

\$500,000,000  
Federal National Mortgage Association



**Guaranteed REMIC Pass-Through Certificates**  
**Fannie Mae REMIC Trust 1994-G1**

The Guaranteed REMIC Pass-Through Certificates offered hereby (the "Certificates") will represent beneficial ownership interests in one of two trust funds. The Certificates, other than the RL Class, will represent beneficial ownership interests in Fannie Mae REMIC Trust 1994-G1 (the "Trust"). The assets of the Trust will consist of the "regular interests" in a separate trust fund (the "Lower Tier REMIC"). The assets of the Lower Tier REMIC will consist of "fully modified pass-through" mortgage-backed securities ("GNMA Certificates") guaranteed as to timely payment of principal and interest by the Government National Mortgage Association ("GNMA"). Each GNMA Certificate is based on and backed by a pool (the "Pool") of first lien, single-family, fixed-rate residential mortgage loans (the "Mortgage Loans") which are either insured by the Federal Housing Administration ("FHA") or partially guaranteed by the Department of Veterans Affairs ("VA"). The Certificates will be issued and guaranteed as to timely distribution of principal and interest by Fannie Mae and offered by Fannie Mae pursuant to its Prospectus for Guaranteed REMIC Pass-Through Certificates (the "GNMA Prospectus"), accompanying this Prospectus Supplement.

Elections will be made to treat the Lower Tier REMIC and the Trust as "real estate mortgage investment conduits" ("REMICs") pursuant to the Internal Revenue Code of 1986, as amended (the "Code"). The R and RL Classes will be subject to transfer restrictions. See "Description of the Certificates—Characteristics of the R and RL Classes" and "Certain Additional Federal Income Tax Consequences" herein, and "Description of the Certificates—Additional Characteristics of Residual Certificates" and "Certain Federal Income Tax Consequences" in the GNMA Prospectus.

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**THE CERTIFICATES, TOGETHER WITH ANY INTEREST THEREON, ARE NOT GUARANTEED BY THE UNITED STATES. THE OBLIGATIONS OF FANNIE MAE UNDER ITS GUARANTY OF THE CERTIFICATES ARE OBLIGATIONS SOLELY OF FANNIE MAE AND DO NOT CONSTITUTE AN OBLIGATION OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY THEREOF OTHER THAN FANNIE MAE. THE CERTIFICATES ARE EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933 AND ARE "EXEMPTED SECURITIES" WITHIN THE MEANING OF THE SECURITIES EXCHANGE ACT OF 1934.**

Class	Original Principal Balance	Principal Type(1)	Interest Rate	Interest Type(1)	Final Distribution Date	Class	Original Principal Balance	Principal Type(1)	Interest Rate	Interest Type(1)	Final Distribution Date
PA .....	\$ 7,768,000	PAC	4.75%	FIX	August 2003	SB .....	\$ 4,858,000	PAC	(2)	INV	February 2021
PB .....	8,623,500	PAC	5.00	FIX	August 2007	F .....	42,414,400	PAC	(2)	FLT	January 2024
PC .....	11,320,000	PAC	5.25	FIX	March 2011	S .....	(3)	NLT	(2)	INV/IO	January 2024
PD .....	9,528,000	PAC	5.50	FIX	June 2013	C .....	36,397,600	PAC	6.50%	FIX	September 2022
PE .....	24,946,000	PAC	6.00	FIX	April 2017	D .....	41,456,000	PAC	6.75	FIX	January 2024
PG .....	25,344,000	PAC	6.25	FIX	December 2019	E .....	33,693,000	SUP	7.00	FIX	February 2022
PH .....	41,880,000	PAC	6.50	FIX	February 2023	G .....	13,745,000	SUP	7.00	FIX	June 2022
FA .....	70,318,500	PAC	(2)	FLT	February 2023	H .....	7,769,000	SUP	7.00	FIX	August 2022
SA .....	(3)	NLT	(2)	INV/IO	February 2023	J .....	8,447,000	AD/LIQ	7.00	FIX	September 1998
PJ .....	7,238,000	PAC	6.75	FIX	July 2023	K .....	16,258,000	AD/SUP	7.00	FIX	November 2004
PK .....	10,894,000	PAC	7.00	FIX	January 2024	L .....	15,555,000	AD/SUP	7.00	FIX	December 2008
PL .....	(3)	NLT	7.00	FIX/IO	July 2023	ZQ .....	21,971,000	SUP	7.00	Z	January 2024
A .....	25,000,000	PAC	5.25	FIX	January 2021	R .....	1,000	SUP	7.00	FIX	January 2024
FB .....	14,574,000	PAC	(2)	FLT	February 2021	RL .....	1,000	SUP	7.00	FIX	January 2024

(1) See "Description of the Certificates—Class Definitions and Abbreviations" in the GNMA Prospectus and "Description of the Certificates—Distributions of Interest" and "—Distributions of Principal" herein.

(2) These Classes will bear interest based on "LIBOR" as described under "Description of the Certificates—Distributions of Interest" herein and "Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes" in the GNMA Prospectus.

(3) The SA, PL and S Classes will be Notional Classes, will have no principal balances and will bear interest on their notional principal balances (initially, \$70,318,500, \$258,500 and \$42,414,400, respectively). The notional principal balances of these Classes will be calculated based on the principal balances of certain PAC Classes. See "Description of the Certificates—General—Notional Classes" herein.

The Certificates will be offered by Lehman Brothers Inc., including Lehman Government Securities Inc. (the "Dealer"), from time to time in negotiated transactions, at varying prices to be determined at the time of sale.

The Certificates will be offered by the Dealer, subject to receipt and acceptance by it and subject to its right to reject any order in whole or in part. It is expected that the Certificates, except for the ZQ, R and RL Classes, will be available through the book-entry system of the Federal Reserve Banks on or about January 28, 1994 (the "Settlement Date"). It is expected that the ZQ, R and RL Classes in registered, certificated form will be available for delivery at the offices of the Dealer, Three World Financial Center, New York, New York 10285, on or about the Settlement Date.

**LEHMAN BROTHERS**

November 23, 1993

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**THE CERTIFICATES MAY NOT BE SUITABLE INVESTMENTS FOR ALL INVESTORS. NO INVESTOR SHOULD PURCHASE CERTIFICATES UNLESS SUCH INVESTOR UNDERSTANDS AND IS ABLE TO BEAR THE PREPAYMENT, YIELD, LIQUIDITY AND OTHER RISKS ASSOCIATED WITH SUCH CERTIFICATES.**

The yield to investors in each Class will be sensitive in varying degrees to the rate of principal payments of the Mortgage Loans, the characteristics of the Mortgage Loans actually included in the Pool, the purchase price paid for the related Class and, in the case of any Floating Rate and Inverse Floating Rate Classes, the level of the applicable Index (as defined herein). Accordingly, investors should consider the following risks:

- The Mortgage Loans generally may be prepaid at any time without penalty, and, accordingly, the rate of principal payments thereon is likely to vary considerably from time to time.
- Slight variations in Mortgage Loan characteristics could substantially affect the weighted average lives and yields of some or all of the Classes.
- In the case of any Certificates purchased at a discount to their principal amounts, a slower than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- In the case of any Certificates purchased at a premium to their principal amounts, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- In the case of any Interest Only Class, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield and, in certain cases, an actual loss on the investment.
- The yield on any Floating Rate or Inverse Floating Rate Class will be sensitive to the level of the applicable Index, particularly if the interest rate thereon fluctuates as a multiple of such Index.

See "Description of the Certificates—Yield Considerations" herein.

In addition, investors should purchase Certificates only after considering the following:

- The actual final payment of any Class will likely occur earlier, and could occur much earlier, than the Final Distribution Date for such Class specified on the cover page. See "Description of the Certificates—Weighted Average Lives of the Certificates" herein and "Description of the Certificates—Weighted Average Life and Final Distribution Dates" in the GNMA Prospectus.
- The rate of principal distributions of the Certificates is uncertain and investors may be unable to reinvest the distributions thereon at yields equaling the yields on the Certificates. See "Description of the Certificates—Reinvestment Risk" in the GNMA Prospectus.
- Investors whose investment activities are subject to legal investment laws and regulations or to review by regulatory authorities may be subject to restrictions on investment in certain Classes of the Certificates. Investors should consult their legal advisors to determine whether and to what extent the Certificates constitute legal investments or are subject to restrictions on investment. See "Legal Investment Considerations" in the GNMA Prospectus.

The Dealer intends to make a market for the Certificates but is not obligated to do so. There can be no assurance that such a secondary market will develop or, if developed, that it will continue. Thus, investors may not be able to sell their Certificates readily or at prices that will enable them to realize their anticipated yield. No investor should purchase Certificates unless such investor understands and is able to bear the risk that the value of the Certificates will fluctuate over time and that the Certificates may not be readily salable.

These securities have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission nor has the Securities and Exchange Commission or any state securities commission passed upon the accuracy or adequacy of this Prospectus Supplement or the GNMA Prospectus. Any representation to the contrary is a criminal offense.

This Prospectus Supplement does not contain complete information about the Certificates. Investors should purchase Certificates only after reading this Prospectus Supplement, the GNMA Prospectus and the Fannie Mae Information Statement dated February 16, 1993 and any supplements thereto (the "Information Statement"). The Information Statement is incorporated herein by reference and may be obtained from Fannie Mae by writing or calling its MBS Helpline at 3900 Wisconsin Avenue, N.W., Area 2H-3S, Washington, D.C. 20016 (telephone 1-800-BEST-MBS or 202-752-6547). Such documents may also be obtained from Lehman Brothers Inc. by writing or calling its Registration Department at 140 58th Street, Brooklyn, New York 11220 (telephone 718-921-8466).

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## DESCRIPTION OF THE CERTIFICATES

The following summaries describing certain provisions of the Certificates do not purport to be complete and are subject to, and are qualified in their entirety by reference to, the GNMA Prospectus and the provisions of the Trust Agreement (defined below). Capitalized terms used and not otherwise defined in this Prospectus Supplement have the respective meanings assigned to such terms in the GNMA Prospectus (including the Glossary contained therein) or the Trust Agreement (as the context may require).

### General

*Structure.* The Trust and the Lower Tier REMIC will be created pursuant to a trust agreement dated as of January 1, 1994 (the “Trust Agreement”), executed by the Federal National Mortgage Association (“Fannie Mae”) in its corporate capacity and in its capacity as Trustee, and the Certificates in the Classes and aggregate original principal balances set forth on the cover hereof will be issued by Fannie Mae pursuant thereto. A description of Fannie Mae and its business, together with certain financial statements and other financial information, is contained in the Information Statement.

The Certificates (other than the R and RL Classes) will be designated as the “regular interests,” and the R Class will be designated as the “residual interest,” in the REMIC constituted by the Trust. The interests in the Lower Tier REMIC other than the RL Class (the “Lower Tier Regular Interests”) will be designated as the “regular interests,” and the RL Class will be designated as the “residual interest,” in the Lower Tier REMIC.

The assets of the Trust will consist of the Lower Tier Regular Interests, and the Certificates, other than the RL Class, will evidence the entire beneficial ownership interest in the distributions of principal and interest on the Lower Tier Regular Interests.

The assets of the Lower Tier REMIC will consist of the GNMA Certificates, and the Lower Tier Regular Interests and the RL Class (collectively, the “Lower Tier Interests”) will in the aggregate evidence the entire beneficial ownership interest in the distributions of principal and interest on the GNMA Certificates.

*Fannie Mae Guaranty.* Pursuant to its guaranty of the Certificates, Fannie Mae will be obligated to distribute on a timely basis to the Holders of Certificates required installments of principal and interest and to distribute the principal balance of each Class of Certificates in full no later than the applicable Final Distribution Date, whether or not sufficient funds are available in the GNMA Account. The obligations of Fannie Mae under its guaranty of the Certificates are not backed by the full faith and credit of the United States. See “Description of the Certificates—Fannie Mae’s Guaranty” in the GNMA Prospectus.

*Characteristics of Certificates.* The Certificates, other than the ZQ, R and RL Certificates, will be issued and maintained and may be transferred by Holders only on the book-entry system of the Federal Reserve Banks. Such entities whose names appear on the book-entry records of a Federal Reserve Bank as the entities for whose accounts such Certificates have been deposited are herein referred to as “Holders” or “Certificateholders.” A Holder is not necessarily the beneficial owner of a book-entry Certificate. Beneficial owners will ordinarily hold book-entry Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. See “Description of the Certificates—Denominations, Book-Entry Form” in the GNMA Prospectus.

The ZQ, R and RL Certificates will not be issued in book-entry form but will be issued in fully registered, certificated form. As to any ZQ, R or RL Certificate, “Holder” or “Certificateholder”

refers to the registered owner thereof. The ZQ, R and RL Certificates will be transferable and, if applicable, exchangeable at the corporate trust office of the Transfer Agent, or at the agency of the Transfer Agent in New York, New York. The Transfer Agent initially will be State Street Bank and Trust Company in Boston, Massachusetts ("State Street"). A service charge may be imposed for any registration of transfer or, if applicable, exchange of any ZQ, R or RL Certificate and Fannie Mae may require payment of a sum sufficient to cover any tax or other governmental charge. See also "Characteristics of the R and RL Classes" herein.

Distributions on the ZQ, R and RL Classes will be made by check mailed by the Paying Agent to the address of each person entitled thereto as it appears on the Certificate Register maintained by the Certificate Registrar (initially, State Street) not later than each Distribution Date; provided, however, that the final distribution to the Holders of the ZQ Certificates, and the distribution to the Holders of the R and RL Certificates of the proceeds of any remaining assets of the Trust or the Lower Tier REMIC, as applicable, will be made only upon presentation and surrender of the related Certificate at the office of the Paying Agent. The Paying Agent initially will be State Street.

*Notional Classes.* The SA, PL and S Classes will be Notional Classes. A Notional Class will have no principal balance and will bear interest at the per annum interest rate set forth on the cover or described herein during each Interest Accrual Period on the related notional principal balance. The notional principal balance of each Notional Class will be equal to the indicated percentages of the outstanding principal balances of the following Classes immediately prior to the related Distribution Date:

<u>Class</u>	<u>Percentage of Principal Balance of Specified Class</u>
SA .....	100% of FA Class
PL .....	3.5714285714% of PJ Class
S .....	100% of F Class

The notional principal balance of a Notional Class is used for purposes of the determination of interest distributions thereon and does not represent an interest in the principal distributions of the GNMA Certificates or the underlying Mortgage Loans. Although a Notional Class will not have a principal balance, a REMIC Trust Factor (as described herein) will be published with respect to any such Class that will be applicable to the notional principal balance thereof, and references herein to the principal balances of the Certificates generally shall be deemed to refer also to the notional principal balance of any Notional Class.

*Components.* For purposes of calculating payments of principal, the A, FB, SB and F Classes are comprised of multiple payment components having the designations and original principal balances set forth below:

<u>Designation</u>	<u>Original Principal Balance</u>
A1 Component .....	\$ 3,952,000
A2 Component .....	21,048,000
FB1 Component .....	10,267,500
FB2 Component .....	4,306,500
SB1 Component .....	3,422,500
SB2 Component .....	1,435,500
F1 Component .....	2,871,000
F2 Component .....	25,262,000
F3 Component .....	9,099,400
F4 Component .....	5,182,000

Components are not separately transferable from the related Class of Certificates.

*Authorized Denominations.* The Certificates, other than the ZQ, R and RL Certificates, will be issued in minimum denominations of \$1,000 and integral multiples of \$1 in excess thereof. The ZQ Certificates will be issued in minimum denominations of \$1,000 and integral multiples of \$100 in excess thereof. Each of the R and RL Classes will be issued as a single certificate in a denomination of \$1,000.

*Distribution Dates.* Distributions on the Certificates will be made on the 25th day of each month (or, if such 25th day is not a business day, on the first business day next succeeding such 25th day), commencing in the month following the Settlement Date.

*Calculation of Distributions.* Interest on the interest-bearing Certificates is calculated on the basis of a 360-day year consisting of twelve 30-day months and is distributable monthly on each Distribution Date, commencing (except with respect to the Accrual Classes, if any) in the month after the Settlement Date. Interest to be distributed or, in the case of any Accrual Classes, added to principal on each interest-bearing Certificate on a Distribution Date will consist of one month's interest on the outstanding principal balance of such Certificate immediately prior to such Distribution Date. Interest to be distributed or, in the case of any Accrual Classes, added to principal on a Distribution Date will accrue on the interest-bearing Certificates during the one month periods set forth herein under "Distributions of Interest—*Interest Accrual Periods.*" Principal on the Certificates will be distributed on each Distribution Date in an amount equal to the sum of (i) the aggregate distributions of principal of the GNMA Certificates, calculated as provided herein, for the month of such Distribution Date, and the distributions of principal of the GNMA Certificates received during the month prior to the month of such Distribution Date to the extent not distributed previously and (ii) any interest accrued and added on such Distribution Date to the principal balances of the Accrual Classes, if any. See "Distributions of Principal" herein.

*Record Date.* Each monthly distribution on the Certificates will be made to Holders of record on the last day of the preceding month.

*REMIC Trust Factors.* As soon as practicable following the eleventh calendar day of each month, Fannie Mae will publish or otherwise make available for each Class of Certificates the factor (carried to eight decimal places) which, when multiplied by the original principal balance of a Certificate of such Class, will equal the remaining principal balance of such Certificate after giving effect to the distribution of principal to be made on the following Distribution Date and any interest to be added as principal to the principal balances of any Accrual Classes on such Distribution Date.

*Liquid Asset.* The J Class is intended to qualify as a "liquid asset" for purposes of the liquidity requirements applicable to federal savings associations, federal savings banks and state-chartered associations whose deposits are insured by the Federal Deposit Insurance Corporation.

## **The GNMA Certificates**

The GNMA Certificates underlying the Certificates will have the aggregate unpaid principal balance and Pass-Through Rate set forth below and the general characteristics described in the GNMA Prospectus. At least 90% of the principal balance of the GNMA Certificates will be GNMA I Certificates. See "GNMA and the GNMA Programs" in the GNMA Prospectus. The characteristics of the GNMA Certificates and Mortgage Loans as of January 1, 1994 (the "Issue Date") are expected to be as follows:

Aggregate Unpaid Principal Balance .....	\$500,000,000
GNMA Pass-Through Rate .....	7.00%
Range of WARMs .....	180 months to 360 months
Approximate Weighted Average WARM .....	357 months
Approximate Weighted Average WALA .....	2 months

“WARM” is the weighted average remaining maturity (in months) of the Mortgage Loans in each Pool underlying the Certificates.

“WALA” is the weighted average loan age (in months) of the Mortgage Loans in each Pool underlying the Certificates.

Following the issuance of the Certificates, Fannie Mae will prepare a Final Data Statement setting forth for each GNMA Certificate, among other things, the Pool number, the original unpaid principal balance, the unpaid principal balance as of the Issue Date, and the remaining term to maturity of the latest maturing Mortgage Loan underlying such GNMA Certificate as of the Issue Date. The Final Data Statement will not accompany this Prospectus Supplement but will be made available by Fannie Mae. To request the Final Data Statement, telephone Fannie Mae at 1-800-BEST-MBS or 202-752-6547. The contents of the Final Data Statement and other data specific to the Certificates are available in electronic form by calling Fannie Mae at 1-800-752-6440 or 202-752-6000.

## Distributions of Interest

### *Categories of Classes*

For the purpose of payments of interest, the Classes will be categorized as follows:

<u>Interest Type*</u>	<u>Classes</u>
Fixed Rate	All Classes except FA, SA, FB, SB, F and S
Floating Rate	FA, FB and F
Inverse Floating Rate	SA, SB and S
Interest Only	SA, PL and S
Accrual	ZQ

\* See “Description of the Certificates—Class Definitions and Abbreviations” in the GNMA Prospectus.

*General.* The interest-bearing Certificates will bear interest at the respective per annum interest rates set forth on the cover or described herein. Interest on the interest-bearing Certificates is calculated on the basis of a 360-day year consisting of twelve 30-day months and is distributable monthly on each Distribution Date, commencing (except with respect to any Accrual Classes) in the month after the Settlement Date. Interest to be distributed or, in the case of any Accrual Classes, added to principal on each interest-bearing Certificate on a Distribution Date will consist of one month’s interest on the outstanding principal balance of such Certificate immediately prior to such Distribution Date.

*Interest Accrual Periods.* Interest to be distributed or added to principal on a Distribution Date will accrue on the interest-bearing Certificates during the one-month periods set forth below (each, an “Interest Accrual Period”).

<u>Classes</u>	<u>Interest Accrual Period</u>
FA, SA, FB, SB, F and S (collectively, the “No Delay Classes”)	One month period beginning on the 25th day of the month preceding the month of the Distribution Date and ending on the 24th day of the month of the Distribution Date
All other interest-bearing Classes (collectively, the “Delay Classes”)	Calendar month preceding the month in which the Distribution Date occurs

See “Yield Considerations” herein.

**Accrual Class.** The ZQ Class is an Accrual Class. Interest will accrue on the Accrual Class at the per annum rate set forth on the cover hereof. However, such interest will not be distributed thereon for so long as such Class is outstanding. Interest so accrued and unpaid on the Accrual Class will be added as principal to the principal balance thereof on each Distribution Date. Distributions of principal of the Accrual Class will be distributed as described herein.

**Floating Rate and Inverse Floating Rate Classes.** Each of the following Classes will bear interest during its initial Interest Accrual Period at the Initial Interest Rate set forth below, and will bear interest during each Interest Accrual Period thereafter, subject to the applicable Maximum and Minimum Interest Rates, at the rate determined as described below:

Class	Initial Interest Rate	Maximum Interest Rate	Minimum Interest Rate	Formula for Calculation of Interest Rate
FA .....	3.5875%	9.00%	0.40%	LIBOR + 40 basis points
SA .....	5.4125%	8.60%	0.00%	8.6% – LIBOR
FB .....	3.6875%	8.00%	0.50%	LIBOR + 50 basis points
SB .....	12.9375%	22.50%	0.00%	22.5% – (3 × LIBOR)
F .....	3.6375%	9.00%	0.45%	LIBOR + 45 basis points
S .....	5.3625%	8.55%	0.00%	8.55% – LIBOR

The yields with respect to such Classes will be affected by changes in the applicable index as set forth in the table above (the “Index”), which changes may not correlate with changes in mortgage interest rates. It is possible that lower mortgage interest rates could occur concurrently with an increase in the level of the Index. Conversely, higher mortgage interest rates could occur concurrently with a decrease in the level of the Index.

The Index value will be established as described herein by Fannie Mae two business days prior to the commencement of the related Interest Accrual Period. The establishment of the Index value by Fannie Mae and Fannie Mae’s determination of the rate of interest for the applicable Classes for the related Interest Accrual Period shall (in the absence of manifest error) be final and binding. Each such rate of interest may be obtained by telephoning Fannie Mae at 1-800-BEST-MBS or 202-752-6547.

## Calculation of LIBOR

On each LIBOR Determination Date, until the principal balances of the FA, SA, FB, SB, F and S Classes (the “LIBOR Classes”) have been reduced to zero, Fannie Mae will establish LIBOR for the related Interest Accrual Period in the manner described in the GNMA Prospectus under “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—*LIBOR*.”

If on the initial LIBOR Determination Date, Fannie Mae is unable to determine LIBOR in the manner specified in the GNMA Prospectus, LIBOR for the next succeeding Interest Accrual Period will be 3.1875%.



## Distributions of Principal

### *Categories of Classes and Components*

For the purpose of payments of principal, the Classes and Components will be categorized as follows:

<u>Principal Type*</u>	<u>Classes and Components</u>
PAC I	PA, PB, PC, PD, PE, PG, PH, FA, PJ, PK and A1
PAC II	FB1, FB2, SB1, SB2, F1, F2, F3, F4, C, D and A2
Notional	SA, PL and S
Accretion Directed	J, K and L
Support	E, G, H, J, K, L, ZQ, R and RL
Liquid Asset	J
Component	A, FB, SB and F

\* See "Description of the Certificates—Class Definitions and Abbreviations" in the GNMA Prospectus.

### *Principal Distribution Amount*

On or about the fifth business day of each month, Fannie Mae will aggregate the amount of principal reported to be receivable on the GNMA I Certificates during such month on the basis of published GNMA factors for such month. For any GNMA I Certificate for which a factor is not available at such time and for any GNMA II Certificates (which GNMA II Certificates originally may comprise up to 10% of the Lower Tier REMIC), Fannie Mae will calculate the amount of scheduled payments of principal distributable in respect of such GNMA Certificates during such month on the basis of the assumed amortization schedules of the underlying Mortgage Loans. The amortization schedules will be prepared on the assumptions that: (i) each of the Mortgage Loans underlying a single GNMA Certificate amortizes on a level installment basis, had an original term to maturity of 360 months and has a remaining term to maturity equal to the remaining term to maturity of the latest maturing Mortgage Loan underlying such GNMA Certificate at the origination of such GNMA Certificate, adjusted to the Issue Date; (ii) each Mortgage Loan underlying a GNMA I Certificate bears an interest rate of 7.50% per annum; and (iii) each Mortgage Loan underlying a GNMA II Certificate bears an interest rate of 8.50% per annum. All such amounts, whether reported in GNMA factors or calculated by Fannie Mae, will be reflected in the REMIC Trust Factors for the Distribution Date in such month and will be distributed to Holders of Certificates on such Distribution Date, whether or not received. There will also be reflected in such REMIC Trust Factors and distributable as principal on such Distribution Date the excess of (a) the distributions of principal of the GNMA Certificates received during the month prior to the month of such Distribution Date over (b) the amounts of principal calculated as distributable previously in accordance with the GNMA factors and the assumed amortization schedules specified above.

Principal will be distributed monthly on the Certificates in an amount (the "Principal Distribution Amount") equal to the sum of (i) the aggregate distributions of principal of the GNMA Certificates, calculated as described above, for the month of such Distribution Date and the distributions of principal of the GNMA Certificates received during the month prior to the month of such Distribution Date to the extent not previously distributed (the "Cash Flow Distribution Amount") and (ii) any interest accrued and added on such Distribution Date to the principal balance of the Accrual Class (the "Accrual Amount").

### Accrual Amount

On each Distribution Date, the Accrual Amount, if any, will be distributed, sequentially, as principal of the J, K and L Classes, in that order, until the respective principal balances thereof are reduced to zero, and thereafter to the ZQ Class.

Accretion  
Directed and  
Accrual  
Classes

### Cash Flow Distribution Amount

On each Distribution Date, the Cash Flow Distribution Amount will be distributed as principal of the Classes and Components specified below in the following order of priority:

(i) to the PAC I Classes and Component, in the order and proportions set forth in the following table, until the aggregate of the principal balances thereof is reduced to the PAC I Aggregate Planned Balance for such Distribution Date:

		Allocated to		
		Class listed in the preceding column	FA Class	A1 Component
PA	.....	32.4789898399%	50.9971986453%	16.5238115148%
PB	.....	50%	50%	0%
PC	.....	53.3333333333%	46.6666666667%	0%
PD	.....	57.1428571429%	42.8571428571%	0%
PE	.....	66.6666666667%	33.3333333333%	0%
PG	.....	72.7272727273%	27.2727272727%	0%
PH	.....	80%	20%	0%
PJ	.....	100%	0%	0%
PK	.....	100%	0%	0%

(ii) to the FB1, SB1, A2, F2, FB2, SB2 and F1 Components, until the aggregate of the principal balances thereof is reduced to the Aggregate Group 1 Planned Balance for such Distribution Date, to be applied in the following order of priority:

(a) concurrently, to the FB1, SB1, A2 and F2 Components, in proportion to their original principal balances (or 17.1125000000%, 5.7041666667%, 35.0800000000% and 42.1033333333%, respectively), until the aggregate of the principal balances thereof is reduced to the Aggregate Subset 1 Planned Balance for such Distribution Date;

(b) concurrently, to the FB2, SB2 and F1 Components, in proportion to their original principal balances (or 50%, 16.6666666667% and 33.3333333333%, respectively); and

(c) concurrently, to the FB1, SB1, A2 and F2 Components, in the proportions set forth in clause (ii)(a) above, without regard to the Aggregate Subset 1 Planned Balance;

(iii) concurrently, to the F3 Component and the C Class, in proportion to their original principal balances (or 20% and 80%, respectively), until the aggregate of the principal balances thereof is reduced to the Aggregate Group 2 Planned Balance for such Distribution Date;

(iv) concurrently, to the F4 Component and the D Class, in proportion to their original principal balances (or 11.1111111111% and 88.8888888889%, respectively) until the aggregate of the principal balances thereof is reduced to the Aggregate Group 3 Planned Balance for such Distribution Date;

PAC II  
Classes  
and  
Components

(v) to the E Class, until the principal balance thereof is reduced to zero;	
(vi) concurrently, to the G, R and RL Classes, in proportion to their original principal balances (or 99.9854513712%, 0.0072743144% and 0.0072743144%, respectively), until the respective principal balances thereof are reduced to zero;	Support Classes
(vii) sequentially, to the H, J, K, L and ZQ Classes, in that order, until the respective principal balances thereof are reduced to zero;	
(viii) concurrently, to the FB2, SB2 and F1 Components, in the proportions set forth in clause (ii)(b) above, without regard to the Aggregate Group 1 Planned Balance and until the respective principal balances thereof are reduced to zero;	
(ix) concurrently, to the FB1, SB1, A2 and F2 Components, in the proportions set forth in clause (ii)(a) above, without regard to the Aggregate Subset 1 Planned Balance or the Aggregate Group 1 Planned Balance and until the respective principal balances thereof are reduced to zero;	PAC II Classes and Components
(x) concurrently, to the F3 Component and the C Class, in the proportions set forth in clause (iii) above, without regard to the Aggregate Group 2 Planned Balance and until the respective principal balances thereof are reduced to zero;	
(xi) concurrently, to the F4 Component and the D Class, in the proportions set forth in clause (iv) above, without regard to the Aggregate Group 3 Planned Balance and until the respective principal balances thereof are reduced to zero; and	
(xii) to the PAC I Classes and Component, in the order and proportions set forth in the table in clause (i) above, without regard to the PAC I Aggregate Planned Balance and until the respective principal balances thereof are reduced to zero.	PAC I Classes and Component

## Structuring Assumptions

**Pricing Assumptions.** Unless otherwise specified, the information in the tables in this Prospectus Supplement has been prepared on the basis of the following assumptions (the “Pricing Assumptions”):

- all payments (including prepayments) on the Mortgage Loans underlying the GNMA Certificates are distributed on the Certificates in the month in which such payments are received;
- each Mortgage Loan bears interest at a rate of 7.50% per annum and has an original term to maturity of 360 months, and the following principal amounts of the Mortgage Loans have the WARMS and WALAs, respectively, specified below:

\$250,000,000	359 months	0 months
\$250,000,000	355 months	4 months
- the Mortgage Loans prepay at the *constant* percentages of PSA specified in the related table;
- the closing date for the sale of the Certificates is the Settlement Date; and
- the first Distribution Date for the Certificates occurs in the month following the Settlement Date.

**PSA Assumptions.** Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used in this Prospectus Supplement is the Public Securities Association’s standard prepayment model (“PSA”). To assume a specified rate of PSA (for example, 180% PSA) is to assume a specified rate of prepayment each month of the then

outstanding principal balance of a pool of new mortgage loans computed as described under “Description of the Certificates—Prepayment Considerations and Risks” in the GNMA Prospectus. There is no assurance that prepayments will occur at any PSA rate or at any other constant rate.

The Principal Balance Schedules have been prepared on the basis of the Pricing Assumptions and the assumption that the Mortgage Loans prepay at the approximate *constant* levels set forth in the following table.

Principal Balance Schedule References	Related Classes and Components	PSA Levels
PAC I Aggregate Planned Balance	PAC I	Between 50% and 350%
Aggregate Group 1 Planned Balance	FB1, SB1, A2, F2, FB2, SB2 and F1	Between 135% and 210%
Aggregate Subset 1 Planned Balance	FB1, SB1, A2 and F2	80%
Aggregate Group 2 Planned Balance	C and F3	Between 135% and 210%
Aggregate Group 3 Planned Balance	D and F4	Between 135% and 210%

There is no assurance that the principal balances of the Classes or Components listed above will conform on any Distribution Date to the applicable balances specified for such Distribution Date in the Principal Balance Schedules below, or that distributions of principal on the related Classes or Components will begin or end on the respective Distribution Dates specified therein. Because any excess of the principal available for distribution on any Distribution Date over the amount necessary to reduce the principal balances of the applicable Classes or Components to their respective scheduled balances will be distributed, the ability to so reduce the principal balances of such Classes or Components will not be enhanced by the averaging of high and low principal payments. In addition, even if prepayments remain within the ranges specified above, the principal available for distribution may be insufficient to reduce the applicable Classes or Components to such respective balances, if prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the Mortgage Loans (which may include recently originated Mortgage Loans), the Classes or Components specified above may not be reduced to their respective scheduled amounts, even if prepayments occur at a *constant* level within the ranges or at the rate specified above.

## Principal Balance Schedules

<u>Distribution Date</u>	<u>PAC I Aggregate Planned Balance</u>	<u>Aggregate Group 1 Planned Balance</u>	<u>Aggregate Subset 1 Planned Balance</u>	<u>Aggregate Group 2 Planned Balance</u>	<u>Aggregate Group 3 Planned Balance</u>
Initial Balance .....	\$221,812,000.00	\$68,613,000.00	\$60,000,000.00	\$45,497,000.00	\$46,638,000.00
February 1994.....	221,307,883.13	68,399,087.68	59,937,331.90	45,497,000.00	46,638,000.00
March 1994 .....	220,759,908.92	68,114,282.41	59,853,842.19	45,497,000.00	46,638,000.00
April 1994 .....	220,168,160.43	67,758,750.41	59,749,579.76	45,497,000.00	46,638,000.00
May 1994 .....	219,532,732.24	67,332,725.75	59,624,607.15	45,497,000.00	46,638,000.00
June 1994.....	218,853,730.45	66,836,510.35	59,479,000.56	45,497,000.00	46,638,000.00
July 1994 .....	218,131,272.68	66,270,473.90	59,312,849.81	45,497,000.00	46,638,000.00
August 1994.....	217,365,487.99	65,635,053.72	59,126,258.33	45,497,000.00	46,638,000.00
September 1994 .....	216,556,516.90	64,930,754.50	58,919,343.07	45,497,000.00	46,638,000.00
October 1994 .....	215,704,511.31	64,158,147.98	58,692,234.48	45,497,000.00	46,638,000.00
November 1994.....	214,809,634.51	63,317,872.49	58,445,076.42	45,497,000.00	46,638,000.00
December 1994 .....	213,872,061.10	62,410,632.50	58,178,026.09	45,497,000.00	46,638,000.00
January 1995 .....	212,891,976.94	61,437,198.00	57,891,253.94	45,497,000.00	46,638,000.00
February 1995.....	211,869,579.12	60,398,403.80	57,584,943.54	45,497,000.00	46,638,000.00
March 1995 .....	210,805,075.85	59,295,148.81	57,259,291.49	45,497,000.00	46,638,000.00
April 1995 .....	209,698,686.46	58,128,395.17	56,914,507.32	45,497,000.00	46,638,000.00
May 1995 .....	208,550,641.28	56,899,167.30	56,550,813.29	45,497,000.00	46,638,000.00
June 1995.....	207,361,181.59	55,608,550.92	56,168,444.28	45,497,000.00	46,638,000.00
July 1995 .....	206,130,559.52	54,257,691.94	55,767,647.64	45,497,000.00	46,638,000.00
August 1995.....	204,859,037.98	52,847,795.27	55,348,683.01	45,497,000.00	46,638,000.00
September 1995 .....	203,546,890.56	51,380,123.59	54,911,822.13	45,497,000.00	46,638,000.00
October 1995 .....	202,194,401.47	49,855,995.98	54,457,348.68	45,497,000.00	46,638,000.00
November 1995.....	200,801,865.38	48,276,786.58	53,985,558.03	45,497,000.00	46,638,000.00
December 1995 .....	199,369,587.36	46,643,923.01	53,496,757.09	45,497,000.00	46,638,000.00
January 1996 .....	197,897,882.78	44,958,884.90	52,991,264.06	45,497,000.00	46,638,000.00
February 1996.....	196,387,077.15	43,223,202.25	52,469,408.18	45,497,000.00	46,638,000.00
March 1996 .....	194,837,506.06	41,438,453.68	51,931,529.55	45,497,000.00	46,638,000.00
April 1996 .....	193,269,677.97	39,639,642.25	51,377,978.80	45,497,000.00	46,638,000.00
May 1996 .....	191,683,754.28	37,827,475.07	50,809,116.92	45,497,000.00	46,638,000.00
June 1996.....	190,079,901.36	36,002,683.31	50,245,121.02	45,497,000.00	46,638,000.00
July 1996 .....	188,458,290.48	34,166,021.30	49,685,972.67	45,497,000.00	46,638,000.00
August 1996.....	186,839,183.09	32,351,438.67	49,131,653.54	45,497,000.00	46,638,000.00
September 1996 .....	185,222,566.90	30,558,775.02	48,582,145.39	45,497,000.00	46,638,000.00
October 1996 .....	183,608,429.62	28,787,871.14	48,037,430.10	45,497,000.00	46,638,000.00
November 1996.....	181,996,758.99	27,038,569.03	47,497,489.63	45,497,000.00	46,638,000.00
December 1996 .....	180,387,542.74	25,310,711.86	46,962,306.08	45,497,000.00	46,638,000.00
January 1997 .....	178,780,768.61	23,604,143.98	46,431,861.60	45,497,000.00	46,638,000.00
February 1997.....	177,176,424.36	21,918,710.93	45,906,138.48	45,497,000.00	46,638,000.00
March 1997 .....	175,574,497.74	20,254,259.39	45,385,119.10	45,497,000.00	46,638,000.00
April 1997 .....	173,974,976.53	18,610,637.20	44,868,785.93	45,497,000.00	46,638,000.00
May 1997 .....	172,377,848.50	16,987,693.33	44,357,121.54	45,497,000.00	46,638,000.00
June 1997.....	170,783,101.44	15,385,277.92	43,850,108.61	45,497,000.00	46,638,000.00
July 1997 .....	169,190,723.14	13,803,242.21	43,347,729.92	45,497,000.00	46,638,000.00
August 1997.....	167,600,701.41	12,241,438.56	42,849,968.33	45,497,000.00	46,638,000.00
September 1997 .....	166,013,024.06	10,699,720.47	42,356,806.82	45,497,000.00	46,638,000.00
October 1997 .....	164,427,678.91	9,177,942.53	41,868,228.46	45,497,000.00	46,638,000.00

<u>Distribution Date</u>	<u>PAC I Aggregate Planned Balance</u>	<u>Aggregate Group 1 Planned Balance</u>	<u>Aggregate Subset 1 Planned Balance</u>	<u>Aggregate Group 2 Planned Balance</u>	<u>Aggregate Group 3 Planned Balance</u>
November 1997 .....	\$162,844,653.78	\$ 7,675,960.41	\$41,384,216.41	\$45,497,000.00	\$46,638,000.00
December 1997 .....	161,263,936.51	6,193,630.90	40,904,753.95	45,497,000.00	46,638,000.00
January 1998 .....	159,685,514.94	4,730,811.86	40,429,824.41	45,497,000.00	46,638,000.00
February 1998 .....	158,109,376.91	3,287,362.21	39,959,411.28	45,497,000.00	46,638,000.00
March 1998 .....	156,535,510.29	1,863,141.98	39,493,498.09	45,497,000.00	46,638,000.00
April 1998 .....	154,963,902.94	458,012.20	39,032,068.50	45,497,000.00	46,638,000.00
May 1998 .....	153,394,542.74	0.00	38,575,106.26	44,568,835.01	46,638,000.00
June 1998 .....	151,827,417.54	0.00	38,122,595.21	43,201,473.56	46,638,000.00
July 1998 .....	150,262,515.26	0.00	37,674,519.27	41,852,792.05	46,638,000.00
August 1998 .....	148,699,823.77	0.00	37,230,862.50	40,522,655.71	46,638,000.00
September 1998 .....	147,139,330.97	0.00	36,791,609.00	39,210,930.79	46,638,000.00
October 1998 .....	145,581,024.77	0.00	36,356,743.00	37,917,484.57	46,638,000.00
November 1998 .....	144,024,893.09	0.00	35,926,248.82	36,642,185.31	46,638,000.00
December 1998 .....	142,470,923.83	0.00	35,500,110.86	35,384,902.31	46,638,000.00
January 1999 .....	140,919,104.93	0.00	35,078,313.63	34,145,505.84	46,638,000.00
February 1999 .....	139,369,424.32	0.00	34,660,841.71	32,923,867.17	46,638,000.00
March 1999 .....	137,821,869.93	0.00	34,247,679.80	31,719,858.55	46,638,000.00
April 1999 .....	136,276,429.70	0.00	33,838,812.68	30,533,353.19	46,638,000.00
May 1999 .....	134,733,091.59	0.00	33,434,225.21	29,364,225.29	46,638,000.00
June 1999 .....	133,191,843.55	0.00	33,033,902.37	28,212,350.00	46,638,000.00
July 1999 .....	131,652,673.54	0.00	32,637,829.20	27,077,603.42	46,638,000.00
August 1999 .....	130,115,569.52	0.00	32,245,990.86	25,959,862.62	46,638,000.00
September 1999 .....	128,580,519.48	0.00	31,858,372.58	24,859,005.59	46,638,000.00
October 1999 .....	127,047,511.37	0.00	31,474,959.70	23,774,911.26	46,638,000.00
November 1999 .....	125,516,533.20	0.00	31,095,737.62	22,707,459.49	46,638,000.00
December 1999 .....	123,987,572.93	0.00	30,720,691.87	21,656,531.06	46,638,000.00
January 2000 .....	122,460,618.58	0.00	30,349,808.04	20,622,007.67	46,638,000.00
February 2000 .....	120,935,658.12	0.00	29,983,071.82	19,603,771.93	46,638,000.00
March 2000 .....	119,412,679.58	0.00	29,620,468.99	18,601,707.35	46,638,000.00
April 2000 .....	117,891,670.94	0.00	29,261,985.42	17,615,698.33	46,638,000.00
May 2000 .....	116,372,620.23	0.00	28,907,607.07	16,645,630.17	46,638,000.00
June 2000 .....	114,855,515.46	0.00	28,557,319.98	15,691,389.06	46,638,000.00
July 2000 .....	113,340,344.65	0.00	28,211,110.28	14,752,862.04	46,638,000.00
August 2000 .....	111,827,095.82	0.00	27,868,964.21	13,829,937.07	46,638,000.00
September 2000 .....	110,315,757.01	0.00	27,530,868.06	12,922,502.92	46,638,000.00
October 2000 .....	108,806,316.25	0.00	27,196,808.25	12,030,449.27	46,638,000.00
November 2000 .....	107,298,761.57	0.00	26,866,771.24	11,153,666.62	46,638,000.00
December 2000 .....	105,793,081.01	0.00	26,540,743.63	10,292,046.34	46,638,000.00
January 2001 .....	104,289,262.63	0.00	26,218,712.06	9,445,480.62	46,638,000.00
February 2001 .....	102,787,294.46	0.00	25,900,663.27	8,613,862.51	46,638,000.00
March 2001 .....	101,287,164.56	0.00	25,586,584.12	7,797,085.88	46,638,000.00
April 2001 .....	99,788,860.98	0.00	25,276,461.50	6,995,045.41	46,638,000.00
May 2001 .....	98,292,371.79	0.00	24,970,282.43	6,207,636.64	46,638,000.00
June 2001 .....	96,797,685.05	0.00	24,668,033.99	5,434,755.88	46,638,000.00
July 2001 .....	95,304,788.81	0.00	24,369,703.37	4,676,300.27	46,638,000.00
August 2001 .....	93,813,671.16	0.00	24,075,277.82	3,932,167.75	46,638,000.00

<u>Distribution Date</u>	<u>PAC I Aggregate Planned Balance</u>	<u>Aggregate Group 1 Planned Balance</u>	<u>Aggregate Subset 1 Planned Balance</u>	<u>Aggregate Group 2 Planned Balance</u>	<u>Aggregate Group 3 Planned Balance</u>
September 2001 .....	\$ 92,324,320.15	\$ 0.00	\$23,784,744.68	\$ 3,202,257.05	\$46,638,000.00
October 2001 .....	90,836,723.87	0.00	23,498,091.39	2,486,467.71	46,638,000.00
November 2001 .....	89,350,870.38	0.00	23,215,305.45	1,784,700.03	46,638,000.00
December 2001 .....	87,866,747.77	0.00	22,936,374.48	1,096,855.11	46,638,000.00
January 2002 .....	86,384,344.13	0.00	22,661,286.14	422,834.82	46,638,000.00
February 2002 .....	84,903,647.52	0.00	22,390,028.21	0.00	46,400,541.79
March 2002 .....	83,424,646.04	0.00	22,122,588.53	0.00	45,753,879.43
April 2002 .....	81,947,327.79	0.00	21,858,955.04	0.00	45,120,751.89
May 2002 .....	80,471,680.83	0.00	21,599,115.75	0.00	44,501,064.11
June 2002 .....	78,997,693.28	0.00	21,343,058.76	0.00	43,894,721.73
July 2002 .....	77,525,353.22	0.00	21,090,772.25	0.00	43,301,631.17
August 2002 .....	76,054,648.75	0.00	20,842,244.48	0.00	42,721,699.58
September 2002 .....	74,585,567.97	0.00	20,597,463.79	0.00	42,154,834.83
October 2002 .....	73,118,098.97	0.00	20,356,418.62	0.00	41,600,945.54
November 2002 .....	71,652,229.86	0.00	20,119,097.47	0.00	41,059,941.03
December 2002 .....	70,187,948.73	0.00	19,885,488.93	0.00	40,531,731.36
January 2003 .....	68,725,243.69	0.00	19,655,581.66	0.00	40,020,303.92
February 2003 .....	67,275,179.58	0.00	19,415,866.00	0.00	39,519,532.65
March 2003 .....	65,854,830.48	0.00	19,151,720.99	0.00	39,012,077.20
April 2003 .....	64,463,598.26	0.00	18,863,720.69	0.00	38,498,272.37
May 2003 .....	63,100,896.72	0.00	18,552,427.33	0.00	37,978,444.05
June 2003 .....	61,766,151.32	0.00	18,218,391.57	0.00	37,452,909.38
July 2003 .....	60,458,798.95	0.00	17,862,152.77	0.00	36,921,976.98
August 2003 .....	59,178,287.71	0.00	17,484,239.13	0.00	36,385,947.13
September 2003 .....	57,924,076.71	0.00	17,085,168.01	0.00	35,845,111.95
October 2003 .....	56,695,635.80	0.00	16,665,446.06	0.00	35,299,755.61
November 2003 .....	55,492,445.42	0.00	16,225,569.49	0.00	34,750,154.48
December 2003 .....	54,313,996.34	0.00	15,766,024.24	0.00	34,196,577.34
January 2004 .....	53,159,789.48	0.00	15,287,286.22	0.00	33,639,285.52
February 2004 .....	52,029,335.71	0.00	14,789,821.49	0.00	33,078,533.09
March 2004 .....	50,922,155.64	0.00	14,274,086.43	0.00	32,514,567.05
April 2004 .....	49,837,779.46	0.00	13,740,527.99	0.00	31,947,627.43
May 2004 .....	48,775,746.69	0.00	13,189,583.82	0.00	31,377,947.52
June 2004 .....	47,735,606.06	0.00	12,621,682.52	0.00	30,805,753.96
July 2004 .....	46,716,915.30	0.00	12,037,243.74	0.00	30,231,266.96
August 2004 .....	45,719,240.93	0.00	11,436,678.42	0.00	29,654,700.39
September 2004 .....	44,742,158.16	0.00	10,820,388.95	0.00	29,076,261.97
October 2004 .....	43,785,250.65	0.00	10,188,769.33	0.00	28,496,153.37
November 2004 .....	42,848,110.38	0.00	9,542,205.33	0.00	27,914,570.40
December 2004 .....	41,930,337.47	0.00	8,881,074.69	0.00	27,331,703.12
January 2005 .....	41,031,540.01	0.00	8,205,747.22	0.00	26,747,735.96
February 2005 .....	40,151,333.95	0.00	7,516,585.03	0.00	26,162,847.88
March 2005 .....	39,289,342.88	0.00	6,813,942.62	0.00	25,577,212.48
April 2005 .....	38,445,197.92	0.00	6,098,167.08	0.00	24,990,998.15
May 2005 .....	37,618,537.55	0.00	5,369,598.21	0.00	24,404,368.16
June 2005 .....	36,809,007.48	0.00	4,628,568.66	0.00	23,817,480.79

<u>Distribution Date</u>	<u>PAC I Aggregate Planned Balance</u>	<u>Aggregate Group 1 Planned Balance</u>	<u>Aggregate Subset 1 Planned Balance</u>	<u>Aggregate Group 2 Planned Balance</u>	<u>Aggregate Group 3 Planned Balance</u>
July 2005 .....	\$ 36,016,260.51	\$ 0.00	\$ 3,875,404.10	\$ 0.00	\$23,230,489.48
August 2005 .....	35,239,956.37	0.00	3,110,423.35	0.00	22,643,542.90
September 2005 .....	34,479,761.59	0.00	2,333,938.49	0.00	22,056,785.07
October 2005 .....	33,735,349.38	0.00	1,546,255.04	0.00	21,470,355.52
November 2005 .....	33,006,399.47	0.00	747,672.05	0.00	20,884,389.33
December 2005 .....	32,292,598.00	0.00	0.00	0.00	20,299,017.28
January 2006 .....	31,593,637.41	0.00	0.00	0.00	19,714,365.94
February 2006 .....	30,909,216.26	0.00	0.00	0.00	19,130,557.77
March 2006 .....	30,239,039.18	0.00	0.00	0.00	18,547,711.22
April 2006 .....	29,582,816.68	0.00	0.00	0.00	17,965,940.82
May 2006 .....	28,940,265.10	0.00	0.00	0.00	17,385,357.31
June 2006 .....	28,311,106.42	0.00	0.00	0.00	16,806,067.66
July 2006 .....	27,695,068.22	0.00	0.00	0.00	16,228,175.24
August 2006 .....	27,091,883.54	0.00	0.00	0.00	15,651,779.88
September 2006 .....	26,501,290.74	0.00	0.00	0.00	15,076,977.92
October 2006 .....	25,923,033.45	0.00	0.00	0.00	14,503,862.35
November 2006 .....	25,356,860.44	0.00	0.00	0.00	13,932,522.87
December 2006 .....	24,802,525.49	0.00	0.00	0.00	13,363,045.95
January 2007 .....	24,259,787.35	0.00	0.00	0.00	12,795,514.95
February 2007 .....	23,728,409.59	0.00	0.00	0.00	12,230,010.17
March 2007 .....	23,208,160.54	0.00	0.00	0.00	11,666,608.93
April 2007 .....	22,698,813.16	0.00	0.00	0.00	11,105,385.66
May 2007 .....	22,200,144.97	0.00	0.00	0.00	10,546,411.96
June 2007 .....	21,711,937.96	0.00	0.00	0.00	9,989,756.65
July 2007 .....	21,233,978.52	0.00	0.00	0.00	9,435,485.89
August 2007 .....	20,766,057.29	0.00	0.00	0.00	8,883,663.21
September 2007 .....	20,307,969.14	0.00	0.00	0.00	8,334,349.57
October 2007 .....	19,859,513.06	0.00	0.00	0.00	7,787,603.46
November 2007 .....	19,420,492.07	0.00	0.00	0.00	7,243,480.93
December 2007 .....	18,990,713.17	0.00	0.00	0.00	6,702,035.70
January 2008 .....	18,569,987.22	0.00	0.00	0.00	6,163,319.14
February 2008 .....	18,158,128.88	0.00	0.00	0.00	5,627,380.40
March 2008 .....	17,754,956.56	0.00	0.00	0.00	5,094,266.46
April 2008 .....	17,360,292.32	0.00	0.00	0.00	4,564,022.15
May 2008 .....	16,973,961.78	0.00	0.00	0.00	4,036,690.24
June 2008 .....	16,595,794.08	0.00	0.00	0.00	3,512,311.46
July 2008 .....	16,225,621.82	0.00	0.00	0.00	2,990,924.61
August 2008 .....	15,863,280.95	0.00	0.00	0.00	2,472,566.55
September 2008 .....	15,508,610.73	0.00	0.00	0.00	1,957,272.29
October 2008 .....	15,161,453.65	0.00	0.00	0.00	1,445,075.02
November 2008 .....	14,821,655.39	0.00	0.00	0.00	936,006.16
December 2008 .....	14,489,064.74	0.00	0.00	0.00	430,095.44
January 2009 .....	14,163,533.52	0.00	0.00	0.00	0.00
February 2009 .....	13,844,916.56	0.00	0.00	0.00	0.00
March 2009 .....	13,533,071.60	0.00	0.00	0.00	0.00
April 2009 .....	13,227,859.27	0.00	0.00	0.00	0.00



<u>Distribution Date</u>	<u>PAC I Aggregate Planned Balance</u>	<u>Aggregate Group 1 Planned Balance</u>	<u>Aggregate Subset 1 Planned Balance</u>	<u>Aggregate Group 2 Planned Balance</u>	<u>Aggregate Group 3 Planned Balance</u>
May 2009 .....	\$ 12,929,143.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
June 2009 .....	12,636,788.99	0.00	0.00	0.00	0.00
July 2009 .....	12,350,666.11	0.00	0.00	0.00	0.00
August 2009 .....	12,070,645.91	0.00	0.00	0.00	0.00
September 2009 .....	11,796,602.54	0.00	0.00	0.00	0.00
October 2009 .....	11,528,412.66	0.00	0.00	0.00	0.00
November 2009 .....	11,265,955.46	0.00	0.00	0.00	0.00
December 2009 .....	11,009,112.54	0.00	0.00	0.00	0.00
January 2010 .....	10,757,767.92	0.00	0.00	0.00	0.00
February 2010 .....	10,511,807.95	0.00	0.00	0.00	0.00
March 2010 .....	10,271,121.29	0.00	0.00	0.00	0.00
April 2010 .....	10,035,598.85	0.00	0.00	0.00	0.00
May 2010 .....	9,805,133.75	0.00	0.00	0.00	0.00
June 2010 .....	9,579,621.28	0.00	0.00	0.00	0.00
July 2010 .....	9,358,958.83	0.00	0.00	0.00	0.00
August 2010 .....	9,143,045.89	0.00	0.00	0.00	0.00
September 2010 .....	8,931,783.98	0.00	0.00	0.00	0.00
October 2010 .....	8,725,076.62	0.00	0.00	0.00	0.00
November 2010 .....	8,522,829.30	0.00	0.00	0.00	0.00
December 2010 .....	8,324,949.38	0.00	0.00	0.00	0.00
January 2011 .....	8,131,346.17	0.00	0.00	0.00	0.00
February 2011 .....	7,941,930.75	0.00	0.00	0.00	0.00
March 2011 .....	7,756,616.06	0.00	0.00	0.00	0.00
April 2011 .....	7,575,316.78	0.00	0.00	0.00	0.00
May 2011 .....	7,397,949.33	0.00	0.00	0.00	0.00
June 2011 .....	7,224,431.83	0.00	0.00	0.00	0.00
July 2011 .....	7,054,684.07	0.00	0.00	0.00	0.00
August 2011 .....	6,888,627.47	0.00	0.00	0.00	0.00
September 2011 .....	6,726,185.02	0.00	0.00	0.00	0.00
October 2011 .....	6,567,281.33	0.00	0.00	0.00	0.00
November 2011 .....	6,411,842.49	0.00	0.00	0.00	0.00
December 2011 .....	6,259,796.14	0.00	0.00	0.00	0.00
January 2012 .....	6,111,071.37	0.00	0.00	0.00	0.00
February 2012 .....	5,965,598.71	0.00	0.00	0.00	0.00
March 2012 .....	5,823,310.13	0.00	0.00	0.00	0.00
April 2012 .....	5,684,138.96	0.00	0.00	0.00	0.00
May 2012 .....	5,548,019.91	0.00	0.00	0.00	0.00
June 2012 .....	5,414,889.02	0.00	0.00	0.00	0.00
July 2012 .....	5,284,683.61	0.00	0.00	0.00	0.00
August 2012 .....	5,157,342.31	0.00	0.00	0.00	0.00
September 2012 .....	5,032,805.00	0.00	0.00	0.00	0.00
October 2012 .....	4,911,012.77	0.00	0.00	0.00	0.00
November 2012 .....	4,791,907.93	0.00	0.00	0.00	0.00
December 2012 .....	4,675,433.97	0.00	0.00	0.00	0.00
January 2013 .....	4,561,535.51	0.00	0.00	0.00	0.00
February 2013 .....	4,450,158.35	0.00	0.00	0.00	0.00

<u>Distribution Date</u>	<u>PAC I Aggregate Planned Balance</u>	<u>Aggregate Group 1 Planned Balance</u>	<u>Aggregate Subset 1 Planned Balance</u>	<u>Aggregate Group 2 Planned Balance</u>	<u>Aggregate Group 3 Planned Balance</u>
March 2013 .....	\$ 4,341,249.35	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
April 2013 .....	4,234,756.50	0.00	0.00	0.00	0.00
May 2013 .....	4,130,628.82	0.00	0.00	0.00	0.00
June 2013 .....	4,028,816.39	0.00	0.00	0.00	0.00
July 2013 .....	3,929,270.33	0.00	0.00	0.00	0.00
August 2013 .....	3,831,942.73	0.00	0.00	0.00	0.00
September 2013 .....	3,736,786.68	0.00	0.00	0.00	0.00
October 2013 .....	3,643,756.23	0.00	0.00	0.00	0.00
November 2013 .....	3,552,806.38	0.00	0.00	0.00	0.00
December 2013 .....	3,463,893.04	0.00	0.00	0.00	0.00
January 2014 .....	3,376,973.05	0.00	0.00	0.00	0.00
February 2014 .....	3,292,004.10	0.00	0.00	0.00	0.00
March 2014 .....	3,208,944.78	0.00	0.00	0.00	0.00
April 2014 .....	3,127,754.53	0.00	0.00	0.00	0.00
May 2014 .....	3,048,393.61	0.00	0.00	0.00	0.00
June 2014 .....	2,970,823.10	0.00	0.00	0.00	0.00
July 2014 .....	2,895,004.89	0.00	0.00	0.00	0.00
August 2014 .....	2,820,901.65	0.00	0.00	0.00	0.00
September 2014 .....	2,748,476.83	0.00	0.00	0.00	0.00
October 2014 .....	2,677,694.61	0.00	0.00	0.00	0.00
November 2014 .....	2,608,519.94	0.00	0.00	0.00	0.00
December 2014 .....	2,540,918.46	0.00	0.00	0.00	0.00
January 2015 .....	2,474,856.55	0.00	0.00	0.00	0.00
February 2015 .....	2,410,301.26	0.00	0.00	0.00	0.00
March 2015 .....	2,347,220.33	0.00	0.00	0.00	0.00
April 2015 .....	2,285,582.17	0.00	0.00	0.00	0.00
May 2015 .....	2,225,355.85	0.00	0.00	0.00	0.00
June 2015 .....	2,166,511.06	0.00	0.00	0.00	0.00
July 2015 .....	2,109,018.14	0.00	0.00	0.00	0.00
August 2015 .....	2,052,848.02	0.00	0.00	0.00	0.00
September 2015 .....	1,997,972.25	0.00	0.00	0.00	0.00
October 2015 .....	1,944,362.97	0.00	0.00	0.00	0.00
November 2015 .....	1,891,992.89	0.00	0.00	0.00	0.00
December 2015 .....	1,840,835.28	0.00	0.00	0.00	0.00
January 2016 .....	1,790,863.98	0.00	0.00	0.00	0.00
February 2016 .....	1,742,053.37	0.00	0.00	0.00	0.00
March 2016 .....	1,694,378.35	0.00	0.00	0.00	0.00
April 2016 .....	1,647,814.36	0.00	0.00	0.00	0.00
May 2016 .....	1,602,337.33	0.00	0.00	0.00	0.00
June 2016 .....	1,557,923.72	0.00	0.00	0.00	0.00
July 2016 .....	1,514,550.45	0.00	0.00	0.00	0.00
August 2016 .....	1,472,194.93	0.00	0.00	0.00	0.00
September 2016 .....	1,430,835.05	0.00	0.00	0.00	0.00
October 2016 .....	1,390,449.15	0.00	0.00	0.00	0.00
November 2016 .....	1,351,016.04	0.00	0.00	0.00	0.00
December 2016 .....	1,312,514.94	0.00	0.00	0.00	0.00

<u>Distribution Date</u>	<u>PAC I Aggregate Planned Balance</u>	<u>Aggregate Group 1 Planned Balance</u>	<u>Aggregate Subset 1 Planned Balance</u>	<u>Aggregate Group 2 Planned Balance</u>	<u>Aggregate Group 3 Planned Balance</u>
January 2017 .....	\$ 1,274,925.53	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
February 2017.....	1,238,227.92	0.00	0.00	0.00	0.00
March 2017 .....	1,202,402.60	0.00	0.00	0.00	0.00
April 2017 .....	1,167,430.51	0.00	0.00	0.00	0.00
May 2017 .....	1,133,292.96	0.00	0.00	0.00	0.00
June 2017.....	1,099,971.66	0.00	0.00	0.00	0.00
July 2017 .....	1,067,448.72	0.00	0.00	0.00	0.00
August 2017.....	1,035,706.59	0.00	0.00	0.00	0.00
September 2017 .....	1,004,728.11	0.00	0.00	0.00	0.00
October 2017 .....	974,496.49	0.00	0.00	0.00	0.00
November 2017.....	944,995.27	0.00	0.00	0.00	0.00
December 2017 .....	916,208.35	0.00	0.00	0.00	0.00
January 2018 .....	888,119.96	0.00	0.00	0.00	0.00
February 2018.....	860,714.67	0.00	0.00	0.00	0.00
March 2018 .....	833,977.37	0.00	0.00	0.00	0.00
April 2018 .....	807,893.27	0.00	0.00	0.00	0.00
May 2018 .....	782,447.89	0.00	0.00	0.00	0.00
June 2018.....	757,627.06	0.00	0.00	0.00	0.00
July 2018 .....	733,416.89	0.00	0.00	0.00	0.00
August 2018.....	709,803.82	0.00	0.00	0.00	0.00
September 2018 .....	686,774.53	0.00	0.00	0.00	0.00
October 2018 .....	664,316.02	0.00	0.00	0.00	0.00
November 2018.....	642,415.56	0.00	0.00	0.00	0.00
December 2018 .....	621,060.66	0.00	0.00	0.00	0.00
January 2019 .....	600,239.13	0.00	0.00	0.00	0.00
February 2019.....	579,939.01	0.00	0.00	0.00	0.00
March 2019 .....	560,148.62	0.00	0.00	0.00	0.00
April 2019 .....	540,856.51	0.00	0.00	0.00	0.00
May 2019 .....	522,051.48	0.00	0.00	0.00	0.00
June 2019.....	503,722.56	0.00	0.00	0.00	0.00
July 2019 .....	485,859.02	0.00	0.00	0.00	0.00
August 2019.....	468,450.36	0.00	0.00	0.00	0.00
September 2019 .....	451,486.29	0.00	0.00	0.00	0.00
October 2019 .....	434,956.77	0.00	0.00	0.00	0.00
November 2019.....	418,851.94	0.00	0.00	0.00	0.00
December 2019 .....	403,162.17	0.00	0.00	0.00	0.00
January 2020 .....	387,878.03	0.00	0.00	0.00	0.00
February 2020.....	372,990.29	0.00	0.00	0.00	0.00
March 2020 .....	358,489.92	0.00	0.00	0.00	0.00
April 2020 .....	344,368.08	0.00	0.00	0.00	0.00
May 2020 .....	330,616.12	0.00	0.00	0.00	0.00
June 2020.....	317,225.58	0.00	0.00	0.00	0.00
July 2020 .....	304,188.18	0.00	0.00	0.00	0.00
August 2020.....	291,495.81	0.00	0.00	0.00	0.00
September 2020 .....	279,140.55	0.00	0.00	0.00	0.00
October 2020 .....	267,114.64	0.00	0.00	0.00	0.00

<u>Distribution Date</u>	<u>PAC I Aggregate Planned Balance</u>	<u>Aggregate Group 1 Planned Balance</u>	<u>Aggregate Subset 1 Planned Balance</u>	<u>Aggregate Group 2 Planned Balance</u>	<u>Aggregate Group 3 Planned Balance</u>
November 2020 .....	\$ 255,410.47	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
December 2020 .....	244,020.63	0.00	0.00	0.00	0.00
January 2021 .....	232,937.85	0.00	0.00	0.00	0.00
February 2021 .....	222,155.01	0.00	0.00	0.00	0.00
March 2021 .....	211,665.15	0.00	0.00	0.00	0.00
April 2021 .....	201,461.47	0.00	0.00	0.00	0.00
May 2021 .....	191,537.31	0.00	0.00	0.00	0.00
June 2021 .....	181,886.15	0.00	0.00	0.00	0.00
July 2021 .....	172,501.61	0.00	0.00	0.00	0.00
August 2021 .....	163,377.45	0.00	0.00	0.00	0.00
September 2021 .....	154,507.58	0.00	0.00	0.00	0.00
October 2021 .....	145,886.03	0.00	0.00	0.00	0.00
November 2021 .....	137,506.95	0.00	0.00	0.00	0.00
December 2021 .....	129,364.63	0.00	0.00	0.00	0.00
January 2022 .....	121,453.48	0.00	0.00	0.00	0.00
February 2022 .....	113,768.04	0.00	0.00	0.00	0.00
March 2022 .....	106,302.96	0.00	0.00	0.00	0.00
April 2022 .....	99,053.01	0.00	0.00	0.00	0.00
May 2022 .....	92,013.07	0.00	0.00	0.00	0.00
June 2022 .....	85,178.14	0.00	0.00	0.00	0.00
July 2022 .....	78,543.33	0.00	0.00	0.00	0.00
August 2022 .....	72,103.84	0.00	0.00	0.00	0.00
September 2022 .....	65,854.99	0.00	0.00	0.00	0.00
October 2022 .....	59,792.21	0.00	0.00	0.00	0.00
November 2022 .....	53,911.02	0.00	0.00	0.00	0.00
December 2022 .....	48,207.03	0.00	0.00	0.00	0.00
January 2023 .....	42,675.96	0.00	0.00	0.00	0.00
February 2023 .....	37,313.63	0.00	0.00	0.00	0.00
March 2023 .....	32,115.93	0.00	0.00	0.00	0.00
April 2023 .....	27,078.86	0.00	0.00	0.00	0.00
May 2023 .....	22,198.50	0.00	0.00	0.00	0.00
June 2023 .....	17,471.02	0.00	0.00	0.00	0.00
July 2023 .....	12,892.68	0.00	0.00	0.00	0.00
August 2023 .....	8,459.81	0.00	0.00	0.00	0.00
September 2023 .....	6,183.84	0.00	0.00	0.00	0.00
October 2023 .....	3,980.21	0.00	0.00	0.00	0.00
November 2023 .....	1,847.15	0.00	0.00	0.00	0.00
December 2023 and thereafter .....	0.00	0.00	0.00	0.00	0.00

## Characteristics of the R and RL Classes

In addition to distributions of principal and interest, the Holder of the R Class will be entitled to receive the proceeds of the remaining assets of the Trust, if any, after the principal balances of all Classes (other than the RL Class) have been reduced to zero, and the Holder of the RL Class will be entitled to receive the proceeds of the remaining assets of the Lower Tier REMIC, if any, after the principal balances of the Lower Tier Interests have been reduced to zero. It is not anticipated that there will be any material assets remaining in either such circumstance.

The R Class and the RL Class will be subject to certain transfer restrictions. No transfer of record or beneficial ownership of an R or RL Certificate will be allowed to a “disqualified organization.” In addition, no transfer of record or beneficial ownership of an R or RL Certificate will be allowed to any person that is not a “U.S. Person” without the written consent of Fannie Mae. Under regulations issued by the Treasury Department on December 23, 1992 (the “Regulations”), a transfer of a “noneconomic residual interest” to a U.S. Person will be disregarded for all federal tax purposes unless no significant purpose of the transfer is to impede the assessment or collection of tax. Any transferee of an R or RL Certificate must execute and deliver an affidavit and an Internal Revenue Service Form W-9 on which the transferee provides its taxpayer identification number. See “Description of the Certificates—Additional Characteristics of Residual Certificates” and “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates” in the GNMA Prospectus. Transferors of an R or RL Certificate should consult with their own tax advisors for further information regarding such transfers.

The Holder of the R Class will be considered to be the holder of the “residual interest” in the REMIC constituted by the Trust, and the Holder of the RL Class will be considered to be the holder of the “residual interest” in the REMIC constituted by the Lower Tier REMIC. See “Certain Federal Income Tax Consequences” in the GNMA Prospectus. Pursuant to the Trust Agreement, Fannie Mae will be obligated to provide to such Holders (i) such information as is necessary to enable them to prepare their federal income tax returns and (ii) any reports regarding the Certificates that may be required under the Code.

## Yield Considerations

*General.* There can be no assurance that the Mortgage Loans will have the characteristics assumed herein or will prepay at any of the rates assumed herein or at any other particular rate, that the pre-tax yields on the Certificates will correspond to any of the pre-tax yields shown herein or that the aggregate purchase prices of the Certificates will be as assumed. In addition, there can be no assurance that the applicable Index will correspond to the levels shown herein. Because the rate of principal distributions on the Certificates will be related to the amortization of the Mortgage Loans in each Pool, which are likely to include Mortgage Loans that have remaining terms to maturity shorter or longer than those assumed and interest rates higher than those assumed, the principal distributions on the Certificates are likely to differ from those assumed, even if all Mortgage Loans prepay at the indicated constant percentages of PSA. The rate of distribution of principal of the Certificates will also be affected by the distribution of a portion of the principal payments (including prepayments) on the Mortgage Loans underlying the GNMA Certificates in the month following the month in which they are received. In addition, it is not likely that the Mortgage Loans will prepay at a constant PSA rate until maturity, that all of such Mortgage Loans will prepay at the same rate or that the level of the applicable Index will remain constant.

The timing of changes in the rate of prepayments or the level of the applicable Index may significantly affect the actual yield to maturity to investors, even if the average rate of principal prepayments or the average level of such Index is consistent with the expectations of investors. In general, the earlier the payment of principal of the Mortgage Loans or change in the level of an

Index, the greater the effect on an investor's yield to maturity. As a result, the effect on an investor's yield of principal prepayments or the level of an Index occurring at a rate or level higher (or lower) than the rate or level anticipated by the investor during the period immediately following the issuance of the Certificates will not be offset by a subsequent like reduction (or increase) in the rate of principal prepayments or level of such Index.

The effective yield on the Delay Classes will be reduced below the yield otherwise produced because principal and interest payable on a Distribution Date will not be distributed until the 25th day following the end of the related Interest Accrual Period and will not bear interest during such delay. No interest at all will be paid on any Class after its principal balance has been reduced to zero. As a result of the foregoing, the market value of the Delay Classes will be lower than would have been the case if there were no such delay. Investors must make their own decisions as to the appropriate assumptions, including prepayment assumptions, to be used in deciding whether to purchase the Certificates.

The tables below indicate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of certain Classes to various constant percentages of PSA and, where specified, to changes in an Index. The yields set forth in the tables were calculated by determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on the applicable Classes, would cause the discounted present value of such assumed streams of cash flows to equal the assumed aggregate purchase prices of such Classes and converting such monthly rates to corporate bond equivalent rates. Such 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 the Certificates and consequently do not purport to reflect the return on any investment in the Certificates when such reinvestment rates are considered.

***The Interest Only Class.*** As indicated in the table below, the yield to investors in the PL Class will be sensitive to the rate of principal payments (including prepayments) of the Mortgage Loans, which generally can be prepaid at any time. On the basis of the assumptions described below, the yield to maturity on the PL Class would be 0% if prepayments were to occur at a constant rate of approximately 693% PSA. If the actual prepayment rate of the Mortgage Loans were to exceed the foregoing level for as little as one month while equaling such level for the remaining months, the investors in the PL Class would not fully recoup their initial investments.

The information set forth in the following table was prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase price of the PL Class (expressed as a percentage of original principal balance) is as follows:

<u>Class</u>	<u>Price*</u>
PL .....	52.91874%

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

### Sensitivity of the PL Class to Prepayments (Pre-Tax Yields to Maturity)

<u>Class</u>	<u>PSA Prepayment Assumption</u>			
	<u>50%</u>	<u>180%</u>	<u>350%</u>	<u>500%</u>
PL .....	10.5%	10.5%	10.5%	6.7%

*The Inverse Floating Rate Classes.* The yields to investors in the Inverse Floating Rate Classes will be sensitive in varying degrees to the level of the Index and to the rate of principal payments (including prepayments) of the Mortgage Loans, which generally can be prepaid at any time. As indicated in the tables below, a high level of the Index will have a negative effect on the yields to investors in the Inverse Floating Rate Classes. It is possible that, under certain Index or prepayment scenarios, investors in the SA and S Classes would not fully recoup their initial investments.

Changes in the Index may not correlate with changes in prevailing mortgage interest rates. It is possible that lower prevailing mortgage interest rates, which might be expected to result in faster prepayments, could occur concurrently with an increased level of such Index.

The information set forth in the following tables was prepared on the basis of the Pricing Assumptions and the assumptions that (i) the interest rates applicable to the Inverse Floating Rate Classes for each Interest Accrual Period subsequent to their initial Interest Accrual Periods will be based on the indicated level of the Index and (ii) the aggregate purchase prices of the Inverse Floating Rate Classes (expressed as percentages of original principal balances) are as follows:

<u>Class</u>	<u>Price*</u>
SA .....	13.0%
SB .....	100.0%
S .....	12.0%

\* The prices do not include accrued interest. Accrued interest has been added to such prices in calculating the yields set forth in the tables below.

#### **Sensitivity of the SA Class to Prepayments and LIBOR (Pre-Tax Yields to Maturity)**

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>			
	<u>50%</u>	<u>180%</u>	<u>350%</u>	<u>500%</u>
1.1875% .....	48.7%	48.7%	48.7%	46.9%
3.1875% .....	29.6%	29.6%	29.6%	26.6%
5.1875% .....	10.1%	10.1%	10.1%	5.0%
7.1875% .....	(12.4)%	(12.4)%	(12.4)%	(21.7)%
8.6000% .....	*	*	*	*

\* The pre-tax yield to maturity would be less than (99.9)%.

#### **Sensitivity of the SB Class to Prepayments and LIBOR (Pre-Tax Yields to Maturity)**

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>						
	<u>50%</u>	<u>80%</u>	<u>135%</u>	<u>180%</u>	<u>210%</u>	<u>350%</u>	<u>500%</u>
1.1875% .....	19.6%	19.6%	19.4%	19.4%	19.4%	19.4%	19.4%
3.1875% .....	13.3%	13.3%	13.3%	13.3%	13.3%	13.3%	13.3%
5.1875% .....	7.1%	7.1%	7.3%	7.3%	7.3%	7.3%	7.3%
7.1875% .....	1.0%	1.1%	1.4%	1.4%	1.4%	1.4%	1.4%
7.5000% .....	0.1%	0.2%	0.4%	0.4%	0.4%	0.5%	0.5%

**Sensitivity of the S Class to Prepayments and LIBOR  
(Pre-Tax Yields to Maturity)**

LIBOR	PSA Prepayment Assumption						
	50%	80%	135%	180%	210%	350%	500%
1.1875% .....	68.8%	62.5%	49.3%	49.3%	49.3%	46.3%	35.1%
3.1875% .....	48.9%	42.4%	27.9%	27.9%	27.9%	22.8%	8.6%
5.1875% .....	29.5%	22.7%	7.0%	7.0%	7.0%	(2.3)%	(20.9)%
7.1875% .....	8.5%	1.4%	(15.1)%	(15.1)%	(15.1)%	(33.0)%	(59.4)%
8.5500% .....	*	*	*	*	*	*	*

\* The pre-tax yield to maturity would be less than (99.9)%.

**Weighted Average Lives of the Certificates**

The weighted average life of a Certificate is determined by (a) multiplying the amount of the reduction, if any, of the principal balance of such Certificate from one Distribution Date to the next Distribution Date by the number of years from the Settlement Date to the second such Distribution Date, (b) summing the results and (c) dividing the sum by the aggregate amount of the reductions in principal balance of such Certificate referred to in clause (a). For a description of the factors which may influence the weighted average life of a Certificate, see “Description of the Certificates—Weighted Average Life and Final Distribution Dates” in the GNMA Prospectus.

In general, the weighted average lives of the Certificates will be shortened if the level of prepayments of principal of the Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including the timing of changes in such rate of principal payments, the priority sequence of distributions of principal of the Classes and the distribution of principal of certain Classes in accordance with the Principal Balance Schedules herein. In particular, if the amount distributable as principal of the Certificates on any Distribution Date exceeds the amount required to reduce the principal balances of certain Classes with higher principal payment priorities to their respective scheduled amounts as set forth in the Principal Balance Schedules, such excess principal will be distributed on the remaining Classes on such Distribution Date. Conversely, if the principal distributable on any Distribution Date is less than the amount so required to reduce certain Classes to their respective scheduled amounts, no principal will be distributed on the remaining Classes on such Distribution Date. Accordingly, the rate of principal payments on the Mortgage Loans is expected to have a greater effect on the weighted average lives of the Support Classes and, under certain prepayment scenarios, the PAC II Classes, than on the weighted average lives of the PAC I Classes. See “Distributions of Principal” herein.

The interaction of the foregoing factors may have different effects on various Classes and the effects on any Class may vary at different times during the life of such Class. Accordingly, no assurance can be given as to the weighted average life of any Class. Further, to the extent the prices of the Certificates represent discounts or premiums to their respective original principal balances, variability in the weighted average lives of such Classes of Certificates could result in variability in the related yields to maturity. For an example of how the weighted average lives of the Classes may be affected at various *constant* prepayment rates, see the Decrement Tables below.

As described under “General—Components” herein, for purposes of calculating payments of principal, certain Classes are comprised of multiple Components. Since such Components are not divisible, the payment characteristics of such Classes will reflect a combination of the payment characteristics of the related Components.



## Decrement Tables

The following tables indicate the percentages of original principal balances of the specified Classes that would be outstanding after each of the dates shown at various *constant* PSA levels and the corresponding weighted average lives of such Classes. The tables have been prepared on the basis of the Pricing Assumptions, except that with respect to the information set forth for each such Class under 0% PSA it has been assumed that each Mortgage Loan underlying the GNMA Certificates bears an interest rate of 8.50% per annum and has an original and remaining term to maturity of 360 months. It is not likely that (i) all of the underlying Mortgage Loans will have the interest rate or remaining term to maturity assumed or (ii) the underlying Mortgage Loans will prepay at a *constant* PSA level. In addition, a portion of the payments (including prepayments) on the Mortgage Loans will be distributed in the month following the month in which such payments are received. Moreover, the diverse remaining terms to maturity of the Mortgage Loans (which will include recently originated Mortgage Loans) could produce slower or faster principal distributions than indicated in the tables at the specified *constant* PSA levels, even if the distributions of the weighted average WARMs and WALAs of the Mortgage Loans are identical to the distributions of the weighted average WARMs and WALAs specified in the Pricing Assumptions.

### Percent of Original Principal Balances Outstanding

Date	PA Class					PB Class					PC Class					PD Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	50%	180%	350%	500%	0%	50%	180%	350%	500%	0%	50%	180%	350%	500%	0%	50%	180%	350%	500%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1995 .....	84	63	63	63	63	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1996 .....	67	*	*	*	*	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1997 .....	48	0	0	0	0	100	0	0	0	0	100	91	91	91	91	100	100	100	100	100
January 1998 .....	28	0	0	0	0	100	0	0	0	0	100	1	1	1	1	100	100	100	100	100
January 1999 .....	6	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
January 2000 .....	0	0	0	0	0	74	0	0	0	0	100	0	0	0	0	100	0	0	0	0
January 2001 .....	0	0	0	0	0	38	0	0	0	0	100	0	0	0	0	100	0	0	0	0
January 2002 .....	0	0	0	0	0	0	0	0	0	0	99	0	0	0	0	100	0	0	0	0
January 2003 .....	0	0	0	0	0	0	0	0	0	0	64	0	0	0	0	100	0	0	0	0
January 2004 .....	0	0	0	0	0	0	0	0	0	0	25	0	0	0	0	100	0	0	0	0
January 2005 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	80	0	0	0	0
January 2006 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	22	0	0	0	0
January 2007 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2008 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2009 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2010 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2011 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2012 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2013 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2014 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2015 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2016 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2017 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2018 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2019 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2020 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2021 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2022 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2023 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2024 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average																				
Life (years)** .....	2.8	1.2	1.2	1.2	1.2	6.7	2.5	2.5	2.5	2.5	9.4	3.5	3.5	3.5	3.5	11.5	4.5	4.5	4.5	4.4

\* Indicates an outstanding balance greater than 0% and less than 0.5% of the original principal balance.

\*\* Determined as specified under "Weighted Average Lives of the Certificates" herein.

Date	PE Class					PG Class					PH Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	50%	180%	350%	500%	0%	50%	180%	350%	500%	0%	50%	180%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1995	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1996	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1997	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1998	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1999	100	95	95	95	36	100	100	100	100	100	100	100	100	100	100
January 2000	100	46	46	46	0	100	100	100	100	33	100	100	100	100	100
January 2001	100	0	0	0	0	100	97	97	97	0	100	100	100	100	73
January 2002	100	0	0	0	0	100	46	46	46	0	100	100	100	100	40
January 2003	100	0	0	0	0	100	0	0	0	0	100	97	97	97	16
January 2004	100	0	0	0	0	100	0	0	0	0	100	67	67	67	*
January 2005	100	0	0	0	0	100	0	0	0	0	100	44	44	44	0
January 2006	100	0	0	0	0	100	0	0	0	0	100	26	26	26	0
January 2007	82	0	0	0	0	100	0	0	0	0	100	12	12	12	0
January 2008	51	0	0	0	0	100	0	0	0	0	100	1	1	1	0
January 2009	18	0	0	0	0	100	0	0	0	0	100	0	0	0	0
January 2010	0	0	0	0	0	81	0	0	0	0	100	0	0	0	0
January 2011	0	0	0	0	0	39	0	0	0	0	100	0	0	0	0
January 2012	0	0	0	0	0	0	0	0	0	0	96	0	0	0	0
January 2013	0	0	0	0	0	0	0	0	0	0	62	0	0	0	0
January 2014	0	0	0	0	0	0	0	0	0	0	26	0	0	0	0
January 2015	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2017	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	14.0	6.0	6.0	6.0	4.9	16.8	7.9	7.9	7.9	5.9	19.4	11.0	11.0	11.0	7.9

Date	FA and SA† Classes					PJ and PL† Classes					PK Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	50%	180%	350%	500%	0%	50%	180%	350%	500%	0%	50%	180%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1995	97	94	94	94	94	100	100	100	100	100	100	100	100	100	100
January 1996	94	83	83	83	83	100	100	100	100	100	100	100	100	100	100
January 1997	91	69	69	69	69	100	100	100	100	100	100	100	100	100	100
January 1998	87	56	56	56	56	100	100	100	100	100	100	100	100	100	100
January 1999	84	45	45	45	35	100	100	100	100	100	100	100	100	100	100
January 2000	80	37	37	37	19	100	100	100	100	100	100	100	100	100	100
January 2001	75	28	28	28	11	100	100	100	100	100	100	100	100	100	100
January 2002	70	21	21	21	6	100	100	100	100	100	100	100	100	100	100
January 2003	65	14	14	14	2	100	100	100	100	100	100	100	100	100	100
January 2004	60	10	10	10	*	100	100	100	100	100	100	100	100	100	100
January 2005	54	7	7	7	0	100	100	100	100	22	100	100	100	100	100
January 2006	48	4	4	4	0	100	100	100	100	0	100	100	100	100	78
January 2007	43	2	2	2	0	100	100	100	100	0	100	100	100	100	53
January 2008	38	*	*	*	0	100	100	100	100	0	100	100	100	100	36
January 2009	32	0	0	0	0	100	45	45	45	0	100	100	100	100	24
January 2010	26	0	0	0	0	100	0	0	0	0	100	99	99	99	16
January 2011	20	0	0	0	0	100	0	0	0	0	100	75	75	75	11
January 2012	14	0	0	0	0	100	0	0	0	0	100	56	56	56	7
January 2013	9	0	0	0	0	100	0	0	0	0	100	42	42	42	5
January 2014	4	0	0	0	0	100	0	0	0	0	100	31	31	31	3
January 2015	0	0	0	0	0	6	0	0	0	0	100	23	23	23	2
January 2016	0	0	0	0	0	0	0	0	0	0	16	16	16	16	1
January 2017	0	0	0	0	0	0	0	0	0	0	12	12	12	12	1
January 2018	0	0	0	0	0	0	0	0	0	0	8	8	8	8	1
January 2019	0	0	0	0	0	0	0	0	0	0	6	6	6	6	*
January 2020	0	0	0	0	0	0	0	0	0	0	4	4	4	4	*
January 2021	0	0	0	0	0	0	0	0	0	0	2	2	2	2	*
January 2022	0	0	0	0	0	0	0	0	0	0	1	1	1	1	*
January 2023	0	0	0	0	0	0	0	0	0	0	*	*	*	*	*
January 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	11.4	5.2	5.2	5.2	4.3	20.9	15.0	15.0	15.0	10.7	21.8	19.3	19.3	19.3	14.0

\* Indicates an outstanding balance greater than 0% and less than 0.5% of the original principal balance.  
 \*\* Determined as specified under "Weighted Average Lives of the Certificates" herein.  
 † In the case of a Notional Class, the Decrement Table indicates the percentage of the original notional principal balance outstanding.

Date	A Class								FB and SB Classes								F and S† Classes							
	PSA Prepayment Assumption								PSA Prepayment Assumption								PSA Prepayment Assumption							
	0%	50%	80%	135%	180%	210%	350%	500%	0%	50%	80%	135%	180%	210%	350%	500%	0%	50%	80%	135%	180%	210%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1995	98	94	91	91	91	91	91	91	100	100	96	80	80	80	80	80	100	100	98	94	94	94	94	94
January 1996	95	84	74	63	63	63	63	63	100	100	87	53	53	53	53	53	100	100	92	78	78	78	78	78
January 1997	92	84	65	33	33	33	33	0	100	100	75	28	28	28	28	0	100	100	84	57	57	57	57	23
January 1998	89	84	57	7	7	7	0	0	100	100	64	6	6	6	0	0	100	100	78	38	38	38	29	3
January 1999	85	84	49	0	0	0	0	0	100	100	54	0	0	0	0	0	100	100	71	28	28	28	13	0
January 2000	84	84	43	0	0	0	0	0	100	100	46	0	0	0	0	0	100	100	66	22	22	22	6	0
January 2001	84	84	37	0	0	0	0	0	100	100	38	0	0	0	0	0	100	100	61	17	17	17	3	0
January 2002	84	84	32	0	0	0	0	0	100	100	32	0	0	0	0	0	100	100	57	12	12	12	1	0
January 2003	84	84	28	0	0	0	0	0	100	100	27	0	0	0	0	0	100	100	54	10	10	10	*	0
January 2004	84	82	21	0	0	0	0	0	100	98	20	0	0	0	0	0	100	98	49	9	9	9	*	0
January 2005	84	74	12	0	0	0	0	0	100	92	11	0	0	0	0	0	100	93	42	7	7	7	*	0
January 2006	84	64	0	0	0	0	0	0	100	83	0	0	0	0	0	0	100	86	33	5	5	5	*	0
January 2007	84	50	0	0	0	0	0	0	100	72	0	0	0	0	0	0	100	76	28	3	3	3	*	0
January 2008	84	35	0	0	0	0	0	0	100	59	0	0	0	0	0	0	100	65	23	2	2	2	*	0
January 2009	84	18	0	0	0	0	0	0	100	44	0	0	0	0	0	0	100	53	17	0	0	0	*	0
January 2010	84	0	0	0	0	0	0	0	100	28	0	0	0	0	0	0	100	40	12	0	0	0	*	0
January 2011	84	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0	100	31	8	0	0	0	*	0
January 2012	84	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0	100	24	5	0	0	0	*	0
January 2013	84	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0	100	17	2	0	0	0	*	0
January 2014	84	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0	100	11	0	0	0	0	*	0
January 2015	84	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0	100	7	0	0	0	0	*	0
January 2016	66	0	0	0	0	0	0	0	85	0	0	0	0	0	0	0	87	3	0	0	0	0	*	0
January 2017	33	0	0	0	0	0	0	0	57	0	0	0	0	0	0	0	64	0	0	0	0	0	*	0
January 2018	0	0	0	0	0	0	0	0	20	0	0	0	0	0	0	0	38	0	0	0	0	0	*	0
January 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	23	0	0	0	0	0	*	0
January 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10	0	0	0	0	0	*	0
January 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	*	0
January 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*	0
January 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*	0
January 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*	0
Weighted Average Life (years)**	19.6	11.5	5.6	2.5	2.5	2.5	2.4	2.1	23.1	14.2	6.1	2.2	2.2	2.2	2.1	1.8	23.8	15.6	9.4	4.4	4.4	4.4	3.4	2.5

Date	C Class							D Class							E Class				
	PSA Prepayment Assumption							PSA Prepayment Assumption							PSA Prepayment Assumption				
	0%	50%	135%	180%	210%	350%	500%	0%	50%	135%	180%	210%	350%	500%	0%	50%	180%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1995	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	89	46
January 1996	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	63	0	0
January 1997	100	100	100	100	100	100	52	100	100	100	100	100	100	100	100	100	33	0	0
January 1998	100	100	100	100	100	79	0	100	100	100	100	100	100	100	27	100	100	8	0
January 1999	100	100	75	75	75	3	0	100	100	100	100	100	100	0	100	100	0	0	0
January 2000	100	100	45	45	45	0	0	100	100	100	100	100	100	52	0	100	100	0	0
January 2001	100	100	21	21	21	0	0	100	100	100	100	100	21	0	100	100	0	0	0
January 2002	100	100	1	1	1	0	0	100	100	100	100	100	5	0	100	100	0	0	0
January 2003	100	100	0	0	0	0	0	100	100	86	86	86	*	0	100	100	0	0	0
January 2004	100	100	0	0	0	0	0	100	100	72	72	72	*	0	100	100	0	0	0
January 2005	100	100	0	0	0	0	0	100	100	57	57	57	*	0	100	100	0	0	0
January 2006	100	100	0	0	0	0	0	100	100	42	42	42	*	0	100	100	0	0	0
January 2007	100	100	0	0	0	0	0	100	100	27	27	27	*	0	100	100	0	0	0
January 2008	100	100	0	0	0	0	0	100	100	13	13	13	*	0	100	100	0	0	0
January 2009	100	100	0	0	0	0	0	100	100	0	0	0	*	0	100	100	0	0	0
January 2010	100	100	0	0	0	0	0	100	100	0	0	0	*	0	100	100	0	0	0
January 2011	100	87	0	0	0	0	0	100	100	0	0	0	*	0	100	100	0	0	0
January 2012	100	56	0	0	0	0	0	100	100	0	0	0	*	0	100	100	0	0	0
January 2013	100	23	0	0	0	0	0	100	100	0	0	0	*	0	100	100	0	0	0
January 2014	100	0	0	0	0	0	0	100	90	0	0	0	*	0	100	100	0	0	0
January 2015	100	0	0	0	0	0	0	100	57	0	0	0	*	0	100	100	0	0	0
January 2016	100	0	0	0	0	0	0	100	24	0	0	0	*	0	100	100	0	0	0
January 2017	100	0	0	0	0	0	0	100	0	0	0	0	*	0	100	86	0	0	0
January 2018	100	0	0	0	0	0	0	100	0	0	0	0	*	0	100	38	0	0	0
January 2019	50	0	0	0	0	0	0	100	0	0	0	0	*	0	100	0	0	0	0
January 2020	0	0	0	0	0	0	0	82	0	0	0	0	*	0	100	0	0	0	0
January 2021	0	0	0	0	0	0	0	9	0	0	0	0	*	0	100	0	0	0	0
January 2022	0	0	0	0	0	0	0	0	0	0	0	0	*	0	2	0	0	0	0
January 2023	0	0	0	0	0	0	0	0	0	0	0	0	*	0	0	0	0	0	0
January 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	25.0	18.2	6.0	6.0	6.0	4.4	3.1	26.5	21.2	11.5	11.5	11.5	6.3	3.8	27.6	23.8	2.4	0.9	0.7

\* Indicates an outstanding balance greater than 0% and less than 0.5% of the original principal balance.  
 \*\* Determined as specified under "Weighted Average Lives of the Certificates" herein.  
 † In the case of a Notional Class, the Decrement Table indicates the percentage of the original notional principal balance outstanding.

Date	G, R and RL Classes					H Class					J Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	50%	180%	350%	500%	0%	50%	180%	350%	500%	0%	50%	180%	350%	500%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1995 .....	100	100	100	100	100	100	100	100	100	100	81	81	81	81	81
January 1996 .....	100	100	100	0	0	100	100	100	0	0	61	61	61	31	0
January 1997 .....	100	100	100	0	0	100	100	100	0	0	39	39	39	0	0
January 1998 .....	100	100	100	0	0	100	100	100	0	0	16	16	16	0	0
January 1999 .....	100	100	74	0	0	100	100	100	0	0	0	0	0	0	0
January 2000 .....	100	100	41	0	0	100	100	100	0	0	0	0	0	0	0
January 2001 .....	100	100	19	0	0	100	100	100	0	0	0	0	0	0	0
January 2002 .....	100	100	6	0	0	100	100	100	0	0	0	0	0	0	0
January 2003 .....	100	100	0	0	0	100	100	99	0	0	0	0	0	0	0
January 2004 .....	100	100	0	0	0	100	100	91	0	0	0	0	0	0	0
January 2005 .....	100	100	0	0	0	100	100	77	0	0	0	0	0	0	0
January 2006 .....	100	100	0	0	0	100	100	61	0	0	0	0	0	0	0
January 2007 .....	100	100	0	0	0	100	100	42	0	0	0	0	0	0	0
January 2008 .....	100	100	0	0	0	100	100	21	0	0	0	0	0	0	0
January 2009 .....	100	100	0	0	0	100	100	0	0	0	0	0	0	0	0
January 2010 .....	100	100	0	0	0	100	100	0	0	0	0	0	0	0	0
January 2011 .....	100	100	0	0	0	100	100	0	0	0	0	0	0	0	0
January 2012 .....	100	100	0	0	0	100	100	0	0	0	0	0	0	0	0
January 2013 .....	100	100	0	0	0	100	100	0	0	0	0	0	0	0	0
January 2014 .....	100	100	0	0	0	100	100	0	0	0	0	0	0	0	0
January 2015 .....	100	100	0	0	0	100	100	0	0	0	0	0	0	0	0
January 2016 .....	100	100	0	0	0	100	100	0	0	0	0	0	0	0	0
January 2017 .....	100	100	0	0	0	100	100	0	0	0	0	0	0	0	0
January 2018 .....	100	100	0	0	0	100	100	0	0	0	0	0	0	0	0
January 2019 .....	100	74	0	0	0	100	100	0	0	0	0	0	0	0	0
January 2020 .....	100	0	0	0	0	100	19	0	0	0	0	0	0	0	0
January 2021 .....	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
January 2022 .....	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
January 2023 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2024 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	28.2	25.2	5.9	1.6	1.2	28.5	25.9	12.5	1.9	1.4	2.5	2.5	2.5	1.7	1.3

Date	K Class					L Class					ZQ Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	50%	180%	350%	500%	0%	50%	180%	350%	500%	0%	50%	180%	350%	500%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1995 .....	100	100	100	100	100	100	100	100	100	100	107	107	107	107	107
January 1996 .....	100	100	100	100	0	100	100	100	100	0	115	115	115	115	97
January 1997 .....	100	100	100	0	0	100	100	100	0	0	123	123	123	71	0
January 1998 .....	100	100	100	0	0	100	100	100	0	0	132	132	132	0	0
January 1999 .....	96	96	96	0	0	100	100	100	0	0	142	142	142	0	0
January 2000 .....	82	82	82	0	0	100	100	100	0	0	152	152	152	0	0
January 2001 .....	67	67	67	0	0	100	100	100	0	0	163	163	163	0	0
January 2002 .....	51	51	51	0	0	100	100	100	0	0	175	175	175	0	0
January 2003 .....	34	34	34	0	0	100	100	100	0	0	187	187	187	0	0
January 2004 .....	16	16	16	0	0	100	100	100	0	0	201	201	201	0	0
January 2005 .....	0	0	0	0	0	96	96	96	0	0	215	215	215	0	0
January 2006 .....	0	0	0	0	0	74	74	74	0	0	231	231	231	0	0
January 2007 .....	0	0	0	0	0	50	50	50	0	0	248	248	248	0	0
January 2008 .....	0	0	0	0	0	25	25	25	0	0	266	266	266	0	0
January 2009 .....	0	0	0	0	0	0	0	0	0	0	283	283	283	0	0
January 2010 .....	0	0	0	0	0	0	0	0	0	0	283	283	249	0	0
January 2011 .....	0	0	0	0	0	0	0	0	0	0	283	283	217	0	0
January 2012 .....	0	0	0	0	0	0	0	0	0	0	283	283	188	0	0
January 2013 .....	0	0	0	0	0	0	0	0	0	0	283	283	161	0	0
January 2014 .....	0	0	0	0	0	0	0	0	0	0	283	283	137	0	0
January 2015 .....	0	0	0	0	0	0	0	0	0	0	283	283	114	0	0
January 2016 .....	0	0	0	0	0	0	0	0	0	0	283	283	95	0	0
January 2017 .....	0	0	0	0	0	0	0	0	0	0	283	283	77	0	0
January 2018 .....	0	0	0	0	0	0	0	0	0	0	283	283	61	0	0
January 2019 .....	0	0	0	0	0	0	0	0	0	0	283	283	47	0	0
January 2020 .....	0	0	0	0	0	0	0	0	0	0	283	283	34	0	0
January 2021 .....	0	0	0	0	0	0	0	0	0	0	283	214	23	0	0
January 2022 .....	0	0	0	0	0	0	0	0	0	0	283	137	14	0	0
January 2023 .....	0	0	0	0	0	0	0	0	0	0	200	59	6	0	0
January 2024 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	8.0	8.0	8.0	2.3	1.7	13.0	13.0	13.0	2.6	1.9	29.3	28.0	20.5	3.1	2.1

\*\* Determined as specified under “Weighted Average Lives of the Certificates” herein.

## CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

The following tax discussion, when read in conjunction with the discussion of “Certain Federal Income Tax Consequences” in the GNMA Prospectus, describes the current federal income tax treatment of investors in the Certificates. These two tax discussions do not purport to deal with all federal tax consequences applicable to all categories of investors, some of which may be subject to special rules. Investors should consult their own tax advisors in determining the federal, state, local and any other tax consequences to them of the purchase, ownership and disposition of the Certificates.

### REMIC Elections and Special Tax Attributes

Elections will be made to treat the Lower Tier REMIC and the Trust as REMICs for federal income tax purposes. The Certificates, other than the R and RL Classes, will be designated as the “regular interests,” and the R Class will be designated as the “residual interest,” in the REMIC constituted by the Trust. The Lower Tier Regular Interests will be designated as the “regular interests,” and the RL Class will be designated as the “residual interest,” in the Lower Tier REMIC.

As a consequence of the qualification of the Trust and the Lower Tier REMIC as REMICs, the Certificates generally will be treated as “qualifying real property loans” for mutual savings banks and domestic building and loan associations, “regular or residual interests in a REMIC” for domestic building and loan associations, “real estate assets” for real estate investment trusts, and, except for the R and RL Classes, as “qualified mortgages” for other REMICs. See “Certain Federal Income Tax Consequences—Special Tax Attributes” in the GNMA Prospectus.

### Taxation of Beneficial Owners of Regular Certificates

The Notional Classes and the Accrual Class will be, and certain other Classes of Certificates may be, issued with original issue discount for federal income tax purposes, which generally will result in recognition of some taxable income in advance of the receipt of the cash attributable to such income. The Prepayment Assumption that will be used in determining the rate of accrual of original issue discount will be 180% PSA. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Original Issue Discount*” in the GNMA Prospectus. No representation is made as to whether the Mortgage Loans underlying the GNMA Certificates will prepay at that or any other rate. See “Description of the Certificates—Weighted Average Lives of the Certificates” herein and “Description of the Certificates—Weighted Average Life and Final Distribution Dates” in the GNMA Prospectus. In addition, certain Classes of Certificates may be treated as having been issued at a premium for federal income tax purposes. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Certificates Purchased at a Premium*” in the GNMA Prospectus.

### Taxation of Beneficial Owners of Residual Certificates

Under the Regulations, neither the R nor the RL Certificate will have significant value. As a result, an organization to which section 593 of the Code applies and which is the beneficial owner of the R or RL Certificate may not use its allowable deductions to offset any “excess inclusions” with respect to such Certificate. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates—*Excess Inclusions*” in the GNMA Prospectus.

For purposes of determining the portion of the taxable income of the Trust (or the Lower Tier REMIC) that generally will not be treated as excess inclusions, the rate to be used is 120% of the “federal long-term rate.” The rate will be published on or about December 20, 1993. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates—*Excess*”

*Inclusions*” and “—Foreign Investors—*Residual Certificates*” in the GNMA Prospectus. The federal income tax consequences of any consideration paid to a transferee on the transfer of the R or RL Certificate are unclear; any transferee receiving such consideration should consult its own tax advisors.

Under the proposed IRS regulations relating to original issue discount, the Lower Tier Regular Interests would be treated as a single debt instrument for original issue discount purposes because they were issued to the Trust in a single transaction. Although there can be no assurance that final regulations will apply this aggregation rule to the Lower Tier Regular Interests, Fannie Mae intends to calculate the taxable income (or net loss) of the Trust and of the Lower Tier REMIC (and to report to the R and RL Certificateholders) by treating the Lower Tier Regular Interests as a single debt instrument. A failure of the Lower Tier Regular Interests to qualify as a single debt instrument for original issue discount purposes could result in material adverse tax consequences to the beneficial owners of the RL Class.

## **PLAN OF DISTRIBUTION**

*General.* The Dealer will receive the Certificates in exchange for the GNMA Certificates pursuant to a Fannie Mae commitment. The Dealer proposes to offer the Certificates directly to the public from time to time in negotiated transactions at varying prices to be determined at the time of sale. The Dealer may effect such transactions to or through dealers.

*Increase in Certificates.* Fannie Mae and the Dealer may agree to offer hereby Certificates in addition to those contemplated as of the date hereof. In such event, the GNMA Certificates will be increased in principal balance, but it is expected that all additional GNMA Certificates will have the same characteristics as described herein under “Description of the Certificates—The GNMA Certificates.” The proportion that the original principal balance of each Class (and any Component) bears to the aggregate original principal balance of all the Certificates will remain the same. The dollar amounts reflected in the Principal Balance Schedules will be increased in pro rata amounts that correspond to the increase of the principal balance of the Certificates.

## **LEGAL MATTERS**

Certain legal matters will be passed upon for the Dealer by Skadden, Arps, Slate, Meagher & Flom.

No dealer, salesman or other person has been authorized to give any information or to make any representations in connection with this offering other than those contained in this Prospectus Supplement, the GNMA Prospectus and the Information Statement and, if given or made, such information or representations must not be relied upon as having been authorized. This Prospectus Supplement and the aforementioned documents do not constitute an offer to sell or a solicitation of an offer to buy any of the Certificates offered hereby in any state to any person to whom it is unlawful to make such offer or solicitation in such state. The delivery of this Prospectus Supplement and the aforementioned documents at any time does not imply that the information contained herein or therein is correct as of any time subsequent to the date hereof or thereof.

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**\$500,000,000**

**Federal National  
Mortgage Association**



**Guaranteed REMIC  
Pass-Through Certificates  
Fannie Mae REMIC Trust 1994-G1**

## PROSPECTUS SUPPLEMENT

**LEHMAN BROTHERS**

November 23, 1993