

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

\$437,300,000

Government National Mortgage Association

GINNIE MAE[®]



**Guaranteed REMIC Pass-Through Securities
and MX Securities
Ginnie Mae REMIC Trust 2001-31**



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

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

The Securities

The Trust will issue the classes of securities listed on the inside front cover.

The Ginnie Mae Guaranty

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

The Trust and its Assets

The Trust will own (1) Ginnie Mae Certificates and (2) certain previously issued certificates.

The Sponsor and the Co-Sponsor will offer the securities from time to time in negotiated transactions at varying prices. We expect the closing date to be June 29, 2001.

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

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

LEHMAN BROTHERS

THE WILLIAMS CAPITAL GROUP, L.P.

The date of this Offering Circular Supplement is June 25, 2001.

Ginnie Mae REMIC Trust 2001-31

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>Principal Type(3)</u>	<u>Interest Rate</u>	<u>Interest Type(3)</u>	<u>Final Distribution Date(4)</u>	<u>CUSIP Number</u>
Security Group 1						
CI (1)	\$ 9,555,384	NTL(PAC)	6.50%	FIX/IO	January 2027	38373 RLG2
DI (1)	2,230,769	NTL(PAC)	6.50	FIX/IO	October 2028	38373 RLH0
FG	100,002,000	SCH	(5)	FLT	October 2028	38373 RLJ6
FP	37,497,750	PAC	(5)	FLT	October 2028	38373 RLK3
OQ (1)	28,572,000	SCH	0.00	PO	October 2028	38373 RLL1
PE	11,000,000	PAC	6.50	FIX	October 2028	38373 RLM9
PJ (1)	3,667,000	PAC	5.50	FIX	October 2023	38373 RLN7
QR (1)	62,110,000	PAC	5.50	FIX	January 2027	38373 RLP2
QW (1)	6,716,250	PAC	5.50	FIX	April 2022	38373 RLQ0
QY (1)	29,000,000	PAC	6.00	FIX	October 2028	38373 RLR8
SD (1)	100,002,000	NTL(SCH)	(5)	INV/IO	October 2028	38373 RLS6
SG (1)	100,002,000	NTL(SCH)	(5)	INV/IO	October 2028	38373 RLT4
SW (1)	37,497,750	NTL(PAC)	(5)	INV/IO	October 2028	38373 RLU1
WI (1)	1,597,423	NTL(PAC)	6.50	FIX/IO	October 2023	38373 RLV9
Z	10,400,000	SEQ	7.00	FIX/Z	June 2031	38373 RLW7
ZA	23,035,000	CPT/SUP	7.00	FIX/Z	October 2028	38373 RLX5
Security Group 2						
FA	100,000,000	PT	(5)	FLT	June 2031	38373 RLY3
QO	12,500,000	PT	0.00	PO	June 2031	38373 RLZ0
SE	100,000,000	NTL(PT)	(5)	INV/IO	June 2031	38373 RMA4
SR	100,000,000	NTL(PT)	(5)	INV/IO	June 2031	38373 RMB2
ST	100,000,000	NTL(PT)	(5)	INV/IO	June 2031	38373 RMC0
Security Group 3						
FJ	9,955,556	SC/PT	(5)	FLT	February 2031	38373 RMD8
SJ	2,844,444	SC/PT	(5)	INV	February 2031	38373 RME6
Residual						
R	0	NPR	0.00	NPR	June 2031	38373 RMF3
RR	0	NPR	0.00	NPR	June 2031	38373 RMG1

- (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 Supplement;
- the Base Offering Circular, and
- in the case of the Group 3 securities, the disclosure document relating to the Underlying Certificates.

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

If you do not have access to the internet, call The Chase Manhattan Bank, which will act as information agent for the Trust, at (800) 234-GNMA, to order copies of the Base Offering Circular. You should also call The Chase Manhattan Bank to order copies of any other document listed above.

Please consult the description 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: Lehman Brothers Inc.

Trustee: Bank One Trust Company, N.A.

Tax Administrator: The Trustee

Closing Date: June 29, 2001

Distribution Dates: For the Group 1 and Group 3 Securities, the 20th day of each month or, if the 19th day or 20th day is not a Business Day, the first Business Day following the 20th day, commencing in July 2001. For the Group 2 Securities, the 16th day of each month or, if the 16th day is not a Business Day, the first Business Day thereafter, commencing in July 2001.

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	7.0%	30
2	Ginnie Mae I	8.0%	30
3	Underlying Certificates	(1)	(1)

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

Security Groups: This series of Securities consists of multiple Security Groups, as shown on the inside front cover of this Supplement and on Schedule 1 to this Supplement. Payments on each Security Group will be based solely on payments on the Trust Asset Group with the same numerical designation.

Assumed Characteristics of the Mortgage Loans Underlying the Group 1 and Group 2 Trust Assets¹:

<u>Principal Balance²</u>	<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Weighted Average Mortgage Rate</u>
Group 1 Trust Assets			
\$312,000,000	355	4	7.75% ³
Group 2 Trust Assets			
\$112,500,000	350	5	8.50%

¹ As of June 1, 2001.

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

³ 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 will differ from the weighted averages shown above, perhaps significantly. See “*The Trust Assets — The Mortgage Loans*” in this Supplement. See Exhibit A to this Supplement for information regarding the characteristics of the Mortgage Loans included in the Underlying REMIC Trust.

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 Inverse Floating Rate, Principal Only 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 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 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 + 0.25%	4.230%	0.25%	9.000%	0	0.00%
FG	LIBOR + 0.30%	4.280%	0.30%	9.000%	0	0.00%
FJ	LIBOR + 1.0%	4.980%	1.00%	9.000%	0	0.00%
FP	LIBOR + 0.35%	4.330%	0.35%	8.500%	0	0.00%
SB	66.80% – (LIBOR × 8.0)	6.800%	0.00%	6.800%	0	8.35%
SD	8.15% – LIBOR	4.170%	0.00%	8.150%	0	8.15%
SE	8.35% – LIBOR	0.850%	0.00%	0.850%	0	8.35%
SG	8.70% – LIBOR	0.550%	0.00%	0.550%	0	8.70%
SH	8.70% – LIBOR	4.720%	0.00%	8.700%	0	8.70%
SJ	28.0% – (LIBOR × 3.5)	14.070%	0.00%	28.000%	0	8.00%
SP	8.15% – LIBOR	4.170%	0.00%	8.150%	0	8.15%
SR	7.50% – LIBOR	3.520%	0.00%	7.500%	0	7.50%
ST	8.75% – LIBOR	0.400%	0.00%	0.400%	0	8.75%
SU	28.525% – (LIBOR × 3.5)	14.595%	0.00%	28.525%	0	8.15%
SV	20.375% – (LIBOR × 2.5)	10.425%	0.00%	20.375%	0	8.15%
SW	8.15% – LIBOR	4.170%	0.00%	8.150%	0	8.15%
SX	30.45% – (LIBOR × 3.5)	16.520%	0.00%	30.450%	0	8.70%
SY	21.75% – (LIBOR × 2.5)	11.800%	0.00%	21.750%	0	8.70%

- (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 Z, ZA1 and ZA2 Accrual Amounts will be allocated as follows:

- The ZA1 and ZA2 Accrual Amounts in the following order of priority:

- | | | |
|------------------------------|---|--|
| Scheduled and Accrual | { | <ol style="list-style-type: none"> 1. To FG and OQ, pro rata, until reduced to their First Aggregate Scheduled Principal Balance for that Distribution Date 2. To ZA1, until retired 3. To FG and OQ, pro rata, until reduced to their Second Aggregate Scheduled Principal Balance for that Distribution Date 4. To ZA2 |
|------------------------------|---|--|

- The Group 1 Adjusted Principal Distribution Amount and the Z Accrual Amount in the following order of priority:

- | | | |
|------------------|---|---|
| PAC | { | <ol style="list-style-type: none"> 1. Beginning in June 2002, to the PAC Classes, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date, concurrently as follows: <ol style="list-style-type: none"> a. 25.0000000000% to FP, until retired b. 9.7785867152% to PJ and PE, in that order, until retired c. 65.2214132848% to QW, QR and QY, in that order, until retired |
| Scheduled | { | <ol style="list-style-type: none"> 2. To FG and OQ, pro rata, until reduced to their First Aggregate Scheduled Principal Balance for that Distribution Date |
| Support | { | <ol style="list-style-type: none"> 3. To ZA1, until retired |
| Scheduled | { | <ol style="list-style-type: none"> 4. To FG and OQ, pro rata, until reduced to their Second Aggregate Scheduled Principal Balance for that Distribution Date |
| Support | { | <ol style="list-style-type: none"> 5. To ZA2, until retired |
| Scheduled | { | <ol style="list-style-type: none"> 6. To FG and OQ, pro rata, without regard to any Aggregate Scheduled Principal Balance, until retired |
| PAC | { | <ol style="list-style-type: none"> 7. To the PAC Classes, in that manner and order of priority described in Step 1, but without regard to their Aggregate Scheduled Principal Balance, until retired |

Sequential Pay { 8. To Z, until retired

SECURITY GROUP 2

Pass-Through { 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 to FA and QO, pro rata, until retired

SECURITY GROUP 3

Pass-Through { The Group 3 Principal Distribution Amount will be allocated to FJ and SJ, pro rata, until retired

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

<u>Classes</u>	<u>Range or Rate</u>
FP, PE, PJ, QR, QW and QY (in the aggregate)	100% PSA through 300% PSA
FG and OQ (first aggregate)	156% PSA
FG and OQ (second aggregate)	301% PSA

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

Component Class: For purposes of calculating distributions of principal, Class ZA comprises two components having the designations and characteristics set forth below. Components are not separately transferable from the related Class of Securities.

<u>Components</u>	<u>Principal Type</u>	<u>Interest Rate</u>	<u>Original Principal Balance</u>
ZA1	SUP	7.0%	\$21,035,000
ZA2	SUP	7.0	\$ 2,000,000

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

<u>Class</u>	<u>Original Class Notional Balance</u>	<u>Represents Approximately</u>
CI	\$ 9,555,384	15.3846153846% of QR (PAC Class)
DI	\$ 2,230,769	7.6923076923% of QY (PAC Class)
SD	\$100,002,000	100% of FG (SCH Class)
SE	\$100,000,000	100% of FA (PT Class)
SG	\$100,002,000	100% of FG (SCH Class)
SH	\$100,002,000	100% of FG (SCH Class)
SP	\$100,002,000	100% of FG (SCH Class)
	<u>37,497,750</u>	100% of FP (PAC Class)
	<u>\$137,499,750</u>	
SR	\$100,000,000	100% of FA (PT Class)
ST	\$100,000,000	100% of FA (PT Class)
SW	\$ 37,497,750	100% of FP (PAC Class)
WI	\$ 1,597,423	15.3846153846% of PJ and QW (in the aggregate) (PAC Classes)

Tax Status: Double REMIC Series (consisting of a Pooling REMIC and an Issuing REMIC) as to the Group 1 and Group 3 Trust Assets. A separate REMIC election will be made as to the Group 2 Trust Assets (the “Group 2 REMIC”). See “*Certain Federal Income Tax Consequences*” in this Supplement and in the Base Offering Circular.

Regular and Residual Classes: Class R is a Residual Class and constitutes the Residual Interest of the Group 2 REMIC. Class RR is a Residual Class and includes the Residual Interests 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's 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 Scheduled Classes, the support securities 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 PAC and Scheduled Classes for that distribution date, this excess will be distributed to the support securities. Accordingly, support securities may receive no principal distributions for extended periods of time or may receive principal payments that vary widely from period to period.

The rate of principal payments on the Underlying Certificates will directly affect the rate of principal payments on the group 3 securities. The Underlying Certificates will be sensitive to

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

- the allocation of principal among the classes of the underlying series.

As described in the Underlying REMIC Disclosure Document, the Underlying Certificates may receive principal payments that vary widely from period to period.

The principal entitlement of the Underlying Certificates included in trust asset group 3 on any payment date is calculated on the basis of a schedule; no assurance can be given that the Underlying Certificates will adhere to their schedule. Further, prepayments on the related mortgage loans may have occurred at rates faster or slower than those initially assumed.

This supplement contains no information as to whether the Underlying Certificates have adhered to their principal balance schedule, 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 factors of the Underlying Certificates in light of applicable information contained in the Underlying REMIC Disclosure Document.

The securities may not be a suitable investment for you. The securities, 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 will evidence, directly or indirectly, Ginnie Mae Certificates.

The Trust MBS (Group 1)

The Group 1 Trust MBS are either:

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

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

The Trust MBS (Group 2)

The Group 2 Trust MBS are either:

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

Each Mortgage Loan underlying a Ginnie Mae I MBS Certificate bears interest at a Mortgage Rate 0.50% per annum greater than the related Certificate Rate. The difference between the Mortgage Rate and the Certificate Rate is used to pay the related servicers of the Mortgage Loans a monthly servicing fee and Ginnie Mae a fee for its guaranty of the Ginnie Mae I MBS Certificates of 0.44% per annum and 0.06% per annum, respectively, of the outstanding principal balance of the Mortgage Loans.

The Underlying Certificates (Group 3)

The Group 3 Trust Assets are Underlying Certificates that represent beneficial ownership interests in a trust (the “Underlying REMIC Trust”), the assets of which evidence direct or indirect beneficial ownership interests in certain Ginnie Mae Certificates. The Underlying Certificates constitute a class of a series of certificates (the “Underlying REMIC Series”) described in the Underlying REMIC Disclosure Document, excerpts of which are attached as Exhibit B to this Supplement. The Underlying REMIC Disclosure Document may be obtained from the Information Agent as described under “Available Information.” Investors are cautioned that material changes in facts and circumstances may have occurred since the date of the Underlying REMIC Disclosure Document, including changes in prepayment rates, prevailing interest rates and other economic factors, which may limit the usefulness of, and be directly

contrary to the assumptions used in preparing the information included in, the offering document. See *“Underlying Certificates” in the Base Offering Circular*.

The Underlying Certificates provide for monthly distributions and are 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 and Group 2 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 and Group 2 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 (the “Trustee 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 “Ginnie Mae Guaranty”). 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 in Book-Entry Form and may be transferred only on the book-entry system of the MBS Division of The Depository Trust Company (together with any successor, the “Book-Entry Depository”). Beneficial Owners of Securities in Book-Entry Form will ordinarily hold these Securities through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. By request accompanied by the payment of a transfer fee of \$25,000 per physical certificate to be issued, a Beneficial Owner may receive a Regular Security in certificated form.

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

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

<u>Class</u>	<u>Minimum Denomination</u>
CI	\$ 556,000*
DI	\$ 323,000*
OQ	\$ 130,000
QO	\$ 118,000
SD	\$ 1,429,000*
SE	\$ 6,667,000*
SG	\$13,335,000*
SJ	\$ 103,000*
SR	\$ 2,225,000*
ST	\$16,000,000*
SW	\$ 1,040,000*
WI	\$ 1,177,000*

* Notional balance

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

Distributions

Distributions on each Class of Securities will be made on each Distribution Date for that Class, as specified under “Terms Sheet — Distribution Dates” in this Supplement. On each Distribution Date, the Trustee will distribute the Distribution Amount to 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 (each, a “Record Date”). For Book-Entry Securities, the Trustee will distribute principal and interest to the Book-Entry Depository, and Beneficial Owners will receive distributions through credits to accounts maintained for their benefit on the books and records of appropriate financial intermediaries. See “Description of the Securities — Distributions” and “— Method of Distributions” in the Base Offering Circular.

Interest Distributions

On each Distribution Date, the Interest Distribution Amount will be distributed 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 on 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 on any Distribution Date by using the Class Factors published in the preceding month. See “— Class Factors” below.

Categories of Classes

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

Accrual Periods

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

<u>Classes</u>	<u>Accrual Periods</u>
Fixed Rate Classes	The calendar month preceding the related Distribution Date
Group 1 and Group 3 Floating Rate and Inverse Floating Rate Classes	From the 20th day of the month preceding the month of the related Distribution Date through the 19th day of the month of that Distribution Date.
Group 2 Floating Rate and Inverse Floating Rate Classes	From the 16th day of the month preceding the month of the related Distribution Date through the 15th 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.

Accrual Classes and Components

Classes Z and ZA are Accrual Classes and ZA1 and ZA2 are Accrual Components. Interest will accrue on each Accrual Class or Component and be distributed as described under “Terms Sheet — Accrual Classes” in this Supplement.

Floating Rate and Inverse Floating Rate Classes

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

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

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

Principal Distributions

The Group 1 and Group 2 Adjusted Principal Distribution Amounts, the Group 3 Principal Distribution Amount and the Accrual Amounts will be distributed to the Holders entitled thereto as described above under “Terms Sheet — Allocation of Principal.” 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 and Components

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 and the Components will be categorized as set forth under “Terms Sheet — Component Class” in 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.

Component Class

Class ZA will be a Component Class and will have components having the designations and characteristics shown under “Terms Sheet — Component Class” in this Supplement. Components will not be separately issued or transferable.

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 reduce as shown under “Terms Sheet — Notional Classes” in this Supplement.

Residual Securities

The Class R Securities will represent the beneficial ownership of the Residual Interest in the Group 2 REMIC, and 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 R and Class RR Securities have no Class Principal Balances and do not accrue interest. The Class R Securities will be entitled to receive the proceeds of the disposition of any assets remaining in the Group 2 REMIC after the Class Principal Balance of each Class of Regular Securities in Security Group 2 has been reduced to zero, and the Class RR 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 in Security Groups 1 and 3 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 Balances of the Accrual Classes) on that Distribution Date (each, a “Class Factor”).

- The Class Factor for each Class for the month of issuance is 1.00000000.
- The Class Factor for any Class of Securities for any 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 on the Distribution Date occurring in that month.
- 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 each month (and Interest Rates), investors in any Class (other than the Accrual Classes) can calculate the amount of principal and interest to be distributed to that Class, and investors in the Accrual Classes 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.
- Investors may obtain current Class Factors on gREX.

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

Trading

For the sole purpose of 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 any 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 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 Notional Class 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 or REMICs, as applicable, 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 proportionate interests in the related MX Classes shown on Schedule I to this Supplement. Similarly, all or a portion of the related MX Classes may be exchanged for proportionate interests in the related Classes of REMIC Securities. This process may occur repeatedly.

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

A Beneficial Owner proposing to effect an exchange must notify the Trustee through the Beneficial Owner's Book Entry Depository participant. This notice must be received by the Trustee not later than two Business Days before the proposed exchange date. The exchange date can be any Business Day other than the last Business Day of the month. The notice must contain the outstanding principal balance of the Securities to be included in the exchange and the proposed exchange date. The notice is required to be delivered to the Trustee in writing at its Corporate Trust Office, Bank One Trust Company, N.A., 153 West 51st Street, New York, New York 10009. The Trustee may be contacted by telephone at (212) 373-1139 and by fax at (212) 373-1384.

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 not later than two business days prior to 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 Class or Classes of 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, Ginnie Mae Issuer advances and, to the extent necessary, proceeds of Ginnie Mae’s guaranty of the Ginnie Mae Certificates. As a result, a high level of 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’s assets, thereby effecting early retirement of the Securities. See “*Description of the Securities — Termination*” in this Supplement.

Investors in the 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 3 Securities” in this Supplement.

Securities that Receive Principal on the Basis of Schedules

As described in this Supplement, each PAC and Scheduled 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 Scheduled 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 Scheduled Classes are as follows:

<u>PAC Classes</u>	<u>Initial Effective Range</u>
FP, PE, PJ, QR, QW and QY (in the aggregate)	100% PSA through 300% PSA
<u>Scheduled Classes</u>	<u>Initial Effective Rate</u>
FG and QO (first aggregate)	156% PSA
FG and QO (second aggregate)	301% PSA

- The principal payment stability of the PAC Classes will be supported in part by the Scheduled and Support Classes.
- The principal payment stability of the Scheduled Classes will be supported by the ZA1 and ZA2 Components.

If the Classes or Components 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 was calculated using the actual characteristics of the related Mortgage Loans, the initial Effective Range or Rate could differ from those shown in the above table. 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 table, that Class could fail to receive Scheduled Payments.

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

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

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

Assumability

Each Mortgage Loan is subject to assumption upon the sale of the related Mortgaged Property. See *“Yield, Maturity and Prepayment Considerations — Assumability of Government Loans”* in the Base Offering Circular.

Final Distribution Date

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

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

Modeling Assumptions

Unless otherwise indicated, the tables that follow have been prepared on the basis of the characteristics of the Mortgage Loans underlying the Group 3 Trust Assets, the characteristics of the Underlying Certificates, the allocation of distributions on the Underlying Certificates and the following assumptions (the “Modeling Assumptions”), among others:

1. The Mortgage Loans underlying the Group 1 and Group 2 Trust Assets have the assumed characteristics shown under “Assumed Characteristics of the Mortgage Loans Underlying the Group 1 and Group 2 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 the Group 1 and Group 2 Trust Assets is assumed to have an original and a remaining term to maturity of 360 months and, in the case of the Group 1 Trust Assets, a Mortgage Rate of 1.5% per annum higher than the related Certificate Rate.

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

3. Distributions on the Group 1 and Group 3 Securities, and on the Group 2 Securities, are always received on the 20th day of the month, and on the 16th day of the month, respectively, whether or not a Business Day, commencing in July 2001.

4. Terminations of the Trust and the Underlying REMIC Trust do not occur.

5. The Closing Date for the Securities is June 29, 2001.

6. No expenses or fees are paid by the Trust.

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

8. Distributions on the Underlying Certificates are made as described in the Underlying REMIC Disclosure Document.

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

- For example, most of the Mortgage Loans will not have the characteristics assumed, many Distribution Dates will occur on a Business Day after the 16th or 20th 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 the 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 the Notional Classes are not entitled to distributions of principal and have no weighted average lives. 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 Balances and Weighted Average Lives

Security Group 1 PSA Prepayment Assumption Rates																				
Distribution Date	Classes AB, AC, AD, AE, AG and WI					Classes BA, BD, BE, CI, QC and QR					Classes CB, CD, DI and QY					Classes FG, OQ, SD, SG, SH, SU, SV, SX and SY				
	0%	100%	235%	300%	500%	0%	100%	235%	300%	500%	0%	100%	235%	300%	500%	0%	100%	235%	300%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June 2002	98	92	92	92	92	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June 2003	74	18	18	18	18	100	91	91	91	91	100	100	100	100	100	100	100	100	100	100
June 2004	47	0	0	0	0	100	70	70	70	70	100	100	100	100	100	100	100	100	100	100
June 2005	25	0	0	0	0	99	49	49	49	46	100	100	100	100	100	100	100	100	100	100
June 2006	21	0	0	0	0	94	29	29	29	12	100	100	100	100	100	100	100	100	100	100
June 2007	16	0	0	0	0	90	10	10	10	0	100	100	100	100	73	88	84	48	26	0
June 2008	11	0	0	0	0	84	0	0	0	0	100	83	83	83	37	87	82	44	22	0
June 2009	6	0	0	0	0	78	0	0	0	0	100	47	47	47	11	84	80	42	21	0
June 2010	1	0	0	0	0	72	0	0	0	0	100	14	14	14	0	82	77	40	21	0
June 2011	0	0	0	0	0	65	0	0	0	0	100	0	0	0	0	80	68	34	16	0
June 2012	0	0	0	0	0	58	0	0	0	0	100	0	0	0	0	77	54	24	7	0
June 2013	0	0	0	0	0	50	0	0	0	0	100	0	0	0	0	74	41	15	0	0
June 2014	0	0	0	0	0	41	0	0	0	0	100	0	0	0	0	71	28	7	0	0
June 2015	0	0	0	0	0	32	0	0	0	0	100	0	0	0	0	68	15	0	0	0
June 2016	0	0	0	0	0	22	0	0	0	0	100	0	0	0	0	65	2	0	0	0
June 2017	0	0	0	0	0	11	0	0	0	0	100	0	0	0	0	61	0	0	0	0
June 2018	0	0	0	0	0	0	0	0	0	0	97	0	0	0	0	57	0	0	0	0
June 2019	0	0	0	0	0	0	0	0	0	0	69	0	0	0	0	53	0	0	0	0
June 2020	0	0	0	0	0	0	0	0	0	0	39	0	0	0	0	48	0	0	0	0
June 2021	0	0	0	0	0	0	0	0	0	0	6	0	0	0	0	43	0	0	0	0
June 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	28	0	0	0	0
June 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9	0	0	0	0
June 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	3.5	1.5	1.5	1.5	1.5	11.5	4.0	4.0	4.0	3.7	18.6	8.0	8.0	8.0	6.7	15.9	10.3	6.7	4.7	2.1

PSA Prepayment Assumption Rates																				
Distribution Date	Classes FP and SW					Class PE					Class PJ					Class QW				
	0%	100%	235%	300%	500%	0%	100%	235%	300%	500%	0%	100%	235%	300%	500%	0%	100%	235%	300%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June 2002	100	99	99	99	99	100	100	100	100	100	100	99	97	97	97	97	97	89	89	89
June 2003	98	88	88	88	88	100	100	100	100	100	90	51	51	51	51	65	0	0	0	0
June 2004	95	74	74	74	74	100	98	98	98	98	81	0	0	0	0	29	0	0	0	0
June 2005	92	61	61	61	59	100	81	81	81	78	70	0	0	0	0	0	0	0	0	0
June 2006	90	48	48	48	37	100	64	64	64	49	58	0	0	0	0	0	0	0	0	0
June 2007	87	36	36	36	22	100	48	48	48	29	46	0	0	0	0	0	0	0	0	0
June 2008	83	25	25	25	11	100	33	33	33	15	33	0	0	0	0	0	0	0	0	0
June 2009	79	14	14	14	3	100	19	19	19	4	18	0	0	0	0	0	0	0	0	0
June 2010	75	4	4	4	0	100	5	5	5	0	2	0	0	0	0	0	0	0	0	0
June 2011	71	0	0	0	0	95	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2012	67	0	0	0	0	89	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2013	61	0	0	0	0	82	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2014	56	0	0	0	0	75	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2015	50	0	0	0	0	67	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2016	43	0	0	0	0	58	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2017	36	0	0	0	0	49	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2018	29	0	0	0	0	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2019	21	0	0	0	0	27	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2020	12	0	0	0	0	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2021	2	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
June 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	13.0	5.0	5.0	5.0	4.4	15.5	6.0	6.0	6.0	5.2	5.5	2.0	2.0	2.0	2.0	2.4	1.3	1.3	1.3	1.3

**Security Group 1
PSA Prepayment Assumption Rates**

Distribution Date	Class SP					Class Z					Class ZA				
	0%	100%	235%	300%	500%	0%	100%	235%	300%	500%	0%	100%	235%	300%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June 2002	97	94	92	92	92	107	107	107	107	107	107	107	85	66	9
June 2003	96	90	83	82	63	115	115	115	115	115	115	115	49	10	0
June 2004	94	85	74	63	33	123	123	123	123	123	123	123	12	11	0
June 2005	92	80	62	48	16	132	132	132	132	132	132	132	11	11	0
June 2006	90	75	52	37	10	142	142	142	142	142	142	142	12	12	0
June 2007	88	71	45	29	6	152	152	152	152	152	152	152	13	13	0
June 2008	86	66	39	23	3	163	163	163	163	163	163	163	14	14	0
June 2009	83	62	34	19	1	175	175	175	175	175	175	175	15	15	0
June 2010	80	57	30	16	0	187	187	187	187	152	187	187	16	16	0
June 2011	77	49	25	11	0	201	201	201	201	104	201	201	17	17	0
June 2012	74	39	17	5	0	215	215	215	215	71	215	215	19	19	0
June 2013	71	30	11	0	0	231	231	231	231	49	231	231	20	20	0
June 2014	67	20	5	0	0	248	248	248	220	33	248	248	22	0	0
June 2015	63	11	0	0	0	266	266	266	175	22	266	266	23	0	0
June 2016	59	2	0	0	0	285	285	266	139	15	285	285	0	0	0
June 2017	54	0	0	0	0	305	305	220	109	10	305	247	0	0	0
June 2018	49	0	0	0	0	328	328	181	86	7	328	199	0	0	0
June 2019	44	0	0	0	0	351	351	148	67	5	351	151	0	0	0
June 2020	38	0	0	0	0	377	377	120	52	3	377	105	0	0	0
June 2021	32	0	0	0	0	404	404	96	40	2	404	60	0	0	0
June 2022	20	0	0	0	0	433	433	77	30	1	433	15	0	0	0
June 2023	6	0	0	0	0	464	402	60	23	1	464	0	0	0	0
June 2024	0	0	0	0	0	498	339	47	17	1	433	0	0	0	0
June 2025	0	0	0	0	0	534	280	35	12	0	345	0	0	0	0
June 2026	0	0	0	0	0	573	224	26	8	0	249	0	0	0	0
June 2027	0	0	0	0	0	614	171	18	6	0	145	0	0	0	0
June 2028	0	0	0	0	0	658	120	11	3	0	33	0	0	0	0
June 2029	0	0	0	0	0	507	72	6	2	0	0	0	0	0	0
June 2030	0	0	0	0	0	264	26	2	1	0	0	0	0	0	0
June 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	15.1	8.8	6.2	4.8	2.7	28.7	25.2	19.2	16.6	11.2	25.0	18.2	4.4	3.2	0.7

**Security Group 2
PSA Prepayment Assumption Rates**

Distribution Date	Classes FA, QO, SB, SE, SR and ST			
	0%	200%	445%	900%
Initial Percent	100	100	100	100
June 2002	99	95	89	83
June 2003	98	85	70	55
June 2004	98	74	51	32
June 2005	97	64	37	18
June 2006	95	56	27	10
June 2007	94	49	19	6
June 2008	93	42	14	3
June 2009	92	37	10	2
June 2010	90	32	7	1
June 2011	89	27	5	1
June 2012	87	23	4	0
June 2013	85	20	3	0
June 2014	83	17	2	0
June 2015	81	15	1	0
June 2016	78	13	1	0
June 2017	75	11	1	0
June 2018	72	9	0	0
June 2019	69	7	0	0
June 2020	66	6	0	0
June 2021	62	5	0	0
June 2022	58	4	0	0
June 2023	53	3	0	0
June 2024	49	3	0	0
June 2025	43	2	0	0
June 2026	37	1	0	0
June 2027	31	1	0	0
June 2028	24	1	0	0
June 2029	17	0	0	0
June 2030	9	0	0	0
June 2031	0	0	0	0
Weighted Average Life (years)	20.8	7.5	3.9	2.6

**Security Group 3
PSA Prepayment Assumption Rates**

<u>Distribution Date</u>	<u>Classes FJ and SJ</u>				
	<u>0%</u>	<u>100%</u>	<u>240%</u>	<u>350%</u>	<u>500%</u>
Initial Percent	100	100	100	100	100
June 2002	100	100	100	100	100
June 2003	100	100	100	100	100
June 2004	100	100	100	100	100
June 2005	100	100	100	100	100
June 2006	100	100	100	100	100
June 2007	100	100	100	100	100
June 2008	100	100	100	100	100
June 2009	100	100	100	100	73
June 2010	100	100	100	100	50
June 2011	100	100	100	100	34
June 2012	100	100	100	81	23
June 2013	100	100	100	62	16
June 2014	100	100	100	47	11
June 2015	100	100	81	36	7
June 2016	100	65	65	28	5
June 2017	100	52	52	21	3
June 2018	100	42	42	16	2
June 2019	100	33	33	12	1
June 2020	100	26	26	9	1
June 2021	100	20	20	6	1
June 2022	100	16	16	5	0
June 2023	100	12	12	3	0
June 2024	100	9	9	2	0
June 2025	100	6	6	2	0
June 2026	43	4	4	1	0
June 2027	3	3	3	1	0
June 2028	2	2	2	0	0
June 2029	1	1	1	0	0
June 2030	0	0	0	0	0
June 2031	0	0	0	0	0
Weighted Average					
Life (years)	25.0	17.4	17.2	13.8	9.8

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

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

Low levels of LIBOR can reduce the yield of the Floating Rate Classes. High levels of LIBOR can significantly reduce the yield of the Inverse Floating Rate Classes.

Payment Delay: Effect on Yields

The effective yield on any Fixed Rate Class will be less than the yield otherwise produced by its Interest Rate and purchase price because (1) on the first Distribution Date, 30 days' interest will be payable on (or added to the principal amount of) that Class even though interest began to accrue approximately 50 days earlier and (2) on each subsequent Distribution Date, the interest payable will accrue during the related Accrual Period, which will end approximately 20 days earlier.

Yield Tables

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

The Mortgage Loans will not prepay at any constant rate until maturity, and it is unlikely that LIBOR will remain constant. Moreover, the Mortgage Loans will have characteristics 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 the 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 the Inverse Floating Rate Classes 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 CI Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 18.0%***

PSA Prepayment Assumption Rates				
100%	235%	300%	500%	751%
17.2%	17.2%	17.2%	14.4%	0.0%

**Sensitivity of Class DI Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 31.0%***

PSA Prepayment Assumption Rates				
100%	235%	300%	500%	720%
14.1%	14.1%	14.1%	10.6%	0.0%

**Sensitivity of Class OQ Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 77.0%**

PSA Prepayment Assumption Rates			
100%	235%	300%	500%
2.6%	4.2%	6.1%	13.1%

**Sensitivity of Class SD Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 7.00%***

LIBOR	PSA Prepayment Assumption Rates			
	100%	235%	300%	500%
2.98%	78.5%	71.0%	65.7%	41.2%
3.98%	61.4%	53.7%	47.6%	19.5%
5.98%	28.4%	20.4%	12.6%	(27.2)%
8.15% and above	**	**	**	**

**Sensitivity of Class SG Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 0.75%***

LIBOR	PSA Prepayment Assumption Rates			
	100%	235%	300%	500%
8.150% and below	78.5%	71.1%	65.8%	41.3%
8.425%	35.3%	27.3%	19.9%	(16.7)%
8.700% 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 SH Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 7.75%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>235%</u>	<u>300%</u>	<u>500%</u>
2.98%.....	78.5%	71.0%	65.7%	41.2%
3.98%.....	63.0%	55.3%	49.3%	21.6%
6.98%.....	18.0%	9.9%	1.7%	(44.0)%
8.70% and above	**	**	**	**

**Sensitivity of Class SP Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 7.25%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>235%</u>	<u>300%</u>	<u>500%</u>
2.98%.....	74.4%	68.8%	65.0%	49.5%
3.98%.....	57.6%	51.6%	47.3%	30.2%
5.98%.....	24.9%	18.3%	12.4%	(8.9)%
8.15% and above	**	**	**	**

**Sensitivity of Class SU Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 101.5%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>235%</u>	<u>300%</u>	<u>500%</u>
2.98%.....	18.4%	18.2%	18.1%	17.7%
3.98%.....	14.7%	14.6%	14.5%	14.2%
5.98%.....	7.6%	7.5%	7.4%	7.1%
8.15% and above	(0.1)%	(0.1)%	(0.1)%	(0.3)%

* 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 SV Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 94.5%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>235%</u>	<u>300%</u>	<u>500%</u>
2.98%	14.4%	14.8%	15.2%	16.6%
3.98%	11.7%	12.1%	12.5%	13.9%
5.98%	6.3%	6.7%	7.1%	8.6%
8.15% and above	0.6%	1.0%	1.4%	3.0%

**Sensitivity of Class SX Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 104.25%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>235%</u>	<u>300%</u>	<u>500%</u>
2.98%	19.7%	19.4%	19.1%	18.1%
3.98%	16.1%	15.8%	15.6%	14.5%
6.98%	5.6%	5.4%	5.1%	4.2%
8.70% and above	(0.3)%	(0.5)%	(0.7)%	(1.5)%

**Sensitivity of Class SW Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 9.75%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>235%</u>	<u>300%</u>	<u>500%</u>
2.98%	46.5%	46.5%	46.5%	44.9%
3.98%	32.9%	32.9%	32.9%	30.7%
5.98%	3.9%	3.9%	3.9%	(0.1)%
8.15% 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 receive no payments after the first Distribution Date and will therefore suffer a loss of virtually all of their investment.

**Sensitivity of Class SY Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 96.375%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>100%</u>	<u>235%</u>	<u>300%</u>	<u>500%</u>
2.98%	15.5%	15.8%	16.0%	16.9%
3.98%	12.8%	13.1%	13.3%	14.2%
6.98%	4.9%	5.1%	5.4%	6.5%
8.70% and above	0.4%	0.7%	1.0%	2.1%

**Sensitivity of Class WI Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 8.5%***

<u>PSA Prepayment Assumption Rates</u>				
<u>100%</u>	<u>235%</u>	<u>300%</u>	<u>500%</u>	<u>1,336%</u>
14.4%	14.4%	14.4%	14.4%	0.1%

Security Group 2

**Sensitivity of Class QO Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 85.0%**

<u>PSA Prepayment Assumption Rates</u>			
<u>200%</u>	<u>445%</u>	<u>700%</u>	<u>900%</u>
2.3%	4.4%	6.6%	8.2%

**Sensitivity of Class SB Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 96.0%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>200%</u>	<u>445%</u>	<u>700%</u>	<u>900%</u>
7.500% and below	7.7%	8.2%	8.8%	9.1%
7.925%	4.1%	4.7%	5.2%	5.6%
8.350% and above	0.6%	1.1%	1.7%	2.1%

* 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 SE Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 1.5%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>200%</u>	<u>445%</u>	<u>700%</u>	<u>900%</u>
7.500% and below	52.1%	38.7%	24.1%	12.1%
7.925%	18.1%	3.8%	(12.1)%	(25.3)%
8.350% and above	**	**	**	**

**Sensitivity of Class SR Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 4.5%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>200%</u>	<u>445%</u>	<u>700%</u>	<u>900%</u>
2.98%	110.9%	98.1%	84.2%	72.9%
3.98%	80.6%	67.6%	53.5%	42.0%
5.98%	24.9%	10.8%	(4.7)%	(17.5)%
7.50% and above	**	**	**	**

**Sensitivity of Class ST Securities to Prepayments
(Pre-Tax Yields to Maturity)
Assumed Price 0.625%***

<u>LIBOR</u>	<u>PSA Prepayment Assumption Rates</u>			
	<u>200%</u>	<u>445%</u>	<u>700%</u>	<u>900%</u>
8.35% and below	61.5%	48.3%	33.9%	22.1%
8.55%	22.5%	8.4%	(7.2)%	(20.2)%
8.75% 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 receive no payments after the first Distribution Date and will therefore suffer a loss of virtually all of their investment.

Security Group 3

Sensitivity of Class SJ Securities to Prepayments (Pre-Tax Yields to Maturity) Assumed Price 98.0%*

LIBOR	PSA Prepayment Assumption Rates			
	100%	240%	350%	500%
2.98%	18.6%	18.6%	18.6%	18.7%
3.98%	14.8%	14.8%	14.8%	14.9%
5.98%	7.4%	7.4%	7.5%	7.5%
8.00% and above	0.2%	0.2%	0.2%	0.3%

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

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

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

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

REMIC Elections

In the opinion of Cadwalader, Wickersham and Taft for federal income tax purposes, the Trust will constitute a Double REMIC Series as to the Group 1 and Group 3 Trust Assets and a Single REMIC Series as to the Group 2 Trust Assets. Separate REMIC elections will be made for the Group 2 REMIC, the Pooling REMIC and the Issuing REMIC (each, a “Trust REMIC”).

Regular Securities

The Regular Securities will be treated as debt instruments issued by the Issuing REMIC or Group 2 REMIC, as applicable, for federal income tax purposes. Income on the Regular Securities must be reported under an accrual method of accounting.

The Class OQ and QO 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 CI, DI, SD, SE, SG, SR, ST, SW and WI 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 Z and ZA Securities are Accrual Securities. Holders of Accrual Securities are required to accrue all income from their Securities (other than income attributable to market discount or *de minimis* market discount) under the OID rules based on the expected payments on the Accrual Securities at the prepayment assumption described below.

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

Prospective investors in the Securities should be aware, however, that the foregoing expectations about OID could change because of differences (1) between anticipated purchase prices and actual purchase prices or (2) between the assumed characteristics of the Trust Assets and the characteristics of the Trust Assets actually delivered to the Trust. The prepayment assumption that should be used in determining the rates of accrual of OID, if any, on the Regular Securities is 235% PSA in the case of the Group 1 Securities, 445% PSA in the case of the Group 2 Securities and 240% 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 Floating Rate and Inverse Floating Rate Classes, the value of LIBOR to be used for these determinations is 3.98%. No representation is made, however, about the rate at which prepayments on the Mortgage Loans underlying the Trust Assets actually will occur or the level of LIBOR at any time after the date of this Supplement. See “*Certain Federal Income Tax Consequences*” in the *Base Offering Circular*.

OID Accruals on the Underlying Certificates will be computed using the applicable prepayment assumption set forth above.

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

Residual Securities

The Class R Securities will represent the beneficial ownership of the Residual Interest in the Group 2 REMIC, and 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 R and 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 R and Class RR Securities are not entitled to any stated principal or interest payments on the Class R or Class RR Securities, the Group 2 REMIC and 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 R or 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.

On December 8, 2000, the IRS issued Revenue Procedure 2001-12, effective February 4, 2000 pending finalization of proposed regulations, which expands the safe harbor for transfers of noneconomic residual interests to include transfers to certain taxable domestic corporations with significant gross and net assets, provided that those corporations agree to transfer the residual interests only to other taxable domestic corporations in transactions qualifying for one of the safe harbor provisions. Eligibility for the expanded safe harbor requires, among other things, that the transferor not know of any facts or circumstances that reasonably indicate that the taxes associated with the residual interest will not be paid. The Revenue Procedure provides that transfers to foreign branches of domestic corporations or transfers involving arrangements that subject income from the residual interest to net tax by a foreign country or possession of the United States is not within the safe harbor, and also provides that if the amount of consideration given to the transferee to acquire the residual interest is so low that under any set of reasonable assumptions a reasonable person would conclude that the taxes associated with holding the residual interest will not be paid, then the transferor will be deemed to know that the transferee cannot or will not pay those taxes. See *“Certain Federal Income Tax Consequences — Tax Treatment of Residual Securities — Non-Recognition of Certain Transfers for Federal Income Tax Purposes”* in the Base Offering Circular.

Effect of the Economic Growth and Tax Relief Reconciliation Act of 2001

As a result of the Economic Growth and Tax Relief Reconciliation Act of 2001, limitations imposed by section 68 of the Code on claiming itemized deductions will be phased-out commencing in 2006, which will affect individuals holding either Regular Securities in Single Class REMICs, or Residual Securities. In addition, starting in 2001, the backup withholding rate will start declining from 31% until leveling at 28% in 2006. See *“Certain Federal Income Tax Consequences — Tax Treatment of Regular Securities — Single Class REMICs,” “— Tax Treatment of Residual Securities — Special Considerations for Certain Types of Investors — Individuals and Pass Through Entities”* and *“— Backup Withholding”* in the Base Offering Circular. Investors are encouraged to consult their own tax advisors with respect to the new legislation.

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 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”), solely by reason of the Plan’s purchase and holding of that certificate.

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, Plans.

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 from (1) June 1, 2001 on the Fixed Rate Classes, (2) June 20, 2001 on the Group 1 and Group 3 Floating Rate and Inverse Floating Rate Classes and (3) June 16, 2001 on the Group 2 Floating Rate and Inverse Floating Rate Classes. The Sponsor may effect these transactions by sales to or through certain securities dealers. These dealers may receive compensation in the form of discounts, concessions or commissions from the Sponsor and/or commissions from any purchasers for which they act as agents. Some of the Securities may be sold through dealers in relatively small sales. In the usual case, the commission charged on a relatively small sale of securities will be a higher percentage of the sales price than that charged on a large sale of securities.

INCREASE IN SIZE

Before the Closing Date, Ginnie Mae, the Trustee and the Sponsor may agree to increase the size of this offering. In that event, the Securities will have the same characteristics as described in this Supplement, except that (1) the Original Class Principal Balance (or original Class Notional Balance) of each Class and (2) if applicable, the Aggregate Scheduled Principal Balances of each group of Classes receiving distributions 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, Washington, DC; for the Trust by Cadwalader, Wickersham & Taft, Washington, DC, and Marcell Solomon & Associates, P.C., Greenbelt, MD; and for the Trustee by Ungaretti & Harris, Chicago IL.

Available Combinations(1)

REMIC Securities			MX Securities						
Class	Original Class Principal or Notional Balance	Related MX Class	Maximum Original Class Principal or Notional Balance(2)	Principal Type(3)	Interest Rate	Interest Type(5)	CUSIP Number	Final Distribution Date(4)	Increased Minimum Denomination(5)
Security Group 1									
Combination 1									
PJ.....	\$ 3,667,000	AG	\$ 10,383,250	PAC	5.50%	FIX	38373RMH9	October 2023	N/A
QW.....	6,716,250								
Combination 2									
PJ.....	\$ 3,667,000	AB	\$ 10,383,250	PAC	5.75%	FIX	38373RMJ5	October 2023	N/A
QW.....	6,716,250								
WI.....	399,356								
Combination 3									
PJ.....	\$ 3,667,000	AC	\$ 10,383,250	PAC	6.00%	FIX	38373RMK2	October 2023	N/A
QW.....	6,716,250								
WI.....	798,712								
Combination 4									
PJ.....	\$ 3,667,000	AD	\$ 10,383,250	PAC	6.25%	FIX	38373RML0	October 2023	N/A
QW.....	6,716,250								
WI.....	1,198,067								
Combination 5									
PJ.....	\$ 3,667,000	AE	\$ 10,383,250	PAC	6.50%	FIX	38373RMM8	October 2023	N/A
QW.....	6,716,250								
WI.....	1,597,423								
Combination 6									
QR.....	\$ 62,110,000	QC	\$ 62,110,000	PAC	5.75%	FIX	38373RMN6	January 2027	N/A
CI.....	2,388,846								
Combination 7									
QR.....	\$ 62,110,000	BA	\$ 62,110,000	PAC	6.00%	FIX	38373RMP1	January 2027	N/A
CI.....	4,777,692								
Combination 8									
QR.....	\$ 62,110,000	BD	\$ 62,110,000	PAC	6.25%	FIX	38373RMQ9	January 2027	N/A
CI.....	7,166,538								
Combination 9									
QR.....	\$ 62,110,000	BE	\$ 62,110,000	PAC	6.50%	FIX	38373RMR7	January 2027	N/A
CI.....	9,555,384								
Combination 10									
QY.....	\$ 29,000,000	CB	\$ 29,000,000	PAC	6.25%	FIX	38373RMS5	October 2028	N/A
DI.....	1,115,385								
Combination 11									
QY.....	\$ 29,000,000	CD	\$ 29,000,000	PAC	6.50%	FIX	38373RMT3	October 2028	N/A
DI.....	2,230,769								
Combination 12									
SD.....	\$100,002,000	SP	\$137,499,750	NTL(PAC/SCH)	(6)	INV/IO	38373RMU0	October 2028	\$1,380,000
SW.....	37,497,750								

REMIC Securities		MX Securities							
Class	Original Class Principal or Notional Balance	Related MX Class	Maximum Original Class Principal or Notional Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)	Increased Minimum Denomination(5)
Combination 13									
SD	\$100,002,000	SH	\$100,002,000	NTL(SCH)	(6)	INV/IO	38373RMV8	October 2028	\$1,291,000
SG	100,002,000								
Combination 14									
OQ	\$28,572,000	SX	\$28,572,000	SCH	(6)	INV	38373RMW6	October 2028	\$100,000
SD	100,002,000								
SG	100,002,000								
Combination 15									
OQ	\$28,572,000	SY	\$28,572,000	SCH	(6)	INV	38373RMX4	October 2028	\$104,000
SD	71,430,000								
SG	71,430,000								
Combination 16									
OQ	\$28,572,000	SU	\$28,572,000	SCH	(6)	INV	38373RMY2	October 2028	\$100,000
SD	100,002,000								
Combination 17									
OQ	\$28,572,000	SV	\$28,572,000	SCH	(6)	INV	38373RMZ9	October 2028	\$106,000
SD	71,430,000								
Security Group 2									
Combination 18									
OQ	\$12,500,000	SB	\$12,500,000	PT	(6)	INV	38373RNA3	June 2031	\$105,000
SE	100,000,000								

- (1) Every exchange is required to comply with minimum denomination restrictions.
- (2) The amount shown for each MX Class represents the maximum Original Class Principal Balance or Class Notional Balance of that Class, assuming it were to be issued on the Closing Date.
- (3) As defined under "Class Types" in Appendix I to the Base Offering Circular.
- (4) See "Yield, Maturity and Prepayment Considerations — Final Distribution Date" in this Supplement.
- (5) Each Class will be issued in the denomination specified. If no denomination is indicated for a Class, that Class will be issued in the denomination specified under "Description of the Securities — Form of Securities" in this Supplement.
- (6) 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>Classes FP, PE, PJ, QR, QW and QY (in the aggregate)</u>	<u>Classes FG and OQ (in the aggregate) (First)</u>	<u>Classes FG and OQ (in the aggregate) (Second)</u>
Initial Balance	\$149,991,000.00	\$128,574,000.00	\$128,574,000.00
July 2001	149,991,000.00	127,742,506.72	127,742,506.72
August 2001	149,991,000.00	126,827,348.74	126,827,348.74
September 2001	149,991,000.00	125,828,823.47	125,828,823.47
October 2001	149,991,000.00	124,747,294.45	124,747,294.45
November 2001	149,991,000.00	123,583,191.22	123,583,191.22
December 2001	149,991,000.00	122,337,009.07	122,337,009.07
January 2002	149,991,000.00	121,009,308.79	121,009,308.79
February 2002	149,991,000.00	119,600,716.20	119,600,716.20
March 2002	149,991,000.00	118,111,921.72	118,111,921.72
April 2002	149,991,000.00	116,543,679.76	116,543,679.76
May 2002	149,991,000.00	114,896,808.09	114,896,808.09
June 2002	148,864,444.81	114,298,742.25	114,298,742.25
July 2002	147,687,512.91	113,674,245.89	113,674,245.89
August 2002	146,460,659.83	113,023,866.41	113,023,866.41
September 2002	145,184,366.67	112,348,185.52	112,348,185.52
October 2002	143,859,139.73	111,647,818.44	111,647,818.44
November 2002	142,485,510.20	110,923,413.09	110,923,413.09
December 2002	141,064,033.78	110,175,649.21	110,175,649.21
January 2003	139,595,290.31	109,405,237.39	109,405,237.39
February 2003	138,079,883.36	108,612,918.08	108,612,918.08
March 2003	136,518,439.77	107,799,460.57	107,799,460.57
April 2003	134,911,609.26	106,965,661.83	106,798,724.91
May 2003	133,260,063.93	106,112,345.40	104,398,490.83
June 2003	131,564,497.76	105,240,360.15	101,952,833.74
July 2003	129,825,626.12	104,350,579.08	99,466,282.02
August 2003	128,044,185.26	103,443,897.98	96,943,447.88
September 2003	126,270,818.17	102,548,327.44	94,483,653.50
October 2003	124,505,478.42	101,663,738.28	92,085,742.31
November 2003	122,748,119.81	100,790,002.43	89,748,577.51
December 2003	120,998,696.32	99,926,992.93	87,471,041.67
January 2004	119,257,162.17	99,074,583.92	85,252,036.49
February 2004	117,523,471.78	98,232,650.60	83,090,482.43
March 2004	115,797,579.77	97,401,069.28	80,985,318.40
April 2004	114,079,440.97	96,579,717.29	78,935,501.46
May 2004	112,369,010.42	95,768,473.06	76,940,006.53
June 2004	110,666,243.35	94,967,216.04	74,997,826.06
July 2004	108,971,095.20	94,175,826.70	73,107,969.77
August 2004	107,283,521.61	93,394,186.56	71,269,464.32
September 2004	105,603,478.44	92,622,178.16	69,481,353.08
October 2004	103,930,921.70	91,859,685.02	67,742,695.82
November 2004	102,265,807.65	91,106,591.68	66,052,568.41
December 2004	100,608,092.72	90,362,783.66	64,410,062.60
January 2005	98,957,733.53	89,628,147.45	62,814,285.74

<u>Distribution Date</u>	<u>Classes FP, PE, PJ, QR, QW and QY (in the aggregate)</u>	<u>Classes FG and OQ (in the aggregate) (First)</u>	<u>Classes FG and OQ (in the aggregate) (Second)</u>
February 2005	\$ 97,314,686.91	\$ 88,902,570.52	\$ 61,264,360.50
March 2005	95,678,909.87	88,185,941.30	59,759,424.62
April 2005	94,050,359.62	87,478,149.18	58,298,630.68
May 2005	92,428,993.56	86,779,084.47	56,881,145.81
June 2005	90,814,769.27	86,088,638.43	55,506,151.48
July 2005	89,207,644.53	85,406,703.24	54,172,843.28
August 2005	87,607,577.30	84,733,172.01	52,880,430.60
September 2005	86,014,525.73	84,067,938.74	51,628,136.49
October 2005	84,428,448.15	83,410,898.33	50,415,197.39
November 2005	82,849,303.08	82,761,946.59	49,240,862.89
December 2005	81,277,049.21	82,120,980.19	48,104,395.55
January 2006	79,711,645.42	81,487,896.68	47,005,070.64
February 2006	78,153,050.78	80,862,594.50	45,942,175.97
March 2006	76,601,224.53	80,244,972.92	44,915,011.63
April 2006	75,056,126.08	79,634,932.07	43,922,889.84
May 2006	73,517,715.02	79,032,372.91	42,965,134.71
June 2006	71,985,951.13	78,437,197.27	42,041,082.02
July 2006	70,460,794.36	77,849,307.75	41,150,079.09
August 2006	68,942,204.81	77,268,607.82	40,291,484.52
September 2006	67,430,142.79	76,695,001.74	39,464,668.05
October 2006	65,924,568.76	76,128,394.57	38,669,010.34
November 2006	64,425,443.34	75,568,692.16	37,903,902.80
December 2006	62,932,727.35	75,015,801.16	37,168,747.40
January 2007	61,446,381.75	74,469,629.00	36,462,956.51
February 2007	59,966,367.68	73,930,083.87	35,785,952.72
March 2007	58,492,646.45	73,397,074.74	35,137,168.65
April 2007	57,025,179.52	72,870,511.32	34,516,046.80
May 2007	55,563,928.54	72,350,304.10	33,922,039.37
June 2007	54,108,855.30	71,836,364.28	33,354,608.11
July 2007	52,659,921.75	71,328,603.81	32,813,224.17
August 2007	51,217,090.02	70,826,935.38	32,297,367.90
September 2007	49,780,322.39	70,331,272.38	31,806,528.74
October 2007	48,349,581.30	69,841,528.94	31,340,205.04
November 2007	46,924,829.34	69,357,619.87	30,897,903.91
December 2007	45,506,029.27	68,879,460.71	30,479,141.09
January 2008	44,093,144.01	68,406,967.68	30,083,440.80
February 2008	42,686,136.61	67,940,057.67	29,710,335.58
March 2008	41,284,970.29	67,478,648.29	29,359,366.16
April 2008	39,889,608.43	67,022,657.79	29,030,081.34
May 2008	38,500,014.55	66,572,005.10	28,722,037.81
June 2008	37,116,152.33	66,126,609.82	28,434,800.07
July 2008	35,737,985.58	65,686,392.20	28,167,940.26
August 2008	34,365,478.30	65,251,273.12	27,921,038.04
September 2008	32,998,594.58	64,821,174.12	27,693,680.48
October 2008	31,637,298.72	64,396,017.38	27,485,461.90
November 2008	30,281,555.11	63,975,725.70	27,295,983.79
December 2008	28,931,328.33	63,560,222.49	27,124,854.64
January 2009	27,586,583.07	63,149,431.80	26,971,689.88
February 2009	26,247,284.18	62,743,278.29	26,836,111.71
March 2009	24,913,396.66	62,341,687.19	26,717,749.01

<u>Distribution Date</u>	<u>Classes FP, PE, PJ, QR, QW and QY (in the aggregate)</u>	<u>Classes FG and OQ (in the aggregate) (First)</u>	<u>Classes FG and OQ (in the aggregate) (Second)</u>
April 2009	\$ 23,584,885.62	\$ 61,944,584.38	\$ 26,616,237.23
May 2009	22,261,716.35	61,551,896.29	26,531,218.28
June 2009	20,943,854.26	61,163,549.95	26,462,340.38
July 2009	19,631,264.89	60,779,472.98	26,409,258.03
August 2009	18,323,913.92	60,399,593.57	26,371,631.83
September 2009	17,021,767.19	60,023,840.47	26,349,128.42
October 2009	15,735,498.76	59,641,434.90	26,328,378.18
November 2009	14,468,928.51	59,248,452.94	26,307,506.89
December 2009	13,221,709.30	58,845,138.38	26,286,513.86
January 2010	11,993,499.71	58,431,729.98	26,265,398.37
February 2010	10,783,963.95	58,008,461.54	26,244,159.70
March 2010	9,592,771.73	57,575,562.01	26,222,797.14
April 2010	8,419,598.22	57,133,255.56	26,201,309.96
May 2010	7,264,123.92	56,681,761.69	26,179,697.45
June 2010	6,126,034.57	56,221,295.28	26,157,958.86
July 2010	5,005,021.08	55,752,066.68	26,136,093.46
August 2010	3,900,779.45	55,274,281.80	26,114,100.51
September 2010	2,813,010.67	54,788,142.20	26,091,979.28
October 2010	1,741,420.64	54,293,845.14	26,069,729.00
November 2010	685,720.07	53,791,583.65	26,047,348.92
December 2010	0.00	52,927,171.11	25,708,162.49
January 2011	0.00	51,384,772.91	24,663,407.52
February 2011	0.00	49,850,014.72	23,633,580.70
March 2011	0.00	48,322,802.72	22,618,409.35
April 2011	0.00	46,803,043.65	21,617,625.23
May 2011	0.00	45,290,644.88	20,630,964.55
June 2011	0.00	43,785,514.31	19,658,167.78
July 2011	0.00	42,287,560.43	18,698,979.68
August 2011	0.00	40,796,692.29	17,753,149.17
September 2011	0.00	39,312,819.50	16,820,429.28
October 2011	0.00	37,835,852.21	15,900,577.09
November 2011	0.00	36,365,701.13	14,993,353.63
December 2011	0.00	34,902,277.51	14,098,523.85
January 2012	0.00	33,445,493.13	13,215,856.52
February 2012	0.00	31,995,260.29	12,345,124.20
March 2012	0.00	30,551,491.83	11,486,103.14
April 2012	0.00	29,114,101.11	10,638,573.27
May 2012	0.00	27,683,001.98	9,802,318.06
June 2012	0.00	26,258,108.83	8,977,124.55
July 2012	0.00	24,839,336.53	8,162,783.20
August 2012	0.00	23,426,600.46	7,359,087.92
September 2012	0.00	22,019,816.47	6,565,835.94
October 2012	0.00	20,618,900.94	5,782,827.79
November 2012	0.00	19,223,770.69	5,009,867.25
December 2012	0.00	17,834,343.04	4,246,761.26
January 2013	0.00	16,450,535.77	3,493,319.91
February 2013	0.00	15,072,267.13	2,749,356.35
March 2013	0.00	13,699,455.84	2,014,686.75
April 2013	0.00	12,332,021.07	1,289,130.28
May 2013	0.00	10,969,882.44	572,509.00

<u>Distribution Date</u>	<u>Classes FP, PE, PJ, QR, QW and QY (in the aggregate)</u>	<u>Classes FG and OQ (in the aggregate) (First)</u>	<u>Classes FG and OQ (in the aggregate) (Second)</u>
June 2013	\$ 0.00	\$ 9,612,960.03	\$ 0.00
July 2013	0.00	8,261,174.33	0.00
August 2013	0.00	6,914,446.31	0.00
September 2013	0.00	5,572,697.34	0.00
October 2013	0.00	4,235,849.23	0.00
November 2013	0.00	2,903,824.22	0.00
December 2013	0.00	1,576,544.96	0.00
January 2014	0.00	253,934.50	0.00
February 2014 and thereafter	0.00	0.00	0.00

Exhibit A

Underlying Certificates

Trust Asset Group	Underlying REMIC Trust	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	Weighted Average Coupon of Mortgage Loans	Approximate Weighted Average Remaining Maturity of Mortgage Loans (in months)	Approximate Weighted Average Loan Age of Mortgage Loans (in months)	Ginnie Mae I or II
3	Ginnie Mae-2001-3	PC	February 28, 2001	383739DP1	7.0%	FIX	February 2031	PAC	\$12,800,000	1.000000000	\$12,800,000	100%	7.804%	345	10	II

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

(2) Underlying Certificate Factors are as of June 2001.

Exhibit B

**Cover Page, Inside Cover Page and Terms Sheet from Underlying
REMIC Disclosure Document**

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

\$352,874,053

Government National Mortgage Association

GINNIE MAE[®]



**Guaranteed REMIC Pass-Through Securities
and MX Securities
Ginnie Mae REMIC Trust 2001-03**



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

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

The Securities

The Trust will issue the classes of securities listed on the inside front cover.

The Ginnie Mae Guaranty

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

The Trust and its Assets

The Trust will own Ginnie Mae Certificates.

The Sponsor and the Co-Sponsor will offer the securities from time to time in negotiated transactions at varying prices. We expect the closing date to be February 28, 2001.

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

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

LEHMAN BROTHERS

BLAYLOCK & PARTNERS, L.P.

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

Ginnie Mae REMIC Trust 2001-03

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>Principal Type(3)</u>	<u>Interest Rate</u>	<u>Interest Type(3)</u>	<u>Final Distribution Date(4)</u>	<u>CUSIP Number</u>
Security Group						
1						
F	\$202,874,053	PT	(5)	FLT	February 2031	383739DH9
S	202,874,053	NTL(PT)	(5)	INV/IO	February 2031	383739DJ5
Security Group						
2						
A	3,500,000	SUP	7.00%	FIX	June 2030	383739DK2
G	19,000,000	SCH	7.00	FIX	February 2031	383739DL0
M	9,494,000	SUP	7.00	FIX	February 2031	383739DM8
PB	12,865,000	PAC	7.00	FIX	March 2030	383739DN6
PC	12,800,000	PAC	7.00	FIX	February 2031	383739DP1
PI(1)	13,897,197	NTL(PAC)	7.00	FIX/IO	February 2029	383739DQ9
PQ(1)	82,441,000	PAC	5.82	FIX	February 2029	383739DR7
ZA	9,900,000	SUP	7.00	FIX/Z	March 2030	383739DS5
Residual						
RR	0	NPR	0.00	NPR	February 2031	383739DT3

- (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 as described in this Supplement.
- (4) See “Yield, Maturity and Prepayment Considerations — Final Distribution Date” in this Supplement.
- (5) See “Terms Sheet — Interest Rates” in this Supplement.

TERMS SHEET

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

Sponsor: Lehman Brothers Inc.

Trustee: Bank One Trust Company, N.A.

Tax Administrator: The Trustee

Closing Date: February 28, 2001

Distribution Dates: For the Group 1 Securities, the 16th day of each month or, if the 16th day is not a Business Day, the first Business Day thereafter, commencing in March 2001. For the Group 2 Securities, the 20th day of each month or, if the 19th day or the 20th day is not a Business Day, the first Business Day following the 20th day of each month, commencing in March 2001.

Trust Assets:

<u>Trust Asset Group</u>	<u>Trust Asset Type</u>	<u>Certificate Rate</u>	<u>Original Term To Maturity (in years)</u>
1	Ginnie Mae I	8.5%	30
2	Ginnie Mae II	7.0%	30

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

Assumed Characteristics of the Mortgage Loans Underlying the Trust Assets¹:

<u>Principal Balance²</u>	<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Weighted Average Mortgage Rate³</u>
Group 1			
Trust Assets			
\$202,874,053	280	70	9.00%
Group 2			
Trust Assets			
\$150,000,000	355	4	7.75%

¹ As of February 1, 2001.

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

³ The Mortgage Loans underlying the Group 2 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 2 Trust Assets, Mortgage Rates of many of the Mortgage Loans will differ from the weighted averages shown above, perhaps significantly. See “The Trust Assets — The Mortgage Loans” in this Supplement.

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 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 + 0.40%	6.0%	0.4%	8.5%	0	0.00%
S	8.10% – LIBOR	2.5%	0.0%	8.1%	0	8.10%

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

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

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

SECURITY GROUP 1

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

SECURITY GROUP 2

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

- The Accrual Amount in the following order of priority:

Scheduled and Accrual { 1. To G, until reduced to its First Scheduled Principal Balance for that Distribution Date
2. To ZA, until retired

- The Group 2 Adjusted Principal Distribution Amount in the following order of priority:

PAC { 1. To PQ, PB and PC, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date

Scheduled { 2. To G, until reduced to its First Scheduled Principal Balance for that Distribution Date

- Support { 3. To ZA, until retired
- { 4. To A, until retired
- Scheduled { 5. To G, until reduced to its Second Scheduled Principal Balance for that Distribution Date
- Support { 6. To M, until retired
- Scheduled { 7. To G, without regard to any Scheduled Principal Balance, until retired
- PAC { 8. To PQ, PB and PC, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired

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

<u>Classes</u>	<u>Range or Rate</u>
PQ, PB and PC (in the aggregate)	120% PSA through 275% PSA
G (First)	115% PSA
G (Second)	220% 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 Balance indicated:

<u>Class</u>	<u>Original Class Notional Balance</u>	<u>Represents Approximately</u>
PI	\$ 13,897,197	16.8571428571% of PQ (PAC Class)
S	\$202,874,053	100% of F (Pass-Through 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 Interests of the Issuing REMIC and the Pooling REMIC; all other Classes of REMIC Securities are Regular Classes.



\$437,300,000

**Government National
Mortgage Association**

GINNIE MAE[®]

**Guaranteed REMIC
Pass-Through Securities
and MX Securities
Ginnie Mae REMIC Trust 2001-31**

OFFERING CIRCULAR SUPPLEMENT
June 25, 2001

**LEHMAN BROTHERS
THE WILLIAMS CAPITAL GROUP, L.P.**