



**\$861,989,386**

**Government National Mortgage Association  
GINNIE MAE®**

**Guaranteed REMIC Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2011-037**

**The Securities**

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

**The Ginnie Mae Guaranty**

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

**The Trust and its Assets**

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

Class of REMIC Securities	Original Principal Balance(2)	Interest Rate	Principal Type(3)	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
<b>Security Group 1</b>						
IG	\$124,527,768	2.00%	NTL (PT)	FIX / IO	38377QN37	March 2013
MG	124,527,768	(5)	PT	ARB	38377QN45	March 2026
<b>Security Group 2</b>						
CA	3,020,000	4.00	PAC II	FIX	38377QN52	March 2041
CB	15,934,272	4.00	SUP	FIX	38377QN60	December 2040
CD	1,872,647	4.50	SUP	FIX	38377QN78	March 2041
CO	234,081	0.00	SUP	PO	38377QN86	March 2041
F	18,000,000	(5)	PT	FLT	38377QN94	March 2041
KA(1)	51,407,000	4.00	PAC I	FIX	38377QP27	April 2038
KB(1)	6,770,000	4.00	PAC I	FIX	38377QP35	June 2039
KC	10,762,000	4.00	PAC I	FIX	38377QP43	March 2041
S	18,000,000	(5)	NTL (PT)	INV / IO	38377QP50	March 2041
<b>Security Group 3</b>						
A	25,000,000	3.25	PT	FIX	38377QP68	March 2026
AI	1,785,714	3.50	NTL (PT)	FIX / IO	38377QP76	March 2026
<b>Security Group 4</b>						
C	2,519	4.00	SC / SUP	FIX	38377QP84	May 2040
PA(1)	91,788,112	4.00	SC / PAC	FIX	38377QP92	May 2040
PB(1)	14,336,407	4.00	SC / PAC	FIX	38377QQ26	May 2040
<b>Security Group 5</b>						
BA	285,823,571	3.50	SEQ	FIX	38377QQ34	April 2038
FB(1)	114,329,428	(5)	SEQ	FLT	38377QQ42	April 2038
SC(1)	114,329,428	(5)	NTL (SEQ)	INV / IO	38377QQ59	April 2038
SD(1)	114,329,428	(5)	NTL (SEQ)	INV / IO	38377QQ4D6	April 2038
VA(1)	27,551,000	4.50	SEQ / AD	FIX	38377QQ67	April 2022
VB(1)	27,759,000	4.50	SEQ / AD	FIX	38377QQ75	September 2029
Z(1)	42,871,581	4.50	SEQ	FIX / Z	38377QQ83	March 2041
<b>Residual</b>						
RR	0	0.00	NPR	NPR	38377QQ91	March 2041

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

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

See "Risk Factors" beginning on page S-8 which highlights some of these risks.

The 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 and
- in the case of the Group 4 securities, the disclosure document relating to the Underlying Certificates (the “Underlying Certificate Disclosure Document”).

The Base Offering Circular and the Underlying Certificate Disclosure Document 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.

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:** Wells Fargo Bank, N.A.

**Tax Administrator:** The Trustee

**Closing Date:** March 30, 2011

**Distribution Dates:** For the Group 3 Securities, the 16th day of each month or, if the 16th day is not a Business Day, the first Business Day thereafter, commencing in April 2011. For the Group 1, 2, 4 and 5 Securities, 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 Group</u>	<u>Trust Asset Type</u>	<u>Certificate Rate</u>	<u>Original Term To Maturity (in years)</u>
1	Ginnie Mae II	4.0%	15
2	Ginnie Mae II	4.5%	30
3	Ginnie Mae I	3.5%	15
4	Underlying Certificates	(1)	(1)
5	Ginnie Mae II	4.5%	30

<sup>(1)</sup> Certain information regarding the Underlying Certificates is set forth in Exhibits A and B to this Supplement.

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

**Assumed Characteristics of the Mortgage Loans Underlying the Group 1, 2, 3 and 5 Trust Assets<sup>1</sup>:**

<u>Principal Balance<sup>2</sup></u>	<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Weighted Average Mortgage Rate<sup>3</sup></u>
<b>Group 1 Trust Assets</b>			
\$124,527,768	180	0	4.303%
<b>Group 2 Trust Assets</b>			
\$108,000,000	340	19	4.930%
<b>Group 3 Trust Assets</b>			
\$ 25,000,000	178	2	4.000%
<b>Group 5 Trust Assets</b>			
\$498,334,580	349	11	4.870%

<sup>1</sup> As of March 1, 2011.

<sup>2</sup> Does not include the Group 5 Trust Assets that will be added to pay the Trustee Fee.

<sup>3</sup> The Mortgage Loans underlying the Group 1, 2 and 5 Trust Assets may bear interest at rates ranging from 0.25% to 1.50% per annum above the related Certificate Rate.

The actual remaining terms to maturity, loan ages and, in the case of the Group 1, 2 and 5 Trust Assets, Mortgage Rates of many of the Mortgage Loans underlying the Group 1, 2, 3 and 5 Trust Assets will differ from the weighted averages shown above, perhaps significantly. See *"The Trust Assets — The Mortgage Loans"* in this Supplement. See Exhibit A to this Supplement for certain information regarding the characteristics of the Mortgage Loans included in the Underlying Trust.

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

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

**Increased Minimum Denomination Classes:** Each Class that constitutes a Principal Only or Interest Only Class. See *"Description of the Securities — Form of Securities"* in this Supplement.

**Interest Rates:** The Interest Rates for the Fixed Rate Classes are shown on the front cover of this Supplement or on Schedule I to this Supplement.

Class MG is an Ascending Rate Class that will bear interest at a per annum Interest Rate of 2.0% for the first twenty-four Accrual Periods and 4.0% thereafter.

The Floating Rate and Inverse Floating Rate Classes will bear interest at per annum rates based on one-month LIBOR (hereinafter referred to as “LIBOR”) as follows:

<u>Class</u>	<u>Interest Rate Formula(1)</u>	<u>Initial Interest Rate(2)</u>	<u>Minimum Rate</u>	<u>Maximum Rate</u>	<u>Delay (in days)</u>	<u>LIBOR for Minimum Interest Rate</u>
F . . . . .	LIBOR + 0.40%	0.661%	0.40%	7.00%	0	0.00%
FB . . . . .	LIBOR + 0.30%	0.561%	0.30%	7.00%	0	0.00%
FD . . . . .	LIBOR + 0.35%	0.611%	0.35%	7.00%	0	0.00%
S . . . . .	6.60% – LIBOR	6.339%	0.00%	6.60%	0	6.60%
SB . . . . .	6.70% – LIBOR	6.439%	0.00%	6.70%	0	6.70%
SC . . . . .	6.70% – LIBOR	0.050%	0.00%	0.05%	0	6.70%
SD . . . . .	6.65% – LIBOR	6.389%	0.00%	6.65%	0	6.65%

- (1) LIBOR will be established on the basis of the BBA LIBOR method, as described under “Description of the Securities — Interest Distributions — Floating Rate and Inverse Floating Rate Classes” in this Supplement.
- (2) The initial Interest Rate will be in effect during the first Accrual Period; the Interest Rate will adjust monthly thereafter.

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

**SECURITY GROUP 1**

The Group 1 Principal Distribution Amount will be allocated to MG, until retired

**SECURITY GROUP 2**

The Group 2 Principal Distribution Amount will be allocated, concurrently, as follows:

1. 16.6666666667% to F, until retired
2. 83.3333333333% in the following order of priority:
  - a. Sequentially, to KA, KB and KC, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
  - b. To CA, until reduced to its Scheduled Principal Balance for that Distribution Date
  - c. To CB, until retired
  - d. Concurrently, to CD and CO, pro rata, until retired
  - e. To CA, without regard to its Scheduled Principal Balance, until retired
  - f. Sequentially, to KA, KB and KC, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired

**SECURITY GROUP 3**

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

**SECURITY GROUP 4**

The Group 4 Principal Distribution Amount will be allocated in the following order of priority:

1. Sequentially, to PA and PB, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
2. To C, until retired
3. Sequentially, to PA and PB, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired

**SECURITY GROUP 5**

A percentage of the Group 5 Principal Distribution Amount will be applied to the Trustee Fee, and the remainder of the Group 5 Principal Distribution Amount (the “Group 5 Adjusted Principal Distribution Amount”) and the Accrual Amount will be allocated as follows:

- The Accrual Amount, sequentially, to VA, VB and Z, in that order, until retired
- The Group 5 Adjusted Principal Distribution Amount in the following order of priority:
  1. Concurrently, to BA and FB, pro rata, until retired
  2. Sequentially, to VA, VB and Z, in that order, until retired

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

<u>Class</u>	<u>Structuring Ranges</u>
<b>PAC Classes</b>	
PA and PB (in the aggregate) . . . . .	184% PSA through 303% PSA
<b>PAC I Classes</b>	
KA, KB and KC (in the aggregate) . . . . .	120% PSA through 250% PSA
<b>PAC II Class</b>	
CA . . . . .	135% PSA through 250% PSA

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

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

<u>Class</u>	<u>Original Class Notional Balance</u>	<u>Represents Approximately</u>
AI .....	\$ 1,785,714	7.1428571429% of A (PT Class)
IG .....	124,527,768	100% of MG (PT Class)*
KI .....	22,847,555	44.4444444444% of KA (PAC I Class)
LI .....	47,166,452	44.4444444444% of PA and PB (in the aggregate) (SC/PAC Classes)
NI .....	25,856,444	44.4444444444% of KA and KB (in the aggregate) (PAC I Classes)
PI .....	40,794,716	44.4444444444% of PA (SC/PAC Class)
S .....	18,000,000	100% of F (PT Class)
SB .....	114,329,428	100% of FB (SEQ Class)
SC .....	114,329,428	100% of FB (SEQ Class)
SD .....	114,329,428	100% of FB (SEQ Class)

\* For the first 24 Accrual Periods and 0% thereafter

**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 underlying mortgage loans will affect the rate of principal payments on your securities.***

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

In addition to voluntary prepayments, mortgage loans can be prepaid as a result of governmental mortgage insurance claim payments, loss mitigation arrangements, repurchases or liquidations of defaulted mortgage loans. Although under certain circumstances Ginnie Mae issuers have the option to repurchase defaulted mortgage loans from the related pool underlying a Ginnie Mae MBS certificate, they are not obligated to do so. Defaulted mortgage loans that remain in pools backing Ginnie Mae 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 mortgage loans and the resulting effect on the timing or rate of principal payments on your securities.

***Rates of principal payments can reduce your yield.*** The yield on your securities probably will be lower than you expect if:

- you bought your securities at a premium (interest only securities, for example) and

principal payments are faster than you expected, or

- you bought your securities at a discount (principal only securities, for example) and principal payments are slower than you expected.

In addition, if your securities are interest only securities or securities purchased at a significant premium, you could lose money on your investment if prepayments occur at a rapid rate.

***Under certain circumstances, a Ginnie Mae issuer has the right to repurchase a defaulted mortgage loan from the related pool of mortgage loans underlying a particular Ginnie Mae MBS certificate, the effect of which would be comparable to a prepayment of such mortgage loan.***

At its option and without Ginnie Mae's prior consent, a Ginnie Mae issuer may repurchase any mortgage loan at an amount equal to par less any amounts previously advanced by such issuer in connection with its responsibilities as servicer of such mortgage loan to the extent that (i) in the case of a mortgage loan included in a pool of mortgage loans underlying a Ginnie Mae MBS certificate issued on or before December 1, 2002, such mortgage loan has been delinquent for four consecutive months, and at least one delinquent payment remains uncured or (ii) in the case of a mortgage loan included in a pool of mortgage loans underlying a Ginnie Mae MBS certificate issued on or after January 1, 2003, no payment has been made on such mortgage loan for three consecutive months. Any such repurchase will result in prepayment of the principal balance or reduction in the notional balance of the securities ultimately backed by such mortgage loan. No assurances can be given as to the timing or frequency of any such repurchases.

***The level of LIBOR will affect the yields on floating rate and inverse floating rate securities.***

If LIBOR performs differently from what you expect, the yield on your securities may be lower than you expect. Lower levels of LIBOR will generally reduce the yield on floating rate

securities; higher levels of LIBOR will generally reduce the yield on inverse floating rate securities. You should bear in mind that the timing of changes in the level of LIBOR may affect your yield: generally, the earlier a change, the greater the effect on your yield. It is doubtful that LIBOR will remain constant.

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

***Support securities will be more sensitive to rates of principal payments than other securities.*** If principal prepayments result in principal distributions on any distribution date equal to or less than the amount needed to produce scheduled payments on the PAC classes, the related support classes will not receive any principal distribution on that date. If prepayments result in principal distributions on any distribution date greater than the amount needed to produce scheduled payments on the related PAC classes for that distribution date, this excess will be distributed to the related support classes.

***The rate of principal payments on the underlying certificates will directly affect the rate of principal payments on the group 4 securities.*** The underlying certificates will be sensitive in varying degrees to

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

As described in the underlying certificate disclosure document, the principal entitlements of the underlying certificates included in trust asset

group 4 on any payment date are calculated, directly or indirectly, on the basis of schedules; no assurance can be given that the underlying certificates will adhere to their schedules. Further, prepayments on the related mortgage loans may have occurred at rates faster or slower than those initially assumed.

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

***Up to 10% of the mortgage loans underlying the trust assets may consist of higher balance mortgage loans or high balance loans.***

Subject to special pooling parameters set forth in the Ginnie Mae Mortgage-Backed Securities Guide, qualifying federally-insured or guaranteed mortgage loans that exceed certain balance thresholds established by Ginnie Mae (“higher balance mortgage loans” or “high balance loans”) may be included in Ginnie Mae guaranteed pools. There are no historical performance data regarding the prepayment rates for higher balance mortgage loans. If the higher balance mortgage loans prepay faster or slower than expected, the weighted average lives and yields of the related securities are likely to be affected, perhaps significantly. Furthermore, higher balance mortgage loans tend to be concentrated in certain geographic areas, which may experience relatively higher rates of defaults in the event of adverse economic conditions. No assurances can be given about the prepayment experience or performance of the higher balance mortgage loans.

***The securities may not be a suitable investment for you.*** The securities, especially the group 4 securities and, in particular, the support, interest only, principal only, ascending rate, accrual and residual classes, are not suitable investments for all investors.

In addition, although the sponsor intends to make a market for the purchase and sale of the securities after their initial issuance, it has no obligation to do so. There is no assurance that a secondary market will develop, that any secondary market will continue, or that the price at which you can sell an investment in any class will enable you to realize a desired yield on that investment.

You will bear the market risks of your investment. The market values of the classes are likely to fluctuate. These fluctuations may be significant and could result in significant losses to you.

The secondary markets for mortgage-related securities have experienced periods of illiquidity and can be expected to do so in the future. Illiquidity can have a severely adverse effect on the prices of classes that are especially sensitive to prepayment or interest rate risk or that have been structured to meet the investment requirements of limited categories of investors.

The residual securities may experience significant adverse tax timing consequences. Accordingly, you are urged to consult tax advisors and to consider the after-tax effect of ownership of a

residual security and the suitability of the residual securities to your investment objectives. See “*Certain Federal Income Tax Consequences*” in this supplement and in the base offering circular.

You are encouraged to consult advisors regarding the financial, legal, tax and other aspects of an investment in the securities. You should not purchase the securities of any class unless you understand and are able to bear the prepayment, yield, liquidity and market risks associated with that class.

***The actual characteristics of the underlying mortgage loans will affect the weighted average lives and yields of your securities.***

The yield and decrement tables in this supplement are based on assumed characteristics which are likely to be different from the actual characteristics. As a result, the yields on your securities could be lower than you expected, even if the mortgage loans prepay at the constant prepayment rates set forth in the applicable table.

It is highly unlikely that the underlying mortgage loans will prepay at any of the prepayment rates assumed in this supplement, or at any constant prepayment rate.

## THE TRUST ASSETS

### General

The Sponsor intends to acquire the Trust Assets in privately negotiated transactions prior to the Closing Date and to sell them to the Trust according to the terms of a Trust Agreement between the Sponsor and the Trustee. The Sponsor will make certain representations and warranties with respect to the Trust Assets. All Trust Assets, regardless of whether the assets consist of Trust MBS or the Underlying Certificates, will evidence, directly or indirectly, Ginnie Mae Certificates.

### The Trust MBS (Groups 1, 2, 3 and 5)

The Group 3 Trust Assets are either:

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

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

The Group 1, 2 and 5 Trust Assets are either:

1. Ginnie Mae II MBS Certificates guaranteed by Ginnie Mae, or

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

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

### **The Underlying Certificates (Group 4)**

The Group 4 Trust Assets are Underlying Certificates that represent beneficial ownership interests in a separate trust, the assets of which evidence direct or indirect beneficial ownership interests in certain Ginnie Mae Certificates. Each Underlying Certificate constitutes all or a portion of a class of a Series of certificates described in the Underlying Certificate Disclosure Document, excerpts of which are attached as Exhibit B to this Supplement. The Underlying Certificate Disclosure Document may be obtained from the Information Agent as described under “Available Information” in this Supplement. Investors are cautioned that material changes in facts and circumstances may have occurred since the date of the Underlying Certificate Disclosure Document, including changes in prepayment rates, prevailing interest rates and other economic factors, which may limit the usefulness of, and be directly contrary to the assumptions used in preparing the information included in, the offering document. See “*Underlying Certificates*” in the *Base Offering Circular*.

Each Underlying Certificate provides for monthly distributions and is further described in the table contained in Exhibit A to this Supplement. The table also sets forth information regarding approximate weighted average remaining terms to maturity, loan ages and mortgage rates of the Mortgage Loans underlying the related Ginnie Mae Certificates.

### **The Mortgage Loans**

The Mortgage Loans underlying the Group 1, 2, 3 and 5 Trust Assets are expected to have, on a weighted average basis, the characteristics set forth in the Terms Sheet under “Assumed Characteristics of the Mortgage Loans Underlying the Group 1, 2, 3 and 5 Trust Assets” and the general characteristics described in the Base Offering Circular. The Mortgage Loans underlying the Underlying Certificates are expected to have, on a weighted average basis, the characteristics set forth in Exhibit A to this Supplement. The Mortgage Loans will consist of first lien, single-family, fixed rate, residential mortgage loans that are insured or guaranteed by the Federal Housing Administration, the United States Department of Veterans Affairs, Rural Development (formerly the Rural Housing Service) or the United States Department of Housing and Urban Development (“HUD”). See “*The Ginnie Mae Certificates — General*” in the *Base Offering Circular*.

Specific information regarding the characteristics of the Mortgage Loans underlying the Trust MBS is not available. For purposes of this Supplement, certain assumptions have been made regarding the remaining terms to maturity, loan ages and, in the case of the Group 1, 2 and 5 Trust Assets, Mortgage Rates of the Mortgage Loans. However, the actual remaining terms to maturity, loan ages and, in the case of the Group 1, 2 and 5 Trust Assets, Mortgage Rates of many of the Mortgage Loans will differ from the characteristics assumed, perhaps significantly. This will be the case even if the weighted average characteristics of the Mortgage Loans are the same as the assumed characteristics. Small differences in the characteristics of the Mortgage Loans can have a significant effect on the Weighted Average Lives and

yields of the Securities. See “Risk Factors” and “Yield, Maturity and Prepayment Considerations” in this Supplement.

### **The Trustee Fee**

On each Distribution Date, the Trustee will retain a fixed percentage of all principal and interest distributions received on specified Trust Assets in payment of 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 and MX Class (other than the Increased Minimum Denomination Classes) will be issued in minimum dollar denominations of initial principal balance of \$1,000 and integral multiples of \$1 in excess of \$1,000. The Increased Minimum Denomination Classes will be issued in minimum denominations that equal \$100,000 in initial principal or notional balance.

### **Distributions**

Distributions on the Securities will be made on each Distribution Date as specified under “Terms Sheet — Distribution Dates” in this Supplement. On each Distribution Date for a Security, or in the case of the Certificated Securities, on the first Business Day after the related Distribution Date, the Distribution Amount will be distributed to the Holders of record as of the 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 on each Distribution Date to the Holders of all Classes of Securities entitled to distributions of interest.

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

#### *Categories of Classes*

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

#### *Accrual Periods*

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

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

#### *Fixed Rate Classes*

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

#### *Ascending Rate Class*

The Ascending Rate Class will bear interest at the per annum Interest Rate set forth for each Accrual Period under “Terms Sheet — Interest Rates” in this Supplement.

#### *Floating Rate and Inverse Floating Rate Classes*

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

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

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

#### *Accrual Class*

Class Z is an Accrual Class. Interest will accrue on the Accrual Class and be distributed as described under “Terms Sheet — Accrual Class” in this Supplement.

### **Principal Distributions**

The Principal Distribution Amount or the Adjusted Principal Distribution Amount for each Group, as applicable, and the Accrual Amount will be distributed to the Holders entitled thereto as described under “Terms Sheet — Allocation of Principal” in this Supplement. Investors can calculate the amount of principal to be distributed with respect to any Distribution Date by using the Class Factors published in the preceding and current months. See “— Class Factors” below.

#### *Categories of Classes*

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

#### *Notional Classes*

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

### **Residual Securities**

The Class RR Securities will represent the beneficial ownership of the Residual Interest in the Issuing REMIC and the beneficial ownership of the Residual Interest in the Pooling REMIC, as described 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 applicable Distribution Date, the factor (carried out to eight decimal places) that when multiplied by the Original Class Principal Balance (or original Class Notional Balance) of that Class, determines the Class Principal Balance (or Class Notional Balance) after giving effect to the distribution of principal to be made on the Securities (and any addition to the Class Principal Balance of the Accrual Class) or any reduction of Class Notional Balance on that Distribution Date (each, a “Class Factor”).

- The Class Factor for any Class of Securities for 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 reduction of Class Notional Balance on the Distribution Date occurring in that month.
- The Class Factor for each Class for the month of issuance is 1.00000000.
- The Class Factors for the MX Classes and the Classes of REMIC Securities that are exchangeable for the MX Classes will be calculated assuming that the maximum possible amount of each Class is outstanding at all times, regardless of any exchanges that may occur.
- Based on the Class Factors published in the preceding and current months (and Interest Rates), investors in any Class (other than the Accrual Class) can calculate the amount of principal and interest to be distributed to that Class and investors in the Accrual Class can calculate the total amount of principal to be distributed to (or interest to be added to the Class Principal Balance of) that Class on the Distribution Date in the current month.
- Investors may obtain current Class Factors on 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. The Residual Holders will be entitled to their pro rata share of any assets remaining in the Trust REMICs after payment in full of the amounts described in the foregoing sentence. However, any remaining assets are not likely to be significant.

## **Modification and Exchange**

All or a portion of the Classes of REMIC Securities specified on the front cover may be exchanged for a proportionate interest in the related MX Class or Classes shown on Schedule I to this Supplement. Similarly, all or a portion of the related MX Class or Classes may be exchanged for proportionate interests in the related Class or Classes of REMIC Securities and, in the case of Combinations 1, 2, 3 and 4, other related MX Classes. This process may occur repeatedly.

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

In the case of Combinations 1, 2, 3 and 4, the REMIC Securities may be exchanged for proportionate interests in various subcombinations of MX Classes. Similarly, all or a portion of these MX Classes may be exchanged for proportionate interests in the related REMIC Securities or in other subcombinations of the MX Classes. Each subcombination may be effected only in proportions that result in the principal and interest entitlements of the Securities received being equal to the entitlements of the Securities

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

A Beneficial Owner proposing to effect an exchange must notify the Trustee through the Beneficial Owner’s Book-Entry Depository participant. This notice must be received by the Trustee not later than two Business Days before the proposed exchange date. The exchange date can be any Business Day other than the last Business Day of the month. The notice must contain the outstanding principal and notional balances of the Securities to be included in the exchange and the proposed exchange date. The notice is required to be delivered to the Trustee by email to GNMAExchange@wellsfargo.com or in writing at its Corporate Trust Office at Wells Fargo Bank, N.A., 45 Broadway, 12th Floor, New York, NY 10006, Attention: Trust Administrator Ginnie Mae 2011-037. The Trustee may be contacted by telephone at (212) 515-5262 and by fax at (212) 509-1042.

A fee will be payable to the Trustee in connection with each exchange equal to  $\frac{1}{32}$  of 1% of the outstanding principal balance (or notional balance) of the Securities surrendered for exchange (but not less than \$2,000 or more than \$25,000; provided, however, that no fee will be payable in respect of an interest only security unless all securities involved in the exchange are interest only securities. If the notional balance of the interest only securities surrendered exceeds that of the interest only securities received, the fee will be based on the latter. The fee must be paid concurrently with the exchange.

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

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

## **YIELD, MATURITY AND PREPAYMENT CONSIDERATIONS**

### **General**

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

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

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

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

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

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

Investors in the Group 4 Securities are urged to review the discussion under “Risk Factors — The rate of principal payments on the underlying certificates will directly affect the rate of principal payments on the group 4 securities” in this Supplement.

**Accretion Directed Classes**

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

Each of Classes VA and VB has the AD designation in the suffix position, rather than the prefix position, in its class principal type because it does not have principal payment stability through the applicable pricing prepayment assumption. Classes VA and VB will have principal payment stability only through the prepayment rate shown in the table below.

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

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

**Accretion Directed Classes**

<u>Class</u>	<u>Maximum Weighted Average Life (in years)(1)</u>	<u>Final Distribution Date</u>	<u>Prepayment Rate at or below</u>
VA	6.0	April 2022	203% PSA
VB	15.0	September 2029	90% PSA

(1) The maximum Weighted Average Life for each Class shown in this table is based on the Modeling Assumptions and the assumption that the related Mortgage Loans prepay at any constant rate at or below the rate shown in the table for such Class.

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

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

As described in this Supplement, each PAC Class will receive principal payments in accordance with a schedule calculated on the basis of, among other things, a Structuring Range. See “Terms Sheet — Scheduled Principal Balances.” However, whether any such Class will adhere to its schedule and

receive “Scheduled Payments” on a Distribution Date will largely depend on the level of prepayments experienced by the related Mortgage Loans.

Each PAC Class exhibits an Effective Range of constant prepayment rates at which such Class will receive Scheduled Payments. That range may differ from the Structuring Range used to create the related principal balance schedule. Based on the Modeling Assumptions, the *initial* Effective Ranges for the PAC Classes are as follows:

<b>PAC Classes</b>	<b><u>Initial Effective Ranges</u></b>
PA and PB (in the aggregate) . . . . .	184% PSA through 303% PSA
<b>PAC I Classes</b>	
KA, KB and KC (in the aggregate) . . . . .	120% PSA through 250% PSA
<b>PAC II Class</b>	
CA . . . . .	135% PSA through 250% PSA

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

**If all of the Classes supporting a given Class are retired before the Class being supported is retired, the outstanding Class will no longer have an Effective Range and will become more sensitive to prepayments on the related Mortgage Loans.**

There is no assurance that the related Mortgage Loans will have the characteristics assumed in the Modeling Assumptions, which were used to determine the initial Effective Ranges. If the initial Effective Ranges were calculated using the actual characteristics of the related Mortgage Loans, the initial Effective Ranges could differ from those shown in the above tables. Therefore, even if the Mortgage Loans were to prepay at a constant rate within the initial Effective Range shown for any Class in the above tables, that Class could fail to receive Scheduled Payments.

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

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

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

## **Assumability**

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

## **Final Distribution Date**

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

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

## **Modeling Assumptions**

Unless otherwise indicated, the tables that follow have been prepared on the basis of the characteristics of the Underlying Certificates, the characteristics of the Mortgage Loans underlying the Underlying Certificates based on information as of the first Business Day of March 2011, the priorities of distributions on the Underlying Certificates and the following assumptions (the “Modeling Assumptions”), among others:

1. The Mortgage Loans underlying the Group 1, 2, 3 and 5 Trust Assets have the assumed characteristics shown under “Assumed Characteristics of the Mortgage Loans Underlying the Group 1, 2, 3 and 5 Trust Assets” in the Terms Sheet, except in the case of information set forth under the 0% PSA Prepayment Assumption Rate, for which each Mortgage Loan underlying a Group 1 or 3 Trust Asset is assumed to have an original and a remaining term to maturity of 180 months, each Mortgage Loan underlying a Group 2 or 5 Trust Asset is assumed to have an original and a remaining term to maturity of 360 months and each Mortgage Loan underlying a Group 1, 2 or 5 Trust Asset is assumed to have a Mortgage Rate of 1.50% per annum higher than the related Certificate Rate.

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

3. Distributions on the Group 3 Securities are always received on the 16th day of the month, and distributions on the Group 1, 2, 4 and 5 Securities are always received on the 20th day of the month, in each case, whether or not a Business Day, commencing in April 2011.

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

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

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

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

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

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

- For example, most of the Mortgage Loans will not have the characteristics assumed, many Distribution Dates will occur on a Business Day after the 16th or 20th day of the month, as

applicable, and the Trustee may cause a termination of the Trust as described under “Description of the Securities — Termination” in this Supplement.

- In addition, distributions on the Securities are based on Certificate Factors and Calculated Certificate Factors, if applicable, which may not reflect actual receipts on the Trust Assets.

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

## Decrement Tables

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

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

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

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

- (a) multiplying the net reduction, if any, of the Class Principal Balance (or the net reduction of the Class Notional Balance, in the case of a Notional Class) from one Distribution Date to the next Distribution Date by the number of years from the date of issuance thereof to the related Distribution Date,
- (b) summing the results, and
- (c) dividing the sum by the aggregate amount of the assumed net reductions in principal balance or notional amount, as applicable, referred to in clause (a).

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

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

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

Security Group 1 PSA Prepayment Assumption Rates										
Distribution Date	Class IG					Class MG				
	0%	100%	204%	350%	500%	0%	100%	204%	350%	500%
Initial Percent . . . . .	100	100	100	100	100	100	100	100	100	100
March 2012 . . . . .	96	94	93	91	89	96	94	93	91	89
March 2013 . . . . .	0	0	0	0	0	91	86	81	75	69
March 2014 . . . . .	0	0	0	0	0	86	76	67	56	46
March 2015 . . . . .	0	0	0	0	0	81	67	55	42	30
March 2016 . . . . .	0	0	0	0	0	75	58	45	30	20
March 2017 . . . . .	0	0	0	0	0	69	50	36	22	13
March 2018 . . . . .	0	0	0	0	0	63	43	29	16	8
March 2019 . . . . .	0	0	0	0	0	57	36	23	11	5
March 2020 . . . . .	0	0	0	0	0	50	30	17	8	3
March 2021 . . . . .	0	0	0	0	0	43	24	13	5	2
March 2022 . . . . .	0	0	0	0	0	35	18	9	3	1
March 2023 . . . . .	0	0	0	0	0	27	13	6	2	1
March 2024 . . . . .	0	0	0	0	0	19	8	4	1	0
March 2025 . . . . .	0	0	0	0	0	10	4	2	0	0
March 2026 . . . . .	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years) . . . . .	1.9	1.8	1.8	1.8	1.7	8.5	6.6	5.3	4.1	3.4

Security Group 2 PSA Prepayment Assumption Rates																					
Distribution Date	Class CA					Class CB					Classes CD and CO					Classes F and S					
	0%	120%	200%	250%	400%	0%	120%	200%	250%	400%	0%	120%	200%	250%	400%	0%	120%	200%	250%	400%	
Initial Percent . . . . .	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 2012 . . . . .	100	100	78	78	78	100	100	82	67	25	100	100	100	100	100	100	99	92	88	86	78
March 2013 . . . . .	100	100	55	55	0	100	100	64	38	0	100	100	100	100	0	97	84	76	72	58	
March 2014 . . . . .	100	100	38	38	0	100	100	51	17	0	100	100	100	100	0	96	77	66	60	44	
March 2015 . . . . .	100	100	24	24	0	100	100	42	2	0	100	100	100	100	0	95	70	57	50	32	
March 2016 . . . . .	100	100	13	13	0	100	100	36	0	0	100	100	100	47	0	93	63	49	41	24	
March 2017 . . . . .	100	100	6	6	0	100	100	32	0	0	100	100	100	11	0	91	57	42	34	18	
March 2018 . . . . .	100	100	0	0	0	100	100	30	0	0	100	100	100	0	0	90	52	36	28	13	
March 2019 . . . . .	100	96	0	0	0	100	100	28	0	0	100	100	100	0	0	88	47	31	24	10	
March 2020 . . . . .	100	80	0	0	0	100	100	26	0	0	100	100	100	0	0	86	42	26	19	7	
March 2021 . . . . .	100	55	0	0	0	100	100	23	0	0	100	100	100	0	0	84	38	22	16	5	
March 2022 . . . . .	100	23	0	0	0	100	100	21	0	0	100	100	100	0	0	81	34	19	13	4	
March 2023 . . . . .	100	0	0	0	0	100	97	18	0	0	100	100	100	0	0	79	30	16	11	3	
March 2024 . . . . .	100	0	0	0	0	100	90	14	0	0	100	100	100	0	0	77	27	14	9	2	
March 2025 . . . . .	100	0	0	0	0	100	82	11	0	0	100	100	100	0	0	74	24	11	7	2	
March 2026 . . . . .	100	0	0	0	0	100	74	9	0	0	100	100	100	0	0	71	21	10	6	1	
March 2027 . . . . .	100	0	0	0	0	100	65	6	0	0	100	100	100	0	0	68	19	8	5	1	
March 2028 . . . . .	100	0	0	0	0	100	57	3	0	0	100	100	100	0	0	65	16	7	4	1	
March 2029 . . . . .	100	0	0	0	0	100	49	1	0	0	100	100	100	0	0	61	14	5	3	0	
March 2030 . . . . .	100	0	0	0	0	100	41	0	0	0	100	100	90	0	0	58	12	4	2	0	
March 2031 . . . . .	100	0	0	0	0	100	34	0	0	0	100	100	75	0	0	54	10	4	2	0	
March 2032 . . . . .	100	0	0	0	0	100	27	0	0	0	100	100	62	0	0	50	8	3	1	0	
March 2033 . . . . .	100	0	0	0	0	100	20	0	0	0	100	100	50	0	0	46	7	2	1	0	
March 2034 . . . . .	100	0	0	0	0	100	14	0	0	0	100	100	39	0	0	41	6	2	1	0	
March 2035 . . . . .	100	0	0	0	0	100	8	0	0	0	100	100	29	0	0	36	4	1	1	0	
March 2036 . . . . .	100	0	0	0	0	100	3	0	0	0	100	100	21	0	0	31	3	1	0	0	
March 2037 . . . . .	100	0	0	0	0	100	0	0	0	0	100	80	13	0	0	26	2	1	0	0	
March 2038 . . . . .	0	0	0	0	0	97	0	0	0	0	100	44	7	0	0	20	1	0	0	0	
March 2039 . . . . .	0	0	0	0	0	63	0	0	0	0	100	11	2	0	0	14	0	0	0	0	
March 2040 . . . . .	0	0	0	0	0	26	0	0	0	0	100	0	0	0	0	7	0	0	0	0	
March 2041 . . . . .	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Weighted Average Life (years) . . . . .	26.6	10.1	2.6	2.6	1.4	28.4	18.1	5.5	1.7	0.7	29.8	26.9	22.4	5.1	1.5	19.3	9.1	6.5	5.5	3.5	



Security Group 4 PSA Prepayment Assumption Rates																				
Distribution Date	Class C					Classes IA, IB, IC, LD, LE, LG, LH, LI, LJ, LK, LM, LN, LT and LU					Classes PA, PC, PD, PE, PG, PH, PI, PJ, PK, PL, PM, PN, PT and PU					Class PB				
	0%	184%	231%	303%	500%	0%	184%	231%	303%	500%	0%	184%	231%	303%	500%	0%	184%	231%	303%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 2012	100	100	100	100	100	97	92	92	92	92	97	90	90	90	90	100	100	100	100	100
March 2013	100	100	100	100	0	94	79	79	79	77	93	75	75	75	74	100	100	100	100	100
March 2014	100	100	100	100	0	91	66	66	66	52	89	60	60	60	44	100	100	100	100	100
March 2015	100	100	100	100	0	87	54	54	54	34	85	47	47	47	24	100	100	100	100	100
March 2016	100	100	100	100	0	84	44	44	44	22	81	35	35	35	9	100	100	100	100	100
March 2017	100	100	100	100	0	80	35	35	35	13	77	25	25	25	0	100	100	100	100	98
March 2018	100	100	100	100	0	76	27	27	27	8	72	15	15	15	0	100	100	100	100	56
March 2019	100	100	100	100	0	72	20	20	20	4	68	8	8	8	0	100	100	100	100	26
March 2020	100	100	100	100	0	68	15	15	15	1	63	2	2	2	0	100	100	100	100	6
March 2021	100	100	100	100	0	63	11	11	11	0	58	0	0	0	0	100	83	83	83	0
March 2022	100	100	100	100	0	59	8	8	8	0	52	0	0	0	0	100	58	58	58	0
March 2023	100	100	100	100	0	54	5	5	5	0	47	0	0	0	0	100	38	38	38	0
March 2024	100	100	100	100	0	49	3	3	3	0	41	0	0	0	0	100	23	23	23	0
March 2025	100	100	100	100	0	43	1	1	1	0	34	0	0	0	0	100	10	10	10	0
March 2026	100	0	0	0	0	38	0	0	0	0	28	0	0	0	0	100	0	0	0	0
March 2027	100	0	0	0	0	32	0	0	0	0	21	0	0	0	0	100	0	0	0	0
March 2028	100	0	0	0	0	26	0	0	0	0	14	0	0	0	0	100	0	0	0	0
March 2029	100	0	0	0	0	19	0	0	0	0	7	0	0	0	0	100	0	0	0	0
March 2030	100	0	0	0	0	12	0	0	0	0	0	0	0	0	0	92	0	0	0	0
March 2031	100	0	0	0	0	5	0	0	0	0	0	0	0	0	0	40	0	0	0	0
March 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2036	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2037	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2038	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2039	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2040	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2041	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average																				
Life (years)	20.7	15.0	15.0	15.0	2.0	12.0	5.1	5.1	5.1	3.5	10.8	4.1	4.1	4.1	2.9	19.8	11.7	11.7	11.7	7.3

Security Group 5 PSA Prepayment Assumption Rates															
Distribution Date	Class B					Classes BA, FB, FD, SB, SC and SD					Class VA				
	0%	100%	231%	350%	500%	0%	100%	231%	350%	500%	0%	100%	231%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 2012	100	100	100	100	100	98	94	88	83	76	93	93	93	93	93
March 2013	100	100	100	100	100	97	85	72	60	47	85	85	85	85	85
March 2014	100	100	100	100	100	95	77	57	41	24	78	78	78	78	78
March 2015	100	100	100	100	100	93	69	44	26	9	69	69	69	69	69
March 2016	100	100	100	100	94	91	61	33	15	0	61	61	61	61	39
March 2017	100	100	100	100	64	89	54	24	6	0	52	52	52	52	0
March 2018	100	100	100	96	44	87	48	17	0	0	43	43	43	27	0
March 2019	100	100	100	74	30	85	42	10	0	0	33	33	33	0	0
March 2020	100	100	100	56	20	82	36	4	0	0	22	22	22	0	0
March 2021	100	100	98	43	14	80	31	0	0	0	12	12	5	0	0
March 2022	100	100	82	33	9	77	26	0	0	0	1	1	0	0	0
March 2023	100	100	68	25	6	74	21	0	0	0	0	0	0	0	0
March 2024	100	100	56	19	4	71	17	0	0	0	0	0	0	0	0
March 2025	100	100	46	14	3	67	13	0	0	0	0	0	0	0	0
March 2026	100	100	38	11	2	64	9	0	0	0	0	0	0	0	0
March 2027	100	100	31	8	1	60	5	0	0	0	0	0	0	0	0
March 2028	100	100	25	6	1	56	2	0	0	0	0	0	0	0	0
March 2029	100	95	21	5	1	52	0	0	0	0	0	0	0	0	0
March 2030	100	83	16	3	0	47	0	0	0	0	0	0	0	0	0
March 2031	100	72	13	2	0	43	0	0	0	0	0	0	0	0	0
March 2032	100	61	10	2	0	38	0	0	0	0	0	0	0	0	0
March 2033	100	52	8	1	0	32	0	0	0	0	0	0	0	0	0
March 2034	100	43	6	1	0	27	0	0	0	0	0	0	0	0	0
March 2035	100	34	4	1	0	21	0	0	0	0	0	0	0	0	0
March 2036	100	26	3	0	0	14	0	0	0	0	0	0	0	0	0
March 2037	100	19	2	0	0	7	0	0	0	0	0	0	0	0	0
March 2038	100	13	1	0	0	0	0	0	0	0	0	0	0	0	0
March 2039	69	6	1	0	0	0	0	0	0	0	0	0	0	0	0
March 2040	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2041	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average															
Life (years)	28.6	22.6	14.8	10.5	7.5	17.0	7.4	4.0	2.8	2.1	6.0	6.0	5.9	5.1	4.1

Security Group 5 PSA Prepayment Assumption Rates										
Distribution Date	Class VB					Class Z				
	0%	100%	231%	350%	500%	0%	100%	231%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100
March 2012	100	100	100	100	100	105	105	105	105	105
March 2013	100	100	100	100	100	109	109	109	109	109
March 2014	100	100	100	100	100	114	114	114	114	114
March 2015	100	100	100	100	100	120	120	120	120	120
March 2016	100	100	100	100	100	125	125	125	125	125
March 2017	100	100	100	100	25	131	131	131	131	131
March 2018	100	100	100	100	0	137	137	137	137	100
March 2019	100	100	100	39	0	143	143	143	143	68
March 2020	100	100	100	0	0	150	150	150	129	47
March 2021	100	100	100	0	0	157	157	157	99	32
March 2022	100	100	36	0	0	164	164	164	76	21
March 2023	89	89	0	0	0	171	171	156	58	14
March 2024	77	77	0	0	0	179	179	129	44	10
March 2025	64	64	0	0	0	188	188	106	33	7
March 2026	51	51	0	0	0	196	196	87	25	4
March 2027	37	37	0	0	0	205	205	72	19	3
March 2028	22	22	0	0	0	215	215	58	14	2
March 2029	7	0	0	0	0	224	216	47	10	1
March 2030	0	0	0	0	0	229	189	38	8	1
March 2031	0	0	0	0	0	229	164	30	6	1
March 2032	0	0	0	0	0	229	140	23	4	0
March 2033	0	0	0	0	0	229	118	18	3	0
March 2034	0	0	0	0	0	229	98	14	2	0
March 2035	0	0	0	0	0	229	78	10	1	0
March 2036	0	0	0	0	0	229	61	7	1	0
March 2037	0	0	0	0	0	229	44	5	1	0
March 2038	0	0	0	0	0	229	29	3	0	0
March 2039	0	0	0	0	0	157	14	1	0	0
March 2040	0	0	0	0	0	81	1	0	0	0
March 2041	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	15.0	14.9	10.8	7.9	5.8	28.6	22.7	16.3	12.2	8.9

## Yield Considerations

An investor seeking to maximize yield should make a decision whether to invest in any Regular or MX Class based on the anticipated yield of that Class resulting from its purchase price, the investor’s own projection of Mortgage Loan prepayment rates under a variety of scenarios, in the case of the Group 4 Securities, the investor’s own projection of principal payment rates on the Underlying Certificates under a variety of scenarios and, in the case of a Floating Rate or an Inverse Floating Rate Class, the investor’s own projection of levels of LIBOR under a variety of scenarios. **No representation is made regarding Mortgage Loan prepayment rates, Underlying Certificate payment rates, LIBOR levels or the yield of any Class.**

### *Prepayments: Effect on Yields*

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

- In the case of Regular Securities or MX Securities purchased at a premium (especially the Interest Only Classes), faster than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.
- Investors in the Interest Only Classes should also consider the risk that rapid rates of principal payments could result in the failure of investors to recover fully their investments.
- In the case of Regular Securities or MX Securities purchased at a discount (especially the Principal Only Class), slower than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.

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

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

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

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

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

The Mortgage Loans will not prepay at any constant rate until maturity, nor will all of the Mortgage Loans underlying any Trust Asset Group prepay at the same rate at any one time. The timing of changes in the rate of prepayments may affect the actual yield to an investor, even if the average rate of principal prepayments is consistent with the investor's expectation. In general, the earlier a prepayment of principal on the Mortgage Loans, the greater the effect on an investor's yield. As a result, the effect on an investor's yield of principal prepayments occurring at a rate higher (or lower) than the rate anticipated by the investor during the period immediately following the Closing Date is not likely to be offset by a later equivalent reduction (or increase) in the rate of principal prepayments.

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

Low levels of LIBOR can reduce the yield of the Floating Rate Classes. High levels of LIBOR can significantly reduce the yield of the Inverse Floating Rate Classes. In addition, the Floating Rate Classes will not necessarily benefit from a higher yield at high levels of LIBOR and Class SC may not benefit from particularly low levels of LIBOR because the rate on such Classes is capped at a maximum rate described under "Terms Sheet — Interest Rates."

*Payment Delay: Effect on Yields of the Fixed Rate and Ascending Rate Classes*

The effective yield on any Fixed Rate or Ascending Rate Class will be less than the yield otherwise produced by its Interest Rate and purchase price because, on each Distribution Date, 30 days' interest will be payable on (or added to the principal amount of) that Class even though interest began to accrue approximately 46 or 50 days earlier, as applicable.

## **Yield Tables**

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

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

The yields were calculated by

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

These calculations do not take into account variations that may occur in the interest rates at which investors may be able to reinvest funds received by them as distributions on their Securities and

consequently do not purport to reflect the return on any investment in any Class when those reinvestment rates are considered.

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

**SECURITY GROUP 1**

**Sensitivity of Class IG to Prepayments  
Assumed Price 2.54409%\***

<b>PSA Prepayment Assumption Rates</b>				
<u>100%</u>	<u>204%</u>	<u>350%</u>	<u>500%</u>	<u>1,931%</u>
38.5%	36.6%	34.0%	31.2%	0.0%

**SECURITY GROUP 2**

**Sensitivity of Class CO to Prepayments  
Assumed Price 49.375%\***

<b>PSA Prepayment Assumption Rates</b>			
<u>120%</u>	<u>200%</u>	<u>250%</u>	<u>400%</u>
2.6%	3.2%	14.5%	54.3%

**Sensitivity of Class KI to Prepayments  
Assumed Price 15.75%\***

<b>PSA Prepayment Assumption Rates</b>				
<u>120%</u>	<u>200%</u>	<u>250%</u>	<u>300%</u>	<u>400%</u>
4.3%	4.3%	4.3%	0.1%	(12.4)%

**Sensitivity of Class NI to Prepayments  
Assumed Price 17.8125%\***

<b>PSA Prepayment Assumption Rates</b>				
<u>120%</u>	<u>200%</u>	<u>250%</u>	<u>312%</u>	<u>400%</u>
5.0%	5.0%	5.0%	0.0%	(9.5)%

**Sensitivity of Class S to Prepayments  
Assumed Price 17.9375%\***

<u>LIBOR</u>	<b>PSA Prepayment Assumption Rates</b>			
	<u>120%</u>	<u>200%</u>	<u>250%</u>	<u>400%</u>
0.1500% . . . . .	28.3%	22.8%	19.2%	8.2%
0.2610% . . . . .	27.6%	22.1%	18.6%	7.6%
3.4305% . . . . .	8.0%	2.8%	(0.5)%	(10.9)%
6.6000% and above . . . . .	**	**	**	**

**SECURITY GROUP 3**

**Sensitivity of Class AI to Prepayments  
Assumed Price 15.625%\***

<b>PSA Prepayment Assumption Rates</b>				
<u>100%</u>	<u>224%</u>	<u>276%</u>	<u>400%</u>	<u>500%</u>
8.9%	2.7%	0.0%	(6.4)%	(11.8)%

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

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

**SECURITY GROUP 4**

**Sensitivity of Class LI to Prepayments  
Assumed Price 19.625%\***

<b>PSA Prepayment Assumption Rates</b>				
<u>184%</u>	<u>231%</u>	<u>303%</u>	<u>376%</u>	<u>500%</u>
4.1%	4.1%	4.1%	0.0%	(8.8)%

**Sensitivity of Class PI to Prepayments  
Assumed Price 16.9375%\***

<b>PSA Prepayment Assumption Rates</b>				
<u>184%</u>	<u>231%</u>	<u>303%</u>	<u>345%</u>	<u>500%</u>
2.5%	2.5%	2.5%	0.0%	(13.3)%

**SECURITY GROUP 5**

**Sensitivity of Class SB to Prepayments  
Assumed Price 15.9375%\***

<u>LIBOR</u>	<b>PSA Prepayment Assumption Rates</b>			
	<u>100%</u>	<u>231%</u>	<u>350%</u>	<u>500%</u>
0.1500% . . . . .	33.8%	21.1%	7.8%	(10.5)%
0.2610% . . . . .	33.0%	20.3%	6.8%	(11.5)%
3.4805% . . . . .	9.0%	(6.5)%	(22.6)%	(43.5)%
6.7000% and above . . . . .	**	**	**	**

**Sensitivity of Class SC to Prepayments  
Assumed Price 0.1875%\***

<u>LIBOR</u>	<b>PSA Prepayment Assumption Rates</b>			
	<u>100%</u>	<u>231%</u>	<u>350%</u>	<u>500%</u>
6.650% and below . . . . .	16.6%	2.3%	(12.8)%	(32.7)%
6.675% . . . . .	(0.2)%	(17.6)%	(35.3)%	(57.6)%
6.700% and above . . . . .	**	**	**	**

**Sensitivity of Class SD to Prepayments  
Assumed Price 15.75%\***

<u>LIBOR</u>	<b>PSA Prepayment Assumption Rates</b>			
	<u>100%</u>	<u>231%</u>	<u>350%</u>	<u>500%</u>
0.1500% . . . . .	34.0%	21.4%	8.0%	(10.3)%
0.2610% . . . . .	33.2%	20.5%	7.0%	(11.3)%
3.4555% . . . . .	9.1%	(6.4)%	(22.5)%	(43.4)%
6.6500% and above . . . . .	**	**	**	**

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

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

## CERTAIN FEDERAL INCOME TAX CONSEQUENCES

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

### 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 Principal Only, Notional and Accrual Classes of Regular Securities will be issued with original issue discount (“OID”), and certain other Classes of Regular Securities may be issued with 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 in determining the rates of accrual of OID, if any, on the Regular Securities is 204% PSA in the case of the Group 1 Securities, 200% PSA in the case of the Group 2 Securities, 224% PSA in the case of the Group 3 Securities and 231% PSA in the case of the Group 4 and 5 Securities (as described in “Yield, Maturity and Prepayment Considerations” in this Supplement). In the case of the Floating Rate Classes, the interest rate values to be used for these determinations are the initial Interest Rates as set forth in the Terms Sheet under “Interest Rates.” No representation is made, however, about the rate at which prepayments on the Mortgage Loans underlying any Group of Trust Assets actually will occur or the level of LIBOR at any time after the date of this Supplement. *See “Certain Federal Income Tax Consequences” in the Base Offering Circular.*

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, the Holders 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.

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

## **MX Securities**

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

**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 and MX Securities will qualify as “guaranteed governmental mortgage pool certificates” within the meaning of a Department of Labor regulation, the effect of which is to provide that mortgage loans and participations therein underlying a “guaranteed governmental mortgage pool certificate” will not be considered assets of an employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), or subject to section 4975 of the Code (each, a “Plan”), solely by reason of the Plan’s purchase and holding of that certificate.

Governmental plans and certain church plans, while not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of ERISA and the Code, may nevertheless be subject to local, state or other federal laws that are substantially similar to the foregoing provisions of

ERISA and the Code. Fiduciaries of any such plans should consult with their counsel before purchasing any of the Securities.

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

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

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

### **LEGAL INVESTMENT CONSIDERATIONS**

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

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

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

### **PLAN OF DISTRIBUTION**

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

### **INCREASE IN SIZE**

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

## **LEGAL MATTERS**

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

Schedule I

Available Combinations(1)

REMIC Securities		MX Securities						
Class	Original Class Principal Balance or Class Notional Balance	Related MX Class	Maximum Original Class Principal Balance or Class Notional Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
<b>Security Group 2</b>								
Combination 1(6)								
KA	\$ 51,407,000	KD	\$ 51,407,000	PAC I	3.75%	FIX	38377QR25	April 2038
		KE	51,407,000	PAC I	3.50	FIX	38377QR33	April 2038
		KG	51,407,000	PAC I	3.25	FIX	38377QR41	April 2038
		KH	51,407,000	PAC I	3.00	FIX	38377QR58	April 2038
		KI	22,847,555	NTL(PAC I)	4.50	FIX/IO	38377QR66	April 2038
		KJ	51,407,000	PAC I	2.75	FIX	38377QR74	April 2038
		KL	51,407,000	PAC I	2.50	FIX	38377QR82	April 2038
		KM	51,407,000	PAC I	2.25	FIX	38377QR90	April 2038
		KN	51,407,000	PAC I	2.00	FIX	38377QS24	April 2038
		KQ	29,375,428	PAC I	5.50	FIX	38377QS32	April 2038
		KT	34,271,333	PAC I	5.00	FIX	38377QS40	April 2038
		KU	41,125,600	PAC I	4.50	FIX	38377QS57	April 2038

REMIC Securities

MX Securities

Class	Original Class		Related MX Class	Maximum Original Class		Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
	Principal Balance or Class Notional Balance	Notional Balance		Principal Balance or Class Notional Balance(2)	Balance(2)					
Combination 2(6)										
KA	\$ 51,407,000		NA	\$ 58,177,000		PAC I	4.00%	FIX	38377QS65	June 2039
KB	6,770,000		NB	58,177,000		PAC I	3.75	FIX	38377QS73	June 2039
			NC	58,177,000		PAC I	3.50	FIX	38377QS81	June 2039
			ND	58,177,000		PAC I	3.25	FIX	38377QS99	June 2039
			NE	58,177,000		PAC I	3.00	FIX	38377QT23	June 2039
			NG	58,177,000		PAC I	2.75	FIX	38377QT31	June 2039
			NH	58,177,000		PAC I	2.50	FIX	38377QT49	June 2039
			NI	25,856,444		NTL(PAC I)	4.50	FIX/IO	38377QT56	June 2039
			NJ	58,177,000		PAC I	2.25	FIX	38377QT64	June 2039
			NK	58,177,000		PAC I	2.00	FIX	38377QT72	June 2039
			NL	33,244,000		PAC I	5.50	FIX	38377QT80	June 2039
			NM	38,784,666		PAC I	5.00	FIX	38377QT98	June 2039
			NQ	46,541,600		PAC I	4.50	FIX	38377QU21	June 2039

REMIC Securities

MX Securities

Class	Original Class Principal Balance or Class Notional Balance	Maximum Original Class Principal Balance or Class Notional Balance(2)	Related MX Class	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
PA	\$ 91,788,112	\$ 91,788,112	PC	SC/PAC	3.75%	FIX	38377QU39	May 2040
		91,788,112	PD	SC/PAC	3.50	FIX	38377QU47	May 2040
		91,788,112	PE	SC/PAC	3.25	FIX	38377QU54	May 2040
		91,788,112	PG	SC/PAC	3.00	FIX	38377QU62	May 2040
		91,788,112	PH	SC/PAC	2.75	FIX	38377QU70	May 2040
		40,794,716	PI	NTL(SC/PAC)	4.50	FIX/IO	38377QU88	May 2040
		91,788,112	PJ	SC/PAC	2.50	FIX	38377QU96	May 2040
		91,788,112	PK	SC/PAC	2.25	FIX	38377QV20	May 2040
		91,788,112	PL	SC/PAC	2.00	FIX	38377QV38	May 2040
		73,430,489	PM	SC/PAC	4.50	FIX	38377QV46	May 2040
		61,192,074	PN	SC/PAC	5.00	FIX	38377QV53	May 2040
		52,450,349	PT	SC/PAC	5.50	FIX	38377QV61	May 2040
		45,894,056	PU	SC/PAC	6.00	FIX	38377QV79	May 2040

**Security Group 4**

Combination 3(6)

REMIC Securities			MX Securities						
Class	Original Class Principal Balance or Class Notional Balance	Related MX Class	Maximum Original Class Principal Balance or Class Notional Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)	
Combination 4(6)									
PA	\$ 91,788,112	LA	\$106,124,519	SC/PAC	4.00%	FIX	38377QV87	May 2040	
PB	14,336,407	LB	106,124,519	SC/PAC	3.75	FIX	38377QV95	May 2040	
		LC	106,124,519	SC/PAC	3.50	FIX	38377QW29	May 2040	
		LD	106,124,519	SC/PAC	3.25	FIX	38377QW37	May 2040	
		LE	106,124,519	SC/PAC	3.00	FIX	38377QW45	May 2040	
		LG	106,124,519	SC/PAC	2.75	FIX	38377QW52	May 2040	
		LH	106,124,519	SC/PAC	2.50	FIX	38377QW60	May 2040	
		LI	47,166,452	NTL(SC/PAC)	4.50	FIX/IO	38377QW78	May 2040	
		IJ	106,124,519	SC/PAC	2.25	FIX	38377QW86	May 2040	
		LK	106,124,519	SC/PAC	2.00	FIX	38377QW94	May 2040	
		LM	84,899,615	SC/PAC	4.50	FIX	38377QX28	May 2040	
		LN	70,749,679	SC/PAC	5.00	FIX	38377QX36	May 2040	
		LT	60,642,582	SC/PAC	5.50	FIX	38377QX44	May 2040	
		LU	53,062,259	SC/PAC	6.00	FIX	38377QX51	May 2040	
<b>Security Group 5</b>									
Combination 5									
VA	\$ 27,551,000	B	\$ 98,181,581	SEQ	4.50%	FIX	38377QX69	March 2041	
VB	27,759,000								
Z	42,871,581								
Combination 6									
FB	\$114,329,428	FD	\$114,329,428	SEQ	(5)	FLT	38377Q4E4	April 2038	
SC	114,329,428								
Combination 7									
SC	\$114,329,428	SB	\$114,329,428	NTL(SEQ)	(5)	INV/IO	38377Q4F1	April 2038	
SD	114,329,428								

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- (1) All exchanges must comply with minimum denomination restrictions.
  - (2) The amount shown for each MX Class represents the maximum Original Class Principal Balance (or original Class Notional Balance) of that Class, assuming it were to be issued on the Closing Date.
  - (3) As defined under “Class Types” in Appendix I to the Base Offering Circular.
  - (4) See “*Yield, Maturity and Prepayment Considerations — Final Distribution Date*” in this Supplement.
  - (5) The Interest Rate will be calculated as described under “Terms Sheet — Interest Rates” in this Supplement.
  - (6) In the case of Combinations 1, 2, 3 and 4, various subcombinations are permitted. See “*Description of the Securities — Modification and Exchange*” in the Base Offering Circular for a discussion of subcombinations.

**Schedule II**

**SCHEDULED PRINCIPAL BALANCES**

<u>Distribution Date</u>	<u>Class CA</u>	<u>Classes KA, KB and KC (in the aggregate)</u>	<u>Classes PA and PB (in the aggregate)</u>
Initial Balance . . . . .	\$3,020,000.00	\$68,939,000.00	\$106,124,519.00
April 2011 . . . . .	2,972,851.92	68,449,330.99	105,584,104.52
May 2011 . . . . .	2,923,787.28	67,942,941.14	105,003,978.77
June 2011 . . . . .	2,872,866.05	67,420,093.36	104,384,514.04
July 2011 . . . . .	2,820,150.67	66,881,060.40	103,726,118.38
August 2011 . . . . .	2,765,705.90	66,326,124.65	103,029,235.20
September 2011 . . . . .	2,709,598.80	65,755,577.85	102,294,342.80
October 2011 . . . . .	2,651,898.60	65,169,720.87	101,521,953.93
November 2011 . . . . .	2,592,676.58	64,568,863.44	100,712,615.17
December 2011 . . . . .	2,532,006.00	63,953,323.86	99,866,906.38
January 2012 . . . . .	2,469,961.97	63,323,428.75	98,985,440.00
February 2012 . . . . .	2,406,621.36	62,679,512.73	98,068,860.36
March 2012 . . . . .	2,344,339.24	62,039,849.05	97,117,842.96
April 2012 . . . . .	2,283,104.25	61,404,410.79	96,133,093.56
May 2012 . . . . .	2,222,905.18	60,773,171.16	95,115,347.45
June 2012 . . . . .	2,163,730.88	60,146,103.57	94,065,368.47
July 20 . . . . .	2,105,570.33	59,523,181.57	92,983,948.07
August 2012 . . . . .	2,048,412.58	58,904,378.90	91,871,904.35
September 2012 . . . . .	1,992,246.80	58,289,669.45	90,730,081.03
October 2012 . . . . .	1,937,062.27	57,679,027.27	89,559,346.34
November 2012 . . . . .	1,882,848.35	57,072,426.58	88,360,591.96
December 2012 . . . . .	1,829,594.48	56,469,841.77	87,134,731.85
January 2013 . . . . .	1,777,290.25	55,871,247.36	85,882,701.08
February 2013 . . . . .	1,725,925.30	55,276,618.06	84,643,067.82
March 2013 . . . . .	1,675,489.36	54,685,928.73	83,415,713.46
April 2013 . . . . .	1,625,972.30	54,099,154.37	82,200,520.48
May 2013 . . . . .	1,577,364.04	53,516,270.17	80,997,372.47
June 2013 . . . . .	1,529,654.62	52,937,251.43	79,806,154.12
July 2013 . . . . .	1,482,834.14	52,362,073.65	78,626,751.20
August 2013 . . . . .	1,436,892.82	51,790,712.46	77,459,050.55
September 2013 . . . . .	1,391,820.97	51,223,143.63	76,302,940.09
October 2013 . . . . .	1,347,608.97	50,659,343.11	75,158,308.77
November 2013 . . . . .	1,304,247.29	50,099,286.99	74,025,046.62
December 2013 . . . . .	1,261,726.50	49,542,951.50	72,903,044.66
January 2014 . . . . .	1,220,037.28	48,990,313.02	71,792,194.97
February 2014 . . . . .	1,179,170.33	48,441,348.10	70,692,390.64
March 2014 . . . . .	1,139,116.50	47,896,033.40	69,603,525.75
April 2014 . . . . .	1,099,866.69	47,354,345.76	68,525,495.39
May 2014 . . . . .	1,061,411.90	46,816,262.14	67,458,195.63
June 2014 . . . . .	1,023,743.20	46,281,759.66	66,401,523.53

<u>Distribution Date</u>	<u>Class CA</u>	<u>Classes KA, KB and KC (in the aggregate)</u>	<u>Classes PA and PB (in the aggregate)</u>
July 2014 . . . . .	\$ 986,851.76	\$45,750,815.58	\$ 65,355,377.11
August 2014 . . . . .	950,728.81	45,223,407.30	64,319,655.34
September 2014 . . . . .	915,365.68	44,699,512.36	63,294,258.17
October 2014 . . . . .	880,753.79	44,179,108.43	62,279,086.47
November 2014 . . . . .	846,884.60	43,662,173.35	61,274,042.04
December 2014 . . . . .	813,749.67	43,148,685.08	60,279,027.62
January 2015. . . . .	781,340.67	42,638,621.70	59,293,946.86
February 2015. . . . .	749,649.31	42,131,961.46	58,318,704.31
March 2015. . . . .	718,667.37	41,628,682.73	57,353,205.44
April 2015. . . . .	688,386.75	41,128,764.01	56,397,356.59
May 2015 . . . . .	658,799.38	40,632,183.94	55,451,064.99
June 2015 . . . . .	629,897.30	40,138,921.31	54,514,238.74
July 2015 . . . . .	601,672.60	39,648,955.01	53,586,786.81
August 2015 . . . . .	574,117.45	39,162,264.10	52,668,619.03
September 2015 . . . . .	547,224.11	38,678,827.73	51,759,646.09
October 2015 . . . . .	520,984.90	38,198,625.20	50,859,779.49
November 2015 . . . . .	495,392.21	37,721,635.96	49,968,931.60
December 2015 . . . . .	470,438.49	37,247,839.56	49,087,015.59
January 2016. . . . .	446,116.30	36,777,215.69	48,213,945.47
February 2016. . . . .	422,418.22	36,309,744.16	47,349,636.05
March 2016. . . . .	399,336.95	35,845,404.91	46,494,002.93
April 2016. . . . .	376,865.22	35,384,178.01	45,646,962.53
May 2016 . . . . .	354,995.84	34,926,043.65	44,808,432.06
June 2016 . . . . .	333,721.71	34,470,982.14	43,978,329.48
July 2016 . . . . .	313,035.75	34,018,973.93	43,156,573.56
August 2016 . . . . .	292,931.00	33,569,999.57	42,343,083.81
September 2016 . . . . .	273,400.53	33,124,039.75	41,537,780.53
October 2016 . . . . .	254,437.49	32,681,075.27	40,740,584.73
November 2016 . . . . .	236,035.08	32,241,087.06	39,951,418.19
December 2016 . . . . .	218,186.60	31,804,056.15	39,170,203.45
January 2017. . . . .	200,885.36	31,369,963.72	38,396,863.74
February 2017. . . . .	184,124.80	30,938,791.03	37,631,323.04
March 2017. . . . .	167,898.36	30,510,519.49	36,873,506.03
April 2017. . . . .	152,199.57	30,085,130.61	36,123,338.13
May 2017 . . . . .	137,022.04	29,662,606.02	35,380,745.45
June 2017 . . . . .	122,359.40	29,242,927.47	34,645,654.78
July 2017 . . . . .	108,205.39	28,826,076.80	33,917,993.63
August 2017 . . . . .	94,553.76	28,412,036.01	33,199,438.06
September 2017 . . . . .	81,398.35	28,000,787.16	32,493,617.70
October 2017 . . . . .	68,733.06	27,592,312.46	31,800,311.89
November 2017 . . . . .	56,551.82	27,186,594.22	31,119,303.70
December 2017 . . . . .	44,848.66	26,783,614.86	30,450,379.94
January 2018. . . . .	33,617.64	26,383,356.90	29,793,331.04

<u>Distribution Date</u>	<u>Class CA</u>	<u>Classes KA, KB and KC (in the aggregate)</u>	<u>Classes PA and PB (in the aggregate)</u>
February 2018 . . . . .	\$ 22,852.90	\$25,985,802.98	\$ 29,147,951.02
March 2018 . . . . .	12,548.58	25,590,935.87	28,514,037.40
April 2018 . . . . .	4,393.62	25,198,738.40	27,891,391.19
May 2018 . . . . .	0.00	24,809,193.55	27,279,816.76
June 2018 . . . . .	0.00	24,422,284.38	26,679,121.86
July 2018 . . . . .	0.00	24,039,412.63	26,089,117.50
August 2018 . . . . .	0.00	23,662,202.02	25,509,617.93
September 2018 . . . . .	0.00	23,290,571.57	24,940,440.57
October 2018 . . . . .	0.00	22,924,441.48	24,381,405.97
November 2018 . . . . .	0.00	22,563,733.03	23,832,337.76
December 2018 . . . . .	0.00	22,208,368.65	23,293,062.55
January 2019 . . . . .	0.00	21,858,271.80	22,763,409.96
February 2019 . . . . .	0.00	21,513,367.06	22,243,212.50
March 2019 . . . . .	0.00	21,173,580.04	21,732,305.56
April 2019 . . . . .	0.00	20,838,837.42	21,230,527.32
May 2019 . . . . .	0.00	20,509,066.87	20,737,718.78
June 2019 . . . . .	0.00	20,184,197.11	20,253,723.63
July 2019 . . . . .	0.00	19,864,157.84	19,778,388.23
August 2019 . . . . .	0.00	19,548,879.76	19,311,561.60
September 2019 . . . . .	0.00	19,238,294.53	18,853,095.33
October 2019 . . . . .	0.00	18,932,334.79	18,402,843.56
November 2019 . . . . .	0.00	18,630,934.09	17,960,662.93
December 2019 . . . . .	0.00	18,334,026.95	17,526,412.53
January 2020 . . . . .	0.00	18,041,548.80	17,099,953.89
February 2020 . . . . .	0.00	17,753,435.96	16,681,150.88
March 2020 . . . . .	0.00	17,469,625.66	16,269,869.75
April 2020 . . . . .	0.00	17,190,056.02	15,865,979.00
May 2020 . . . . .	0.00	16,914,666.01	15,469,349.42
June 2020 . . . . .	0.00	16,643,395.48	15,079,854.01
July 2020 . . . . .	0.00	16,376,185.11	14,697,367.95
August 2020 . . . . .	0.00	16,112,976.41	14,321,768.56
September 2020 . . . . .	0.00	15,853,711.73	13,952,935.26
October 2020 . . . . .	0.00	15,598,334.23	13,590,749.58
November 2020 . . . . .	0.00	15,346,787.86	13,235,095.04
December 2020 . . . . .	0.00	15,099,017.36	12,885,857.19
January 2021 . . . . .	0.00	14,854,968.26	12,542,923.54
February 2021 . . . . .	0.00	14,614,586.84	12,206,183.53
March 2021 . . . . .	0.00	14,377,820.15	11,875,528.52
April 2021 . . . . .	0.00	14,144,615.99	11,550,851.72
May 2021 . . . . .	0.00	13,914,922.88	11,232,048.20
June 2021 . . . . .	0.00	13,688,690.07	10,919,014.80
July 2021 . . . . .	0.00	13,465,867.54	10,611,650.17
August 2021 . . . . .	0.00	13,246,405.96	10,309,854.70

<u>Distribution Date</u>	<u>Class CA</u>	<u>Classes KA, KB and KC (in the aggregate)</u>	<u>Classes PA and PB (in the aggregate)</u>
September 2021 . . . . .	\$ 0.00	\$13,030,256.71	\$ 10,013,530.49
October 2021 . . . . .	0.00	12,817,371.84	9,722,581.32
November 2021 . . . . .	0.00	12,607,704.08	9,436,912.94
December 2021 . . . . .	0.00	12,401,206.85	9,156,431.83
January 2022 . . . . .	0.00	12,197,834.19	8,881,046.98
February 2022 . . . . .	0.00	11,997,540.82	8,610,668.63
March 2022 . . . . .	0.00	11,800,282.08	8,345,208.59
April 2022 . . . . .	0.00	11,606,013.96	8,084,580.17
May 2022 . . . . .	0.00	11,414,693.06	7,828,698.22
June 2022 . . . . .	0.00	11,226,276.59	7,577,479.01
July 2022 . . . . .	0.00	11,040,722.38	7,330,840.28
August 2022 . . . . .	0.00	10,857,988.83	7,088,701.20
September 2022 . . . . .	0.00	10,678,034.97	6,850,982.32
October 2022 . . . . .	0.00	10,500,820.36	6,617,605.56
November 2022 . . . . .	0.00	10,326,305.18	6,388,494.22
December 2022 . . . . .	0.00	10,154,450.14	6,163,572.88
January 2023 . . . . .	0.00	9,985,216.51	5,942,767.47
February 2023 . . . . .	0.00	9,818,566.14	5,726,005.17
March 2023 . . . . .	0.00	9,654,461.38	5,513,214.44
April 2023 . . . . .	0.00	9,492,865.13	5,304,324.95
May 2023 . . . . .	0.00	9,333,740.83	5,099,267.64
June 2023 . . . . .	0.00	9,177,052.41	4,897,974.58
July 2023 . . . . .	0.00	9,022,764.34	4,700,379.07
August 2023 . . . . .	0.00	8,870,841.57	4,506,415.55
September 2023 . . . . .	0.00	8,721,249.56	4,316,019.57
October 2023 . . . . .	0.00	8,573,954.26	4,129,127.84
November 2023 . . . . .	0.00	8,428,922.10	3,945,678.15
December 2023 . . . . .	0.00	8,286,120.00	3,765,609.35
January 2024 . . . . .	0.00	8,145,515.32	3,588,861.38
February 2024 . . . . .	0.00	8,007,075.92	3,415,375.20
March 2024 . . . . .	0.00	7,870,770.08	3,245,092.82
April 2024 . . . . .	0.00	7,736,566.56	3,077,957.22
May 2024 . . . . .	0.00	7,604,434.56	2,913,912.42
June 2024 . . . . .	0.00	7,474,343.70	2,752,903.37
July 2024 . . . . .	0.00	7,346,264.05	2,594,875.99
August 2024 . . . . .	0.00	7,220,166.09	2,439,777.15
September 2024 . . . . .	0.00	7,096,020.75	2,287,554.63
October 2024 . . . . .	0.00	6,973,799.34	2,138,157.14
November 2024 . . . . .	0.00	6,853,473.60	1,991,534.24
December 2024 . . . . .	0.00	6,735,015.66	1,847,636.42
January 2025 . . . . .	0.00	6,618,398.05	1,706,415.00
February 2025 . . . . .	0.00	6,503,593.70	1,567,822.15
March 2025 . . . . .	0.00	6,390,575.91	1,431,810.89

<u>Distribution Date</u>	<u>Class CA</u>	<u>Classes KA, KB and KC (in the aggregate)</u>	<u>Classes PA and PB (in the aggregate)</u>
April 2025 . . . . .	\$ 0.00	\$ 6,279,318.39	\$ 1,298,335.03
May 2025 . . . . .	0.00	6,169,795.18	1,167,349.22
June 2025 . . . . .	0.00	6,061,980.74	1,038,808.87
July 2025 . . . . .	0.00	5,955,849.86	912,670.19
August 2025 . . . . .	0.00	5,851,377.70	788,890.14
September 2025 . . . . .	0.00	5,748,539.77	667,426.44
October 2025 . . . . .	0.00	5,647,311.95	548,237.54
November 2025 . . . . .	0.00	5,547,670.44	431,282.62
December 2025 . . . . .	0.00	5,449,591.79	316,521.57
January 2026 . . . . .	0.00	5,353,052.88	203,915.00
February 2026 . . . . .	0.00	5,258,030.94	93,424.17
March 2026 . . . . .	0.00	5,164,503.51	0.00
April 2026 . . . . .	0.00	5,072,448.44	0.00
May 2026 . . . . .	0.00	4,981,843.92	0.00
June 2026 . . . . .	0.00	4,892,668.44	0.00
July 2026 . . . . .	0.00	4,804,900.80	0.00
August 2026 . . . . .	0.00	4,718,520.11	0.00
September 2026 . . . . .	0.00	4,633,505.76	0.00
October 2026 . . . . .	0.00	4,549,837.47	0.00
November 2026 . . . . .	0.00	4,467,495.21	0.00
December 2026 . . . . .	0.00	4,386,459.27	0.00
January 2027 . . . . .	0.00	4,306,710.21	0.00
February 2027 . . . . .	0.00	4,228,228.87	0.00
March 2027 . . . . .	0.00	4,150,996.35	0.00
April 2027 . . . . .	0.00	4,074,994.05	0.00
May 2027 . . . . .	0.00	4,000,203.62	0.00
June 2027 . . . . .	0.00	3,926,606.98	0.00
July 2027 . . . . .	0.00	3,854,186.30	0.00
August 2027 . . . . .	0.00	3,782,924.02	0.00
September 2027 . . . . .	0.00	3,712,802.83	0.00
October 2027 . . . . .	0.00	3,643,805.65	0.00
November 2027 . . . . .	0.00	3,575,915.67	0.00
December 2027 . . . . .	0.00	3,509,116.31	0.00
January 2028 . . . . .	0.00	3,443,391.24	0.00
February 2028 . . . . .	0.00	3,378,724.35	0.00
March 2028 . . . . .	0.00	3,315,099.77	0.00
April 2028 . . . . .	0.00	3,252,501.86	0.00
May 2028 . . . . .	0.00	3,190,915.20	0.00
June 2028 . . . . .	0.00	3,130,324.61	0.00
July 2028 . . . . .	0.00	3,070,715.10	0.00
August 2028 . . . . .	0.00	3,012,071.92	0.00
September 2028 . . . . .	0.00	2,954,380.52	0.00
October 2028 . . . . .	0.00	2,897,626.57	0.00

<u>Distribution Date</u>	<u>Class CA</u>	<u>Classes KA, KB and KC (in the aggregate)</u>	<u>Classes PA and PB (in the aggregate)</u>
November 2028 . . . . .	\$ 0.00	\$ 2,841,795.94	\$ 0.00
December 2028 . . . . .	0.00	2,786,874.71	0.00
January 2029 . . . . .	0.00	2,732,849.16	0.00
February 2029 . . . . .	0.00	2,679,705.76	0.00
March 2029 . . . . .	0.00	2,627,431.18	0.00
April 2029 . . . . .	0.00	2,576,012.30	0.00
May 2029 . . . . .	0.00	2,525,436.16	0.00
June 2029 . . . . .	0.00	2,475,690.02	0.00
July 2029 . . . . .	0.00	2,426,761.30	0.00
August 2029 . . . . .	0.00	2,378,637.61	0.00
September 2029 . . . . .	0.00	2,331,306.73	0.00
October 2029 . . . . .	0.00	2,284,756.65	0.00
November 2029 . . . . .	0.00	2,238,975.50	0.00
December 2029 . . . . .	0.00	2,193,951.60	0.00
January 2030 . . . . .	0.00	2,149,673.43	0.00
February 2030 . . . . .	0.00	2,106,129.64	0.00
March 2030 . . . . .	0.00	2,063,309.05	0.00
April 2030 . . . . .	0.00	2,021,200.64	0.00
May 2030 . . . . .	0.00	1,979,793.55	0.00
June 2030 . . . . .	0.00	1,939,077.07	0.00
July 2030 . . . . .	0.00	1,899,040.67	0.00
August 2030 . . . . .	0.00	1,859,673.95	0.00
September 2030 . . . . .	0.00	1,820,966.67	0.00
October 2030 . . . . .	0.00	1,782,908.73	0.00
November 2030 . . . . .	0.00	1,745,490.20	0.00
December 2030 . . . . .	0.00	1,708,701.27	0.00
January 2031 . . . . .	0.00	1,672,532.29	0.00
February 2031 . . . . .	0.00	1,636,973.74	0.00
March 2031 . . . . .	0.00	1,602,016.25	0.00
April 2031 . . . . .	0.00	1,567,650.58	0.00
May 2031 . . . . .	0.00	1,533,867.62	0.00
June 2031 . . . . .	0.00	1,500,658.41	0.00
July 2031 . . . . .	0.00	1,468,014.10	0.00
August 2031 . . . . .	0.00	1,435,925.99	0.00
September 2031 . . . . .	0.00	1,404,385.48	0.00
October 2031 . . . . .	0.00	1,373,384.14	0.00
November 2031 . . . . .	0.00	1,342,913.62	0.00
December 2031 . . . . .	0.00	1,312,965.71	0.00
January 2032 . . . . .	0.00	1,283,532.32	0.00
February 2032 . . . . .	0.00	1,254,605.49	0.00
March 2032 . . . . .	0.00	1,226,177.36	0.00
April 2032 . . . . .	0.00	1,198,240.19	0.00
May 2032 . . . . .	0.00	1,170,786.36	0.00

<u>Distribution Date</u>	<u>Class CA</u>	<u>Classes KA, KB and KC (in the aggregate)</u>	<u>Classes PA and PB (in the aggregate)</u>
June 2032 . . . . .	\$ 0.00	\$ 1,143,808.35	\$ 0.00
July 2032 . . . . .	0.00	1,117,298.76	0.00
August 2032 . . . . .	0.00	1,091,250.30	0.00
September 2032 . . . . .	0.00	1,065,655.78	0.00
October 2032 . . . . .	0.00	1,040,508.13	0.00
November 2032 . . . . .	0.00	1,015,800.37	0.00
December 2032 . . . . .	0.00	991,525.62	0.00
January 2033 . . . . .	0.00	967,677.12	0.00
February 2033 . . . . .	0.00	944,248.20	0.00
March 2033 . . . . .	0.00	921,232.27	0.00
April 2033 . . . . .	0.00	898,622.88	0.00
May 2033 . . . . .	0.00	876,413.63	0.00
June 2033 . . . . .	0.00	854,598.24	0.00
July 2033 . . . . .	0.00	833,170.52	0.00
August 2033 . . . . .	0.00	812,124.38	0.00
September 2033 . . . . .	0.00	791,453.79	0.00
October 2033 . . . . .	0.00	771,152.84	0.00
November 2033 . . . . .	0.00	751,215.70	0.00
December 2033 . . . . .	0.00	731,636.62	0.00
January 2034 . . . . .	0.00	712,409.93	0.00
February 2034 . . . . .	0.00	693,530.07	0.00
March 2034 . . . . .	0.00	674,991.53	0.00
April 2034 . . . . .	0.00	656,788.91	0.00
May 2034 . . . . .	0.00	638,916.87	0.00
June 2034 . . . . .	0.00	621,370.16	0.00
July 2034 . . . . .	0.00	604,143.60	0.00
August 2034 . . . . .	0.00	587,232.11	0.00
September 2034 . . . . .	0.00	570,630.64	0.00
October 2034 . . . . .	0.00	554,334.27	0.00
November 2034 . . . . .	0.00	538,338.12	0.00
December 2034 . . . . .	0.00	522,637.38	0.00
January 2035 . . . . .	0.00	507,227.33	0.00
February 2035 . . . . .	0.00	492,103.32	0.00
March 2035 . . . . .	0.00	477,260.74	0.00
April 2035 . . . . .	0.00	462,695.10	0.00
May 2035 . . . . .	0.00	448,401.93	0.00
June 2035 . . . . .	0.00	434,376.84	0.00
July 2035 . . . . .	0.00	420,615.53	0.00
August 2035 . . . . .	0.00	407,113.74	0.00
September 2035 . . . . .	0.00	393,867.27	0.00
October 2035 . . . . .	0.00	380,871.99	0.00
November 2035 . . . . .	0.00	368,123.85	0.00
December 2035 . . . . .	0.00	355,618.85	0.00

<u>Distribution Date</u>	<u>Class CA</u>	<u>Classes KA, KB and KC (in the aggregate)</u>	<u>Classes PA and PB (in the aggregate)</u>
January 2036. . . . .	\$ 0.00	\$ 343,353.02	\$ 0.00
February 2036. . . . .	0.00	331,322.50	0.00
March 2036. . . . .	0.00	319,523.45	0.00
April 2036. . . . .	0.00	307,952.11	0.00
May 2036 . . . . .	0.00	296,604.76	0.00
June 2036 . . . . .	0.00	285,477.75	0.00
July 2036 . . . . .	0.00	274,567.48	0.00
August 2036 . . . . .	0.00	263,870.41	0.00
September 2036 . . . . .	0.00	253,383.03	0.00
October 2036 . . . . .	0.00	243,101.92	0.00
November 2036 . . . . .	0.00	233,023.68	0.00
December 2036 . . . . .	0.00	223,144.98	0.00
January 2037. . . . .	0.00	213,462.53	0.00
February 2037. . . . .	0.00	203,973.10	0.00
March 2037. . . . .	0.00	194,673.50	0.00
April 2037. . . . .	0.00	185,560.60	0.00
May 2037 . . . . .	0.00	176,631.29	0.00
June 2037 . . . . .	0.00	167,882.55	0.00
July 2037 . . . . .	0.00	159,311.37	0.00
August 2037 . . . . .	0.00	150,914.80	0.00
September 2037 . . . . .	0.00	142,689.93	0.00
October 2037 . . . . .	0.00	134,633.91	0.00
November 2037 . . . . .	0.00	126,743.91	0.00
December 2037 . . . . .	0.00	119,017.17	0.00
January 2038. . . . .	0.00	111,450.93	0.00
February 2038. . . . .	0.00	104,042.53	0.00
March 2038. . . . .	0.00	96,789.30	0.00
April 2038. . . . .	0.00	89,688.63	0.00
May 2038 . . . . .	0.00	82,737.96	0.00
June 2038 . . . . .	0.00	75,934.76	0.00
July 2038 . . . . .	0.00	69,276.54	0.00
August 2038 . . . . .	0.00	62,760.84	0.00
September 2038 . . . . .	0.00	56,385.25	0.00
October 2038 . . . . .	0.00	50,147.39	0.00
November 2038 . . . . .	0.00	44,044.92	0.00
December 2038 . . . . .	0.00	38,075.53	0.00
January 2039. . . . .	0.00	32,236.96	0.00
February 2039. . . . .	0.00	26,526.97	0.00
March 2039. . . . .	0.00	20,943.36	0.00
April 2039. . . . .	0.00	15,483.97	0.00
May 2039 . . . . .	0.00	10,146.65	0.00
June 2039 . . . . .	0.00	4,929.32	0.00
July 2039 and thereafter . . . . .	0.00	0.00	0.00

Underlying Certificates

Trust Asset Group	Issuer	Series	Class	Issue Date	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Principal Balance of Class	Underlying Certificate Factor(2)	Principal Balance in the Trust	Percentage of Class in Trust	Approximate Weighted Average Coupon of Mortgage Loans(3)	Approximate Weighted Average Remaining Term to Maturity of Mortgage Loans (in months)(3)	Approximate Weighted Average Loan Age of Mortgage Loans (in months)(3)	Ginnie Mae I or II
4	Ginnie Mae	2010-147	PD(4)	November 30, 2010	38377MH66	3.00%	FIX	May 2040	PAC/AD	\$504,025,560	0.98293452	\$11,539,497	2.3292160025%	4.824%	353	6	II
4	Ginnie Mae	2010-147	PG(4)	November 30, 2010	38377MH74	3.50	FIX	May 2040	PAC/AD	588,029,820	0.98293452	10,296,239	1.7813722440	4.824	353	6	II
4	Ginnie Mae	2010-147	PH(4)	November 30, 2010	38377MH82	2.75	FIX	May 2040	PAC/AD	470,423,856	0.98293452	14,547,430	3.1460989512	4.824	353	6	II
4	Ginnie Mae	2010-147	PL(4)	November 30, 2010	38377MJ31	4.50	FIX	May 2040	PAC/AD	418,898,806	0.98293452	69,743,873	16.9383987215	4.824	353	6	II

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

(2) Underlying Certificate Factors are as of March 2011.

(3) Based on information as of the first Business Day of March 2011.

(4) MX Class.

**Exhibit B**

**Cover Page, Terms Sheet and Schedule I from Underlying Certificate Disclosure Document**



**\$1,543,073,968**  
**Government National Mortgage Association**  
**GINNIE MAE®**  
**Guaranteed REMIC Pass-Through Securities**  
**and MX Securities**  
**Ginnie Mae REMIC Trust 2010-147**

**The Securities**

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

**The Ginnie Mae Guaranty**

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

**The Trust and its Assets**

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

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

See "Risk Factors" beginning on page S-10 which highlights some of these risks.

The Sponsor and the Co-Sponsor will offer the securities from time to time in negotiated transactions at varying prices. We expect the closing date to be November 30, 2010.

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.

Class of REMIC Securities	Original Principal Balance (2)	Interest Rate	Principal Type (3)	Interest Type (3)	CUSIP Number	Final Distribution Date (4)
<b>Security Group 1</b>						
IG	\$111,199,467	2.0%	NTL (PT)	FLX/IO	38377.MC53	November 2013
MG	111,199,467	(5)	PT	ARB	38377.MC61	November 2025
<b>Security Group 2</b>						
B	785,514	4.0	SEQ	FLX	38377.MC79	November 2025
IL	14,934,000	(5)	NTL (SEQ)	ARB/IO	38377.MC87	November 2013
LM	14,934,000	(5)	NTL (SEQ)	ARB/IO	38377.MC95	November 2012
IN	14,934,000	2.0	NTL (SEQ)	FIX/IO	38377.MD39	November 2011
NG	14,934,000	(5)	SEQ	ARB	38377.MD37	May 2025
<b>Security Group 3</b>						
MA	5,899,801	(5)	PT	ARB	38377.MD45	November 2025
MI	5,899,801	2.0	NTL (PT)	FIX/IO	38377.MD52	November 2013
<b>Security Group 4</b>						
IA	13,577,032	2.0	NTL (PT)	FIX/IO	38377.MD60	November 2011
IB	13,577,032	(5)	NTL (PT)	ARB/IO	38377.MD78	November 2012
IC	13,577,032	(5)	NTL (PT)	ARB/IO	38377.MD86	November 2013
NA	13,577,032	(5)	PT	ARB	38377.MD94	November 2025
<b>Security Group 5</b>						
AB	50,000,000	4.0	SEQ	FLX	38377.ME28	September 2035
AC	22,219,000	4.0	SEQ	FLX	38377.ME36	November 2040
<b>Security Group 6</b>						
F	180,970,209	(5)	PT	FLT	38377.ME44	November 2040
FA	39,011,175	(5)	PAC I/AD	FLT	38377.ME51	May 2040
FB	41,883,169	(5)	PAC II/AD	FLT	38377.ME69	May 2040
FD(1)	112,229,622	(5)	PAC I/AD	FLT	38377.ME77	May 2040
FE(1)	120,491,937	(5)	PAC II/AD	FLT	38377.ME85	May 2040
PB	34,154,977	4.0	PAC/AD	FIX	38377.ME93	November 2040
PC(1)	392,019,880	2.0	PAC/AD	FIX	38377.MF27	May 2040
PS(1)	232,721,559	(5)	NTL (PAC/AD)	INV/IO	38377.MF35	May 2040
PZ	1,435	4.0	PAC/AD	FIX/Z	38377.MF43	November 2040
S	180,970,209	(5)	NTL (PT)	INV/IO	38377.MF50	November 2040
SA	80,894,344	(5)	NTL (PAC/AD)	INV/IO	38377.MF68	May 2040
ZA	165,058,851	4.0	SUP	FIX/Z	38377.MF76	November 2040
<b>Security Group 7</b>						
LG	103,280,094	(5)	PT	ARB	38377.MF84	November 2025
LI	103,280,094	2.0	NTL (PT)	FIX/IO	38377.MF92	November 2013
<b>Security Group 8</b>						
CY	6,959,548	4.0	SC/SUP	FIX	38377.MG26	July 2039
YA(1)	46,413,000	4.0	SC/PAC	FIX	38377.MG34	July 2039
<b>Security Group 9</b>						
BA(1)	7,165,000	3.5	SC/PAC/AD	FIX	38377.MG42	February 2038
DA(1)	19,821,000	3.5	SC/PAC/AD	FIX	38377.MG59	February 2038
DZ	1,344	3.5	SC/SUP	FIX/Z	38377.MG67	February 2038
<b>Security Group 10</b>						
EA	4,315,913	4.0	SC/SEQ	FIX	38377.MG75	August 2039
EB	682,000	4.0	SC/SEQ	FIX	38377.MG83	August 2039
<b>Security Group 11</b>						
KG	50,000,000	(5)	PT	ARB	38377.MG91	November 2025
KL	50,000,000	2.0	NTL (PT)	FIX/IO	38377.MH25	November 2013
<b>Residual</b>						
RR	0	0.0	NPR	NPR	38377.MH33	November 2040

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

**Morgan Stanley**

**Sandgrain Securities Inc.**

The date of this Offering Circular Supplement is November 22, 2010.

## 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:** Wells Fargo Bank, N.A.

**Tax Administrator:** The Trustee

**Closing Date:** November 30, 2010

**Distribution Dates:** For the Group 1, 2, 3, 4, 7, 8 and 11 Securities, the 16th day of each month or, if the 16th day is not a Business Day, the first Business Day thereafter, commencing in December 2010. For the Group 5, 6, 9 and 10 Securities, the 20th day of each month or, if the 20th day is not a Business Day, the first Business Day thereafter, commencing in December 2010.

**Trust Assets:**

<u>Trust Asset Group</u>	<u>Trust Asset Type</u>	<u>Certificate Rate</u>	<u>Original Term To Maturity (in years)</u>
1	Ginnie Mae I	4.0%	15
2	Ginnie Mae I	4.0	15
3	Ginnie Mae I	4.0	15
4	Ginnie Mae I	4.0	15
5	Ginnie Mae II	4.0	30
6	Ginnie Mae II	4.5	30
7	Ginnie Mae I	4.0	15
8	Underlying Certificate	(1)	(1)
9	Underlying Certificate	(1)	(1)
10	Underlying Certificate	(1)	(1)
11	Ginnie Mae I	4.0	15

<sup>(1)</sup> Certain information regarding the Underlying Certificates is set forth in Exhibits A and B to this Supplement.

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

**Assumed Characteristics of the Mortgage Loans Underlying the Group 1, 2, 3, 4, 5, 6, 7 and 11 Trust Assets<sup>1</sup>:**

<u>Principal Balance<sup>2</sup></u>	<u>Weighted Average Remaining Term to Maturity (in months)</u>	<u>Weighted Average Loan Age (in months)</u>	<u>Weighted Average Mortgage Rate<sup>3</sup></u>
<b>Group 1 Trust Assets</b>			
\$ 111,199,467	178	1	4.50%
<b>Group 2 Trust Assets</b>			
\$ 15,719,514	178	1	4.50%
<b>Group 3 Trust Assets</b>			
\$ 5,899,801	178	1	4.50%
<b>Group 4 Trust Assets</b>			
\$ 13,577,032	170	8	4.50%
<b>Group 5 Trust Assets</b>			
\$ 72,219,000	357	3	4.45%
<b>Group 6 Trust Assets</b>			
\$1,085,821,255	355	4	4.86%
<b>Group 7 Trust Assets</b>			
\$ 103,280,094	179	0	4.50%
<b>Group 11 Trust Assets</b>			
\$ 50,000,000	161	19	4.50%

<sup>1</sup> As of November 1, 2010.

<sup>2</sup> Does not include the Group 5 Trust Assets that will be added to pay the Trustee Fee.

<sup>3</sup> The Mortgage Loans underlying the Group 5 and 6 Trust Assets may bear interest at rates ranging from 0.25% to 1.50% per annum above the related Certificate Rate.

The actual remaining terms to maturity, loan ages and, in the case of the Group 5 and 6 Trust Assets, Mortgage Rates of many of the Mortgage Loans underlying the Group 1, 2, 3, 4, 5, 6, 7 and 11 Trust Assets will differ from the weighted averages shown above, perhaps significantly. See *“The Trust Assets — The Mortgage Loans”* in this Supplement. See Exhibit A to this Supplement for certain information regarding the characteristics of the Mortgage Loans included in the related Underlying Trusts.

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

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

**Increased Minimum Denomination Classes:** Each Class that constitutes an Interest Only or Inverse Floating Rate Class. See *“Description of the Securities — Form of Securities”* in this Supplement.

**Interest Rates:** The Interest Rates for the Fixed Rate Classes are shown on the front cover of this Supplement or on Schedule I to this Supplement.

Classes IB, IC, IL, IM, KG, LG, MA, MG, NA and NG are Ascending Rate Classes that will bear interest at the initial Interest Rates shown below for the indicated number of Accrual Periods and then at the Interest Rates shown below thereafter.

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Accrual Periods</u>	<u>Interest Rate Thereafter</u>
IB . . . . .	0%	12	2%
IC . . . . .	0%	24	2%
IL . . . . .	0%	24	2%
IM . . . . .	0%	12	2%
KG . . . . .	2%	36	4%
LG . . . . .	2%	36	4%
MA . . . . .	2%	36	4%
MG . . . . .	2%	36	4%
NA . . . . .	2%	36	4%
NG . . . . .	2%	36	4%

The Floating Rate and Inverse Floating Rate Classes will bear interest at per annum rates based on one-month LIBOR (hereinafter referred to as “LIBOR”) as follows:

<u>Class</u>	<u>Interest Rate Formula(1)</u>	<u>Initial Interest Rate(2)</u>	<u>Minimum Rate</u>	<u>Maximum Rate</u>	<u>Delay (in days)</u>	<u>LIBOR for Minimum Interest Rate</u>
F . . . . .	LIBOR + 0.35%	0.60344%	0.35%	7.00%	0	0.00%
FA . . . . .	LIBOR + 0.33%	0.58344%	0.33%	6.50%	0	0.00%
FB . . . . .	LIBOR + 0.33%	0.58344%	0.33%	6.50%	0	0.00%
FD . . . . .	LIBOR + 0.35%	0.60344%	0.35%	6.50%	0	0.00%
FE . . . . .	LIBOR + 0.35%	0.60344%	0.35%	6.50%	0	0.00%
PF . . . . .	LIBOR + 0.35%	0.60344%	0.35%	6.50%	0	0.00%
PS . . . . .	6.15% – LIBOR	5.89656%	0.00%	6.15%	0	6.15%
S . . . . .	6.65% – LIBOR	6.39656%	0.00%	6.65%	0	6.65%
SA . . . . .	6.17% – LIBOR	5.91656%	0.00%	6.17%	0	6.17%

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

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

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

**SECURITY GROUP 1**

The Group 1 Principal Distribution Amount will be allocated to MG, until retired

**SECURITY GROUP 2**

The Group 2 Principal Distribution Amount will be allocated sequentially, to NG and B, in that order, until retired

### **SECURITY GROUP 3**

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

### **SECURITY GROUP 4**

The Group 4 Principal Distribution Amount will be allocated to NA, until retired

### **SECURITY GROUP 5**

A percentage of the Group 5 Principal Distribution Amount will be applied to the Trustee Fee, and the remainder of the Group 5 Principal Distribution Amount (the "Group 5 Adjusted Principal Distribution Amount") will be allocated sequentially, to AB and AC, in that order, until retired

### **SECURITY GROUP 6**

The Group 6 Principal Distribution Amount and the PZ and ZA Accrual Amounts will be allocated as follows:

- The PZ Accrual Amount in the following order of priority:
  1. Concurrently,
    - a. 55.555556343% to PC, until retired
    - b. 11.4640365396% in the following order of priority:
      - i. To FA, until reduced to its Scheduled Principal Balance for that Distribution Date
      - ii. To FB, until retired
      - iii. To FA, without regard to its Scheduled Principal Balance, until retired
    - c. 32.9804078261% in the following order of priority:
      - i. To FD, until reduced to its Scheduled Principal Balance for that Distribution Date
      - ii. To FE, until retired
      - iii. To FD, without regard to its Scheduled Principal Balance, until retired
  2. Sequentially, to PB and PZ, in that order, until retired
- The ZA Accrual Amount in the following order of priority:
  1. To FA, FB, FD, FE, PB, PC and PZ, until reduced to their Aggregate Scheduled Principal Balances, in the following order of priority:
    - a. Concurrently,
      - i. 55.555556343% to PC, until retired
      - ii. 11.4640365396% in the following order of priority:
        - A. To FA, until reduced to its Scheduled Principal Balance for that Distribution Date
        - B. To FB, until retired
        - C. To FA, without regard to its Scheduled Principal Balance, until retired

iii. 32.9804078261% in the following order of priority:

- A. To FD, until reduced to its Scheduled Principal Balance for that Distribution Date
- B. To FE, until retired
- C. To FD, without regard to its Scheduled Principal Balance, until retired

b. Sequentially, to PB and PZ, in that order, until retired

2. To ZA, until retired

- The Group 6 Principal Distribution Amount concurrently, as follows:

1. 16.6666666513% to F, until retired

2. 83.3333333487% in the following order of priority:

a. To FA, FB, FD, FE, PB, PC and PZ, until reduced to their Aggregate Scheduled Principal Balances, in the following order of priority:

i. Concurrently,

A. 55.5555556343% to PC, until retired

B. 11.4640365396% in the following order of priority:

I. To FA, until reduced to its Scheduled Principal Balance for that Distribution Date

II. To FB, until retired

III. To FA, without regard to its Scheduled Principal Balance, until retired

C. 32.9804078261% in the following order of priority:

I. To FD, until reduced to its Scheduled Principal Balance for that Distribution Date

II. To FE, until retired

III. To FD, without regard to its Scheduled Principal Balance, until retired

ii. Sequentially, to PB and PZ, in that order, until retired

b. To ZA, until retired

c. To FA, FB, FD, FE, PB, PC and PZ, in the same manner and priority described in step 2.a. above, but without regard to their Aggregate Scheduled Principal Balance, until retired

#### **SECURITY GROUP 7**

The Group 7 Principal Distribution Amount will be allocated to LG, until retired

#### **SECURITY GROUP 8**

The Group 8 Principal Distribution Amount will be allocated in the following order of priority:

1. To YA, until reduced to its Scheduled Principal Balance for that Distribution Date

2. To CY, until retired

3. To YA, without regard to its Scheduled Principal Balance, until retired

**SECURITY GROUP 9**

The Group 9 Principal Distribution Amount and the DZ Accrual Amount will be allocated in the following order of priority:

1. Sequentially, to BA and DA, in that order, until reduced to their Aggregate Scheduled Principal Balance for that Distribution Date
2. To DZ, until retired
3. Sequentially, to BA and DA, in that order, without regard to their Aggregate Scheduled Principal Balance, until retired

**SECURITY GROUP 10**

The Group 10 Principal Distribution Amount will be allocated sequentially, to EA and EB, in that order, until retired

**SECURITY GROUP 11**

The Group 11 Principal Distribution Amount will be allocated to KG, until retired

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

<u>Class</u>	<u>Structuring Ranges</u>
<b>PAC Classes</b>	
BA and DA (in the aggregate) . . . . .	110% PSA through 250% PSA
YA . . . . .	425% PSA through 575% PSA
<b>PAC, PAC I and PAC II Classes</b>	
FA, FB, FD, FE, PB, PC and PZ (in the aggregate). . . . .	175% PSA through 300% PSA
<b>PAC I Classes</b>	
FA . . . . .	30% PSA through 440% PSA
FD . . . . .	30% PSA through 440% PSA

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

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

<b>Class</b>	<b>Original Class Notional Balance</b>	<b>Represents Approximately</b>
BI . . .	\$ 11,993,777	44.444444444444% of BA and DA (in the aggregate) (SC/PAC/AD Classes)
DI . . .	8,809,333	44.444444444444% of DA (SC/PAC/AD Class)
IA . . .	13,577,032	100% of NA (PT Class)*
IB . . .	13,577,032	100% of NA (PT Class)**
IC . . .	13,577,032	100% of NA (PT Class)***
IG . . .	111,199,467	100% of MG (PT Class)***
IL . . .	14,934,000	100% of NG (SEQ Class)***
IM . . .	14,934,000	100% of NG (SEQ Class)**
IN . . .	14,934,000	100% of NG (SEQ Class)*
KI . . .	50,000,000	100% of KG (PT Class)***
LI . . .	103,280,094	100% of LG (PT Class)***
MI . . .	5,899,801	100% of MA (PT Class)***
PS . . .	232,721,559	100% of FD (PAC I/AD Class) and FE (PAC II/AD Class) (in the aggregate)
S . . . .	180,970,209	100% of F (PT Class)
SA . . .	80,894,344	100% of FA (PAC I/AD Class) and FB (PAC II/AD Class) (in the aggregate)
YI . . .	21,096,818	45.454545454545% of YA (SC/PAC Class)

\* for the first 12 Accrual Periods and 0% thereafter

\*\* for the first 24 Accrual Period and 0% thereafter

\*\*\* for the first 36 Accrual Periods and 0% thereafter

**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.

Available Combinations(1)

REMIC Securities			MX Securities					
Class	Original Class Principal Balance or Class Notional Balance	Related MX Class	Maximum Original Class Principal Balance or Class Notional Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
<b>Security Group 6</b>								
Combination 1								
FD	\$ 112,229,622	PF	\$ 232,721,559	PAC/AD	(5)	FLT	38377MH41	May 2040
FE	120,491,937							
Combination 2								
FD	\$ 23,631,375	PA	\$ 441,022,365	PAC/AD	2.50%	FIX	38377MH58	May 2040
FE	25,371,110							
PC	392,019,880							
PS	49,002,485							
Combination 3								
FD	\$ 54,014,571	PD	\$ 504,025,560	PAC/AD	3.00%	FIX	38377MH66	May 2040
FE	57,991,109							
PC	392,019,880							
PS	112,005,680							
Combination 4								
FD	\$ 94,525,499	PG	\$ 588,029,820	PAC/AD	3.50%	FIX	38377MH74	May 2040
FE	101,484,441							
PC	392,019,880							
PS	196,009,940							
Combination 5								
FD	\$ 37,810,200	PH	\$ 470,423,856	PAC/AD	2.75%	FIX	38377MH82	May 2040
FE	40,593,776							
PC	392,019,880							
PS	78,403,976							
Combination 6								
FD	\$ 11,120,646	PJ	\$ 415,079,872	PAC/AD	2.25%	FIX	38377MH90	May 2040
FE	11,939,346							
PC	392,019,880							
PS	23,059,992							

REMIC Securities			MX Securities					
Class	Original Class Principal Balance or Class Notional Balance	Related MX Class	Maximum Original Class Principal Balance or Class Notional Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
Combination 7								
FD	\$112,229,622	PK	\$523,623,507	PAC/AD	4.00%	FIX	38377MJ23	May 2040
FE	120,491,937							
PC	290,901,948							
PS	232,721,559							
Combination 8								
FD	\$112,229,622	PL	\$418,898,806	PAC/AD	4.50%	FIX	38377MJ31	May 2040
FE	120,491,937							
PC	186,177,247							
PS	232,721,559							
<b>Security Group 8</b>								
Combination 9(6)								
YA	\$ 46,413,000	YB	\$ 46,413,000	SC/PAC	3.75%	FIX	38377MJ49	July 2039
		YC	46,413,000	SC/PAC	3.50	FIX	38377MJ56	July 2039
		YD	46,413,000	SC/PAC	3.25	FIX	38377MJ64	July 2039
		YE	46,413,000	SC/PAC	3.00	FIX	38377MJ72	July 2039
		YG	46,413,000	SC/PAC	2.75	FIX	38377MJ80	July 2039
		YH	46,413,000	SC/PAC	2.50	FIX	38377MJ98	July 2039
		YI	21,096,818	NTL(SC/PAC)	5.50	FIX/IO	38377MK21	July 2039
		YJ	46,413,000	SC/PAC	2.25	FIX	38377MK39	July 2039
		YK	46,413,000	SC/PAC	2.00	FIX	38377MK47	July 2039
		YL	46,413,000	SC/PAC	1.75	FIX	38377MK54	July 2039
		YM	46,413,000	SC/PAC	1.50	FIX	38377MK62	July 2039
<b>Security Group 9</b>								
Combination 10(6)								
DA	\$ 19,821,000	DB	\$ 19,821,000	SC/PAC/AD	3.25%	FIX	38377MK70	February 2038
		DC	19,821,000	SC/PAC/AD	3.00	FIX	38377MK88	February 2038
		DE	19,821,000	SC/PAC/AD	2.75	FIX	38377MK96	February 2038
		DG	19,821,000	SC/PAC/AD	2.50	FIX	38377ML20	February 2038
		DH	19,821,000	SC/PAC/AD	2.25	FIX	38377ML38	February 2038
		DI	8,809,333	NTL(SC/PAC/AD)	4.50	FIX/IO	38377ML46	February 2038
		DJ	19,821,000	SC/PAC/AD	2.00	FIX	38377ML53	February 2038
		DK	19,821,000	SC/PAC/AD	1.75	FIX	38377ML61	February 2038
		DL	19,821,000	SC/PAC/AD	1.50	FIX	38377ML79	February 2038

REMIC Securities			MX Securities					
Class	Original Class Principal Balance or Class Notional Balance	Related MX Class	Maximum Original Class Principal Balance or Class Notional Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
Combination 11(6)								
BA	\$ 7,165,000	BC	\$ 26,986,000	SC/PAC/AD	3.50%	FIX	38377ML87	February 2038
DA	19,821,000	BD	26,986,000	SC/PAC/AD	3.25	FIX	38377ML95	February 2038
		BE	26,986,000	SC/PAC/AD	3.00	FIX	38377MM29	February 2038
		BG	26,986,000	SC/PAC/AD	2.75	FIX	38377MM37	February 2038
		BH	26,986,000	SC/PAC/AD	2.50	FIX	38377MM45	February 2038
		BI	11,993,777	NTL(SC/PAC/AD)	4.50	FIX/IO	38377MM52	February 2038
		BK	26,986,000	SC/PAC/AD	2.25	FIX	38377MM60	February 2038
		BL	26,986,000	SC/PAC/AD	2.00	FIX	38377MM78	February 2038
		BN	26,986,000	SC/PAC/AD	1.75	FIX	38377MM86	February 2038
		BP	26,986,000	SC/PAC/AD	1.50	FIX	38377MM94	February 2038

(1) All exchanges must comply with minimum denomination restrictions.

(2) The amount shown for each MX Class represents the maximum Original Class Principal Balance (or original Class Notional Balance) of that Class, assuming it were to be issued on the Closing Date.

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

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

(5) The Interest Rate will be calculated as described under "Terms Sheet — Interest Rates" in this Supplement.

(6) In the case of Combinations 9, 10 and 11, various subcombinations are permitted. See "Description of the Securities — Modification and Exchange" in the Base Offering Circular for a discussion of subcombinations.



**\$861,989,386**

*Government National  
Mortgage Association*

***GINNIE MAE***<sup>®</sup>

*Guaranteed REMIC  
Pass-Through Securities  
and MX Securities  
Ginnie Mae REMIC Trust 2011-037*

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***OFFERING CIRCULAR SUPPLEMENT***  
***March 23, 2011***

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***Morgan Stanley  
Sandgrain Securities Inc.***