%
SL...	51.63636363% - (LIBOR × 7.27272727)	8.00000000%	0.0%	8.00000000%	0	7.10%
SP...	21.49253459% - (LIBOR × 3.5820891)	15.76119203%	0.0%	21.49253459%	0	6.00%
SU...	6.00% - LIBOR	4.40000000%	0.0%	6.00000000%	0	6.00%
SW...	7.10% - LIBOR	1.10000000%	0.0%	1.10000000%	0	7.10%
SX...	7.10% - LIBOR	5.50000000%	0.0%	7.10000000%	0	7.10%

(1) LIBOR will be established on the basis of the BBA LIBOR method, as described under “Description of the Securities — Interest Distributions — 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

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

- The ZD Accrual Amount as follows:
  1. To DL, until reduced to its Scheduled Principal Balance for that Distribution Date
  2. To ZD, until retired
- The Group 1 Adjusted Principal Distribution Amount in the following order of priority:
  1. Sequentially, to OB, OC, OD and PD, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date

2. Concurrently:
  - a. 53.3299232737%, sequentially, to GA and GB, in that order, until retired
  - b. 46.6700767263% as follows:
    - i. To DL, until reduced to its Scheduled Principal Balance for that Distribution Date
    - ii. To ZD, until retired
    - iii. Sequentially, to CB, CD and CE, in that order, until retired
    - iv. To DL, without regard to its Scheduled Principal Balances, until retired
3. Sequentially, to OB, OC, OD and PD, in that order, without regard to their Aggregate Scheduled Principal Balances, until retired

**SECURITY GROUP 2**

- The Group 2 Principal Distribution Amount will be allocated sequentially to EA and EB, in that order, until retired

**SECURITY GROUP 3**

- The Group 3 Principal Distribution Amount will be allocated to BO, until retired

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

<u>Class</u>	<u>Structuring Range or Rate</u>
OB, OC, OD and PD (in the aggregate) .....	100% PSA through 250% PSA
DL .....	210% 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>
DI .....	\$ 636,363	9.0909090909% of DL (TAC Class)
IB .....	29,796,000	100% of OB (PAC Class)
IC .....	12,283,000	100% of OC (PAC Class)
ID .....	22,978,000	100% of OD (PAC Class)
SU .....	25,991,555	274.9999867746% of BO (SC/PT Class)
SW .....	25,991,555	274.9999867746% of BO (SC/PT Class)
SX .....	25,991,555	274.9999867746% of BO (SC/PT 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 and TAC classes, the related support classes will not receive any principal distribution on that date (other than from any applicable accrual amount). If prepayments result in principal distributions on any distribution date greater than the amount needed to produce scheduled payments on the related PAC and TAC classes for that distribution date, this excess will be distributed to the related support classes.

***The rate of principal payments on the underlying certificates will directly affect the rate of principal payments on the group 2 and group 3 securities.*** The underlying certificates will be sensitive in varying degrees to

- the rate of payments of principal (including prepayments) of the related mortgage loans, and



- the priorities for the distribution of principal among the classes of the related underlying series.

As described in the related underlying certificate disclosure documents, the underlying certificate included in trust asset group 3 is a support class that is entitled to receive principal distributions only if scheduled payments have been made on other specified classes of the related underlying series (or if specified classes have been retired). Accordingly, the underlying certificate may receive no principal distributions for extended periods of time or may receive principal payments that vary widely from period to period.

In addition, the principal entitlement of the underlying certificate included in trust asset group 2 on any payment date is calculated on the basis of schedules; no assurance can be given that the underlying certificates will adhere to their schedules. Further, prepayments on the related mortgage loans may have occurred at rates faster or slower than those initially assumed.

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

***The securities may not be a suitable investment for you.*** The securities, especially the group 2 and group 3 securities and, in particular, the support, interest only, principal 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 an Underlying Certificate, will evidence, directly or indirectly, Ginnie Mae Certificates.

### The Trust MBS (Group 1)

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

### The Underlying Certificates (Group 2 and Group 3)

The Group 2 and Group 3 Trust Assets consist of Underlying Certificates that represent beneficial ownership interests in one or more separate trusts, the assets of which evidence direct or indirect beneficial ownership interests in certain Ginnie Mae Certificates. Each Underlying Certificate constitutes all or a portion of a class of a separate Series of certificates described in the related Underlying Certificate Disclosure Document, excerpts of which are attached as Exhibit B to this Supplement. Each 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 each 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*.

Each 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 Group 1 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 1 Trust Assets” and the general characteristics described in the Base Offering Circular. The Mortgage Loans underlying the Underlying Certificates 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, in the case of the Group 1 Trust Assets, Mortgage Rates of the Mortgage Loans. However, the actual remaining terms to maturity, loan ages and, in the case of the Group 1 Trust Assets, Mortgage Rates of many of the Mortgage Loans will differ from the characteristics assumed, perhaps significantly. This will be the case even if the weighted average characteristics of the Mortgage Loans are the same as the assumed characteristics. Small differences in the characteristics of the Mortgage Loans can have a significant effect on the weighted average lives and yields of the Securities. See *“Risk Factors” and “Yield, Maturity and Prepayment Considerations” in this Supplement.*

### **The Trustee Fee**

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

## **GINNIE MAE GUARANTY**

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

## **DESCRIPTION OF THE SECURITIES**

### **General**

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

### **Form of Securities**

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

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

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

## **Distributions**

Distributions on the Securities will be made on each Distribution Date as specified under “Terms Sheet — Distribution Dates” 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 Period*

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
Group 3 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.

### *Inverse Floating Rate Classes*

The Inverse Floating Rate Classes will bear interest as shown under “Terms Sheet — Interest Rates” in this Supplement. The Interest Rates for the 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 Inverse Floating Rate Classes, see “Description of the Securities — Interest Rate Indices — Determination of LIBOR” in the Base Offering Circular.*

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

### *Accrual Class*

Class ZD 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 Principal Distribution Amount or the Adjusted Principal Distribution Amount for each Group, as applicable, and the ZD 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 Trust REMIC. 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. Securities will be entitled to receive the proceeds of the disposition of any assets remaining in the related 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 applicable 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 and interest to be distributed to (or interest to be added to the Class Principal Balance of) that Class on the Distribution Date in the current month.
- Investors may obtain current Class Factors on e-Access.

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

## **Trading**

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

## **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 related Trust REMIC after payment in full of the amounts described in the foregoing sentence. However, any remaining assets are not likely to be significant.

## **Modification and Exchange**

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

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

A Beneficial Owner proposing to effect an exchange must notify the Trustee through the Beneficial Owner's Book-Entry Depository participant. This notice must be received by the Trustee not later than two Business Days before the proposed exchange date. The exchange date can be any Business Day other than the last Business Day of the month. The notice must contain the outstanding principal balance of the Securities to be included in the exchange and the proposed exchange date. The notice is required to be delivered to the Trustee in writing at its Corporate Trust Office at One Federal Street, 3rd Floor, Boston, MA 02110, Attention: Ginnie Mae REMIC Program Agency Group. The Trustee may be contacted by telephone at (617) 603-6451 and by fax at (617) 603-6644.

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); provided, however that no fee will be payable in respect of an interest only security, unless all securities involved in the exchange are interest only securities. If the notional balance of the interest only securities surrendered exceeds that of the interest only securities received, the fee will be based on the latter. 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 2 and Group 3 Securities are urged to review the discussion under “Risk Factors — The rate of principal payments on the underlying certificates will directly affect the rate of principal payments on the group 2 and group 3 securities” in this Supplement.

### **Securities that Receive Principal on the Basis of Schedules**

As described in this Supplement, each PAC and TAC Class will receive principal payments in accordance with a schedule calculated on the basis of, among other things, a Structuring Range or Rate. 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 and TAC Class exhibits an Effective Range or Rate of constant prepayment rates at which such Class will receive Scheduled Payments. That range or rate may differ from the Structuring Range or Rate used to create the related principal balance schedule. Based on the Modeling Assumptions, the *initial* Effective Range or Rate for the PAC and TAC Classes are as follows:

<b>PAC Classes</b>	<u><b>Initial Effective Range</b></u>
OB, OC, OD and PD (in the aggregate) . . . . .	100% PSA through 250% PSA

<b>TAC Class</b>	<u><b>Initial Effective Rate</b></u>
DL . . . . .	210% PSA

- The principal payment stability of the PAC Classes will be supported by the related TAC and Support Classes.
- The principal payment stability of the TAC Class will be supported by the related Support Classes.

**If all of the Classes supporting a given Class are retired before the Class being supported is retired, the outstanding Class will no longer have an Effective Range or Rate 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 or Rate. If the initial Effective Range or Rate were calculated using the actual characteristics of the related Mortgage Loans, the initial Effective Range or Rate could differ from those shown in the above tables or an initial Effective Rate might not exist. Therefore, even if the Mortgage Loans were to prepay at a constant rate within the initial Effective Range or at the initial Effective Rate shown for any Class in the above tables, 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 or TAC Class not to receive Scheduled Payments, even if prepayment rates remain within the initial Effective Range (or if prepayment rates average the Effective Rate), if any, for that Class. Further, the Effective Range for any PAC Class can narrow, shift over time or cease to exist and the Effective Rate for any TAC Class can change or cease to exist depending on the actual characteristics of the related Mortgage Loans.

If the related Mortgage Loans prepay at rates that are generally below the Effective Range or Rate for any PAC or TAC Class, the amount available to pay principal on the Securities may be insufficient to produce Scheduled Payments on such related PAC or TAC Class 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 or Rate for any PAC or TAC Class, its supporting Classes may be retired earlier than that PAC or TAC Class and its Weighted Average Life may be shortened, perhaps significantly.

**Assumability**

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

## **Final Distribution Date**

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

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

## **Modeling Assumptions**

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

1. The Mortgage Loans underlying the Group 1 Trust Assets have the assumed characteristics shown under “Assumed Characteristics of the Mortgage Loans Underlying the Group 1 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 1 Trust Asset is assumed to have an original and a remaining term to maturity of 360 months and a Mortgage Rate of 1.50% per annum higher than the related Certificate Rate.

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

3. Distributions on the Group 2 Securities are always received on the 17th day of the month and distributions on the Group 1 and Group 3 Securities are always received on the 20th day of the month, in each case, whether or not a Business Day, commencing in September 2004.

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

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

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

7. Distributions on the Underlying Certificates are made as described in the related Underlying Certificate Disclosure Documents.

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 17th or 20th day of the month, as applicable, 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 CB					Class CD					Class CE					Classes DI and DL				
	0%	100%	220%	250%	450%	0%	100%	220%	250%	450%	0%	100%	220%	250%	450%	0%	100%	220%	250%	450%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	100	100	97	89	33	100	100	100	100	100	100	100	100	100	100	98	96	81	81	81
August 2006	100	100	92	68	0	100	100	100	100	0	100	100	100	100	6	98	96	51	51	51
August 2007	100	100	86	46	0	100	100	100	100	0	100	100	100	100	0	98	96	18	18	0
August 2008	100	100	67	16	0	100	100	100	100	0	100	100	100	100	0	98	96	0	0	0
August 2009	100	100	26	0	0	100	100	100	0	0	100	100	100	88	0	98	96	0	0	0
August 2010	100	100	0	0	0	100	100	89	0	0	100	100	100	43	0	98	96	0	0	0
August 2011	100	100	0	0	0	100	100	3	0	0	100	100	100	15	0	98	96	0	0	0
August 2012	100	100	0	0	0	100	100	0	0	0	100	100	86	2	0	98	96	0	0	0
August 2013	100	100	0	0	0	100	100	0	0	0	100	100	80	0	0	98	96	0	0	0
August 2014	100	100	0	0	0	100	100	0	0	0	100	100	76	0	0	98	93	0	0	0
August 2015	100	100	0	0	0	100	100	0	0	0	100	100	70	0	0	98	88	0	0	0
August 2016	100	100	0	0	0	100	100	0	0	0	100	100	64	0	0	98	81	0	0	0
August 2017	100	100	0	0	0	100	100	0	0	0	100	100	58	0	0	98	72	0	0	0
August 2018	100	100	0	0	0	100	100	0	0	0	100	100	52	0	0	98	62	0	0	0
August 2019	100	100	0	0	0	100	100	0	0	0	100	100	46	0	0	98	52	0	0	0
August 2020	100	100	0	0	0	100	100	0	0	0	100	100	41	0	0	98	41	0	0	0
August 2021	100	100	0	0	0	100	100	0	0	0	100	100	36	0	0	98	30	0	0	0
August 2022	100	100	0	0	0	100	100	0	0	0	100	100	31	0	0	98	18	0	0	0
August 2023	100	100	0	0	0	100	100	0	0	0	100	100	26	0	0	98	7	0	0	0
August 2024	100	92	0	0	0	100	100	0	0	0	100	100	22	0	0	98	0	0	0	0
August 2025	100	69	0	0	0	100	100	0	0	0	100	100	18	0	0	98	0	0	0	0
August 2026	100	48	0	0	0	100	100	0	0	0	100	100	15	0	0	98	0	0	0	0
August 2027	100	27	0	0	0	100	100	0	0	0	100	100	12	0	0	98	0	0	0	0
August 2028	100	7	0	0	0	100	100	0	0	0	100	100	10	0	0	98	0	0	0	0
August 2029	100	0	0	0	0	100	40	0	0	0	100	100	7	0	0	98	0	0	0	0
August 2030	100	0	0	0	0	100	0	0	0	0	100	86	5	0	0	87	0	0	0	0
August 2031	100	0	0	0	0	100	0	0	0	0	100	60	3	0	0	46	0	0	0	0
August 2032	100	0	0	0	0	100	0	0	0	0	100	36	2	0	0	3	0	0	0	0
August 2033	11	0	0	0	0	100	0	0	0	0	100	13	1	0	0	0	0	0	0	0
August 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	28.6	21.9	4.2	2.7	0.8	29.2	24.9	6.4	4.6	1.4	29.7	27.5	15.1	6.0	1.8	26.5	14.6	2.0	2.0	1.7

PSA Prepayment Assumption Rates																				
Distribution Date	Class GA					Class GB					Classes HA, HB, HC, HD, HE, HG, HJ, HK, HL, HM, HN, IB and OB					Classes IC, JA, JB, JC, JD, JE, JG, JH and OC				
	0%	100%	220%	250%	450%	0%	100%	220%	250%	450%	0%	100%	220%	250%	450%	0%	100%	220%	250%	450%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	99	97	85	82	62	100	100	100	100	100	97	91	91	91	91	100	100	100	100	100
August 2006	99	97	61	53	0	100	100	100	100	92	94	72	72	72	72	100	100	100	100	100
August 2007	99	97	35	21	0	100	100	100	100	0	90	49	49	49	32	100	100	100	100	100
August 2008	99	97	16	0	0	100	100	100	94	0	86	28	28	28	0	100	100	100	100	63
August 2009	99	97	1	0	0	100	100	100	53	0	81	8	8	8	0	100	100	100	100	0
August 2010	99	97	0	0	0	100	100	77	26	0	76	0	0	0	0	100	74	74	74	0
August 2011	99	97	0	0	0	100	100	61	9	0	71	0	0	0	0	100	32	32	32	0
August 2012	99	97	0	0	0	100	100	52	1	0	66	0	0	0	0	100	0	0	0	0
August 2013	99	97	0	0	0	100	100	49	0	0	60	0	0	0	0	100	0	0	0	0
August 2014	99	95	0	0	0	100	100	46	0	0	53	0	0	0	0	100	0	0	0	0
August 2015	99	91	0	0	0	100	100	43	0	0	46	0	0	0	0	100	0	0	0	0
August 2016	99	86	0	0	0	100	100	39	0	0	39	0	0	0	0	100	0	0	0	0
August 2017	99	80	0	0	0	100	100	35	0	0	31	0	0	0	0	100	0	0	0	0
August 2018	99	73	0	0	0	100	100	32	0	0	23	0	0	0	0	100	0	0	0	0
August 2019	99	65	0	0	0	100	100	28	0	0	14	0	0	0	0	100	0	0	0	0
August 2020	99	57	0	0	0	100	100	25	0	0	4	0	0	0	0	100	0	0	0	0
August 2021	99	49	0	0	0	100	100	22	0	0	0	0	0	0	0	84	0	0	0	0
August 2022	99	41	0	0	0	100	100	19	0	0	0	0	0	0	0	57	0	0	0	0
August 2023	99	33	0	0	0	100	100	16	0	0	0	0	0	0	0	28	0	0	0	0
August 2024	99	24	0	0	0	100	100	13	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	99	16	0	0	0	100	100	11	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	99	9	0	0	0	100	100	9	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	99	1	0	0	0	100	100	7	0	0	0	0	0	0	0	0	0	0	0	0
August 2028	99	0	0	0	0	100	85	6	0	0	0	0	0	0	0	0	0	0	0	0
August 2029	99	0	0	0	0	100	68	4	0	0	0	0	0	0	0	0	0	0	0	0
August 2030	91	0	0	0	0	100	52	3	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	61	0	0	0	0	100	37	2	0	0	0	0	0	0	0	0	0	0	0	0
August 2032	29	0	0	0	0	100	22	1	0	0	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	89	8	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	27.0	16.4	2.5	2.1	1.2	29.5	26.2	11.5	5.3	2.3	9.8	3.0	3.0	3.0	2.5	18.2	6.6	6.6	6.6	4.2

**Security Group 1  
PSA Prepayment Assumption Rates**

Distribution Date	Classes ID, KA, KB, KC, KD, KE and OD					Class PD					Class ZD				
	0%	100%	220%	250%	450%	0%	100%	220%	250%	450%	0%	100%	220%	250%	450%
	Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	100	100	100	100	100	100	100	100	100	100	106	106	0	0	0
August 2006	100	100	100	100	100	100	100	100	100	100	112	112	0	0	0
August 2007	100	100	100	100	100	100	100	100	100	100	118	118	0	0	0
August 2008	100	100	100	100	100	100	100	100	100	100	125	125	0	0	0
August 2009	100	100	100	100	89	100	100	100	100	100	132	132	0	0	0
August 2010	100	100	100	100	57	100	100	100	100	100	139	139	0	0	0
August 2011	100	100	100	100	34	100	100	100	100	100	147	147	0	0	0
August 2012	100	95	95	95	17	100	100	100	100	100	155	155	0	0	0
August 2013	100	75	75	75	5	100	100	100	100	100	164	164	0	0	0
August 2014	100	58	58	58	0	100	100	100	100	86	173	173	0	0	0
August 2015	100	44	44	44	0	100	100	100	100	61	183	183	0	0	0
August 2016	100	32	32	32	0	100	100	100	100	43	193	193	0	0	0
August 2017	100	22	22	22	0	100	100	100	100	30	204	204	0	0	0
August 2018	100	13	13	13	0	100	100	100	100	21	216	216	0	0	0
August 2019	100	6	6	6	0	100	100	100	100	15	228	228	0	0	0
August 2020	100	1	1	1	0	100	100	100	100	10	241	241	0	0	0
August 2021	100	0	0	0	0	100	83	83	83	7	254	254	0	0	0
August 2022	100	0	0	0	0	100	67	67	67	5	269	269	0	0	0
August 2023	100	0	0	0	0	100	53	53	53	3	284	284	0	0	0
August 2024	98	0	0	0	0	100	42	42	42	2	300	0	0	0	0
August 2025	81	0	0	0	0	100	33	33	33	2	317	0	0	0	0
August 2026	61	0	0	0	0	100	25	25	25	1	334	0	0	0	0
August 2027	41	0	0	0	0	100	19	19	19	1	353	0	0	0	0
August 2028	19	0	0	0	0	100	14	14	14	0	373	0	0	0	0
August 2029	0	0	0	0	0	80	10	10	10	0	394	0	0	0	0
August 2030	0	0	0	0	0	7	7	7	7	0	417	0	0	0	0
August 2031	0	0	0	0	0	4	4	4	4	0	440	0	0	0	0
August 2032	0	0	0	0	0	2	2	2	2	0	465	0	0	0	0
August 2033	0	0	0	0	0	1	1	1	1	0	0	0	0	0	0
August 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	22.5	11.0	11.0	11.0	6.5	25.4	20.1	20.1	20.1	12.4	28.1	19.6	0.1	0.1	0.1

**Security Group 2  
PSA Prepayment Assumption Rates**

Distribution Date	Class EA					Class EB				
	0%	100%	240%	400%	500%	0%	100%	240%	400%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100
August 2005	100	100	57	46	0	100	100	100	100	99
August 2006	100	19	0	0	0	100	100	91	74	62
August 2007	100	0	0	0	0	100	92	75	51	37
August 2008	99	0	0	0	0	100	83	61	33	19
August 2009	78	0	0	0	0	100	73	48	19	7
August 2010	55	0	0	0	0	100	65	37	9	0
August 2011	31	0	0	0	0	100	57	27	2	0
August 2012	6	0	0	0	0	100	49	19	0	0
August 2013	0	0	0	0	0	97	42	13	0	0
August 2014	0	0	0	0	0	93	36	7	0	0
August 2015	0	0	0	0	0	89	30	2	0	0
August 2016	0	0	0	0	0	85	24	0	0	0
August 2017	0	0	0	0	0	81	18	0	0	0
August 2018	0	0	0	0	0	76	13	0	0	0
August 2019	0	0	0	0	0	71	8	0	0	0
August 2020	0	0	0	0	0	66	4	0	0	0
August 2021	0	0	0	0	0	60	0	0	0	0
August 2022	0	0	0	0	0	54	0	0	0	0
August 2023	0	0	0	0	0	47	0	0	0	0
August 2024	0	0	0	0	0	40	0	0	0	0
August 2025	0	0	0	0	0	33	0	0	0	0
August 2026	0	0	0	0	0	25	0	0	0	0
August 2027	0	0	0	0	0	17	0	0	0	0
August 2028	0	0	0	0	0	9	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0
August 2034	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	6.2	1.6	1.1	1.0	0.8	18.0	8.4	5.3	3.4	2.7

Security Group 3 PSA Prepayment Assumption Rates					
Classes BO, SJ, SK, SL, SP, SU, SW and SX					
Distribution Date	0%	100%	225%	350%	450%
Initial Percent	100	100	100	100	100
August 2005	99	99	87	71	57
August 2006	99	99	59	12	0
August 2007	98	98	23	0	0
August 2008	97	97	0	0	0
August 2009	96	96	0	0	0
August 2010	95	95	0	0	0
August 2011	94	94	0	0	0
August 2012	93	93	0	0	0
August 2013	92	92	0	0	0
August 2014	91	87	0	0	0
August 2015	89	77	0	0	0
August 2016	88	65	0	0	0
August 2017	87	51	0	0	0
August 2018	85	37	0	0	0
August 2019	84	23	0	0	0
August 2020	82	8	0	0	0
August 2021	80	0	0	0	0
August 2022	78	0	0	0	0
August 2023	77	0	0	0	0
August 2024	75	0	0	0	0
August 2025	72	0	0	0	0
August 2026	70	0	0	0	0
August 2027	68	0	0	0	0
August 2028	50	0	0	0	0
August 2029	14	0	0	0	0
August 2030	0	0	0	0	0
August 2031	0	0	0	0	0
August 2032	0	0	0	0	0
August 2033	0	0	0	0	0
August 2034	0	0	0	0	0
Weighted Average Life (years)	21.0	12.6	2.2	1.3	1.1

## 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 2 and Group 3 Securities, the investor's own projection of principal payment rates on the Underlying Certificates 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 Principal Only Classes), slower than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.

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

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

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

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

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

The Mortgage Loans will not prepay at any constant rate until maturity, nor will all of the Mortgage Loans underlying 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 Inverse Floating Rate Classes*

High levels of LIBOR can reduce the yield of the Inverse Floating Rate Classes. In addition, the Inverse Floating Rate Classes may not benefit from particularly low 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 47 or 50 days earlier, as applicable.

### **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 DI to Prepayments Assumed Price 19.75%\*

PSA Prepayment Assumption Rates				
<u>100%</u>	<u>159%</u>	<u>220%</u>	<u>250%</u>	<u>450%</u>
27.0%	0.2%	(38.4)%	(38.4)%	(54.0)%

#### Sensitivity of Class IB to Prepayments Assumed Price 12.75%\*

PSA Prepayment Assumption Rates				
<u>100%</u>	<u>220%</u>	<u>250%</u>	<u>450%</u>	<u>483%</u>
13.6%	13.6%	13.6%	2.8%	0.1%

#### Sensitivity of Class IC to Prepayments Assumed Price 25.00%\*

PSA Prepayment Assumption Rates				
<u>100%</u>	<u>220%</u>	<u>250%</u>	<u>399%</u>	<u>450%</u>
11.7%	11.7%	11.7%	0.1%	(4.5)%

#### Sensitivity of Class ID to Prepayments Assumed Price 37.375%\*

PSA Prepayment Assumption Rates				
<u>100%</u>	<u>220%</u>	<u>250%</u>	<u>427%</u>	<u>450%</u>
9.3%	9.3%	9.3%	0.0%	(1.4)%

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



**Sensitivity of Class OB to Prepayments  
Assumed Price 90.25%**

<b>PSA Prepayment Assumption Rates</b>			
<u>100%</u>	<u>220%</u>	<u>250%</u>	<u>450%</u>
3.5%	3.5%	3.5%	4.2%

**Sensitivity of Class OC to Prepayments  
Assumed Price 77.0%**

<b>PSA Prepayment Assumption Rates</b>			
<u>100%</u>	<u>220%</u>	<u>250%</u>	<u>450%</u>
4.0%	4.0%	4.0%	6.4%

**Sensitivity of Class OD to Prepayments  
Assumed Price 59.0%**

<b>PSA Prepayment Assumption Rates</b>			
<u>100%</u>	<u>220%</u>	<u>250%</u>	<u>450%</u>
4.9%	4.9%	4.9%	8.3%

**SECURITY GROUP 3**

**Sensitivity of Class BO to Prepayments  
Assumed Price 80.0%**

<b>PSA Prepayment Assumption Rates</b>			
<u>100%</u>	<u>225%</u>	<u>350%</u>	<u>450%</u>
1.8%	10.6%	17.7%	22.6%

**Sensitivity of Class SJ to Prepayments  
Assumed Price 99.125%\***

<b>LIBOR</b>	<b>PSA Prepayment Assumption Rates</b>			
	<u>100%</u>	<u>225%</u>	<u>350%</u>	<u>450%</u>
0.6% .....	16.3%	16.6%	16.8%	16.9%
1.6% .....	13.7%	14.1%	14.3%	14.5%
4.6% .....	6.2%	6.7%	7.1%	7.4%
7.1% and above .....	0.1%	0.7%	1.2%	1.5%

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

**Sensitivity of Class SK to Prepayments**  
**Assumed Price 101.5%\***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>225%</u>	<u>350%</u>	<u>450%</u>
0.6% .....	18.2%	17.6%	17.0%	16.7%
1.6% .....	15.3%	14.7%	14.3%	14.0%
4.6% .....	6.8%	6.4%	6.1%	5.9%
7.1% and above .....	(0.1)%	(0.3)%	(0.5)%	(0.6)%

**Sensitivity of Class SL to Prepayments**  
**Assumed Price 99.5%\***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>225%</u>	<u>350%</u>	<u>450%</u>
6.00% and below .....	8.2%	8.4%	8.5%	8.6%
6.55% .....	4.1%	4.4%	4.6%	4.7%
7.10% and above .....	0.1%	0.4%	0.7%	0.9%

**Sensitivity of Class SP to Prepayments**  
**Assumed Price 99.0%\***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>225%</u>	<u>350%</u>	<u>450%</u>
0.6% .....	20.3%	20.6%	20.9%	21.1%
1.6% .....	16.5%	16.9%	17.2%	17.4%
4.6% .....	5.2%	5.9%	6.3%	6.7%
6.0% and above .....	0.2%	0.9%	1.4%	1.8%

**Sensitivity of Class SU to Prepayments**  
**Assumed Price 6.0%\***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>225%</u>	<u>350%</u>	<u>450%</u>
0.60% .....	106.4%	69.5%	23.7%	(7.7)%
1.60% .....	84.4%	44.5%	(1.9)%	(32.4)%
4.60% .....	22.8%	(37.8)%	(86.5)%	**
6.00% 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 SW to Prepayments**  
**Assumed Price 2.5%\***

<b>LIBOR</b>	<b>PSA Prepayment Assumption Rates</b>			
	<b>100%</b>	<b>225%</b>	<b>350%</b>	<b>450%</b>
6.00% and below . . . .	47.0%	(2.2)%	(50.1)%	(78.3)%
6.55% . . . . .	20.7%	(41.3)%	(90.1)%	**
7.10% and above . . . .	**	**	**	**

**Sensitivity of Class SX to Prepayments**  
**Assumed Price 8.5%\***

<b>LIBOR</b>	<b>PSA Prepayment Assumption Rates</b>			
	<b>100%</b>	<b>225%</b>	<b>350%</b>	<b>450%</b>
0.6% . . . . .	88.0%	48.7%	2.3%	(28.3)%
1.6% . . . . .	73.0%	31.0%	(15.9)%	(45.8)%
4.6% . . . . .	30.1%	(26.4)%	(74.9)%	**
7.1% and above . . . .	**	**	**	**

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

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

**CERTAIN FEDERAL INCOME TAX CONSEQUENCES**

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

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

**REMIC Elections**

In the opinion of Kennedy Covington Lobdell & Hickman, L.L.P., 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 BO, OB, OC and OD Securities are Principal Only Securities. Principal Only Securities are treated for federal income tax purposes as having been issued with an amount of original issue discount (“OID”) equal to the difference between their principal balance and their issue price.

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

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

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

Prospective investors in the Regular Securities should be aware, however, that the foregoing expectations about OID could change because of differences (1) between anticipated purchase prices and actual purchase prices or (2) between the assumed characteristics of the Trust Assets and the characteristics of the Trust Assets actually delivered to the Trust. The prepayment assumption that should be used in determining the rates of accrual of OID, if any, on the Regular Securities is 220% PSA in the case of the Group 1 Securities, 240% PSA in the case of the Group 2 Securities and 225% PSA in the case of the Group 3 Securities (as described in “Yield, Maturity and Prepayment Considerations” in this Supplement). In the case of the Inverse Floating Rate Classes, the constant value of LIBOR to be used for these determinations is 1.60%. 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.

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 outstanding regular interests in the respective Trust REMICs. Thus, Residual Holders will have taxable income attributable to the Residual Securities even though they will not receive principal or interest distributions with respect to the Residual Securities, which

could result in a negative after-tax return for the Residual Holders. It is not expected that the Pooling REMIC will have a substantial amount of taxable income or loss in any period. However, even though the Holders of the Class RR Securities are not entitled to any stated principal or interest payments on the Class RR Securities, the Issuing REMIC may have substantial taxable income in certain periods, and offsetting tax losses may not occur until much later periods. Accordingly, a Holder of the Class RR Securities may experience substantial adverse tax timing consequences. Prospective investors are urged to consult their own tax advisors and consider the after-tax effect of ownership of the Residual Securities and the suitability of the Residual Securities to their investment objectives.

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

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

### **MX Securities**

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

### **ERISA MATTERS**

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

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

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

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

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

## LEGAL INVESTMENT CONSIDERATIONS

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

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

*See "Legal Investment Considerations" in the Base Offering Circular.*

## PLAN OF DISTRIBUTION

Subject to the terms and conditions of the Sponsor Agreement, the Sponsor has agreed to purchase all of the Securities if any are sold and purchased. The Sponsor proposes to offer each Class to the public from time to time for sale in negotiated transactions at varying prices to be determined at the time of sale, plus accrued interest, if any, from (1) August 1, 2004 on the Fixed Rate Classes and (2) August 20, 2004 on the 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) the Scheduled Principal Balances and 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, New York and the Law Offices of Joseph C. Reid, P.A., New York, New York, for the Trust by Kennedy Covington Lobdell & Hickman, L.L.P., Charlotte, North Carolina, and for the Trustee by Nixon Peabody LLP, Boston, Massachusetts.

**Schedule I**

**Available Combinations(1)**

REMIC Securities		MX Securities						
Class	Original Class Principal Balance or Class Notional Balance	Related MX Class	Maximum Original Class Principal Balance or Class Notional Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
<b>Security Group 1</b>								
Combination 1								
IB	\$16,252,364	HA	\$29,796,000	PAC	3.00%	FIX	38374HST8	April 2028
OB	29,796,000							
Combination 2								
IB	\$17,606,728	HB	\$29,796,000	PAC	3.25%	FIX	38374HSU5	April 2028
OB	29,796,000							
Combination 3								
IB	\$18,961,091	HC	\$29,796,000	PAC	3.50%	FIX	38374HSV3	April 2028
OB	29,796,000							
Combination 4								
IB	\$20,315,455	HD	\$29,796,000	PAC	3.75%	FIX	38374HSW1	April 2028
OB	29,796,000							
Combination 5								
IB	\$21,669,819	HE	\$29,796,000	PAC	4.00%	FIX	38374HSX9	April 2028
OB	29,796,000							
Combination 6								
IB	\$23,024,182	HG	\$29,796,000	PAC	4.25%	FIX	38374HSY7	April 2028
OB	29,796,000							
Combination 7								
IB	\$24,378,546	HJ	\$29,796,000	PAC	4.50%	FIX	38374HSZ4	April 2028
OB	29,796,000							
Combination 8								
IB	\$25,732,910	HK	\$29,796,000	PAC	4.75%	FIX	38374HTA8	April 2028
OB	29,796,000							

REMIC Securities

MX Securities

Class	Original Class Principal Balance or Class Notional Balance		Related MX Class	Maximum Original Class Principal Balance or Class Notional Balance(2)		Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
	Principal Balance	Notional Balance		Principal Balance	Notional Balance					
Combination 9										
IB	\$27,087,273		HL	\$29,796,000		PAC	5.00%	FIX	38374HTB6	April 2028
OB	29,796,000									
Combination 10										
IB	\$28,441,637		HM	\$29,796,000		PAC	5.25%	FIX	38374HTC4	April 2028
OB	29,796,000									
Combination 11										
IB	\$29,796,000		HN	\$29,796,000		PAC	5.50%	FIX	38374HTD2	April 2028
OB	29,796,000									
Combination 12										
IC	\$ 8,933,091		JA	\$12,283,000		PAC	4.00%	FIX	38374HTE0	July 2030
OC	12,283,000									
Combination 13										
IC	\$ 9,491,410		JB	\$12,283,000		PAC	4.25%	FIX	38374HTF7	July 2030
OC	12,283,000									
Combination 14										
IC	\$10,049,728		JC	\$12,283,000		PAC	4.50%	FIX	38374HTG5	July 2030
OC	12,283,000									
Combination 15										
IC	\$10,608,046		JD	\$12,283,000		PAC	4.75%	FIX	38374HTH3	July 2030
OC	12,283,000									
Combination 16										
IC	\$11,166,364		JE	\$12,283,000		PAC	5.00%	FIX	38374HTJ9	July 2030
OC	12,283,000									
Combination 17										
IC	\$11,724,682		JG	\$12,283,000		PAC	5.25%	FIX	38374HTK6	July 2030
OC	12,283,000									
Combination 18										
IC	\$12,283,000		JH	\$12,283,000		PAC	5.50%	FIX	38374HTL4	July 2030
OC	12,283,000									



REMIC Securities

MX Securities

Class	Original Class Principal Balance or Class Notional Balance		Related MX Class	Maximum Original Class Principal Balance or Class Notional Balance(2)		Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
	Notional Balance	Principal Balance		Principal Balance	Balance(2)					
Combination 19										
ID	\$18,800,182	\$18,800,182	KA	\$22,978,000	PAC	4.50%	FIX	38374HTM2	December 2033	
OD	22,978,000	22,978,000								
Combination 20										
ID	\$19,844,637	\$19,844,637	KB	\$22,978,000	PAC	4.75%	FIX	38374HTN0	December 2033	
OD	22,978,000	22,978,000								
Combination 21										
ID	\$20,889,091	\$20,889,091	KC	\$22,978,000	PAC	5.00%	FIX	38374HTP5	December 2033	
OD	22,978,000	22,978,000								
Combination 22										
ID	\$21,933,546	\$21,933,546	KD	\$22,978,000	PAC	5.25%	FIX	38374HTQ3	December 2033	
OD	22,978,000	22,978,000								
Combination 23										
ID	\$22,978,000	\$22,978,000	KE	\$22,978,000	PAC	5.50%	FIX	38374HTR1	December 2033	
OD	22,978,000	22,978,000								
<b>Security Group 3</b>										
Combination 24										
SU	\$25,991,555	\$25,991,555	SX	\$25,991,555	NTL (SC/PT)	(6)	INV/IO	38374HTS9	November 2030	
SW	25,991,555	25,991,555								
Combination 25										
BO	\$ 6,332,488	\$ 6,332,488	SP	\$ 6,332,488	SC/PT	(6)	INV	38374HTT7	November 2030	
SU	22,683,539	22,683,539								
Combination 26										
BO	\$ 3,118,987	\$ 3,118,987	SL	\$ 3,118,987	SC/PT	(6)	INV	38374HTU4	November 2030	
SW	22,683,542	22,683,542								
Combination 27										
BO	\$ 9,451,475	\$ 9,451,475	SJ	\$ 9,451,475	SC/PT	(6)	INV	38374HTV2	November 2030	
SX(5)	22,683,540	22,683,540								

REMIC Securities

MX Securities

Class	Original Class Principal Balance or Class Notional Balance		Related MX Class	Maximum Original Class Principal Balance or Class Notional Balance(2)		Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
	Notional Balance	Principal Balance		Principal Balance	Balance(2)					
Combination 28										
BO	\$ 9,451,475	\$ 9,451,475	SK	\$ 9,451,475	SC/PT	(6)	INV	38374HTW0	November 2030	
SX(5)	25,991,555									

(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) MX Class.

(6) The Interest Rate will be calculated as described under “Terms Sheet — Interest Rates” in this Supplement.

**Schedule II**

**SCHEDULED PRINCIPAL BALANCES**

<u>Distribution Date</u>	<u>Class DL</u>	<u>Classes OB, OC, OD and PD (in the aggregate)</u>
Initial Balance .....	\$7,000,000.00	\$70,675,000.00
September 2004 .....	6,868,826.56	70,675,000.00
October 2004 .....	6,721,108.05	70,675,000.00
November 2004 .....	6,556,930.92	70,675,000.00
December 2004 .....	6,487,990.69	70,435,893.53
January 2005 .....	6,410,669.86	70,179,963.49
February 2005 .....	6,325,064.03	69,907,304.72
March 2005 .....	6,231,282.31	69,618,020.74
April 2005 .....	6,129,447.21	69,312,223.73
May 2005 .....	6,019,694.48	68,990,034.48
June 2005 .....	5,902,172.92	68,651,582.30
July 2005 .....	5,777,044.19	68,297,004.91
August 2005 .....	5,644,482.55	67,926,448.40
September 2005 .....	5,504,674.60	67,540,067.14
October 2005 .....	5,357,818.97	67,138,023.63
November 2005 .....	5,204,126.04	66,720,488.42
December 2005 .....	5,043,817.52	66,287,640.00
January 2006 .....	4,877,126.18	65,839,664.65
February 2006 .....	4,704,295.35	65,376,756.36
March 2006 .....	4,525,578.55	64,899,116.63
April 2006 .....	4,341,239.06	64,406,954.37
May 2006 .....	4,151,549.42	63,900,485.73
June 2006 .....	3,956,790.95	63,379,933.97
July 2006 .....	3,757,253.27	62,845,529.25
August 2006 .....	3,553,233.74	62,297,508.50
September 2006 .....	3,345,036.93	61,736,115.25
October 2006 .....	3,132,974.05	61,161,599.41
November 2006 .....	2,925,172.20	60,590,065.83
December 2006 .....	2,721,573.61	60,021,499.17
January 2007 .....	2,522,121.19	59,455,884.16
February 2007 .....	2,326,758.57	58,893,205.60
March 2007 .....	2,135,430.03	58,333,448.40
April 2007 .....	1,948,080.55	57,776,597.52
May 2007 .....	1,764,655.76	57,222,638.00
June 2007 .....	1,585,101.97	56,671,554.98
July 2007 .....	1,409,366.14	56,123,333.64

<u>Distribution Date</u>	<u>Class DL</u>	<u>Classes OB, OC, OD and PD (in the aggregate)</u>
August 2007 .....	\$1,237,395.84	\$55,577,959.27
September 2007 .....	1,069,139.33	55,035,417.21
October 2007 .....	904,545.46	54,495,692.90
November 2007 .....	743,563.73	53,958,771.82
December 2007 .....	586,144.22	53,424,639.57
January 2008 .....	432,237.67	52,893,281.78
February 2008 .....	281,795.36	52,364,684.19
March 2008 .....	134,769.21	51,838,832.59
April 2008 .....	0.00	51,315,712.85
May 2008 .....	0.00	50,795,310.91
June 2008 .....	0.00	50,277,612.80
July 2008 .....	0.00	49,762,604.58
August 2008 .....	0.00	49,250,272.44
September 2008 .....	0.00	48,740,602.59
October 2008 .....	0.00	48,233,581.34
November 2008 .....	0.00	47,729,195.05
December 2008 .....	0.00	47,227,430.18
January 2009 .....	0.00	46,728,273.22
February 2009 .....	0.00	46,231,710.77
March 2009 .....	0.00	45,737,729.47
April 2009 .....	0.00	45,246,316.03
May 2009 .....	0.00	44,757,457.25
June 2009 .....	0.00	44,271,139.99
July 2009 .....	0.00	43,787,351.15
August 2009 .....	0.00	43,306,077.73
September 2009 .....	0.00	42,827,306.80
October 2009 .....	0.00	42,351,025.46
November 2009 .....	0.00	41,877,220.91
December 2009 .....	0.00	41,405,880.41
January 2010 .....	0.00	40,936,991.27
February 2010 .....	0.00	40,470,540.89
March 2010 .....	0.00	40,006,516.70
April 2010 .....	0.00	39,544,906.23
May 2010 .....	0.00	39,085,697.06
June 2010 .....	0.00	38,628,876.83
July 2010 .....	0.00	38,174,433.24
August 2010 .....	0.00	37,722,354.07
September 2010 .....	0.00	37,272,627.15
October 2010 .....	0.00	36,825,240.38
November 2010 .....	0.00	36,380,181.70

<u>Distribution Date</u>	<u>Class DL</u>	<u>Classes OB, OC, OD and PD (in the aggregate)</u>
December 2010 .....	0.00	\$35,937,439.15
January 2011 .....	0.00	35,497,000.80
February 2011 .....	0.00	35,058,854.80
March 2011 .....	0.00	34,622,989.34
April 2011 .....	0.00	34,189,392.70
May 2011 .....	0.00	33,758,053.20
June 2011 .....	0.00	33,328,959.23
July 2011 .....	0.00	32,902,099.22
August 2011 .....	0.00	32,477,461.68
September 2011 .....	0.00	32,055,035.17
October 2011 .....	0.00	31,634,808.32
November 2011 .....	0.00	31,216,769.81
December 2011 .....	0.00	30,800,908.38
January 2012 .....	0.00	30,387,212.81
February 2012 .....	0.00	29,975,671.97
March 2012 .....	0.00	29,566,274.77
April 2012 .....	0.00	29,159,010.17
May 2012 .....	0.00	28,753,867.21
June 2012 .....	0.00	28,350,834.95
July 2012 .....	0.00	27,949,902.55
August 2012 .....	0.00	27,551,059.19
September 2012 .....	0.00	27,154,294.12
October 2012 .....	0.00	26,759,596.65
November 2012 .....	0.00	26,366,956.14
December 2012 .....	0.00	25,976,361.99
January 2013 .....	0.00	25,587,803.69
February 2013 .....	0.00	25,201,270.75
March 2013 .....	0.00	24,816,752.75
April 2013 .....	0.00	24,434,239.32
May 2013 .....	0.00	24,056,653.05
June 2013 .....	0.00	23,684,566.49
July 2013 .....	0.00	23,317,902.03
August 2013 .....	0.00	22,956,583.16
September 2013 .....	0.00	22,600,534.40
October 2013 .....	0.00	22,249,681.35
November 2013 .....	0.00	21,903,950.61
December 2013 .....	0.00	21,563,269.82
January 2014 .....	0.00	21,227,567.61
February 2014 .....	0.00	20,896,773.61
March 2014 .....	0.00	20,570,818.42

<u>Distribution Date</u>	<u>Class DL</u>	<u>Classes OB, OC, OD and PD (in the aggregate)</u>
April 2014 .....	0.00	\$20,249,633.60
May 2014 .....	0.00	19,933,151.65
June 2014 .....	0.00	19,621,306.04
July 2014 .....	0.00	19,314,031.13
August 2014 .....	0.00	19,011,262.21
September 2014 .....	0.00	18,712,935.45
October 2014 .....	0.00	18,418,987.93
November 2014 .....	0.00	18,129,357.59
December 2014 .....	0.00	17,843,983.22
January 2015 .....	0.00	17,562,804.49
February 2015 .....	0.00	17,285,761.88
March 2015 .....	0.00	17,012,796.71
April 2015 .....	0.00	16,743,851.11
May 2015 .....	0.00	16,478,868.04
June 2015 .....	0.00	16,217,791.21
July 2015 .....	0.00	15,960,565.14
August 2015 .....	0.00	15,707,135.12
September 2015 .....	0.00	15,457,447.19
October 2015 .....	0.00	15,211,448.15
November 2015 .....	0.00	14,969,085.54
December 2015 .....	0.00	14,730,307.63
January 2016 .....	0.00	14,495,063.40
February 2016 .....	0.00	14,263,302.56
March 2016 .....	0.00	14,034,975.50
April 2016 .....	0.00	13,810,033.32
May 2016 .....	0.00	13,588,427.77
June 2016 .....	0.00	13,370,111.31
July 2016 .....	0.00	13,155,037.05
August 2016 .....	0.00	12,943,158.73
September 2016 .....	0.00	12,734,430.77
October 2016 .....	0.00	12,528,808.20
November 2016 .....	0.00	12,326,246.70
December 2016 .....	0.00	12,126,702.54
January 2017 .....	0.00	11,930,132.62
February 2017 .....	0.00	11,736,494.44
March 2017 .....	0.00	11,545,746.08
April 2017 .....	0.00	11,357,846.23
May 2017 .....	0.00	11,172,754.13
June 2017 .....	0.00	10,990,429.60
July 2017 .....	0.00	10,810,833.03

<u>Distribution Date</u>	<u>Class DL</u>	<u>Classes OB, OC, OD and PD (in the aggregate)</u>
August 2017 .....	0.00	\$10,633,925.36
September 2017 .....	0.00	10,459,668.05
October 2017 .....	0.00	10,288,023.14
November 2017 .....	0.00	10,118,953.17
December 2017 .....	0.00	9,952,421.21
January 2018 .....	0.00	9,788,390.86
February 2018 .....	0.00	9,626,826.23
March 2018 .....	0.00	9,467,691.90
April 2018 .....	0.00	9,310,952.97
May 2018 .....	0.00	9,156,575.04
June 2018 .....	0.00	9,004,524.17
July 2018 .....	0.00	8,854,766.91
August 2018 .....	0.00	8,707,270.26
September 2018 .....	0.00	8,562,001.69
October 2018 .....	0.00	8,418,929.15
November 2018 .....	0.00	8,278,021.00
December 2018 .....	0.00	8,139,246.07
January 2019 .....	0.00	8,002,573.62
February 2019 .....	0.00	7,867,973.34
March 2019 .....	0.00	7,735,415.34
April 2019 .....	0.00	7,604,870.16
May 2019 .....	0.00	7,476,308.75
June 2019 .....	0.00	7,349,702.46
July 2019 .....	0.00	7,225,023.06
August 2019 .....	0.00	7,102,242.68
September 2019 .....	0.00	6,981,333.90
October 2019 .....	0.00	6,862,269.62
November 2019 .....	0.00	6,745,023.17
December 2019 .....	0.00	6,629,568.24
January 2020 .....	0.00	6,515,878.87
February 2020 .....	0.00	6,403,929.50
March 2020 .....	0.00	6,293,694.91
April 2020 .....	0.00	6,185,150.22
May 2020 .....	0.00	6,078,270.93
June 2020 .....	0.00	5,973,032.87
July 2020 .....	0.00	5,869,412.21
August 2020 .....	0.00	5,767,385.47
September 2020 .....	0.00	5,666,929.46
October 2020 .....	0.00	5,568,021.37
November 2020 .....	0.00	5,470,638.68

<u>Distribution Date</u>	<u>Class DL</u>	<u>Classes OB, OC, OD and PD (in the aggregate)</u>
December 2020 .....	\$ 0.00	\$ 5,374,759.19
January 2021 .....	0.00	5,280,361.03
February 2021 .....	0.00	5,187,422.60
March 2021 .....	0.00	5,095,922.66
April 2021 .....	0.00	5,005,840.21
May 2021 .....	0.00	4,917,154.61
June 2021 .....	0.00	4,829,845.45
July 2021 .....	0.00	4,743,892.65
August 2021 .....	0.00	4,659,276.39
September 2021 .....	0.00	4,575,977.15
October 2021 .....	0.00	4,493,975.67
November 2021 .....	0.00	4,413,252.98
December 2021 .....	0.00	4,333,790.35
January 2022 .....	0.00	4,255,569.34
February 2022 .....	0.00	4,178,571.76
March 2022 .....	0.00	4,102,779.68
April 2022 .....	0.00	4,028,175.43
May 2022 .....	0.00	3,954,741.57
June 2022 .....	0.00	3,882,460.93
July 2022 .....	0.00	3,811,316.58
August 2022 .....	0.00	3,741,291.82
September 2022 .....	0.00	3,672,370.18
October 2022 .....	0.00	3,604,535.45
November 2022 .....	0.00	3,537,771.63
December 2022 .....	0.00	3,472,062.95
January 2023 .....	0.00	3,407,393.86
February 2023 .....	0.00	3,343,749.05
March 2023 .....	0.00	3,281,113.40
April 2023 .....	0.00	3,219,472.03
May 2023 .....	0.00	3,158,810.25
June 2023 .....	0.00	3,099,113.60
July 2023 .....	0.00	3,040,367.81
August 2023 .....	0.00	2,982,558.81
September 2023 .....	0.00	2,925,672.74
October 2023 .....	0.00	2,869,695.95
November 2023 .....	0.00	2,814,614.95
December 2023 .....	0.00	2,760,416.47
January 2024 .....	0.00	2,707,087.43
February 2024 .....	0.00	2,654,614.91
March 2024 .....	0.00	2,602,986.20



<u>Distribution Date</u>	<u>Class DL</u>	<u>Classes OB, OC, OD and PD (in the aggregate)</u>
April 2024 .....	0.00	\$ 2,552,188.76
May 2024 .....	0.00	2,502,210.24
June 2024 .....	0.00	2,453,038.44
July 2024 .....	0.00	2,404,661.37
August 2024 .....	0.00	2,357,067.18
September 2024 .....	0.00	2,310,244.22
October 2024 .....	0.00	2,264,180.96
November 2024 .....	0.00	2,218,866.09
December 2024 .....	0.00	2,174,288.43
January 2025 .....	0.00	2,130,436.95
February 2025 .....	0.00	2,087,300.81
March 2025 .....	0.00	2,044,869.30
April 2025 .....	0.00	2,003,131.88
May 2025 .....	0.00	1,962,078.14
June 2025 .....	0.00	1,921,697.84
July 2025 .....	0.00	1,881,980.88
August 2025 .....	0.00	1,842,917.30
September 2025 .....	0.00	1,804,497.28
October 2025 .....	0.00	1,766,711.16
November 2025 .....	0.00	1,729,549.40
December 2025 .....	0.00	1,693,002.60
January 2026 .....	0.00	1,657,061.50
February 2026 .....	0.00	1,621,716.97
March 2026 .....	0.00	1,586,960.01
April 2026 .....	0.00	1,552,781.76
May 2026 .....	0.00	1,519,173.47
June 2026 .....	0.00	1,486,126.54
July 2026 .....	0.00	1,453,632.46
August 2026 .....	0.00	1,421,682.87
September 2026 .....	0.00	1,390,269.52
October 2026 .....	0.00	1,359,384.28
November 2026 .....	0.00	1,329,019.15
December 2026 .....	0.00	1,299,166.22
January 2027 .....	0.00	1,269,817.71
February 2027 .....	0.00	1,240,965.95
March 2027 .....	0.00	1,212,603.38
April 2027 .....	0.00	1,184,722.56
May 2027 .....	0.00	1,157,316.13
June 2027 .....	0.00	1,130,376.87
July 2027 .....	0.00	1,103,897.64

<u>Distribution Date</u>	<u>Class DL</u>	<u>Classes OB, OC, OD and PD (in the aggregate)</u>
August 2027 .....	\$ 0.00	\$ 1,077,871.42
September 2027 .....	0.00	1,052,291.27
October 2027 .....	0.00	1,027,150.38
November 2027 .....	0.00	1,002,442.01
December 2027 .....	0.00	978,159.53
January 2028 .....	0.00	954,296.42
February 2028 .....	0.00	930,846.22
March 2028 .....	0.00	907,802.61
April 2028 .....	0.00	885,159.32
May 2028 .....	0.00	862,910.19
June 2028 .....	0.00	841,049.15
July 2028 .....	0.00	819,570.21
August 2028 .....	0.00	798,467.49
September 2028 .....	0.00	777,735.16
October 2028 .....	0.00	757,367.50
November 2028 .....	0.00	737,358.86
December 2028 .....	0.00	717,703.69
January 2029 .....	0.00	698,396.51
February 2029 .....	0.00	679,431.91
March 2029 .....	0.00	660,804.57
April 2029 .....	0.00	642,509.26
May 2029 .....	0.00	624,540.79
June 2029 .....	0.00	606,894.09
July 2029 .....	0.00	589,564.14
August 2029 .....	0.00	572,545.99
September 2029 .....	0.00	555,834.77
October 2029 .....	0.00	539,425.67
November 2029 .....	0.00	523,313.99
December 2029 .....	0.00	507,495.04
January 2030 .....	0.00	491,964.24
February 2030 .....	0.00	476,717.07
March 2030 .....	0.00	461,749.06
April 2030 .....	0.00	447,055.83
May 2030 .....	0.00	432,633.05
June 2030 .....	0.00	418,476.45
July 2030 .....	0.00	404,581.83
August 2030 .....	0.00	390,945.06
September 2030 .....	0.00	377,562.04
October 2030 .....	0.00	364,428.78
November 2030 .....	0.00	351,541.30

<u>Distribution Date</u>	<u>Class DL</u>	<u>Classes OB, OC, OD and PD (in the aggregate)</u>
December 2030 .....	\$ 0.00	\$ 338,895.70
January 2031 .....	0.00	326,488.15
February 2031 .....	0.00	314,314.85
March 2031 .....	0.00	302,372.07
April 2031 .....	0.00	290,656.15
May 2031 .....	0.00	279,163.45
June 2031 .....	0.00	267,890.42
July 2031 .....	0.00	256,833.53
August 2031 .....	0.00	245,989.32
September 2031 .....	0.00	235,354.39
October 2031 .....	0.00	224,925.38
November 2031 .....	0.00	214,698.96
December 2031 .....	0.00	204,671.89
January 2032 .....	0.00	194,840.94
February 2032 .....	0.00	185,202.95
March 2032 .....	0.00	175,754.82
April 2032 .....	0.00	166,493.45
May 2032 .....	0.00	157,415.83
June 2032 .....	0.00	148,518.98
July 2032 .....	0.00	139,799.96
August 2032 .....	0.00	131,255.88
September 2032 .....	0.00	122,883.89
October 2032 .....	0.00	114,681.18
November 2032 .....	0.00	106,644.99
December 2032 .....	0.00	98,772.59
January 2033 .....	0.00	91,061.31
February 2033 .....	0.00	83,508.49
March 2033 .....	0.00	76,111.55
April 2033 .....	0.00	68,867.91
May 2033 .....	0.00	61,775.04
June 2033 .....	0.00	54,830.47
July 2033 .....	0.00	48,031.75
August 2033 .....	0.00	41,376.45
September 2033 .....	0.00	34,862.21
October 2033 .....	0.00	28,486.67
November 2033 .....	0.00	22,247.55
December 2033 .....	0.00	16,142.56
January 2034 .....	0.00	10,169.48
February 2034 .....	0.00	4,326.09
March 2034 and thereafter .....	0.00	0.00

**Exhibit A**

**Underlying Certificates**

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 Remaining Maturity of Mortgage Loans (in months)	Approximate Weighted Average Loan Age of Mortgage Loans (in months)	Ginnie Mae
2	Ginnie Mae	2003-026	PB	4/30/2003	3837583D7	4.75%	FIX	January 2032	PAC	\$524,717,000	1.000000000%	\$100,000,000	19.0578921590%	6.000%	338	16	I
3	Ginnie Mae	2004-038	SG	5/28/2004	38374GRR5	(3)	INV	November 2030	SUP/AD	10,924,613	0.96942056	9,451,475	89.2444702618	5.869	352	4	II

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

(2) Underlying Certificate Factors are as of August 2004.

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

**Cover Pages and Terms Sheets  
from Underlying Certificate Disclosure Documents**

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



**\$1,478,100,000**

**Government National Mortgage Association  
GINNIE MAE®**

**Guaranteed REMIC Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2003-026**

**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-10 which highlights some of these risks.**

**The Securities**

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

**The Ginnie Mae Guaranty**

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

**The Trust and its Assets**

The Trust will own Ginnie Mae Certificates and 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 April 30, 2003.

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

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

**BANC OF AMERICA SECURITIES LLC**

**ORMES CAPITAL MARKETS, INC.**

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

### Ginnie Mae REMIC Trust 2003-026

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>
<b>Security Group 1</b>						
A .....	\$ 31,700,000	5.00%	SEQ	FIX	April 2033	38373SZ75
F .....	73,937,500	(5)	SEQ	FLT	April 2030	38373SZ83
S.....	44,362,500	(5)	SEQ	INV	April 2030	38373SZ91
<b>Security Group 2</b>						
FG .....	33,557,857	(5)	SUP	FLT/DLY	April 2033	38373S2A4
IJ(1) .....	44,758,000	5.50	NTL (PAC)	FIX/IO	March 2026	38373S2B2
IK(1) .....	44,143,227	5.50	NTL (PAC)	FIX/IO	January 2032	38373S2C0
IP .....	6,849,681	5.50	NTL (PAC)	FIX/IO	January 2032	38373S2D8
JA .....	29,214,000	5.50	SUP	FIX	November 2030	38373S2E6
JB.....	5,761,000	5.50	SUP	FIX	February 2031	38373S2F3
JC.....	19,062,000	5.50	SUP	FIX	December 2031	38373S2G1
JD .....	32,286,000	5.50	SUP	FIX	April 2033	38373S2H9
JE .....	3,886,000	4.00	SCH	FIX	February 2033	38373S 2J 5
JH .....	4,678,000	5.50	SCH	FIX	April 2033	38373S2K2
JK.....	1,227,000	5.50	SCH	FIX	April 2033	38373S2L0
JL .....	1,665,429	5.00	SCH	FIX	February 2033	38373S2M8
JM .....	2,220,571	8.50	SCH	FIX	February 2033	38373S2N6
LA .....	1,750,000	5.50	SCH	FIX	April 2031	38373S2P1
LB .....	6,346,000	5.50	SCH	FIX	January 2032	38373S2Q9
LC .....	12,673,000	5.50	SCH	FIX	April 2033	38373S2R7
LD .....	12,594,000	5.50	SUP	FIX	August 2032	38373S2S5
LE .....	1,920,000	5.50	SUP	FIX	November 2032	38373S2T3
LG .....	4,717,000	5.50	SUP	FIX	April 2033	38373S2U0
LJ .....	5,607,000	5.00	SCH	FIX	February 2033	38373S2V8
LK .....	5,607,000	6.00	SCH	FIX	February 2033	38373S2W6
LN .....	8,120,000	5.50	SCH	FIX	April 2033	38373S2X4
LT .....	33,000,000	5.50	TAC	FIX	December 2031	38373S2Y2
LU .....	5,527,000	5.50	TAC	FIX	February 2032	38373S2Z9
LV .....	17,239,000	5.50	TAC	FIX	August 2032	38373S3A3
LW.....	23,550,000	5.50	TAC	FIX	April 2033	38373S3B1
PA .....	95,419,000	4.50	PAC	FIX	April 2021	38373S3C9
PB .....	524,717,000	4.75	PAC	FIX	January 2032	38373S3D7
PC .....	99,273,000	5.50	PAC	FIX	April 2033	38373S3E5
PD .....	50,231,000	4.75	PAC	FIX	January 2032	38373S3F2
PM .....	4,976,000	5.50	SCH	FIX	January 2032	38373S3G0
PN .....	9,382,000	5.50	SCH	FIX	April 2033	38373S3H8
PT .....	8,805,000	5.50	SUP	FIX	May 2032	38373S3J4
PU .....	1,612,000	5.50	SUP	FIX	August 2032	38373S3K1
PV .....	1,932,000	5.50	SUP	FIX	November 2032	38373S3L9
PW.....	3,293,000	5.50	SUP	FIX	April 2033	38373S3M7
SG .....	9,152,143	(5)	SUP	INV/DLY	April 2033	38373S3N5

<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>
<b>Security Group 3</b>						
FB .....	\$184,000,000	(5)	PT	FLT	April 2033	38373S3P0
ST .....	184,000,000	(5)	NTL (PT)	FLT/IO	April 2033	38373S3Q8
SX .....	46,000,000	(5)	PT	INV	April 2033	38373S3R6
YA(1) .....	50,600,000	(5)	NTL (PT)	INV/IO	September 2024	38373S3S4
YB(1) .....	50,600,000	(5)	NTL (PT)	INV/IO	April 2033	38373S3T2
<b>Security Group 4</b>						
MA .....	11,915,000	5.50%	SC/SEQ	FIX	March 2033	38373S3U9
MB .....	5,185,000	5.50	SC/SEQ	FIX	March 2033	38373S3V7
<b>Residual</b>						
RR .....	0	0.00	NPR	NPR	April 2033	38373S3W5

- (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:** Banc of America Securities LLC

**Trustee:** Deutsche Bank Trust Company Americas

**Tax Administrator:** The Trustee

**Closing Date:** April 30, 2003

**Distribution Dates:** For Group 2 and Group 3 Securities, the 16th day of each month or, if the 16th day is not a Business Day, the first Business Day thereafter, commencing in May 2003. For Group 1 and Group 4 Securities, the 20th day of each month or, if the 20th day is not a Business Day, the first Business Day thereafter, commencing in May 2003.

### Trust Assets:

<u>Trust Asset Group</u>	<u>Trust Asset Type</u>	<u>Certificate Rate</u>	<u>Original Term To Maturity (in years)</u>
1	Ginnie Mae II	5.0%	30
2	Ginnie Mae I	5.5%	30
3	Ginnie Mae I	6.0%	30
4	Underlying Certificate	(1)	(1)

<sup>(1)</sup> 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 Trust Assets<sup>1</sup>:**

<u>Principal Balance<sup>2</sup></u>	<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Weighted Average Mortgage Rate<sup>3</sup></u>
<b>Group 1 Trust Assets</b>			
\$ 150,000,000	359	1	5.8%
<b>Group 2 Trust Assets</b>			
\$1,081,000,000	357	2	6.0%
<b>Group 3 Trust Assets</b>			
\$ 230,000,000	234	112	6.5%

<sup>1</sup> As of April 1, 2003.

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

<sup>3</sup> The Mortgage Loans underlying the Group 1 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, in the case of the Group 1 Trust Assets, Mortgage Rates of many of the Mortgage Loans underlying the Trust Assets will differ from the weighted averages shown above, perhaps significantly. See *“The Trust Assets — The Mortgage Loans”* in this Supplement. 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 an 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>
F.....	LIBOR + 0.30%	1.625%	0.30%	8.0000000%	0	0.00%
FB.....	LIBOR + 0.45%	1.720%	0.45%	7.0000000%	0	0.00%
FG.....	LIBOR + 1.53%	2.830%	1.53%	7.0000000%	15	0.00%
S.....	12.8333333% - (LIBOR × 1.6666667)	10.625%	0.00%	12.8333333%	0	7.70%
SG.....	20.0566667% - (LIBOR × 3.6666667)	15.290%	0.00%	20.0566667%	15	5.47%
ST.....	LIBOR - 6.55%	0.000%	0.00%	0.5000000%	0	6.55%
SX.....	12.690% - (LIBOR × 1.80)	10.404%	0.00%	12.6900000%	0	7.05%
SY.....	7.05% - LIBOR	5.780%	0.00%	7.0500000%	0	7.05%
YA.....	7.05% - LIBOR	5.780%	0.00%	7.0500000%	0	7.05%
YB.....	7.05% - LIBOR	5.780%	0.00%	7.0500000%	0	7.05%

(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**

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 as follows:

1. Concurrently, to F and S, pro rata, until retired
2. To A, until retired

#### **Security Group 2**

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

1. To the PAC Classes, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date, as follows:
  - a. 92.5069402283% sequentially, to PA and PB, in that order, until retired
  - b. 7.4930597717% to PD, until retired
  - c. To PC, until retired
2. Concurrently:
  - a. 9.6351490236% as follows:
    - i. Sequentially, to PM and PN, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
    - ii. Sequentially, to PT, PU, PV and PW, in that order, until retired

- iii. Sequentially, to PM and PN, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired
  - b. 32.1171634121% as follows:
    - i. To JE, JH, JK, JL and JM, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date, as follows:
      - (1) Concurrently, to JE, JL and JM, pro rata, until retired
      - (2) Sequentially, to JH and JK, in that order, until retired
    - ii. Sequentially, to JA, JB, JC, JD, in that order, until retired
    - iii. To JE, JH, JK, JL and JM, in the manner and order of priority described in Step 2.b.i., but without regard to their Aggregate Scheduled Principal Balance, until retired
  - c. 12.8468653649% as follows:
    - i. Sequentially, to LA, LB and LC, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
    - ii. Sequentially, to LD, LE and LG, in that order, until retired
    - iii. Sequentially, to LA, LB and LC, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired
  - d. 45.4008221994% as follows:
    - i. To LJ, LK and LN, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date, as follows:
      - (1) Concurrently, to LJ and LK, pro rata, until retired
      - (2) To LN, until retired
    - ii. Sequentially, to LT, LU, LV and LW, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date.
    - iii. Concurrently, to FG and SG, pro rata, until retired
    - iv. Sequentially, to LT, LU, LV and LW, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired
    - v. To LJ, LK and LN, in the manner and order of priority described in Step 2.d.i., but without regard to their Aggregate Scheduled Principal Balance, until retired
3. To the PAC Classes, in the manner and order of priority described in Step 1., but without regard to their Aggregate Scheduled Principal Balance, until retired

**Security Group 3**

A percentage of the Group 3 Principal Distribution Amount will be applied to the Trustee Fee, and the remainder of the Group 3 Principal Distribution Amount (the “Group 3 Adjusted Principal Distribution Amount”) will be allocated concurrently to FB and SX, pro rata, until retired

### Security Group 4

- The Group 4 Principal Distribution Amount will be allocated sequentially to MA and MB, in that order, until retired

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

<u>Classes</u>	<u>Structuring Ranges or Rate</u>
JE, JH, JK, JL and JM (in the aggregate) .....	135% PSA through 200% PSA
LA, LB and LC (in the aggregate) .....	130% PSA through 200% PSA
LJ, LK and LN (in the aggregate) .....	135% PSA through 200% PSA
LT, LU, LV and LW (in the aggregate) .....	225% PSA
PA, PB, PC and PD (in the aggregate) .....	125% PSA through 300% PSA
PM and PN (in the aggregate) .....	125% PSA through 200% PSA

**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>Approximate Original Class Notional Balance</u>	<u>Represents Approximately</u>
IJ .....	\$ 17,348,909	18.1818181818% of PA (PAC Class)
	<u>27,409,091</u>	13.6363636364% of the first \$201,000,005 of PB (PAC Class)
	<u>44,758,000</u>	
IK .....	44,143,227	13.6363636364% of the last \$323,716,995 of PB (PAC Class)
IP .....	6,849,681	13.6363636364% of PD (PAC Class)
PI .....	17,348,909	18.1818181818% of PA (PAC Class)
	<u>71,552,318</u>	13.6363636364% of PB (PAC Class)
	<u>88,901,227</u>	
ST .....	184,000,000	100% of FB (PT Class)
SY .....	101,200,000	55% of FB (PT Class)
YA .....	50,600,000	55% of the first \$92,000,000 of FB (PT Class)
YB .....	50,600,000	55% of the last \$92,000,000 of FB (PT 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.

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



**\$829,712,317**

**Government National Mortgage Association**

**GINNIE MAE<sup>®</sup>**

**Guaranteed REMIC Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2004-038**

**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-8 which highlights some of these risks.**

**The Securities**

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

**The Ginnie Mae Guaranty**

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

**The Trust and its Assets**

The Trust will own Ginnie Mae Certificates.

The Sponsor and the Co-Sponsor will offer the securities from time to time in negotiated transactions at varying prices. We expect the closing date to be May 28, 2004.

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

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

**CREDIT SUISSE FIRST BOSTON**

**BLAYLOCK & PARTNERS, L.P.**

The date of this Offering Circular Supplement is May 20, 2004.

### Ginnie Mae REMIC Trust 2004-038

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>
<b>Security Group 1</b>						
AB .....	\$350,000,000	5.0%	SEQ	FIX	August 2031	38374GRE4
AZ .....	35,553,528	5.0	SEQ	FIX/Z	May 2034	38374GRF1
VA .....	25,842,839	5.0	AD/SEQ	FIX	May 2015	38374GRG9
VB .....	22,861,404	5.0	SEQ/AD	FIX	September 2021	38374GRH7
<b>Security Group 2</b>						
FK .....	81,764,503	(5)	CPT/PAC/SUP/AD	FLT	February 2033	38374GRJ3
MI .....	2,797,202	5.5	NTL (PAC)	FIX/IO	November 2033	38374GRK0
NA .....	9,597,280	5.0	PAC	FIX	December 2027	38374GRL8
ND .....	12,719,722	5.5	PAC	FIX	November 2033	38374GRM6
NE .....	11,180,782	5.5	PAC	FIX	May 2034	38374GRN4
NW .....	100,000,000	5.0	PAC	FIX	November 2033	38374GRP9
NY .....	7,888,487	5.0	PAC	FIX	May 2031	38374GRQ7
SG(1) .....	10,924,613	(5)	SUP/AD	INV	November 2030	38374GRR5
SH(1) .....	10,924,613	(5)	SUP/AD	INV	February 2033	38374GRS3
SK .....	21,679,134	(5)	NTL (PAC)	INV/IO	May 2031	38374GRT1
ZN .....	5,000,000	5.5	SUP	FIX/Z	May 2034	38374GRU8
<b>Security Group 3</b>						
FA .....	100,000,000	(5)	PT	FLT	May 2034	38374GRV6
SA .....	45,454,546	(5)	PT	INV	May 2034	38374GRW4
<b>Residual</b>						
RR .....	0	0.0	NPR	NPR	May 2034	38374GRX2

(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 or Component 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:** Credit Suisse First Boston LLC

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

**Tax Administrator:** The Trustee

**Closing Date:** May 28, 2004

**Distribution Dates:** For the Group 1 and 2 Securities, the 20th day of each month or, if the 20th day is not a Business Day, the first Business Day thereafter, commencing in June 2004. For the Group 3 Securities, the 16th day of each month or, if the 16th day is not a Business Day, the first Business Day thereafter, commencing in June 2004.

**Trust Assets:**

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

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

**Assumed Characteristics of the Mortgage Loans Underlying the Trust Assets<sup>1</sup>:**

<u>Principal Balance<sup>2</sup></u>	<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Weighted Average Mortgage Rate<sup>3</sup></u>
<b>Group 1 Trust Assets</b> \$434,257,771	354	5	5.50%
<b>Group 2 Trust Assets</b> \$250,000,000	352	5	5.95%
<b>Group 3 Trust Assets</b> \$145,454,546	357	1	6.00%

<sup>1</sup> As of May 1, 2004.

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

<sup>3</sup> The Mortgage Loans underlying the Group 1 and 2 Trust Assets may bear interest at rates ranging from 0.25% to 1.50% per annum above the related Certificate Rate.

The actual remaining terms to maturity, loan ages and, in the case of the Group 1 and 2 Trust Assets, Mortgage Rates of many of the Mortgage Loans underlying the Trust Assets will differ from the weighted averages shown above, perhaps significantly. See “The Trust Assets — The Mortgage Loans” in this Supplement.



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

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

**Increased Minimum Denomination Classes:** Each Class that constitutes an 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.

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>
FA	LIBOR + 0.40%	1.5000000%	0.4%	8.00000000%	0	0.0%
FK	LIBOR + 0.40%	1.5000000%	0.4%	7.50000000%	0	0.0%
SA	16.71999986% - (LIBOR × 2.19999997)	14.2999998%	0.0%	16.71999986%	0	7.6%
SG	19.52499941% - (LIBOR × 2.74999989)	16.4999995%	0.0%	19.52499941%	0	7.1%
SH	19.52499941% - (LIBOR × 2.74999989)	16.4999995%	0.0%	19.52499941%	0	7.1%
SK	7.10% - LIBOR	6.0000000%	0.0%	7.10000000%	0	7.1%
SL	19.52499941% - (LIBOR × 2.74999989)	16.4999995%	0.0%	19.52499941%	0	7.1%

(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

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

- The AZ Accrual Amount as follows:
  1. To VA and VB, in that order, until retired
  2. To AZ
- The Group 1 Adjusted Principal Distribution Amount to AB, VA, VB and AZ, in that order, until retired

**SECURITY GROUP 2**

The Group 2 Principal Distribution Amount and the ZN Accrual Amount will be allocated as follows:

- The ZN Accrual Amount as follows:
  1. Concurrently:
    - a. 73.3333325197% to FK2, until retired
    - b. 26.6666674803% to SG and SH, in that order, until retired
  2. To ZN
- The Group 2 Principal Distribution Amount in the following order of priority:
  1. To the PAC Classes and Component, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date, as follows:
    - a. Concurrently:
      - i. 19.9999998155% to FK1, while outstanding
      - ii. 63.8685746039% to NW, until reduced to \$30,769,230
      - iii. 16.1314255806% to NA and NY, in that order, while outstanding
    - b. Concurrently:
      - i. 29.2481685923% to ND, while outstanding
      - ii. 70.7518314077% to NW, while outstanding
    - c. To NE, while outstanding
  2. Concurrently:
    - a. 73.3333325197% to FK2, until retired
    - b. 26.6666674803% to SG and SH, in that order, until retired
  3. To ZN, until retired
  4. To the PAC Classes and Component, in the same manner and order of priority described in Step 1. above, without regard to their Aggregate Scheduled Principal Balances, until retired

**SECURITY GROUP 3**

The Group 3 Principal Distribution Amount will be allocated to FA and SA, pro rata, until retired

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

<u>Class or Component</u>	<u>Structuring Range</u>
FK1, NA, ND, NE, NW and NY (in the aggregate) . . . . .	100% PSA through 300% PSA

**Accrual Classes:** Interest will accrue on each Accrual Class identified on the inside front cover of this Supplement at the per annum rate set forth on that page. However, no interest will

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

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

<u>Class</u>	<u>Original Class Notional Balance</u>	<u>Represents Approximately</u>
MI .....	\$ 2,797,202	9.0909090909% of the last \$30,769,230 of NW (PAC Class)
SK .....	\$21,679,134	100% of FK1 (PAC Component)

**Component Class:** For purposes of calculating distributions of principal, Class FK is comprised of multiple components having the designations and characteristics set forth below. Components are not separately transferable from the related Class of Securities.

<u>Class</u>	<u>Components</u>	<u>Principal Type</u>	<u>Original Principal Balance</u>
FK	FK1	PAC	\$21,679,134
	FK2	SUP/AD	60,085,369

**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.



**\$209,451,475**

**Government National  
Mortgage Association**

**GINNIE MAE®**

**Guaranteed REMIC  
Pass-Through Securities  
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Ginnie Mae REMIC Trust 2004-064**

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***OFFERING CIRCULAR SUPPLEMENT***  
**August 23, 2004**

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**BANC OF AMERICA SECURITIES LLC  
BLAYLOCK & PARTNERS, L.P.**