



\$122,000,000

**Government National Mortgage Association
GINNIE MAE®**

**Guaranteed HECM MBS REMIC Pass-Through Securities
Ginnie Mae REMIC Trust 2011-H07**

The Securities

The Trust will issue the Classes of Securities listed on the front cover of this offering circular supplement.

Class of REMIC Securities	Original Principal Balance (1)	Interest Rate	Principal Type (2)	Interest Type (2)	CUSIP Number	Final Distribution Date (3)
FA	\$122,000,000	(4)	HPT	FLT/HW.AC/HZ	38375KP6	February 2061
FI	122,000,000	(4)	NTL (HPT)	HW.AC/IO/DLY	38375KQ4	February 2061
Residual RR	0	0.00%	NPR	NPR	38375KR2	February 2061

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.

- (1) Subject to increase as described under "Increase in Size" in this Supplement. The amount shown for the Notional Class (indicated by "NTL" under Principal Type) is its original Class Notional Balance and does not represent principal that will be paid.
- (2) As defined under "Terms Sheet — Class Types" in this Offering Circular Supplement or under "Class Types" in Appendix I to the Base Offering Circular, as applicable. The Class Notional Balance of the Notional Class will be either reduced or increased, as applicable, with the outstanding principal balance of the Trust Assets.
- (3) See "Yield, Maturity and Prepayment Considerations — Final Distribution Date" in this Supplement.
- (4) See "Terms Sheet — Interest Rates" in this Supplement.

The Trust and its Assets

The Trust will own Ginnie Mae HECM MBS.

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 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 March 30, 2011.

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.

Morgan Stanley

Sandgrain Securities Inc.

The date of this Offering Circular Supplement is March 23, 2011.

AVAILABLE INFORMATION

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

- this Offering Circular Supplement (this “Supplement”),
- the Base Offering Circular,
- the HECM MBS Base Prospectus dated October 1, 2007 (the “HECM MBS Base Prospectus”) and
- each HECM MBS Prospectus Supplement relating to the HECM MBS (the “HECM MBS Prospectus Supplements,” together with the HECM MBS Base Prospectus, the “HECM MBS Disclosure Documents”).

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

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

Unless otherwise specifically defined herein, please consult the standard abbreviations of Class Types included in the Base Offering Circular as Appendix I and the Glossary included in the Base Offering Circular as Appendix II for definitions of capitalized terms.

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TERMS SHEET

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

Sponsor: Morgan Stanley & Co. Incorporated.

Co-Sponsor: Sandgrain Securities Inc.

Trustee: U.S. Bank National Association

Tax Administrator: The Trustee

Closing Date: March 30, 2011

Distribution Date: The 20th day of each month or, if the 20th day is not a Business Day, the first Business Day thereafter, commencing in April 2011.

Trust Assets:

<u>Trust Asset Type⁽¹⁾</u>	<u>HECM MBS Principal Balance</u>	<u>HECM MBS Rate⁽²⁾</u>	<u>Original Term To Maturity (in years)</u>
Ginnie Mae II ⁽³⁾	\$122,000,000	⁽⁴⁾	50

⁽¹⁾ The Trust Assets are HECM MBS backed by participation interests (each, a “Participation”) in advances made to borrowers and related amounts in respect of home equity conversion mortgage loans (“HECMs”) insured by FHA. See “*The Trust Assets — The Participations and the HECMs*” in this Supplement. Certain additional information regarding the HECM MBS is set forth in Exhibit A to this Supplement.

⁽²⁾ The HECM MBS Rate for each Trust Asset is the weighted average coupon of its related Participation interest rates (“WACR”). WACR constitutes the Weighted Average Coupon Rate for purposes of this Supplement. See “*The Trust Assets — The Trust MBS*” in this Supplement.

⁽³⁾ The Trust Assets consist of Ginnie Mae HECM MBS pools 893552, 893558 and 893163.

⁽⁴⁾ The applicable index for each HECM MBS pool is LIBOR. The margins on the Participations (net of the related Servicing Fee Margin) underlying the HECM MBS pools are either 1.70% or 1.75%. The actual HECM lifetime cap on interest rate adjustments may limit whether the HECM MBS Rate for a particular HECM MBS pool remains at LIBOR (as determined pursuant to the HECM loan documents) plus the applicable margin. See “*The Trust Assets — The Trust MBS*” and “*Risk Factors — Adjustable rate HECMs are subject to certain caps, or maximum interest rates, which may limit the amount of interest payable in respect of the related HECM MBS and may limit the WACR on the related HECM MBS and the interest rates on the securities*” in this Supplement.

Assumed Characteristics of the HECMs and the Participations Underlying the Trust Assets:

The assumed characteristics of the HECMs and the Participations underlying the Trust Assets are identified in Exhibit A to this Supplement. The assumed characteristics may differ, perhaps significantly, from the characteristics of the HECMs and the related Participations as of the date of issuance of the related HECM MBS, which characteristics are identified in the related HECM MBS Prospectus Supplement. There can be no assurance that the actual characteristics of the HECMs and the Participations

underlying the Trust Assets will be the same as the assumed characteristics identified in Exhibit A to this Supplement.

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

Increased Minimum Denomination Classes: Each Regular Class. See “Description of the Securities — Form of Securities” in this Supplement.

Interest Rates: Class FA 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(3)</u>	<u>Delay (in days)</u>	<u>LIBOR for Minimum Interest Rate</u>
FA	LIBOR + 0.50%	0.76%	0.50%	10.00%	0	0.00%

(1) LIBOR will be established as described under “Description of the Securities — Interest Distributions — Floating Rate Class” in this Supplement.

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

(3) The Maximum Rate for any Accrual Period will be the lesser of (i) the rate indicated in this table under the heading “Maximum Rate” and (ii) the WACR for the Trust Assets. See “Risk Factors — The maximum rate on the floating rate class could limit the amount of interest that accrues on such class” in this Supplement.

Class FA will bear interest during each Accrual Period at a per annum rate equal to the lesser of the Maximum Rate and the result based on the interest rate formula described above.

The approximate initial Interest Rate for the Interest Only Class is 1.23049%. The approximate initial Interest Rate for the Interest Only Class was calculated using the assumed characteristics of the HECMs and the Participations underlying the Trust Assets set forth in Exhibit A, which are provided by the Sponsor as of March 1, 2011. The assumed characteristics include rounded weighted average gross interest rates on the HECMs related to the Participations backing the Trust Assets. The actual initial Interest Rate for such Class will be calculated based on the interest that accrues on each HECM, aggregated and then rounded to a different level of precision. Therefore the actual initial Interest Rate for such Class may differ from the approximate initial Interest Rate set forth herein. On or about the first Distribution Date, investors can obtain the actual initial Interest Rate for such Class for the related Accrual Period from the Trustee’s website, www.usbank.com/abs.

Class FI Interest Rate: For any Distribution Date, a per annum rate equal to the product of (i) 12 multiplied by (ii) the quotient of (a) the excess, if any, of (I) the interest accrued for the Accrual Period immediately preceding such Distribution Date on the Trust Assets over (II) the Class FA Interest Accrual Amount for such Distribution Date, divided by (b) the outstanding principal balance of the Trust Assets as of the related Record Date for Class FI.

Distributions: On each Distribution Date, the Available Distribution Amount will be allocated in the following order of priority:

1. Concurrently, to FA and FI, pro rata based on their respective Interest Accrual Amounts, up to the Class FA Interest Accrual Amount and the Class FI Interest Accrual Amount for such Distribution Date

2. To FA, in reduction of its Class Principal Balance, up to the amount of the Class FA Principal Distribution Amount for such Distribution Date, until retired

3. To FI, until the Class FI Deferred Interest Amount is reduced to zero

Available Distribution Amount: With respect to each Distribution Date, the excess, if any, of (a) the sum of (i) the product of (A) the original principal amount of the HECM MBS and (B) the Certificate Factor or Calculated Certificate Factor, as applicable, for the preceding Distribution Date and (ii) the interest accrued with respect to such HECM MBS for the related Accrual Period over (b) the product of (i) the original principal amount of such HECM MBS and (ii) the Certificate Factor or Calculated Certificate Factor, as applicable, for the current Distribution Date.

Class FA Interest Accrual Amount: For any Distribution Date, interest accrued during the related Accrual Period for such Distribution Date at the related Interest Rate on the Class Principal Balance of Class FA as of the related Record Date. If, on any Distribution Date, the Class FA Interest Accrual Amount for such Distribution Date exceeds the amount distributed in respect of Class FA pursuant to step 1. in “Terms Sheet — Distributions” in this Supplement, such excess will be added to the Class Principal Balance of Class FA (the “Class FA Principal Balance”).

Class FA Principal Distribution Amount: For any Distribution Date, the product of (i) the excess, if any, of (a) the Available Distribution Amount for such Distribution Date over (b) the sum of the Class FA Interest Accrual Amount and the Class FI Interest Accrual Amount for such Distribution Date, and (ii) the quotient of (a) the Class FA Principal Balance as of the related Record Date divided by (b) the outstanding principal balance of the Trust Assets as of the related Record Date for Class FA.

Class FI Deferred Interest Amount: With respect to any Distribution Date, the excess, if any, of (i) the sum of all Class FI Interest Accrual Amounts for each Accrual Period ending before such Distribution Date over (ii) the sum of (a) all amounts distributed in respect of Class FI on all prior Distribution Dates plus (b) the amount distributed in respect of Class FI on such Distribution Date pursuant to step 1. in “Terms Sheet — Distributions” in this Supplement. After the occurrence of any Distribution Date in any month, the remaining Class FI Deferred Interest Amount can be calculated by subtracting the Class FA Principal Balance after giving effect to any principal distribution (or any addition) made with respect to such Class as of such Distribution Date from the outstanding principal balance of the Trust Assets after giving effect to any payments or accruals on the HECM MBS as of such Distribution Date.

Class FI Interest Accrual Amount: For any Distribution Date, interest accrued during the related Accrual Period for such Distribution Date at the Class FI Interest Rate on the Class Notional Balance of Class FI (the “Class FI Notional Balance”) as of the related Record Date.

Deferred Interest Amount: The Class FI Deferred Interest Amount. On or about each Distribution Date, the Deferred Interest Amount is available on reports published by the Trustee on its website, www.usbank.com/abs.

Interest Accrual Amount: Any of the Class FA Interest Accrual Amount or the Class FI Interest Accrual Amount, as applicable.

Class Types: The following list contains abbreviations used to describe certain Class Types. Definitions of the Class Types are found below.

<u>Abbreviation</u>	<u>Class Types</u>
HPT	HECM MBS Pass-Through Class
HWAC	HECM MBS Weighted Average Coupon Class
HZ	HECM MBS Accrual Class

HECM MBS Accrual Class: A HECM MBS Accrual Class (“HZ”) is a Class that is backed in whole or in part by Trust Assets consisting of HECM MBS on which interest accrues during any Accrual Period and all

or a portion of the accrued interest is (a) distributable as interest up to the amount available in respect of the underlying HECM MBS and is (b) added to its Class Principal Balance on each Distribution Date to the extent that there is not available cashflow from the Trust Assets to distribute the total accrued interest. There are no Accretion Directed Classes associated with any HECM MBS Accrual Class.

HECM MBS Pass-Through Class: A HECM MBS Pass-Through Class (“HPT”) is a Class that is backed in whole or in part by Trust Assets consisting of HECM MBS that either individually or together with other Classes receives on each Distribution Date all, or substantially all, of the principal and/or interest payments received on the related Trust Assets and that is not a Strip or Sequential Pay Class.

HECM MBS Weighted Average Coupon Class: A HECM MBS Weighted Average Coupon Class (“HWAC”) is a Class that is backed in whole or in part by Trust Assets consisting of HECM MBS and whose Interest Rate is based on or determined by reference to a Weighted Average Coupon Rate as described in this Supplement.

Notional Class: The Notional Class will not receive distributions of principal based on its Class Notional Balance but has a Class Notional Balance for convenience in describing its entitlement to interest. The Class Notional Balance of the Notional Class represents the percentage indicated below of, and reduces or increases to that extent with, the outstanding Principal Balance of the Trust Assets indicated:

<u>Class</u>	<u>Original Class Notional Balance</u>	<u>Represents</u>
FI.	\$122,000,000	100% of the Trust Assets

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 represents the Residual Interest of the Issuing REMIC and the Pooling REMIC. All other Classes of REMIC Securities are Regular Classes.

RISK FACTORS

You should purchase securities only if you understand and are able to bear the associated risks. The risks applicable to your investment depend on the principal and interest type of your securities. This section highlights certain of these risks.

The rate of principal payments on the HECMs related to the participations underlying the trust assets 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 HECMs related to the participations underlying the trust assets. Any historical data regarding mortgage loan prepayment rates may not be indicative of the rate of future prepayments on the HECMs, and no assurances can be given about the rates at which the HECMs will prepay. We expect the rate of principal payments on the HECMs related to the participations underlying the trust assets to vary. Borrowers generally may prepay their HECMs at any time without penalty.

In addition to voluntary prepayments, HECMs can be prepaid as a result of governmental mortgage insurance claim payments, loss mitigation arrangements, repurchases or liquidations of defaulted HECMs. Although under certain circumstances Ginnie Mae issuers have the option to repurchase defaulted HECMs from the related pool underlying a Ginnie Mae HECM MBS certificate, they are not obligated to do so. Defaulted HECMs that remain in pools backing Ginnie Mae HECM MBS certificates may be subject to governmental mortgage insurance claim payments, loss mitigation arrangements or foreclosure, which could have the same effect as voluntary prepayments on the cash flow available to pay the securities. No assurances can be given as to the timing or frequency of any governmental mortgage insurance claim payments, issuer repurchases, loss mitigation arrangements or foreclosure proceedings with respect to defaulted HECMs and the resulting effect on the timing or rate of principal payments on your securities.

It is uncertain when payments will be made in respect of securities backed by HECM MBS. The rate of voluntary prepayments and the occurrence of maturity events and Ginnie Mae issuer purchase events with respect to

HECMs are uncertain. A borrower may prepay in whole or in part the outstanding balance of a HECM at any time without penalty, including any accrued interest thereon. No interest or principal is required to be paid by the borrower, however, until maturity, which generally occurs upon the occurrence of a maturity event. A Ginnie Mae issuer of a HECM MBS is permitted and obligated to purchase, under certain circumstances, all participations related to a HECM.

Because (i) it is uncertain whether a HECM borrower will choose to prepay amounts advanced in whole or in part, (ii) it is uncertain when any maturity event might occur, (iii) it is uncertain when amounts owed on a HECM will equal or exceed 98% of the maximum claim amount and (iv) it is uncertain whether a Ginnie Mae issuer will exercise any option to purchase any participation related to a HECM, it is uncertain when any amounts might be paid on securities backed by HECM MBS, and thus the yields on and weighted average lives of the securities backed by HECM MBS may differ substantially from an investor's expectations. See "Risk Factors" and "Prepayment and Yield Considerations" in the HECM MBS Base Prospectus and "Yield, Maturity and Prepayment Considerations" in this supplement.

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 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.

FHA's recently announced HECM Saver program and changes in interest rates may

create incentives for borrowers of outstanding HECMs to refinance their HECMs, which may change, perhaps significantly, the weighted average lives of, and yields on, the securities. The HECM Saver program, which has been available to borrowers since October 4, 2010, lowers upfront loan closing costs for borrowers who want to borrow smaller amounts than would be available under the existing HECM loan program. Depending on a number of factors, including prevailing interest rates, outstanding amounts borrowed in respect of any HECM and a borrower's ability to pay initial closing costs, a borrower may choose to refinance their HECM loan. Any refinancing pursuant to the HECM Saver program of any HECM loan that backs the HECM MBS will increase the rate of principal payments on the securities, or, in the case of interest only securities, increase the rate of reductions of the notional balances. The potential effect of the HECM Saver program and changes in interest rates on refinancing activity is uncertain, and no assurances can be provided as to the ultimate effect on the weighted average lives of, or yields on, your securities.

HECM borrowers may choose or change to one of five payment plans, each of which has different prepayment characteristics that may affect the weighted average lives and yields of the securities. For example, line of credit payment plans may experience higher prepayment rates than other payment plans. To the extent that the HECMs include a large concentration of line of credit HECMs, such HECMs may experience higher prepayment rates. Higher prepayment rates will reduce, perhaps significantly, the weighted average lives of the securities. Reductions in the weighted average lives of the securities will affect the yields on the securities.

A HECM that has been drawn up to its principal limit, or becomes drawn up to its principal limit early in its term, could result in a reduction of the weighted average lives of and yields on the securities. A borrower's principal limit for a HECM represents the maximum disbursement that the borrower can receive under the HECM and is calculated, in part, on the basis of the maximum claim amount for such HECM. The maximum claim amount for a HECM

generally represents the lender's maximum insurance claim from HUD for such HECM. A HECM with a loan balance that is approaching or has reached its principal limit, or that is fully drawn early in its term, is likely to reach its maximum claim amount sooner than a HECM with significant remaining credit availability that is drawn over an extended period of time. When a HECM approaches its maximum claim amount, a mandatory purchase event or a 98% optional purchase event may occur. If a purchase of all participations relating to a HECM occurs under such a Ginnie Mae issuer purchase event, the purchase will result in a payment in respect of the securities and will reduce the weighted average lives of the securities. Reductions in the weighted average lives of the securities will affect, perhaps significantly, the yields on the securities.

The level of LIBOR will affect payments and yields on the 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. You should bear in mind that the timing of changes in LIBOR may also affect your yield: generally the earlier a change in LIBOR occurs, the greater the effect such change will have on your yield. It is doubtful that LIBOR will remain constant.

In addition, higher levels of LIBOR will increase the rate at which adjustable rate HECMs reach their maximum claim amounts. When a HECM approaches its maximum claim amount, certain Ginnie Mae issuer purchase events could occur resulting in a prepayment in respect of the securities and reductions in the weighted average lives of the securities. Reductions in the weighted average lives of the securities will affect, perhaps significantly, the yields on the securities.

LIBOR for the HECMs related to the participations underlying the trust assets may not equal LIBOR for the securities, which may impact, perhaps significantly, the amount of interest distributable to the securities. LIBOR for the HECMs related to the participations underlying the trust assets may be determined at different times and from a different source than LIBOR on the securities. If LIBOR for the HECMs related to the participations underlying the trust

assets is lower than LIBOR for the securities for any accrual period, interest accruals with respect to the notional class will be reduced because the notional class is entitled to receive the excess of interest accrued in respect of the trust assets over the interest distributable to the floating rate class. In addition, if LIBOR for the HECMs related to the participations underlying the trust assets is significantly lower than LIBOR for the securities for any accrual period, interest accruing on the floating rate class will be reduced because the interest rate on the floating rate class is capped at a rate equal to the weighted average coupon rate of the related HECM MBS. In the event that LIBOR for the HECMs related to the participations underlying the trust assets is higher than LIBOR for the securities, interest accruing on the floating rate class will not be affected but interest accruals with respect to the notional class will be increased.

Adjustable rate HECMs are subject to certain caps, or maximum interest rates, which may limit the amount of interest payable in respect of the related HECM MBS and may limit the WACR on the related HECM MBS and the interest rates on the securities. If LIBOR increases to a sufficiently high level, the interest rates on adjustable rate HECMs related to the participations underlying the trust assets may be limited by caps. As a result, the WACR on the related HECM MBS, as well as the interest rates on the securities, may be limited. The application of any caps on the adjustable rate HECMs may significantly impact the interest rates on the interest only class because the interest entitlement of such class of securities is entirely dependent on the WACR of the trust assets.

The maximum rate on the floating rate class could limit the amount of interest that accrues on such class. The floating rate class is subject to a maximum rate which is equal to the lesser of the maximum rate set forth under “Terms Sheet — Interest Rates” for that class and the WACR for the trust assets. If LIBOR exceeds certain levels, the interest rate of the floating rate class may be capped at the maximum rate set forth under “Terms Sheet — Interest Rates” for that class, even in instances when

such rate is less than the WACR for the trust assets.

An investment in the securities is subject to significant reinvestment risk. The rate of principal payments on your securities is uncertain. You may be unable to reinvest the payments on your securities at the same returns provided by the securities. Lower prevailing interest rates may result in an unexpected return of principal. In that interest rate climate, higher yielding reinvestment opportunities may be limited. Conversely, higher prevailing interest rates may result in slower returns of principal and you may not be able to take advantage of higher yielding investment opportunities. The final payment on your security may occur much earlier than the final distribution date.

The securities may not be a suitable investment for you. The securities, in particular, the interest only 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 HECMs and the participations underlying the trust assets affect the weighted average lives and yields of your securities. The yield and decrement tables in this supplement are based on assumed characteristics which are likely to be different from the actual characteristics. Furthermore, certain of the assumed characteristics identified in Exhibit A to this supplement, such as maximum claim amount and HECM MBS principal balance, are calculated on an aggregate basis which may cause results to differ, perhaps significantly, from those

calculated using the actual characteristics of the trust assets on a HECM or participation level basis. As a result, the yields on your securities could be lower than you expected, even if the HECMs prepay at the constant prepayment rates set forth in the applicable table.

It is highly unlikely that the HECMs will prepay at any of the prepayment rates assumed or draw at any of the draw rates assumed, if any, in this supplement, or at any constant rate.

Lack of publicly available information on the HECMs and the related participations underlying the trust assets may adversely affect the liquidity of your securities. Limited information will be made publicly available regarding the performance of the HECMs and the related participations underlying the trust assets after the closing date. The absence of publicly available information may affect your ability to sell your securities to prospective investors.

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

The Trust Assets are HECM MBS guaranteed by Ginnie Mae, and are based on or backed by Participations in advances made to borrowers and related amounts in respect of HECMs. Each such HECM MBS will accrue interest at the interest rate for that HECM MBS for each accrual period (the “HECM MBS Rate”) as set forth in the related HECM MBS Disclosure Documents. The HECM MBS Rate is generally equal to the weighted average of the interest rates on the Participations (each, the “Participation Interest Rate”).

The interest rate of HECM MBS backed by Participations related to adjustable rate HECMs may be limited by caps on the adjustable rate HECMs. See *“Risk Factors — Adjustable rate HECMs are subject to certain caps, or maximum interest rates, which may limit the amount of interest payable in respect of the related HECM MBS and may limit the WACR on the related HECM MBS and the interest rates on the securities”* in this Supplement.

With respect to each Participation, the Participation Interest Rate generally equals the interest rate of the related HECM less the Servicing Fee Margin. The Servicing Fee Margin generally represents the amount of the servicing compensation payable to the Ginnie Mae Issuer and the Ginnie Mae guaranty fee. However, the Servicing Fee Margin will vary depending on whether the servicing compensation for the HECM is paid on a flat monthly fee arrangement or as a portion of the mortgage interest rate.

Amounts accrued on each HECM MBS in respect of interest each month will equal the product of (i) one-twelfth of the HECM MBS Rate and (ii) the unpaid and outstanding principal amount of such

HECM MBS at the end of the prior month. Each month the accrued interest with respect to each HECM MBS will be added to the then outstanding principal balance of such HECM MBS. There are no scheduled payments of interest. It is generally anticipated that no payment in respect of any HECM MBS will be paid until the occurrence of a maturity event, or in the event that a borrower makes a voluntary prepayment in whole or in part of the outstanding principal balance of the related HECM or a Ginnie Mae Issuer purchase event occurs.

The HECM MBS Disclosure Documents may be obtained from the Information Agent as described under “Available Information” in this Supplement. Investors are cautioned that material changes in facts and circumstances may have occurred since the date of the HECM MBS Disclosure Documents, 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.

The Participations and the related HECMs are further described in the tables in the Terms Sheet hereof and in Exhibit A to this Supplement. Exhibit A also sets forth information regarding approximate loan ages of the related HECMs and weighted average information regarding various characteristics of the HECMs relating to the Participations underlying the related HECM MBS.

The Participations and the HECMs

The Participations and the related HECMs underlying the Trust Assets are expected to have, on a weighted average basis, the characteristics set forth in Exhibit A and the general characteristics described in the Base Offering Circular and the HECM MBS Disclosure Documents. The Participations are related to interests in advances made to borrowers and related amounts in respect of first lien, single-family, adjustable rate residential HECM loans insured by the Federal Housing Administration. See *“The Ginnie Mae Certificates — General” in the Base Offering Circular*.

HECM borrowers may choose one of five payment plans and may change payment plans at any time as long as the outstanding principal balance does not exceed the principal limit. The “tenure” payment plan guarantees that the borrower will receive equal monthly payments for so long as the property remains the borrower’s principal residence. The “term” payment plan guarantees that the borrower will receive monthly payments for a fixed term of months as selected by the borrower. The “line of credit” payment plan allows the borrower to draw up to the available line of credit and in amounts of the borrower’s choosing. The “modified tenure” payment plan allows the borrower to set aside a portion of loan proceeds as a line of credit and receive the remaining balance in the form of equal monthly payments. The “modified term” payment plan allows the borrower to set aside a portion of the loan proceeds as a line of credit and receive the remaining balance as equal monthly payments for a fixed period of time selected by the borrower. Each payment plan is designed so that no repayments of principal or interest are required until a maturity event occurs. Any HECM may be prepaid in whole or in part at any time without penalty under each of the five payment plans. See *“Risk Factors — HECM borrowers may choose or change to one of five payment plans, each of which has different prepayment characteristics that may affect the weighted average lives and yields of the securities” in this Supplement*.

Specific information regarding the individual characteristics of the Participations and the related HECMs is not available. For purposes of this Supplement, certain assumptions have been made regarding the characteristics of the Participations and the related HECMs. However, the actual characteristics of many of the Participations and the related HECMs will differ from the characteristics assumed, perhaps significantly. This will be the case even if the weighted average characteristics of the Participations and the related HECMs are the same as the assumed characteristics. Small differences in the characteristics of the Participations and the related HECMs can have a significant effect on the Weighted Average Lives and yields of the Securities. See *“Terms Sheet — Assumed Characteristics of the*

HECMs and the Participations underlying the Trust Assets,” “Risk Factors,” “Yield, Maturity and Prepayment Considerations” and Exhibit A in this Supplement.

The Trustee Fee

The Sponsor will contribute certain Ginnie Mae Certificates in respect of the Trustee Fee. On each Distribution Date, the Trustee will retain all principal and interest distributions received on such Ginnie Mae Certificates in payment of 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 General Counsel of HUD has provided an opinion to the effect that Ginnie Mae has the authority to guarantee multiclass securities and that Ginnie Mae guaranties will constitute general obligations of the United States, for which the full faith and credit of the United States is pledged. *See “Ginnie Mae Guaranty” in the Base Offering Circular.*

DESCRIPTION OF THE SECURITIES

General

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

Form of Securities

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

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

Each Regular Class will be issued in minimum dollar denominations of initial principal or notional balance of \$100,000.

Distributions

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

Interest Distributions

The Interest Distribution Amount will be distributed or accrued as described under “Terms Sheet — Distributions” in this Supplement.

- Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months.
- Interest distributable or accrued on any Class for any Distribution Date will consist of 30 days’ interest on its Class Principal Balance (or Class Notional Balance) as of the related Record Date.

Categories of Classes

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

Accrual Period

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

<u>Class</u>	<u>Accrual Period</u>
Class FA	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
Class FI	The calendar month preceding the related Distribution Date

Floating Rate Class

Class FA will bear interest as shown under “Terms Sheet — Interest Rates” in this Supplement. The Interest Rate for Class FA will be based on LIBOR. LIBOR will equal the average of the London interbank offered rates for one-month United States dollar deposits as published in the Wall Street Journal thirty days prior to the first day of the month in which the related Accrual Period begins (or, if such date is not a Business Day, the immediately preceding Business Day). If such rate ceases to be published in the Wall Street Journal or becomes unavailable for any reason, then the rate will be based upon a new index selected by the Trustee, from the list of indices approved for use with HUD-insured HECMs, which will be announced as soon as it is available. The Trustee may use different values of LIBOR than those that are used for the HECMs, which relate to the Participations underlying the HECM MBS. *See “Risk Factors — LIBOR for the HECMs related to the participations underlying the trust assets may not equal LIBOR for the securities, which may impact, perhaps significantly, the amount of interest distributable to the securities.”*

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

HECM MBS Weighted Average Coupon Classes

The HECM MBS Weighted Average Coupon Classes will bear interest as shown under “Terms Sheet — Interest Rates” in this Supplement.

The interest that will be distributed or accrued, as applicable, on each HECM MBS Weighted Average Coupon Class will be limited by the interest that is distributed or accrued in respect of the Trust Assets. *See “Risk Factors — LIBOR for the HECMs related to the participations underlying the trust assets may not equal LIBOR for the securities, which may impact, perhaps significantly, the amount of interest distributable to the securities” in this Supplement.*

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

HECM MBS Accrual Class

Class FA is a HECM MBS Accrual Class. Interest will accrue on Class FA and be distributed as described under "Terms Sheet — HECM MBS Accrual Class" in this Supplement.

Deferred Interest Amount

Any interest accrued and unpaid on the Notional Class during the Accrual Period for any Distribution Date that is not distributed because of an insufficiency in the Available Distribution Amount for such Distribution Date increases the Deferred Interest Amount for the Notional Class. Any such amounts distributable to the Holders of the Notional Class will be paid no later than the Final Distribution Date of the Notional Class.

Principal Distributions

Amounts distributable in respect of principal will be distributed to the Holders entitled thereto as described under "Terms Sheet — Distributions" in this Supplement. Investors can calculate the amount of principal to be distributed with respect to any Distribution Date by using the Class Factors published in the preceding and current months. See "*— Class Factors*" below.

Categories of Classes

For purposes of principal distributions, the Classes will be categorized as shown under "Principal Type" on the front cover of this Supplement. The abbreviations used in this Supplement to describe the principal entitlements of the Classes are explained in the Terms Sheet and under "Class Types" in Appendix I to the Base Offering Circular.

Notional Class

The Notional Class will not receive principal distributions based on its Class Notional Balance. For convenience in describing interest distributions, the Notional Class will have the original Class Notional Balance shown on the front cover of this Supplement. The Class Notional Balance will be reduced or increased as shown under "Terms Sheet — Notional Class" in this Supplement.

Residual Securities

The Class RR Securities will represent the beneficial ownership of the Residual Interest in the Issuing REMIC and the beneficial ownership of the Residual Interest in the Pooling REMIC, as described in "Certain Federal Income Tax Consequences" in the Base Offering Circular. The Class RR Securities have no Class Principal Balance and do not accrue interest. The Class RR Securities will be entitled to receive the proceeds of the disposition of any assets remaining in the Trust REMICs after the Class Principal Balance of each Class of Regular Securities has been reduced to zero. However, any remaining proceeds are not likely to be significant. The Residual Securities may not be transferred to a Plan Investor, a Non-U.S. Person or a Disqualified Organization.

Class Factors

The Trustee will calculate and make available for each Class of Securities, no later than the day preceding the Distribution Date, the factor (carried out to eight decimal places) that when multiplied by the Original Class Principal Balance (or original Class Notional Balance) of that Class, determines the

Class Principal Balance (or Class Notional Balance) after giving effect to the distribution of principal to be made on the Securities (and any addition to the Class Principal Balance of a HECM MBS Accrual Class) or any addition to or reduction of Class Notional Balance on that Distribution Date (each, a “Class Factor”).

- The Class Factor for any Class of Securities for each month following the issuance of the Securities will reflect its remaining Class Principal Balance (or Class Notional Balance) after giving effect to any principal distribution (or addition to principal) to be made or any addition to or reduction of Class Notional Balance on the Distribution Date occurring in that month.
- The Class Factor for each Class for the month of issuance is 1.00000000.
- Investors may obtain current Class Factors on e-Access.

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

Termination

The Trustee, at its option, may purchase or cause the sale of the Trust Assets and thereby terminate the Trust on any Distribution Date on which the aggregate of the Class Principal Balances of the Securities is less than 1% of the aggregate Original Class Principal Balances of the Securities. 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, the Trustee will terminate the Trust and retire the Securities.

Upon any termination of the Trust, the Holder of any outstanding Security (other than a Residual or Notional Class Security) will be entitled to receive that Holder’s allocable share of the Class Principal Balance of that Class plus any accrued and unpaid interest thereon at the applicable Interest Rate, and any Holder of any outstanding Notional Class Security will be entitled to receive that Holder’s allocable share of any accrued and unpaid interest thereon at the applicable Interest Rate (including any Deferred Interest Amount). The Residual Holders will be entitled to their pro rata share of any assets remaining in the Trust REMICs after payment in full of the amounts described in the foregoing sentence. However, any remaining assets are not likely to be significant.

YIELD, MATURITY AND PREPAYMENT CONSIDERATIONS

General

The prepayment experience of the HECMs will affect the Weighted Average Lives of and the yields realized by investors in the Securities.

- The rate of principal payments (including prepayments or partial payments) of the HECMs relating to the Participations underlying the Securities depends on a variety of economic, geographic, social and other factors, including prevailing market interest rates, home values and borrower mortality, and will affect the Weighted Average Lives and yields realized by investors in the Securities. HECMs may respond differently than traditional forward mortgage loans to the factors that influence prepayment.

With respect to the Trust Assets, the occurrence of any of the following events with respect to a HECM related to the Participations underlying the related HECM MBS (each a “Maturity Event”) will result in the holders of the Securities being entitled to a distribution of principal:

- if a borrower dies and the property is not the principal residence of at least one surviving borrower,

- if a borrower conveys all of his or her title in the mortgaged property and no other borrower retains title to the mortgaged property,
- if the mortgaged property ceases to be the principal residence of a borrower for reasons other than death and the mortgaged property is not the principal residence of at least one surviving borrower,
- if a borrower fails to occupy the mortgaged property for a period of longer than 12 consecutive months because of physical or mental illness and the mortgaged property is not the principal residence of at least one other borrower, or
- if a borrower fails to perform any of its obligations under the HECM (for example, the failure of the borrower to make certain agreed upon repairs to the mortgaged property or the failure of the borrower to pay taxes and hazard insurance premiums).

Generally, a HECM is not repaid immediately upon the occurrence of a Maturity Event, but continues to accrue interest until the liquidation of the related mortgaged property and the repayment of the HECM by the borrower or the receipt of insurance proceeds from FHA. Any resulting shortfall to investors in the Securities with respect to any Participations in the related HECM will be covered by Ginnie Mae pursuant to its guaranty of the Securities.

A Ginnie Mae Issuer is obligated to purchase all Participations related to a HECM when the outstanding principal amount of the related HECM is equal to or greater than 98% of the “Maximum Claim Amount,” and a Ginnie Mae Issuer has the option to purchase all Participations related to a HECM to the extent that any borrower’s request for an additional advance in respect of any HECM, if funded, together with the outstanding principal amount of the related HECM is equal to or greater than 98% of the “Maximum Claim Amount” or when a HECM becomes, and continues to be, due and payable in accordance with its terms, as applicable (any such purchase referred to herein as a “Ginnie Mae Issuer Purchase Event”). In connection with such repurchase, the Ginnie Mae Issuer will pay an amount (the “Release Price”) equal to the outstanding principal amount of all of the Participations related to such HECMs, and Ginnie Mae will relinquish all right, title and interest it has in the HECMs and the related Participations. With respect to each Participation, the “outstanding principal amount” of such Participation is the original principal amount of such Participation as of the related Issue Date of the related HECM MBS, increased by the Accrued Interest with respect to such Participation and decreased by any payments made in respect of such Participation. For purposes of determining the Release Price, the “Accrued Interest” with respect to any Participation is the aggregate interest accrued, compounded on a monthly basis, allocable to the Participation at the related Participation Interest Rate for each month (in each case, after taking into account any payments made in reduction of such Participation) from and including the Issue Date through the last day of the reporting month (as such term is defined in the Ginnie Mae guaranty agreement for the related HECM MBS) in which the Participation is to be purchased. The Participations relating to the HECM must be purchased by the Ginnie Mae Issuer at the end of the reporting month in which the outstanding principal balance of the HECM equals or exceeds 98% of the Maximum Claim Amount for such HECM. The Release Price will be passed through to the related securityholders on the Distribution Date following the month in which such Ginnie Mae Issuer Purchase Event occurs.

Higher levels of LIBOR and additional draws on HECMs will increase the rate at which HECMs will reach their Maximum Claim Amounts. Any payment in respect of the Securities resulting from a Ginnie Mae Issuer Purchase Event will reduce the Weighted Average Lives of such Securities and will affect, perhaps significantly, the yields on such Securities.

The occurrence of voluntary prepayments by a borrower, Maturity Events and Ginnie Mae Issuer Purchase Events will accelerate the distribution of principal of the Securities. Because (i) it is uncertain whether a HECM borrower will choose to prepay amounts advanced in whole or in part, (ii) it is uncertain

when any Maturity Event might occur, (iii) it is uncertain when amounts owed on a HECM will equal or exceed 98% of the Maximum Claim Amount and (iv) it is uncertain whether a Ginnie Mae Issuer will exercise any option to purchase any Participation related to a HECM, it is uncertain when any amounts might be paid on securities backed by Participations in HECMs. Investors in the Securities are urged to review the discussion under “Risk Factors — *It is uncertain when payments will be made in respect of securities backed by HECM MBS*” in this Supplement and also the HECM MBS Disclosure Documents.

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

Final Distribution Date

The Final Distribution Date for each Class, which is set forth on the front cover of this Supplement, is the latest date on which the related Class Principal Balance or Class Notional Balance will be reduced to zero. In the case of the Notional Class, the Deferred Interest Amount will be reduced to zero no later than the Final Distribution Date for the Notional Class.

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

Modeling Assumptions

The tables that follow have been prepared on the basis of the following assumptions (the “Modeling Assumptions”), among others:

1. The HECMs and related Participations underlying the Trust Assets have the assumed characteristics shown in Exhibit A.

2. The HECMs prepay at the constant percentages of the prepayment curve (described below and in Exhibit B) shown in the related table.

3. Draw activity occurs on the first day of the month and payments on the HECMs occur on the last day of the month, whether or not a Business Day, commencing in March 2011.

4. Distributions, if any, on the Securities are always received on the 20th day of the month, whether or not a Business Day, commencing in April 2011.

5. A termination of the Trust does not occur.

6. The Closing Date for the Securities is March 30, 2011.

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

8. HECM borrowers who have the ability to do so draw at the annualized draw rate determined in accordance with the constant percentages of the draw curve shown in Exhibit C (the “Draw Rate”). The Draw Rate (converted to an equivalent monthly factor) is applied to the Maximum Claim Amount.

9. If a mandatory Ginnie Mae Issuer Purchase Event occurs with respect to a HECM, the purchase of the related Participation timely occurs. No optional Ginnie Mae Issuer Purchase Events occur.

10. The initial value of LIBOR on the Securities for the first two Distribution Dates is 0.26%; however, the interest rate on the adjustable rate HECMs for the first Distribution Date is based on the information set forth in Exhibit A. On all Distribution Dates occurring after the first Distribution Date, the value of LIBOR on the adjustable rate HECMs is assumed to be the same as the value of LIBOR on the Securities. For purposes of the decrement tables, on all Distributions Dates occurring after the first two

Distribution Dates the constant value of LIBOR shown with respect to any decrement table is used to calculate the interest rate with respect to the adjustable rate HECMs and to the applicable Class.

11. The original term of the HECMs is 50 years.

12. No borrower changes payment plans.

13. Draws occur each month in respect of the Monthly Servicing Fee, if any, as set forth on Exhibit A. No draws occur in respect of any set asides for property charges (such as taxes, hazard insurance, ground rents or assessments) or repairs.

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 HECMs will not have the characteristics assumed, many Distribution Dates will occur on a Business Day after the 20th of the month, draw activity and prepayments, if any, will occur throughout the month, draws will occur in respect of set asides for property charges and repairs, the Trustee may cause a termination of the Trust as described under “Description of the Securities — Termination” in this Supplement and LIBOR on the Class FA Securities may differ from LIBOR on the adjustable rate HECMs.
- 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 is based on a prepayment curve (“PPC”) consisting of a series of Constant Prepayment Rates (“CPRs”). CPR is the standard prepayment assumption model of The Securities Industry and Financial Markets Association. CPR represents a constant rate of prepayment on the HECMs each month relative to the then outstanding aggregate principal balance of the HECMs for the life of those HECMs. See “Yield, Maturity and Prepayment Considerations — Standard Prepayment Assumption Models” in the Base Offering Circular.

The PPC and Draw Rates are based on the respective percentages in effect beginning on each Distribution Date as indicated in Exhibits B and C.

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

The decrement tables set forth below illustrate the percentage of the Original Class Principal Balance (or, in the case of the Notional Class, the original Class Notional Balance) that would remain outstanding following the distribution made each specified month for each Regular Class, based on the assumptions that the HECMs prepay at the PPC Prepayment Assumption Rates set forth in such tables, LIBOR is constant at the rates set forth in such tables and draws, if any, occur at the Draw Rates set forth in Exhibit C. 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 PPC Prepayment Assumption Rate and each indicated level of LIBOR. 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 the Notional Class is for illustrative purposes only, as a Notional Class is not entitled to distributions of principal based on its Class Notional Balance and has no Weighted Average Life. The Weighted Average Life shown for the Notional Class has been calculated on the assumption that a reduction in the Class Notional Balance thereof is a distribution of principal and further does not factor in any entitlement to the Deferred Interest Amount. See the footnote below related to the decrement tables for the Notional Class.

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 HECMs related to the Participations underlying the Trust Assets and the Modeling Assumptions.

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

Distribution Date	PPC Prepayment Assumption Rates														
	Class FA 0.26000% LIBOR					Class FA 1.26000% LIBOR					Class FA 4.25967% LIBOR				
	0%	75%	100%	125%	150%	0%	75%	100%	125%	150%	0%	75%	100%	125%	150%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 2012	101	98	97	96	95	102	99	98	97	95	104	101	100	99	98
March 2013	102	94	90	87	84	103	95	92	89	85	109	100	97	93	90
March 2014	102	87	82	76	71	105	90	84	78	73	115	98	91	85	79
March 2015	103	80	72	65	58	107	84	75	68	60	120	95	84	76	68
March 2016	104	73	63	54	46	109	77	66	57	48	126	88	76	66	56
March 2017	105	65	54	44	36	111	69	57	47	38	129	80	66	54	44
March 2018	105	58	45	35	27	113	62	48	37	28	135	74	58	45	34
March 2019	106	50	37	27	19	114	54	40	29	21	89	42	31	23	16
March 2020	107	43	30	20	14	114	46	32	22	15	7	3	2	1	1
March 2021	105	36	23	15	9	116	40	26	16	10	5	2	1	1	0
March 2022	104	30	18	10	6	116	33	20	12	7	3	1	1	0	0
March 2023	105	25	14	7	4	115	27	15	8	4	2	1	0	0	0
March 2024	103	19	10	5	2	69	13	7	3	2	2	0	0	0	0
March 2025	103	16	7	3	1	56	9	4	2	1	3	0	0	0	0
March 2026	103	12	5	2	1	2	0	0	0	0	0	0	0	0	0
March 2027	104	10	4	1	0	3	0	0	0	0	0	0	0	0	0
March 2028	63	5	2	0	0	3	0	0	0	0	0	0	0	0	0
March 2029	2	0	0	0	0	3	0	0	0	0	0	0	0	0	0
March 2030	2	0	0	0	0	3	0	0	0	0	0	0	0	0	0
March 2031	2	0	0	0	0	2	0	0	0	0	0	0	0	0	0
March 2032	2	0	0	0	0	2	0	0	0	0	0	0	0	0	0
March 2033	2	0	0	0	0	2	0	0	0	0	0	0	0	0	0
March 2034	2	0	0	0	0	2	0	0	0	0	0	0	0	0	0
March 2035	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2036	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2037	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2038	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2039	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2040	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2041 and thereafter	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	17.0	8.5	7.0	6.0	5.2	13.6	8.5	7.2	6.1	5.4	8.7	7.5	6.7	6.1	5.5

Distribution Date	PPC Prepayment Assumption Rates									
	Class FA 7.25933% LIBOR					Class FA 10.25900% LIBOR				
	0%	75%	100%	125%	150%	0%	75%	100%	125%	150%
Initial Percent	100	100	100	100	100	100	100	100	100	100
March 2012	107	104	102	101	100	109	106	105	103	102
March 2013	115	105	102	99	95	120	110	107	103	100
March 2014	125	106	99	93	86	133	113	107	100	94
March 2015	135	104	94	85	76	147	115	105	94	85
March 2016	142	99	86	74	63	99	70	61	53	45
March 2017	96	59	49	40	33	11	7	6	5	4
March 2018	10	5	4	3	3	8	4	3	3	2
March 2019	8	4	3	2	1	3	1	1	1	1
March 2020	3	1	1	0	0	0	0	0	0	0
March 2021	3	1	1	0	0	0	0	0	0	0
March 2022	0	0	0	0	0	0	0	0	0	0
March 2023	0	0	0	0	0	0	0	0	0	0
March 2024	0	0	0	0	0	0	0	0	0	0
March 2025	0	0	0	0	0	0	0	0	0	0
March 2026	0	0	0	0	0	0	0	0	0	0
March 2027	0	0	0	0	0	0	0	0	0	0
March 2028	0	0	0	0	0	0	0	0	0	0
March 2029	0	0	0	0	0	0	0	0	0	0
March 2030	0	0	0	0	0	0	0	0	0	0
March 2031	0	0	0	0	0	0	0	0	0	0
March 2032	0	0	0	0	0	0	0	0	0	0
March 2033	0	0	0	0	0	0	0	0	0	0
March 2034	0	0	0	0	0	0	0	0	0	0
March 2035	0	0	0	0	0	0	0	0	0	0
March 2036	0	0	0	0	0	0	0	0	0	0
March 2037	0	0	0	0	0	0	0	0	0	0
March 2038	0	0	0	0	0	0	0	0	0	0
March 2039	0	0	0	0	0	0	0	0	0	0
March 2040	0	0	0	0	0	0	0	0	0	0
March 2041 and thereafter	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	6.4	6.2	5.9	5.5	5.1	5.2	5.1	5.0	4.9	4.6

PPC Prepayment Assumption Rates															
Distribution Date	Class FI* 0.26000% LIBOR					Class FI* 1.26000% LIBOR					Class FI* 4.25967% LIBOR				
	0%	75%	100%	125%	150%	0%	75%	100%	125%	150%	0%	75%	100%	125%	150%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 2012	102	98	97	96	95	103	99	98	97	95	105	102	100	99	98
March 2013	104	94	90	87	84	106	95	92	89	85	112	101	97	93	90
March 2014	106	87	82	76	71	109	90	84	78	73	119	98	92	85	79
March 2015	108	80	72	65	58	112	84	75	68	60	126	94	84	76	68
March 2016	110	73	63	54	46	116	77	66	57	48	134	88	76	66	56
March 2017	113	65	54	44	36	119	69	57	47	38	139	81	66	54	44
March 2018	114	58	45	35	27	122	62	48	37	28	147	74	58	45	34
March 2019	116	50	37	27	19	126	54	40	29	21	97	42	31	23	16
March 2020	119	43	30	20	14	127	46	32	22	15	7	3	2	1	1
March 2021	119	36	23	15	9	131	40	26	16	10	5	2	1	1	0
March 2022	119	30	18	10	6	132	33	20	12	7	4	1	1	0	0
March 2023	121	25	14	7	4	132	27	15	8	4	3	1	0	0	0
March 2024	120	19	10	5	2	81	13	7	3	2	3	0	0	0	0
March 2025	121	16	7	3	1	66	9	4	2	1	3	0	0	0	0
March 2026	123	12	5	2	1	3	0	0	0	0	0	0	0	0	0
March 2027	126	10	4	1	0	3	0	0	0	0	0	0	0	0	0
March 2028	77	5	2	0	0	3	0	0	0	0	0	0	0	0	0
March 2029	3	0	0	0	0	3	0	0	0	0	0	0	0	0	0
March 2030	3	0	0	0	0	3	0	0	0	0	0	0	0	0	0
March 2031	3	0	0	0	0	2	0	0	0	0	0	0	0	0	0
March 2032	3	0	0	0	0	2	0	0	0	0	0	0	0	0	0
March 2033	3	0	0	0	0	3	0	0	0	0	0	0	0	0	0
March 2034	3	0	0	0	0	3	0	0	0	0	0	0	0	0	0
March 2035	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2036	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2037	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2038	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2039	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2040	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2041 and thereafter	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	17.0	8.5	7.0	6.0	5.2	13.6	8.5	7.2	6.1	5.4	8.7	7.5	6.7	6.1	5.5

PPC Prepayment Assumption Rates										
Distribution Date	Class FI* 7.25933% LIBOR					Class FI* 10.25900% LIBOR				
	0%	75%	100%	125%	150%	0%	75%	100%	125%	150%
Initial Percent	100	100	100	100	100	100	100	100	100	100
March 2012	108	104	103	102	100	111	107	105	104	103
March 2013	118	106	103	99	95	125	112	108	104	100
March 2014	129	107	100	93	86	141	116	108	101	94
March 2015	141	105	95	85	76	158	118	106	95	85
March 2016	151	100	86	74	63	109	72	62	53	46
March 2017	103	60	49	40	33	12	7	6	5	4
March 2018	11	6	4	3	3	9	4	3	3	2
March 2019	9	4	3	2	1	3	1	1	1	1
March 2020	3	1	1	0	0	0	0	0	0	0
March 2021	3	1	1	0	0	0	0	0	0	0
March 2022	0	0	0	0	0	0	0	0	0	0
March 2023	0	0	0	0	0	0	0	0	0	0
March 2024	0	0	0	0	0	0	0	0	0	0
March 2025	0	0	0	0	0	0	0	0	0	0
March 2026	0	0	0	0	0	0	0	0	0	0
March 2027	0	0	0	0	0	0	0	0	0	0
March 2028	0	0	0	0	0	0	0	0	0	0
March 2029	0	0	0	0	0	0	0	0	0	0
March 2030	0	0	0	0	0	0	0	0	0	0
March 2031	0	0	0	0	0	0	0	0	0	0
March 2032	0	0	0	0	0	0	0	0	0	0
March 2033	0	0	0	0	0	0	0	0	0	0
March 2034	0	0	0	0	0	0	0	0	0	0
March 2035	0	0	0	0	0	0	0	0	0	0
March 2036	0	0	0	0	0	0	0	0	0	0
March 2037	0	0	0	0	0	0	0	0	0	0
March 2038	0	0	0	0	0	0	0	0	0	0
March 2039	0	0	0	0	0	0	0	0	0	0
March 2040	0	0	0	0	0	0	0	0	0	0
March 2041 and thereafter	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	6.4	6.2	5.9	5.5	5.1	5.2	5.1	5.0	4.9	4.6

* The decrement tables for Class FI reflect only the Class FI Notional Balance at various rates of PPC and at various levels of LIBOR. In addition to the current interest accrual amount on the Class FI Notional Balance at the Class FI Interest Rate, Class FI is entitled to the Class FI Deferred Interest Amount. No representation is made about the timing of distributions of the Class FI Deferred Interest Amount other than that such amount will be paid no later than the Final Distribution Date for Class FI.

Yield Considerations

An investor seeking to maximize yield should make a decision whether to invest in any Regular Class based on the anticipated yield of that Class resulting from its purchase price, the investor's own projection of Maturity Events in respect of the HECMs related to the Participations underlying the HECM MBS, the investor's own projection of prepayments in respect of the HECMs related to the Participations underlying the HECM MBS, the investor's own projection of the occurrence of any Ginnie Mae Issuer Purchase Events, the investor's own projection of draw activity with respect to the HECMs and the investor's own projection of LIBOR under a variety of scenarios. **No representation is made regarding Maturity Events or prepayments in respect of the HECMs related to the Participations underlying the HECM MBS, the occurrence of any Ginnie Mae Issuer Purchase Events, LIBOR levels, draw activity with respect to the HECMs or the yield on any Class.**

Prepayments: Effect on Yields

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

- In the case of Regular Securities purchased at a premium (especially the Interest Only Class), 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 Class 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 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 HECMs 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 HECMs 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 HECMs will not prepay at any constant rate until maturity, nor will all of the HECMs 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 HECMs, 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 Class FA

Low levels of LIBOR can reduce the yield of Class FA. In addition, Class FA will not necessarily benefit from a higher yield at high levels of LIBOR because the rate on such Class is capped at a maximum rate described under "Terms Sheet — Interest Rates."

Payment Delay: Effect on Yields of Class FI

The effective yield on Class FI will be less than the yield otherwise produced by its Interest Rate and purchase price because, on each Distribution Date, 30 days' interest will be payable on (or will accrue with respect to) that Class even though interest began to accrue approximately 50 days earlier.

Yield Table

The following table shows the pre-tax yield to maturity on a corporate bond equivalent basis of Class FI at various constant percentages of PPC and at various constant levels of LIBOR.

The HECMs will not prepay or draw at any constant rate until maturity, and it is unlikely that LIBOR will remain constant. Moreover, it is likely that the HECMs will experience actual prepayment and draw rates that differ from those of the Modeling Assumptions. **Therefore, the actual pre-tax yield of Class FI may differ from those shown in the table below even if Class FI is purchased at the assumed price shown.**

The yields were calculated by

1. determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on Class FI, would cause the discounted present value of the assumed streams of cash flows to equal the assumed purchase price of Class FI plus accrued interest, and
2. converting the monthly rates to corporate bond equivalent rates.

These calculations do not take into account variations that may occur in the interest rates at which investors may be able to reinvest funds received by them as distributions on their Securities and consequently do not purport to reflect the return on any investment in Class FI when those reinvestment rates are considered.

The information set forth in the following table was prepared on the basis of the Modeling Assumptions and the assumptions that (1) the Interest Rate applicable to Class FA for each Accrual Period following the second Accrual Period will be based on the indicated level of LIBOR and (2) the purchase price of Class FI (expressed as a percentage of its original Class Notional Balance) plus accrued interest is as indicated in the table. **The assumed purchase price is not necessarily that at which actual sales will occur.**

**Sensitivity of Class FI to Prepayments
Assumed Price 5.5%***

<u>LIBOR</u>	<u>PPC Prepayment Assumption Rates</u>			
	<u>75%</u>	<u>100%</u>	<u>125%</u>	<u>150%</u>
0.26000%	14.2%	10.9%	7.6%	4.2%
1.26000%	14.8%	11.6%	8.3%	5.0%
4.25967%	14.2%	11.8%	9.0%	6.0%
7.25933%	11.9%	9.9%	7.5%	4.9%
10.25900%	25.0%	25.2%	24.4%	22.9%

* 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.

U.S. Treasury Circular 230 Notice

The discussion contained in this Supplement and the Base Offering Circular as to certain federal tax consequences is not intended or written to be used, and cannot be used, for the purpose of avoiding United States federal tax penalties. Such discussion is written to support the promotion or marketing of the transactions or matters addressed in this Supplement and the Base Offering Circular. Each taxpayer to whom such transactions or matters are being promoted, marketed or recommended should seek advice based on its particular circumstances from an independent tax advisor.

REMIC Elections

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

Regular Securities

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

The Notional and HECM MBS Accrual Classes of Regular Securities will be issued with original issue discount (“OID”). See *“Certain Federal Income Tax Consequences— Tax Treatment of Regular Securities— Original Issue Discount,” “— Variable Rate Securities” and “— Interest Weighted Securities and Non-VRDI Securities” in the Base Offering Circular.*

The prepayment assumption that should be used, among other things, in determining the rates of accrual of OID on the Regular Securities is 100% PPC (as described in “Yield, Maturity and Prepayment Considerations” in this Supplement). In the case of Class FA, the interest rate value to be used for this determination is the initial Interest Rate as set forth in the Terms Sheet under “Interest Rates”. No representation is made, however, about the rate at which prepayments on the HECMs underlying the Participations 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.* In view of the complexities as to the manner of inclusion in income of OID on the Regular Securities, investors should consult their own tax advisors to determine the appropriate amount and method of inclusion in income of OID on the Regular Securities for federal income tax purposes.

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

Residual Securities

The Class RR Securities will represent the beneficial ownership of the Residual Interest in the Pooling REMIC and the beneficial ownership of the Residual Interest in the Issuing REMIC. The Residual Securities, *i.e.*, the Class RR Securities, generally will be treated as “residual interests” in a REMIC for domestic building and loan associations and as “real estate assets” for REITs, as described in “Certain Federal Income Tax Consequences” in the Base Offering Circular, but will not be treated as debt for federal income tax purposes. Instead, the Holders of the Residual Securities will be required to report, and will be taxed on, their pro rata shares of the taxable income or loss of the 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. Even though the Holders of the Residual Securities are not entitled to any stated principal or interest payments on the Residual Securities, the Trust REMICs may have substantial taxable income in certain periods, and offsetting tax losses may not occur until much later periods. Accordingly, a Holder of the Residual 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.

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.

ERISA MATTERS

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

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

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

See “ERISA Considerations” in the Base Offering Circular.

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

LEGAL INVESTMENT CONSIDERATIONS

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

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

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

PLAN OF DISTRIBUTION

Subject to the terms and conditions of the Sponsor Agreement, the Sponsor has agreed to purchase all of the Securities if any are sold and purchased. The Sponsor proposes to offer the Regular Classes 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) March 1, 2011 on Class FI and (2) March 20, 2011 on Class FA. The Sponsor may effect these transactions by sales to or through certain securities dealers. These dealers may receive compensation in the form of discounts, concessions or commissions from the Sponsor and/or commissions from any purchasers for which they act as agents. Some of the Securities may be sold through dealers in relatively small sales. In the usual case, the commission charged on a relatively small sale of securities will be a higher percentage of the sales price than that charged on a large sale of securities.

INCREASE IN SIZE

Before the Closing Date, Ginnie Mae, the Trustee and the Sponsor may agree to increase the size of this offering. In that event, the Securities will have the same characteristics as described in this Supplement, except that the Original Class Principal Balance (or original Class Notional Balance) of each Class will increase by the same proportion. The Trust Agreement, the Final Data Statement and the Supplemental Statement, if any, will reflect any increase in the size of the transaction.

LEGAL MATTERS

Certain legal matters will be passed upon for Ginnie Mae by Hunton & Williams LLP, for the Trust by Cleary Gottlieb Steen & Hamilton LLP and Marcell Solomon & Associates P.C. and for the Trustee by Nixon Peabody LLP.

Assumed Characteristics of the HECMs and the Participations Underlying the Trust Assets(1)

Payment Plan	Percentage of Pool in Trust	HECM MBS Principal Balance(2)	HECM Loan Balance	HECM Age (in months)(3)	Approximate Weighted Average HECM Interest Type	HECM Interest Type	Index	Rate Reset Frequency(4)	Rate Reset	Next Rate Reset Month(5)	Approximate Weighted Average Gross Interest Rate(6)	Approximate Weighted Average Gross Interest Rate Cap(7)	Approximate Weighted Average Lifetime Interest Rate Floor(8)	Approximate Weighted Average Lifetime Interest Rate Cap(9)	Approximate Weighted Average MIP Fee(10)	Approximate Weighted Average Servicing Fee Margin(11)	Monthly Servicing Fee(12)	Monthly Scheduled Draw(13)	Approximate Remaining Average Draw Term (in months)(14)	Available Line of Credit(15)	Maximum Claim Amount(16)	Pool Number	HECM MBS Issue Date
Line of Credit	75.318178070	\$18,077,552.78	\$19,941,161.26	5	FI	1-month LIBOR	Monthly	1	2.51%	2.25%	12.50%	12.50%	2.25%	12.50%	0.500%	0.500%	(17)	(18)	\$1,064,768.89	\$ 49,169,725.00	89552	December 2010	
Tenure	75.318178070	71,057.85	78,764.54	5	FI	1-month LIBOR	Monthly	1	2.51%	2.25%	12.50%	12.50%	2.25%	12.50%	0.500%	0.500%	(17)	(18)	308.22	250,000.00	89552	December 2010	
Modified Tenure	75.318178070	490,033.55	559,558.55	5	FI	1-month LIBOR	Monthly	1	2.51%	2.25%	12.50%	12.50%	2.25%	12.50%	0.500%	0.500%	(17)	8,908.17	51,336.79	3,062,500.00	89552	December 2010	
Modified Tenure	75.318178070	630,390.75	671,855.42	5	FI	1-month LIBOR	Monthly	1	2.51%	2.25%	12.50%	12.50%	2.25%	12.50%	0.500%	0.500%	(17)	9,618.96	281,634.42	3,362,000.00	89552	December 2010	
Modified Tenure	75.318178070	430,842.17	520,828.56	5	FI	1-month LIBOR	Monthly	1	2.51%	2.25%	12.50%	12.50%	2.25%	12.50%	0.500%	0.500%	(17)	23,862.24	209,340.27	3,469,700.00	89552	December 2010	
Modified Tenure	75.318178070	2,141,275.06	2,286,240.40	4	FI	1-month LIBOR	Monthly	1	2.51%	2.25%	12.50%	12.50%	2.25%	12.50%	0.500%	0.500%	(17)	56,916.70	1,121,197.55	10,395,500.00	89558	February 2011	
Modified Tenure	75.318178070	3,174,624.44	3,275,285.68	3	FI	1-month LIBOR	Monthly	1	2.51%	2.25%	12.50%	12.50%	2.25%	12.50%	0.500%	0.500%	(17)	61,855.68	1,068,180.32	16,887,200.00	89558	February 2011	
Tenure	75.318178070	2,224,067.59	2,277,519.49	3	FI	1-month LIBOR	Monthly	1	2.51%	2.25%	12.50%	12.50%	2.25%	12.50%	0.500%	0.500%	(17)	43,054.59	28.38	12,246,500.00	89558	February 2011	
Tenure	75.318178070	889,991.80	903,447.43	4	FI	1-month LIBOR	Monthly	1	2.59%	2.25%	12.50%	12.50%	2.25%	12.50%	0.500%	0.500%	(17)	9,130.81	192,472.96	2,758,000.00	89558	February 2011	
Line of Credit	75.318178070	66,816,186.93	68,151,475.24	3	FI	1-month LIBOR	Monthly	1	2.51%	2.25%	12.50%	12.50%	2.25%	12.50%	0.500%	0.500%	(17)	(18)	52,559,217.88	179,315,333.00	89558	February 2011	
Line of Credit	75.318178070	59,425,860.47	61,346,276.50	4	FI	1-month LIBOR	Monthly	1	2.461	2.200	12.651	12.651	2.200	12.651	0.500	0.500	(17)	(18)	35,290,067.80	142,700,602.00	893163	January 2011	
Tenure	75.318178070	715,747.08	778,664.37	4	FI	1-month LIBOR	Monthly	1	2.461	2.200	12.651	12.651	2.200	12.651	0.500	0.500	(17)	30,284.25	0.00	3,738,500.00	893163	January 2011	
Modified Tenure	75.318178070	1,277,223.81	1,340,162.24	4	FI	1-month LIBOR	Monthly	1	2.461	2.200	12.651	12.651	2.200	12.651	0.500	0.500	(17)	29,804.24	0.00	8,416,000.00	893163	January 2011	
Modified Tenure	75.318178070	1,986,468.64	2,092,916.07	4	FI	1-month LIBOR	Monthly	1	2.461	2.200	12.651	12.651	2.200	12.651	0.500	0.500	(17)	24,896.80	1,867,522.43	10,256,500.00	893163	January 2011	
Modified Tenure	75.318178070	3,027,466.18	3,149,688.21	4	FI	1-month LIBOR	Monthly	1	2.461	2.200	12.651	12.651	2.200	12.651	0.500	0.500	(17)	37,301.96	1,525,243.48	10,043,500.00	893163	January 2011	

- The information in this Exhibit A is provided by the Sponsor as of March 1, 2011. It is based on information regarding the HECM MBS, the related Participations and the HECMs related to the Participations underlying the Ginnie Mae HECM MBS Trust Assets. All weighted averages provided in this Exhibit A are weighted based on the outstanding principal amounts of the Participations underlying the related HECM MBS for such payment plan as of March 1, 2011. The information shown in this Exhibit A is for 100% of the relevant pool; however, the Trust Assets will include only the portion of each such pool listed under the column heading "Percentage of Pool in Trust".
- The HECM MBS Principal Balance is the sum of the outstanding principal amounts of the Participations underlying the related HECM MBS for such payment plan as of March 1, 2011.
- The Approximate Weighted Average HECM Age (in months) is the weighted average age of the HECMs related to the Participations underlying the related HECM MBS for such payment plan as of March 1, 2011.
- The Rate Reset Frequency is a period, whether annually or monthly, that the interest rate of each adjustable rate HECM resets under the interest rate formula and HECM loan documents applicable to each adjustable rate HECM.
- The Next Rate Reset Month is the number of months until the interest rate of each adjustable rate HECM resets under the interest rate formula and HECM loan documents applicable to each adjustable rate HECM. For example, an entry of "1" signifies that each adjustable rate HECM's rate will reset on the first day of April 2011 and each month thereafter.
- The Approximate Weighted Average Gross Interest Rate is the weighted average of the gross interest rates of the HECMs related to the Participations underlying the related HECM MBS for such payment plan as of March 1, 2011.
- The Approximate Weighted Average Gross Margin is the weighted average of the gross margins of the HECMs related to the Participations underlying the related HECM MBS for such payment plan as of March 1, 2011.

- (8) The Approximate Weighted Average Gross Lifetime Interest Rate Floor is the weighted average of the lowest interest rates possible based on the interest rate formula and HECM loan documents applicable to the adjustable rate HECMs related to the Participations underlying the related HECM MBS for such payment plan as of March 1, 2011.
- (9) The Approximate Weighted Average Gross Lifetime Interest Rate Cap is the weighted average of the maximum interest rates possible based on the interest rate formula and HECM loan documents applicable to the adjustable rate HECMs related to the Participations underlying the related HECM MBS for such payment plan as of March 1, 2011.
- (10) The Approximate Weighted Average MIP Fee is the weighted average of the MIP Fees of the HECMs related to the Participations underlying the related HECM MBS for such payment plan as of March 1, 2011. The MIP Fee is charged for FHA mortgage insurance. The MIP Fee is the monthly mortgage insurance premium ("MIP") that accrues on each HECM at the annual rate of 0.50% or 1.25%.
- (11) The Approximate Weighted Average Servicing Fee Margin is the weighted average of the Servicing Fee Margins of the HECMs related to the Participations underlying the related HECM MBS for such payment plan as of March 1, 2011. The Servicing Fee Margin represents (together with the Monthly Servicing Fee, if any) the amount of the servicing compensation payable to the Issuer to cover the Issuer's servicing costs. The Servicing Fee Margin includes the Guaranty Fee charged by Ginnie Mae for the HECM MBS guaranty at the annual rate of 0.06% and a participation agent fee, if any. The Approximate Weighted Average Servicing Fee Margin is included in the rates shown in the columns for Approximate Weighted Average Gross Interest Rate, Approximate Weighted Average Gross Margin, Approximate Weighted Average Gross Lifetime Interest Rate Floor and Approximate Weighted Average Gross Lifetime Interest Rate Cap.
- (12) The Monthly Servicing Fee is the aggregate monthly servicing fee payable to the Issuer if the full amount of the servicing cost is not included in the HECM interest rate and is in addition to the Servicing Fee Margin.
- (13) The Monthly Scheduled Draw is the monthly amount that is payable to borrowers under each type of payment plan other than the line of credit payment plan.
- (14) The Approximate Weighted Average Remaining Draw Term is the weighted average of the remaining draw terms of the HECMs related to the Participations underlying the related HECM MBS for such payment plan. The remaining draw term represents the number of months over which a borrower with a term or modified term payment plan will receive Monthly Scheduled Draws as of March 1, 2011.
- (15) The Available Line of Credit does not include set asides for the Monthly Servicing Fee, if any, property charges (such as taxes, hazard insurance, ground rents or assessments) or repairs, if any.
- (16) The sum of the applicable Maximum Claim Amounts with respect to each HECM.
- (17) These HECMs do not have a flat Monthly Servicing Fee in addition to the Servicing Fee Margin.
- (18) These HECMs do not have draw terms or monthly scheduled draws.
- (19) Borrowers who select tenure or modified tenure payment plans have a right to receive monthly draws for their tenure in the property.

The actual loan ages, gross interest rates, gross margins, gross lifetime interest rate floors, gross lifetime interest rate caps, MIP fees, servicing fee margins and remaining draw terms of many of the HECMs related to the Participations underlying the Trust Assets will differ from the weighted averages shown above, perhaps significantly. See "*The Trust Assets — The Participations*" in this Supplement.

CPR Percentage in Effect by HECM Age

<u>HECM Age (in months)</u>	<u>CPR%</u>	<u>HECM Age (in months)</u>	<u>CPR%</u>	<u>HECM Age (in months)</u>	<u>CPR%</u>
1	0.00	53	14.11	105	20.48
2	0.55	54	14.23	106	20.60
3	1.09	55	14.36	107	20.72
4	1.64	56	14.48	108	20.84
5	2.18	57	14.60	109	20.97
6	2.73	58	14.72	110	21.09
7	3.27	59	14.85	111	21.21
8	3.82	60	14.97	112	21.33
9	4.36	61	15.09	113	21.46
10	4.91	62	15.21	114	21.58
11	5.45	63	15.34	115	21.70
12	6.00	64	15.46	116	21.82
13	6.29	65	15.58	117	21.95
14	6.58	66	15.70	118	22.07
15	6.88	67	15.83	119	22.19
16	7.17	68	15.95	120	22.31
17	7.46	69	16.07	121	22.43
18	7.75	70	16.19	122	22.56
19	8.04	71	16.32	123	22.68
20	8.33	72	16.44	124	22.80
21	8.63	73	16.56	125	22.92
22	8.92	74	16.68	126	23.05
23	9.21	75	16.80	127	23.17
24	9.50	76	16.93	128	23.29
25	9.67	77	17.05	129	23.41
26	9.83	78	17.17	130	23.54
27	10.00	79	17.29	131	23.66
28	10.17	80	17.42	132	23.78
29	10.33	81	17.54	133	23.90
30	10.50	82	17.66	134	24.03
31	10.67	83	17.78	135	24.15
32	10.83	84	17.91	136	24.27
33	11.00	85	18.03	137	24.39
34	11.17	86	18.15	138	24.52
35	11.33	87	18.27	139	24.64
36	11.50	88	18.40	140	24.76
37	11.67	89	18.52	141	24.88
38	11.83	90	18.64	142	25.01
39	12.00	91	18.76	143	25.13
40	12.17	92	18.89	144	25.25
41	12.33	93	19.01	145	25.37
42	12.50	94	19.13	146	25.49
43	12.67	95	19.25	147	25.62
44	12.83	96	19.38	148	25.74
45	13.00	97	19.50	149	25.86
46	13.17	98	19.62	150	25.98
47	13.33	99	19.74	151	26.11
48	13.50	100	19.86	152	26.23
49	13.62	101	19.99	153	26.35
50	13.74	102	20.11	154	26.47
51	13.87	103	20.23	155	26.60
52	13.99	104	20.35	156	26.72

<u>HECM Age (in months)</u>	<u>CPR%</u>	<u>HECM Age (in months)</u>	<u>CPR%</u>	<u>HECM Age (in months)</u>	<u>CPR%</u>
157	26.84	213	33.70	269	38.45
158	26.96	214	33.82	270	38.50
159	27.09	215	33.94	271	38.55
160	27.21	216	34.06	272	38.60
161	27.33	217	34.18	273	38.65
162	27.45	218	34.31	274	38.70
163	27.58	219	34.43	275	38.75
164	27.70	220	34.55	276	38.80
165	27.82	221	34.67	277	38.85
166	27.94	222	34.80	278	38.90
167	28.07	223	34.92	279	38.95
168	28.19	224	35.04	280	39.00
169	28.31	225	35.16	281	39.05
170	28.43	226	35.29	282	39.10
171	28.55	227	35.41	283	39.15
172	28.68	228	35.53	284	39.20
173	28.80	229	35.65	285	39.25
174	28.92	230	35.78	286	39.30
175	29.04	231	35.90	287	39.35
176	29.17	232	36.02	288	39.40
177	29.29	233	36.14	289	39.45
178	29.41	234	36.27	290	39.50
179	29.53	235	36.39	291	39.55
180	29.66	236	36.51	292	39.60
181	29.78	237	36.63	293	39.65
182	29.90	238	36.76	294	39.70
183	30.02	239	36.88	295	39.75
184	30.15	240	37.00	296	39.80
185	30.27	241	37.05	297	39.85
186	30.39	242	37.10	298	39.90
187	30.51	243	37.15	299	39.95
188	30.64	244	37.20	300	40.00
189	30.76	245	37.25	301	40.05
190	30.88	246	37.30	302	40.10
191	31.00	247	37.35	303	40.15
192	31.13	248	37.40	304	40.20
193	31.25	249	37.45	305	40.25
194	31.37	250	37.50	306	40.30
195	31.49	251	37.55	307	40.35
196	31.61	252	37.60	308	40.40
197	31.74	253	37.65	309	40.45
198	31.86	254	37.70	310	40.50
199	31.98	255	37.75	311	40.55
200	32.10	256	37.80	312	40.60
201	32.23	257	37.85	313	40.65
202	32.35	258	37.90	314	40.70
203	32.47	259	37.95	315	40.75
204	32.59	260	38.00	316	40.80
205	32.72	261	38.05	317	40.85
206	32.84	262	38.10	318	40.90
207	32.96	263	38.15	319	40.95
208	33.08	264	38.20	320	41.00
209	33.21	265	38.25	321	41.05
210	33.33	266	38.30	322	41.10
211	33.45	267	38.35	323	41.15
212	33.57	268	38.40	324	41.20

<u>HECM Age (in months)</u>	<u>CPR%</u>	<u>HECM Age (in months)</u>	<u>CPR%</u>	<u>HECM Age (in months)</u>	<u>CPR%</u>
325	41.25	337	41.85	349	42.45
326	41.30	338	41.90	350	42.50
327	41.35	339	41.95	351	42.55
328	41.40	340	42.00	352	42.60
329	41.45	341	42.05	353	42.65
330	41.50	342	42.10	354	42.70
331	41.55	343	42.15	355	42.75
332	41.60	344	42.20	356	42.80
333	41.65	345	42.25	357	42.85
334	41.70	346	42.30	358	42.90
335	41.75	347	42.35	359	42.95
336	41.80	348	42.40	360 and thereafter	43.00

Exhibit C

Draw Curve in Effect by HECM Age

<u>HECM Age (in months)</u>	<u>Annualized Draw Rate (%)</u>	<u>HECM Age (in months)</u>	<u>Annualized Draw Rate (%)</u>
1	14.00	31	2.19
2	9.00	32	2.06
3	8.00	33	1.92
4	7.33	34	1.78
5	6.67	35	1.64
6	6.00	36	1.50
7	5.83	37	1.44
8	5.67	38	1.38
9	5.50	39	1.31
10	5.33	40	1.25
11	5.17	41	1.19
12	5.00	42	1.13
13	4.83	43	1.06
14	4.67	44	1.00
15	4.50	45	0.94
16	4.33	46	0.88
17	4.17	47	0.81
18	4.00	48	0.75
19	3.86	49	0.69
20	3.72	50	0.63
21	3.58	51	0.56
22	3.44	52	0.50
23	3.31	53	0.44
24	3.17	54	0.38
25	3.03	55	0.31
26	2.89	56	0.25
27	2.75	57	0.19
28	2.61	58	0.13
29	2.47	59	0.06
30	2.33	60 and thereafter	0.00



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