

**\$535,543,890**  
**Federal National Mortgage Association**



**Guaranteed REMIC Pass-Through Certificates**  
**Fannie Mae REMIC Trust 1994-G12**

The Guaranteed REMIC Pass-Through Certificates offered hereby (the “Certificates”) will represent beneficial ownership interests in Fannie Mae REMIC Trust 1994-G12 (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.**

Class	Original Principal Balance	Principal Type(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date
A .....	\$350,000,000	PAC	6.50%	FIX	31359LJE6	November 2024
B .....	24,415,534	PAC	6.50	FIX	31359LJF3	September 2022
C .....	10,835,194	PAC	6.50	FIX	31359LJG1	February 2023
D .....	15,032,818	PAC	6.50	FIX	31359LJH9	July 2023
E .....	44,812,987	PAC	6.50	FIX	31359LJJ5	November 2024
GA .....	14,521,666	AD/SUP	8.25	FIX	31359LJK2	August 2010
Z .....	5,478,354	SUP	8.25	Z	31359LJL0	October 2023
GB .....	5,384,622	SUP	(2)	PO	31359LJM8	October 2023
F .....	15,000,000	SUP	(3)	FLT	31359LJN6	October 2023
S .....	5,769,231	SUP	(3)	INV	31359LJP1	October 2023
H .....	44,293,484	SUP	6.50	FIX	31359LJQ9	November 2024
R .....	0	NPR	0	NPR	31359LJR7	November 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.
- (2) The GB Class will be a Principal Only Class and will bear no interest.
- (3) 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.

The Certificates will be offered by Kidder, Peabody & Co. Incorporated (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, 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 November 30, 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, New York, New York, on or about the Settlement Date.

**Kidder, Peabody & Co.**  
**Incorporated**

**October 6, 1994**

*(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, 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.
- 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.

There is currently no secondary market for the Certificates and the Dealer is not obligated to make such a market. As announced, PaineWebber Group Inc. has agreed to purchase certain businesses of Kidder, Peabody & Co. Incorporated. Due to this pending acquisition, the Dealer has indicated that it is unlikely to make a market for the Certificates. 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 Kidder, Peabody & Co. Incorporated by writing or calling its Prospectus Department at 60 Broad Street, 6th Floor, New York, New York 10004 (telephone 212-656-1584).

## TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
<b>Reference Sheet</b> .....	S- 4	Structuring Assumptions .....	S-11
<b>Description of the Certificates</b> .....	S- 6	<i>Pricing Assumptions</i> .....	S-11
General .....	S- 6	<i>Prepayment Assumptions</i> .....	S-12
<i>Structure</i> .....	S- 6	<i>Structuring Ranges</i> .....	S-12
<i>Authorized Denominations</i> .....	S- 6	<i>Initial Effective Ranges</i> .....	S-13
<i>Characteristics of Certificates</i> .....	S- 6	Principal Balance Schedules .....	S-14
<i>Fannie Mae Guaranty</i> .....	S- 6	Yield Considerations .....	S-21
<i>Distribution Dates</i> .....	S- 7	<i>General</i> .....	S-21
<i>Record Date</i> .....	S- 7	<i>The Inverse Floating Rate Class</i> ....	S-21
<i>REMIC Trust Factors</i> .....	S- 7	<i>The Principal Only Class</i> .....	S-22
The GNMA Certificates .....	S- 7	Weighted Average Lives of the	
Book-Entry Procedures .....	S- 7	Certificates .....	S-22
<i>General</i> .....	S- 7	Decrement Tables .....	S-24
<i>Method of Distribution</i> .....	S- 8	Characteristics of the R Class .....	S-26
Distributions of Interest .....	S- 8	<b>Certain Additional Federal Income</b>	
<i>Categories of Classes</i> .....	S- 8	<b>Tax Consequences</b> .....	S-26
<i>General</i> .....	S- 8	REMIC Election and Special Tax	
<i>Interest Accrual Periods</i> .....	S- 9	Attributes .....	S-26
<i>Accrual Class</i> .....	S- 9	Taxation of Beneficial Owners of	
<i>Floating Rate and Inverse Floating</i>		Regular Certificates .....	S-26
<i>Rate Classes</i> .....	S- 9	Taxation of Beneficial Owners of	
Calculation of LIBOR .....	S- 9	Residual Certificates .....	S-27
Distributions of Principal .....	S-10	<b>Plan of Distribution</b> .....	S-27
<i>Categories of Classes</i> .....	S-10	<i>General</i> .....	S-27
<i>Principal Distribution Amount</i> ....	S-10	<i>Increase in Certificates</i> .....	S-27
<i>Accrual Amount</i> .....	S-11	<b>Legal Matters</b> .....	S-27
<i>Cash Flow Distribution Amount</i> ....	S-11		

## 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 November 1, 1994)

<u>Aggregate Unpaid Principal Balance</u>	<u>WARM (in months)</u>	<u>WALA (in months)</u>	<u>WAC</u>
\$107,108,782	352	8	7.00%
107,108,777	349	11	7.00
107,108,777	346	14	7.00
107,108,777	345	15	7.00
107,108,777	342	18	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—*Pricing Assumptions*” herein.

### Interest Rates

The Fixed Rate 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 GA Class is retired. See “Description of the Certificates—Distributions of Interest—*Accrual Class*” herein.

The Floating and Inverse Floating Rate Certificates will bear interest during their 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.

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate</u>
F	7.025%	9.00%	1.90%	LIBOR + 190 basis points
S	5.135%	18.46%	0.00%	18.46% – (2.6 × LIBOR)

See “Description of the Certificates—Distributions of Interest—*Interest Accrual Periods*” and “—*Floating Rate and Inverse Floating Rate Classes*” herein.

### Distributions of Principal

#### *Accrual Amount*

To the GA Class, to zero, and then to the Z Class.

#### *Cash Flow Distribution Amount*

1. To the A Class to its Planned Balance.
2. To the B, C, D and E Classes, in that order, to their respective Planned Balances.
3. The excess over the amount applied above will be distributed as follows:
  - (a) 43.3333514611% of such amount to the GA and Z Classes, in that order, to zero;
  - (b) 11.6666742139% of such amount to the GB Class to zero; and
  - (c) 44.9999743250% of such amount to the F and S Classes, in proportion to their original principal balances, to zero.

4. To the H Class to zero.
5. To the B, C, D and E Classes, in that order, to zero.
6. To the A Class to zero.

**Weighted Average Lives (years) \***

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>60%</u>	<u>105%</u>	<u>200%</u>	<u>500%</u>
A .....	15.9	9.0	9.0	9.0	4.2
GA .....	9.5	9.5	2.0	0.7	0.2
Z .....	28.3	22.1	5.9	1.4	0.5
GB, F and S .....	28.3	22.1	3.5	0.9	0.3
H .....	29.5	26.9	20.5	2.3	0.8

<u>Class</u>	<u>PSA Prepayment Assumption</u>						
	<u>0%</u>	<u>60%</u>	<u>75%</u>	<u>105%</u>	<u>135%</u>	<u>200%</u>	<u>500%</u>
B .....	25.0	13.6	3.5	3.5	3.5	2.5	1.0
C .....	25.6	16.1	11.0	11.0	11.0	3.8	1.3
D .....	26.1	17.5	15.0	15.0	15.0	4.4	1.4
E .....	27.1	22.6	22.4	22.4	22.4	6.5	1.7

\* 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 November 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 November 1, 1994 (the “Issue Date”) are expected to be as follows:

Aggregate Unpaid Principal Balance .....	\$535,543,890
GNMA Pass-Through Rate .....	6.50%
Range of WARMS .....	180 months to 360 months
Approximate Weighted Average WARM .....	347 months
Approximate Weighted Average WALA .....	13 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, GA, Z and H
Floating Rate	F
Inverse Floating Rate	S
Accrual	Z
Principal Only	GB
No Payment Residual	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 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>
F and S (collectively, the “No Delay Classes”)	One month period beginning on the 17th day of the month preceding the month of the Distribution Date and ending on the 16th 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 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 until the Distribution Date following the Distribution Date on which the principal balance of the GA Class has been reduced to zero. Interest so accrued and unpaid on any Accrual Class will be added as principal to the principal balance thereof on each Distribution Date. Distributions of principal of any 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:

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate</u>
F .....	7.025%	9.00%	1.90%	LIBOR + 190 basis points
S .....	5.135%	18.46%	0.00%	18.46% – (2.6 × 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 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 5.125%.

## 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 I	A
PAC II	B, C, D and E
Accretion Directed	GA
Support	GA, Z, GB, F, S and H
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 GA Class until the principal balance thereof is reduced to zero, and thereafter 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 Classes specified below in the following order of priority:

(i) to the A Class, until the principal balance thereof is reduced to its Planned Balance for such Distribution Date; and } **PAC I Class**

(ii) sequentially, to the B, C, D and E Classes, in that order, until the principal balances thereof are reduced to their respective Planned Balances for such Distribution Date. } **PAC II Classes**

(b) On each Distribution Date, the excess of the Cash Flow Distribution Amount over the amount applied pursuant to paragraph (a) above will be distributed as principal of the Classes specified below as follows:

(i) 43.3333514611% of such amount, sequentially, to the GA and Z Classes, in that order, until the respective principal balances thereof are reduced to zero; } **Support Classes**

(ii) 11.6666742139% of such amount to the GB Class, until the principal balance thereof is reduced to zero; and

(iii) 44.9999743250% of such amount, concurrently, to the F and S Classes, in proportion to their original principal balances (or 72.2222214198% and 27.7777785802%, respectively), until the principal balances thereof are reduced to zero.

(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 Classes specified below in the following order of priority:

(i) to the H Class, until the principal balance thereof is reduced to zero; } **Support Class**

(ii) sequentially, to the B, C, D and E Classes, in that order, without regard to their Planned Balances and until the respective principal balances thereof are reduced to zero; and } **PAC II Classes**

(iii) to the A Class, without regard to its Planned Balance and until the principal balance thereof is reduced to zero. } **PAC I 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 original terms to maturity of 360 months, and the following principal amounts of the Mortgage Loans have the WARMs and WALAs, respectively, as specified:

\$107,108,782	352 months	8 months
\$107,108,777	349 months	11 months
\$107,108,777	346 months	14 months
\$107,108,777	345 months	15 months
\$107,108,777	342 months	18 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, 105% 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 60% and 200%
B, C, D and E	Between 75% and 135%

**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 60% and 200%
B	Between 75% and 140%
C and D	Between 75% and 135%
E	Between 70% and 135%

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 Classes will be supported in part by the Support Classes. When the Support Classes are retired, any outstanding PAC 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 Planned Balance</u>	<u>C Class Planned Balance</u>	<u>D Class Planned Balance</u>	<u>E Class Planned Balance</u>
Initial Balance .....	\$350,000,000.00	\$24,415,534.00	\$10,835,194.00	\$15,032,818.00	\$44,812,987.00
December 1994 .....	348,754,325.39	24,221,980.38	10,835,194.00	15,032,818.00	44,812,987.00
January 1995 .....	347,454,142.25	24,015,617.80	10,835,194.00	15,032,818.00	44,812,987.00
February 1995 .....	346,099,773.18	23,796,587.69	10,835,194.00	15,032,818.00	44,812,987.00
March 1995 .....	344,691,557.13	23,565,040.94	10,835,194.00	15,032,818.00	44,812,987.00
April 1995 .....	343,229,849.92	23,321,137.39	10,835,194.00	15,032,818.00	44,812,987.00
May 1995 .....	341,715,024.08	23,065,045.69	10,835,194.00	15,032,818.00	44,812,987.00
June 1995 .....	340,147,468.72	22,796,943.20	10,835,194.00	15,032,818.00	44,812,987.00
July 1995 .....	338,527,589.37	22,517,015.84	10,835,194.00	15,032,818.00	44,812,987.00
August 1995 .....	336,855,807.80	22,225,457.96	10,835,194.00	15,032,818.00	44,812,987.00
September 1995 .....	335,132,561.85	21,922,472.21	10,835,194.00	15,032,818.00	44,812,987.00
October 1995 .....	333,358,305.23	21,608,269.34	10,835,194.00	15,032,818.00	44,812,987.00
November 1995 .....	331,533,507.36	21,283,068.09	10,835,194.00	15,032,818.00	44,812,987.00
December 1995 .....	329,669,276.58	20,949,766.02	10,835,194.00	15,032,818.00	44,812,987.00
January 1996 .....	327,765,993.63	20,608,539.46	10,835,194.00	15,032,818.00	44,812,987.00
February 1996 .....	325,824,051.54	20,259,570.88	10,835,194.00	15,032,818.00	44,812,987.00
March 1996 .....	323,854,395.31	19,905,681.56	10,835,194.00	15,032,818.00	44,812,987.00
April 1996 .....	321,867,837.97	19,549,630.11	10,835,194.00	15,032,818.00	44,812,987.00
May 1996 .....	319,864,568.74	19,191,501.15	10,835,194.00	15,032,818.00	44,812,987.00
June 1996 .....	317,844,782.84	18,831,382.24	10,835,194.00	15,032,818.00	44,812,987.00
July 1996 .....	315,819,126.78	18,471,955.18	10,835,194.00	15,032,818.00	44,812,987.00
August 1996 .....	313,787,690.09	18,113,256.89	10,835,194.00	15,032,818.00	44,812,987.00
September 1996 .....	311,750,565.20	17,755,325.77	10,835,194.00	15,032,818.00	44,812,987.00
October 1996 .....	309,718,234.24	17,400,768.54	10,835,194.00	15,032,818.00	44,812,987.00
November 1996 .....	307,690,678.65	17,049,570.47	10,835,194.00	15,032,818.00	44,812,987.00
December 1996 .....	305,667,879.93	16,701,716.92	10,835,194.00	15,032,818.00	44,812,987.00
January 1997 .....	303,649,819.61	16,357,193.33	10,835,194.00	15,032,818.00	44,812,987.00
February 1997 .....	301,636,479.27	16,015,985.22	10,835,194.00	15,032,818.00	44,812,987.00
March 1997 .....	299,627,840.55	15,678,078.18	10,835,194.00	15,032,818.00	44,812,987.00
April 1997 .....	297,623,885.12	15,343,457.88	10,835,194.00	15,032,818.00	44,812,987.00
May 1997 .....	295,624,594.70	15,012,110.05	10,835,194.00	15,032,818.00	44,812,987.00
June 1997 .....	293,629,951.05	14,684,020.53	10,835,194.00	15,032,818.00	44,812,987.00
July 1997 .....	291,639,935.99	14,359,175.21	10,835,194.00	15,032,818.00	44,812,987.00
August 1997 .....	289,654,531.36	14,037,560.05	10,835,194.00	15,032,818.00	44,812,987.00
September 1997 .....	287,673,719.06	13,719,161.11	10,835,194.00	15,032,818.00	44,812,987.00
October 1997 .....	285,697,481.04	13,403,964.51	10,835,194.00	15,032,818.00	44,812,987.00
November 1997 .....	283,725,799.28	13,091,956.44	10,835,194.00	15,032,818.00	44,812,987.00
December 1997 .....	281,758,655.80	12,783,123.17	10,835,194.00	15,032,818.00	44,812,987.00
January 1998 .....	279,796,032.68	12,477,451.04	10,835,194.00	15,032,818.00	44,812,987.00
February 1998 .....	277,837,912.04	12,174,926.48	10,835,194.00	15,032,818.00	44,812,987.00
March 1998 .....	275,884,276.03	11,875,535.96	10,835,194.00	15,032,818.00	44,812,987.00
April 1998 .....	273,935,106.86	11,579,266.06	10,835,194.00	15,032,818.00	44,812,987.00
May 1998 .....	271,990,386.77	11,286,103.41	10,835,194.00	15,032,818.00	44,812,987.00
June 1998 .....	270,050,098.05	10,996,034.71	10,835,194.00	15,032,818.00	44,812,987.00
July 1998 .....	268,114,223.04	10,709,046.75	10,835,194.00	15,032,818.00	44,812,987.00
August 1998 .....	266,182,744.09	10,425,126.38	10,835,194.00	15,032,818.00	44,812,987.00
September 1998 .....	264,255,643.63	10,144,260.53	10,835,194.00	15,032,818.00	44,812,987.00
October 1998 .....	262,332,904.12	9,866,436.17	10,835,194.00	15,032,818.00	44,812,987.00
November 1998 .....	260,414,508.05	9,591,640.39	10,835,194.00	15,032,818.00	44,812,987.00
December 1998 .....	258,500,437.96	9,319,860.32	10,835,194.00	15,032,818.00	44,812,987.00
January 1999 .....	256,590,676.45	9,051,083.16	10,835,194.00	15,032,818.00	44,812,987.00
February 1999 .....	254,685,206.12	8,785,296.18	10,835,194.00	15,032,818.00	44,812,987.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C Class Planned Balance</u>	<u>D Class Planned Balance</u>	<u>E Class Planned Balance</u>
March 1999 .....	\$252,784,009.66	\$ 8,522,486.75	\$10,835,194.00	\$15,032,818.00	\$44,812,987.00
April 1999 .....	250,887,069.75	8,262,642.26	10,835,194.00	15,032,818.00	44,812,987.00
May 1999 .....	248,994,369.16	8,005,750.21	10,835,194.00	15,032,818.00	44,812,987.00
June 1999 .....	247,105,890.67	7,751,798.15	10,835,194.00	15,032,818.00	44,812,987.00
July 1999 .....	245,221,617.10	7,500,773.71	10,835,194.00	15,032,818.00	44,812,987.00
August 1999 .....	243,341,531.33	7,252,664.56	10,835,194.00	15,032,818.00	44,812,987.00
September 1999 .....	241,465,616.27	7,007,458.48	10,835,194.00	15,032,818.00	44,812,987.00
October 1999 .....	239,593,854.87	6,765,143.29	10,835,194.00	15,032,818.00	44,812,987.00
November 1999 .....	237,726,230.11	6,525,706.89	10,835,194.00	15,032,818.00	44,812,987.00
December 1999 .....	235,862,725.03	6,289,137.23	10,835,194.00	15,032,818.00	44,812,987.00
January 2000 .....	234,003,322.70	6,055,422.35	10,835,194.00	15,032,818.00	44,812,987.00
February 2000 .....	232,148,006.23	5,824,550.34	10,835,194.00	15,032,818.00	44,812,987.00
March 2000 .....	230,296,758.76	5,596,509.36	10,835,194.00	15,032,818.00	44,812,987.00
April 2000 .....	228,449,563.48	5,371,287.65	10,835,194.00	15,032,818.00	44,812,987.00
May 2000 .....	226,606,403.63	5,148,873.49	10,835,194.00	15,032,818.00	44,812,987.00
June 2000 .....	224,767,262.46	4,929,255.26	10,835,194.00	15,032,818.00	44,812,987.00
July 2000 .....	222,932,123.29	4,712,421.37	10,835,194.00	15,032,818.00	44,812,987.00
August 2000 .....	221,100,969.44	4,498,360.32	10,835,194.00	15,032,818.00	44,812,987.00
September 2000 .....	219,273,784.32	4,287,060.66	10,835,194.00	15,032,818.00	44,812,987.00
October 2000 .....	217,450,551.34	4,078,511.02	10,835,194.00	15,032,818.00	44,812,987.00
November 2000 .....	215,631,253.95	3,872,700.08	10,835,194.00	15,032,818.00	44,812,987.00
December 2000 .....	213,815,875.65	3,669,616.59	10,835,194.00	15,032,818.00	44,812,987.00
January 2001 .....	212,004,399.99	3,469,249.37	10,835,194.00	15,032,818.00	44,812,987.00
February 2001 .....	210,196,810.52	3,271,587.29	10,835,194.00	15,032,818.00	44,812,987.00
March 2001 .....	208,393,090.86	3,076,619.29	10,835,194.00	15,032,818.00	44,812,987.00
April 2001 .....	206,593,224.67	2,884,334.39	10,835,194.00	15,032,818.00	44,812,987.00
May 2001 .....	204,797,195.61	2,694,721.65	10,835,194.00	15,032,818.00	44,812,987.00
June 2001 .....	203,004,987.42	2,507,770.20	10,835,194.00	15,032,818.00	44,812,987.00
July 2001 .....	201,216,583.86	2,323,469.22	10,835,194.00	15,032,818.00	44,812,987.00
August 2001 .....	199,431,968.71	2,141,807.99	10,835,194.00	15,032,818.00	44,812,987.00
September 2001 .....	197,651,125.82	1,962,775.81	10,835,194.00	15,032,818.00	44,812,987.00
October 2001 .....	195,874,039.05	1,786,362.07	10,835,194.00	15,032,818.00	44,812,987.00
November 2001 .....	194,100,692.31	1,612,556.21	10,835,194.00	15,032,818.00	44,812,987.00
December 2001 .....	192,331,069.53	1,441,347.72	10,835,194.00	15,032,818.00	44,812,987.00
January 2002 .....	190,565,154.71	1,272,726.17	10,835,194.00	15,032,818.00	44,812,987.00
February 2002 .....	188,802,931.84	1,106,681.20	10,835,194.00	15,032,818.00	44,812,987.00
March 2002 .....	187,044,384.99	943,202.47	10,835,194.00	15,032,818.00	44,812,987.00
April 2002 .....	185,289,498.23	782,279.74	10,835,194.00	15,032,818.00	44,812,987.00
May 2002 .....	183,538,255.70	623,902.81	10,835,194.00	15,032,818.00	44,812,987.00
June 2002 .....	181,790,641.53	468,061.56	10,835,194.00	15,032,818.00	44,812,987.00
July 2002 .....	180,046,639.93	314,745.89	10,835,194.00	15,032,818.00	44,812,987.00
August 2002 .....	178,306,235.13	163,945.81	10,835,194.00	15,032,818.00	44,812,987.00
September 2002 .....	176,569,411.38	15,651.35	10,835,194.00	15,032,818.00	44,812,987.00
October 2002 .....	174,836,152.98	0.00	10,705,046.61	15,032,818.00	44,812,987.00
November 2002 .....	173,106,444.27	0.00	10,561,733.76	15,032,818.00	44,812,987.00
December 2002 .....	171,380,269.60	0.00	10,420,897.02	15,032,818.00	44,812,987.00
January 2003 .....	169,657,613.39	0.00	10,282,526.66	15,032,818.00	44,812,987.00
February 2003 .....	167,938,460.06	0.00	10,146,613.03	15,032,818.00	44,812,987.00
March 2003 .....	166,222,794.08	0.00	10,013,146.52	15,032,818.00	44,812,987.00
April 2003 .....	164,510,599.96	0.00	9,882,117.58	15,032,818.00	44,812,987.00
May 2003 .....	162,801,862.23	0.00	9,753,516.72	15,032,818.00	44,812,987.00
June 2003 .....	161,096,565.47	0.00	9,627,334.51	15,032,818.00	44,812,987.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C Class Planned Balance</u>	<u>D Class Planned Balance</u>	<u>E Class Planned Balance</u>
July 2003 .....	\$159,394,694.27	\$ 0.00	\$ 9,503,561.57	\$15,032,818.00	\$44,812,987.00
August 2003 .....	157,696,233.27	0.00	9,382,188.59	15,032,818.00	44,812,987.00
September 2003 .....	156,001,167.15	0.00	9,263,206.30	15,032,818.00	44,812,987.00
October 2003 .....	154,309,480.61	0.00	9,146,605.50	15,032,818.00	44,812,987.00
November 2003 .....	152,621,158.39	0.00	9,032,377.03	15,032,818.00	44,812,987.00
December 2003 .....	150,936,185.24	0.00	8,920,511.81	15,032,818.00	44,812,987.00
January 2004 .....	149,254,545.99	0.00	8,811,000.79	15,032,818.00	44,812,987.00
February 2004 .....	147,576,225.46	0.00	8,703,834.99	15,032,818.00	44,812,987.00
March 2004 .....	145,901,208.51	0.00	8,599,005.49	15,032,818.00	44,812,987.00
April 2004 .....	144,229,480.06	0.00	8,496,503.41	15,032,818.00	44,812,987.00
May 2004 .....	142,561,025.02	0.00	8,396,319.94	15,032,818.00	44,812,987.00
June 2004 .....	140,895,828.38	0.00	8,298,446.32	15,032,818.00	44,812,987.00
July 2004 .....	139,233,875.11	0.00	8,202,873.83	15,032,818.00	44,812,987.00
August 2004 .....	137,575,150.25	0.00	8,109,593.82	15,032,818.00	44,812,987.00
September 2004 .....	135,919,638.86	0.00	8,018,597.70	15,032,818.00	44,812,987.00
October 2004 .....	134,267,326.02	0.00	7,929,876.92	15,032,818.00	44,812,987.00
November 2004 .....	132,618,196.87	0.00	7,843,422.99	15,032,818.00	44,812,987.00
December 2004 .....	130,972,236.55	0.00	7,759,227.46	15,032,818.00	44,812,987.00
January 2005 .....	129,329,430.25	0.00	7,677,281.96	15,032,818.00	44,812,987.00
February 2005 .....	127,689,763.18	0.00	7,597,578.15	15,032,818.00	44,812,987.00
March 2005 .....	126,061,347.76	0.00	7,511,980.58	15,032,818.00	44,812,987.00
April 2005 .....	124,451,516.08	0.00	7,413,134.23	15,032,818.00	44,812,987.00
May 2005 .....	122,860,064.79	0.00	7,301,219.55	15,032,818.00	44,812,987.00
June 2005 .....	121,286,792.77	0.00	7,176,414.90	15,032,818.00	44,812,987.00
July 2005 .....	119,731,501.03	0.00	7,038,896.57	15,032,818.00	44,812,987.00
August 2005 .....	118,193,992.73	0.00	6,888,838.76	15,032,818.00	44,812,987.00
September 2005 .....	116,674,073.14	0.00	6,726,413.68	15,032,818.00	44,812,987.00
October 2005 .....	115,171,549.63	0.00	6,551,791.50	15,032,818.00	44,812,987.00
November 2005 .....	113,686,231.65	0.00	6,365,140.40	15,032,818.00	44,812,987.00
December 2005 .....	112,217,930.68	0.00	6,166,626.60	15,032,818.00	44,812,987.00
January 2006 .....	110,766,460.24	0.00	5,956,414.37	15,032,818.00	44,812,987.00
February 2006 .....	109,331,635.86	0.00	5,734,892.05	15,032,818.00	44,812,987.00
March 2006 .....	107,913,275.02	0.00	5,509,034.99	15,032,818.00	44,812,987.00
April 2006 .....	106,511,197.22	0.00	5,278,938.01	15,032,818.00	44,812,987.00
May 2006 .....	105,125,223.86	0.00	5,044,694.61	15,032,818.00	44,812,987.00
June 2006 .....	103,755,178.27	0.00	4,806,396.95	15,032,818.00	44,812,987.00
July 2006 .....	102,400,885.69	0.00	4,564,135.89	15,032,818.00	44,812,987.00
August 2006 .....	101,062,173.23	0.00	4,318,001.00	15,032,818.00	44,812,987.00
September 2006 .....	99,738,869.87	0.00	4,068,080.57	15,032,818.00	44,812,987.00
October 2006 .....	98,430,806.43	0.00	3,814,461.63	15,032,818.00	44,812,987.00
November 2006 .....	97,137,815.54	0.00	3,557,229.96	15,032,818.00	44,812,987.00
December 2006 .....	95,859,731.66	0.00	3,296,470.14	15,032,818.00	44,812,987.00
January 2007 .....	94,596,390.98	0.00	3,032,265.49	15,032,818.00	44,812,987.00
February 2007 .....	93,347,631.52	0.00	2,764,698.17	15,032,818.00	44,812,987.00
March 2007 .....	92,113,292.98	0.00	2,493,849.14	15,032,818.00	44,812,987.00
April 2007 .....	90,893,216.84	0.00	2,219,798.19	15,032,818.00	44,812,987.00
May 2007 .....	89,687,246.26	0.00	1,942,623.97	15,032,818.00	44,812,987.00
June 2007 .....	88,495,226.08	0.00	1,662,403.97	15,032,818.00	44,812,987.00
July 2007 .....	87,317,002.84	0.00	1,379,214.57	15,032,818.00	44,812,987.00
August 2007 .....	86,152,424.72	0.00	1,093,131.02	15,032,818.00	44,812,987.00
September 2007 .....	85,001,341.52	0.00	804,227.49	15,032,818.00	44,812,987.00
October 2007 .....	83,863,604.68	0.00	512,577.05	15,032,818.00	44,812,987.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C Class Planned Balance</u>	<u>D Class Planned Balance</u>	<u>E Class Planned Balance</u>
November 2007 .....	\$ 82,739,067.24	\$ 0.00	\$ 218,251.72	\$15,032,818.00	\$44,812,987.00
December 2007 .....	81,627,583.82	0.00	0.00	14,954,140.45	44,812,987.00
January 2008 .....	80,529,010.59	0.00	0.00	14,654,677.14	44,812,987.00
February 2008 .....	79,443,205.29	0.00	0.00	14,352,748.67	44,812,987.00
March 2008 .....	78,370,027.20	0.00	0.00	14,048,422.88	44,812,987.00
April 2008 .....	77,309,337.10	0.00	0.00	13,741,766.64	44,812,987.00
May 2008 .....	76,260,997.29	0.00	0.00	13,432,845.80	44,812,987.00
June 2008 .....	75,224,871.52	0.00	0.00	13,121,725.24	44,812,987.00
July 2008 .....	74,200,825.05	0.00	0.00	12,808,468.87	44,812,987.00
August 2008 .....	73,188,724.57	0.00	0.00	12,493,139.63	44,812,987.00
September 2008.....	72,188,438.22	0.00	0.00	12,175,799.55	44,812,987.00
October 2008 .....	71,199,835.55	0.00	0.00	11,856,509.70	44,812,987.00
November 2008 .....	70,222,787.53	0.00	0.00	11,535,330.23	44,812,987.00
December 2008 .....	69,257,166.52	0.00	0.00	11,212,320.39	44,812,987.00
January 2009 .....	68,302,846.24	0.00	0.00	10,887,538.53	44,812,987.00
February 2009 .....	67,359,701.81	0.00	0.00	10,561,042.13	44,812,987.00
March 2009 .....	66,427,609.66	0.00	0.00	10,232,887.77	44,812,987.00
April 2009 .....	65,506,447.58	0.00	0.00	9,903,131.17	44,812,987.00
May 2009 .....	64,596,094.67	0.00	0.00	9,571,827.21	44,812,987.00
June 2009 .....	63,696,431.33	0.00	0.00	9,239,029.94	44,812,987.00
July 2009 .....	62,807,339.25	0.00	0.00	8,904,792.53	44,812,987.00
August 2009 .....	61,928,701.42	0.00	0.00	8,569,167.39	44,812,987.00
September 2009.....	61,060,402.08	0.00	0.00	8,232,206.08	44,812,987.00
October 2009 .....	60,202,326.70	0.00	0.00	7,893,959.36	44,812,987.00
November 2009 .....	59,354,362.03	0.00	0.00	7,554,477.23	44,812,987.00
December 2009 .....	58,516,396.02	0.00	0.00	7,213,808.89	44,812,987.00
January 2010 .....	57,688,317.81	0.00	0.00	6,872,002.77	44,812,987.00
February 2010 .....	56,870,017.78	0.00	0.00	6,529,106.54	44,812,987.00
March 2010 .....	56,061,387.48	0.00	0.00	6,185,167.13	44,812,987.00
April 2010 .....	55,262,319.61	0.00	0.00	5,840,230.71	44,812,987.00
May 2010 .....	54,472,708.06	0.00	0.00	5,494,342.76	44,812,987.00
June 2010 .....	53,692,447.85	0.00	0.00	5,147,547.98	44,812,987.00
July 2010 .....	52,921,435.15	0.00	0.00	4,799,890.41	44,812,987.00
August 2010 .....	52,159,567.24	0.00	0.00	4,451,413.36	44,812,987.00
September 2010.....	51,406,742.51	0.00	0.00	4,102,159.46	44,812,987.00
October 2010 .....	50,662,860.47	0.00	0.00	3,752,170.63	44,812,987.00
November 2010 .....	49,927,821.68	0.00	0.00	3,401,488.15	44,812,987.00
December 2010 .....	49,201,527.82	0.00	0.00	3,050,152.61	44,812,987.00
January 2011 .....	48,483,881.60	0.00	0.00	2,698,203.93	44,812,987.00
February 2011 .....	47,774,786.81	0.00	0.00	2,345,681.42	44,812,987.00
March 2011 .....	47,074,148.25	0.00	0.00	1,992,623.71	44,812,987.00
April 2011.....	46,381,871.77	0.00	0.00	1,639,068.81	44,812,987.00
May 2011 .....	45,697,864.26	0.00	0.00	1,285,054.12	44,812,987.00
June 2011 .....	45,022,033.57	0.00	0.00	930,616.39	44,812,987.00
July 2011 .....	44,354,288.59	0.00	0.00	575,791.78	44,812,987.00
August 2011.....	43,694,539.17	0.00	0.00	220,615.87	44,812,987.00
September 2011.....	43,042,696.17	0.00	0.00	0.00	44,678,110.60
October 2011 .....	42,398,671.37	0.00	0.00	0.00	44,322,336.37
November 2011 .....	41,762,377.54	0.00	0.00	0.00	43,966,313.97
December 2011 .....	41,133,728.39	0.00	0.00	0.00	43,610,076.64
January 2012 .....	40,512,638.56	0.00	0.00	0.00	43,253,657.04
February 2012 .....	39,899,023.61	0.00	0.00	0.00	42,897,087.30

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C Class Planned Balance</u>	<u>D Class Planned Balance</u>	<u>E Class Planned Balance</u>
March 2012 .....	\$ 39,292,800.04	\$ 0.00	\$ 0.00	\$ 0.00	\$42,540,398.98
April 2012 .....	38,693,885.22	0.00	0.00	0.00	42,183,623.10
May 2012 .....	38,102,197.43	0.00	0.00	0.00	41,826,790.16
June 2012 .....	37,517,655.87	0.00	0.00	0.00	41,469,930.13
July 2012 .....	36,940,180.56	0.00	0.00	0.00	41,113,072.44
August 2012 .....	36,369,692.42	0.00	0.00	0.00	40,756,246.04
September 2012 .....	35,806,113.24	0.00	0.00	0.00	40,399,479.35
October 2012 .....	35,249,365.63	0.00	0.00	0.00	40,042,800.31
November 2012 .....	34,699,373.05	0.00	0.00	0.00	39,686,236.34
December 2012 .....	34,156,059.80	0.00	0.00	0.00	39,329,814.40
January 2013 .....	33,619,351.00	0.00	0.00	0.00	38,973,560.97
February 2013 .....	33,089,172.57	0.00	0.00	0.00	38,617,502.03
March 2013 .....	32,565,451.25	0.00	0.00	0.00	38,261,663.12
April 2013 .....	32,048,114.57	0.00	0.00	0.00	37,906,069.31
May 2013 .....	31,537,090.84	0.00	0.00	0.00	37,550,745.22
June 2013 .....	31,032,309.17	0.00	0.00	0.00	37,195,715.02
July 2013 .....	30,533,699.42	0.00	0.00	0.00	36,841,002.43
August 2013 .....	30,041,192.21	0.00	0.00	0.00	36,486,630.74
September 2013 .....	29,554,718.94	0.00	0.00	0.00	36,132,622.82
October 2013 .....	29,074,211.73	0.00	0.00	0.00	35,779,001.09
November 2013 .....	28,599,603.45	0.00	0.00	0.00	35,425,787.58
December 2013 .....	28,130,827.70	0.00	0.00	0.00	35,073,003.89
January 2014 .....	27,667,818.80	0.00	0.00	0.00	34,720,671.21
February 2014 .....	27,210,511.78	0.00	0.00	0.00	34,368,810.35
March 2014 .....	26,758,842.39	0.00	0.00	0.00	34,017,441.68
April 2014 .....	26,312,747.07	0.00	0.00	0.00	33,666,585.24
May 2014 .....	25,872,162.95	0.00	0.00	0.00	33,316,260.62
June 2014 .....	25,437,027.85	0.00	0.00	0.00	32,966,487.08
July 2014 .....	25,007,280.27	0.00	0.00	0.00	32,617,283.48
August 2014 .....	24,582,859.36	0.00	0.00	0.00	32,268,668.31
September 2014 .....	24,163,704.97	0.00	0.00	0.00	31,920,659.71
October 2014 .....	23,749,757.57	0.00	0.00	0.00	31,573,275.44
November 2014 .....	23,340,958.29	0.00	0.00	0.00	31,226,532.92
December 2014 .....	22,937,248.91	0.00	0.00	0.00	30,880,449.21
January 2015 .....	22,538,571.83	0.00	0.00	0.00	30,535,041.03
February 2015 .....	22,144,870.10	0.00	0.00	0.00	30,190,324.77
March 2015 .....	21,756,087.36	0.00	0.00	0.00	29,846,316.46
April 2015 .....	21,372,167.90	0.00	0.00	0.00	29,503,031.81
May 2015 .....	20,993,056.59	0.00	0.00	0.00	29,160,486.22
June 2015 .....	20,618,698.91	0.00	0.00	0.00	28,818,694.74
July 2015 .....	20,249,040.94	0.00	0.00	0.00	28,477,672.13
August 2015 .....	19,884,029.34	0.00	0.00	0.00	28,137,432.80
September 2015 .....	19,523,611.36	0.00	0.00	0.00	27,797,990.90
October 2015 .....	19,167,734.82	0.00	0.00	0.00	27,459,360.23
November 2015 .....	18,816,348.12	0.00	0.00	0.00	27,121,554.31
December 2015 .....	18,469,400.21	0.00	0.00	0.00	26,784,586.38
January 2016 .....	18,126,840.60	0.00	0.00	0.00	26,448,469.36
February 2016 .....	17,788,619.37	0.00	0.00	0.00	26,113,215.90
March 2016 .....	17,454,687.12	0.00	0.00	0.00	25,778,838.35
April 2016 .....	17,124,995.00	0.00	0.00	0.00	25,445,348.81
May 2016 .....	16,799,494.69	0.00	0.00	0.00	25,112,759.07
June 2016 .....	16,478,138.42	0.00	0.00	0.00	24,781,080.67

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C Class Planned Balance</u>	<u>D Class Planned Balance</u>	<u>E Class Planned Balance</u>
July 2016 .....	\$ 16,160,878.91	\$ 0.00	\$ 0.00	\$ 0.00	\$24,450,324.88
August 2016 .....	15,847,669.43	0.00	0.00	0.00	24,120,502.70
September 2016 .....	15,538,463.73	0.00	0.00	0.00	23,791,624.88
October 2016 .....	15,233,216.08	0.00	0.00	0.00	23,463,701.90
November 2016 .....	14,931,881.26	0.00	0.00	0.00	23,136,743.99
December 2016 .....	14,634,414.53	0.00	0.00	0.00	22,810,761.14
January 2017 .....	14,340,771.64	0.00	0.00	0.00	22,485,763.09
February 2017 .....	14,050,908.85	0.00	0.00	0.00	22,161,759.34
March 2017 .....	13,764,782.85	0.00	0.00	0.00	21,838,759.15
April 2017 .....	13,482,350.86	0.00	0.00	0.00	21,516,771.54
May 2017 .....	13,203,570.54	0.00	0.00	0.00	21,195,805.31
June 2017 .....	12,928,400.00	0.00	0.00	0.00	20,875,869.01
July 2017 .....	12,656,797.84	0.00	0.00	0.00	20,556,971.00
August 2017 .....	12,388,723.10	0.00	0.00	0.00	20,239,119.38
September 2017 .....	12,124,135.26	0.00	0.00	0.00	19,922,322.06
October 2017 .....	11,862,994.26	0.00	0.00	0.00	19,606,586.73
November 2017 .....	11,605,260.47	0.00	0.00	0.00	19,291,920.86
December 2017 .....	11,350,894.70	0.00	0.00	0.00	18,978,331.72
January 2018 .....	11,099,858.19	0.00	0.00	0.00	18,665,826.35
February 2018 .....	10,852,112.60	0.00	0.00	0.00	18,354,411.63
March 2018 .....	10,607,620.02	0.00	0.00	0.00	18,044,094.21
April 2018 .....	10,366,342.95	0.00	0.00	0.00	17,734,880.55
May 2018 .....	10,128,244.30	0.00	0.00	0.00	17,426,776.91
June 2018 .....	9,893,287.39	0.00	0.00	0.00	17,119,789.38
July 2018 .....	9,661,435.94	0.00	0.00	0.00	16,813,923.83
August 2018 .....	9,432,654.09	0.00	0.00	0.00	16,509,185.99
September 2018 .....	9,206,906.34	0.00	0.00	0.00	16,205,581.36
October 2018 .....	8,984,157.60	0.00	0.00	0.00	15,903,115.29
November 2018 .....	8,764,373.17	0.00	0.00	0.00	15,601,792.95
December 2018 .....	8,547,518.73	0.00	0.00	0.00	15,301,619.32
January 2019 .....	8,333,560.31	0.00	0.00	0.00	15,002,599.22
February 2019 .....	8,122,464.36	0.00	0.00	0.00	14,704,737.32
March 2019 .....	7,914,197.67	0.00	0.00	0.00	14,408,038.08
April 2019 .....	7,708,727.40	0.00	0.00	0.00	14,112,505.84
May 2019 .....	7,506,021.07	0.00	0.00	0.00	13,818,144.76
June 2019 .....	7,306,046.57	0.00	0.00	0.00	13,524,958.82
July 2019 .....	7,108,772.13	0.00	0.00	0.00	13,232,951.89
August 2019 .....	6,914,166.34	0.00	0.00	0.00	12,942,127.65
September 2019 .....	6,722,198.12	0.00	0.00	0.00	12,652,489.65
October 2019 .....	6,532,836.77	0.00	0.00	0.00	12,364,041.27
November 2019 .....	6,346,051.88	0.00	0.00	0.00	12,076,785.76
December 2019 .....	6,161,813.41	0.00	0.00	0.00	11,790,726.22
January 2020 .....	5,980,091.64	0.00	0.00	0.00	11,505,865.61
February 2020 .....	5,800,857.18	0.00	0.00	0.00	11,222,206.74
March 2020 .....	5,624,080.96	0.00	0.00	0.00	10,939,752.31
April 2020 .....	5,449,734.23	0.00	0.00	0.00	10,658,504.85
May 2020 .....	5,277,788.58	0.00	0.00	0.00	10,378,466.77
June 2020 .....	5,108,215.88	0.00	0.00	0.00	10,099,640.37
July 2020 .....	4,940,988.34	0.00	0.00	0.00	9,822,027.79
August 2020 .....	4,776,078.45	0.00	0.00	0.00	9,545,631.05
September 2020 .....	4,613,459.02	0.00	0.00	0.00	9,270,452.07
October 2020 .....	4,453,103.18	0.00	0.00	0.00	8,996,492.61

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C Class Planned Balance</u>	<u>D Class Planned Balance</u>	<u>E Class Planned Balance</u>
November 2020 .....	\$ 4,294,984.31	\$ 0.00	\$ 0.00	\$ 0.00	\$ 8,723,754.33
December 2020 .....	4,139,076.14	0.00	0.00	0.00	8,452,238.77
January 2021 .....	3,985,352.64	0.00	0.00	0.00	8,181,947.36
February 2021 .....	3,833,788.09	0.00	0.00	0.00	7,912,881.40
March 2021 .....	3,684,357.07	0.00	0.00	0.00	7,645,042.08
April 2021 .....	3,537,034.43	0.00	0.00	0.00	7,378,430.49
May 2021 .....	3,391,795.28	0.00	0.00	0.00	7,113,047.60
June 2021 .....	3,248,615.03	0.00	0.00	0.00	6,848,894.27
July 2021 .....	3,107,469.36	0.00	0.00	0.00	6,585,971.27
August 2021 .....	2,968,334.20	0.00	0.00	0.00	6,324,279.24
September 2021 .....	2,831,185.78	0.00	0.00	0.00	6,063,818.75
October 2021 .....	2,696,000.57	0.00	0.00	0.00	5,804,590.25
November 2021 .....	2,562,755.30	0.00	0.00	0.00	5,546,594.08
December 2021 .....	2,431,426.97	0.00	0.00	0.00	5,289,830.51
January 2022 .....	2,301,992.83	0.00	0.00	0.00	5,034,299.71
February 2022 .....	2,174,430.38	0.00	0.00	0.00	4,780,001.72
March 2022 .....	2,048,717.39	0.00	0.00	0.00	4,526,936.55
April 2022 .....	1,924,831.84	0.00	0.00	0.00	4,275,104.06
May 2022 .....	1,802,751.99	0.00	0.00	0.00	4,024,504.06
June 2022 .....	1,682,456.33	0.00	0.00	0.00	3,775,136.25
July 2022 .....	1,563,923.57	0.00	0.00	0.00	3,527,000.26
August 2022 .....	1,447,132.69	0.00	0.00	0.00	3,280,095.62
September 2022 .....	1,332,062.88	0.00	0.00	0.00	3,034,421.80
October 2022 .....	1,218,693.58	0.00	0.00	0.00	2,789,978.16
November 2022 .....	1,107,004.44	0.00	0.00	0.00	2,546,764.00
December 2022 .....	996,975.35	0.00	0.00	0.00	2,304,778.54
January 2023 .....	888,586.42	0.00	0.00	0.00	2,064,020.92
February 2023 .....	781,817.98	0.00	0.00	0.00	1,824,490.19
March 2023 .....	676,650.59	0.00	0.00	0.00	1,586,185.35
April 2023 .....	573,065.01	0.00	0.00	0.00	1,349,105.32
May 2023 .....	471,042.22	0.00	0.00	0.00	1,113,248.93
June 2023 .....	389,769.35	0.00	0.00	0.00	925,175.97
July 2023 .....	309,725.71	0.00	0.00	0.00	738,078.64
August 2023 .....	230,896.49	0.00	0.00	0.00	551,955.87
September 2023 .....	172,086.19	0.00	0.00	0.00	412,808.60
October 2023 .....	132,876.50	0.00	0.00	0.00	320,224.55
November 2023 .....	94,262.66	0.00	0.00	0.00	228,125.13
December 2023 .....	56,237.48	0.00	0.00	0.00	136,509.76
January 2024 .....	37,202.16	0.00	0.00	0.00	90,765.38
February 2024 .....	18,457.50	0.00	0.00	0.00	45,262.24
March 2024 and thereafter .....	0.00	0.00	0.00	0.00	0.00

## Yield Considerations

*General.* The yield to maturity for each Certificate will depend upon the purchase price thereof, the level of the applicable Index, if any, the rate of principal payments, including prepayments, on the Mortgage Loans, and the actual characteristics of the Mortgage Loans. There can be no assurance that 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, if any, will correspond to any of the levels shown herein. 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 and levels of any applicable Index.

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 a *constant* PSA rate until maturity or that all Mortgage Loans will prepay at the same rate or that the level of any applicable Index will remain constant.

The timing of changes in the rate of principal prepayments or the level of an Index may significantly affect the yield to an investor, even if the average rate of principal prepayments or the average level of an Index is consistent with such investor's expectations. In general, the earlier the payment of principal 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 Settlement Date will not be offset by any subsequent equivalent 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 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.

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 the applicable 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 such 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 Inverse Floating Rate Class.* The yield to investors in the Inverse Floating Rate Class will be very sensitive to the level of the applicable Index and to the rate of principal payments (including prepayments) of the Mortgage Loans, which Mortgage Loans gener-**

ally can be prepaid at any time. As indicated in the table below, a high level of the applicable Index will have a negative effect on the yield to investors in the Inverse Floating Rate Class.

Changes in an 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 table was prepared on the basis of the Pricing Assumptions and the assumptions that (i) the interest rates applicable to the Inverse Floating Rate Class for each Interest Accrual Period subsequent to its initial Interest Accrual Period will be based on the indicated level of the applicable Index and (ii) the aggregate purchase price of the Inverse Floating Rate Class (expressed as a percentage of original principal balance) is as follows:

<u>Class</u>	<u>Price*</u>
S .....	28.30250%

\* 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 S Class to Prepayments and LIBOR (Pre-Tax Yields to Maturity)

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>60%</u>	<u>105%</u>	<u>200%</u>	<u>500%</u>
1.125% .....	60.4%	60.4%	120.1%	387.9%	3,041.2%
3.125% .....	39.1%	39.1%	97.8%	355.9%	2,922.5%
5.125% .....	19.5%	19.7%	77.0%	325.5%	2,807.0%
7.100% .....	5.5%	5.9%	58.1%	297.1%	2,696.2%

*The Principal Only Class.* The Principal Only Class will not bear interest. As indicated in the table below, a low rate of principal payments (including prepayments) will have a negative effect on the yield to investors in the Principal Only Class.

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

<u>Class</u>	<u>Price</u>
GB .....	26.47645%

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

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>60%</u>	<u>105%</u>	<u>200%</u>	<u>500%</u>
GB .....	5.7%	6.1%	62.5%	326.2%	3,256.3%

#### 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 PAC II Classes than on the weighted average life of the PAC I 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 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	A Class					B Class							C Class						
	PSA Prepayment Assumption					PSA Prepayment Assumption							PSA Prepayment Assumption						
	0%	60%	105%	200%	500%	0%	60%	75%	105%	135%	200%	500%	0%	60%	75%	105%	135%	200%	500%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 1995 .....	98	95	95	95	95	100	100	87	87	87	87	87	100	100	100	100	100	100	100
November 1996 .....	97	88	88	88	85	100	100	70	70	70	70	0	100	100	100	100	100	100	0
November 1997 .....	95	81	81	81	59	100	100	54	54	54	54	0	100	100	100	100	100	100	0
November 1998 .....	93	74	74	74	41	100	100	39	39	39	0	0	100	100	100	100	100	100	0
November 1999 .....	91	68	68	68	28	100	100	27	27	27	0	0	100	100	100	100	100	0	0
November 2000 .....	89	62	62	62	19	100	100	16	16	16	0	0	100	100	100	100	100	0	0
November 2001 .....	86	55	55	55	13	100	100	7	7	7	0	0	100	100	100	100	100	0	0
November 2002 .....	84	49	49	49	9	100	100	0	0	0	0	0	100	100	97	97	97	0	0
November 2003 .....	81	44	44	44	6	100	100	0	0	0	0	0	100	100	83	83	83	0	0
November 2004 .....	78	38	38	38	4	100	100	0	0	0	0	0	100	100	72	72	72	0	0
November 2005 .....	75	32	32	32	3	100	97	0	0	0	0	0	100	100	59	59	59	0	0
November 2006 .....	72	28	28	28	2	100	87	0	0	0	0	0	100	100	33	33	33	0	0
November 2007 .....	68	24	24	24	1	100	69	0	0	0	0	0	100	100	2	2	2	0	0
November 2008 .....	64	20	20	20	1	100	46	0	0	0	0	0	100	100	0	0	0	0	0
November 2009 .....	60	17	17	17	1	100	16	0	0	0	0	0	100	100	0	0	0	0	0
November 2010 .....	56	14	14	14	*	100	0	0	0	0	0	0	100	61	0	0	0	0	0
November 2011 .....	51	12	12	12	*	100	0	0	0	0	0	0	100	0	0	0	0	0	0
November 2012 .....	46	10	10	10	*	100	0	0	0	0	0	0	100	0	0	0	0	0	0
November 2013 .....	41	8	8	8	*	100	0	0	0	0	0	0	100	0	0	0	0	0	0
November 2014 .....	35	7	7	7	*	100	0	0	0	0	0	0	100	0	0	0	0	0	0
November 2015 .....	28	5	5	5	*	100	0	0	0	0	0	0	100	0	0	0	0	0	0
November 2016 .....	22	4	4	4	*	100	0	0	0	0	0	0	100	0	0	0	0	0	0
November 2017 .....	14	3	3	3	*	100	0	0	0	0	0	0	100	0	0	0	0	0	0
November 2018 .....	7	3	3	3	*	100	0	0	0	0	0	0	100	0	0	0	0	0	0
November 2019 .....	2	2	2	2	*	51	0	0	0	0	0	0	100	0	0	0	0	0	0
November 2020 .....	1	1	1	1	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2021 .....	1	1	1	1	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2022 .....	*	*	*	*	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2023 .....	*	*	*	*	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2024 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	15.9	9.0	9.0	9.0	4.2	25.0	13.6	3.5	3.5	3.5	2.5	1.0	25.6	16.1	11.0	11.0	11.0	3.8	1.3

\* 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	D Class							E Class							GA Class				
	PSA Prepayment Assumption							PSA Prepayment Assumption							PSA Prepayment Assumption				
	0%	60%	75%	105%	135%	200%	500%	0%	60%	75%	105%	135%	200%	500%	0%	60%	105%	200%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 1995	100	100	100	100	100	100	100	100	100	100	100	100	100	100	97	97	78	19	0
November 1996	100	100	100	100	100	100	0	100	100	100	100	100	100	0	93	93	50	0	0
November 1997	100	100	100	100	100	100	0	100	100	100	100	100	100	0	89	89	23	0	0
November 1998	100	100	100	100	100	100	0	100	100	100	100	100	100	0	85	85	*	0	0
November 1999	100	100	100	100	100	0	0	100	100	100	100	100	91	0	81	81	0	0	0
November 2000	100	100	100	100	100	0	0	100	100	100	100	100	56	0	76	76	0	0	0
November 2001	100	100	100	100	100	0	0	100	100	100	100	100	31	0	71	71	0	0	0
November 2002	100	100	100	100	100	0	0	100	100	100	100	100	14	0	65	65	0	0	0
November 2003	100	100	100	100	100	0	0	100	100	100	100	100	4	0	59	59	0	0	0
November 2004	100	100	100	100	100	0	0	100	100	100	100	100	*	0	52	52	0	0	0
November 2005	100	100	100	100	100	0	0	100	100	100	100	100	0	0	45	45	0	0	0
November 2006	100	100	100	100	100	0	0	100	100	100	100	100	0	0	37	37	0	0	0
November 2007	100	100	100	100	100	0	0	100	100	100	100	100	0	0	28	28	0	0	0
November 2008	100	100	77	77	77	0	0	100	100	100	100	100	0	0	18	18	0	0	0
November 2009	100	100	50	50	50	0	0	100	100	100	100	100	0	0	8	8	0	0	0
November 2010	100	100	23	23	23	0	0	100	100	100	100	100	0	0	0	0	0	0	0
November 2011	100	83	0	0	0	0	0	100	100	98	98	98	0	0	0	0	0	0	0
November 2012	100	17	0	0	0	0	0	100	100	89	89	89	0	0	0	0	0	0	0
November 2013	100	0	0	0	0	0	0	100	82	79	79	79	0	0	0	0	0	0	0
November 2014	100	0	0	0	0	0	0	100	70	70	70	70	0	0	0	0	0	0	0
November 2015	100	0	0	0	0	0	0	100	61	61	61	61	0	0	0	0	0	0	0
November 2016	100	0	0	0	0	0	0	100	52	52	52	52	0	0	0	0	0	0	0
November 2017	100	0	0	0	0	0	0	100	43	43	43	43	0	0	0	0	0	0	0
November 2018	100	0	0	0	0	0	0	100	35	35	35	35	0	0	0	0	0	0	0
November 2019	100	0	0	0	0	0	0	100	27	27	27	27	0	0	0	0	0	0	0
November 2020	61	0	0	0	0	0	0	100	19	19	19	19	0	0	0	0	0	0	0
November 2021	0	0	0	0	0	0	0	50	12	12	12	12	0	0	0	0	0	0	0
November 2022	0	0	0	0	0	0	0	6	6	6	6	6	0	0	0	0	0	0	0
November 2023	0	0	0	0	0	0	0	1	1	1	1	1	0	0	0	0	0	0	0
November 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	26.1	17.5	15.0	15.0	15.0	4.4	1.4	27.1	22.6	22.4	22.4	22.4	6.5	1.7	9.5	9.5	2.0	0.7	0.2

Date	Z Class					GB, F and S Classes					H Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	60%	105%	200%	500%	0%	60%	105%	200%	500%	0%	60%	105%	200%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 1995	109	109	109	109	0	100	100	86	43	0	100	100	100	100	3
November 1996	118	118	118	0	0	100	100	68	0	0	100	100	100	70	0
November 1997	128	128	128	0	0	100	100	52	0	0	100	100	100	7	0
November 1998	139	139	139	0	0	100	100	38	0	0	100	100	100	0	0
November 1999	151	151	96	0	0	100	100	26	0	0	100	100	100	0	0
November 2000	164	164	61	0	0	100	100	17	0	0	100	100	100	0	0
November 2001	178	178	32	0	0	100	100	9	0	0	100	100	100	0	0
November 2002	193	193	9	0	0	100	100	3	0	0	100	100	100	0	0
November 2003	210	210	0	0	0	100	100	0	0	0	100	100	98	0	0
November 2004	228	228	0	0	0	100	100	0	0	0	100	100	95	0	0
November 2005	247	247	0	0	0	100	100	0	0	0	100	100	93	0	0
November 2006	268	268	0	0	0	100	100	0	0	0	100	100	91	0	0
November 2007	291	291	0	0	0	100	100	0	0	0	100	100	89	0	0
November 2008	316	316	0	0	0	100	100	0	0	0	100	100	86	0	0
November 2009	343	343	0	0	0	100	100	0	0	0	100	100	83	0	0
November 2010	365	365	0	0	0	100	100	0	0	0	100	100	78	0	0
November 2011	365	365	0	0	0	100	100	0	0	0	100	100	73	0	0
November 2012	365	365	0	0	0	100	100	0	0	0	100	100	68	0	0
November 2013	365	365	0	0	0	100	100	0	0	0	100	100	63	0	0
November 2014	365	319	0	0	0	100	87	0	0	0	100	100	57	0	0
November 2015	365	259	0	0	0	100	71	0	0	0	100	100	51	0	0
November 2016	365	194	0	0	0	100	53	0	0	0	100	100	45	0	0
November 2017	365	125	0	0	0	100	34	0	0	0	100	100	38	0	0
November 2018	365	52	0	0	0	100	14	0	0	0	100	100	32	0	0
November 2019	365	0	0	0	0	100	0	0	0	0	100	93	25	0	0
November 2020	365	0	0	0	0	100	0	0	0	0	100	70	19	0	0
November 2021	365	0	0	0	0	100	0	0	0	0	100	47	12	0	0
November 2022	250	0	0	0	0	69	0	0	0	0	100	23	6	0	0
November 2023	0	0	0	0	0	0	0	0	0	0	92	2	1	0	0
November 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.3	22.1	5.9	1.4	0.5	28.3	22.1	3.5	0.9	0.3	29.5	26.9	20.5	2.3	0.8

\* 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, the Principal Only Class and the A, B, C, D, E, S and H 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 105% 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, 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 120% of the “federal long-term rate.” The rate will be published on or about October 20, 1994. 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.

---

#### TABLE OF CONTENTS

	<u>Page</u>
<b>Prospectus Supplement</b>	
Table of Contents .....	S- 3
Reference Sheet.....	S- 4
Description of the Certificates .....	S- 6
Certain Additional Federal Income Tax Consequences.....	S-26
Plan of Distribution.....	S-27
Legal Matters.....	S-27
<b>GNMA Prospectus</b>	
Prospectus Supplement.....	2
Summary of Prospectus .....	3
Description of the Certificates .....	8
The Trust Agreement .....	20
GNMA and the GNMA Programs.....	22
Certain Federal Income Tax Consequences.....	23
Legal Investment Considerations.....	35
Legal Opinion .....	35
ERISA Considerations .....	35
Glossary .....	37

---

---

**\$535,543,890**

**Federal National  
Mortgage Association**



**Guaranteed REMIC  
Pass-Through Certificates  
Fannie Mae REMIC Trust 1994-G12**

---

#### PROSPECTUS SUPPLEMENT

---

**Kidder, Peabody & Co.  
Incorporated**

**October 6, 1994**

---