

\$250,000,000
Federal National Mortgage Association



Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 1994-G11

The Guaranteed REMIC Pass-Through Certificates offered hereby (the “Certificates”) will represent beneficial ownership interests in Fannie Mae REMIC Trust 1994-G11 (the “Trust”). The assets of the Trust 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.

Investors should not purchase the Certificates before reading this Prospectus Supplement and the additional Disclosure Documents listed at the bottom of page S-2. *(Cover continued on next page)*

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 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.

<u>Class</u>	<u>Original Principal Balance</u>	<u>Principal Type(1)</u>	<u>Interest Rate</u>	<u>Interest Type(1)</u>	<u>CUSIP Number</u>	<u>Final Distribution Date</u>
A	\$167,500,000	PAC	6.50%	FIX	31359LEQ4	October 2024
B	4,500,000	SCH	6.50	FIX	31359LER2	April 2011
C	500,000	SCH	6.50	FIX	31359LES0	October 2011
D	2,700,000	AD/SUP	6.50	FIX	31359LET8	June 2001
E	2,300,000	AD/SUP	6.50	FIX	31359LEU5	July 2005
G	18,000,000	SUP	6.50	FIX	31359LEV3	October 2022
Z	5,000,000	SUP	6.50	Z	31359LEW1	October 2024
O	49,500,000	SUP	6.50	FIX	31359LEX9	October 2024
R	0	NPR	0.00	NPR	31359LEY7	October 2024

(1) Distributions of principal of and interest on the Certificates will be made on the 17th day of each month (or, if such 17th day is not a business day, on the first business day next succeeding such 17th day). 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.

The Certificates will be offered by Salomon Brothers 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 issuance by Fannie Mae and to prior sale or to withdrawal or modification of the offer without notice, when, as and if delivered to and accepted by the Dealer, subject to the right by the Dealer to reject any order in whole or in part and subject to approval of certain legal matters by counsel. It is expected that the Certificates, except for the R Class, will be available through the book-entry facilities of The Depository Trust Company on or about October 28, 1994 (the “Settlement Date”). It is expected that the R Class in registered, certificated form will be available for delivery at the offices of the Dealer, Seven World Trade Center, New York, New York 10048, on or about the Settlement Date.

Salomon Brothers Inc

(Cover continued from previous page)

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 and the purchase price paid for the related Class. 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.

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.

An election will be made to treat the Trust as a “real estate mortgage investment conduit” (“REMIC”) pursuant to the Internal Revenue Code of 1986, as amended (the “Code”). The R Class will be subject to transfer restrictions. See “Description of the Certificates—Characteristics of the R Class” 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.

Investors should purchase the Certificates only if they have read and understood this Prospectus Supplement and the following documents (collectively, the “Disclosure Documents”):

- Fannie Mae’s Prospectus for Guaranteed REMIC Pass-Through Certificates dated April 7, 1994 (the “GNMA Prospectus”) which is attached to this Prospectus Supplement; and
- Fannie Mae’s Information Statement dated March 31, 1994 and any supplements thereto (collectively, 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 Salomon Brothers Inc by writing or calling its Prospectus Department at Brooklyn Army Terminal, 140 58th Street, Brooklyn, New York 11220 (telephone 718-567-2005).

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REFERENCE SHEET

This reference sheet is not a summary of the REMIC transaction and it does not contain complete information about the Certificates. Investors should purchase the Certificates only after reading this Prospectus Supplement and each of the additional Disclosure Documents described herein.

Assumed Mortgage Loan Characteristics (as of October 1, 1994)

<u>Aggregate Unpaid Principal Balance</u>	<u>WARM (in months)</u>	<u>WALA (in months)</u>	<u>WAC</u>
\$250,000,000	348	12	7.00%

The actual remaining terms to maturity, loan ages and interest rates of most of the Mortgage Loans will differ from the weighted averages shown above, perhaps significantly. See “Description of the Certificates—Structuring Assumptions” herein.

Interest Rates

The Certificates will bear interest at the respective per annum interest rates set forth on the cover. Interest accrued on the Z Class will not be distributed thereon until the Distribution Date following the Distribution Date on which the B, C, D and E Classes are retired.

See “Description of the Certificates—Distributions of Interest” herein.

Distributions of Principal

Accrual Amount

To the D, E, B and C Classes, in that order, to zero, and then to the Z Class.

Cash Flow Distribution Amount

1. To the A Class to its Planned Balance.
2. 60% of the excess to the O Class, to zero.
3. Excess to the B and C Classes, in that order, to their respective Scheduled Balances.
4. Excess to the G, B, C, D, E, Z and A Classes, in that order, to zero.

Weighted Average Lives (years) *

<u>Class</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>65%</u>	<u>100%</u>	<u>200%</u>	<u>500%</u>	
A	16.1	8.8	8.8	8.8	4.2	
D	3.6	3.6	3.6	3.1	1.3	
E	8.8	8.8	8.8	4.8	1.5	
G	26.5	19.3	12.2	1.8	0.6	
Z	29.0	26.4	25.1	7.0	1.7	
O	27.6	21.5	14.9	3.3	1.0	
<u>Class</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>65%</u>	<u>80%</u>	<u>100%</u>	<u>200%</u>	<u>500%</u>
B	13.7	12.4	3.5	3.5	2.8	1.2
C	16.7	13.9	9.0	9.0	4.2	1.4

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

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 remaining provisions of this Prospectus Supplement, the additional Disclosure Documents and the provisions of the Trust Agreement (defined below). Capitalized terms used and not otherwise defined in this Prospectus Supplement have the meanings assigned to such terms in the applicable Disclosure Document or the Trust Agreement (as the context may require).

General

Structure. The Trust will be created pursuant to a trust agreement dated as of October 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 Class) 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 assets of the Trust will consist of the GNMA Certificates, and the Certificates will evidence the entire beneficial ownership interest in the distributions of principal and interest on the GNMA Certificates.

Authorized Denominations. The Certificates, other than the R Certificate, will be issued in minimum denominations of \$1,000 and integral multiples of \$1 in excess thereof. The R Class will be issued as a single certificate and will not have a principal balance.

Characteristics of Certificates. The Certificates, other than the R Certificate, will be represented by one or more certificates to be registered at all times in the name of the nominee of the Depository (as defined herein), which Depository will maintain such Certificates through its book-entry facilities. When used herein with respect to a book-entry Certificate, the terms “Holders” and “Certificateholders” refer to the nominee of the Depository. 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.

The R Certificate will not be issued in book-entry form but will be issued in fully registered, certificated form. As to the R Certificate, “Holder” or “Certificateholder” refers to the registered owner thereof. The R Certificate 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 the R 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 Class” herein.

The distribution to the Holder of the R Certificate of the proceeds of any remaining assets of the Trust will be made only upon presentation and surrender of such Certificate at the office of the Paying Agent. The Paying Agent initially will be State Street.

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 Collateral Account. The guaranty of Fannie Mae is 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.

Distribution Dates. Distributions on the Certificates will be made on the 17th day of each month (or, if such 17th day is not a business day, on the first business day next succeeding such 17th day), commencing in the month following the Settlement Date.

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.

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. The entire 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 October 1, 1994 (the “Issue Date”) are expected to be as follows:

Aggregate Unpaid Principal Balance	\$250,000,000
GNMA Pass-Through Rate	6.50%
Range of WARMs	180 months to 360 months
Approximate Weighted Average WARM	348 months
Approximate Weighted Average WALA	12 months

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.

Book-Entry Procedures

General

The Certificates, other than the R Certificate, will be represented by one or more certificates to be registered at all times in the name of the nominee of The Depository Trust Company, a New York-chartered limited purpose trust company, or any successor depository selected or approved by Fannie Mae (the “Depository”). In accordance with its normal procedures, the Depository will record the positions held by each Depository participating firm (each, a “Depository Participant”) in the book-entry Certificates, whether held for its own account or as a nominee for another person. State Street will act as paying agent for, and perform certain administrative functions with respect to, the book-entry Certificates.

No person acquiring a beneficial ownership interest in the book-entry Certificates (a “beneficial owner” or an “investor”) will be entitled to receive a physical certificate representing such ownership interest. An investor’s interest in the book-entry Certificates will be recorded on the records of the brokerage firm, bank, thrift institution or other financial intermediary (a “financial intermediary”) that maintains such investor’s account for such purpose. In turn, the financial intermediary’s record

ownership of such interest will be recorded on the records of the Depository (or of a Depository Participant that acts as agent for the financial intermediary if such intermediary is not a Depository Participant). Accordingly, an investor will not be recognized by the Trustee or the Depository as a Certificateholder and must rely on the foregoing arrangements to evidence its interest in the book-entry Certificates. Beneficial ownership of an investor's interest in the book-entry Certificates may be transferred only by compliance with the procedures of an investor's financial intermediary and of Depository Participants. In general, beneficial ownership of an investor's interest in the book-entry Certificates will be subject to the rules, regulations and procedures governing the Depository and Depository Participants as in effect from time to time.

Method of Distribution

Each distribution on the book-entry Certificates will be distributed by the Paying Agent to the Depository in immediately available funds. The Depository will be responsible for crediting the amount of such distributions to the accounts of the Depository Participants entitled thereto, in accordance with the Depository's normal procedures, which currently provide for distributions in next-day funds settled through the New York Clearing House. Each Depository Participant and each financial intermediary will be responsible for disbursing such distributions to the beneficial owners of the book-entry Certificates that it represents. Accordingly, the beneficial owners may experience some delay in their receipt of distributions.

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	A, B, C, D, E, G, Z and O
Accrual	Z
<u>No Payment Residual</u>	R

* 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 Period. Interest to be distributed or added to principal on a Distribution Date will accrue on the interest-bearing Certificates during the one-month period set forth below (an "Interest Accrual Period").

<u>Classes</u>	<u>Interest Accrual Period</u>
All 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 Z 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 until the Distribution Date following the Distribution Date on which the principal balances of the B, C, D and E Classes have been reduced to zero. 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.

Distributions of Principal

Categories of Classes

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

<u>Principal Type*</u>	<u>Classes</u>
PAC	A
Scheduled	B and C
Accretion Directed	B, C, D and E
Support	D, E, G, Z and O
No Payment Residual	R

* 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 Certificates during such month on the basis of published GNMA factors for such month. For any GNMA Certificate for which a factor is not available at such time, 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; and (ii) each Mortgage Loan underlying a GNMA Certificate bears an interest rate of 7.00% 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 as principal of the Classes specified below, in the following order of priority:

- (i) sequentially, to the D and E Classes, in that order, until the respective principal balances thereof are reduced to zero;
 - (ii) sequentially, to the B and C Classes, in that order, without regard to the Scheduled Balances and until the principal balances thereof are reduced to zero; and
 - (iii) to the Z Class.
- } **Accretion Directed and Accrual Classes**

Cash Flow Distribution Amount

- (a) On each Distribution Date, the Cash Flow Distribution Amount will be distributed as principal of the A Class, until the principal balance thereof is reduced to its Planned Balance for such Distribution Date. } **PAC Class**
- (b) On each Distribution Date, 60% of the excess of the Cash Flow Distribution Amount over the amount applied pursuant to paragraph (a) above will be distributed as principal of the O Class, until the principal balance thereof is reduced to zero. } **Support Class**
- (c) On each Distribution Date, the excess of the Cash Flow Distribution Amount over the amount applied pursuant to paragraphs (a) and (b) above will be distributed as principal of the remaining Classes, in the following order of priority:

- (i) sequentially, to the B and C Classes, in that order, until the principal balances thereof are reduced to their respective Scheduled Balances for such Distribution Date; } **Scheduled Classes**
- (ii) to the G Class, until the principal balance thereof is reduced to zero; } **Support Class**
- (iii) sequentially, to the B and C Classes, in that order, without regard to their Scheduled Balances and until the respective principal balances thereof are reduced to zero; } **Scheduled Classes**
- (iv) sequentially, to the D, E, and Z Classes, in that order, until the respective principal balances thereof are reduced to zero; and } **Support Classes**
- (v) to the A Class, without regard to its Planned Balance and until the principal balance thereof is reduced to zero. } **PAC Class**

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;
- the Mortgage Loans bear interest at a rate of 7.00% per annum and have an original term to maturity of 360 months, a WARM of 348 months and a WALA of 12 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.

Prepayment 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, 100% 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. It is highly unlikely that prepayments will occur at any PSA rate or at any other constant rate.

Structuring Ranges. The Principal Balance Schedules have been prepared on the basis of the Pricing Assumptions and the assumption that the Mortgage Loans prepay at a *constant* PSA rate within the Structuring Ranges set forth below.

<u>Related Classes</u>	<u>Structuring Ranges</u>
A	Between 65% and 200%
B and C	Between 80% and 146%

There is no assurance that the principal balances of the Classes listed above will conform on any Distribution Date to the applicable balances specified for such Distribution Date in the Principal Balance Schedules herein, or that distributions of principal on the related Classes will begin or end on the respective Distribution Dates specified therein. Because any excess of the principal distribution on any Distribution Date over the amount necessary to reduce the applicable Classes to their scheduled balances will be distributed, the ability to so reduce such Classes will not be enhanced by the averaging of high and low principal payments from month to month. In addition, even if prepayments occur at rates falling within the Structuring Ranges specified above, principal distributions may be insufficient to reduce the applicable Classes to their scheduled balances if such 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 specified above may not be reduced to their scheduled balances, even if prepayments occur at a *constant* rate within the Structuring Ranges specified above.

Initial Effective Ranges. The Effective Range for a Class is the range of prepayment rates (measured by *constant* PSA rates) that would reduce such Class to its Principal Balance Schedule on each Distribution Date. The Initial Effective Ranges set forth in the table below are based upon the assumed characteristics of the Mortgage Loans specified in the Pricing Assumptions.

<u>Related Classes</u>	<u>Initial Effective Ranges</u>
A	Between 65% and 200%
B	Between 80% and 151%
C	Between 80% and 146%

The actual Effective Ranges at any time will be based upon the actual characteristics of the Mortgage Loans at such time, which are likely to vary (and may vary considerably) from the Pricing Assumptions. The actual Effective Ranges calculated on the basis of the actual characteristics likely will differ from the Initial Effective Ranges. As a result, the applicable Classes might not be reduced to their scheduled balances even if prepayments were to occur at a *constant* PSA rate within the Initial Effective Ranges (particularly if such rate were at the lower or higher end of such ranges). In addition, even if prepayments occur at rates falling within the actual Effective Ranges, principal distributions may be insufficient to reduce the applicable Classes to their scheduled balances if such prepayments do not occur at a *constant* PSA rate. It is highly unlikely that the Mortgage Loans will prepay at any *constant* PSA rate. In general, the actual Effective Ranges may narrow, widen or shift upward or downward to reflect actual prepayment experience over time. The principal payment stability of the PAC and Scheduled Classes will be supported in part by the Support Classes. When the Support Classes are retired, any outstanding PAC and Scheduled Classes may no longer have Effective Ranges and will be more sensitive to prepayments.

Principal Balance Schedules

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Scheduled Balance</u>	<u>C Class Scheduled Balance</u>
Initial Balance	\$167,500,000.00	\$4,500,000.00	\$500,000.00
November 1994	166,923,482.95	4,466,957.43	500,000.00
December 1994	166,319,369.08	4,431,499.03	500,000.00
January 1995	165,687,817.92	4,393,650.43	500,000.00
February 1995	165,028,998.32	4,353,439.10	500,000.00
March 1995	164,343,088.40	4,310,894.31	500,000.00
April 1995	163,630,275.47	4,266,047.14	500,000.00
May 1995	162,890,755.93	4,218,930.42	500,000.00
June 1995	162,124,735.20	4,169,578.73	500,000.00
July 1995	161,332,427.64	4,118,028.36	500,000.00
August 1995	160,514,056.43	4,064,317.29	500,000.00
September 1995	159,669,853.48	4,008,485.16	500,000.00
October 1995	158,800,059.31	3,950,573.23	500,000.00
November 1995	157,904,922.98	3,890,624.33	500,000.00
December 1995	156,984,701.91	3,828,682.88	500,000.00
January 1996	156,039,661.82	3,764,794.79	500,000.00
February 1996	155,070,076.57	3,699,007.45	500,000.00
March 1996	154,076,228.02	3,631,369.70	500,000.00
April 1996	153,058,405.93	3,561,931.78	500,000.00
May 1996	152,043,364.24	3,493,171.39	500,000.00
June 1996	151,031,092.26	3,425,085.21	500,000.00
July 1996	150,021,579.35	3,357,669.93	500,000.00
August 1996	149,014,814.90	3,290,922.26	500,000.00
September 1996	148,010,788.33	3,224,838.93	500,000.00
October 1996	147,009,489.09	3,159,416.68	500,000.00
November 1996	146,010,906.67	3,094,652.27	500,000.00
December 1996	145,015,030.57	3,030,542.49	500,000.00
January 1997	144,021,850.34	2,967,084.14	500,000.00
February 1997	143,031,355.56	2,904,274.03	500,000.00
March 1997	142,043,535.83	2,842,108.99	500,000.00
April 1997	141,058,380.79	2,780,585.87	500,000.00
May 1997	140,075,880.10	2,719,701.54	500,000.00
June 1997	139,096,023.46	2,659,452.89	500,000.00
July 1997	138,118,800.60	2,599,836.81	500,000.00
August 1997	137,144,201.28	2,540,850.22	500,000.00
September 1997	136,172,215.28	2,482,490.06	500,000.00
October 1997	135,202,832.43	2,424,753.28	500,000.00
November 1997	134,236,042.57	2,367,636.85	500,000.00
December 1997	133,271,835.57	2,311,137.75	500,000.00
January 1998	132,310,201.35	2,255,252.98	500,000.00
February 1998	131,351,129.84	2,199,979.57	500,000.00
March 1998	130,394,611.00	2,145,314.55	500,000.00
April 1998	129,440,634.84	2,091,254.96	500,000.00
May 1998	128,489,191.37	2,037,797.88	500,000.00
June 1998	127,540,270.65	1,984,940.39	500,000.00
July 1998	126,593,862.77	1,932,679.58	500,000.00
August 1998	125,649,957.83	1,881,012.58	500,000.00
September 1998	124,708,545.98	1,829,936.51	500,000.00
October 1998	123,769,617.38	1,779,448.52	500,000.00
November 1998	122,833,162.23	1,729,545.78	500,000.00
December 1998	121,899,170.76	1,680,225.46	500,000.00
January 1999	120,967,633.22	1,631,484.76	500,000.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Scheduled Balance</u>	<u>C Class Scheduled Balance</u>
February 1999	\$120,038,539.90	\$1,583,320.88	\$500,000.00
March 1999	119,111,881.10	1,535,731.06	500,000.00
April 1999	118,187,647.17	1,488,712.53	500,000.00
May 1999	117,265,828.47	1,442,262.55	500,000.00
June 1999	116,346,415.39	1,396,378.40	500,000.00
July 1999	115,429,398.36	1,351,057.36	500,000.00
August 1999	114,514,767.83	1,306,296.73	500,000.00
September 1999	113,602,514.28	1,262,093.83	500,000.00
October 1999	112,692,628.21	1,218,446.00	500,000.00
November 1999	111,785,100.15	1,175,350.58	500,000.00
December 1999	110,879,920.67	1,132,804.93	500,000.00
January 2000	109,977,080.35	1,090,806.43	500,000.00
February 2000	109,076,569.80	1,049,352.48	500,000.00
March 2000	108,178,379.67	1,008,440.47	500,000.00
April 2000	107,282,500.62	968,067.84	500,000.00
May 2000	106,388,923.35	928,232.01	500,000.00
June 2000	105,497,638.57	888,930.45	500,000.00
July 2000	104,608,637.04	850,160.61	500,000.00
August 2000	103,721,909.53	811,919.97	500,000.00
September 2000	102,837,446.84	774,206.03	500,000.00
October 2000	101,955,239.80	737,016.30	500,000.00
November 2000	101,075,279.26	700,348.30	500,000.00
December 2000	100,197,556.10	664,199.56	500,000.00
January 2001	99,322,061.22	628,567.64	500,000.00
February 2001	98,448,785.56	593,450.10	500,000.00
March 2001	97,577,720.07	558,844.52	500,000.00
April 2001	96,708,855.73	524,748.49	500,000.00
May 2001	95,842,183.56	491,159.62	500,000.00
June 2001	94,977,694.58	458,075.53	500,000.00
July 2001	94,115,379.85	425,493.86	500,000.00
August 2001	93,255,230.46	393,412.25	500,000.00
September 2001	92,397,237.52	361,828.36	500,000.00
October 2001	91,541,392.16	330,739.87	500,000.00
November 2001	90,687,685.54	300,144.47	500,000.00
December 2001	89,836,108.84	270,039.86	500,000.00
January 2002	88,986,653.28	240,423.75	500,000.00
February 2002	88,139,310.08	211,293.87	500,000.00
March 2002	87,294,070.51	182,647.96	500,000.00
April 2002	86,450,925.85	154,483.78	500,000.00
May 2002	85,609,867.40	126,799.10	500,000.00
June 2002	84,770,886.50	99,591.70	500,000.00
July 2002	83,933,974.50	72,859.37	500,000.00
August 2002	83,099,122.79	46,599.92	500,000.00
September 2002	82,266,322.77	20,811.17	500,000.00
October 2002	81,435,565.86	0.00	495,490.96
November 2002	80,606,843.52	0.00	470,637.12
December 2002	79,780,147.23	0.00	446,247.52
January 2003	78,955,468.48	0.00	422,320.03
February 2003	78,132,798.80	0.00	398,852.53
March 2003	77,312,129.73	0.00	375,842.92
April 2003	76,493,452.85	0.00	353,289.10
May 2003	75,676,759.75	0.00	331,189.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Scheduled Balance</u>	<u>C Class Scheduled Balance</u>
June 2003	\$ 74,862,042.04	\$ 0.00	\$309,540.55
July 2003	74,049,291.37	0.00	288,341.70
August 2003	73,238,499.40	0.00	267,590.41
September 2003	72,429,657.82	0.00	247,284.64
October 2003	71,622,758.33	0.00	227,422.38
November 2003	70,817,792.67	0.00	208,001.62
December 2003	70,014,752.59	0.00	189,020.38
January 2004	69,213,629.87	0.00	170,476.67
February 2004	68,414,416.31	0.00	152,368.52
March 2004	67,617,103.73	0.00	134,693.97
April 2004	66,821,683.98	0.00	117,451.08
May 2004	66,028,148.92	0.00	100,637.92
June 2004	65,236,490.45	0.00	84,252.56
July 2004	64,446,700.47	0.00	69,065.57
August 2004	63,658,770.92	0.00	56,898.78
September 2004	62,872,693.76	0.00	47,714.29
October 2004	62,088,460.96	0.00	41,474.63
November 2004	61,306,064.53	0.00	38,142.75
December 2004	60,525,496.48	0.00	37,682.03
January 2005	59,752,684.46	0.00	37,682.03
February 2005	58,988,682.87	0.00	37,682.03
March 2005	58,233,395.35	0.00	37,682.03
April 2005	57,486,726.58	0.00	37,682.03
May 2005	56,748,582.27	0.00	37,682.03
June 2005	56,018,869.13	0.00	37,682.03
July 2005	55,297,494.88	0.00	441.08
August 2005	54,584,368.24	0.00	0.00
September 2005	53,879,398.89	0.00	0.00
October 2005	53,182,497.51	0.00	0.00
November 2005	52,493,575.71	0.00	0.00
December 2005	51,812,546.08	0.00	0.00
January 2006	51,139,322.12	0.00	0.00
February 2006	50,473,818.29	0.00	0.00
March 2006	49,815,949.95	0.00	0.00
April 2006	49,165,633.37	0.00	0.00
May 2006	48,522,785.74	0.00	0.00
June 2006	47,887,325.12	0.00	0.00
July 2006	47,259,170.46	0.00	0.00
August 2006	46,638,241.59	0.00	0.00
September 2006	46,024,459.19	0.00	0.00
October 2006	45,417,744.80	0.00	0.00
November 2006	44,818,020.80	0.00	0.00
December 2006	44,225,210.41	0.00	0.00
January 2007	43,639,237.67	0.00	0.00
February 2007	43,060,027.46	0.00	0.00
March 2007	42,487,505.44	0.00	0.00
April 2007	41,921,598.08	0.00	0.00
May 2007	41,362,232.66	0.00	0.00
June 2007	40,809,337.22	0.00	0.00
July 2007	40,262,840.58	0.00	0.00
August 2007	39,722,672.33	0.00	0.00
September 2007	39,188,762.83	0.00	0.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Scheduled Balance</u>	<u>C Class Scheduled Balance</u>
October 2007	\$ 38,661,043.17	\$ 0.00	\$ 0.00
November 2007	38,139,445.19	0.00	0.00
December 2007	37,623,901.47	0.00	0.00
January 2008	37,114,345.32	0.00	0.00
February 2008	36,610,710.76	0.00	0.00
March 2008	36,112,932.52	0.00	0.00
April 2008	35,620,946.04	0.00	0.00
May 2008	35,134,687.45	0.00	0.00
June 2008	34,654,093.58	0.00	0.00
July 2008	34,179,101.93	0.00	0.00
August 2008	33,709,650.68	0.00	0.00
September 2008	33,245,678.67	0.00	0.00
October 2008	32,787,125.41	0.00	0.00
November 2008	32,333,931.05	0.00	0.00
December 2008	31,886,036.40	0.00	0.00
January 2009	31,443,382.91	0.00	0.00
February 2009	31,005,912.64	0.00	0.00
March 2009	30,573,568.30	0.00	0.00
April 2009	30,146,293.20	0.00	0.00
May 2009	29,724,031.28	0.00	0.00
June 2009	29,306,727.07	0.00	0.00
July 2009	28,894,325.71	0.00	0.00
August 2009	28,486,772.92	0.00	0.00
September 2009	28,084,015.02	0.00	0.00
October 2009	27,685,998.90	0.00	0.00
November 2009	27,292,672.03	0.00	0.00
December 2009	26,903,982.44	0.00	0.00
January 2010	26,519,878.74	0.00	0.00
February 2010	26,140,310.07	0.00	0.00
March 2010	25,765,226.14	0.00	0.00
April 2010	25,394,577.19	0.00	0.00
May 2010	25,028,314.01	0.00	0.00
June 2010	24,666,387.91	0.00	0.00
July 2010	24,308,750.74	0.00	0.00
August 2010	23,955,354.86	0.00	0.00
September 2010	23,606,153.15	0.00	0.00
October 2010	23,261,098.99	0.00	0.00
November 2010	22,920,146.28	0.00	0.00
December 2010	22,583,249.42	0.00	0.00
January 2011	22,250,363.29	0.00	0.00
February 2011	21,921,443.26	0.00	0.00
March 2011	21,596,445.19	0.00	0.00
April 2011	21,275,325.42	0.00	0.00
May 2011	20,958,040.75	0.00	0.00
June 2011	20,644,548.46	0.00	0.00
July 2011	20,334,806.29	0.00	0.00
August 2011	20,028,772.43	0.00	0.00
September 2011	19,726,405.54	0.00	0.00
October 2011	19,427,664.71	0.00	0.00
November 2011	19,132,509.48	0.00	0.00
December 2011	18,840,899.83	0.00	0.00
January 2012	18,552,796.18	0.00	0.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Scheduled Balance</u>	<u>C Class Scheduled Balance</u>
February 2012	\$ 18,268,159.37	\$ 0.00	\$ 0.00
March 2012	17,986,950.66	0.00	0.00
April 2012	17,709,131.74	0.00	0.00
May 2012	17,434,664.72	0.00	0.00
June 2012	17,163,512.11	0.00	0.00
July 2012	16,895,636.82	0.00	0.00
August 2012	16,631,002.19	0.00	0.00
September 2012	16,369,571.93	0.00	0.00
October 2012	16,111,310.15	0.00	0.00
November 2012	15,856,181.37	0.00	0.00
December 2012	15,604,150.47	0.00	0.00
January 2013	15,355,182.72	0.00	0.00
February 2013	15,109,243.77	0.00	0.00
March 2013	14,866,299.64	0.00	0.00
April 2013	14,626,316.72	0.00	0.00
May 2013	14,389,261.77	0.00	0.00
June 2013	14,155,101.90	0.00	0.00
July 2013	13,923,804.59	0.00	0.00
August 2013	13,695,337.66	0.00	0.00
September 2013	13,469,669.30	0.00	0.00
October 2013	13,246,768.02	0.00	0.00
November 2013	13,026,602.70	0.00	0.00
December 2013	12,809,142.53	0.00	0.00
January 2014	12,594,357.06	0.00	0.00
February 2014	12,382,216.16	0.00	0.00
March 2014	12,172,690.03	0.00	0.00
April 2014	11,965,749.19	0.00	0.00
May 2014	11,761,364.48	0.00	0.00
June 2014	11,559,507.07	0.00	0.00
July 2014	11,360,148.43	0.00	0.00
August 2014	11,163,260.34	0.00	0.00
September 2014	10,968,814.91	0.00	0.00
October 2014	10,776,784.52	0.00	0.00
November 2014	10,587,141.88	0.00	0.00
December 2014	10,399,859.98	0.00	0.00
January 2015	10,214,912.12	0.00	0.00
February 2015	10,032,271.87	0.00	0.00
March 2015	9,851,913.11	0.00	0.00
April 2015	9,673,809.99	0.00	0.00
May 2015	9,497,936.94	0.00	0.00
June 2015	9,324,268.68	0.00	0.00
July 2015	9,152,780.21	0.00	0.00
August 2015	8,983,446.78	0.00	0.00
September 2015	8,816,243.94	0.00	0.00
October 2015	8,651,147.48	0.00	0.00
November 2015	8,488,133.47	0.00	0.00
December 2015	8,327,178.23	0.00	0.00
January 2016	8,168,258.35	0.00	0.00
February 2016	8,011,350.67	0.00	0.00
March 2016	7,856,432.29	0.00	0.00
April 2016	7,703,480.55	0.00	0.00
May 2016	7,552,473.05	0.00	0.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Scheduled Balance</u>	<u>C Class Scheduled Balance</u>
June 2016	\$ 7,403,387.62	\$ 0.00	\$ 0.00
July 2016	7,256,202.34	0.00	0.00
August 2016	7,110,895.53	0.00	0.00
September 2016	6,967,445.75	0.00	0.00
October 2016	6,825,831.79	0.00	0.00
November 2016	6,686,032.67	0.00	0.00
December 2016	6,548,027.65	0.00	0.00
January 2017	6,411,796.21	0.00	0.00
February 2017	6,277,318.05	0.00	0.00
March 2017	6,144,573.10	0.00	0.00
April 2017	6,013,541.50	0.00	0.00
May 2017	5,884,203.62	0.00	0.00
June 2017	5,756,540.05	0.00	0.00
July 2017	5,630,531.57	0.00	0.00
August 2017	5,506,159.19	0.00	0.00
September 2017	5,383,404.12	0.00	0.00
October 2017	5,262,247.78	0.00	0.00
November 2017	5,142,671.78	0.00	0.00
December 2017	5,024,657.96	0.00	0.00
January 2018	4,908,188.33	0.00	0.00
February 2018	4,793,245.12	0.00	0.00
March 2018	4,679,810.74	0.00	0.00
April 2018	4,567,867.80	0.00	0.00
May 2018	4,457,399.10	0.00	0.00
June 2018	4,348,387.63	0.00	0.00
July 2018	4,240,816.57	0.00	0.00
August 2018	4,134,669.27	0.00	0.00
September 2018	4,029,929.28	0.00	0.00
October 2018	3,926,580.32	0.00	0.00
November 2018	3,824,606.30	0.00	0.00
December 2018	3,723,991.30	0.00	0.00
January 2019	3,624,719.57	0.00	0.00
February 2019	3,526,775.55	0.00	0.00
March 2019	3,430,143.83	0.00	0.00
April 2019	3,334,809.19	0.00	0.00
May 2019	3,240,756.56	0.00	0.00
June 2019	3,147,971.04	0.00	0.00
July 2019	3,056,437.91	0.00	0.00
August 2019	2,966,142.59	0.00	0.00
September 2019	2,877,070.68	0.00	0.00
October 2019	2,789,207.93	0.00	0.00
November 2019	2,702,540.24	0.00	0.00
December 2019	2,617,053.68	0.00	0.00
January 2020	2,532,734.46	0.00	0.00
February 2020	2,449,568.95	0.00	0.00
March 2020	2,367,543.67	0.00	0.00
April 2020	2,286,645.29	0.00	0.00
May 2020	2,206,860.63	0.00	0.00
June 2020	2,128,176.65	0.00	0.00
July 2020	2,050,580.45	0.00	0.00
August 2020	1,974,059.28	0.00	0.00
September 2020	1,898,600.53	0.00	0.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Scheduled Balance</u>	<u>C Class Scheduled Balance</u>
October 2020	\$ 1,824,191.72	\$ 0.00	\$ 0.00
November 2020	1,750,820.53	0.00	0.00
December 2020	1,678,474.76	0.00	0.00
January 2021	1,607,142.34	0.00	0.00
February 2021	1,536,811.35	0.00	0.00
March 2021	1,467,469.99	0.00	0.00
April 2021	1,399,106.60	0.00	0.00
May 2021	1,331,709.63	0.00	0.00
June 2021	1,265,267.69	0.00	0.00
July 2021	1,199,769.48	0.00	0.00
August 2021	1,135,203.86	0.00	0.00
September 2021	1,071,559.79	0.00	0.00
October 2021	1,008,826.36	0.00	0.00
November 2021	946,992.78	0.00	0.00
December 2021	886,048.38	0.00	0.00
January 2022	825,982.61	0.00	0.00
February 2022	766,785.03	0.00	0.00
March 2022	708,445.33	0.00	0.00
April 2022	650,953.31	0.00	0.00
May 2022	594,298.88	0.00	0.00
June 2022	538,472.06	0.00	0.00
July 2022	483,462.98	0.00	0.00
August 2022	429,261.89	0.00	0.00
September 2022	375,859.13	0.00	0.00
October 2022	323,245.17	0.00	0.00
November 2022	271,410.58	0.00	0.00
December 2022	220,346.03	0.00	0.00
January 2023	170,042.29	0.00	0.00
February 2023	120,490.24	0.00	0.00
March 2023	71,680.86	0.00	0.00
April 2023	23,605.23	0.00	0.00
May 2023 and thereafter	0.00	0.00	0.00

Yield Considerations

General. The yield to maturity for each Certificate will depend upon the purchase price thereof, the rate of principal payments, including prepayments, on the Mortgage Loans, and the actual characteristics of the Mortgage Loans. An investor should purchase Certificates only after performing an analysis of such Certificates based upon the investor's own assumptions as to future rates of prepayment.

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. Because the rate of principal distributions on the Certificates will be related to the rate of amortization of the Mortgage Loans in each Pool, which are likely to include Mortgage Loans with remaining terms to maturity shorter or longer than those assumed, the rate of principal distributions on the Certificates is likely to differ from the rate anticipated by an investor, 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 all Mortgage Loans will prepay at the same rate.

The timing of changes in the rate of principal prepayments may significantly affect the yield to an investor, even if the average rate of principal prepayments is consistent with such investor's expectations. In general, the earlier the payment of principal, the greater the effect on an investor's yield to maturity. As a result, the effect on an investor's yield of principal prepayments occurring at a rate higher (or lower) than the rate anticipated by the investor during the period immediately following the Settlement Date will not be offset by any subsequent equivalent reduction (or increase) in the rate of principal prepayments.

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 17th 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.

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 payment scenarios, the Scheduled Classes than on the weighted average life of the PAC Class. 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.

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 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 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 may 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 weighted average WARM and WALA of the Mortgage Loans are identical to the weighted average WARM and WALA specified in the Pricing Assumptions.

Percent of Original Principal Balances Outstanding

Date	A Class					B Class					C Class					D Class						
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption						
	0%	65%	100%	200%	500%	0%	65%	80%	100%	200%	500%	0%	65%	80%	100%	200%	500%	0%	65%	100%	200%	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
October 1995	98	95	95	95	95	100	100	88	88	88	88	100	100	100	100	100	100	88	88	88	88	88
October 1996	97	88	88	88	85	100	100	70	70	70	0	100	100	100	100	100	0	74	74	74	74	0
October 1997	95	81	81	81	58	100	100	54	54	54	0	100	100	100	100	100	0	60	60	60	60	0
October 1998	93	74	74	74	40	100	100	40	40	7	0	100	100	100	100	100	0	45	45	45	45	0
October 1999	91	67	67	67	28	100	100	27	27	0	0	100	100	100	100	0	0	29	29	29	0	0
October 2000	89	61	61	61	19	100	100	16	16	0	0	100	100	100	100	0	0	12	12	12	0	0
October 2001	87	55	55	55	13	100	100	7	7	0	0	100	100	100	100	0	0	0	0	0	0	0
October 2002	84	49	49	49	9	100	100	0	0	0	0	100	100	99	99	0	0	0	0	0	0	0
October 2003	82	43	43	43	6	100	100	0	0	0	0	100	100	45	45	0	0	0	0	0	0	0
October 2004	79	37	37	37	4	100	100	0	0	0	0	100	100	8	8	0	0	0	0	0	0	0
October 2005	76	32	32	32	3	96	92	0	0	0	0	100	100	0	0	0	0	0	0	0	0	0
October 2006	73	27	27	27	2	80	66	0	0	0	0	100	100	0	0	0	0	0	0	0	0	0
October 2007	69	23	23	23	1	64	32	0	0	0	0	100	100	0	0	0	0	0	0	0	0	0
October 2008	65	20	20	20	1	47	0	0	0	0	0	100	16	0	0	0	0	0	0	0	0	0
October 2009	61	17	17	17	1	28	0	0	0	0	0	100	0	0	0	0	0	0	0	0	0	0
October 2010	57	14	14	14	*	9	0	0	0	0	0	100	0	0	0	0	0	0	0	0	0	0
October 2011	52	12	12	12	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2012	47	10	10	10	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2013	42	8	8	8	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2014	36	6	6	6	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2015	30	5	5	5	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2016	24	4	4	4	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2017	17	3	3	3	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2018	9	2	2	2	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2019	2	2	2	2	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2020	1	1	1	1	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2021	1	1	1	1	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2022	*	*	*	*	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
October 2024	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)**	16.1	8.8	8.8	8.8	4.2	13.7	12.4	3.5	3.5	2.8	1.2	16.7	13.9	9.0	9.0	4.2	1.4	3.6	3.6	3.6	3.1	1.3

Date	E Class					G Class					Z Class					O Class						
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption						
	0%	65%	100%	200%	500%	0%	65%	100%	200%	500%	0%	65%	100%	200%	500%	0%	65%	100%	200%	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
October 1995	100	100	100	100	100	100	100	96	76	14	107	107	107	107	107	100	100	96	85	52	52	
October 1996	100	100	100	100	0	100	100	90	42	0	114	114	114	114	0	100	100	91	64	0	0	
October 1997	100	100	100	100	0	100	100	85	14	0	121	121	121	121	0	100	100	85	47	0	0	
October 1998	100	100	100	100	0	100	100	80	0	0	130	130	130	130	0	100	100	81	33	0	0	
October 1999	100	100	100	13	0	100	100	77	0	0	138	138	138	138	0	100	100	77	22	0	0	
October 2000	100	100	100	0	0	100	100	74	0	0	148	148	148	89	0	100	100	74	14	0	0	
October 2001	93	93	93	0	0	100	100	71	0	0	157	157	157	50	0	100	100	72	8	0	0	
October 2002	70	70	70	0	0	100	100	69	0	0	168	168	168	23	0	100	100	69	3	0	0	
October 2003	45	45	45	0	0	100	100	67	0	0	179	179	179	8	0	100	100	68	1	0	0	
October 2004	19	19	19	0	0	100	100	66	0	0	191	191	191	2	0	100	100	67	*	0	0	
October 2005	0	0	0	0	0	100	100	64	0	0	204	204	201	2	0	100	100	65	*	0	0	
October 2006	0	0	0	0	0	100	100	61	0	0	218	218	201	2	0	100	98	64	*	0	0	
October 2007	0	0	0	0	0	100	100	56	0	0	232	232	201	2	0	100	96	61	*	0	0	
October 2008	0	0	0	0	0	100	100	51	0	0	248	248	201	2	0	100	92	58	*	0	0	
October 2009	0	0	0	0	0	100	93	45	0	0	264	249	201	2	0	100	88	55	*	0	0	
October 2010	0	0	0	0	0	100	85	38	0	0	282	249	201	2	0	100	84	51	*	0	0	
October 2011	0	0	0	0	0	100	75	31	0	0	300	249	201	2	0	100	79	48	*	0	0	
October 2012	0	0	0	0	0	100	66	24	0	0	300	249	201	2	0	100	73	44	*	0	0	
October 2013	0	0	0	0	0	100	55	17	0	0	300	249	201	2	0	100	68	40	*	0	0	
October 2014	0	0	0	0	0	100	44	9	0	0	300	249	201	2	0	100	62	35	*	0	0	
October 2015	0	0	0	0	0	100	32	2	0	0	300	249	201	2	0	100	55	31	*	0	0	
October 2016	0	0	0	0	0	100	21	0	0	0	300	249	180	2	0	100	49	27	*	0	0	
October 2017	0	0	0	0	0	100	8	0	0	0	300	249	153	2	0	100	42	23	*	0	0	
October 2018	0	0	0	0	0	100	0	0	0	0	300	234	127	2	0	100	36	19	*	0	0	
October 2019	0	0	0	0	0	97	0	0	0	0	300	189	100	2	0	98	29	15	*	0	0	
October 2020	0	0	0	0	0	67	0	0	0	0	300	143	75	2	0	82	22	11	*	0	0	
October 2021	0	0	0	0	0	34	0	0	0	0	300	96	50	2	0	64	15	8	*	0	0	
October 2022	0	0	0	0	0	0	0	0	0	0	295	49	26	2	0	45	7	4	*	0	0	
October 2023	0	0	0	0	0	0	0	0	0	0	154	0	0	0	0	23	0	0	0	0	0	
October 2024	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)**	8.8	8.8	8.8	4.8	1.5	26.5	19.3	12.2	1.8	0.6	29.0	26.4	25.1	7.0	1.7	27.6	21.5	14.9	3.3	1.0	1.0	

* 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.

Characteristics of the R Class

The R Class will not have a principal balance and will not bear 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 have been reduced to zero. It is not anticipated that there will be any material assets remaining in such circumstance.

The R Class will be subject to certain transfer restrictions. No transfer of record or beneficial ownership of an R Certificate will be allowed to a “disqualified organization.” In addition, no transfer of record or beneficial ownership of an R 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. The R Class will constitute a noneconomic residual interest under the Regulations. Any transferee of an R 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 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. See “Certain Federal Income Tax Consequences” in the GNMA Prospectus. Pursuant to the Trust Agreement, Fannie Mae will be obligated to provide to such Holder (i) such information as is necessary to enable it to prepare its federal income tax returns and (ii) any reports regarding the R Class that may be required under the Code.

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 Election and Special Tax Attributes

An election will be made to treat the Trust as a REMIC for federal income tax purposes. The Certificates, other than the R Class, 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.

As a consequence of the qualification of the Trust as a REMIC, 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 Class, 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 Accrual Class and the B, C, E, G and O Classes 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 100% PSA. See “Certain Federal Income Tax Conse-

quences—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, the R Class will not have significant value. As a result, an organization to which section 593 of the Code applies and which is the beneficial owner of an R 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 that generally will not be treated as excess inclusions, the rate to be used is 8.96% (which is 120% of the “federal long-term rate”). 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 an R Certificate are unclear; any transferee receiving such consideration should consult its own tax advisors.

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. Before the Settlement Date, 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 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 Cleary, Gottlieb, Steen & Hamilton.

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 and the additional Disclosure Documents 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.

\$250,000,000

Federal National Mortgage Association



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Guaranteed REMIC Pass-Through Certificates

Fannie Mae REMIC Trust 1994-G11

Salomon Brothers Inc

**Prospectus Supplement
Dated October 5, 1994**