GOVERNMENT NATIONAL MORTGAGE ASSOCIATION
MORTGAGE-BACKED SECURITIES PROGRAM
2006 Summary and Initiatives
(Dollars in Thousands)

GUARANTEES OF MORTGAGE-BACKED SECURITIES	Enacted/ Request	Carryover	Supplemental/ Rescission	Total Resources	Obligations	Outlays
2004 Appropriation	$10,695	...	-$63	$10,632	$10,632	$10,632
2005 Appropriation	10,695	...	-86	10,609	10,609	10,609
2006 Request	10,695	...	...	10,695	10,695	10,695
Program Improvements/Offsets	...	...	+86	+86	+86	+86

Summary Statement

Loan Guarantee limitation. The Government National Mortgage Association (Ginnie Mae) Budget proposes $200 billion in loan guarantee limitation on new commitments of single-class mortgage-backed securities (MBS) for fiscal year 2006. This request is based on Federal Housing Administration (FHA) and the Department of Veterans Affairs (VA) estimates of mortgage insurance and guarantee activity. In fiscal year 2006, Ginnie Mae is estimating $160 billion in guarantees of mortgage-backed securities, and $123 billion is estimated for guarantees of multiclass securities. Since all the Ginnie Mae guaranteed multiclass securities are based on and backed by mortgage-backed securities issued pursuant to commitment authority, separate commitment authority will not be required for multiclass securities.

Appropriation. Ginnie Mae is requesting a total of $11 million for administrative expenses necessary to carry out the Mortgage-Backed Securities Program.

Initiatives

In fiscal year 2006, no new initiatives are proposed for this program. However, the Department is proposing two new initiatives under the FHA program. These two legislative proposals are estimated to increase Ginnie Mae’s fiscal year 2006 guarantee volume by $5 billion. Below is a brief description of the two initiatives:

The FHA Payment Incentive Program. This program is designed to assist potential homebuyers qualify for an FHA insured loan although they do not meet existing underwriting standards due to poor credit ratings. Borrowers would still be required to meet all debt, income, and repayment standards. Requiring greater owner equity and charging higher upfront and annual premiums will offset the increased risk of default associated with these borrowers. These premiums would be phased down over several years, and would also require families to undergo pre-purchase housing counseling.

Zero Down-Payment Program. This program will offer a new 100 percent financing mortgage product to help first-time homebuyers purchase a home by allowing zero down-payment loans and financing of settlement costs.

President's Budget

The President's Budget incorrectly reports $260 million in defaulted portfolios seized by Ginnie Mae in fiscal year 2004 as defaulted claim payments. This $260 million represents the remaining principal balance of the securities in the portfolio and is not a liability or a potential liability. Ginnie Mae takes possession of MBS portfolio at the time of issuer default, however, Ginnie Mae **does not** purchase these portfolios when it takes possession of them. Consequently, **no cash outlays** are made when Ginnie Mae acquires an MBS portfolio. At the time of default Ginnie Mae takes possession of the security portfolio servicing assets (which have value) and any corresponding liabilities. The incorrect reporting of $260 million in defaults in turn incorrectly reports total obligations in fiscal year 2004. Therefore, total new obligations for fiscal year 2004 should be $429 million and not $689 million as reported in the President's Budget.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION
MORTGAGE-BACKED SECURITIES PROGRAM
Summary of Resources by Program
(Dollars in Thousands)

Budget Activity	2004 Budget Authority	2003 Carryover Into 2004	2004 Total Resources	2004 Obligations	2005 Budget Authority	2004 Carryover Into 2005	2005 Total Resources	2006 Request
Administrative Expenses	$10,632	...	$10,632	$10,632	$10,609	...	$10,609	$10,695
Total Guarantees of Mortgage-Backed Securities	10,632	...	10,632	10,632	10,609	...	10,609	10,695

2004 Budget Authority. Reflects appropriation net of .59 percent governmentwide rescission.

2005 Budget Authority/Request. Reflects appropriation net of .80 percent governmentwide rescission.

Loan Guarantee Limitation. . . .	$200,000,000	$37,052,082	$237,052,082	$146,066,300	$200,000,000	$90,985,783	$290,985,783	$200,000,000

FTE	2004 Actual	2005 Estimate	2006 Estimate
Headquarters	66	67	72
Field	...	...	...
Total	66	67	72

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION
MORTGAGE-BACKED SECURITIES PROGRAM
Program Offsets
(Dollars in Thousands)

Administrative Expenses	Amount
2004 Appropriation	$10,632
2005 Appropriation	10,609
2006 Request	10,695
Program Improvements/Offsets	+86

Proposed Actions

The Department proposes $11 million for administrative expenses to be transferred to the Departmental Salaries and Expenses account to cover the cost to carry out the Guaranteed Mortgage-Backed Securities program in fiscal year 2006.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION
MORTGAGE-BACKED SECURITIES PROGRAM
2005 Summary Commitment Authority
(Dollars in Thousands)

Loan Limitation

MORTGAGE-BACKED SECURITIES	Enacted/ Request	Carryover	Supplemental/ Rescission	Total Resources	Obligations	Outlays
2004 Appropriation	$200,000,000	$37,052,082	...	$237,052,082	$146,066,300	...
2005 Appropriation	200,000,000	90,985,783	...	290,985,783	290,985,783	...
2006 Request	200,000,000	...	...	200,000,000	200,000,000	...
Program Improvements/Offsets						

Proposed Action

Ginnie Mae is requesting a total of $200 billion in new loan guarantee commitment limitation for the Ginnie Mae Guaranteed Mortgage-Backed Securities Program. In fiscal year 2006, it is estimated that approximately $160 billion in mortgage-backed securities will be guaranteed.

Ginnie Mae is responsible for the administration of activities associated with the Mortgage-Backed Securities (MBS) and the Multiclass Securities Programs. A brief description of Ginnie Mae's programs is provided below.

Mortgage-Backed Securities Program. Section 306(g) of the National Housing Act authorizes Ginnie Mae to guarantee the timely payment of principal and interest on securities, which are issued by approved entities and are backed by the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), or Rural Housing Service (RHS) mortgages.

In fiscal year 2006, the Ginnie Mae Budget proposes a limitation on new commitments for single-class mortgage-backed securities (MBS) of $200 billion. In addition, an appropriation of $11 million to be derived from the Ginnie Mae guarantees of mortgage-backed securities guaranteed loan receipt account, is proposed to fund salaries and expenses in fiscal year 2006. Also, in fiscal year 2006, it is estimated that $123 billion of Multiclass securities will be guaranteed. Since all Ginnie Mae guaranteed Multiclass securities are based on and backed by mortgage-backed securities issued pursuant to commitment authority, separate commitment authority will not be required for the Multiclass securities.

Ginnie Mae currently guarantees modified "pass-through" type securities. Modified pass-through securities provide payment to registered holders of interest plus the monthly installments of principal due on the pooled mortgages, whether or not collected, plus any additional principal collections.

Separate pass-through programs have been developed to finance single-family homes, multifamily projects and manufactured housing. Ginnie Mae first issues a "commitment" to the prospective securities issuer (mortgagee) indicating that the firm meets Ginnie Mae’s eligibility requirements. After Ginnie Mae issues the commitment, the issuer can begin to assemble mortgage pools and issue securities. Securities are issued with minimum face amounts of $25,000, which have the same aggregate face amount as the aggregate unpaid balance of the pooled mortgages and bear interest at the rate borne by the mortgages--less the amount of issuer servicing fees and Ginnie Mae guarantee fees. Ginnie Mae’s credit risk in this program is limited by mortgage insurance provided by Government agencies with respect to all pooled loans.

Multiclass Securities Program. In fiscal year 1994, Ginnie Mae began guaranteeing Real Estate Mortgage Investment Conduits (REMICs) and in fiscal year 1995, the Ginnie Mae Platinum securities. A REMIC security is backed by a pool or trust composed of mortgages or MBS. The REMIC issuer issues certificates of interest to investors and elects to be taxed under the REMIC provisions of Federal tax law (Sections 860A through 860G of the Internal Revenue Code of 1986). REMICs are multiple class securities with different maturities, typically between 2 and 20 years, or with payments based on fractions of the MBS income stream. This multiple class characteristic is what largely distinguishes REMICs from single class Mortgage-Backed Securities of the kind that Ginnie Mae has been guaranteeing since 1970.

The Ginnie Mae Platinum security consolidates Ginnie Mae MBS pools with the same interest rate into larger pools that are sold to investors by securities dealers. Ginnie Mae, under its Multiclass securities program, will guarantee only securities based on and backed by mortgage-backed securities guaranteed by Ginnie Mae. Since all Ginnie Mae guaranteed Multiclass securities will be based on and backed by MBS issued pursuant to previously issued commitment authority, additional commitment authority will not be required for the Multiclass securities.

Targeted Lending Initiative. Ginnie Mae started and developed the Targeted Lending Initiative in fiscal year 1996. The Initiative is consistent with Ginnie Mae's statutory purpose to promote access to mortgage credit in the central cities by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing. Through the Targeted Lending Initiative, Ginnie Mae reduces the guarantee fees it charges lenders by up to 50 percent for making mortgage loans in any of the nation's urban and rural Empowerment Zones or Enterprise Communities, adjacent eligible central city areas, and areas with a majority population of Native Americans.

PROGRAM ACTIVITY

1. Status of Program. In fiscal year 2004, Ginnie Mae's Mortgage-Backed Securities program approved $146.1 billion in commitment authority and issued $149.1 billion for its single class guarantees. Guarantees of mortgage-backed securities are estimated at $160 billion in fiscal year 2005 and $160 billion in fiscal year 2006.

The estimated changes in the outstanding principal balance of mortgage-backed securities for fiscal years 2004, 2005, and 2006 are shown in the following table:

	ACTUAL 2004	ESTIMATE 2005	ESTIMATE 2006
	(Dollars in Thousands)		
Securities Outstanding, start of year. . .	$473,907,980	$453,517,948	$492,768,227
Issued During Year	149,080,558	160,000,000	160,000,000
Principal Payments to Securities Holders .	-169,470,590	-120,749,721	-80,948,890
Securities Outstanding, end of year. . . .	453,517,948	492,768,227	571,819,337

Guarantees of Mortgage-Backed Securities

The Multiclass Program activity, which involves a Ginnie Mae guarantee on the Multiclass securities that are backed by securities already guaranteed, is shown in the following table:

	ACTUAL 2004	ESTIMATE 2005	ESTIMATE 2006
	(Dollars in Thousands)		
Securities Outstanding, start of year . .	$182,900,000	$189,100,000	$201,647,250
Issued During Year	81,400,000	116,916,327	122,762,143
Principal Payments to Securities Holders	-75,200,000	-104,369,077	-112,379,781
Securities Outstanding, end of year . .	189,100,000	201,647,250	212,029,612

The Targeted Lending Initiative, which allows Ginnie Mae to reduce the guarantee fee it charges lenders by up to 50 percent for making mortgage loans in any of the nation's urban and rural Empowerment Zones or Enterprise Communities and adjacent eligible central city areas, as well as in eligible Indian lands, is shown in the following table:

	Pools	Loans	Mortgage Amount
10/01/96 through 09/30/04............	19,365	461,946	$48.7 billion

	ACTUAL 2004	ESTIMATE 2005	ESTIMATE 2006	INCREASE + DECREASE – 2006 vs. 2005
	(Dollars in Thousands)			
SINGLE-CLASS MBS				
Limitation..........................	$200,000,000	$200,000,000	$200,000,000	...
Carryover...........................	37,052,082	90,985,783	...	-90,985,783
Subtotal..........................	237,052,082	290,985,783	200,000,000	-90,985,783
Use...............................	-146,066,300	-290,985,783	-200,000,000	90,985,783
Subtotal..........................	90,985,783	...	...	...
Guarantees:				
Issued in Year....................	149,080,558	160,000,000	160,000,000	...
Outstanding, end of year..........	453,517,948	492,768,227	571,819,337	79,051,110
Guarantee Fees....................	306,795	322,700	328,625	5,925
Advances to Investors.............	37,211	75,123	74,541	-582
Default Expenses..................	5,396	7,043	7,545	502

Guarantees of Mortgage-Backed Securities

	ACTUAL 2004	ESTIMATE 2005	ESTIMATE 2006	INCREASE + DECREASE – 2006 vs. 2005
		(Dollars in Thousands)		
MULTICLASS MBS				
Guarantees:				
Issued in Year.....................	81,400,000	116,916,327	122,762,143	5,845,816
Outstanding, end of year..........	189,100,000	201,647,250	212,029,612	10,382,362
Guarantee Fees.....................	35,185	37,296	39,348	2,052
Budget Authority (Program):				
Appropriation for Administrative Expenses	10,632	10,609	10,695	86
Outlays (Program):				
Outlays............................	10,632	10,609	10,695	86
Liquidating Account:				
Budget Authority (net)	...	52,549	56,702	4,153
Outlays.............................	-320,684	-226,674	-307,913	-81,239
Financing Account:				
Budget Authority (net)................	...	...	...	...
Net Disbursements.....................	- 28,919	273,000	533,000	260,000
Reserve Receipt Account:				
Payment to Reserve Receipt Account......	405,000	368,000	368,000	...

NOTE: During the recent refinancing boom, declining interest rates have been driving the borrowers' decision to refinance their loans, shortening the life expectancy for loans in the Ginnie Mae mortgage-backed security pools in the process. For fiscal years 2005 and 2006, Ginnie Mae's inflow of guarantee fees is expected to decrease. This decrease is attributable to fewer loan guarantees anticipated and the higher prepayment volume (specifically to refinance) forecasted for the declining interest rate environment.

2. Financing. Application fees, guarantee fees, and other charges are paid by issuers of guaranteed securities to cover Ginnie Mae's issuing and claims costs under the guarantees and to provide additional amounts to reduce the deficit. The Association may borrow from the Treasury in order to meet obligations. However, it has not had to use that authority.

The following table reflects the composition of program net income:

	ACTUAL 2004	ESTIMATE 2005	ESTIMATE 2006
	(Dollars in Thousands)		
Revenue:			
Investment Interest	$372,963	$397,724	$401,176
Interest Payment from Treasury	55,234	57,511	62,202
Guarantee Fees	306,795	322,700	328,625
Multiclass Fees	35,185	37,296	39,348
Commitment and Other Fees	31,253	35,192	33,108
Interest on Mortgages	5,626	2,584	3,060
Subtotal	807,056	853,007	867,519
Contingency	8,468	0	0
Total Revenue	815,524	853,007	867,519

	ACTUAL 2004	ESTIMATE 2005	ESTIMATE 2006
	(Dollars in Thousands)		
Expenses			
Operating Expenses:			
Administrative Expenses	$10,632	$10,695	$10,695
Pool Processing	13,371	15,377	16,684
Issuer Reviews	12,854	15,424	17,183
Other Contractor Expenses	7,375	8,390	8,860
Soldiers & Sailors Act	11,883	12,321	12,937
Mortgage Insurance Claims	7,789	12,462	13,085
Default Expenses	2,517	2,959	3,236
Servicing Expenses	2,879	4,084	4,309
Multiclass Expenses	10,042	12,352	12,969
Total Operating Expenses	79,342	94,064	99,958
Non-Operating Expenses:			
Write-Down of Assets to Lower of Cost or Market			
Subtotal	6,953	1,296	1,213
Contingency	- 8,451	-0-	-0-
Total Expenses	77,844	95,360	101,171
Net Income	737,680	757,647	766,348

SALE OF SERVICING RIGHTS

In fiscal years 2005 and 2006, it is estimated that proceeds from the sale of servicing rights will be $30 thousand and $1.1 million, respectively.

Soldiers and Sailors

Under the Soldiers' and Sailors' Civil Relief Act of 1940 (SSCRA), Ginnie Mae's issuers may be forbidden from collecting interest in excess of 6 percent per annum on certain mortgages while the borrowers are on active military duty. Ginnie Mae reimbursement of issuers for interest shortfalls on loans eligible for interest rate reduction under the SSCRA has been increasing since fiscal year 2002. Currently, Ginnie Mae absorbs the costs of the interest reduction in all cases where a qualified (under SSCRA) Reservist or member of the National Guard is called to active duty, regardless of the military effort.

FEDERAL CREDIT REFORM

The Omnibus Budget Reconciliation Act (OBRA--P.L. 101-508) required Federal credit programs to implement credit reform beginning in fiscal year 1992. This year's Budget presentation for Ginnie Mae has been structured with four accounts to comply with the requirements of OBRA. In fiscal year 2006, the Financing Account will transfer $368 million from its net receipts to a Reserve Receipt Account. Of the total net receipts, $11 million will be appropriated for administrative expenses into the Program Account, and the balance of $357 million will remain in the Reserve Receipt Account as negative subsidy. The Financing Account is treated as a non-budgetary account. Budget authority and outlay data for each of the accounts are presented in the following table.

GINNIE MAE MORTGAGE-BACKED SECURITIES
FY 2006 CREDIT REFORM PRESENTATION
(Dollars in Thousands)

BUDGET AUTHORITY	
On-Budget Accounts	
Liquidating Account	
Gross Budget Authority	$470,203
Offsetting Collections	-413,501
Net Budget Authority (Mandatory)	56,702
Program Account	
Appropriation	
Administrative Expenses	$10,695
Receipt Account	
Deduction for Offsetting Receipts:	
Proprietary Receipts from the Public (Discretionary)	$368,000
Non-Budgetary Account	
Financing	
Gross Financing Authority	$491,483
Offsetting Collections	-491,483
Net Financing Authority	...
OUTLAYS:	
On-Budget Accounts	
Liquidating Account	
Gross Outlays	$ 105,588
Offsetting Collections	-413,501
Net Outlays (Mandatory)	-307,913
Reserve Receipt Account	
Transferred from Liquidating Account	...
Transferred from Financing Account	$368,000
Program Account	
Outlays (Discretionary)	$10,695
Receipt Account	
Deduction for Offsetting Receipts:	
Offsetting Receipts	$368,000
Discretionary Appropriation	-10,695
Net Receipts	357,305
Non-Budgetary Account	
Financing	
Gross Outlays	$460,303
Offsetting Collections	-491,483
Net Outlays	31,180

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION
MORTGAGE-BACKED SECURITIES PROGRAM
Performance Measurement Table

Program Name: MORTGAGE-BACKED SECURITIES					
Program Mission: To expand affordable housing in America by linking domestic and global capital markets to the nation's housing markets.					
Performance Indicators	**Data Sources**	**Performance Report**		**Performance Plan**	
		2004 Plan	2004 Actual	2005 Plan	2006 Plan
Increase Homeownership Opportunities: Ginnie Mae securitizes at least 85 percent of singlefamily FHA and VA loans.	Ginnie Mae database of monthly endorsements by FHA and VA.	85%	87%	85%	90%
Promote Decent Affordable Housing: Ginnie Mae securitizes at least 80 percent of eligible FHA multifamily mortgages.	Ginnie Mae database of multifamily loan securities, compared with FHA multifamily database adjusted to remove ineligible projects.	80%	92%	80%	90%

Explanation of Indicators

In fiscal year 2006, the Government National Mortgage Association (Ginnie Mae) proposes $200 billion in commitment authority, $11 million in Salaries and expenses, and 72 FTEs to support the Department's Strategic Goal H: Increase homeownership opportunities and Strategic Goal A: Promote decent affordable housing.

Ginnie Mae's Mortgage-Backed securities program is authorized by Title III of the National Housing Act, as amended, Public Law 73-479, codified at 12 U.S.C. 1716 et seq. Ginnie Mae is a wholly owned instrumentality of the United States within the Department of Housing and Urban Development; authorized by Section 306(g) of the National Housing Act to facilitate the financing of residential mortgage loans insured or guaranteed by the FHA, VA and the Rural Housing Service (RHS), or guaranteed by the Secretary of Housing and Urban Development under Section 184 of the Housing and Community Development Act of 1992 and administered by the Office of Public and Indian Housing (PIH). Ginnie Mae's guaranty of mortgage-backed securities is backed by the full faith and credit of the United States. Funds available to mortgagees to lend to borrowers are provided through investments in long-term securities guaranteed by Ginnie Mae that are backed by pools of such mortgages. The investment proceeds are used in turn to finance additional mortgage loans.

The primary function of Ginnie Mae is to support the Federal Government's Housing initiatives by providing liquidity to the secondary mortgage market and to attract capital from the nation's capital markets into the residential mortgage markets. Through its Mortgage-Backed Securities Program, Ginnie Mae guarantees the timely payment of principal and interest on securities issued by private institutions and backed by pools of Federally insured or guaranteed mortgage loans. The securitization of Federal Housing Administration (FHA) insured, Rural Housing Service, and Veterans Affairs (VA) guaranteed mortgages increases the liquidity of funds available to lenders making these loans and, thereby, decreases the costs associated with making and servicing loans. This decrease in costs helps lower mortgage cost for homebuyers using Federal Government housing programs.

Indicator: Ginnie Mae Securitizes at least 90 percent of singlefamily fixed rate FHA loans in fiscal year 2006.

The direct focus of Ginnie Mae's Mortgage-Backed Securities Program is in support of the Department's goal of increasing housing and homeownership. In contribution toward this goal, Ginnie Mae lends indirect support to all of the other Department goals.

Ginnie Mae's fiscal year 2004 goal was to securitize at least 85 percent of FHA and VA insured or guarantee loans. The year-end result was 87 percent securitized in single family. Ginnie Mae achieved and slightly succeeded the fiscal year 2004 goal due to the decrease in purchases of FHA/VA loans by the Federal Home Loan Banks' (Banks). The Banks became less active in purchasing government loans because their regulator limited the amount of government loan purchases the Banks could make to a percentage of their conventional loan purchases. Also, Ginnie Mae was able to exceed its goal by offering superior up-front pricing and the flexibility in determining servicing spreads.

Indicator: Ginnie Mae securitizes at least 90 percent of eligible FHA multifamily mortgages.

To contribute to Strategic Objective, "Expand Access To Affordable Rental Housing," Ginnie Mae set its goal to securitize 80 percent of eligible FHA multifamily mortgages to support the increase in housing available for low- and moderate-income Americans. Ginnie Mae will also incorporate improvements from and expand use of information technology with new computer applications into its business and marketing processes to improve its operational efficiencies and market capabilities that should increase the attractiveness of Ginnie Mae's securities.

Ginnie Mae's fiscal year 2004 goal was to securitize 80 percent of eligible FHA multifamily mortgages. Ginnie Mae streamlined requirements for the multifamily program, which enhanced its efficiency as a securitization vehicle. As a result, Ginnie Mae securitized 92 percent of eligible FHA multifamily mortgages fiscal year during 2004. The principal balance remaining in the multifamily portfolio increased from $28.9 billion in fiscal year 2003 to $32.7 billion in fiscal year 2004. This reflects the preference of investors in multifamily securities of stable, insured government guaranteed loans over conventional loans. Investor preference induced issuers to use Ginnie Mae's multifamily MBS programs. Furthermore, performance improvement in fiscal year 2004 was the result of exceptional market conditions.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION
MORTGAGE-BACKED SECURITIES PROGRAM
Justification of Proposed Changes in Appropriations Language

The 2006 President's Budget includes proposed changes in the appropriations language listed and explained below. New language is italicized and underlined, and language proposed for deletion is bracketed.

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed $200,000,000,000, to remain available until September 30,[2007] 2008.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, $10,695,000, to be derived from the GNMA guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed $10,695,000, shall be transferred to the appropriation for ‘‘Salaries and expenses’’. (Division G, H.R. 2673, Consolidated Appropriations Bill, FY 2006.)

Explanation of Changes

No new policy changes are proposed in this account.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION
MORTGAGE-BACKED SECURITIES PROGRAM
Crosswalk of 2004 Availability
(Dollars in Thousands)

Budget Activity	2004 Enacted	Supplemental/ Rescission	Approved Reprogrammings	Transfers	Carryover	Total 2004 Resources
Administrative Expenses	$10,695	-$63	...	...	...	$10,632
Total	10,695	-63	...	...	...	10,632

The $11 million administrative expenses in fiscal year 2004 was used to cover the cost to carry out the guaranteed mortgage-backed securities program.

Transfers

None.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION
MORTGAGE-BACKED SECURITIES PROGRAM
Crosswalk of 2005 Changes
(Dollars in Thousands)

Budget Activity	2005 President's Budget Request	Congressional Appropriations Action on 2005 Request	2005 Supplemental/ Rescission	Reprogrammings	Carryover	Total 2005 Resources
Administrative Expenses	$10,986	$10,695	-$86	...	...	$10,609
Total Changes	10,986	10,695	-86	...	...	10,609

The Department proposed $11 million for administrative expenses to cover the cost to carry out the Guaranteed Mortgage-Backed Securities program in fiscal year 2005.