GOVERNMENT NATIONAL MORTGAGE ASSOCIATION
MORTGAGE-BACKED SECURITIES PROGRAM
2010 Summary and Initiatives
(Dollars in Thousands)

GUARANTEES OF MORTGAGE-BACKED SECURITIES	Enacted/ Request	Carryover	Supplemental/ Rescission	Total Resources	Obligations	Outlays
2008 Appropriation	$200,000,000	$200,000,000	...	$400,000,000	$258,310,983	...
2009 Appropriation/Request	300,000,000	141,689,017	...	441,689,017	441,689,017	...
2010 Request	500,000,000	...	...	500,000,000	500,000,000	...
Program Improvements/Offsets	+200,000,000	-141,689,017	...	+58,310,983	+58,310,983	...

NOTE: Figures above represent loan limitation levels.

Summary Statement

Loan Guarantee limitation. The Government National Mortgage Association (Ginnie Mae) Budget proposes $500 billion in limitation on new commitments of single-class mortgage-backed securities (MBS) for fiscal year 2010. This request is based on estimates of mortgage insurance and guarantee activity of the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), the U.S. Department of Agriculture (USDA) Rural Housing Service, or the Secretary of Housing and Urban Development under the Native American Housing Loan Guarantee Program (Section 184) of the Housing and Community Development Act of 1992 and administered by the Office of Public and Indian Housing (PIH). In fiscal year 2010, Ginnie Mae is estimating $300 billion in new guarantees in single-class mortgage-backed securities, $3 billion in Home Equity Conversion Mortgages (HECM) securities, and $100 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 or the HECM programs.

Ginnie Mae's targeted purpose is reflected in its mission statement, which is "to expand affordable housing in America by linking global capital markets to the nation's housing markets." The budget request reflects the important contribution that Ginnie Mae makes in expanding homeownership and affordable rental housing opportunities to a great number of American families. Since 1970, through September 30, 2008, Ginnie Mae has guaranteed over $2.8 trillion in securities, thus helping millions of low- to moderate-income families achieve their dreams of homeownership. Ginnie Mae scored very high marks in several areas of the Office of Management and Budget evaluation, and as a result, more aggressive long-term goals are being pursued.

The budget request reflects the important contribution that Ginnie Mae makes in expanding homeownership and affordable housing opportunities to a great number of Americans. During fiscal year 2008, Ginnie Mae aimed to securitize at least 93.5 percent of eligible single family fixed-rate FHA loans, 84 percent of single family VA loans, and 95 percent eligible FHA multifamily mortgages into guaranteed securities. Due to the market crisis in 2008, there is a growing interest and increasing value of Ginnie Mae securities, these goals were exceeded. Ginnie Mae guaranteed securities representing 96.9 percent of eligible single family fixed rate FHA mortgages, 91.6 percent of eligible single family VA loans, and 96.4 percent of eligible FHA multifamily mortgages in fiscal year 2008, which together helped Americans achieve their dream of homeownership and expanding both affordable homeownership and rental opportunities. 27.8 percent of the TLI 29 percent fiscal year 2008 goal was accomplished because the average size of FHA loans in GNMA pools increased in the TLI areas, given that TLI areas are areas with lower average house prices, a significant increase in the average size of FHA loans means that loans are increasingly outside TLI areas.

Guarantees of Mortgage-Backed Securities

Ginnie Mae provides opportunities for both affordable homeownership and rental housing. By securitizing pools of mortgages as MBS, Ginnie Mae enables qualified mortgage lenders to access international capital markets. Lenders can then sell the securities at prices that allow them to offer loans to qualified homebuyers and developers at lower interest rates, thus lowering costs for homeowners and renters. Ginnie Mae does not make or purchase mortgage loans, nor does it buy, sell, or issue securities. Instead, private lending institutions approved by Ginnie Mae originate eligible Government loans, pool them into securities, and issue MBS.

Ginnie Mae is responsible for the administration of activities associated with the Mortgage-Backed Securities (MBS), the Multiclass Securities programs, the Home Equity Conversion Mortgages (HECM), and supports the Department in the Targeted Lending Initiatives; making loans in the Nation’s urban and rural Empowerment Zones or Enterprise communities.

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

Budget Activity	2008 Budget Authority	2007 Carryover Into 2008	2008 Total Resources	2008 Obligations	2009 Budget Authority/ Request	2008 Carryover Into 2009	2009 Total Resources	2010 Request
Loan Limitation	$200,000,000	$200,000,000	$400,000,000	$258,310,983	$300,000,000	$141,689,017	$441,689,017	$500,000,000
Total	200,000,000	200,000,000	400,000,000	258,310,983	300,000,000	141,689,017	441,689,017	500,000,000

2010 Budget Authority. The fiscal year 2010 Budget proposes $137 million in administrative contract obligations.

FTE	2008 Actual	2009 Estimate	2010 Estimate
Headquarters	64	72	78
Field	...	...	...
Total	64	72	78

Proposed Action

Ginnie Mae is responsible for the administration of activities associated with the Mortgage-Backed Securities (MBS), the Multiclass Securities programs, the Home Equity Conversion Mortgages (HECM), and supports the Department in the Targeted Lending Initiatives; making loans in the Nation's urban and rural Empowerment Zones or Enterprise communities. A brief description of Ginnie Mae's programs is provided below.

Mortgage-Backed Securities Program (MBS). 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), the U.S. Department of Agriculture (USDA) Rural Development Housing & Community Facilities Programs, and the Office of Public and Indian Housing (PIH) loans.

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. Generally, individuals can invest in Ginnie Mae's securities with face amounts of as little as $1,000. The securities 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.

Ginnie Mae provides opportunities for both affordable homeownership and rental housing. By securitizing pools of mortgages as MBS, Ginnie Mae enables qualified mortgage lenders to access international capital markets. Lenders can then sell the securities at prices that allow them to offer loans to qualified homebuyers and developers at lower interest rates, thus lowering costs for homeowners and renters. Ginnie Mae does not make or purchase mortgage loans, nor does it buy, sell, or issue securities. Instead, private lending institutions approved by Ginnie Mae originate eligible government loans, pool them into securities, and issue MBS.

The Ginnie Mae guarantee is backed by the full-faith and credit of the United States government. This backing, combined with the flexibility and performance of its corporation's securities, make Ginnie Mae securities a very attractive investment for domestic and international investors alike.

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 pool or trust composed of mortgages or MBS backed REMIC security. 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 (TLI). Ginnie Mae started and developed the TLI 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 TLI, 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. It is estimated that in fiscal year 2010, 20 percent of all Ginnie Mae single family pools issued will be TLI pools.

Guarantees of Mortgage-Backed Securities

Home Equity Conversion Mortgages (HECM). In fiscal year 2007, Ginnie Mae developed its Home Equity Conversion Mortgages (HECM) program. America's aging population makes HECM an increasingly attractive product for lenders, and Ginnie Mae has a capital markets solution to support this population (and prospective Ginnie Mae qualified lenders), HECM allows homeowners aged 62 and older to tap into their home equity without repaying the money as long as they live in their homes. These "reverse mortgages" help more senior homeowners enjoy a better quality of life by allowing them to retain their homes and use their home's accumulated wealth to help with health care costs and other expenses.

Currently, FHA insures approximately 95 percent of all reverse mortgages. This allows Ginnie Mae-qualified lenders to help underserved and elderly borrowers while tapping into a safe, secure, and guaranteed capital markets solution. Ginnie Mae's securitization of HECM will reduce costs to seniors by allowing lenders to offer loans at lower-than-market interest rates. By focusing on senior housing, Ginnie Mae is well positioned to serve the needs of a major demographic subgroup that is predicted to explode in the coming years.

1. Status of Program. In fiscal year 2008, Ginnie Mae's Mortgage-Backed Securities program approved $258.3 billion in commitment authority and issued $220 billion in its single class guarantees. Issuance of guaranteed mortgage-backed securities is estimated at $300 billion in fiscal year 2009 and 2010.

The amount of securities outstanding at September 30, 2008, is $576 billion; in addition, there is $38.7 million of Ginnie Mae guaranteed bonds. In fiscal year 2008, the Association had been experiencing an average of $35 billion in issuance a month, a very high and steady growth in its MBS remaining principal balance. Since the MBS market crises, Ginnie Mae with its full faith and credit Federal government guarantee has captured almost 30 percent of the MBS market. In fiscal year 2008 alone Ginnie Mae added a net of over $148 billion to its remaining principal balance. The estimated changes in the outstanding principal balance of mortgage-backed securities for fiscal years 2008, 2009, and 2010 are shown in the following table:

	ACTUAL 2008	ESTIMATE 2009	ESTIMATE 2010
	(Dollars in Thousands)		
Securities Outstanding, start of year.....	$427,648,529	$576,761,926	$743,746,860
Issued During Year.......................	220,105,685	300,000,000	300,000,000
Principal Payments to Securities Holders..	-70,992,288	-133,015,066	-275,008,811
Securities Outstanding, end of year.......	576,761,926	743,746,860	768,738,049

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 2008	ESTIMATE 2009	ESTIMATE 2010
	(Dollars in Thousands)		
Securities Outstanding, start of year.....	$201,000,000	$245,000,000	$289,800,000
Issued During Year.......................	85,000,000	100,000,000	100,000,000
Principal Payments to Securities Holders..	-41,000,000	-55,200,000	-69,000,000
Securities Outstanding, end of year.....	245,000,000	289,800,000	320,800,000

Guarantees of Mortgage-Backed Securities

The TLI 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 9/30/08....................	35,289	889,471	$111.5 billion

Home Equity Conversion Mortgages (HECM), would allow homeowners age 62 and older to tap into their home equity without repaying the money as long as they live in their homes. These "reverse mortgages" will help more senior homeowners enjoy a better quality of life by allowing them to retain their homes and use their home's accumulated wealth to help with health care costs and other expenses. In fiscal year 2008 Ginnie Mae launched its first issuance of the HECM and guaranteed $1 billion. In fiscal year 2009 Ginnie Mae is estimating that it will issue $2 billion in new HECM and $3 billion in fiscal year 2010, as shown in the following table:

	ACTUAL 2008	ESTIMATE 2009	ESTIMATE 2010
	(Dollars in Thousands)		
HECM			
Beginning Balance...........................	...	$1,059,049	$2,920,049
Issued During Year.........................	$1,159,221	2,000,000	3,000,000
Liquidation................................	(100,172)	(139,000)	(430,000)
Ending Balance.............................	1,059,049	2,920,049	5,490,049

	ACTUAL 2008	ESTIMATE 2009	ESTIMATE 2010	INCREASE + DECREASE – 2010 vs. 2009
	(Dollars in Thousands)			
SINGLE-CLASS MBS				
Limitation.................................	$200,000,000	$300,000,000	$500,000,000	+200,000,000
Carryover..................................	200,000,000	141,689,017	....	-141,689,017
Subtotal................................	400,000,000	441,689,017	500,000,000	+58,310,983
Use.....................................	-258,310,983	-441,689,017	-500,000,000	+58,310,983
Lapsed carry-forward limitation..........				
Subtotal..............................	141,689,017	...	...	...
Guarantees:				
Issued in Year...........................	220,105,685	300,000,000	300,000,000	...
Outstanding, end of year...............	$576,761,926	$743,746,860	$768,738,049	+24,991,189
Guarantee Fees...........................	306,801	443,456	508,000	+64,544
Advances to Investors....................	58,830	242,010	266,509	+24,499
Default Expenses & Servicing Expenses....	$4,675	$8,661	$9,158	+$497

	ESTIMATE 2008	ESTIMATE 2009	ESTIMATE 2010	INCREASE + DECREASE – 2010 vs. 2009
		(Dollars in Thousands)		
MULTICLASS MBS				
Guarantees:				
Issued in Year..........................	85,000,000	100,000,000	100,000,000	...
Outstanding, end of year................	245,000,000	289,800,000	320,800,000	+31,000,000
Guarantee Fees..........................	18,216	29,455	29,455	...
Budget Authority (Program):				
Appropriation for Administrative Expenses.................................	8,000	...	...	...
Outlays (Program):				
Outlays..................................	8,000	...	...	...
Liquidating Account:				
Budget Authority (net)....................		61,000	62,000	+1,000
Outlays..................................	-516,130	-416,000	-497,843	+81,843
Financing Account:				
Budget Authority (net)....................	...	...	...	0
Net Disbursements........................	59,005	325,437	541,274	+215,837
Reserve Receipt Account:				
Payment to Reserve Receipt Account..........	462,222	630,000	720,000	+90,000

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 or use permanent indefinite budget authority in order to meet obligations. However, it has not had to use that authority.

The following table reflects the composition of program net income.

Guarantees of Mortgage-Backed Securities

	ACTUAL 2008	ESTIMATE 2009	ESTIMATE 2010
	(Dollars in Thousands)		
Revenue:			
Investment Interest	$561,174	$570,605	$609,875
Interest Payment from Treasury	71,994	91,381	93,000
Guarantee Fees	306,801	443,456	508,000
Multiclass Fees	18,216	29,455	29,455
Commitment and Other Fees	49,179	51,215	51,429
Servicing Fee Income	2,030	4,104	4,835
Interest on Mortgages	1,007	3,332	3,344
Other Income	8,769	9,120	...
Subtotal	1,019,170	1,202,668	1,299,938
Contingency	-3,801	...	...
Total Revenue	1,015,369	1,202,668	1,299,938

	ACTUAL 2008	ESTIMATE 2009	ESTIMATE 2010
	(Dollars in Thousands)		
Expenses:			
Operating Expenses:			
Administrative Expenses..................	8,250	10,000	11,000
Pool Processing..........................	7,953	$11,458	13,031
Issuer Reviews...........................	15,703	18,765	19,703
Other Contractor Expenses................	10,592	14,045	15,383
Soldiers & Sailors Act...................	1,379	4,001	4,021
Mortgage Insurance Claims................	2,182	3,033	3,184
Default Expenses & Servicing Expenses....	4,675	8,661	9,158
Multiclass Expenses......................	11,183	13,738	13,738
Total Operating Expenses..............	61,917	83,701	89,218
Non-Operating Expenses:			
Write-Down of Assets to Lower of Cost			
Or Market...........................	50,200	81,501	82,715
Subtotal...........................	112,117	165,202	171,933
Contingency..........................	(3,903)	...	...
Total Expenses.....................	108,214	165,202	171,933
Net Income.........................	907,155	1,037,466	1,128,005

SALE OF SERVICING RIGHTS

In fiscal years 2009 and 2010, it is estimated that proceeds from the sale of servicing rights is $1 million and $1.2 million respectively.

Guarantees of Mortgage-Backed Securities

Soldiers and Sailors

Under the Service members 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 decreasing since fiscal year 2006. 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.

GINNIE MAE MORTGAGE-BACKED SECURITIES
FY 2010 CREDIT ON-BUDGET PRESENTATION
(Dollars in Thousands)

BUDGET AUTHORITY	
On-Budget Accounts	
Liquidating Account	
Gross Budget Authority	$658,000
Offsetting Collections	-596,000
Net Budget Authority (Mandatory)	62,000
Program Account	
Appropriation Contract Expenses	...
Receipt Account	
Deduction for Offsetting Receipts:	
Proprietary Receipts from the Public (Discretionary)	720,000
Non-Budgetary Account	
Financing	
Gross Financing Authority	-774,109
Offsetting Collections	-774,109
Net Financing Authority	...
OUTLAYS	
On-Budget Accounts	
Liquidating Account	
Gross Outlays	97,555
Offsetting Collections	-595,398
Net Outlays (Mandatory)	-497,843
Reserve Receipt Account	
Transferred from Liquidating Account	...
Transferred from Financing Account	720,000
Program Account	
Outlays (Discretionary)	0
Non-Budgetary Account	
Financing	
Gross Outlays	1,315,383
Offsetting Collections	-774,109
	541,274

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

Loan Limitation	Amount
2008 Appropriation	$200,000,000
2009 Appropriation/Request	300,000,000
2010 Request	500,000,000
Program Improvements/Offsets	+200,000,000

Proposed Actions

Ginnie Mae is requesting a higher level of commitment authority to accommodate the increase in business volume it is experiencing as a result of the current housing market.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION
MORTGAGE-BACKED SECURITIES PROGRAM
Justification of proposed changes in Appropriations Language

The fiscal year 2010 President's Budget includes proposed changes in the appropriations language listed and explained below. New language is italicized and underlined.

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 [$300,000,000,000] $500,000,000,000, to remain available until September 30, [2010: Provided, That to the extent new guarantees of mortgage-backed securities exceed $75,000,000,000 on or before April 1, 2009, an additional $1,000 for administrative contract expenses shall be available for each $1,000,000 in additional guarantee loan commitments (including a pro rata amount for any amount below $1,000, but in no case shall funds made available by this proviso exceed $14,000,000] 2011.
(Department of Housing and Urban Development Appropriations Act 2009).

MORTGAGE-BACKED SECURITIES PROGRAM
Performance Measurement Table

Program Name: MORTGAGE-BACKED SECURITIES					
Program Mission: To expand affordable housing in America by linking global capital markets to the nation's housing markets.					
Performance Indicators	**Data Sources**	**Performance Report**		**Performance Plan**	
		2008 Plan	2008 Actual	2009 Plan	2010 Plan
Increase Homeownership Opportunities: Ginnie Mae securitizes at least 94.5 percent of single family fixed rate FHA loans in fiscal year 2010.	Ginnie Mae database of monthly endorsements by FHA.	93.5%	96.9%	94%	94.5%
Increase Homeownership Opportunities: Ginnie Mae securitizes at least 86 percent of single family VA loans in fiscal year 2010.	Ginnie Mae database of monthly guarantees by FHA.	84%	91.6%	85%	86%
Increase Homeownership Opportunities: At least 20 percent of all Ginnie Mae single family pools issued in fiscal year 2010 are Targeted Lending Initiative pools.	Ginnie Mae database of monthly endorsements by FHA.	29%	27.8%	20%	20%
Promote Decent Affordable Housing: Ginnie Mae securitizes at least 95 percent of eligible FHA multifamily mortgages in fiscal year 2010.	Ginnie Mae database of multifamily loan securities, compared with FHA multifamily database adjusted to remove ineligible projects.	95%	96.4%	95%	95%

Explanation of Indicators

In fiscal year 2010, the Government National Mortgage Association (Ginnie Mae) proposes $500 billion in commitment authority, $11 million in salaries and expenses, and 78 TEs to support the Department's Strategic Goal H: Increase homeownership opportunities and Strategic Goal A: Promote decent affordable housing.

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. 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.

Guarantees of Mortgage-Backed Securities

Indicator: Ginnie Mae securitizes at least 94.5 percent of single family fixed rate FHA loans in fiscal year 2010.

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 2008 goal was to securitize at least 93.5 percent of FHA insured loans. The year-end result was 96.9 percent securitized in single family fixed rate. Ginnie Mae achieved and succeeded the fiscal year 2007 goal of 91.4 percent by offering superior up-front pricing and the flexibility in determining servicing spreads.

Indicator: Ginnie Mae securitizes at least 86 percent of single family VA loans in fiscal year 2010.

Ginnie Mae created this indicator to separately track the ratio between the reported value of VA guarantees and the total value of Ginnie Mae VA single family securities guaranteed.

Indicator: At least 20 percent of all Ginnie Mae single family pools issued in fiscal year 2010 are Targeted Lending Initiative (TLI) pools.

The TLI program offers discounts ranging from one-to-three basis points on Ginnie Mae’s six basis point guaranty fee, depending on the percentage of TLI-eligible loans within the security. The reduced guaranty fee gives lenders an incentive to originate loans in TLI areas.

Indicator: Ginnie Mae securitizes at least 95 percent of eligible FHA multifamily mortgages in fiscal year 2010.

To contribute to Strategic Objective, “Expand Access to Affordable Rental Housing,” Ginnie Mae set its goal to securitize 95 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 the 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 2008 goal was to securitize at least 95 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 96.4 percent of eligible FHA multifamily mortgages.

Government National Mortgage Association
MORTGAGE-BACKED SECURITIES PROGRAM
Crosswalk of 2008 Availability
(Dollars in Thousands)

Budget Activity	2008 Enacted	Supplemental/ Rescission	Approved Reprogrammings	Transfers	Carryover	Total 2008 Resources
Loan Limitation	$200,000,000	...	...	...	$200,000,000	$400,000,000
Total	200,000,000	...	...	...	200,000,000	400,000,000

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION
MORTGAGE-BACKED SECURITIES PROGRAM
Crosswalk of 2009 Changes
(Dollars in Thousands)

Budget Activity	2009 President's Budget Request	Congressional Appropriations Action on 2009 Request	2009 Supplemental/ Rescission	Reprogrammings	Carryover	Total 2009 Resources
Loan Limitation	$200,000,000	$300,000,000	...	...	$141,689,017	$441,689,017
Total	200,000,000	300,000,000	...	...	141,689,017	441,689,017