



**\$67,436,284**  
**Government National Mortgage Association**

**GINNIE MAE®**

**Guaranteed REMIC Pass-Through Securities**  
**Ginnie Mae REMIC Trust 2014-035**

**The Securities**

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

Class of REMIC Securities	Original Principal Balance(1)	Interest Rate	Principal Type(2)	Interest Type(2)	CUSIP Number	Final Distribution Date(3)
FA .....	\$67,436,284	(4)	PT	FLT/WAC/DLY	38378YS59	July 2041
SA .....	67,436,284	(4)	NTL (PT)	WAC/IO/DLY	38378YS67	July 2041
<b>Residual</b>						
RR .....	0	0.0	NPR	NPR	38378YS75	July 2041

**The Ginnie Mae Guaranty**

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

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

**The Trust and its Assets**

The Trust will own Ginnie Mae 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-5 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 February 28, 2014.

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.

**BNP PARIBAS**

**Duncan-Williams, Inc.**

**The date of this Offering Circular Supplement is February 24, 2014.**

## AVAILABLE INFORMATION

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

- this Offering Circular Supplement (this “Supplement”) and
- the Base Offering Circular.

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

If you do not have access to the internet, call BNY Mellon, which will act as information agent for the Trust, at (800) 234-GNMA, to order copies of the Base Offering Circular.

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:** BNP Paribas Securities Corp.

**Co-Sponsor:** Duncan-Williams, Inc.

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

**Tax Administrator:** The Trustee

**Closing Date:** February 28, 2014

**Distribution Date:** The 20th day of each month or, if the 20th day is not a Business Day, the first Business Day thereafter, commencing in March 2014.

**Trust Assets:**

<u>Trust Asset Type</u>	<u>Certificate Rate</u>	<u>Original Term To Maturity (in years)</u>
Ginnie Mae II <sup>(1)</sup>	(2)	30

<sup>(1)</sup> The Trust Assets consist of adjustable rate Ginnie Mae II MBS Certificates.

<sup>(2)</sup> Each Ginnie Mae Certificate included in the Trust Assets has an initial fixed rate period, after which it bears interest at a Certificate Rate, adjusted annually, equal to One Year Treasury Index (“CMT”) plus 1.50% (the “Certificate Margin”), subject to annual and lifetime adjustment caps and floors, which may limit whether the Certificate Rate for each Trust Asset remains at CMT plus the Certificate Margin. The annual and lifetime adjustment caps and floors for each of the Trust Assets are set forth in Exhibit A to this Supplement. Each Certificate Rate is 4.00% as of February 1, 2014. See “*The Trust Assets — The Trust MBS*” in this Supplement.

**Assumed Characteristics of the Mortgage Loans Underlying the Trust Assets:** The assumed characteristics of the Mortgage Loans underlying the Trust Assets are identified in Exhibit A to this Supplement. There can be no assurance that the actual characteristics of the Mortgage Loans underlying the Trust Assets will be the same as the assumed characteristics identified in Exhibit A to this Supplement. More than 10% of the Mortgage Loans underlying the Trust Assets may be higher balance Mortgage Loans. See “*Risk Factors*” in this Supplement.

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

**Increased Minimum Denomination Class:** Class SA. See “*Description of the Securities — Form of Securities*” in this Supplement.

**Interest Rates:** The Floating Rate Class will bear interest at per annum rates based on one-month LIBOR (hereinafter referred to as “LIBOR”) as follows:

<u>Class</u>	<u>Interest Rate Formula(1)</u>	<u>Initial Interest Rate(2)</u>	<u>Minimum Rate</u>	<u>Maximum Rate</u>	<u>Delay (in days)</u>	<u>LIBOR for Minimum Interest Rate</u>
FA .....	LIBOR + 0.40%	0.55%	0.40%	(3)	19	0.00%

- (1) LIBOR will be established on the basis of the ICE LIBOR method, as described under “Description of the Securities — Interest Distributions — Floating Rate Class” in this Supplement.
- (2) The initial Interest Rate will be in effect during the first Accrual Period; the Interest Rate will adjust monthly thereafter.
- (3) The Maximum Rate for any Accrual Period is the Weighted Average Certificate Rate (“WACR”) of the Trust Assets.

Class SA is a Weighted Average Coupon Class that will bear interest during each Accrual Period at a per annum Interest Rate equal to WACR less the Interest Rate for Class FA for that Accrual Period. The approximate initial Interest Rate for Class SA, which will be in effect for the first Accrual Period, is 3.45%.

**Allocation of Principal:** On each Distribution Date, the Principal Distribution Amount will be allocated to FA, until retired.

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

<u>Class</u>	<u>Original Class Notional Balance</u>	<u>Represents</u>
SA .....	\$67,436,284	100% of FA (PT Class)

**Tax Status:** Double REMIC Series. See “Certain United States 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.

The terms of the mortgage loans may be modified to permit, among other things, a partial release of security, which releases a portion of the mortgaged property from the lien securing the related mortgage loan. Partial releases of security may reduce the value of the remaining security and also allow the related borrower to sell the released property and generate proceeds that may be used to prepay the related mortgage loan in whole or in part.

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 and principal payments are slower than you expected.

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

***The adjustable rate mortgage loans have features of fixed rate mortgage loans and adjustable rate mortgage loans.*** The adjustable rate mortgage loans underlying the trust assets have initial fixed rate periods. During this period, these mortgage loans may exhibit general payment characteristics associated with fixed rate mortgages. After the initial fixed rate period expires, these mortgage loans will adjust annually, subject to annual and lifetime adjustment caps and floors. During this period, these mortgage loans may exhibit general payment characteristics associated with adjustable rate mortgage loans.

***Adjustable rate mortgage loans may exhibit general prepayment characteristics that are different than those of fixed rate mortgage loans.*** In general, as prevailing mortgage interest rates decline, borrowers with fixed rate mortgage loans are more likely to refinance their current,

higher rate mortgages, which may result in faster prepayment rates. Additionally, as prevailing mortgage interest rates rise, borrowers with fixed rate mortgage loans are less likely to refinance their current, lower rate mortgages, which may result in slower prepayment rates. In contrast, as prevailing mortgage interest rates decline, borrowers with adjustable rate mortgage loans are less likely to refinance their current mortgages, which may result in slower prepayment rates. Additionally, as prevailing mortgage interest rates rise, borrowers with adjustable rate mortgage loans are more likely to refinance their current mortgages, which may result in faster prepayment rates. Finally, increases in prevailing mortgage interest rates may result in increases in the required monthly payments on adjustable rate mortgage loans. This may result in higher default rates on adjustable rate mortgage loans which could lead to faster prepayment rates and reduce the yield on the securities.

***Adjustable rate mortgages with initial fixed rate periods may be more likely to be refinanced or become delinquent than other mortgage loans.*** The adjustable rate mortgage loans underlying the trust assets have initial fixed rate periods. After the fixed rate period, the mortgage rates may increase at the first interest rate change date and on each annual reset date thereafter, subject to annual and lifetime adjustment caps and floors. Borrowers may be more likely to refinance these mortgage loans before a rate increase becomes effective. If a borrower is unable to refinance such a mortgage loan and interest rates rise, particularly after the initial fixed rate period, the borrower may find it increasingly difficult to remain current in its scheduled monthly payments following the increase in the monthly payment amount. This may result in higher default rates on adjustable rate mortgage loans which could lead to faster prepayment rates and reduce the yield on the securities.

***After the initial fixed rate period of the mortgage loans underlying the trust assets, the mortgage rates on such mortgage loans will be adjusted annually and will be based***

***on CMT, the level of which will affect the yield on the securities.*** After the initial fixed rate period of the mortgage loans underlying the trust assets, the yield on the related securities will depend, in part, on the level of CMT. CMT will be determined annually and the rate of CMT used with respect to the mortgage loans underlying the trust assets will not necessarily reflect current levels of CMT. After the initial fixed rate period of the mortgage loans underlying the trust assets, if CMT performs differently from what you expect, the yield on your securities may be lower than you expect. Lower levels of CMT will generally reduce the weighted average certificate rate on the trust assets, which will reduce or cap the interest rate on the securities. You should bear in mind that the timing of changes in the level of CMT may affect your yield: generally, the earlier a change, the greater the effect on your yield. It is doubtful that CMT will remain constant.

***Adjustable rate mortgage loans are subject to certain caps, which may limit the amount of interest payable on such mortgage loans and may limit the WACR on the trust assets and the interest rates on the securities after the initial fixed rate period of the mortgage loans.*** After the initial fixed rate period of the mortgage loans underlying the trust assets, if CMT increases to a sufficiently high level, the mortgage rates on such mortgage loans may be limited by annual and lifetime adjustment caps. As a result, the WACR on the trust assets, as well as the interest rates on the securities, may be limited. The application of any caps on the mortgage loans may significantly impact the interest rate on the class SA securities because the interest entitlement of such class of securities is entirely dependent on the excess of the WACR of the trust assets over the interest rate applicable to the class FA securities.

***The mortgage rate index for the mortgage loans underlying the trust assets is different than the interest rate index for the securities, which may impact, perhaps significantly, the amount of interest distributable to the securities after the initial fixed rate period of the mortgage loans.***

CMT is the mortgage rate index for the mortgage loans underlying the trust assets and one-month LIBOR is the interest rate index for the related securities. Because CMT and LIBOR are determined in a different manner and at different times, and because the certificate rates on the trust assets adjust annually after the initial fixed rate period and the interest rates on the related securities adjust monthly, there may be a mismatch between the certificate rates on the trust assets and the interest rates on the related securities. If CMT for the trust assets is lower than LIBOR for the securities for any accrual period, interest accruals with respect to the notional class will be reduced because such class is entitled to receive the excess of interest accrued in respect of the trust assets over the interest distributable to the floating rate class. In addition, if CMT for the trust assets is significantly lower than LIBOR for the securities for any accrual period, interest accruing on the floating rate class will be reduced because the interest rate on such class is capped at a rate equal to the WACR of the trust assets. In the event that CMT for the trust assets is higher than LIBOR for the securities, interest accruing on the floating rate class will not be affected but interest accruals with respect to the notional class will be increased. Because the index on the trust assets adjusts annually after the initial fixed rate period of the mortgage loans but the index on the securities will adjust monthly, this effect could be magnified during periods of significant volatility of short-term interest rates.

***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 the class FA and class SA 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 the class FA securities; higher levels of LIBOR will generally reduce the yield on the class SA 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.

***Up to 100% of the mortgage loans underlying the trust assets may be higher balance mortgage 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”) 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, in particular the interest only and residual classes, are not suitable investments for all investors.

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

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

The secondary markets for mortgage-related securities have experienced periods of illiquidity and can be expected to do so in the future. Illi-

quidity 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 United States 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 will evidence, directly or indirectly, Ginnie Mae Certificates.



## **The Trust MBS**

The Trust Assets consist of adjustable rate Ginnie Mae II MBS Certificates guaranteed by Ginnie Mae. Each adjustable rate Ginnie Mae Certificate has an initial fixed rate period. After the initial fixed rate period, the Certificate Rate will adjust annually to a rate equal to the sum, rounded to the nearest 1/8 of one percent, of (i) CMT and (ii) the Certificate Margin, subject to annual and lifetime adjustment caps and floors. The Certificate Margin is 1.50% for each of the adjustable rate Ginnie Mae Certificates. The Certificate Margin and the annual and lifetime adjustment caps and floors for each such Ginnie Mae Certificate are set forth in Exhibit A to this Supplement. Adjustments to the Mortgage Rates will be made in the same manner as adjustments to the Certificate Rate. See *“The Trust Assets— The Mortgage Loans” in this Supplement.*

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 Mortgage Loans**

The Mortgage Loans underlying the Trust Assets 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, adjustable 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.*

The Mortgage Loans underlying the Trust Assets are adjustable rate mortgage loans with initial fixed rate periods. After the initial fixed rate period, the Mortgage Rates on the Mortgage Loans will adjust annually, rounded to the nearest 1/8 of one percent, based on CMT plus a specified margin (the “Mortgage Margin”), subject to annual and lifetime adjustment caps and floors. Ginnie Mae pooling specifications require that all adjustable rate Mortgage Loans backing a particular Ginnie Mae Certificate have the same index, first Mortgage Rate adjustment date, annual Mortgage Rate adjustment date, mortgage payment adjustment date and index reference date. One month after each Mortgage Rate adjustment date, the payment amount of the related Mortgage Loan will be reset so that the remaining principal balance of that Mortgage Loan will fully amortize in equal monthly payments over its remaining term to maturity, assuming its Mortgage Rate remains constant at the new rate. See *“Risk Factors— Adjustable rate mortgage loans are subject to certain caps, which may limit the amount of interest payable on such mortgage loans and may limit the WACR on the trust assets and the interest rates on the securities after the initial fixed rate period of the mortgage loans” in this Supplement.*

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

teristics 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**

The Sponsor will contribute certain Ginnie Mae Certificates in respect of the Trustee Fee. On each Distribution Date, the Trustee will retain all principal and interest distributions received on such Ginnie Mae Certificates in payment of the Trustee Fee.

## **GINNIE MAE GUARANTY**

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

## **DESCRIPTION OF THE SECURITIES**

### **General**

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

### **Form of Securities**

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

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

Class FA will be issued in minimum dollar denominations of initial principal balance of \$1,000 and integral multiples of \$1 in excess of \$1,000. Class SA will be issued in minimum denominations that equal \$100,000 in initial notional balance.

### **Distributions**

Distributions on the Securities will be made on each Distribution Date as specified under “Terms Sheet — Distribution Date” in this Supplement. On each Distribution Date for a Security, or in the case of the Certificated Securities, on the first Business Day after the related Distribution Date, the Distribution Amount will be distributed to the Holders of record as of the 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 on any Class for any Distribution Date will consist of 30 days’ interest on its Class Principal Balance (or Class Notional Balance) as of the related Record Date.
- Investors can calculate the amount of interest to be distributed on each Class of Securities for any Distribution Date by using the Class Factors published in the preceding month. See “*— Class Factors*” below.

### *Categories of Classes*

For purposes of interest distributions, the Classes will be categorized as shown under “Interest Type” on the front cover of 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 Period*

The Accrual Period for each Regular Class is the calendar month preceding the related Distribution Date.

### *Floating Rate Class*

The Floating Rate Class will bear interest as shown under “Terms Sheet — Interest Rates” in this Supplement. The Interest Rate for the Floating Rate Class will be based on LIBOR. The Trustee or its agent will determine LIBOR on the basis of the ICE Benchmark Administration (“ICE”) LIBOR method (“ICE LIBOR”), using the rate, expressed as a percentage per annum, for one-month U.S. Dollar deposits as it appears on the ICE Secure File Transfer Protocol (SFTP) service or on the Reuters Screen LIBOR01 Page (or any replacement Reuters page that displays that rate, or on the appropriate page of such other information service that publishes that rate from time to time in place of Reuters) as of 11:00 am London time on the related Floating Rate Adjustment Date. In the event that any other person takes over the administration of LIBOR, LIBOR shall be determined on the basis of the succeeding administration’s LIBOR method. If on any Floating Rate Adjustment Date, the Trustee or its agent is unable to calculate LIBOR in accordance with the ICE LIBOR method, LIBOR for the next Accrual Period will be calculated in accordance with the LIBO method as described under “Description of the Securities — Interest Rate Indices — Determination of LIBOR — LIBO Method” in the Base Offering Circular.

We can provide no assurance that LIBOR for a Distribution Date accurately represents the offered rate at which one-month U.S. dollar deposits are being quoted to prime banks in the London interbank market, nor that the procedures for calculating LIBOR on the basis of the ICE LIBOR method for one-month U.S. dollar deposits will not change. Any change in LIBOR values resulting from any change in reporting or in the determination of LIBOR may cause LIBOR to fluctuate disproportionately to changes in other market lending rates.

### *Weighted Average Coupon Classes*

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

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

### **Principal Distributions**

The Principal Distribution 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. 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 Class*

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

### **Residual Securities**

The Class RR Securities will represent the beneficial ownership of the Residual Interest in the Issuing REMIC and the beneficial ownership of the Residual Interest in the Pooling REMIC, as described in “Certain United States 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 or Class Notional Balance of each Class of Regular Securities has been reduced to zero. However, any remaining proceeds are not likely to be significant. The Residual Securities may not be transferred to a Plan Investor, a Non-U.S. Person or a Disqualified Organization.

### **Class Factors**

The Trustee will calculate and make available for each Class of Securities, no later than the day preceding the Distribution Date, the factor (carried out to eight decimal places) that when multiplied by the Original Class Principal Balance (or original Class Notional Balance) of that Class, determines the Class Principal Balance (or Class Notional Balance) after giving effect to the distribution of principal to be made on the Securities 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 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.
- Based on the Class Factors published in the preceding and current months (and Interest Rates), investors in any Class can calculate the amount of principal and interest to be distributed to 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.

## **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 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 or adjustable rate mortgage loans, generally:

- declines in prevailing mortgage interest rates would be expected to decrease the rate of prepayment of the adjustable rate Mortgage Loans; and
- increases in prevailing mortgage interest rates would be expected to increase the rate of prepayment of the adjustable rate Mortgage Loans (giving consideration to the cost of refinancing).

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.

The terms of the Mortgage Loans may be modified to permit, among other things, a partial release of security, which releases a portion of the mortgaged property from the lien securing the related Mortgage Loan. Partial releases of security may allow the related borrower to sell the released property and generate proceeds that may be used to prepay the related Mortgage Loan in whole or in part.

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*.

### **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, is the latest date on which the related Class Principal Balance or Class Notional Balance will be reduced to zero.

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

### **Modeling Assumptions**

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

1. The Trust Assets and the Mortgage Loans underlying the Trust Assets have the assumed characteristics shown in Exhibit A.
2. The Mortgage Loans prepay at the constant percentages of CPR (described below) shown in the related table.
3. Distributions on the Securities are always received on the 20th day of the month, whether or not a Business Day, commencing in March 2014.
4. A termination of the Trust does not occur.
5. The Closing Date for the Securities is February 28, 2014.
6. No expenses or fees are paid by the Trust other than the Trustee Fee, which is paid as described under "The Trust Assets — The Trustee Fee" in this Supplement.
7. The Certificate Rate on each Trust Asset for the first Distribution Date is based on the information set forth in Exhibit A. The Mortgage Margin, lifetime Mortgage Loan interest rate cap and lifetime Mortgage Loan interest rate floor will equal the related Certificate Margin, Lifetime Certificate Interest Rate Cap and Lifetime Certificate Interest Rate Floor, as applicable, plus the Servicing and Guaranty Fee Rate, each as shown in Exhibit A.
8. For purposes of the decrement tables, on all Distribution Dates occurring after the first Mortgage Rate adjustment date for the related Mortgage Loans, the constant value of CMT shown with respect to

any decrement table is used to calculate the Mortgage Rate with respect to the Mortgage Loans, subject to any applicable caps and floors.

9. One month after each Mortgage Rate adjustment date, the payment amount of the related Mortgage Loan will be reset so that the remaining principal balance of that Mortgage Loan will fully amortize in equal monthly payments over its remaining term to maturity, assuming its Mortgage Rate remains constant.

10. When calculating the Mortgage Rate or Certificate Rate with respect to the Trust Assets, the rate is not rounded to the nearest 1/8 of one percent.

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

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

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

## **Decrement Tables**

Prepayments of mortgage loans are commonly measured by a prepayment standard or model. The model used in this Supplement, Constant Prepayment Rate (“CPR”), is the standard prepayment assumption model of The Securities Industry and Financial Markets Association. CPR represents a constant rate of prepayment on the Mortgage Loans each month relative to the then outstanding aggregate principal balance of the Mortgage Loans for the life of those Mortgage Loans. *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 CPR (the “CPR Prepayment Assumption Rates”). As used in the tables, each of the CPR Prepayment Assumption Rates reflects a percentage of the CPR assumed prepayment rate. **The Mortgage Loans will not prepay at any of the CPR 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 CPR assumption.**

The decrement tables set forth below illustrate the percentage of the Original Class Principal Balance (or, in the case of the Notional Class, the original Class Notional Balance) that would remain outstanding following the distribution made each specified month for each Regular Class, based on the assumption that the Mortgage Loans prepay at the CPR Prepayment Assumption Rates and that CMT is at the specified level. 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 CPR Prepayment Assumption Rate. The Weighted Average Life of each Class is calculated by:

- (a) multiplying the net reduction, if any, of the Class Principal Balance (or the net reduction of the Class Notional Balance, in the case of the Notional Class) from one Distribution Date to the next Distribution Date by the number of years from the date of issuance thereof to the related Distribution Date,

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

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

**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 Trust Assets and the Modeling Assumptions. In addition, the Weighted Average Lives of the Securities are likely to vary due to differences between actual CMT and the assumed constant levels of CMT.**



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

Distribution Date	CPR Prepayment Assumption Rates																			
	Classes FA and SA 0.125% CMT					Classes FA and SA 2.500% CMT					Classes FA and SA 5.000% CMT					Classes FA and SA 7.500% CMT				
	0%	10%	20%	30%	40%	0%	10%	20%	30%	40%	0%	10%	20%	30%	40%	0%	10%	20%	30%	40%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
February 2015	98	88	78	69	59	98	88	78	69	59	98	88	78	69	59	98	88	78	69	59
February 2016	96	78	61	47	35	96	78	61	47	35	96	78	61	47	35	96	78	61	47	35
February 2017	94	68	48	32	20	94	68	48	32	20	94	68	48	32	20	94	68	48	32	20
February 2018	91	60	37	22	12	92	60	38	22	12	92	60	38	22	12	92	60	38	22	12
February 2019	88	52	29	15	7	89	53	29	15	7	90	53	30	15	7	90	53	30	15	7
February 2020	85	45	22	10	4	87	46	23	10	4	89	47	23	10	4	89	47	23	10	4
February 2021	82	39	17	7	2	84	40	18	7	2	87	41	18	7	2	87	42	18	7	2
February 2022	78	34	13	5	1	82	35	14	5	1	85	36	14	5	1	86	37	14	5	1
February 2023	75	29	10	3	1	79	31	11	3	1	82	32	11	3	1	84	33	11	3	1
February 2024	71	25	8	2	0	76	26	8	2	0	80	28	9	2	0	82	29	9	2	0
February 2025	68	21	6	1	0	73	23	6	1	0	78	24	7	2	0	80	25	7	2	0
February 2026	64	18	4	1	0	70	20	5	1	0	75	21	5	1	0	78	22	5	1	0
February 2027	61	15	3	1	0	66	17	4	1	0	72	18	4	1	0	76	19	4	1	0
February 2028	57	13	3	0	0	63	14	3	0	0	69	16	3	0	0	73	17	3	0	0
February 2029	53	11	2	0	0	59	12	2	0	0	66	14	2	0	0	70	14	2	0	0
February 2030	49	9	1	0	0	56	10	2	0	0	62	12	2	0	0	67	12	2	0	0
February 2031	45	8	1	0	0	52	9	1	0	0	58	10	1	0	0	63	11	1	0	0
February 2032	41	6	1	0	0	48	7	1	0	0	54	8	1	0	0	60	9	1	0	0
February 2033	37	5	1	0	0	43	6	1	0	0	50	7	1	0	0	55	7	1	0	0
February 2034	33	4	0	0	0	39	5	0	0	0	45	6	1	0	0	51	6	1	0	0
February 2035	29	3	0	0	0	34	4	0	0	0	40	4	0	0	0	46	5	0	0	0
February 2036	24	2	0	0	0	30	3	0	0	0	35	3	0	0	0	40	4	0	0	0
February 2037	20	2	0	0	0	24	2	0	0	0	29	3	0	0	0	34	3	0	0	0
February 2038	16	1	0	0	0	19	2	0	0	0	23	2	0	0	0	27	2	0	0	0
February 2039	11	1	0	0	0	14	1	0	0	0	17	1	0	0	0	20	1	0	0	0
February 2040	6	0	0	0	0	8	1	0	0	0	10	1	0	0	0	12	1	0	0	0
February 2041	1	0	0	0	0	2	0	0	0	0	2	0	0	0	0	3	0	0	0	0
February 2042	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)	15.3	6.9	4.0	2.6	1.9	16.3	7.1	4.0	2.6	1.9	17.3	7.3	4.1	2.7	1.9	18.0	7.5	4.1	2.7	1.9

### Yield Considerations

An investor seeking to maximize yield should make a decision whether to invest in any Regular Class based on the anticipated yield of that Class resulting from its purchase price, the investor's own projection of Mortgage Loan prepayment rates under a variety of scenarios and the investor's own projection of levels of LIBOR and CMT under a variety of scenarios. **No representation is made regarding Mortgage Loan prepayment rates, LIBOR levels, CMT 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 Mortgage Loans.

- In the case of Regular Securities purchased at a premium (especially the Interest Only Class), faster than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.
- Investors in the Interest Only Class should also consider the risk that rapid rates of principal payments could result in the failure of investors to recover fully their investments.
- In the case of Regular Securities purchased at a discount, slower than anticipated rates of principal payments could result in actual yields to investors that are lower than the anticipated yields.
- The rates of principal amortization on the Mortgage Loans underlying the Trust Assets will depend upon the level of and annual adjustments in the applicable Mortgage Rates, with higher Mortgage Rates and earlier increases in Mortgage Rates affecting the rates of prepayments, which 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 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 Regular Classes*

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

#### *CMT: Effect on Yields of the Securities*

Low levels of CMT can reduce the yield of the Securities. *See "Risk Factors — After the initial fixed rate period of the mortgage loans underlying the trust assets, the mortgage rates on such mortgage loans will be adjusted annually and will be based on CMT, the level of which will affect the yield on the securities" in this Supplement.*

#### *Payment Delay: Effect on Yields of the Regular Classes*

The effective yield on any Regular 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 that Class even though interest began to accrue approximately 50 days earlier.

### **Yield Tables**

The following tables show the pre-tax yields to maturity on a corporate bond equivalent basis of Class SA at various constant percentages of CPR and at various constant levels of LIBOR and CMT.

The Mortgage Loans will not prepay at any constant rate until maturity, and it is unlikely that LIBOR or CMT 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 Class SA 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 Class SA, 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, 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 Class SA for each Accrual Period following the first Accrual Period will be based on the indicated level of LIBOR, (2) the Interest Rate applicable to the Trust Assets for each Accrual Period after the first Mortgage Rate adjustment date will be based on the indicated level of CMT and (3) the purchase price of Class SA (expressed as a percentage of its original Class Notional Balance) plus accrued interest is as indicated in the table. **The assumed purchase price is not necessarily that at which actual sales will occur.**

**Sensitivity of Class SA to Prepayments**  
**Assumed Price 6.625%\***  
**One-Year CMT 0.125%**

<u>LIBOR</u>	<u>CPR Prepayment Assumption Rates</u>			
	<u>10%</u>	<u>20%</u>	<u>30%</u>	<u>40%</u>
0.100% .....	31.4%	18.5%	4.9%	(9.8)%
0.150% .....	30.2%	17.5%	3.9%	(10.8)%
4.375% .....	**	**	**	**
8.600% and above .....	**	**	**	**

**Sensitivity of Class SA to Prepayments**  
**Assumed Price 6.625%\***  
**One-Year CMT 2.500%**

<u>LIBOR</u>	<u>CPR Prepayment Assumption Rates</u>			
	<u>10%</u>	<u>20%</u>	<u>30%</u>	<u>40%</u>
0.100% .....	41.9%	28.5%	14.1%	(1.3)%
0.150% .....	41.1%	27.7%	13.4%	(2.0)%
4.375% .....	**	**	**	**
8.600% and above .....	**	**	**	**

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

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

**Sensitivity of Class SA to Prepayments**  
**Assumed Price 6.625%\***  
**One-Year CMT 5.000%**

<u>LIBOR</u>	<u>CPR Prepayment Assumption Rates</u>			
	<u>10%</u>	<u>20%</u>	<u>30%</u>	<u>40%</u>
0.100% .....	49.2%	35.3%	20.5%	4.6%
0.150% .....	48.4%	34.6%	19.8%	3.9%
4.375% .....	1.4%	(10.1)%	(22.3)%	(35.4)%
8.600% and above .....	**	**	**	**

**Sensitivity of Class SA to Prepayments**  
**Assumed Price 6.625%\***  
**One-Year CMT 7.500%**

<u>LIBOR</u>	<u>CPR Prepayment Assumption Rates</u>			
	<u>10%</u>	<u>20%</u>	<u>30%</u>	<u>40%</u>
0.100% .....	50.7%	36.7%	21.8%	5.8%
0.150% .....	50.0%	36.1%	21.2%	5.2%
4.375% .....	9.5%	(2.4)%	(15.1)%	(28.7)%
8.600% 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 UNITED STATES FEDERAL INCOME TAX CONSEQUENCES**

The following tax discussion, when read in conjunction with the discussion of “Certain United States Federal Income Tax Consequences” in the Base Offering Circular, describes the material United States federal income tax considerations for investors in the Securities. However, these two tax discussions do not purport to deal with all United States 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 United States 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 K&L Gates LLP, the Trust will constitute a Double REMIC Series for United States 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 United States federal income tax purposes. Income on the Regular Securities must be reported under an accrual method of accounting.

The Notional Class of Regular Securities will be issued with original issue discount (“OID”), and Class FA may be issued with OID. See *“Certain United States 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 20% CPR (as described in “Yield, Maturity and Prepayment Considerations” in this Supplement). No representation is made, however, about the rate at which prepayments on the Mortgage Loans underlying the Trust Assets actually will occur or the level of LIBOR or CMT at any time after the date of this Supplement. See *“Certain United States 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 United States 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 United States 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 United States Federal Income Tax Consequences” in the Base Offering Circular, but will not be treated as debt for United States 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.

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

#### **ERISA MATTERS**

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

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

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

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

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

#### **LEGAL INVESTMENT CONSIDERATIONS**

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

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

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

#### **PLAN OF DISTRIBUTION**

Subject to the terms and conditions of the Sponsor Agreement, the Sponsor has agreed to purchase all of the Securities if any are sold and purchased. The Sponsor proposes to offer the Regular Classes to the public from time to time for sale in negotiated transactions at varying prices to be determined at the time of sale, plus accrued interest from February 1, 2014. The Sponsor may effect these transactions by sales to or through certain securities dealers. These dealers may receive compensation in the form of discounts, concessions or commissions from the Sponsor and/or commissions from any purchasers for

which they act as agents. Some of the Securities may be sold through dealers in relatively small sales. In the usual case, the commission charged on a relatively small sale of securities will be a higher percentage of the sales price than that charged on a large sale of securities.

#### **INCREASE IN SIZE**

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

#### **LEGAL MATTERS**

Certain legal matters will be passed upon for Ginnie Mae by Hunton & Williams LLP, for the Trust by K&L Gates LLP, Charlotte, North Carolina, and Marcell Solomon & Associates, P.C., Bowie, Maryland, and for the Trustee by Nixon Peabody LLP.

Assumed Characteristics of the Mortgage Loans Underlying the Trust Assets(1)

Pool Number	Ginnie Mae Certificate Principal Balance(2)	Approximate Weighted Remaining Term to Maturity			Approximate Weighted Average Loan Age			Approximate Weighted Average Current Mortgage Rate			Approximate Weighted Servicing and Guaranty Fee Rate		Index	Certificate Margin(5)	Issue Date	First Mortgage Adjustment Date(9)	Mortgage Rate Reset Frequency(10)	Periodic Certificate Interest Rate Limit(11)	Lifetime Certificate Interest Rate Cap(12)	Lifetime Certificate Interest Rate Floor(13)	Final Maturity Date	Initial Certificate Rate at MBS Issuance(14)
		(in months)(3)	(in months)(4)	(in months)(5)	(in months)(6)	(in months)(7)	(in months)(8)	(in months)(9)	(in months)(10)	(in months)(11)	(in months)(12)											
082828	\$ 7,085,920.52	326	34	4.311%	4.000%	0.311%	1-year CMT	1.500%	May 1, 2011	July 1, 2016	Annually	1.000%	9.000%	1.500%	May 20, 2041	4.000%						
082854	12,170,464.23	327	33	4.345	4.000	0.345	1-year CMT	1.500	June 1, 2011	July 1, 2016	Annually	1.000	9.000	1.500	June 20, 2041	4.000						
082889	48,179,899.80	328	32	4.304	4.000	0.304	1-year CMT	1.500	July 1, 2011	October 1, 2016	Annually	1.000	9.000	1.500	July 20, 2041	4.000						

- (1) The information in this Exhibit A is provided by the Sponsor as of February 1, 2014. It is based on information regarding the Trust Assets and the related Mortgage Loans. All weighted averages provided in this Exhibit A are weighted based on the outstanding principal amounts of the Mortgage Loans as of February 1, 2014.
- (2) The Ginnie Mae Certificate Principal Balance is the sum of the outstanding principal amounts of the Mortgage Loans underlying the related Trust MBS.
- (3) The Approximate Weighted Average Remaining Term to Maturity (in months) is the approximate weighted average remaining term to maturity of the Mortgage Loans underlying the related Trust MBS.
- (4) The Approximate Weighted Average Loan Age (in months) is the approximate weighted average loan age of the Mortgage Loans underlying the related Trust MBS.
- (5) The Approximate Weighted Average Current Mortgage Rate is the approximate weighted average of the interest rates of the Mortgage Loans underlying the related Trust MBS.
- (6) The Current Certificate Rate is the current certificate rate of the related Trust MBS.
- (7) The Approximate Weighted Average Servicing and Guaranty Fee Rate is the approximate weighted average monthly fee rate for servicing and for the Ginnie Mae Certificate Guaranty Fee.
- (8) The Certificate Margin is the margin of the Mortgage Loans underlying the related Trust MBS net of the Servicing and Guaranty Fee Rate.
- (9) The First Mortgage Rate Adjustment Date is the date on which the Mortgage Rate of each Mortgage Loan underlying the related Trust MBS resets under the Mortgage Rate formula and the related Mortgage Loan documents.
- (10) The Mortgage Rate Reset Frequency is the frequency that the mortgage rate of each Mortgage Loan resets under the mortgage rate formula and related Mortgage Loan documents applicable to each Mortgage Loan underlying the related Trust MBS after the first Mortgage Rate adjustment date.
- (11) The Periodic Certificate Interest Rate Limit is the maximum periodic interest rate adjustment possible based on the MBS Guide.
- (12) The Lifetime Certificate Interest Rate Cap is the maximum certificate interest rate possible based on the MBS Guide.
- (13) The Lifetime Certificate Interest Rate Floor is the minimum certificate interest rate possible based on the MBS Guide.
- (14) The Initial Certificate Rate at MBS Issuance is the initial certificate rate of the related Trust MBS.

The remaining terms to maturity, loan ages, Mortgage Rates, Mortgage Margins and first Mortgage Rate adjustment dates of many of the Mortgage Loans underlying the Trust Assets will differ from the characteristics assumed, perhaps significantly. See "The Trust Assets — The Mortgage Loans" in this Supplement.





**\$67,436,284**

**Government National  
Mortgage Association**

**GINNIE MAE<sup>®</sup>**

**Guaranteed REMIC  
Pass-Through Securities  
Ginnie Mae REMIC Trust 2014-035**

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***OFFERING CIRCULAR SUPPLEMENT***  
**February 24, 2014**

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**BNP PARIBAS  
Duncan-Williams, Inc.**