About Us

Funding Government Lending

At Ginnie Mae, we help make affordable housing a reality for millions of low- and moderate-income households across America by channeling global capital into the nation's housing markets. Specifically, the Ginnie Mae guaranty allows mortgage lenders to obtain a better price for their mortgage loans in the secondary mortgage market. The lenders can then use the proceeds to fund new mortgage loans available. Without that liquidity, lenders would be forced to keep all loans in their own portfolio, meaning they would not have adequate capital to make new loans.

Unlike the GSEs, Ginnie Mae has never needed a bailout from the federal government. We do not buy or sell loans or issue mortgage-backed securities (MBS). Therefore, our balance sheet doesn't use derivatives to hedge or carry long term debt.

What Ginnie Mae does is guarantee investors the timely payment of principal and interest on MBS backed by federally insured or guaranteed loans — mainly loans insured by the Federal Housing Administration (FHA) or guaranteed by the Department of Veterans Affairs (VA). Other guarantors or issuers of loans eligible as collateral for Ginnie Mae MBS include the Department of Agriculture's Rural Development (RD) and the Department of

Housing and Urban Development's Office of Public and Indian Housing (PIH).

Ginnie Mae securities are the only MBS to carry the full faith and credit guaranty of the United States government, which means that even in difficult times, an investment in Ginnie Mae MBS is one of the safest an investor can make.