

\$194,700,000 (Approximate)
Federal National Mortgage Association



Guaranteed ACESSM REMIC Pass-Through Certificates
Fannie Mae Multifamily REMIC Trust 1994-M5

The Guaranteed ACESSM REMIC Pass-Through Certificates offered hereby (the "Certificates") will represent beneficial ownership interests in Fannie Mae Multifamily REMIC Trust 1994-M5 (the "Trust"). The assets of the Trust will consist primarily of (i) (A) one entire class of senior, private-label, mortgage pass-through certificates that will (1) evidence a specified portion of the beneficial ownership interest of a REMIC trust (the "Underlying REMIC Trust") to be created by DLJ Mortgage Acceptance Corp. and CS First Boston Mortgage Securities Corp. (the "Underlying Depositors"), and (2) be designated as the Class A Certificates of such Underlying REMIC Trust (the "Underlying PL Class A Certificates") and (B) the proceeds of such Underlying PL Class A Certificates and (ii) the Trust Account (as hereinafter defined) and all cash and investments held therein. The assets of the Trust will also include (i) one class of interest only, senior, private-label mortgage pass-through certificates that will be designated as the Class S-2 Certificates of the Underlying REMIC Trust (the "Underlying PL Class S-2 Certificates") and (ii) one class of interest only, senior, private-label, mortgage pass-through certificates that will be designated as the Class S-1 Certificates of the Underlying REMIC Trust (the "Related PL Class S-1 Certificates"). The primary assets of the Underlying REMIC Trust will consist of a pool (the "Mortgage Pool") of conventional, monthly pay, fixed interest rate balloon mortgage loans (each, a "Mortgage Loan") secured by multifamily projects (each, a "Mortgaged Property") consisting of five or more rental units. The Mortgage Pool will include seven Mortgage Loans comprising 13.3% of the Initial Mortgage Pool Balance (as hereinafter defined) that will be Discounted Mortgage Loans. A "Discounted Mortgage Loan" is a Mortgage Loan with a fixed Net Mortgage Interest Rate which is less than 8.4% per annum. The Mortgage Loans and the Mortgaged Properties are more fully described herein under "Description of the Mortgage Pool" and on Exhibit A hereto.

The Certificates will be issued and guaranteed by Fannie Mae as to timely distribution of interest. Fannie Mae will also guarantee all principal to Certificateholders; however, unlike the Fannie Mae guaranty of MBS, the receipt of certain principal payments by the Certificateholders may be delayed under certain circumstances described herein. **Fannie Mae will not guarantee the collection from Mortgagors or the Underlying Servicer or the payment to Certificateholders of any Prepayment Premiums or Yield Maintenance Charges.** See "Description of the Certificates—General—Fannie Mae's Guaranty" herein.

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 EXTENSION, PREPAYMENT, YIELD, LIQUIDITY AND OTHER RISKS ASSOCIATED WITH SUCH CERTIFICATES. PROSPECTIVE INVESTORS IN ANY CLASS OF CERTIFICATES SHOULD CAREFULLY CONSIDER WHETHER SUCH AN INVESTMENT IS APPROPRIATE FOR THEIR INVESTMENT OBJECTIVES. SEE "DESCRIPTION OF THE CERTIFICATES" HEREIN.

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(1)	Original Principal Balance(2)	Principal Type(3)	Interest Rate	Interest Type(3)	CUSIP Number	Final Distribution Date(4)
A	\$39,900,000	SEQ	8.4%	FIX	31359LKT1	February 2009
B	97,200,000	SEQ	8.4	FIX	31359LKU8	February 2009
C	57,600,000	SEQ	8.4	FIX	31359LKV6	February 2009
N	(5)	NLT	(6)	WAC/IO	31359LKW4	February 2009
R	0	NPR	0	NPR	31359LXX2	February 2009

(1) The Classes (other than the R Class) will be entitled to receive distributions of Prepayment Premiums and Yield Maintenance Charges which may be received with respect to Mortgage Loans for which a principal prepayment is received, to the extent described under "Description of the Certificates—Allocation of Prepayment Premiums and Yield Maintenance Charges" herein.

(2) Subject to a permitted variance of plus or minus 5%.

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

(4) The latest maturing Mortgage Loan is scheduled to mature in January 2005. See Exhibit A hereto. The Final Distribution Date reflects (i) the Underlying Servicer's ability, pursuant to the Underlying Pooling and Servicing Agreement, to extend the maturity of a Mortgage Loan for two years beyond its original stated maturity date, and (ii) an additional two year period for the Underlying Servicer to foreclose upon or liquidate such Mortgage Loan. See "Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—Servicing of the Mortgage Loans—Modifications, Waivers and Amendments" herein.

(5) The N Class will be a Notional Class, will have no principal balance and will bear interest on its notional principal balance (initially \$192,147,713). The notional principal balance of the N Class will be calculated based on the aggregate of the Stated Principal Balances of the Mortgage Loans and the REO Loans (other than the Discounted Mortgage Loans and Discounted REO Loans). See "Description of the Certificates—Distributions of Interest—Notional Class" and "Distributions of Principal" herein.

(6) Initially, 0.85932% per annum. The N Class will bear interest at a variable rate per annum equal to the Underlying PL Class S-2 Certificate Pass-Through Rate which will equal the weighted average of the excess of the Net Mortgage Interest Rate for each Mortgage Loan and REO Loan (other than Discounted Mortgage Loans and Discounted REO Loans) over the A, B and C Certificate Rate. See "Description of the Certificates—Distributions of Interest—Certificate Rates", "Distributions of Principal—Principal Distribution Amount" and "Structure of the Underlying REMIC Trust—The Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Mortgage Loans" herein.

The Certificates will be offered by Donaldson, Lufkin & Jenrette Securities Corporation ("DLJ") and CS First Boston ("CS First Boston") and, together with DLJ, the "Dealers") from time to time in negotiated transactions, at varying prices to be determined at time of sale.

The Certificates are offered by the Dealers, when, as and if issued, delivered to and accepted by the Dealers, and subject to the Dealers' right to reject any order in whole or in part. It is expected that the Certificates, except for the R Class, will be available through the book-entry system of the Federal Reserve Banks on or about December 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 DLJ, New York, New York on or about the Settlement Date.

Donaldson, Lufkin & Jenrette
Securities Corporation

CS First Boston

(Cover continued from previous page)

The yield to investors in each Class of Certificates 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 Mortgage Pool, and the purchase price paid for the related Class. Accordingly, investors should consider the following risks:

- Subject to certain restrictions (including Lock-Out Periods and/or the imposition of Prepayment Premiums and Yield Maintenance Charges (as hereinafter defined)) on principal prepayments (as hereinafter defined), Mortgage Loans generally may be prepaid prior to their stated maturities. Accordingly, the rate of principal payments on such Mortgage Loans may vary considerably from time to time. As used herein, "principal prepayment" means any payment or other collection of principal on a Mortgage Loan which is received in advance of its scheduled due date and which is not accompanied by an amount of interest representing scheduled interest due on any date or dates in any month or months subsequent to the month of payment.
- 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 from their principal amounts, a slower than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- In the case of any Certificates purchased at a premium to their principal amounts, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- In the case of any Interest Only Class, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield and, in certain cases, an actual loss on the investment.
- The allocation to any Class of any Prepayment Premium or Yield Maintenance Charge may be insufficient to offset fully the adverse effects on the anticipated yield arising out of the corresponding principal prepayment.
- The Underlying Pooling and Servicing Agreement (as hereinafter defined) permits the modification (including an extension) of a Mortgage Loan under certain circumstances. Any extension of a Mortgage Loan is likely to cause an extension of the weighted average life of a Certificate. In addition, failure of a Mortgagor to timely make a Balloon Payment (as hereinafter defined) is also likely to cause an extension of the weighted average life of a Certificate.

For a more detailed description of the characteristics of the Mortgage Loans that may affect yield, see "Description of the Certificates—Yield Considerations" herein.

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

- The actual final payment of any Class may 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 "Maturity and Prepayment Considerations and Risks—Weighted Average Life and Final Distribution Dates" in the Multifamily REMIC 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 "Yield Considerations—Reinvestment Risk" in the Multifamily REMIC Prospectus and "Description of the Certificates—Yield Considerations" herein.
- 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 Multifamily REMIC Prospectus.
- The Dealers intend to make a market in the Certificates but are not obligated to do so. There is currently no secondary market for the Certificates and there can be no assurance that such a market will develop or continue if it does develop. 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 Multifamily REMIC Prospectus. Any representation to the contrary is a criminal offense.

Elections will be made to treat the Trust and the Underlying REMIC Trust as "real estate mortgage investment conduits" ("REMICs") 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 Multifamily REMIC 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 Multifamily REMIC Pass-Through Certificates dated November 1, 1994 (the Multifamily REMIC Prospectus); and
- Fannie Mae's Information Statement dated March 31, 1994 and any supplements thereto published by Fannie Mae through the date of purchase (collectively, the "Information Statement").

The Multifamily REMIC Prospectus and the Information Statement are 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 DLJ or CS First Boston by writing or calling the related Prospectus Department at 140 Broadway, New York, NY 10005, Telephone: 212-504-4525 for DLJ or 55 East 52nd Street, New York, NY 10055, Telephone: 212-909-2000 for CS First Boston.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
Reference Sheet	S- 4	Description of the Underlying PL	
Certain Aspects of Multifamily		Class A Certificates, the	
REMIC Pass-Through		Underlying PL Class S-2	
Certificates	S- 7	Certificates, the Related PL Class	
Description of the Certificates	S- 8	S-1 Certificates, the Related PL	
General	S- 8	Subordinated Certificates and the	
Structure	S- 8	Related PL Class R Certificates ...	S-23
Fannie Mae's Guaranty	S- 9	General	S-23
Characteristics of Certificates	S- 9	Distributions of Principal and	
Authorized Denominations	S-10	Interest	S-24
Distribution Dates	S-10	Description of the Underlying	
Record Date	S-10	Pooling and Servicing Agreement .	S-26
REMIC Trust Factors	S-10	General	S-26
Optional Termination	S-10	The Parties	S-27
Structure of the Underlying REMIC		Assignment of the Mortgage	
Trust	S-10	Loans	S-27
General	S-10	Servicing of the Mortgage Loans...	S-27
The Mortgage Pool	S-11	Representations and Warranties;	
The Underlying PL Class A		Repurchases	S-31
Certificates, the Underlying PL		Underlying Servicer and Trustee	
Class S-2 Certificates and the		Compensation	S-31
Mortgage Loans	S-11	Rights Upon Underlying Events of	
Distributions of Interest	S-13	Default	S-31
Categories of Classes	S-13	Amendment	S-32
General	S-13	Termination	S-32
Interest Accrual Period	S-13	Description of the Mortgage Pool...	S-33
Certificate Rates	S-13	General	S-33
Notional Class	S-13	Certain Terms and Conditions of the	
Distributions of Principal	S-14	Mortgage Loans	S-34
Categories of Classes	S-14	Due Dates	S-34
Principal Distribution Amount ...	S-14	Mortgage Interest Rates	S-34
Allocation of Prepayment Premiums		Monthly Payments	S-34
and Yield Maintenance Charges ...	S-15	Discounted Mortgage Loans	S-34
Structuring Assumptions	S-16	Prepayment Provisions	S-34
Pricing Assumptions	S-16	"Due-on-Sale" and "Due-on-	
CPR Assumptions	S-17	Encumbrance" Provisions	S-36
Yield Considerations	S-17	Additional Mortgage Loan	
General	S-17	Information	S-36
The N Class	S-18	Changes in Mortgage Pool	
Weighted Average Lives of the		Characteristics	S-42
Certificates	S-19	Certain Additional Federal Income	
Decrement Tables	S-20	Tax Consequences	S-43
Characteristics of the R Class	S-21	REMIC Election and Special Tax	
The Trust Agreement	S-21	Attributes	S-43
Transfer of Underlying PL Class A		Taxation of Beneficial Owners of	
Certificates, the Underlying PL		Regular Certificates	S-43
Class S-2 Certificates and the		Taxation of Beneficial Owners of	
Related PL Class S-1 Certificates to		Residual Certificates	S-44
the Trust	S-21	Plan of Distribution	S-44
Voting by Fannie Mae Under the		Legal Matters	S-44
Underlying Pooling and Servicing		Glossary	G- 1
Agreement	S-21	Exhibit A	A- 1
Termination	S-22		
Description of the Underlying			
REMIC Trust	S-23		

REFERENCE SHEET

This reference sheet is not a complete 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 in their entirety. Capitalized terms defined in the Glossary and not otherwise defined herein shall have the meanings assigned thereto in the Glossary.

The Certificates

Description

The Certificates will represent beneficial ownership interests in the Trust. The assets of the Trust will consist of, among other things, one entire class of senior, private label, mortgage pass-through certificates that will (1) evidence a specified portion of the beneficial ownership interest of a REMIC trust (the “Underlying REMIC Trust”) to be created by DLJ Mortgage Acceptance Corp. and CS First Boston Mortgage Securities Corp. (the “Underlying Depositors”), and (2) be designated as the Class A Certificates of such Underlying REMIC Trust (the “Underlying PL Class A Certificates”). The assets of the Trust will also include (i) one class of interest only, senior, private-label mortgage pass-through certificates that will be designated as the Class S-2 Certificates of the Underlying REMIC Trust (the “Underlying PL Class S-2 Certificates”) and (ii) one class of interest only, senior, private-label, mortgage pass-through certificates that will be designated as the Class S-1 Certificates of the Underlying REMIC Trust (the “Related PL Class S-1 Certificates”). The primary assets of the Underlying REMIC Trust will consist of a pool of Mortgage Loans secured by multifamily projects. See “Description of the Underlying REMIC Trust” and “Description of the Mortgage Pool” and “Exhibit A” hereto. The Certificates will be guaranteed by Fannie Mae as to timely distribution of interest. Fannie Mae will also guarantee all principal to Certificateholders; however, the receipt of certain principal payments by the Certificateholders may be delayed under certain circumstances described herein. Fannie Mae will not guarantee the collection from Mortgagors or the Underlying Servicer or the payment to Certificateholders of any Prepayment Premium or Yield Maintenance Charge. The Certificates are not guaranteed by, and are not a debt or obligation of, the United States or of any agency or instrumentality thereof other than Fannie Mae. See “Description of the Certificates—General—*Fannie Mae’s Guaranty*” herein.

Interest Rates

The A Class, B Class and C Class will bear interest on their respective outstanding principal balances (respectively, the “A Class Balance,” the “B Class Balance” and the “C Class Balance”) at a fixed rate equal to 8.4% per annum (the “A, B and C Certificate Rate”).

The N Class will bear interest at a variable rate per annum (the “N Certificate Rate”) on a notional amount equal to the aggregate of the Stated Principal Balances of the Mortgage Loans and the REO Loans (other than the Discounted Mortgage Loans and Discounted REO Loans). The N Certificate Rate will equal the Underlying PL Class S-2 Certificate Pass-Through Rate which will equal the weighted average of the excess of the Net Mortgage Interest Rate of each Mortgage Loan and REO Loan (other than Discounted Mortgage Loans and Discounted REO Loans) over the A, B and C Certificate Rate. See “Description of the Certificates—Distributions of Interest—*Certificate Rates*” and “—Distribution of Principal—*Principal Distribution Amount*” and “—Structure of the Underlying REMIC Trust—*The Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Mortgage Loans.*” The initial N Certificate Rate will be 0.85932% per annum.

The R Class will not bear interest.

Distributions of Principal

On each Distribution Date, principal will be distributed monthly first to the A Class until the sum of such distributions has reduced the A Class Balance to zero, then to the B Class until the sum of such distributions has reduced the B Class Balance to zero, then to the C Class until the sum of such distributions has reduced the C Class Balance to zero, in an amount (the "Principal Distribution Amount") generally equal to the sum of (i) the Underlying PL Class A Principal Distribution Amount for such Distribution Date, net of that portion of any Underlying PL Class A Principal Shortfall from the preceding Distribution Date included therein and previously covered by Fannie Mae, and (ii) an amount equal to the Underlying Realized Losses allocated to the Underlying PL Class A Certificates on such Distribution Date. Fannie Mae's guaranty will cover the amount, if any, of Underlying Realized Losses allocated to the Underlying PL Class A Certificates. See "Description of the Certificates—Distributions of Principal—*Principal Distribution Amount*" herein.

Weighted Average Lives (years)*

Class	CPR Prepayment Assumption				
	0%	3%	6%	9%	12%
A	5.0	3.4	2.3	1.8	1.5
B	7.0	6.6	6.2	5.7	5.2
C	9.6	9.3	8.7	8.2	7.7
N**	8.0	7.3	6.8	6.3	5.9

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

** The Weighted Average Lives shown in the table for the N Class are based upon the original notional principal balance thereof which is equal to the aggregate of the Stated Principal Balances of the Mortgage Loans and the REO Loans (other than the Discounted Mortgage Loans and Discounted REO Loans).

Characteristics of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related Class S-1 Certificates and the Related PL Subordinated Certificates

Characteristics of the Underlying PL Class A Certificates

The initial outstanding principal balance of the Underlying PL Class A Certificates is \$194,700,000, subject to a permitted variance of plus or minus 5%, and the Underlying PL Class A Pass-Through Rate is, with respect to any Distribution Date, a fixed rate of 8.4% per annum.

Characteristics of the Underlying PL Class S-2 Certificates

The Underlying PL Class S-2 Certificates will bear interest at a per annum rate equal to the weighted average of the excess of the Net Mortgage Interest Rate of each Mortgage Loan and each REO Loan (other than Discounted Mortgage Loans and Discounted REO Loans) over 8.4%, on a notional principal balance equal to the aggregate of the Stated Principal Balances of the Mortgage Loans and the REO Loans (other than the Discounted Mortgage Loans and Discounted REO Loans).

Characteristics of the Related PL Class S-1 Certificates

The Related PL Class S-1 Certificates will bear interest at a per annum rate set forth in the Underlying Pooling and Servicing Agreement (as hereinafter defined) on a notional amount set forth in the Underlying Pooling and Servicing Agreement.

Characteristics of the Related PL Subordinated Certificates

The initial outstanding principal balance of the Related PL Subordinated Certificates is \$26,331,749, subject to a permitted variance of plus or minus 5%.

Generally, all payments (or advances in lieu thereof) and other collections of principal on or in respect of the Mortgage Loans will be distributed to the Underlying PL Class A Certificates until the outstanding principal balance thereof has been reduced to zero. Thereafter, all such payments will be distributed to the Related PL Subordinated Certificates until the respective principal balances thereof have been reduced to zero. See “Description of the Certificates—Distributions of Principal—*Principal Distribution Amount*” herein.

Characteristics of Mortgage Loans in the Mortgage Pool

The table set forth on Exhibit A hereto sets forth certain information regarding the Mortgage Loans underlying the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, and the Related PL Subordinated Certificates. In addition, the following table provides certain specific summary information regarding the Mortgage Pool as of the Cut-Off Date after application of payments due on that date. The information with respect to the Mortgage Loans set forth on Exhibit A hereto, and contained in the following table, has been collected and summarized by the Underlying Depositors and provided to Fannie Mae.

Number of Loans	71
Total Current Unpaid Principal Balance	\$221,727,333
Average Unpaid Principal Balance	\$3,122,920
Minimum Unpaid Principal Balance	\$445,641
Maximum Unpaid Principal Balance	\$12,985,084
Weighted Average Debt Service Coverage Ratio	1.36
Minimum Debt Service Coverage Ratio	1.22
Maximum Debt Service Coverage Ratio	2.38
Weighted Average Loan-to-Value Ratio	66.9%
Minimum Loan-to-Value Ratio	43.4%
Maximum Loan-to-Value Ratio	78.9%
Weighted Average Remaining Amortization Term	319 months
Weighted Average Original Term to Stated Maturity	101 months
Minimum Original Term to Stated Maturity	84 months
Maximum Original Term to Stated Maturity	120 months
Weighted Average Remaining Term to Stated Maturity	96 months
Minimum Remaining Term to Stated Maturity	69 months
Maximum Remaining Term to Stated Maturity	120 months
Weighted Average Mortgage Interest Rate	9.66%
Minimum Mortgage Interest Rate	8.30%
Maximum Mortgage Interest Rate	10.75%
Weighted Average Net Mortgage Interest Rate	9.074%
Minimum Net Mortgage Interest Rate	7.64%
Maximum Net Mortgage Interest Rate	10.19%
Weighted Average Remaining Lock-Out Period	21 months

For additional information as to the Mortgage Pool, including Debt Service Coverage Ratios and Cut-off Date LTV Ratios, see “Description of the Mortgage Pool” herein.

CERTAIN ASPECTS OF MULTIFAMILY REMIC PASS-THROUGH CERTIFICATES

Prospective Certificateholders should consider the following factors in connection with a purchase of the Certificates.

1. *Balloon Mortgage Loans and Extension Risk.* All of the Mortgage Loans are not fully amortizing over their terms to maturity, and thus will have Balloon Payments due at their respective stated maturities. The Mortgage Loans involve a greater risk of default because the ability of a Mortgagor to make a Balloon Payment typically will depend upon the ability of the Mortgagor either to refinance the Mortgage Loan or to sell the related Mortgaged Property. The ability of a Mortgagor to accomplish either of these goals will be affected by a number of factors, including the level of available mortgage rates at the time of sale or refinancing, the Mortgagor's equity in the Mortgaged Property, the financial condition and operating history of the Mortgaged Property, tax laws and prevailing general economic conditions. If the Mortgagor were unable to either refinance the Mortgage Loan or to sell the related Mortgaged Property and such inability to refinance or sell led to a default under the terms of the Mortgage Loan, the Underlying Servicer may modify or amend the terms of such Mortgage Loan, which modification may extend the maturity of the Mortgage Loan up to two years. Any such extension of a Mortgage Loan may cause the weighted average lives of the Certificates to be longer than if the Mortgage Loan had paid under its original terms. See "Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Modifications, Waivers and Amendments*" herein.

2. *Other Risks of Multifamily Lending.* Multifamily lending is generally viewed as exposing the lender to a greater risk of loss than one- to four-family residential lending. Multifamily lending typically involves larger loans to single Mortgagors or groups of related Mortgagors than residential one- to four-family mortgage loans. Furthermore, the repayment of Mortgage Loans secured by income producing properties is typically dependent upon the successful operation of the related real estate project. If the cash flow from the project is reduced (for example, if leases are not obtained or renewed), the Mortgagor's ability to repay the Mortgage Loan may be impaired. Multifamily real estate can be affected significantly by supply and demand in the market for the type of property securing the Mortgage Loan and, therefore, may be subject to adverse economic conditions. Market values may vary as a result of economic events or governmental regulations outside the control of the Mortgagor or lender such as rent control laws, which impact the future cash flow of the property. Due to Fannie Mae's guaranty, Certificateholders will continue to receive the Interest Distribution Amount and Principal Distribution Amount on each Distribution Date regardless of whether sufficient funds have been collected from the Mortgagors; however, the receipt of certain principal payments by Certificateholders may be significantly delayed in the event of any defaulted Balloon Payments. See "Description of the Certificates—General—*Fannie Mae's Guaranty*" herein. In addition, principal prepayments resulting from liquidations of Mortgage Loans due to defaults, casualties or condemnations affecting the Mortgaged Properties, or purchases of Mortgage Loans out of the Underlying REMIC Trust due to breaches of representations may significantly affect the yield to investors. See "Description of the Certificates—Yield Considerations" and "Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Representations and Warranties; Repurchases*" herein.

3. *Collection of Prepayment Premiums and Yield Maintenance Charges.* Fannie Mae will not guarantee the collection from Mortgagors or the Underlying Servicer or the payment to Certificateholders of any Prepayment Premiums or Yield Maintenance Charges. Certain state laws limit the amounts that a lender may collect from a Mortgagor as an additional charge in connection with the prepayment of a mortgage loan. Furthermore, the enforceability, under the laws of a number of states, of provisions providing for Prepayment Premiums or Yield Maintenance Charges

upon an involuntary prepayment is unclear. See “Description of the Certificates—General—*Fannie Mae’s Guaranty*” and “—Allocation of Prepayment Premiums and Yield Maintenance Charges” herein.

4. *Repurchases Due to Breach of Representations and Warranties.* Column Financial, Inc. and CS First Boston Mortgage Capital Corp. (each a “Mortgage Loan Seller” and together, the “Mortgage Loan Sellers”) will make certain customary representations and warranties for the benefit of the Underlying Trustee and the Underlying Certificateholders with respect to each Mortgage Loan sold to the related Underlying Depositor by each such Mortgage Loan Seller. If a breach is discovered which materially and adversely affects the value of any Mortgage Loan, the related Mortgage Loan Seller will be required to either cure in all material respects such breach or purchase the affected Mortgage Loan from the Underlying Trustee at the applicable Purchase Price. Principal prepayments resulting from repurchases of Mortgage Loans out of the Underlying REMIC Trust due to breaches of representations and warranties may significantly affect the yield to investors. If the Mortgage Loan is repurchased, the investor will not receive any Prepayment Premiums or Yield Maintenance Charges for such principal prepayment. See “Description of the Certificates—Yield Considerations” and “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Representations and Warranties; Repurchases*” herein.

5. *Permitted Variance Factor.* The Initial Mortgage Pool Balance and initial original principal balances of the Certificates are subject to a permitted variance of plus or minus 5%. Therefore, investors should be aware that the characteristics of the Mortgage Loans actually included in the Mortgage Pool may differ from the characteristics of the Mortgage Loans set forth in the discussions and tables in this Prospectus Supplement.

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 (as defined below). In addition, the summary description below of certain aspects of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates do not purport to be complete and are subject to, and qualified in their entirety by reference to, the Underlying Pooling and Servicing Agreement. 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 or the Underlying Pooling and Servicing Agreement (as the context may require).

General

Structure. The Trust will be created pursuant to a trust agreement to be dated as of December 1, 1994 (the “Trust Agreement”), executed by the Federal National Mortgage Association (“Fannie Mae”) in its corporate capacity and in its capacity as trustee (the “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” (the “Regular Interests”), and the R Class will be designated as the “residual interest” (the “Residual Interest”), in the REMIC constituted by the Trust.

Fannie Mae's Guaranty. Fannie Mae will guarantee the timely payment, on each Distribution Date, to Holders of the A Class, B Class, C Class and the N Class of the amount of their respective Interest Distribution Amounts, whether or not sufficient funds are available therefor in the Trust Account. See “—Distributions of Interest—*Interest Distribution Amount*” herein.

Fannie Mae will not guarantee the Underlying PL Class A Certificates or the timely payment of Balloon Payments on the stated maturity dates of the related Mortgage Loans. Whether or not sufficient funds are available therefor in the Trust Account, Fannie Mae will guarantee to the Holders of the A Class, B Class, and C Class, the related Principal Distribution Amount; however, the distribution of Balloon Payments may be significantly delayed in the event of any defaulted Balloon Payments. See “—Distributions of Principal—*Principal Distribution Amount*” herein. In the case of defaulted Balloon Payments, the related Mortgage Loan will be treated as a Mortgage Loan that amortizes in accordance with its prior amortization schedule, and Certificateholders will be entitled to distributions in respect of a deemed payment (an “Assumed Payment”) that is generally equal to the prior scheduled principal and interest payments, and not the entire Balloon Payment. See “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*Distributions of Principal and Interest*” herein. Fannie Mae will be obligated to distribute the principal balance of the A, B and C Classes in full no later than the related Final Distribution Date, whether or not sufficient funds are available in the Trust Account.

Fannie Mae will not guarantee the collection from Mortgagors or the Underlying Servicer or the payment to Certificateholders of any Prepayment Premiums or Yield Maintenance Charges (referred to collectively as “Prepayment Premiums” in the Multifamily REMIC Prospectus). Accordingly, Certificateholders entitled to receive Prepayment Premiums or Yield Maintenance Charges will receive them only to the extent actually received by the Trustee from the Underlying Servicer. See “Description of the Certificates—Fannie Mae's Guaranty” in the Multifamily REMIC Prospectus and “Description of the Certificates—Allocation of Prepayment Premiums and Yield Maintenance Charges” herein. For a description of the Prepayment Premiums and Yield Maintenance Charges, see “Description of the Mortgage Pool—Certain Terms and Conditions of the Mortgage Loans—*Prepayment Provisions*” herein. Certain state laws may affect the collectibility of Prepayment Premiums and Yield Maintenance Charges. See “Description of the Certificates—Allocation of Prepayment Premiums and Yield Maintenance Charges” herein.

The compensation of Fannie Mae for its guaranty of the Certificates will be an expense of the Trust and will be paid out of Accrued Certificate Interest on the Related PL Class S-1 Certificates.

The guaranties of Fannie Mae are not backed by the full faith and credit of the United States.

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

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 exchangeable, if applicable, 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 exchange, if applicable, or registration of transfer 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 the R Certificate at the office of the Paying Agent. The Paying Agent initially will be State Street.

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.

Distribution Dates. Distributions on the Certificates will be made on the 25th day of each month (or, if such 25th day is not a business day, on the first business day next succeeding such 25th day) (each, a "Distribution Date"), commencing in the month following the Settlement Date. Distributions on the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates also will be made on the Distribution Date.

Record Date. Each monthly distribution on the Certificates will be made to Holders of record on the last day of the immediately 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 amount of principal remaining to be distributed with respect to such Certificate after giving effect to the distribution of principal to be made on the following Distribution Date.

Optional Termination. Fannie Mae will agree not to effect an early termination of the Trust through the exercise of its right to repurchase the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Related PL Class S-1 Certificates unless the Underlying PL Class A Balance at the time of such repurchase is less than five percent of the original Underlying PL Class A Balance. There may also be an early termination of the Trust in the event the Underlying Servicer or either Underlying Depositor effects the retirement of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates by exercising its right to purchase the Mortgage Loans and the REO Properties in the Underlying REMIC Trust at any time when the aggregate Stated Principal Balances of such Mortgage Loans and the REO Loans is less than five percent of the Initial Mortgage Pool Balance. See "Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Termination*" herein.

Structure of the Underlying REMIC Trust

General

The Underlying REMIC Trust will be created pursuant to a pooling and servicing agreement, to be dated as of December 1, 1994 (the "Underlying Pooling and Servicing Agreement"), among DLJ Mortgage Acceptance Corp. and CS First Boston Mortgage Securities Corp., as depositors (the "Underlying Depositors"), Bankers Trust Company, as master servicer (the "Underlying Servicer"), and State Street Bank and Trust Company, as trustee (the "Underlying Trustee").

The assets of the Underlying REMIC Trust will consist generally of (i) the Mortgage Loans and all payments under and proceeds of the Mortgage Loans received after the Cut-off Date (exclusive of payments of principal and interest due on or before the Cut-off Date), (ii) the Mortgage Notes, Mortgages and certain other documents related to the Mortgage Loans, (iii) any Mortgaged Property acquired on behalf of the Underlying REMIC Trust through foreclosure or deed in lieu of foreclosure (upon acquisition, an “REO Property”) and (iv) the rights of the mortgagee under all insurance policies with respect to the Mortgage Loans. The entire beneficial ownership interest in the Underlying REMIC Trust will be evidenced by the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the other Classes issued therewith (such other Classes being referred to collectively herein as the “Related PL Subordinated Certificates”). The Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates are not offered hereby or guaranteed by Fannie Mae. See “Reference Sheet—Characteristics of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, and the Related PL Subordinated Certificates” herein.

A REMIC election will be made with respect to the Underlying REMIC Trust. The Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates (other than the Class R Certificates issued by the Underlying REMIC Trust, which shall be referred to herein as the “Related PL Class R Certificates”) will evidence the “regular interests” (the “Underlying REMIC Regular Interests”), and the Related PL Class R Certificates will evidence the sole class of “residual interests” (the “Underlying REMIC Residual Interests”), in the Underlying REMIC Trust. The Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates that evidence Underlying REMIC Regular Interests are herein referred to from time to time as the “Underlying REMIC Regular Certificates.” See “Description of the Underlying REMIC Trust” herein.

The Mortgage Pool

The “Cut-off Date” for the Mortgage Pool is December 1, 1994. There are 71 Mortgage Loans in the Mortgage Pool and the aggregate unpaid principal balance thereof as of the Cut-off Date (the “Initial Mortgage Pool Balance”) is approximately \$221,727,333, subject to a permitted variance of plus or minus 5%, after application of all payments of principal due on or before the Cut-off Date, whether or not received. Each Mortgage Loan is evidenced by a note, bond or other evidence of indebtedness (a “Mortgage Note”) and is secured by a first mortgage, deed of trust or other similar security instrument (each, a “Mortgage”) that creates a first lien on a multifamily project (a “Mortgaged Property”) consisting of five or more rental units. All of the Mortgage Loans bear interest at rates (each, a “Mortgage Interest Rate”) that are fixed for their entire terms (each, a “Fixed Rate Mortgage Loan”). All of the Mortgage Loans provide for monthly payments of principal based on amortization schedules significantly longer than the remaining terms of such Mortgage Loans (each, a “Balloon Mortgage Loan”), thereby leaving substantial principal amounts then due and payable (each, a “Balloon Payment”) on their respective maturity dates.

The Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Mortgage Loans

The Underlying PL Class A Certificates, which initially evidence 88.09% of the Class Balances of the Underlying REMIC Regular Certificates, initially will have an aggregate unpaid principal balance of \$194,700,000, subject to a permitted variance of plus or minus 5%, a fixed Underlying PL Class A Pass-Through Rate of 8.4% per annum and the other general and detailed characteristics described in the Multifamily REMIC Prospectus and under “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying

PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related Class R Certificates” herein. The “Underlying PL Class A Pass-Through Rate” is the rate at which interest accrues on the Underlying PL Class A Certificates, which rate, for any Distribution Date, is equal to a fixed rate of 8.4% per annum.

The Underlying PL Class S-2 Certificates, which do not have a principal balance, will bear interest at the per annum interest rate described herein on a notional principal balance equal to the aggregate of the Stated Principal Balances of the Mortgage Loans and the REO Loans (other than the Discounted Mortgage Loans and Discounted REO Loans). See “—Distributions of Interest—*Notional Class*” and “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates” herein.

The “Due Period” with respect to the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates for any Distribution Date is the period commencing on the second day of the month preceding the month in which such Distribution Date occurs and ending on the first day of the month in which such Distribution Date occurs. See “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*Distributions of Principal and Interest*” herein.

The Mortgage Loans will be Fixed Rate Mortgage Loans. The Mortgage Loans will have the characteristics described under “The Series Trust—The Mortgage Pools” and “Yield Considerations” in the Multifamily REMIC Prospectus and “Description of the Mortgage Pool” and “Description of the Certificates—Yield Considerations” herein. The characteristics of the Underlying PL Class A Certificates, the Related PL Subordinated Certificates and the Mortgage Loans as of December 1, 1994 (the “Issue Date”) are expected to be as follows:

Aggregate Unpaid Principal Balance of the Underlying PL Class A Certificates	\$194,700,000
Aggregate Unpaid Principal Balance of the Related PL Subordinated Certificates	26,331,749
Aggregate Stated Principal Balance of the Mortgage Loans other than Discounted Mortgage Loans	192,147,713
Aggregate Stated Principal Balance of the Discounted Mortgage Loans	29,579,620
Aggregate Discounted Principal Balance of the Discounted Mortgage Loans	28,884,036
Underlying PL Class A Pass-Through Rate	8.40%
Initial Underlying PL Class S-2 Certificate Pass-Through Rate	0.85932%
Range of Net Mortgage Interest Rates	7.643 to 10.185%
WAC	9.660%
Range of Remaining Terms to Stated Maturity (in months)	69 to 120
WAM (in months)	96

Following the issuance of the Certificates, Fannie Mae will prepare a Final Data Statement setting forth, among other information, the Underlying PL Class A Balance. 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 Underlying PL Class A Certificates and the Underlying PL Class S-2 Certificates are available in electronic form by calling Fannie Mae at 1-800-752-6440 or 202-752-6000.

Distributions of Interest

Categories of Classes

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

<u>Interest Type*</u>	<u>Classes</u>
Fixed	A, B and C
Weighted Average Coupon	N
Interest Only	N
No Payment Residual	R

* See "Description of the Certificates—Class Definitions and Abbreviations" in the Multifamily REMIC Prospectus.

General. The interest-bearing Certificates will bear interest at the respective per annum interest rates described on the cover and set forth under "*—Certificate Rates*" herein. Interest on the interest-bearing Certificates will be calculated on the basis of a 360-day year consisting of twelve 30-day months and is distributable monthly on each Distribution Date, commencing in the month after the Settlement Date. Interest to be distributed on each interest-bearing Certificate on a Distribution Date will consist of one month's interest on the outstanding principal balance or notional balance of such Certificate immediately prior to such Distribution Date (each such payment, the "Interest Distribution Amount").

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

<u>Classes</u>	<u>Interest Accrual Period</u>
All interest-bearing Classes (collectively, the "Delay Classes")	Calendar month preceding the month in which the Distribution Date occurs

See "*—Yield Considerations*" herein.

Certificate Rates. The rate at which interest will accrue on the A, B and C Classes for each Distribution Date will be equal to a fixed rate of 8.4% per annum. The rate at which interest will accrue on the N Class (the "N Certificate Rate") for each Distribution Date will equal the Underlying PL Class S-2 Certificate Pass-Through Rate which will equal the weighted average of the excess of the Net Mortgage Interest Rate for each Mortgage Loan and REO Loan (other than the Discounted Mortgage Loans and Discounted REO Loans) over the A, B and C Certificate Rate. The initial N Certificate Rate is 0.85932% per annum.

Notional Class. The N Class will be a Notional Class. A Notional Class will have no principal balance and will bear interest at the per annum interest rate set forth on the cover or described herein during each Interest Accrual Period on the related notional principal balance. The notional principal balance of the N Class will be equal to the aggregate of the Stated Principal Balances of the Mortgage Loans and the REO Loans (other than the Discounted Mortgage Loans and Discounted REO Loans).

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

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>
Sequential Pay	A, B and C
Notional	N
No Payment Residual	R

* See "Description of the Certificates—Class Definitions and Abbreviations" in the Multifamily REMIC Prospectus.

Principal Distribution Amount

Principal will be distributed monthly on the A Class and, after the A Class Balance is reduced to zero, on the B Class and, after the Class B Balance is reduced to zero, on the C Class until the C Class Balance has been reduced to zero in an amount (the "Principal Distribution Amount") generally equal to the sum of (i) the Underlying PL Class A Principal Distribution Amount for the applicable Distribution Date, net of that portion of any Underlying PL Class A Principal Shortfall from the preceding Distribution Date included therein and previously covered by Fannie Mae, and (ii) an amount equal to the Underlying Realized Losses allocated to the Underlying PL Class A Certificates on the applicable Distribution Date. Fannie Mae's guaranty will cover the amount, if any, of Underlying Realized Losses allocated to the Underlying PL Class A Certificates.

With respect to any Distribution Date, the "Underlying PL Class A Principal Distribution Amount" will generally constitute an amount equal to the lesser of (i) the Underlying PL Class A Balance immediately prior to such Distribution Date and (ii) the sum, without duplication, of the following:

(1) For all Mortgage Loans (other than Discounted Mortgage Loans) and REO Loans (other than Discounted REO Loans), the aggregate of the principal portions of all Scheduled Payments (other than Balloon Payments) due, and of any Assumed Payments deemed due, in respect of such Mortgage Loans and REO Loans on the Due Date during the related Due Period, whether or not received or advanced;

(2) For all Discounted Mortgage Loans and Discounted REO Loans, the aggregate of the Scheduled Discounted Principal Balance Declines in respect of the Discounted Mortgage Loans and Discounted REO Loans for the related Due Period;

(3) For all Mortgage Loans and REO Loans (without distinction), the aggregate of all payments (including voluntary principal prepayments and Balloon Payments), insurance proceeds, condemnation proceeds, liquidation proceeds and other amounts received on or in respect of such Mortgage Loans and related REO Properties during the related Due Period, applied as recoveries of principal of such Mortgage Loans and REO Loans in accordance with the Underlying Pooling and Servicing Agreement, in each case net of any portion of such amounts that represents a recovery of the principal portion of any Scheduled Payment (other than a Balloon Payment) due, or of the principal portion of any Assumed Payment deemed due, in respect of the related Mortgage Loan or REO Loan on a Due Date during or prior to the related Due Period and not previously received; and

(4) If such Distribution Date is subsequent to the initial Distribution Date, the Underlying PL Class A Principal Shortfall, if any, for the immediately preceding Distribution Date.

"Discounted Mortgage Loan" shall mean any Mortgage Loan with a fixed Net Mortgage Interest Rate which is less than 8.4% per annum. "Discounted Principal Balance" shall mean with

respect to any Discounted Mortgage Loan (i) as of the Cut-off Date and as of any Due Date thereafter up to the Due Date immediately preceding such Mortgage Loan's Maturity Date, the present value of the future Scheduled Payments (with the respective interest portions thereof adjusted to the related Net Mortgage Interest Rate) to be due thereon on each subsequent Due Date through and including such Mortgage Loan's Maturity Date, determined by discounting at the A, B and C Certificate Rate from the Due Date on which each such future Scheduled Payment is to be due to the Due Date (or Cut-off Date) as of which the calculation is being made (without regard to any existing default and assuming no future defaults or principal prepayments on or in respect of such Mortgage Loan); and (ii) as of any Due Date coinciding with or following such Mortgage Loan's Maturity Date, the related Scheduled Principal Balance as of such Due Date. "Discounted Principal Balance" shall mean with respect to any Discounted REO Loan, as of any Due Date, an amount calculated in accordance with the preceding sentence as if the predecessor Discounted Mortgage Loan were still outstanding. Notwithstanding the foregoing, if a Liquidation Event occurs in respect of any Discounted Mortgage Loan or related REO Property, the Discounted Principal Balance of such Discounted Mortgage Loan or the related Discounted REO Loan, as the case may be, shall be zero as of the Due Date in the Due Period during which such Liquidation Event occurred and as of each Due Date thereafter. See "Glossary" herein.

The allocation of principal described above is intended to accelerate principal payments to the holders of Underlying PL Class A Certificates ("Underlying PL Class A Certificateholders") and at the same time increase the relative level of subordination provided by the Related PL Subordinated Certificates. See "Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*Allocation of Underlying Realized Losses and Extraordinary Underlying REMIC Trust Expenses*" and "*Distributions of Principal and Interest*" and the "Glossary" herein.

Allocation of Prepayment Premiums and Yield Maintenance Charges

In the event a Mortgagor is required to pay any Yield Maintenance Charge or any Prepayment Premium, the amount of such Yield Maintenance Charge or Prepayment Premium actually collected will be distributed in respect of the Underlying PL Class A Certificates and the Underlying PL Class S-2 Certificates for so long as they are outstanding and thereafter, for so long as the Related PL Subordinated Certificates are outstanding, to the Underlying PL Class S-2 Certificates and the Related PL Subordinated Certificates. For a description of Prepayment Premiums and Yield Maintenance Charges, see "Description of the Mortgage Pool—Certain Terms and Conditions of the Mortgage Loans—*Prepayment Provisions*" herein.

For any Distribution Date, with respect to any Prepayment Premiums actually received during the related Due Period, the A Class, the B Class and the C Class Holders are, in the case of each such Class, entitled to distributions in an amount equal to the product of (a) the related Class Prepayment Percentage for such Distribution Date, multiplied by (b) 50% or, in the case of a Discounted Mortgage Loan, 100% of the total amount of each such Prepayment Premium received. The remaining portion, if any, of such Prepayment Premiums will be distributed to the N Class Holders. For any Distribution Date, the respective "Class Prepayment Percentages" for the A Class, the B Class and the C Class are obtained in each case by dividing the total amount of principal to be distributed to the A Class, the B Class or the C Class Holders on such date, by the total amount of principal to be distributed to the A Class, the B Class and the C Class Holders on such date.

For any Distribution Date, with respect to any particular Yield Maintenance Charge actually received in respect of a Mortgage Loan other than a Discounted Mortgage Loan during the related Due Period, the A Class, the B Class and the C Class Holders, in the case of each such Class, are

entitled to distributions in the amount of the product of (a) a fraction (not greater than one), the numerator of which is the A, B and C Certificate Rate less the discount rate used in calculating such Yield Maintenance Charge (see “Description of the Mortgage Pool—Certain Terms and Conditions of the Mortgage Loans—*Prepayment Provisions*” herein), and the denominator of which is the Mortgage Interest Rate of the applicable Mortgage Loan, less such discount rate, multiplied by (b) the appropriate Class Prepayment Percentage, multiplied by (c) the amount of such Yield Maintenance Charge received. The N Class Holders are entitled to receive any remaining portion of such Yield Maintenance Charge received. In the event that the relevant discount rate is greater than the A, B and C Certificate Rate, the A Class, the B Class and the C Class Holders will not be entitled to receive distributions of any portion of any such Yield Maintenance Charge, and the entire Yield Maintenance Charge will be distributed to the N Class Holders. In the case of Discounted Mortgage Loans, any Yield Maintenance Charge received in respect of such Discounted Mortgage Loan will be allocated to the A, B and C Classes in proportion to the related Class Prepayment Percentages.

Fannie Mae does not guarantee that any Prepayment Premiums or Yield Maintenance Charges due under any Mortgage Loan will in fact be collected. In certain circumstances, the Underlying Servicer may have the right to waive collection of any Prepayment Premiums or Yield Maintenance Charges. See “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Modifications, Waivers and Amendments*” herein. In addition, it is uncertain whether the provisions of the Mortgage Loans requiring the payment of Prepayment Premiums or Yield Maintenance Charges are enforceable in all jurisdictions. See “Description of the Mortgage Pool—Certain Terms and Conditions of the Mortgage Loans—*Prepayment Provisions*” herein. It should be noted that a Mortgage Loan Seller’s repurchase of a Mortgage Loan pursuant to the related Mortgage Loan Purchase Agreement will not be accompanied by payment of any Prepayment Premium or Yield Maintenance Charge. See “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Representations and Warranties; Repurchases*” herein. Further, certain state laws limit the amounts that a lender may collect from a borrower as an additional charge in connection with the prepayment of a mortgage loan. Furthermore, the enforceability, under the laws of a number of states, of provisions providing for Prepayment Premiums or Yield Maintenance Charges upon an involuntary prepayment is unclear. No assurance can be given that, at the time a Prepayment Premium or a Yield Maintenance Charge is required to be made on a Mortgage Loan in connection with an involuntary prepayment, the obligation to pay such Prepayment Premium or Yield Maintenance Charge will be enforceable under applicable state law. See “Maturity and Prepayment Considerations and Risks—Early Repayment of Mortgage Loans” in the Multifamily REMIC Prospectus.

Structuring Assumptions

Pricing Assumptions. The information in the tables under “Yield Considerations” and “Decrement Tables” has been prepared on the basis of the actual characteristics of the Mortgage Loans (as described in “Description of the Mortgage Pool” and Exhibit A hereto) and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- (i) scheduled interest and principal payments on the Mortgage Loans are received in a timely manner;
- (ii) the Stated Principal Balance of any Discounted Mortgage Loan will be equal to its related Discounted Principal Balance. This assumption will not affect the rights of the Certificateholders to receive any Principal Distribution Amounts as described herein;
- (iii) 45 Mortgage Loans representing 63% of the Initial Mortgage Pool Balance are subject to a Lock-Out Period as specified on Exhibit A hereto during which time no voluntary

prepayments will be made with respect to each such Mortgage Loan; following any applicable Lock-Out Period, prepayments will be made on each Mortgage Loan at the indicated percentages of CPR;

(iv) there are no repurchases of Mortgage Loans and none of the Underlying Depositors or the Underlying Servicer exercises its right of optional termination of the Underlying REMIC Trust described herein, and Fannie Mae does not exercise its right of optional termination of the Trust as described herein;

(v) no modifications, extensions, waivers or amendments regarding the payment by the Mortgagors of principal and interest on the Mortgage Loans occur;

(vi) each Distribution Date occurs on the 25th day of each month, and the first Distribution Date occurs in January, 1995;

(vii) there are no defaults, losses or delinquencies on the Mortgage Loans;

(viii) the closing date for the sale of the Certificates is the Settlement Date;

(ix) the Due Date for each Mortgage Loan is the first day of each month;

(x) all Mortgage Loans bear interest on the basis of a 360-day year consisting of twelve 30-day months; and

(xi) no Prepayment Premiums or Yield Maintenance Charges are received.

CPR Assumptions. Prepayments on mortgage loans may be measured by a prepayment standard or model. The model used herein is the “Constant Prepayment Rate” or “CPR” model. The CPR model represents an assumed constant annual rate of prepayment each month, expressed as a per annum percentage of the then outstanding principal balance of the pool of mortgage loans. *CPR does not purport to be either a historical description of the prepayment experience of any pool of mortgage loans or a prediction of the anticipated rate of prepayment of any pool of mortgage loans, including the Mortgage Loans underlying the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates.* See “—Yield Considerations” and “—Decrement Tables” herein and “Yield Considerations” and “Maturity and Prepayment Considerations and Risks” in the Multifamily REMIC Prospectus.

Yield Considerations

General. The yield to maturity for each Certificate will depend upon the purchase price thereof, the rate of principal payments (including prepayments resulting from liquidations of Mortgage Loans due to defaults, casualties or condemnations affecting the Mortgaged Properties, or purchases out of the Underlying REMIC Trust), and the actual characteristics of the Mortgage Loans. There can be no assurance that the pre-tax yields shown herein will be realized or that the aggregate purchase prices of the Certificates will be as assumed. 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.

The effective yield on the Delay Classes will be reduced below the yield otherwise produced because principal and interest payable on a Distribution Date will not be distributed until the 25th day following the end of the related Interest Accrual Period and will not bear interest during such delay. 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 timing of changes in the rate of principal prepayments (including prepayments resulting from liquidations of Mortgage Loans due to defaults, casualties or condemnations affecting the

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

The rate of prepayment on the Mortgage Loans will depend on a variety of factors, including the characteristics of such Mortgage Loans, the level of prevailing interest rates, the application of Lock-Out Periods or the assessment of Prepayment Premiums or Yield Maintenance Charges and other economic, geographic and social factors. All of the Mortgage Loans provide for balloon payments, unless prepaid prior to maturity; 45 of the Mortgage Loans representing 63% of the Initial Mortgage Pool Balance provide for Lock-Out Periods; and all of the Mortgage Loans provide for the payment of either a Prepayment Premium or Yield Maintenance Charge in connection with voluntary principal prepayments. See "Description of the Mortgage Pool—Certain Terms and Conditions of the Mortgage Loans." The required payment of Prepayment Premiums or Yield Maintenance Charges may not be a sufficient disincentive to prevent the voluntary prepayment of the Mortgage Loans and, even if collected, allocation thereof to any Class may be insufficient to offset fully the adverse effects on the anticipated yield thereon arising out of the corresponding principal payment.

There can be no assurance that prepayments due to a default under a Mortgage Loan or a casualty or condemnation with respect to a Mortgaged Property will not occur during a Lock-Out Period. There can be no assurance that, following their respective Lock-Out Periods, the Mortgage Loans will prepay at any of the rates assumed herein, or at any other particular rate. The rate and timing of principal payments on the A Class, the B Class and the C Class will be directly related to the rate and timing of principal payments (including principal prepayments) on the Mortgage Loans and the extent to which such payments are in turn distributed on the Underlying PL Class A Certificates. See "Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*Distributions of Principal and Interest—Calculations of Principal*" herein.

The N Class. The table set forth below indicates the sensitivity of the pre-tax corporate bond equivalent yields to maturity of the N Class to prepayments on the Mortgage Loans occurring in accordance with the Pricing Assumptions at various constant percentages of CPR. The yields set forth in the table were calculated by determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on such Class, would cause the discounted present value of such assumed streams of cash flows to equal the assumed aggregate purchase price of such Class 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 N Class Certificates and consequently do not purport to reflect the return on any investment in the N Class Certificates when such reinvestment rates are considered.

As indicated in the table below, the yield to investors in the N Class will be sensitive to the rate of principal payments (including prepayments) of the Mortgage Loans. Forty-five of the Mortgage Loans representing 63% of the Initial Mortgage Pool Balance provide for Lock-Out Periods during which voluntary prepayments of such Mortgage Loans are prohibited, and Mortgage Loans not in their Lock-Out Periods permit prepayment subject to the payment of Prepayment Premiums or Yield Maintenance Charges. There can be no

assurance that such Prepayment Premiums or Yield Maintenance Charges will reduce the actual rate of prepayments of the Mortgage Loans following the applicable Lock-Out Periods. There can be no assurance that prepayments due to a default under a Mortgage Loan or a casualty or condemnation with respect to a Mortgaged Property will not occur during a Lock-Out Period. Any Prepayment Premiums and Yield Maintenance Charges actually received will be allocated to the A Class, the B Class, the C Class and the N Class in the manner described above. See "Description of the Certificates—Allocation of Prepayment Premiums and Yield Maintenance Charges" herein. Such allocation may be insufficient to offset fully the adverse effects on the anticipated yield arising out of the corresponding principal prepayment. In addition, Fannie Mae's option, if exercised, to effect an early termination of the Trust may adversely affect the yield to the N Class Certificateholders.

On the basis of the assumptions described below (including the assumption that no Prepayment Premiums or Yield Maintenance Charges are received), the yield to maturity on the N Class would be 0% if prepayments were to occur at a constant rate of approximately 18% CPR. If the actual prepayment rate of the Mortgage Loans were to exceed the foregoing level for as little as one month while equaling such level for the remaining months, the investors in the N Class would not fully recoup their initial investments. There can be no assurance that the Mortgage Loans will prepay at any of the rates assumed herein or at any other particular rate, that the pre-tax yields on the N Class will correspond to any of the pre-tax yields shown herein or that the aggregate purchase price of the N Class will be as assumed below.

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

<u>Class</u>	<u>Price*</u>
N	4.5%

* 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 N Class to Prepayments (Pre-Tax Yields to Maturity*)

<u>Class</u>	<u>CPR Prepayment Assumption</u>				
	<u>0%</u>	<u>3%</u>	<u>6%</u>	<u>9%</u>	<u>12%</u>
N	10.7%	8.8%	7.0%	5.3%	3.5%

* Calculated assuming no Prepayment Premiums or Yield Maintenance Charges are received.

See generally "Yield Considerations" in the Multifamily REMIC Prospectus.

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 “Maturity and Prepayment Considerations and Risks—Weighted Average Life and Final Distribution Dates” in the Multifamily REMIC 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 and the priority sequence of distributions of principal of the Classes. The Underlying Pooling and Servicing Agreement permits Modifications (as hereinafter defined), including extensions, of the Mortgage Loans under certain circumstances. Any extension of a Mortgage Loan is likely to cause an extension of the weighted average life of a Certificate. In addition, failure of a Mortgagor to timely make a Balloon Payment is also likely to cause an extension of the expected weighted average lives of the Certificates.

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 from 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 balance of the specified Classes that would be outstanding after each of the dates shown at various *constant* CPR levels and the corresponding weighted average lives of such Classes. It is unlikely, however, that prepayments of the Mortgage Loans will conform to any level of CPR, and no representation is made that the Mortgage Loans will prepay at the CPRs shown or at any other *constant* prepayment rate. There can be no assurance that prepayments due to a default under a Mortgage Loan or a casualty or condemnation with respect to a Mortgaged Property will not occur during a Lock-Out Period.

Percent of Original Principal Balances Outstanding

Date	A Class					B Class					C Class					N Class†				
	CPR Prepayment Assumption					CPR Prepayment Assumption					CPR Prepayment Assumption					CPR Prepayment Assumption				
	0%	3%	6%	9%	12%	0%	3%	6%	9%	12%	0%	3%	6%	9%	12%	0%	3%	6%	9%	12%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
December 1995	95	89	82	76	69	100	100	100	100	100	100	100	100	100	100	99	98	97	95	94
December 1996	90	74	58	42	27	100	100	100	100	100	100	100	100	100	100	98	95	92	90	87
December 1997	85	58	33	9	0	100	100	100	100	95	100	100	100	100	100	97	93	88	84	80
December 1998	78	42	9	0	0	100	100	100	91	79	100	100	100	100	100	96	90	84	79	74
December 1999	71	24	0	0	0	100	100	92	76	62	100	100	100	100	100	95	87	79	72	66
December 2000	28	0	0	0	0	100	88	68	50	34	100	100	100	100	100	94	83	73	65	58
December 2001	0	0	0	0	0	12	0	0	0	0	100	98	78	62	47	50	43	37	32	28
December 2002	0	0	0	0	0	10	0	0	0	0	100	91	69	50	35	49	41	34	29	24
December 2003	0	0	0	0	0	8	0	0	0	0	100	84	60	40	24	48	39	32	26	21
December 2004	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	2	2	1	1
December 2005	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	5.0	3.4	2.3	1.8	1.5	7.0	6.6	6.2	5.7	5.2	9.6	9.3	8.7	8.2	7.7	8.0	7.3	6.8	6.3	5.9

† In the case of the Notional Class, the Decrement Table indicates the percentages of the original notional principal balance outstanding.

** Determined as described under “—Weighted Average Lives of the Certificates” above.

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 and all interest thereon has been paid in full, Fannie Mae is reimbursed for all amounts due and owing to it in respect of its guaranty and of performance of its administrative duties under the Trust Agreement, and all reasonable and customary costs and expenses of the Trust have been paid in full. It is not anticipated that there will be any material assets remaining in the Trust after payment of the foregoing items.

The R Class will be subject to certain transfer restrictions. No transfer of record or beneficial ownership of the R Certificate will be allowed to a “disqualified organization.” In addition, no transfer of record or beneficial ownership of the 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 the 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 Multifamily REMIC Prospectus. A transferor of the R Certificate should consult with its 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 Multifamily REMIC 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.

THE TRUST AGREEMENT

Transfer of Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Related PL Class S-1 Certificates to the Trust

On or prior to the Settlement Date, Fannie Mae, acting in its corporate capacity, will assign to Fannie Mae, acting in its capacity as Trustee for the Trust, and for the benefit of Certificateholders, all of Fannie Mae’s right, title and interest in and to the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Related PL Class S-1 Certificates, including any payments of principal and interest thereon, provided that Fannie Mae, in its corporate capacity, has expressly reserved exclusively for itself certain voting and consent rights granted to the registered holders of Underlying PL Class A Certificates under the Underlying Pooling and Servicing Agreement, as described under “—Voting by Fannie Mae Under the Underlying Pooling and Servicing Agreement.” Payments on the Related PL Class S-1 Certificates will be applied to pay the administrative expenses of the Trust, including compensation of Fannie Mae for its guaranty of the Certificates.

Voting by Fannie Mae Under the Underlying Pooling and Servicing Agreement

The Underlying Certificateholders have been granted and allocated certain voting rights under the Underlying Pooling and Servicing Agreement (the “Underlying Voting Rights”).

One hundred percent of the Underlying Voting Rights have been allocated to the Underlying Certificateholders, other than the Underlying PL Class S-2 Certificates, the Related PL Class S-1 and R Certificateholders, in accordance with their respective Class Balances. Fannie Mae, in its corporate capacity and in partial consideration for its guaranty obligations under the Trust Agreement, will have the right to exercise or refrain from exercising all of the Underlying Voting Rights allocated to the Underlying PL Class A Certificates (including, without limitation, with respect to amendments to the Underlying Pooling and Servicing Agreement), provided that it is not in default of its guaranty obligations under the Trust Agreement. The Underlying Voting Rights initially allocated to the Underlying PL Class A Certificates constitute approximately 88.1% of the Underlying Voting Rights and, for so long as the Underlying PL Class A Balance is equal to or greater than the Class Balances of the Related PL Subordinated Certificates, will constitute at least a majority of the Underlying Voting Rights. Accordingly, during this period Fannie Mae will control all decisions under the Underlying Pooling and Servicing Agreement that require the consent or approval of Underlying Certificateholders, or permit direction of the Underlying Servicer or Underlying Trustee, by Underlying Certificateholders, that possess a majority of the Underlying Voting Rights. These decisions include, among others, whether (i) to seek from the Internal Revenue Service an extension of the permitted two-year holding period for REO Property, (ii) to waive certain events of default under the Underlying Pooling and Servicing Agreement and, thereby, prevent a termination of the Underlying Servicer or (iii) to remove the Underlying Trustee.

In addition, during any Underlying PL Class A Control Period for a Mortgage Loan, Fannie Mae, as the “Majority Underlying PL Class A Votesholder” under the Underlying Pooling and Servicing Agreement will have certain additional voting rights with respect to such Mortgage Loan, including, but not limited to, the right, but not the obligation, (i) in the case of a defaulted Mortgage Loan, to direct the course of action to be followed by the Underlying Servicer with respect to the relevant default, (ii) in the case of a Mortgage Loan with a due-on-sale clause, to approve any transferee of the related Mortgaged Property, (iii) to consent to allowance of any subordinate financing, (iv) to release a Mortgaged Property from the lien of the related Mortgage in the event of the existence of certain environmental conditions with respect to such Mortgaged Property, (v) to evaluate and determine the advisability of certain extensions to such Mortgage Loan and (vi) to consent to Modifications to such Mortgage Loan.

Under certain circumstances, the holder of a designated Class of Related PL Subordinated Certificates, as the Underlying Directing Holder, may direct the Underlying Servicer to commence a foreclosure proceeding or to delay a foreclosure sale in respect of a Defaulted Mortgage Loan. See “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Realization Upon Defaulted Mortgage Loans*” and “—*Amendment*” herein.

Termination

Pursuant to the Trust Agreement, Fannie Mae, in its corporate capacity, is entitled to purchase all of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Related PL Class S-1 Certificates and effect an early termination of the Trust at any time that the Underlying PL Class A Balance is less than five percent of the original Underlying PL Class A Balance, for a purchase price equal to the aggregate outstanding principal balance of the A Class, the B Class and the C Class plus all accrued interest remaining unpaid on the A Class, the B Class, the C Class and the N Class. There also may be an early termination of the Trust in the event the Underlying Servicer or either of the Underlying Depositors purchases the Mortgage Loans and any REO Loans in the Underlying REMIC Trust. See “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Termination*” herein.

DESCRIPTION OF THE UNDERLYING REMIC TRUST

Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates

General

The Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates (including the Related PL Class R Certificates) will represent in the aggregate the entire beneficial ownership in the Underlying REMIC Trust. The principal assets of the Underlying REMIC Trust are the Mortgage Loans in the Mortgage Pool. See “Description of the Certificates—Structure of the Underlying REMIC Trust—*General*” herein.

The Underlying PL Class A Certificates initially will evidence 88.09% of the Class Balances of the Underlying REMIC Regular Certificates and initially will have an aggregate unpaid principal balance of \$194,700,000; and the Related PL Subordinated Certificates initially will evidence 11.91% of the Class Balances of the Underlying REMIC Regular Certificates and initially will have an aggregate unpaid principal balance of \$26,331,749. The initial Class Balances of the Underlying PL Class A Certificates and the Related PL Subordinated Certificates will be subject to a permitted variance of plus or minus 5%. The “Class Balance” of any Class of the Underlying REMIC Regular Certificates (other than the Underlying PL Class S-2 Certificates and the Related PL Class S-1 Certificates, which do not have Class Balances) outstanding at any time represents the maximum amount that the holders thereof are entitled to receive as distributions allocable to principal from the cash flow on the Mortgage Loans and the other assets in the Underlying REMIC Trust. The Class Balance of each such Class of Underlying REMIC Regular Certificates will be (i) reduced by amounts actually distributed on such Class that are allocable to principal and (ii) further reduced by amounts allocated to such Class in respect of Underlying Realized Losses and Extraordinary Underlying REMIC Trust Expenses. See “—*Allocation of Underlying Realized Losses and Extraordinary Underlying REMIC Trust Expenses*” below.

The Underlying PL Class S-2 Certificates will bear interest at a per annum rate described herein on a notional principal balance equal to the aggregate of the Stated Principal Balances of the Mortgage Loans and the REO Loans (other than the Discounted Mortgage Loans and Discounted REO Loans). Until such aggregate amount is reduced to zero, the Underlying PL Class S-2 Certificates will remain outstanding. See generally “Description of the Certificates—Distributions of Principal—*Principal Distribution Amount*” and “—Structure of the Underlying REMIC Trust—*The Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Mortgage Loans*” herein.

The Related PL Class S-1 Certificates will bear interest at a per annum rate set forth in the Underlying Pooling and Servicing Agreement on a notional principal balance set forth in the Underlying Pooling and Servicing Agreement. See generally “Description of the Certificates—General—*Fannie Mae’s Guaranty*” herein.

The Related PL Class R Certificates will have no economic value, and it is not expected that any distributions will be made thereon.

The Related PL Subordinated Certificates will be subordinate to the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Related PL Class S-1 Certificates to the extent described herein under “—*Distributions of Principal and Interest—Subordination*” herein.

Distributions of Principal and Interest

Amount. The aggregate distribution to be made on the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates on any Distribution Date will equal the Available Distribution Amount for such date plus any Prepayment Premiums and Yield Maintenance Charges received during the related Due Period. See the “Glossary.”

Calculations of Interest. The “Accrued Certificate Interest” in respect of any Class of Underlying REMIC Regular Certificates for any Distribution Date is equal to 30 days’ interest at the Underlying Pass-Through Rate applicable to such Class of Underlying REMIC Regular Certificates for such Distribution Date accrued on the Class Balance or notional amount thereof outstanding immediately prior to such Distribution Date. See “Description of the Certificates—Structure of the Underlying REMIC Trust” herein.

Calculations of Principal. The Underlying PL Class A Certificateholders are entitled to receive on a monthly basis on each Distribution Date an amount equal to the Underlying PL Class A Principal Distribution Amount. See “Description of the Certificates—Distributions of Principal—Principal Distribution Amount” herein.

Allocation of Underlying Realized Losses and Extraordinary Underlying REMIC Trust Expenses. On each Distribution Date, a determination will be made of the aggregate amount of losses on the Mortgage Loans (hereinafter referred to as “Underlying Realized Losses”) and certain expenses of the Underlying REMIC Trust (hereinafter referred to as “Extraordinary Underlying REMIC Trust Expenses”) that were incurred at any time following the Cut-off Date through the end of the related Due Period, and in any event that were not previously allocated on any prior Distribution Date. See the “Glossary” for more detailed definitions of Underlying Realized Losses and Extraordinary Underlying REMIC Trust Expenses. On each Distribution Date, following the distributions to be made to Underlying Certificateholders, the aggregate amount of such previously unallocated Underlying Realized Losses and Extraordinary Underlying REMIC Trust Expenses will be allocated to the Underlying REMIC Regular Certificates, but only to the extent that (i) the aggregate of the Class Balances of the Underlying REMIC Regular Certificates as of such Distribution Date (after taking into account all of the distributions made on such Distribution Date, but prior to taking into account any allocations to be made on such Distribution Date as described in this paragraph), exceeds (ii) the aggregate of the Stated Principal Balances of the Mortgage Loans and any REO Loans that will be outstanding immediately following such Distribution Date (net, in the case of each Discounted Mortgage Loan and Discounted REO Loan, of the related Balance Differential for the most recent Due Date). The allocation of the Underlying Realized Losses and Extraordinary Underlying REMIC Trust Expenses will be made to the Related PL Subordinated Certificates until their respective Class Balances have been reduced to zero, before any such allocation will be made to the Underlying PL Class A Certificates. Any allocation of Underlying Realized Losses and Extraordinary Underlying REMIC Trust Expenses to a Class of Underlying REMIC Regular Certificates will be made by reducing the Class Balance thereof by the amount so allocated. The foregoing manner of allocating Underlying Realized Losses and Extraordinary Underlying REMIC Trust Expenses is intended to reduce the likelihood that such losses and expenses will be allocated to the Underlying PL Class A Certificates. See “—Distributions of Principal and Interest—Subordination.”

Priority. On each Distribution Date, the Underlying Trustee is required to apply amounts on deposit in the Underlying Distribution Account, to the extent of the Available Distribution Amount for such Distribution Date, in the following order of priority, in each case subject to remaining available funds:

- (i) to distributions of interest to the Underlying PL Class A Certificateholders, the Underlying PL Class S-2 Certificateholders and the Related PL Class S-1 Certificateholders in

an amount equal to all Accrued Certificate Interest in respect of such Classes for such Distribution Date and, to the extent not previously paid, for all prior Distribution Dates;

(ii) to distributions of principal to the Underlying PL Class A Certificateholders in an amount (not to exceed the Underlying PL Class A Balance) equal to the Underlying PL Class A Principal Distribution Amount for such Distribution Date;

(iii) to distributions to the Underlying PL Class A Certificateholders until all Underlying Realized Losses and Extraordinary Underlying REMIC Trust Expenses previously allocated to the Underlying PL Class A Certificates, but not previously reimbursed, have been reimbursed in full (such reimbursements, together with payments of past due principal and interest on the Underlying PL Class A Certificates, being generally payable as reimbursements to Fannie Mae of amounts paid in respect of its guaranty);

(iv) to payments to the Underlying Servicer, until all unpaid interest that may have accrued on unreimbursed P&I Advances and/or on unreimbursed Servicing Advances described in the immediately following clause (v), has been paid in full; and

(v) to payments to the Underlying Servicer, until all outstanding unreimbursed P&I Advances and Servicing Advances (each, an "Advance") that it has previously made in respect of defaulted Mortgage Loans and/or REO Properties as to which a Final Recovery Determination was made during or prior to the related Due Period, have been reimbursed in full.

The remainder of the Available Distribution Amount for such Distribution Date will be distributed on the Related PL Subordinated Certificates in respect of payments of principal and interest as well as reimbursement of Underlying Realized Losses and Extraordinary Underlying REMIC Trust Expenses previously allocated to such Related PL Subordinated Certificates and, in the event of any excess remaining thereafter, in respect of payments of principal on the Underlying PL Class A Certificates and the Related PL Subordinated Certificates, in that order, until the Class Balances, if any, thereof are reduced to zero and thereafter to the Related PL Class R Holders.

On each Distribution Date, the Underlying Trustee shall apply that portion of amounts on deposit in the Underlying Distribution Account that represent Prepayment Premiums or Yield Maintenance Charges as described under "Description of the Certificates—Allocation of Prepayment Premiums and Yield Maintenance Charges" herein.

Subordination. The rights of the Underlying PL Subordinated Certificateholders to receive distributions with respect to the Mortgage Loans and REO Properties will be subordinate to the rights of the Underlying PL Class A Certificateholders, the Underlying PL Class S-2 Certificateholders and the Related PL Class S-1 Certificateholders, to the extent described herein. This subordination (other than the subordination of the Related PL Class R Certificates, which are not expected to receive any significant distributions from the Underlying Distribution Account) is intended to enhance the likelihood of regular receipt by the Underlying PL Class A Certificateholders, the Underlying PL Class S-2 Certificateholders and the Related PL Class S-1 Certificateholders, of the full amount of monthly distributions due them and to protect the Underlying PL Class A Certificateholders, the Underlying PL Class S-2 Certificateholders and the Related PL Class S-1 Certificateholders against losses.

P&I Advances. On the business day immediately prior to each Distribution Date (the "P&I Advance Date"), the Underlying Servicer will be obligated to make advances (each, a "P&I Advance") equal to the aggregate of all Scheduled Payments (other than Balloon Payments) and any Assumed Payments, net of related Servicing Fees, due or deemed due, as the case may be, in respect of the Mortgage Loans (including, without limitation, Balloon Mortgage Loans delinquent as to their respective Balloon Payments) and any REO Loans on the immediately preceding Due

Date, in each case to the extent such amount was not paid by or on behalf of the related Mortgagor as of the close of business on a date specified in the Underlying Pooling and Servicing Agreement or otherwise collected as of the close of business on the last day of the related Due Period.

Notwithstanding the foregoing, the Underlying Servicer will not be obligated to make any P&I Advance that it determines in its reasonable good faith judgment would, if made, constitute a Nonrecoverable P&I Advance. See the “Glossary.”

The Underlying Servicer may make withdrawals from the Underlying Certificate Account to reimburse itself for certain unreimbursed Advances and, at such time as it reimburses itself for any unreimbursed Advances, the Underlying Servicer may make withdrawals from the Underlying Certificate Account to pay itself unpaid interest accrued and payable on such Advances. Such reimbursements and payments would effectively take priority over subsequent distributions to the Underlying PL Class A Certificateholders, the Underlying PL Class S-2 Certificateholders, the Related PL Class S-1 Certificateholders and the Related PL Subordinated Certificateholders from the Underlying Distribution Account because available amounts on deposit in the Underlying Certificate Account are used to fund the Underlying Distribution Account for purposes of making distributions to the Underlying Certificateholders. In addition, on each Distribution Date, the Underlying Servicer is entitled to receive reimbursement for certain Advances (and payment of interest thereon) from amounts otherwise distributable on the Related PL Subordinated Certificates. See “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*Distributions of Principal and Interest—Priority*” herein.

Payment of Certain Interest Shortfalls. The Underlying Servicer is responsible for the payment from its own funds, without any right of reimbursement, of any shortfall in the collection of a full month’s (i.e., 30 days’) interest on a Mortgage Loan resulting from (a) (i) any principal prepayment or (ii) any partial or full late payment of a Balloon Payment, in either case other than on a Due Date, or (b) the Balloon Payment on such Mortgage Loan being actually due other than on the first day of the month. The amount of any such shortfall is herein referred to as a “Prepayment Interest Shortfall” if it occurs with respect to a principal prepayment and a “Balloon Payment Interest Shortfall” if it occurs with respect to a Balloon Payment. See the “Glossary.” The Underlying Servicer is required to pay the aggregate of these shortfalls on each P&I Advance Date.

Treatment of REO Properties. Notwithstanding that a Mortgaged Property securing any Mortgage Loan may be acquired on behalf of the Underlying REMIC Trust as REO Property, such Mortgage Loan (after the date of such acquisition, an “REO Loan”) will, for purposes of determining amounts payable (including the Underlying PL Class A Principal Distribution Amount) on, and losses allocable to, the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates, be treated as having remained outstanding until such REO Property is liquidated, and each such REO Loan will be deemed to have the same terms and conditions as its predecessor Mortgage Loan. An unpaid principal balance, as well as a Stated Principal Balance, will continue to be calculated for each REO Loan. See the “Glossary.” The Underlying Servicer will be obligated to continue to make P&I Advances on REO Loans, unless any such advances would be Nonrecoverable P&I Advances.

Description of the Underlying Pooling and Servicing Agreement

General

The Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates will be issued pursuant to

the Underlying Pooling and Servicing Agreement. The following summary descriptions of certain provisions of the Underlying Pooling and Servicing Agreement do not purport to be complete and are subject to, and qualified in their entirety by reference to, the provisions of the Underlying Pooling and Servicing Agreement. When particular sections of or terms used in the Underlying Pooling and Servicing Agreement are referred to, those sections and terms are incorporated by reference as part of such summaries.

The Parties

The Underlying Depositors. DLJ Mortgage Acceptance Corp. and CS First Boston Mortgage Securities Corp. will act as Underlying Depositors pursuant to the Underlying Pooling and Servicing Agreement.

The Underlying Servicer. The Mortgage Loans will be serviced by Bankers Trust Company.

The Underlying Trustee. State Street Bank and Trust Company, a Massachusetts banking corporation, will act as the Underlying Trustee pursuant to the Underlying Pooling and Servicing Agreement.

Assignment of the Mortgage Loans

On or prior to the Settlement Date, each Mortgage Loan Seller will sell certain of the related Mortgage Loans to the related Underlying Depositor pursuant to a Mortgage Loan Purchase Agreement and each Underlying Depositor shall assign the corresponding Mortgage Loans, without recourse, to the Underlying Trustee for the benefit of the Underlying Certificateholders. Prior to the Settlement Date, each Mortgage Loan Seller will deliver, or cause to be delivered, to the Underlying Trustee, or a custodian appointed thereby, in respect of its Mortgage Loans, the original Mortgage Notes, the original Mortgages (or copies thereof, subject to the terms of the Underlying Pooling and Servicing Agreement and the related Mortgage Loan Purchase Agreement) and, except as otherwise provided in the Underlying Pooling and Servicing Agreement and the related Mortgage Loan Purchase Agreement, originals or copies of all of the other documents that constitute the Mortgage Files. (Article I and Section 2.01.)

Servicing of the Mortgage Loans

The Underlying Pooling and Servicing Agreement requires the Underlying Servicer to service and administer diligently the Mortgage Loans on behalf of the Underlying Trustee and in the best interests of and for the benefit of the Underlying Certificateholders (as determined by the Underlying Servicer in its good faith and reasonable judgment and without regard to any differing payment priorities among the respective Classes of Underlying PL Class A Certificates, Underlying PL Class S-2 Certificates, Related PL Class S-1 Certificates and Related PL Subordinated Certificates) in accordance with applicable law, the terms of the Underlying Pooling and Servicing Agreement and the terms of the respective Mortgage Loans and otherwise in accordance with the Servicing Standard. (Section 3.01(a).) See the “Glossary.”

Notwithstanding the Servicing Standard or any provision in the Underlying Pooling and Servicing Agreement to the contrary, during any Underlying PL Class A Control Period for any Mortgage Loan or REO Property, Fannie Mae, as the Majority Underlying PL Class A Voteholder, will have the right and authority, but not the obligation, to direct the Underlying Servicer in all matters relating to servicing and enforcement of such Mortgage Loan or REO Property. (Section 3.01(d).)

In certain circumstances, the holder of a designated Class or Classes of the Related PL Subordinated Certificates may be entitled to direct the Underlying Servicer to commence a foreclosure proceeding or to delay a foreclosure sale in respect of a Mortgaged Property. See “—*Realization Upon Defaulted Mortgage Loans*” below.

Due-on-Sale Clauses; Due-on-Encumbrance Clauses; Assumption Agreements; Subordinate Financing. Substantially all of the Mortgage Loans have “due-on-sale” clauses generally providing (with limited exception) that such Mortgage Loan will (or may at the mortgagee’s option) become due and payable upon the sale or other transfer of the related Mortgagor’s interest in the related Mortgaged Property. In general, with respect to Mortgage Loans, the Underlying Pooling and Servicing Agreement prohibits enforcement of any such due-on-sale clause upon transfer of a Mortgaged Property if certain conditions (generally related to the creditworthiness and responsibility of the proposed transferee, the condition of the Mortgaged Property and the establishment of adequate maintenance and replacement reserves) are satisfied. With respect to Mortgage Loans which have due-on-sale provisions and as to which the conditions described in the preceding sentence are not satisfied, the Underlying Pooling and Servicing Agreement generally requires the Underlying Servicer to exercise any right it may have with respect to such Mortgage Loan to accelerate the payments thereon or to withhold its consent to the applicable sale or transfer, as applicable, unless there is a reasonable basis to believe that such provision is unenforceable under applicable law. (Section 3.08(a).)

Substantially all of the Mortgage Loans also have “due-on-encumbrance” clauses generally providing that such Mortgage Loan may at the mortgagee’s option become due and payable upon the creation of any additional lien or other encumbrance on the Mortgaged Property that is not permitted by the related Mortgage, subject, in most cases, to the right of the Mortgagor to grant subordinate mortgages on the Mortgaged Property if certain conditions are satisfied. Pursuant to the Underlying Pooling and Servicing Agreement, the Underlying Servicer is not permitted to consent to any subordinate financing unless required by the Mortgage Loan. If the Mortgage Loan requires the consent of the mortgagee to any subordinate financing and, pursuant to applicable law or the provisions of the Mortgage Loan, such consent must be reasonably exercised, then the Underlying Servicer may consider requests by a Mortgagor to permit subordinate financing provided that certain conditions (generally relating to the term of the subordinate loan, the requirement that the interest be payable on the subordinate loan on a current basis and at a fixed rate, and the requirement that there be a minimum combined debt service coverage ratio and maximum combined loan-to-value ratio for the Mortgage Loan and the subordinate loan) are satisfied and, during any Underlying PL Class A Control Period for such Mortgage Loan, the Underlying Servicer has obtained the consent of Fannie Mae, as the Majority Underlying PL Class A Voteholder. (Section 3.08(b).)

Modifications, Waivers and Amendments. The Underlying Servicer may agree to any modification, waiver or amendment (each, a “Modification”) of any term of any Mortgage Loan without the consent of the Underlying Depositor, the Underlying Trustee or any Underlying Certificateholder, subject to compliance with the REMIC Provisions and the other limitations set forth in the Underlying Pooling and Servicing Agreement, certain of which are described below. (Section 3.20(a) and Section 3.20(k).)

The extension of the maturity of a Mortgage Loan is subject to the following limitations, among others: (i) no more than two such extensions may be granted, and any such extension may not result in a final scheduled payment date that is more than 12 months beyond the date on which it was previously due or that is more than a total of 24 months beyond its original stated maturity date; (ii) the contract interest rate (coupon rate) for each month during the extension period shall not be less than the contract interest rate (coupon rate) due on such Mortgage Loan in the month prior to the month in which the final payment was originally scheduled to be due thereon; and (iii) in the case of the extension of any Discounted Mortgage Loan, the terms of such extension provide that the contract interest rate (coupon rate) for the duration of such extension is greater than or equal to the sum of (a) 8.4%, (b) the Servicing Fee Rate, (c) the Underlying Trustee’s Fee Rate and (d) the Related PL Class S-1 Certificate Pass-Through Rate. (Section 3.20(a).)

The Underlying Servicer may not waive or modify payment of any applicable Prepayment Premium or Yield Maintenance Charge due to be paid under the terms of any Mortgage Loan, unless (A) it determines that the Mortgage Loan is in default due to bona fide cash flow deficiencies and not an effort to avoid payment of a Prepayment Premium or Yield Maintenance Charge, or (B) there is a substantial risk that the Prepayment Premium or Yield Maintenance Charge provisions would be found unenforceable by a court with jurisdiction of the action, or (C) the prepayment of the Mortgage Loan is made due to a casualty loss or a condemnation. (Section 3.20(a).)

During any Underlying PL Class A Control Period for a Mortgage Loan, the Underlying Servicer may not agree to certain Modifications of such Mortgage Loan, even though such Modifications would be permitted pursuant to the preceding paragraphs, unless it obtains the written consent of Fannie Mae, as the Majority Underlying PL Class A Voteholder. (Section 3.20(b).)

If the Mortgagor reasonably requests a partial release of a Mortgaged Property, then the Underlying Servicer may grant such partial release provided that it is consistent with the Servicing Standard, that during any Underlying PL Class A Control Period for the related Mortgage Loan(s), Fannie Mae, as the Majority Underlying PL Class A Voteholder gives its consent to any such partial release and that (i) the Mortgagor pays, for application to the unpaid principal balance of the related Mortgage Loan(s), an amount equal to the appraised value of the released portion of the Mortgaged Property, (ii) the lien of the related Mortgage(s) on the remaining property is not adversely affected and the remaining property can, practically and economically continue to be used for its intended purposes and (iii) the income of the Mortgaged Property is not adversely affected by such release. (Section 3.20(e).)

Realization Upon Defaulted Mortgage Loans. The Underlying Pooling and Servicing Agreement requires the Underlying Servicer to exercise reasonable and diligent efforts, consistent with the Servicing Standard, to sell a defaulted Mortgage Loan or to foreclose upon or otherwise comparably convert the ownership of the related Mortgaged Property or Properties, if no satisfactory arrangements can be made for collection of delinquent payments, subject to the limitations described below. (Section 3.09(d).) However, during any Underlying PL Class A Control Period for a Mortgage Loan, Fannie Mae, as the Majority Underlying PL Class A Voteholder, has the right but not the obligation to direct the course of action to be followed by the Underlying Servicer upon the occurrence of a payment default or a material performance default with respect to a Mortgage Loan. (Section 3.09(b).)

The Underlying Directing Holder will have the right, under certain circumstances, to direct the Underlying Servicer to commence a foreclosure proceeding or to delay for two years a foreclosure proceeding in respect of a Mortgaged Property, as well as the right to direct the servicing of the related Mortgage Loan. (Sections 12.03 and 12.04.) The “Underlying Directing Holder” will be the Underlying First Loss Holder that makes an election to delay foreclosure, or an election to foreclose, in respect of a Defaulted Mortgage Loan; provided, however, that the Underlying Directing Holder must meet certain requirements specified in the Underlying Pooling and Servicing Agreement. The “Underlying First Loss Holder” will be the holder of a specified class of the Related PL Subordinated Certificates at the time a determination of the Underlying Directing Holder shall be made. If, at such time, such specified Class of the Related PL Subordinated Certificates shall be held by more than one holder, there shall be no Underlying First Loss Holder for purposes of the Underlying Pooling and Servicing Agreement.

Promptly after any Mortgage Loan is two payments delinquent, the Underlying Servicer is required, subject to the foregoing, to begin the foreclosure process as set forth in the Fannie Mae Policies and Procedures for “Multifamily REO” concurrent with pursuing any Mortgagor request for a Modification, as described herein under “*Servicing of the Mortgage Loans—Modifications*,

Waivers and Amendments” (the “dual track approach”). Promptly upon commencement of a foreclosure action the Underlying Servicer is required to seek the appointment of a receiver to collect the rents and other revenues of each related Mortgage Property and manage the property for the benefit of Underlying Certificateholders. (Section 3.09(c).)

The Underlying Servicer may not, and neither Fannie Mae, as Majority Underlying PL Class A Voteholder, nor any Underlying Directing Holder may direct the Underlying Servicer to, initiate foreclosure proceedings, obtain title to a Mortgaged Property in lieu of foreclosure or otherwise, or take any other action with respect to any Mortgaged Property, if, as a result of any such action, the Underlying Trustee, on behalf of Underlying Certificateholders, would be considered to hold title to, to be a “mortgagee-in-possession” of, or to be an “owner” or “operator” of such Mortgaged Property within the meaning of CERCLA or any comparable law, unless the Underlying Servicer has previously determined in accordance with the Servicing Standard, based on a current or currently updated environmental assessment meeting the standards prescribed by the Underlying Pooling and Servicing Agreement (an “Environmental Assessment”) of such Mortgaged Property, that each of the following conditions (“Environmental Conditions Precedent to Foreclosure”) is satisfied:

- (i) the Mortgaged Property is in compliance with applicable environmental laws and regulations or, if not, taking such actions as are necessary to bring the Mortgaged Property in compliance therewith is reasonably likely to produce a greater recovery on a present value basis than not taking such actions; and
- (ii) there are no circumstances or conditions present at the Mortgaged Property relating to the use, management or disposal of any hazardous, toxic or dangerous waste, substance or material for which investigation, testing, monitoring, containment, clean-up or remediation could be required under any applicable environmental laws and regulations or, if such circumstances or conditions are present for which any such action could be required, taking such actions with respect to such Mortgaged Property is reasonably likely to produce a greater recovery on a present value basis than not taking such actions. (Section 3.09(f).)

If the environmental testing described above establishes that either of the Environmental Conditions Precedent to Foreclosure has not been satisfied, the Underlying Servicer is required to take such action as it deems to be in the best economic interest of the Underlying REMIC Trust (other than proceeding to acquire title to the Mortgaged Property) and, provided that it has obtained the consent of Fannie Mae, as Majority Underlying PL Class A Voteholder, during any Underlying PL Class A Control Period for the affected Mortgage Loan(s), the Underlying Servicer is authorized to direct the Trustee to release such Mortgaged Property from the lien of the related Mortgage(s) and cancel the debt. (Section 3.09(g).) The cost of any remedial, corrective or other further action related to an Environmental Condition Precedent to Foreclosure will be an expense of the Underlying REMIC Trust. (Section 3.09(f).)

If the Underlying Servicer acquires any REO Property on behalf of the Underlying REMIC Trust, it is required to diligently attempt to maximize the value of such REO Property by, among other things, stabilizing the tenancy of the REO Property and repairing and restoring the REO Property to marketable condition. The Underlying Servicer is required to sell such REO Property within two years after the Underlying REMIC Trust acquires ownership of such REO Property, unless the Underlying Servicer (a) either (i) is granted an extension of time (an “REO Extension”) by the Internal Revenue Service to sell such REO Property or (ii) obtains for the Underlying Trustee an opinion of counsel to the effect that the holding by the Underlying REMIC Trust of such REO Property subsequent to the second anniversary of such acquisition will not result in the imposition of taxes on “prohibited transactions” of the Underlying REMIC Trust as defined in Section 860F of the Code or cause the Underlying REMIC Trust to fail to qualify as a REMIC at

any time that any Underlying PL Class A Certificates or Related PL Subordinated Certificates are outstanding and (b) in taking the action in clause (a)(i) or clause (a)(ii), it has received the consent of or direction from the Underlying Certificateholders entitled to a majority of the Underlying Voting Rights. (Section 3.16(a).)

Representations and Warranties; Repurchases

In each Mortgage Loan Purchase Agreement, each related Mortgage Loan Seller will make certain customary representations and warranties for the benefit of the related Underlying Depositor with respect to the Mortgage Loans being sold by such Mortgage Loan Seller. In the Underlying Pooling and Servicing Agreement, the Underlying Depositor will assign or cause to be assigned to the Underlying Trustee and the Underlying Certificateholders all such representations and warranties given to each such Underlying Depositor and shall also give the Underlying Trustee the right to directly enforce the remedies set forth in each Mortgage Loan Purchase Agreement with respect to a breach of any such representations, warranties and covenants. (Section 2.01). The representations and warranties in each Mortgage Loan Purchase Agreement will continue in effect throughout the term of the Underlying Pooling and Servicing Agreement. Within 90 days following the discovery of a breach of any of such representations and warranties, which breach materially and adversely affects the value of any Mortgage Loan or the interest of Underlying PL Class A Certificateholders, the Underlying PL Class S-2 Certificateholders, the Related PL Class S-1 Certificateholders or the Related PL Subordinated Certificateholders therein the related Mortgage Loan Seller will be required, at its option, (i) to cure in all material respects such breach or (ii) to purchase the affected Mortgage Loan from the Underlying Trustee at the applicable Purchase Price. (Section 2.04.) See the "Glossary" herein.

Underlying Servicer and Trustee Compensation

The principal compensation to be paid to the Underlying Servicer will be a fee with respect to each Mortgage Loan and REO Loan (the "Servicing Fee") that will accrue monthly at a rate specified in the Underlying Pooling and Servicing Agreement (the "Servicing Fee Rate") and will be computed on the basis of the same principal amount and for the same period respecting which any related interest payment due on such Mortgage Loan or deemed to be due on such REO Loan is computed. (Section 3.11(a).)

The Underlying Trustee will be entitled to withdraw from the Underlying Distribution Account as compensation, prior to any distributions to be made from such account on each Distribution Date to Underlying Certificateholders, an amount equal to 30 days' interest accrued at 0.01% per annum (the "Underlying Trustee's Fee Rate") on the aggregate Stated Principal Balance of the Mortgage Loans and REO Loans immediately prior to such Distribution Date (the "Underlying Trustee's Fee"), together with any such amount remaining unpaid from any prior Distribution Date. (Section 8.05(a).)

Rights Upon Underlying Events of Default

If any "event of default" in respect of the Underlying Servicer should occur and be continuing under the Underlying Pooling and Servicing Agreement, then, so long as such event of default is not remedied, the Underlying Trustee may, and, at the direction of the Underlying Certificateholders entitled to a majority of the Underlying Voting Rights, the Underlying Trustee will, terminate all of the rights and obligations of the Underlying Servicer in such capacity under the Underlying Pooling and Servicing Agreement and in and to the Mortgage Loans and the proceeds thereof. (Section 7.01(b).)

Underlying Certificateholders representing a majority of the Underlying Voting Rights allocated to the Classes of Underlying PL Class A Certificates and Related PL Subordinated Certificates affected by any such event of default may waive such event of default. However, an event of default involving the failure by the Underlying Servicer to make required deposits into the Underlying Certificate Account or Underlying Distribution Account may be waived only by the Underlying Certificateholders representing a majority of the Underlying Voting Rights allocated to each Class of Underlying PL Class A Certificates and Related PL Subordinated Certificates. (Section 7.04.)

Amendment

The Underlying Pooling and Servicing Agreement may be amended from time to time for certain limited purposes by the mutual agreement of the Underlying Depositors, the Underlying Servicer and the Underlying Trustee, without the consent of any of the Underlying Certificateholders. (Section 11.01(a).)

The Underlying Pooling and Servicing Agreement may also be amended from time to time by the mutual agreement of the Underlying Depositors, the Underlying Servicer and the Underlying Trustee with the consent of the Underlying Certificateholders entitled to a majority of the Underlying Voting Rights allocated to the affected Classes, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Underlying Pooling and Servicing Agreement or of modifying in any manner the rights of the Underlying Certificateholders. However, no such amendment may (i) reduce in any manner the amount of, or delay the timing of, payments received or advanced on the Mortgage Loans that are required to be distributed on any Underlying PL Class A Certificate, Underlying PL Class S-2 Certificate, Related PL Class S-1 Certificate or Related PL Subordinated Certificate without the consent of the holder of such Underlying Certificate, (ii) affect adversely in any material respect the interests of the holders of any Class of Underlying PL Class A Certificates, Underlying PL Class S-2 Certificates, Related PL Class S-1 Certificates and Related PL Subordinated Certificates in a manner other than as described in (i) without the consent of the holders of all Underlying PL Class A Certificates, Underlying PL Class S-2 Certificates, Related PL Class S-1 Certificates or Related PL Subordinated Certificates of such Class, or (iii) modify the provisions of the Underlying Pooling and Servicing Agreement described in this paragraph without the consent of the holders of all Underlying PL Class A Certificates, Underlying PL Class S-2 Certificates, Related PL Class S-1 Certificates and Related PL Subordinated Certificates then outstanding. (Section 11.01(b).)

Termination

The obligations and responsibilities created by the Underlying Pooling and Servicing Agreement will terminate upon payment (or provision for payment) to the Underlying Certificateholders of all amounts held by or on behalf of the Underlying Trustee and required under the Underlying Pooling and Servicing Agreement to be so paid on the Distribution Date following the earlier to occur of (i) the purchase by the Underlying Servicer or either Underlying Depositor of all of the Mortgage Loans and REO Properties remaining in the Underlying REMIC Trust, and (ii) the final payment (or any advance with respect thereto) on or other liquidation of the last Mortgage Loan or REO Property remaining in the Underlying REMIC Trust. The purchase price payable by the Underlying Servicer or either Underlying Depositor pursuant to clause (i) of the preceding sentence will be equal to the greater of (A) the aggregate Purchase Price of all of the Mortgage Loans included in the Underlying REMIC Trust, plus the appraised value of each REO Property, if any, included in the Underlying REMIC Trust, minus, in the event the purchaser is the Underlying Servicer, the aggregate amount of any unreimbursed Advances (together with any

unpaid interest accrued and payable to the Underlying Servicer on such Advances) and unpaid Servicing Fees remaining outstanding (which items will be deemed to have been paid or reimbursed to the Underlying Servicer in connection with such purchase), and (B) the aggregate fair market value of all of the assets of the Underlying REMIC Trust. (Section 9.01.) See the “Glossary.”

The Underlying Servicer or either Underlying Depositor may, at its option, elect to purchase all of the Mortgage Loans and REO Properties remaining in the Underlying REMIC Trust as contemplated by clause (i) of the preceding paragraph only if the aggregate Stated Principal Balance of the Mortgage Loans and any REO Loans remaining in the Underlying REMIC Trust as of the date of such election is less than five percent of the Initial Mortgage Pool Balance. (Section 9.01.)

On the final Distribution Date, the Underlying Trustee will distribute to each Underlying Certificateholder that presents and surrenders its Underlying PL Class A Certificates, Underlying PL Class S-2 Certificates, Related PL Class S-1 Certificates or Related PL Subordinated Certificates such Underlying Certificateholder’s portion of the amounts then on deposit in the Underlying Distribution Account that are allocable to payments on the applicable Class of Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, Related PL Class S-1 Certificates or Related PL Subordinated Certificates. Amounts on deposit in the Underlying Distribution Account as of the final Distribution Date, to the extent of the Available Distribution Amount for the final Distribution Date, will be allocated in the following order, in each case subject to remaining available funds: (i) to distributions of interest to the Underlying PL Class A Certificateholders, the Underlying PL Class S-2 Certificateholders and the Related PL Class S-1 Certificateholders, in an amount equal to all Accrued Certificate Interest in respect of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Related PL Class S-1 Certificates for such Distribution Date and, to the extent not previously paid, for all prior Distribution Dates; (ii) to distributions of principal to the Underlying PL Class A Certificateholders, in an amount equal to the Underlying PL Class A Balance outstanding immediately prior to such Distribution Date; (iii) to distributions to the Underlying PL Class A Certificateholders, until all Underlying Realized Losses and Extraordinary Underlying REMIC Trust Expenses previously allocated to the Underlying PL Class A Certificates, but not previously reimbursed, have been reimbursed in full; and (iv) to similar distributions to the Related PL Subordinated Certificateholders (other than the Related PL Class R Certificateholders), with any remaining excess to distributions to the Related PL Class R Certificateholders. In addition, amounts on deposit in the Underlying Distribution Account as of the final Distribution Date that constitute Prepayment Premiums and/or Yield Maintenance Charges will be allocated to the Underlying PL Class A Certificates and/or Underlying PL Class S-2 Certificates as described under “Description of the Certificates—Allocation of Prepayment Premiums and Yield Maintenance Charges” herein, unless they have been retired prior to such Distribution Date. (Section 9.01.)

DESCRIPTION OF THE MORTGAGE POOL

General

The Underlying REMIC Trust will consist primarily of 71 Mortgage Loans with an aggregate Cut-off Date Balance of \$221,727,333 (the “Initial Mortgage Pool Balance”), subject to a permitted variance of plus or minus 5%. The “Cut-off Date Balance” of each Mortgage Loan is the unpaid principal balance thereof as of the Cut-off Date, after application of all payments of principal due on or before such date, whether or not received.

Each Mortgage Loan is evidenced by a Mortgage Note. Each Mortgage Loan is generally secured by a single mortgage, deed of trust or other similar security instrument (each, a “Mortgage”) that creates a first mortgage lien on a multifamily project (a “Mortgaged Property”)

consisting of five or more rental units. Each Mortgage covers a Mortgagor's fee simple estate in the Mortgaged Property. None of the Mortgage Loans is insured or guaranteed by the United States, any governmental agency or any private mortgage insurer.

The Mortgage Loans were originated in 1993 and 1994 by various originators and will be acquired by the related Underlying Depositor from the related Mortgage Loan Seller on or before the closing date pursuant to a Mortgage Loan Purchase Agreement (each a "Mortgage Loan Purchase Agreement", and together, the "Mortgage Loan Purchase Agreements").

The information with respect to the Mortgage Loans set forth on Exhibit A hereto has been collected and summarized by each of the Mortgage Loan Sellers and the Underlying Depositors and provided to Fannie Mae.

Certain Terms and Conditions of the Mortgage Loans

Due Dates. Generally, Monthly Payments under the Mortgage Loans will be due on the first day of each month. For many of the Mortgage Loans, the stated maturity dates of the Balloon Payments fall on a day other than the first day of the month. See Exhibit A hereto and "Description of the Underlying REMIC Trust—*Distributions of Principal and Interest—Payment of Certain Interest Shortfalls*" herein. As of the Settlement Date, no Monthly Payment on any Mortgage Loan will be more than thirty (30) days past due.

Mortgage Interest Rates. All of the Mortgage Loans bear interest at Mortgage Interest Rates that are in each case fixed for the particular Mortgage Loan's entire term to stated maturity.

The Mortgage Loans have original terms to maturity ranging from approximately 7 to 10 years. See the table titled "Original Terms to Stated Maturity" under "—Additional Mortgage Loan Information" below.

Monthly Payments. All of the Mortgage Loans provide for monthly payments of interest and monthly payments of principal based on amortization schedules ranging from 20 to 30 years, which are significantly longer than the remaining terms of such Mortgage Loans, thereby leaving substantial principal amounts due and payable (each such payment, a "Balloon Payment") on their respective stated maturity dates, unless prepaid prior thereto.

Discounted Mortgage Loans. A Discounted Mortgage Loan is a Mortgage Loan with a Net Mortgage Interest Rate which is less than 8.4% per annum. See Exhibit A hereto and "Description of the Certificates—*Distributions of Principal*" herein.

Prepayment Provisions. Forty-five Mortgage Loans representing 63% of the Initial Mortgage Pool Balance have a period during which voluntary principal prepayments are prohibited (a "Lock-Out Period"). See Exhibit A hereto.

After any applicable Lock-Out Period, certain of the Mortgage Loans provide that any principal prepayment must be accompanied by a Yield Maintenance Charge or Prepayment Premium (unless the prepayment resulted from a condemnation of, or casualty on, the related Mortgaged Property). Generally, there is a period, ranging from 6 to 36 months before the Maturity Date of any such Mortgage Loan, during which a principal prepayment of such a Mortgage Loan need not be accompanied by a Yield Maintenance Charge or Prepayment Premium. See Exhibit A hereto. The "Maturity Date" of a Mortgage Loan is the stated maturity date thereof. The "Yield Maintenance Charge" will be computed on the basis of a formula specified in the related Mortgage Note. The "Prepayment Premium" for a Mortgage Loan is initially equal to a percentage of the

principal amount prepaid and generally declines by one percent of the principal amount prepaid for each full year that has elapsed during the applicable prepayment premium period.

Some Mortgage Loans permit voluntary partial prepayments.

Further information regarding the Lock-Out Periods, prepayment premium periods and yield maintenance periods applicable to the Mortgage Loans is set forth on Exhibit A hereto.

Unless the Mortgage Loan to be prepaid is relatively near its Maturity Date or unless the sale price or the amount of the refinancing of the related Mortgaged Property is considerably higher than the current outstanding principal balance of such Mortgage Loan (due to an increase in the value of the Mortgaged Property or otherwise), the Yield Maintenance Charge or Prepayment Premium may, in a lower interest rate environment, offset entirely or render insignificant any economic benefit to be received by the Mortgagor upon a refinancing or sale of the Mortgaged Property. The Yield Maintenance Charge or Prepayment Premium provision of a Mortgage Loan creates an economic disincentive for the Mortgagor to prepay such Mortgage Loan voluntarily and, accordingly, the Mortgagor may not elect to prepay such Mortgage Loan. However, there can be no assurance that the imposition of a Yield Maintenance Charge or Prepayment Premium will provide a sufficient disincentive to prevent a voluntary principal prepayment.

The Underlying Servicer will not be permitted to waive or modify any term of a Mortgage Loan that requires the payment of a Prepayment Premium or a Yield Maintenance Charge in connection with any principal prepayment thereon except in certain circumstances. See “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Modifications, Waivers and Amendments*” herein. If and to the extent received, Prepayment Premiums and Yield Maintenance Charges are distributable to the A, B, C or N Class as described herein under “Description of the Certificates—Allocation of Prepayment Premiums and Yield Maintenance Charges”. Certain state laws limit the amounts that a lender may collect from a borrower as an additional charge in connection with the prepayment of a mortgage loan. Furthermore, the enforceability, under the laws of a number of states, of provisions providing for Prepayment Premiums or Yield Maintenance Charges upon an involuntary prepayment is unclear. No assurance can be given that, at the time a Prepayment Premium or a Yield Maintenance Charge is required to be made on a Mortgage Loan in connection with an involuntary prepayment, the obligation to pay such Prepayment Premium or Yield Maintenance Charge will be enforceable under applicable state law. See “Maturity and Prepayment Considerations and Risks—Early Repayment of Mortgage Loans” in the Multifamily REMIC Prospectus.

“Due-on-Sale” and “Due-on-Encumbrance” Provisions. Substantially all of the Mortgages contain “due-on-sale” and “due-on-encumbrance” clauses that in each case permit the holder of the Mortgage to accelerate the maturity of the related Mortgage Loan if the Mortgagor sells or otherwise transfers or encumbers its interest in the related Mortgaged Property; however, the Mortgagor may be permitted to do so, with the consent of the holder of the Mortgage or, in the case of most due-on-sale and most due-on-encumbrance provisions, upon satisfaction of certain conditions specified in the related Mortgage. See “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Due-on-Sale Clauses; Due-on-Encumbrance Clauses; Assumption Agreements; Subordinate Financing*” herein.

Additional Mortgage Loan Information

The Mortgage Loans and Mortgaged Properties are expected to have the following additional characteristics as of the Cut-off Date. The sum in any column of the following tables, or in the table set forth on Exhibit A hereto, may not equal the indicated total due to rounding.

The following table sets forth the range of Mortgage Interest Rates on the Mortgage Loans as of the Cut-off Date.

Mortgage Interest Rates as of the Cut-off Date

<u>Range of Mortgage Interest Rates (%)</u>	<u>Number of Mortgage Loans</u>	<u>Aggregate Cut-off Date Balance</u>	<u>Percent of Initial Mortgage Pool Balance</u>
8.26 to 8.50	3	\$ 12,531,705	5.65%
8.51 to 8.75	2	9,060,546	4.09
8.76 to 9.00	2	7,987,369	3.60
9.01 to 9.25	2	2,888,157	1.30
9.26 to 9.50	5	16,756,807	7.56
9.51 to 9.75	19	66,617,442	30.04
9.76 to 10.00	21	63,229,524	28.52
10.01 to 10.25	10	28,714,952	12.95
10.26 to 10.50	4	8,929,719	4.03
10.51 to 10.75	3	5,011,113	2.26
Total	<u>71</u>	<u>\$221,727,333</u>	<u>100.00%</u>

Weighted Average Mortgage Interest Rate: 9.660% per annum

The following table sets forth the range of Net Mortgage Interest Rates on the Mortgage Loans as of the Cut-off Date.

Net Mortgage Interest Rates as of the Cut-off Date

<u>Range of Net Mortgage Interest Rates (%)</u>	<u>Number of Mortgage Loans</u>	<u>Aggregate Cut-off Date Balance</u>	<u>Percent of Initial Mortgage Pool Balance</u>
7.51 to 7.75	3	\$ 12,531,705	5.65%
7.76 to 8.00	2	12,135,294	5.47
8.01 to 8.25	1	445,641	0.20
8.26 to 8.50	2	5,136,558	2.32
8.51 to 8.75	1	2,218,579	1.00
8.76 to 9.00	12	36,615,615	16.51
9.01 to 9.25	17	58,400,705	26.34
9.26 to 9.50	16	53,864,539	24.29
9.51 to 9.75	11	28,337,865	12.78
9.76 to 10.00	4	9,308,470	4.20
10.01 to 10.25	2	2,732,362	1.23
Total	<u>71</u>	<u>\$221,727,333</u>	<u>100.00%</u>

Weighted Average Net Mortgage Interest Rate: 9.074% per annum

The following table sets forth the range of Cut-off Date Balances of the Mortgage Loans.

Cut-off Date Balances

Range of Cut-off Date Balances (\$)	Number of Mortgage Loans	Aggregate Cut-off Date Balance	Percent of Initial Mortgage Pool Balance
\$ 0 to \$ 1,000,000	8	\$ 6,769,744	3.05%
1,000,001 to 2,000,000	16	25,786,489	11.63
2,000,001 to 3,000,000	14	33,415,282	15.07
3,000,001 to 4,000,000	17	59,079,004	26.64
4,000,001 to 5,000,000	9	39,967,275	18.03
5,000,001 to 6,000,000	3	15,649,446	7.06
7,000,001 to 8,000,000	1	7,489,282	3.38
8,000,001 to 9,000,000	1	8,614,905	3.89
11,000,001 to 12,000,000	1	11,970,822	5.40
12,000,001 to 13,000,000	1	12,985,084	5.86
Total	71	\$221,727,333	100.00%

Average Cut-off Date Balance: \$3,122,920

The following tables set forth the range of original and remaining terms to stated maturity (in months) of the Mortgage Loans.

Original Terms to Stated Maturity (In Months)

Original Terms (in Months)	Number of Mortgage Loans	Aggregate Cut-off Date Balance	Percent of Initial Mortgage Pool Balance
84	41	\$118,188,821	53.30%
119	1	2,218,579	1.00
120*	29	101,319,933	45.70
Total	71	\$221,727,333	100.00%

* Includes two Mortgage Loans that have stated maturities in January 2005 as indicated in Exhibit A hereto.

Weighted Average Original Term to Stated Maturity: 101 months

Remaining Terms to Stated Maturity (in Months) as of the Cut-off Date

Range of Remaining Terms (in Months)	Number of Mortgage Loans	Aggregate Cut-off Date Balance	Percent of Initial Mortgage Pool Balance
61 to 72	4	\$ 16,052,095	7.24%
73 to 84	37	102,136,726	46.06
109 to 120*	30	103,538,513	46.70
Total	71	\$221,727,333	100.00%

* Includes two Mortgage Loans that have stated maturities in January 2005 as indicated in Exhibit A hereto.

Weighted Average Remaining Term to Stated Maturity: 96 months

The following table sets forth the respective years in which the Mortgage Loans are scheduled to mature.

Years of Scheduled Maturity

<u>Years</u>	<u>Number of Mortgage Loans</u>	<u>Aggregate Cut-off Date Balance</u>	<u>Percent of Initial Mortgage Pool Balance</u>
2000	4	\$ 16,052,095	7.24%
2001	37	102,136,726	46.06
2004	28	96,916,513	43.71
2005	2	6,622,000	2.99
Total	<u>71</u>	<u>\$221,727,333</u>	<u>100.00%</u>

The following table sets forth the range of Cut-off Date LTV Ratios of the Mortgage Loans. A “Cut-off Date LTV Ratio” is a fraction, expressed as a percentage, the numerator of which is the Cut-off Date Balance of a Mortgage Loan, and the denominator of which is the appraised value of the related Mortgaged Property as determined by the appraisal made in connection with the origination of such Mortgage Loan. A Cut-off Date LTV Ratio, because it is based on the appraised value of a Mortgaged Property determined as of loan origination, is not necessarily a reliable measure of the Mortgagor’s current equity, if any, in that Mortgaged Property. In evaluating the Mortgage Loans, Fannie Mae used a different methodology for calculating loan to value ratios than that described herein. Application of such different methodology with regard to certain Mortgage Loans produced results which differ from those set forth in the following table and on Exhibit A.

Cut-off Date LTV Ratios

<u>Range of Cut-off Date LTV Ratios(%)</u>	<u>Number of Mortgage Loans</u>	<u>Aggregate Cut-off Date Balance</u>	<u>Percent of Initial Mortgage Pool Balance</u>
40.00 to 45.00	2	\$ 4,945,133	2.23%
45.01 to 50.00	3	7,637,988	3.44
50.01 to 55.00	3	11,064,219	4.99
55.01 to 60.00	3	5,985,804	2.70
60.01 to 65.00	12	39,773,298	17.94
65.01 to 70.00	20	63,928,057	28.83
70.01 to 75.00	25	76,993,334	34.72
75.01 to 80.00	3	11,399,500	5.14
Total	<u>71</u>	<u>\$221,727,333</u>	<u>100.00%</u>

Weighted Average Cut-off Date LTV Ratio: 66.9%

The following table sets forth the range of Debt Service Coverage Ratios as of the Cut-off Date for the Mortgage Loans. The "Debt Service Coverage Ratio" for any Mortgage Loan is the ratio of (a) the net operating income estimated by the originator of the Mortgage Loan to be generated by the related Mortgaged Property for the 12-month period following the date of origination (the "Underwriting Net Operating Income") to (b) the product of the amount of the Monthly Payment in effect at origination for such Mortgage Loan, multiplied by 12. Such Underwriting Net Operating Income is the estimated revenue derived from the use and operation of a Mortgaged Property (consisting primarily of rental income, deposit forfeitures and fees derived from the use of parking areas and laundry facilities, if any) less the estimated operating expenses (such as utilities, general administrative expenses, management fees, advertising, repairs and maintenance) and less the estimated fixed expenses (such as insurance and real estate taxes) and net of replacement reserves. Underwriting Net Operating Income generally was estimated by the originator of a Mortgage Loan by employing the following methodology: (i) to determine revenue, the most recently-available monthly rent roll was totalled and multiplied by 12, and a vacancy factor applied, which vacancy factor was generally determined based upon current vacancy rate, historic vacancy rates and, in certain cases, the market vacancy rate identified by the appraiser in the appraisal prepared in connection with the origination of the Mortgage Loan, but in no event was such factor less than 5%, and any ancillary income (such as laundry, vending and similar items) was added to this figure; (ii) to determine expenses, prior years' historical operating expenses of the Mortgaged Property and the expenses estimated by the appraiser were reviewed, taking into account: (A) any expected changes in the costs of obtaining services and materials and (B) any anticipated changes in the day-to-day operation of the Mortgaged Property (such as changes in the number of employees, frequency of maintenance tasks and other comparable matters); and (iii) to derive the Underwriting Net Operating Income, estimated expenses were deducted from estimated revenues. A Debt Service Coverage Ratio, because it is based on the estimated Underwriting Net Operating Income as of origination, is not necessarily a reliable measure of what such ratio would be as of the Cut-off Date of the related Mortgage Loan. In evaluating the Mortgage Loans, Fannie Mae used a different methodology for calculating net operating income and debt service coverage ratios than that described herein. Application of such different methodology with regard to certain Mortgage Loans produced results which differ from those set forth in the following table and on Exhibit A.

Cut-off Date Debt Service Coverage Ratios of the Mortgage Loans

Range of Debt Service Coverage Ratios(x)	Number of Mortgage Loans	Aggregate Cut-off Date Balance	Percent of Initial Mortgage Pool Balance
1.21 to 1.40	55	\$172,654,842	77.87%
1.41 to 1.60	13	39,083,875	17.63
1.61 to 1.80	2	6,641,098	3.00
2.21 to 2.41	1	3,347,518	1.51
Total	<u>71</u>	<u>\$221,727,333</u>	<u>100.00%</u>

Weighted Average Debt Service Coverage Ratio: 1.36

The Mortgage Loans are secured by Mortgaged Properties located in 23 different states. The following table sets forth the states in which the Mortgaged Properties are located.

Geographic Distribution of the Mortgaged Properties (by State)

<u>State</u>	<u>Number of Mortgaged Properties</u>	<u>Aggregate Cut-off Date Balance</u>	<u>Percent of Initial Mortgage Pool Balance</u>
Alaska	2	\$ 2,157,543	0.97%
Arkansas	1	3,098,477	1.40
Arizona	1	3,487,869	1.57
California	1	8,614,905	3.89
Florida	5	23,163,834	10.45
Georgia	5	11,993,133	5.41
Indiana	8	31,054,019	14.01
Louisiana	3	10,435,108	4.71
Michigan	6	18,354,653	8.28
Minnesota	2	5,929,108	2.67
Missouri	1	2,689,496	1.21
Mississippi	2	3,228,483	1.46
North Carolina	2	3,733,086	1.68
Nebraska	1	3,592,807	1.62
Nevada	2	16,117,737	7.27
New Hampshire	1	2,218,579	1.00
New Mexico	1	3,271,793	1.48
New York	2	1,441,307	0.65
Ohio	2	7,825,467	3.53
Tennessee	2	5,141,940	2.32
Texas	16	46,141,657	20.81
Virginia	2	3,695,052	1.67
Washington	3	4,341,279	1.96
Total	<u>71</u>	<u>\$221,727,333</u>	<u>100.00%</u>

The following table sets forth the respective years in which the Mortgaged Properties were built.

Years in Which the Mortgaged Properties were Built

<u>Year of Construction</u>	<u>Number of Mortgaged Properties</u>	<u>Aggregate Cut-off Date Balance</u>	<u>Percent of Initial Mortgage Pool Balance</u>
1910	1	\$ 996,890	0.45%
1917	1	669,578	0.30
1929	1	1,445,491	0.65
1930	1	995,666	0.45
1943	1	1,597,615	0.72
1949	1	2,097,437	0.95
1959	1	445,641	0.20
1962	2	6,520,985	2.94
1963	2	4,834,371	2.18
1964	2	5,639,237	2.54
1966	1	1,272,745	0.57
1967	4	11,170,758	5.04
1968	4	7,163,277	3.23
1969	2	10,178,779	4.59
1970	2	5,313,219	2.40
1971	3	7,770,466	3.50
1972	9	27,281,144	12.30
1973	5	15,815,648	7.13
1974	5	18,542,270	8.36
1975	2	6,328,768	2.85
1976	4	7,924,440	3.57
1977	1	2,491,116	1.12
1978	3	10,117,968	4.56
1979	2	16,865,024	7.61
1983	1	2,056,226	0.93
1984	1	3,995,965	1.80
1985	1	2,278,751	1.03
1986	1	3,487,869	1.57
1987	2	6,745,789	3.04
1988	3	9,098,473	4.10
1990	1	11,970,822	5.40
1991	1	8,614,905	3.89
Total	<u>71</u>	<u>\$221,727,333</u>	<u>100.00%</u>

Changes in Mortgage Pool Characteristics

The description herein of the Mortgage Pool and the Mortgaged Properties is based upon the Mortgage Pool as expected to be constituted at the time the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates are issued, as adjusted for the scheduled principal payments due on or

before the Cut-off Date. Prior to the issuance of the Certificates, a Mortgage Loan may be removed from the Mortgage Pool if the related Underlying Depositor deems such removal necessary or appropriate or if it is prepaid. A limited number of other mortgage loans may be included in the Mortgage Pool prior to the issuance of the Certificates, unless the inclusion of such mortgage loans would materially alter the characteristics of the Mortgage Pool as described herein. The Underlying Depositors believe that the information set forth herein will be representative of the characteristics of the Mortgage Pool as it will be constituted at the time the Certificates are issued, although the range of Mortgage Interest Rates and maturities, as well as the other characteristics of the Mortgage Loans described herein, may vary. The Initial Mortgage Pool Balance will be subject to a permitted variance of plus or minus 5%.

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 Multifamily REMIC 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 Multifamily REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Class will be, and the A, B and C Classes 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 0% CPR. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Original Issue Discount*” in the Multifamily REMIC Prospectus. No representation is made as to whether the Mortgage Loans underlying the Underlying REMIC Trust will prepay at that or any other rate. See “Description of the Certificates—Weighted Average Lives of the Certificates” herein and “Maturity and Prepayment Considerations and Risks—Weighted Average Life and Final Distribution Dates” in the Multifamily REMIC Prospectus. In addition, the A, B and C Classes 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 Multifamily REMIC 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 the 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 Multifamily REMIC 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 9.57% (which is 120% of the “federal long-term rate”). See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates—*Excess Inclusions*” and “—Foreign Investors—*Residual Certificates*” in the Multifamily REMIC Prospectus. The federal income tax consequences of any consideration paid to a transferee on the transfer of the R Certificate are unclear; any transferee receiving such consideration should consult its own tax advisors.

PLAN OF DISTRIBUTION

The Dealers will receive the Certificates in exchange for the Underlying PL Class A Certificates, Underlying PL Class S-2 Certificates and the Related PL Class S-1 Certificates pursuant to a Fannie Mae commitment. The Dealers propose 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 Dealers may effect such transactions to or through dealers.

LEGAL MATTERS

Certain legal matters will be passed upon for Fannie Mae by Mayer, Brown & Platt, Chicago, Illinois; and an opinion with respect to certain tax matters will be delivered to Fannie Mae by Dewey Ballantine, Washington, D.C. Any purchaser of Certificates will be furnished upon request an opinion by the General Counsel or Deputy General Counsel of Fannie Mae as to the validity of the Certificates and the Trust Agreement.

Exhibit A*

Property Name	City	State	Zip Code	Original Balance	Cut-Off Date Balance	Mortgage Interest Rate	Net Mortgage Interest Rate	Maturity Date	First Monthly Payment Date	Original Amortization Term (months)	Original Term (months)	Mortgage Loan Age (months)	Current Pre-Payment Status	Prepayment Code	Remaining Prepayment Lock-out (months)	Number of Units	Underwriting Net Operating Income	Cut-off Date LTV Ratio	Original Appraised Value	DCSR
HERITAGE APARTMENTS	RICHARDSON	TX	75080	\$ 865,000	\$ 857,361	10.750%	10.185%	01/01/2001	02/01/94	300	84	11	YM	YM(6)	0	56	121,470	71.45%	1,200,000	1.22
WOODLAND HEIGHTS APTS	MILFORD	NH	03055	2,241,125	2,218,579	9.050	8.555	02/01/2004	04/01/94	276	119	9	YM	YM(6)	0	180	352,613	63.39	3,500,000	1.52
GREEN ACRES VILLAGE APARTMENTS	SAGINAW	MI	48603	4,600,000	4,564,478	9.420	8.925	02/24/2004	04/01/94	300	120	9	L/O	L, > 1orYM(6)	3	224	623,233	73.03	6,250,000	1.30
THE FOREST APARTMENTS	GREENSBORO	NC	27406	2,025,000	2,011,086	9.390	8.895	03/14/2001	05/01/94	300	84	8	L/O	L, > 1orYM(6)	4	108	274,650	68.17	2,950,000	1.31
WALDORF CREEK APTS.	ATLANTA	GA	30050	855,000	851,754	9.850	9.285	03/28/2004	05/01/94	360	120	8	L/O	L, > 1orYM(6)	4	92	134,190	56.79	1,500,000	1.51
PINES OF VERO	VERO BEACH	FL	32960	4,150,000	4,129,050	9.400	8.835	03/31/2004	05/01/94	336	120	8	L/O	L, > 1orYM(6)	4	164	525,875	75.35	5,480,000	1.25
EVERGREEN APARTMENTS	ARLINGTON	TX	76011	2,500,000	2,491,115	10.250	9.685	05/24/2004	07/01/94	324	120	6	L/O	L, > 1orYM(6)	6	224	341,243	74.58	3,340,000	1.25
MEADOW RUN	FRIDLEY	MN	55432	5,275,000	5,259,530	9.625	9.060	05/26/2001	07/01/94	360	84	6	L/O	L, > 1orYM(6)	6	295	672,543	70.13	7,500,000	1.25
3110 BAINBRIDGE	BRONX	NY	10467	1,000,000	995,666	10.375	9.880	06/01/2004	07/01/94	300	120	6	L/O	L, > 1orYM(6)	6	32	178,886	66.38	1,500,000	1.59
THE CLAREMONT	HOUSTON	TX	77036	2,750,000	2,738,973	9.730	9.165	06/14/2004	08/01/94	300	120	5	L/O	L, > 1orYM(6)	7	270	386,066	64.14	4,270,000	1.31
MATADOR VILLA	ST. LOUIS	MO	63136	2,700,000	2,689,496	9.870	9.415	07/01/2004	08/01/94	300	84	5	L/O	L, > 1orYM(6)	7	176	368,050	74.71	3,600,000	1.26
MEADOW ROAD	DALLAS	TX	75230	2,800,000	2,785,926	10.460	9.895	07/13/2004	09/01/94	240	120	4	L/O	L, > 1orYM(6)	8	138	432,222	66.33	4,200,000	1.29
PEBBLE CREEK APARTMENTS	ATLANTA	GA	30345	3,100,000	3,093,033	9.920	9.355	07/13/2001	09/01/94	336	84	4	L/O	L,L, > 1orYM, > 1orYM,2,1,1(6)	20	180	457,115	73.64	4,200,000	1.39
SOUTH HILLS APARTMENTS	COLLEGE PARK	GA	30349	3,030,000	3,023,164	9.900	9.405	07/14/2001	09/01/94	336	84	4	L/O	L, > 1orYM(6)	8	240	450,777	73.74	4,100,000	1.41
SPRING LAKES	LAS VEGAS	NV	89110	12,000,000	11,970,822	9.630	9.135	08/11/2004	08/11/94	360	120	5	L/O	L,L,L,L,L, > 1orYM(36)	55	408	1,559,003	72.99	16,400,000	1.27
MADISON GARDENS APARTMENTS	ANDERSON	IN	46011	1,275,000	1,272,744	9.650	9.155	08/05/2001	10/01/94	336	84	3	L/O	L,L,L,L, > 1orYM(12)	45	88	168,804	74.87	1,700,000	1.28
SUMMER TRACE APARTMENTS	MEMPHIS	TN	38134	3,280,000	3,274,483	9.810	9.415	08/10/2004	16/01/94	336	120	3	L/O	L,L,L,L,L, > 1orYM(36)	57	255	450,609	75.90	4,150,000	1.30
COLONIAL MANOR APARTMENTS	PASCAGOULA	MS	39567	1,175,000	1,172,256	9.860	9.295	08/30/2004	10/01/94	300	120	3	L/O	L,L,L,L,L, > 1orYM(36)	57	88	158,928	72.14	1,625,000	1.25
NOVI VILLAGE RETIREMENT COMM	NOVI	MI	48377	2,500,000	2,494,183	9.880	9.385	08/31/2004	10/01/94	300	120	3	L/O	L,L,L,L,L, > 1orYM(36)	57	114	454,262	48.91	5,100,000	1.68
TALBOT PARK APARTMENTS	NORFOLK	VA	23509	1,600,000	1,597,614	10.090	9.525	09/02/2004	11/01/94	300	120	2	L/O	L, > 1orYM(6)	10	296	236,217	43.35	3,685,000	1.34
WALNUT CREEK APARTMENTS PHASE II	SAN ANTONIO	TX	78240	4,000,000	3,995,965	9.400	8.905	09/06/2001	11/01/94	360	84	2	L/O	L,L,L,L,3,2,1(6)	46	168	521,341	78.35	5,100,000	1.30
ACADEMY HEIGHTS	ALBUQUERQUE	NM	87109	3,275,000	3,271,792	9.540	8.975	09/09/2001	11/01/94	360	84	2	L/O	L,L,L,L, > 1orYM(12)	46	129	413,165	72.71	4,500,000	1.25
WILDWOOD ACRES	TAMPA	FL	33617	5,300,000	5,293,823	9.690	9.125	09/16/2001	11/01/94	336	84	2	L/O	L,L,3,2,1(24)	22	336	797,616	60.16	8,900,000	1.45
SCANDIA APARTMENTS	INDIANAPOLIS	IN	46250	13,000,000	12,985,083	9.770	9.275	10/11/2004	11/11/94	336	120	2	L/O	L,L,L,L,L, > 1orYM(36)	58	444	1,725,206	68.34	19,000,000	1.27
CARRIAGE HILLS APTS	PENSACOLA	FL	32526	4,300,000	4,295,170	9.880	9.315	09/30/2004	11/01/94	336	120	2	L/O	L,L,L,L,L, > 1orYM(36)	58	260	579,456	70.13	6,125,000	1.28
HUNTINGTON GARDENS	ALEXANDRIA	VA	22303	2,100,000	2,097,437	10.000	9.505	09/30/2001	11/01/94	324	84	2	L/O	L,L,L,L, > 1orYM(12)	46	113	288,690	69.91	3,000,000	1.28
MARTEN MANOR EAST	INDIANAPOLIS	IN	46226	1,500,000	1,499,175	9.970	9.475	10/04/2001	12/01/94	336	84	1	L/O	L,L,L,L, > 1orYM(12)	47	144	213,060	61.19	2,450,000	1.34
CARDINAL RETIREMENT VILLAGE	KETTERING	OH	45440	3,350,000	3,347,517	10.100	9.605	10/05/2001	12/01/94	300	84	1	L/O	L,L,L,L, > 1orYM(12)	47	185	877,806	44.63	7,500,000	2.38
SIERRA VISTA ADULT LIVING CENTER	LAS VEGAS	NV	89103	4,150,000	4,146,914	10.080	9.585	10/12/2001	12/01/94	300	84	1	L/O	L,L,L,L, > 1orYM(12)	47	151	760,676	48.22	8,600,000	1.67
GREENWAY COURTS	HOUSTON	TX	77027	2,050,000	2,048,444	9.960	9.395	10/14/2001	12/01/94	300	84	1	L/O	L,L,L,L, > 1orYM(12)	47	103	284,126	68.28	3,000,000	1.32
PARK LANE APARTMENTS	CARMEL	IN	46032	1,000,000	999,442	9.900	9.405	10/18/2001	12/01/94	336	84	1	L/O	L,L,L,L, > 1orYM(12)	47	48	132,370	65.32	1,530,000	1.25
EL PAVON APTS	EL PASO	TX	79932	2,600,000	2,598,874	10.100	9.535	10/19/2004	12/01/94	360	120	1	L/O	L,L,L,L,L, > 1orYM(36)	59	116	346,146	74.66	3,481,000	1.25
MILFORD COMMONS	MILFORD	OH	45140	4,480,000	4,477,949	9.840	9.275	10/20/2001	12/01/94	360	84	1	L/O	L,L,L,L, > 1orYM(12)	47	234	581,959	69.97	6,400,000	1.25
RAIN TREE APARTMENTS	LITTLE ROCK	AR	72207	3,100,000	3,098,476	10.000	9.505	10/21/2001	12/01/94	348	84	1	L/O	L,L,L,L, > 1orYM(12)	47	232	409,467	74.66	4,150,000	1.25
PARKWAY APARTMENTS	COLLEGE STATION	TX	77080	3,250,000	3,248,126	10.280	9.785	10/21/2004	12/01/94	324	120	1	L/O	L,L,L,L,L, > 1orYM(36)	59	166	487,262	66.97	4,850,000	1.37
SUN GARDEN APTS	PASCO	WA	99301	1,900,000	1,898,898	10.250	9.685	10/21/2004	12/01/94	324	120	1	L/O	L,L,L,L,L, > 1orYM(36)	59	128	258,279	72.62	2,615,000	1.24
VILLAGE GREEN APARTMENTS	SAN MARCOS	TX	77056	2,280,000	2,278,750	10.550	9.985	10/25/2001	12/01/94	324	84	1	L/O	L, > 1orYM(6)	11	125	330,061	61.59	3,700,000	1.29
ALPINE APARTMENTS	WHITE LAKE TOWNSHIP	MI	48383	1,875,000	1,875,000	10.560	10.065	11/01/2001	01/01/95	300	84	0	L/O	L, > 1orYM(6)	12	81	279,699	75.00	2,500,000	1.31
PEPPER TREE PLACE	RIVERSIDE	CA	92503	8,700,000	8,614,904	8.640	7.933	02/10/2001	03/01/94	300	84	10	L/O	L,L, > 1orYM(6)	14	390	1,146,188	64.29	13,400,000	1.35
CARIB VILLA	MIAMI	FL	33157	7,500,000	7,489,282	9.690	9.108	09/01/2004	10/01/94	360	120	3	YM	YM,3,2,1(6)	0	365	1,074,292	66.42	11,275,000	1.40
CAMINO SOUTH	HOUSTON	TX	77062	4,900,000	4,900,000	10.060	9.403	01/01/2005	02/01/95****	360	120	0	YM	YM(6)	0	347	744,493	53.85	9,100,000	1.44
NEW ORLEANS	NEW ORLEANS	LA	70118	5,125,000	5,096,091	9.750	9.193	05/01/2001	07/01/94	300	120	7	YM	YM(6)	0	326	742,490	71.78	10,000,000	1.35
THE CITADEL	EL PASO	TX	79925	5,046,000	4,972,928	8.380	7.723	10/01/2000	11/01/93	300	84	14	L/O	L,L, > 1orYM(12)	10	261	751,504	65.00	7,651,000	1.56
SAGAMORE RIDGE	W LAFAYETTE	IN	47906	4,500,000	4,466,979	8.990	8.333	04/01/2001	05/01/94	300	84	8	L/O	L,L, > 1orYM(6)	16	241	591,381	67.68	6,600,000	1.31
PARK PLACE APTS.***	PORTAGE	IN	46368	4,030,237	4,013,803	9.630	8.973	07/01/2001	08/01/94	300	84	5	YM	> 1orYM(6)	0	216	533,654	68.03	5,900,000	1.25
WINGATE APTS.	FOREST PARK	GA	30050	4,000,000	3,992,459	9.760	9.153	08/01/2004	09/01/94	360	120	4	YM	YM,3,2,1(6)	0	211	553,636	65.24	6,120,000	1.34
HUNT CLUB	INDIANAPOLIS	IN	46226	4,025,000	3,965,969	8.300	7.643	10/01/2000	11/01/93	300	84	14	L/O	L,L, > 1orYM(12)	10	200	540,744	68.38	5,800,000	1.41
EL DORADO	HOUSTON	TX	77062	3,883,641	3,879,940	9.670	9.063	10/01/2004	11/01/94	360	120	2	YM	YM(6)	0	202	509,009	71.85	5,400,000	1.28
THE APARTMENT	OMAHA	NE	68134	3,650,000	3,592,807	8.340	7.683	09/01/2000	10/01/93	300	84	15	L/O	L,L, > 1orYM(12)	9	204	535,481	59.88	6,000,000	1.54
PARK WOODS APTS.	ALLEN PARK	MI	48101	3,600,000	3,591,219	9.600	8.893	09/01/2004	10/01/94	300	120	3	YM	YM,3,2,1(6)	0	252	592,734	50.58	7,100,000	1.56
MOUNTAIN PLAZA	EL PASO	TX	79904	3,572,000	3,520,389	8.850	7.783	09/01/2000	10/01/93	300	84	15	L/O	L,L, > 1orYM(12)	9	188	520,762	64.05	5,496,000	1.47
MOUNTAIN VIEW VILLA	COTTONWOOD	AZ	86326	3,487,869	3,487,869	9.995	9.413	12/01/2001	01/01/95	360	84	0	YM	> 1orYM,2,1(6)	0	181	495,649	61.73	5,650,000	1.35
SUFFOLK MANOR	LAKE CHARLES	LA	70601	3,439,016	3,439,016	10.250	9.643	12/01/2001	01/01/95	300	84	0	YM	YM(6)	0	226	477,877	73.17	4,700,000	1.25
ARROWHEAD APTS.	GRAND RAPIDS	MI	49546	3,275,000	3,256,772	9.830	8.963	05/01/2001	06/01/94	300	84	7	L/O	L,L, > 1orYM(12)	17	206	458,208	62.63	5,200,000	1.30
SPRINTAIL APTS.	SOUTH LYON	MI	48178	2,573,000	2,573,000	10.020	9.413	12/01/2001	01/01/95	300	84	0	YM	YM,2,1(6)	0	192	356,684	54.28	4,740,000	1.27
SPRING HILL APTS.	HOUSTON	TX	77092	2,337,000	2,333,189	9.560	8.953	10/01/2001	11											

GLOSSARY

A, B and C Certificate Rate: As defined herein under “Reference Sheet—The Certificates—*Interest Rates*” on page S-4.

A Class: As defined herein on the Prospectus Supplement cover page.

A Class Balance: As defined herein under “Reference Sheet—The Certificates—*Interest Rates*” on page S-4.

Accrued Certificate Interest: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*Distributions of Principal and Interest—Calculations of Interest*” on page S-24.

Advance: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*Distributions of Principal and Interest—Priority*” on page S-25.

Assigned Asset Value: With respect to any Mortgage Loan (other than a Seriously Delinquent Loan or a Materially Modified Loan), as of any date of determination, the Stated Principal Balance of such Mortgage Loan as of such date of determination. With respect to any Mortgage Loan that is a Seriously Delinquent Loan or a Materially Modified Loan, the lesser of (a) the Stated Principal Balance of such Mortgage Loan as of such date of determination and (b) the appraised value of the related Mortgaged Property most recently determined as of such date of determination, reduced (to not less than zero) by the aggregate of (i) to the extent not previously advanced by the Underlying Servicer, all unpaid interest on such Mortgage Loan at a per annum rate equal to the Mortgage Interest Rate minus the related Servicing Fee Rate, (ii) all unpaid Servicing Fees and unreimbursed Advances in respect of such Mortgage Loan and (iii) all currently due but unpaid real estate taxes and assessments and insurance premiums in respect of the related Mortgaged Property. With respect to any REO Property, the appraised value of such REO Property as of such date of determination, reduced (to not less than zero) by the aggregate of (i) to the extent not previously advanced by the Underlying Servicer, all unpaid interest on the related REO Loan at a per annum rate equal to the Mortgage Interest Rate minus the Servicing Fee Rate, (ii) all unpaid Servicing Fees and unreimbursed Advances in respect of such REO Property and/or the related REO Loan and (iii) all currently due but unpaid real estate taxes, assessments and insurance premiums in respect of such REO Property.

Assumed Payment: With respect to any Balloon Mortgage Loan, for its stated maturity date (provided that it has not been paid in full on or before such date and no other Liquidation Event has occurred in respect thereof) and for any subsequent Due Date as of which it remains outstanding and part of the Underlying REMIC Trust, the scheduled monthly payment of principal and/or interest deemed to be due in respect thereof on such Due Date equal to the Scheduled Payment in respect of such Balloon Mortgage Loan for the Due Date immediately prior to its stated maturity date. With respect to any REO Loan, for any Due Date as of which the related REO Property remains part of the Underlying REMIC Trust, the scheduled monthly payment of principal and/or interest deemed to be due in respect thereof on such Due Date equal to the Scheduled Payment that would have been applicable in respect of the predecessor Mortgage Loan for such Due Date had it remained outstanding (or, if the predecessor Mortgage Loan was a Balloon Mortgage Loan and such Due Date coincides with or follows what had been its stated maturity date,

the Assumed Payment that would have been deemed due in respect of the predecessor Mortgage Loan on such Due Date had it remained outstanding).

Available Distribution Amount: With respect to any Distribution Date an amount equal to (a) the sum, without duplication, of (i) the aggregate of the amounts on deposit in the Underlying Certificate Account and the Underlying Distribution Account as of the close of business on the last day of the related Due Period, (ii) the aggregate of any amounts that were on deposit in the Underlying Certificate Account and held for future distribution to Underlying Certificateholders, were used to make P&I Advances in respect of the preceding Distribution Date and were replaced by the Underlying Servicer after the last day of the related Due Period but on or before the related P&I Advance Date, (iii) the aggregate of all payments made by Mortgagors after the last day of the related Due Period but on or before the date specified in the Underlying Pooling and Servicing Agreement, to the extent that such payments constitute late collections of Scheduled Payments (other than Balloon Payments) due and Assumed Payments deemed due on a Due Date during or prior to the related Due Period, (iv) the aggregate amount of any P&I Advances made by the Underlying Servicer for such Distribution Date, as summarized under “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*Distributions of Principal and Interest—P&I Advances*”, (v) the aggregate amount transferred from the Underlying REO Account (if established) to the Underlying Certificate Account after the last day of the related Due Period but on or before the related P&I Advance Date, (vi) the aggregate amount deposited by the Underlying Servicer in the Underlying Distribution Account for such Distribution Date (without any right of reimbursement therefor) in connection with Prepayment Interest Shortfalls and Balloon Payment Interest Shortfalls related to principal prepayments and late payments of Balloon Payments, respectively, during the most recent Due Period, and (vii) in the case of the final Distribution Date, if applicable, any amounts paid by the Underlying Servicer or either Underlying Depositor in connection with the purchase of all the Mortgage Loans and REO Properties then remaining in the Underlying REMIC Trust as summarized under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Termination*,” net of (b) the aggregate portion of the amounts described in subclause (a)(i) hereof and, if and to the extent appropriate, any other subclause of clause (a) hereof that represents one or more of the following: (i) Monthly Payments paid by the Mortgagors that are due on a Due Date following the end of the related Due Period, (ii) any amounts payable or reimbursable to any person (other than the Underlying Certificateholders) from the Underlying Certificate Account or the Underlying Distribution Account, including to pay Servicing Fees, to reimburse P&I Advances and Servicing Advances and to cover Extraordinary Underlying REMIC Trust Expenses, (iii) Prepayment Premiums and Yield Maintenance Charges, or (iv) any amounts deposited in the Underlying Certificate Account or the Underlying Distribution Account, as the case may be, in error.

B Class: As defined herein on the Prospectus Supplement cover page.

B Class Balance: As defined herein under “Reference Sheet—The Certificates—*Interest Rates*” on page S-4.

Balance Differential: With respect to any Discounted Mortgage Loan (or successor Discounted REO Loan) for any Due Date, the excess, if any, of the Scheduled Principal Balance thereof as of such Due Date, over the Discounted Principal Balance thereof as of such Due Date.

Balloon Mortgage Loan: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*The Mortgage Pool*” on page S-11.

Balloon Payment: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*The Mortgage Pool*” on page S-11.

Balloon Payment Interest Shortfall: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*Distributions of Principal and Interest—Payment of Certain Interest Shortfalls*” on page S-26.

C Class: As defined herein on the Prospectus Supplement cover page.

C Class Balance: As defined under “Reference Sheet—The Certificates—*Interest Rates*” on page S-4.

CERCLA: The Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended.

Certificate Rate: The A, B and C Certificate Rate or the N Certificate Rate.

Certificateholder or Holder: As defined herein under “Description of the Certificates—General—*Characteristics of Certificates*” on page S-9.

Certificates: As defined herein on the Prospectus Supplement cover page.

Class: Collectively with respect to the Certificates, all of the Certificates bearing the same alphabetical class designation and, with respect to the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates or the Related PL Subordinated Certificates, all of the Underlying PL Class A Certificates, Underlying PL Class S-2 Certificates, Related PL Class S-1 Certificates or Related PL Subordinated Certificates bearing the same alphabetical class designation.

Class Balance: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*General*” on page S-23.

Class Prepayment Percentages: As defined herein under “Description of the Certificates—Allocation of Prepayment Premiums and Yield Maintenance Charges” on page S-16.

Code: As defined herein on page S-2.

CPR: As defined herein under “Description of the Certificates—Structuring Assumptions—*CPR Assumptions*” on page S-17.

Cut-off Date: December 1, 1994. Information set forth herein as of the Cut-off Date reflects application of payments due on the Mortgage Loans on or before such date, whether or not received.

Cut-off Date Balance: As defined herein under “Description of the Mortgage Pool—General” on page S-33.

Cut-off Date LTV Ratio: As defined herein under “Description of the Mortgage Pool—Additional Mortgage Loan Information” on page S-39.

Dealers: As defined herein on the Prospectus Supplement cover page.

Debt Service Coverage Ratio: As defined herein under “Description of the Mortgage Pool—Additional Mortgage Loan Information” on page S-40.

Defaulted Mortgage Loan: A Mortgage Loan that is at least 30 days delinquent in respect of any Scheduled Payment (such delinquency to be determined without regard to any grace period permitted by the related Mortgage or Mortgage Note), provided that no suitable arrangements have been made for the collection of the delinquent payments pursuant to the Underlying Pooling and Servicing Agreement and the Underlying Servicer has determined, in its reasonable and good faith judgment, that such Mortgage Loan will become the subject of foreclosure or similar proceedings.

Delay Classes: As defined herein under “Description of the Certificates—Distributions of Interest—*Interest Accrual Period*” on page S-13.

Disclosure Documents: As defined herein on page S-2.

Discounted Mortgage Loans: Mortgage Loans with a Net Mortgage Interest Rate which is less than 8.4% per annum.

“Discounted Principal Balance”: As defined herein under “Description of the Certificates—Distribution of Principal—*Principal Distribution Amount*” on page S-15.

“Discounted Principal Balance Decline”: With respect to any Discounted Mortgage Loan (or successor Discounted REO Loan) for any Due Period, the excess, if any, of (i) the Discounted Principal Balance thereof as of the Due Date in the immediately preceding Due Period (or, if such preceding Due Period is the initial Due Period, as of the Cut-off Date) over (ii) the Discounted Principal Balance thereof as of the Due Date in the current Due Period.

“Discounted REO Loan”: Any REO Loan as to which the predecessor Mortgage Loan was a Discounted Mortgage Loan.

Distribution Date: As defined herein under “Description of the Certificates—General—*Distribution Dates*” on page S-10.

Due Date: With respect to each Mortgage Loan, the day on which the Monthly Payment or Balloon Payment is due or deemed due. With respect to each REO Loan, the day on which the Assumed Payment is due or deemed due.

Due Period: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*The Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Mortgage Loans*” on page S-12.

Environmental Assessment: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Realization Upon Defaulted Mortgage Loans*” on page S-30.

Environmental Conditions Precedent to Foreclosure: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Realization Upon Defaulted Mortgage Loans*” on page S-30.

Exempted Securities: As defined herein on the Prospectus Supplement cover page.

Extraordinary Underlying REMIC Trust Expense: Any of the following expenses of the Underlying REMIC Trust, among others: (i) interest payable to the Underlying Servicer in respect of any outstanding Advances, (ii) the cost of conducting a “phase II environmental assessment” and of any remedial, corrective or other action with respect to certain actual or potential adverse environmental conditions or circumstances at a Mortgaged Property securing a defaulted Mortgage Loan, (iii) any indemnification amounts payable to the Underlying Servicer, the Underlying Trustee, the Underlying Depositors and the directors, officers, employees and agents thereof, (iv) certain unanticipated federal, state and local taxes imposed on the Underlying REMIC Trust or its assets and transactions, (v) the cost of obtaining an REO Extension, and (vi) expenses related to certain opinions of counsel.

Fannie Mae: As defined herein under “Description of the Certificates—General—*Structure*” on page S-8.

FDIC: The Federal Deposit Insurance Corporation or any successor.

Final Distribution Date: As defined herein on the Prospectus Supplement cover page.

Final Due Period: With respect to any Mortgage Loan or any REO Property (and the related REO Loan), the Due Period during which a Liquidation Event has occurred in respect thereof.

Final Recovery Determination: A determination by the Underlying Servicer with respect to any defaulted Mortgage Loan or REO Property (other than a Mortgage Loan or REO Property, as the case may be, that was purchased by a Mortgage Loan Seller as described under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Representations and Warranties; Repurchases*” or by either Underlying Depositor or the Underlying Servicer as summarized under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Termination*”) that there has been a recovery of all insurance proceeds, liquidation proceeds and other payments or recoveries that the Underlying Servicer, in its reasonable and good faith judgment, exercised without regard to any obligation of the Underlying Servicer to make payments from its own funds to cover certain deductible amounts under insurance policies covering the Mortgaged Property or REO Property but taking into account any amounts that may be available in any related collateral account established by the Underlying Directing Holder, expects to be ultimately recoverable.

Information Statement: As defined herein on page S-2.

Initial Mortgage Pool Balance: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*The Mortgage Pool*” on page S-11.

Interest Accrual Period: As defined herein under “Description of the Certificates—Distributions of Interest—*Interest Accrual Period*” on page S-13.

Interest Distribution Amount: As defined herein under “Description of the Certificates—Distributions of Interest—*General*” on page S-13.

Issue Date: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*The Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Mortgage Loans*” on page S-12.

Liquidation Event: With respect to any Mortgage Loan, any of the following events: (i) such Mortgage Loan is paid in full; (ii) a Final Recovery Determination is made with respect to such

Mortgage Loan; (iii) such Mortgage Loan is repurchased by a Mortgage Loan Seller as summarized under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Representations and Warranties; Repurchases*”; or (iv) such Mortgage Loan is purchased by either Underlying Depositor or the Underlying Servicer as summarized under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Termination*”. With respect to any REO Property (and the related REO Loan), any of the following events: (i) a Final Recovery Determination is made with respect to such REO Property; or (ii) such REO Property is purchased by the Underlying Servicer or either Underlying Depositor as summarized under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Termination*.”

Loan-to-Value Ratio: With respect to any Mortgage Loan, as of any date of determination, the fraction, expressed as a percentage, the numerator of which is the then Unpaid Principal Balance of such Mortgage Loan and the denominator of which is the appraised value of the related Mortgaged Property based on the most recent appraisal available to the related Mortgage Loan Seller or, following the closing date, the Underlying Servicer.

Lock-Out Period: As defined herein under “Description of the Mortgage Pool—Certain Terms and Conditions of the Mortgage Loans—*Prepayment Provisions*” on page S-34.

Majority Underlying PL Class A Votesholder: As defined herein under “The Trust Agreement—Voting by Fannie Mae Under the Underlying Pooling and Servicing Agreement” on page S-22.

Materially Modified Loan: Any Mortgage Loan as to which, by reason of a bankruptcy or similar proceeding involving the related Mortgagor or a Modification of such Mortgage Loan granted or agreed to by the Underlying Servicer as summarized under “Description of the Underlying REMIC Trust—Description of the Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Modifications, Waivers and Amendments*,” (i) the Mortgage Interest Rate in effect therefor is more than 100 basis points less than the Mortgage Interest Rate that would otherwise be in effect, (ii) the Monthly Payment due thereon is more than 10% less than the Monthly Payment that would otherwise be due thereon, or (iii) the scheduled maturity date therefor has been extended for more than six months beyond the stated maturity date therefor.

Maturity Date: As defined herein under “Description of the Mortgage Pool—Certain Terms and Conditions of the Mortgage Loans—*Prepayment Provisions*” on page S-34.

Modification: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Modifications, Waivers and Amendments*” on page S-28.

Monthly Payment: With respect to any Mortgage Loan, for any Due Date as of which it is outstanding, the scheduled monthly payment of principal and/or interest on such Mortgage Loan that is actually payable by the related Mortgagor from time to time under the terms of the related Mortgage Note (as such terms may be changed or modified in connection with a bankruptcy or similar proceeding involving the related Mortgagor or a Modification of such Mortgage Loan granted or agreed to by the Underlying Servicer as described under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Modifications, Waivers and Amendments*”).

Mortgage: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*The Mortgage Pool*” on page S-11.

Mortgage File: With respect to any Mortgage Loan, the related Mortgage Note, Mortgage and certain other related documents specified in the Underlying Pooling and Servicing Agreement.

Mortgage Interest Rate: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*The Mortgage Pool*” on page S-11.

Mortgage Loan: As defined herein on the Prospectus Supplement cover page.

Mortgage Loan Purchase Agreement: As defined herein under “Description of the Mortgage Pool—General” on page S-34.

Mortgage Loan Schedule: The list of Mortgage Loans transferred to the Underlying Trustee as part of the Underlying REMIC Trust and attached to the Underlying Pooling and Servicing Agreement as Schedules I and II.

Mortgage Note: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*The Mortgage Pool*” on page S-11.

Mortgage Pool: As defined herein on the Prospectus Supplement cover page.

Mortgaged Property: As defined herein on the Prospectus Supplement cover page.

Mortgagor: The obligor or obligors on a Mortgage Note, including, without limitation, any person that purchased the related Mortgaged Property subject to the Mortgage and any person that has assumed the obligations of the original obligor under the Mortgage Note.

Multifamily REMIC Prospectus: As defined herein on page S-2.

N Certificate Rate: As defined herein under “Reference Sheet—The Certificates—*Interest Rates*” on page S-4.

N Class: As defined herein on the Prospectus Supplement cover page.

Net Mortgage Interest Rate: For any Mortgage Loan or REO Loan, as of any date of determination, will be the rate per annum equal to (i) the applicable Mortgage Interest Rate (without regard to any modification thereof made in connection with a bankruptcy proceeding or in connection with a default or a threatened default) minus (ii) the sum of the applicable Servicing Fee Rate, the Underlying Trustee’s Fee Rate and the fixed rate per annum applicable to the accrual of interest on the Related PL Class S-1 Certificates. For information as to the Net Mortgage Interest Rates applicable to the Mortgage Loans, see Exhibit A.

Nonrecoverable Advance: A Nonrecoverable P&I Advance or a Nonrecoverable Servicing Advance.

Nonrecoverable P&I Advance: Any P&I Advance previously made in respect of a Mortgage Loan or REO Loan which, in the reasonable and good faith judgment of the Underlying Servicer, will not be ultimately recoverable either (i) from expected late collections (from whatever source) of interest (net of Servicing Fees) on and principal of such Mortgage Loan or the REO Loan, as applicable, or (ii) out of amounts otherwise distributable on the Related PL Subordinated Certificates on any current or future Distribution Date.

Nonrecoverable Servicing Advance: Any Servicing Advance previously made in respect of a Mortgage Loan or REO Property which, in the reasonable and good faith judgment of the Underlying Servicer, will not be ultimately recoverable either (i) from payments, insurance

proceeds, liquidation proceeds or other amounts expected to be collected on or in respect of such Mortgage Loan or REO Property, or (ii) out of amounts otherwise distributable on the Related PL Subordinated Certificates on any current or future Distribution Date.

P&I Advance: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*Distributions of Principal and Interest—P&I Advances*” on page S-25.

P&I Advance Date: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*Distributions of Principal and Interest—P&I Advances*” on page S-25.

Prepayment Interest Shortfall: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*Distributions of Principal and Interest—Payment of Certain Interest Shortfalls*” on page S-26.

Prepayment Premium: As defined herein under “Description of the Mortgage Pool—Certain Terms and Conditions of the Mortgage Loans—*Prepayment Provisions*” on page S-34.

Pricing Assumptions: As defined herein under “Description of the Certificates—Structuring Assumptions—*Pricing Assumptions*” on page S-16.

Principal Distribution Amount: As defined herein under “Description of the Certificates—Distributions of Principal—*Principal Distribution Amount*” on page S-14.

principal prepayment: As defined herein on page S-2.

Purchase Price: With respect to any Mortgage Loan to be purchased by (i) a Mortgage Loan Seller as described under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Representations and Warranties; Repurchases,*” or (ii) either Underlying Depositor or the Underlying Servicer as described under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Termination,*” a price generally equal to the unpaid principal balance of such Mortgage Loan as of the date of purchase, together with (a) all accrued and unpaid interest on such Mortgage Loan at the related Mortgage Interest Rate in effect from time to time to but not including the Due Date in the Due Period of purchase, and (b) all related unreimbursed Servicing Advances.

R Class: As defined herein on the Prospectus Supplement cover page.

Record Date: With respect to each Distribution Date, the last day of the immediately preceding month.

Regular Interests: As defined herein under “Description of the Certificates—General—*Structure*” on page S-8.

Regulations: As defined herein under “Description of the Certificates—Characteristics of the R Class” on page S-21.

Related PL Class R Certificateholders: The holders of the Related PL Class R Certificates.

Related PL Class R Certificates: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*General*” on page S-11.

Related PL Class S-1 Certificateholders: The holders of the Related PL Class S-1 Certificates.

Related PL Class S-1 Certificates: As defined herein on the Prospectus Supplement cover page.

Related PL Subordinated Certificateholders: The holders of the Related PL Subordinated Certificates.

Related PL Subordinated Certificates: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*General*” on page S-11.

REMIC Provisions: Provisions of the federal income tax law relating to real estate mortgage investment conduits, which appear at Sections 860A through 860G of Subchapter M of Chapter 1 of the Code, and related provisions, and proposed, temporary and final Treasury regulations and any rulings promulgated thereunder, as the foregoing may be in effect from time to time.

REMICs: As defined herein on page S-2.

REO Acquisition: The acquisition of an REO Property in accordance with the procedures summarized under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Realization Upon Defaulted Mortgage Loans.*”

REO Extension: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Realization Upon Defaulted Mortgage Loans*” on page S-29.

REO Loan: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates, the Related PL Subordinated Certificates and the Related PL Class R Certificates—*Distributions of Principal and Interest—Treatment of REO Properties*” on page S-26. As to any REO Property, the “related REO Loan” will be the Mortgage Loan that had been secured by a First Mortgage thereon.

REO Property: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*General*” on page S-11.

Residual Interest: As defined herein under “Description of the Certificates—*General—Structure*” on page S-8.

“Scheduled Discounted Principal Balance Decline”: With respect to any Discounted Mortgage Loan (or successor Discounted REO Loan) for any Due Period, that portion of any Scheduled Payment (other than a Balloon Payment) due or Assumed Payment deemed due in respect thereof on the Due Date during such Due Period that is in excess of the sum of: (i) 30 days’ interest at the A, B and C Certificate Rate (or, if such Due Date coincides with or follows the related Maturity Date, at a per annum rate equal to the related Net Mortgage Interest Rate) accrued on the related Discounted Principal Balance as of the Due Date in the immediately preceding Due Period (or, if such Due Period is the initial Due Period, as of the Cut-off Date), plus (ii) 30 days’

interest at a fixed rate of 0.38% per annum on the related Stated Principal Balance, plus (iii) the Servicing Fee.

Scheduled Payment: With respect to any Mortgage Loan, for any Due Date following the Cut-off Date as of which it is outstanding, the scheduled monthly payment of principal and/or interest on such Mortgage Loan that is or would be, as the case may be, payable by the related Mortgagor on such Due Date under the terms of the related Mortgage Note as in effect on the closing date, without regard to any subsequent change in or modification of such terms in connection with a bankruptcy or similar proceeding involving the related Mortgagor or a Modification of such Mortgage Loan granted or agreed to by the Underlying Servicer, as summarized under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Modifications, Waivers and Amendments*,” taking into account any principal prepayments from time to time and assuming that each prior Scheduled Payment has been made in a timely manner.

“Scheduled Principal Balance”: With respect to any Mortgage Loan (or any REO Loan), as of the Cut-off Date, the Cut-off Date Balance. With respect to any Mortgage Loan (or any REO Loan), as of any Due Date subsequent to the Cut-off Date, an amount (not less than zero) equal to the Cut-off Date Balance of such Mortgage Loan, minus the sum of, without duplication, the following: (a) the aggregate of the principal portions of all Scheduled Payments (other than any Balloon Payment) due, and of any Assumed Payments deemed due, whether or not received or advanced; (b) the aggregate of all payments, insurance proceeds and liquidation proceeds received on or in respect of such Mortgage Loan (or, in the case of such REO Loan, revenues from the REO Property, insurance proceeds and liquidation proceeds received on or in respect of the related REO Property) applied as recoveries of principal of such Mortgage Loan (or REO Loan), in each case net of any portion of the particular payment or other collection which represents a recovery of the principal portion of any Scheduled Payment (other than a Balloon Payment) due, or of the principal portion of any Assumed Payment deemed due, in respect of such Mortgage Loan (or REO Loan) on a Due Date during or prior to the Due Period in which such collection was received; and (c) the principal portion of any Underlying Realized Loss incurred in respect of such Mortgage Loan (or such REO Loan) during the period subsequent to the Cut-off Date through and including such Due Date. Notwithstanding the foregoing, if a Liquidation Event occurs in respect of any Mortgage Loan or REO Property, then the “Scheduled Principal Balance” of such Mortgage Loan or of the related REO Loan, as the case may be, shall be zero as of the Due Date in the Due Period during which such Liquidation Event occurred and as of each Due Date thereafter.

Seriously Delinquent Loan: Any Mortgage Loan that is at least 90 days delinquent in respect of its Balloon Payment or 90 days delinquent in respect of any other Scheduled Payment (such delinquency to be determined without regard to any grace period permitted by the related Mortgage or Mortgage Note), provided that no suitable arrangements have been made for the collection of the delinquent payments as summarized under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Modifications, Waivers and Amendments*.”

Servicing Advances: All customary, reasonable and necessary “out-of-pocket” costs and expenses (including attorneys’ fees and expenses and fees of real estate brokers) incurred by the Underlying Servicer in connection with the servicing and administering of (a) a Mortgage Loan in respect of which a default, delinquency or other unanticipated event has occurred (without regard to any grace or cure period available to the applicable Mortgagor) or as to which a default is imminent or (b) an REO Property.

Servicing Fee: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Underlying Servicer and Trustee Compensation*” on page S-31.

Servicing Fee Rate: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Underlying Servicer and Trustee Compensation*” on page S-31.

Servicing Standard: The diligent servicing and administration of the Mortgage Loans on behalf of the Underlying Trustee and in the best interests of and for the benefit of the Underlying Certificateholders (as determined by the Underlying Servicer in its good faith and reasonable judgment and without regard to any differing payment priorities among the respective Classes of Underlying Certificateholders) in accordance with applicable law, the terms of the Underlying Pooling and Servicing Agreement and the terms of the respective Mortgage Loans and, to the extent consistent with the foregoing, in the same manner as would prudent institutional mortgage lenders and loan servicers servicing mortgage loans comparable to the Mortgage Loans in the jurisdictions where the Mortgaged Properties are located and as would a prudent institutional mortgage lender if it were the owner of the Mortgage Loans, and with a view to the maximization of timely and complete recovery of principal and interest on the Mortgage Notes, but without regard to: (i) any relationship that the Underlying Servicer or any of its affiliates may have with the related Mortgagor; (ii) the ownership of any Underlying Certificate by the Underlying Servicer or any of its affiliates; (iii) the Underlying Servicer’s obligation to make P&I Advances and Servicing Advances; or (iv) the Underlying Servicer’s right to receive compensation for its services under the Underlying Pooling and Servicing Agreement or with respect to any particular transaction.

Settlement Date: As defined herein on the Prospectus Supplement cover page.

State Street: As defined herein under “Description of the Certificates—General—*Characteristics of Certificates*” on page S-10.

Stated Principal Balance: With respect to any Mortgage Loan, a principal amount that is initially equal to the Cut-off Date Balance of such Mortgage Loan and that is reduced on each Distribution Date (to not less than zero) by, without duplication: (a) the aggregate of all payments, insurance proceeds and liquidation proceeds received in respect of such Mortgage Loan during the related Due Period that were applied by the Underlying Servicer as recoveries of principal of such Mortgage Loan, in each case net of any portion of the particular payment or other collection that represents a late collection of principal due on or before the Cut-off Date or for which a P&I Advance was previously made for a prior Distribution Date; (b) any payments made by the related Mortgagor subsequent to the most recent Due Date through and including the related P&I Advance Determination Date that represent late collections of principal not otherwise reimbursable to the Underlying Servicer for a P&I Advance made in respect of such Mortgage Loan for a prior Distribution Date; (c) the principal portion of any P&I Advance made by the Underlying Servicer in respect of such Mortgage Loan for such Distribution Date; and (d) the principal portion of any Underlying Realized Loss incurred in respect of such Mortgage Loan during the related Due Period. With respect to any REO Loan, a principal amount that is initially equal to the Stated Principal Balance of the predecessor Mortgage Loan as of the date of the related REO Acquisition and that is reduced on each subsequent Distribution Date (to not less than zero) by, without duplication: (x) the principal portion of any P&I Advance made by the Underlying Servicer in respect of such REO Loan (or, if applicable, the predecessor Mortgage Loan) for such Distribution Date; (y) if such Distribution Date occurs in a Due Period subsequent to the Due Period in which the related REO Acquisition occurred, the aggregate of all revenues, insurance proceeds and liquidation proceeds, if any, received in respect of the related REO Property during the Due Period for such Distribution

Date that were applied by the Underlying Servicer as recoveries of principal of such REO Loan, in each case net of any portion of the particular collection that represents a late collection of principal for which a P&I Advance was previously made for a prior Distribution Date; and (z) if such Distribution Date occurs in a Due Period subsequent to the Due Period in which the related REO Acquisition occurred, the principal portion of any Underlying Realized Loss incurred in respect of such REO Loan during the Due Period for such Distribution Date. Notwithstanding the foregoing, if a Liquidation Event occurs in respect of any Mortgage Loan or REO Property, then the “Stated Principal Balance” of such Mortgage Loan or of the related REO Loan, as the case may be, shall be zero commencing as of the Distribution Date in the Due Period next following the Due Period in which such Liquidation Event occurred.

Trust: As defined herein on the Prospectus Supplement cover page.

Trust Account: The one or more trust accounts created pursuant to the Trust Agreement into which will be deposited all distributions on the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Related PL Class S-1 Certificates and all investments of, and investment income from, such moneys.

Trust Agreement: As defined herein under “Description of the Certificates—General—*Structure*” on page S-8.

Trustee: As defined herein under “Description of the Certificates—General—*Structure*” on page S-8.

Underlying Certificate Account: The segregated account or accounts created and maintained by the Underlying Servicer into which payments (other than escrow payments) and certain other collections on or in respect of Mortgage Loans, including insurance proceeds and liquidation proceeds, will initially be deposited.

Underlying Certificate Balance: With respect to any Underlying PL Class A Certificate or Related PL Subordinated Certificate, as of any date of determination, the then outstanding principal amount of such Underlying PL Class A Certificate or Related PL Subordinated Certificate equal to the product of (a) the Underlying Percentage Interest evidenced by such Underlying PL Class A Certificate or Related PL Subordinated Certificate, multiplied by (b) the then Class Balance of the Class of Underlying PL Class A Certificates or Related PL Subordinated Certificates to which such Underlying PL Class A Certificate or Related PL Subordinated Certificate belongs.

Underlying Certificateholders: The Underlying PL Class A Certificateholders, the Underlying PL Class S-2 Certificateholders, the Related PL Class S-1 Certificateholders and the Related PL Subordinated Certificateholders.

Underlying Certificates: The Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, the Related PL Class S-1 Certificates and the Related PL Subordinated Certificates.

Underlying Depositors: As defined herein on the Prospectus Supplement cover page.

Underlying Directing Holder: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Realization Upon Defaulted Mortgage Loans*” on page S-29.

Underlying Distribution Account: The segregated account or accounts created and maintained by the Underlying Trustee in trust for Underlying Certificateholders into which amounts to be distributed to Underlying Certificateholders are deposited, including amounts transferred monthly from the Underlying Certificate Account, amounts deposited by the

Underlying Servicer in connection with Prepayment Interest Shortfalls, Balloon Payment Interest Shortfalls and P&I Advances and, in the event either Underlying Depositor or the Underlying Servicer purchases all the Mortgage Loans and the REO Properties remaining in the Underlying REMIC Trust, as described under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Termination*,” the relevant aggregate purchase price, net of certain amounts reimbursable therefrom.

Underlying Pass-Through Rate: The rate at which interest accrues on any Class of the Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates, Related PL Class S-1 Certificates or Related PL Subordinated Certificates.

Underlying Percentage Interest: With respect to any Underlying REMIC Regular Certificate other than the Underlying PL Class S-2 Certificates and the Related PL Class S-1 Certificates, the portion of the relevant Class evidenced by such Underlying Certificate, expressed as a percentage, the numerator of which is the Underlying Certificate Balance of such Underlying REMIC Regular Certificate as of the Settlement Date, as specified on the face thereof, and the denominator of which is the original Class Balance of the relevant Class. With respect to a Related PL Class R Certificate, the percentage interest in distributions to be made with respect to such Class, as stated on the face of such Related PL Class R Certificate.

Underlying PL Class A Balance: The Class Balance of the Underlying PL Class A Certificates.

Underlying PL Class A Certificateholders: As defined herein under “Description of the Certificates—Distributions of Principal—*Principal Distribution Amount*” on page S-15.

Underlying PL Class A Certificates: As defined herein on the Prospectus Supplement cover page.

Underlying PL Class A Control Period: With respect to any Mortgage Loan or REO Property, any period (exclusive of an Underlying Subordinate Control Period) during which there is a Majority Underlying PL Class A Voteholder and (i) the Underlying PL Class A Balance is greater than zero and, as a result of the allocation of Underlying Realized Losses and Extraordinary Underlying REMIC Trust Expenses, the Class Balances of the Related PL Subordinated Certificates are equal to zero, or (ii) the Underlying PL Class A Balance exceeds the aggregate Assigned Asset Value of all the Mortgage Loans and REO Properties. For purposes of determining whether the excess described in clause (ii) of the preceding sentence exists on any Distribution Date, the Underlying PL Class A Balance shall reflect all distributions of principal to be made on the Underlying PL Class A Certificates on such Distribution Date and the Stated Principal Balances of the Mortgage Loans shall reflect all reductions to be made thereto on such Distribution Date.

Underlying PL Class A Pass-Through Rate: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*The Underlying PL Class A Certificates, the Underlying PL Class S-2 Certificates and the Mortgage Loans*” on page S-12.

Underlying PL Class A Principal Distribution Amount: As defined herein under “Description of the Certificates—Distributions of Principal—*Principal Distribution Amount*” on page S-14.

Underlying PL Class A Principal Shortfall: With respect to any Distribution Date, an amount equal to the excess, if any, of (a) the Underlying PL Class A Principal Distribution Amount for such Distribution Date, over (b) the aggregate distributions of principal actually made to the Underlying PL Class A Certificateholders on such Distribution Date.

Underlying PL Class S-2 Certificate Pass-Through Rate: As defined herein on the Prospectus Supplement cover page.

Underlying PL Class S-2 Certificateholder: The holders of Underlying PL Class S-2 Certificates.

Underlying PL Class S-2 Certificates: As defined herein on the Prospectus Supplement cover page.

Underlying Pooling and Servicing Agreement: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*General*” on page S-10.

Underlying Realized Loss: With respect to any Mortgage Loan as to which there has been made, or any REO Loan as to which there has been made with respect to the related REO Property, a Final Recovery Determination, an amount equal to the sum of: (i) the amount, if any, by which (A) the Stated Principal Balance of such Mortgage Loan or such REO Loan, as the case may be, immediately following the Distribution Date in the applicable Final Due Period (net, in the case of a Discounted Mortgage Loan or Discounted REO Loan, of any related Balance Differential for the Due Date in the preceding Due Period), together with interest on such Stated Principal Balance (without regard to any netting) at the related Mortgage Interest Rate (calculated without regard to any increase therein in connection with any Modification granted or agreed to by the Underlying Servicer) in effect from time to time (net of the related Servicing Fee Rate) from the most recent Due Date prior to the applicable Final Due Period to which interest on such Mortgage Loan or such REO Loan, as the case may be, was last collected or advanced, to but not including the Due Date in the applicable Final Due Period, exceeds (B) the aggregate amount of net liquidation proceeds, net insurance proceeds and, if applicable, net REO Property revenues, in each case, if any, received in respect of such Mortgage Loan or such REO Loan, as the case may be, during the applicable Final Due Period, and (ii) the aggregate of all related unreimbursed P&I Advances and servicing advances that cannot be reimbursed from the liquidation proceeds, insurance proceeds and, if applicable, REO revenues, in each case if any, received in respect of such Mortgage Loan or such REO Loan, as the case may be, during the applicable Final Due Period. With respect to any Discounted Mortgage Loan (or Discounted REO Loan) that was not paid in full on or before the related Maturity Date and as to which no other Liquidation Event has occurred, a loss amount deemed to be incurred on each Due Date following such Maturity Date equal to 30 days’ interest at a per annum rate equal to the excess of the A, B and C Certificate Rate over the related Net Mortgage Interest Rate accrued on the Scheduled Principal Balance thereof as of the immediately preceding Due Date. In addition, “Underlying Realized Losses” include any principal of a Mortgage Loan that is forgiven, and any reduction of interest on a Mortgage Loan, in connection with a bankruptcy or similar proceeding involving the related Mortgagor or a Modification granted or agreed to by the Underlying Servicer in compliance with the Underlying Pooling and Servicing Agreement.

Underlying REMIC Regular Certificate: Any Underlying PL Class A Certificate, Underlying PL Class S-2 Certificate, Related PL Class S-1 Certificate or Related PL Subordinated Certificate (other than a Related PL Class R Certificate.)

Underlying REMIC Regular Interests: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*General*” on page S-11.

Underlying REMIC Residual Interests: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*General*” on page S-11.

Underlying REMIC Trust: As defined herein on the Prospectus Supplement cover page.

Underlying REO Account: The segregated custodial account or accounts maintained by the Underlying Servicer into which are deposited the revenues, insurance proceeds and liquidation proceeds received in respect of an REO Property.

Underlying Servicer: As defined under “Description of the Certificates—Structure of the Underlying REMIC Trust—*General*” on page S-10.

Underlying Subordinate Control Period: With respect to any Defaulted Mortgage Loan as to which the Underlying Directing Holder has directed the Underlying Servicer to commence a foreclosure proceeding or to delay a foreclosure proceeding (see “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Servicing of the Mortgage Loans—Realization Upon Defaulted Mortgage Loans*” herein), the period (x) commencing on the date on which the Underlying Directing Holder is required under the Pooling and Servicing Agreement to make an initial deposit in a specified account in respect of such Mortgage Loan and (y) ending upon the earlier of (i) the occurrence of a Liquidation Event in respect of such Defaulted Mortgage Loan or REO Property and (ii) a termination of the applicable Underlying Directing Holder’s related rights in accordance with the Underlying Pooling and Servicing Agreement.

Underlying Trustee: As defined herein under “Description of the Certificates—Structure of the Underlying REMIC Trust—*General*” on page S-10.

Underlying Trustee’s Fee: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Underlying Servicer and Trustee Compensation*” on page S-31.

Underlying Trustee’s Fee Rate: As defined herein under “Description of the Underlying REMIC Trust—Description of the Underlying Pooling and Servicing Agreement—*Underlying Servicer and Trustee Compensation*” on page S-31.

Underlying Voting Rights: As defined herein under “The Trust Agreement—Voting by Fannie Mae Under the Underlying Pooling and Servicing Agreement” on page S-21.

Underwriting Net Operating Income: As defined herein under “Description of the Mortgage Pool—Additional Mortgage Loan Information” on page S-40.

U.S. Person: A citizen or resident of the United States, a corporation, partnership or other entity created or organized in, or under the laws of, the United States or any political subdivision thereof, or an estate or trust whose income from sources without the United States is includible in gross income for United States federal income tax purposes regardless of its connection with the conduct of a trade or business within the United States.

Unpaid Principal Balance: With respect to any Mortgage Loan, as of any date of determination, a principal amount (not less than zero) equal to the Cut-off Date Balance of such Mortgage Loan, minus the aggregate of, without duplication: (a) all payments, insurance proceeds and liquidation proceeds received in respect of such Mortgage Loan subsequent to the Cut-off Date but on or before such date of determination that were applied by the Underlying Servicer as recoveries of principal of such Mortgage Loan, net of any portion thereof that represents a late collection of principal due on or before the Cut-off Date; and (b) the principal portion of any Underlying Realized Loss incurred in respect of such Mortgage Loan subsequent to the Cut-off Date but on or before such date of determination. With respect to any REO Loan, as of any date of determination, a principal amount (not less than zero) equal to the Unpaid Principal Balance of the predecessor Mortgage Loan as of the date of the related REO Acquisition, minus the aggregate of, without duplication: (x) all revenues, insurance proceeds and liquidation proceeds received in

respect of the related REO Property on or after the date of the related REO Acquisition but on or before such date of determination that were applied by the Underlying Servicer as recoveries of principal of such REO Loan; and (y) the principal portion of any Underlying Realized Loss incurred in respect of such REO Loan on or after the date of the related REO Acquisition but on or before such date of determination. Notwithstanding the foregoing, if a Liquidation Event occurs in respect of any Mortgage Loan or REO Property, the “Unpaid Principal Balance” of such Mortgage Loan or of the related REO Loan, as the case may be, shall thereafter be zero.

Yield Maintenance Charge: As defined herein under “Description of the Mortgage Pool—Certain Terms and Conditions of the Mortgage Loans—*Prepayment Provisions*” on page S-34.

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

TABLE OF CONTENTS

	<u>Page</u>
Prospectus Supplement	
Table of Contents	S- 3
Reference Sheet	S- 4
Description of the Certificates	S- 8
The Trust Agreement	S-21
Description of the Underlying REMIC Trust	S-23
Description of the Mortgage Pool	S-33
Certain Additional Federal Income Tax Consequences	S-43
Plan of Distribution	S-44
Legal Matters	S-44
Glossary	G- 1
Exhibit A	A- 1

Multifamily REMIC Prospectus

Prospectus Supplement	2
Summary of Prospectus	3
The Series Trust	12
Yield Considerations	13
Maturity and Prepayment Considerations and Risks	18
Purchase Program	22
Description of the Certificates	23
The Trust Agreement	41
Certain Federal Income Tax Consequences	46
Legal Investment Considerations	58
Legal Opinion	58
ERISA Considerations	59
Glossary	60

\$194,700,000
(Approximate)

Federal National Mortgage Association



**Guaranteed ACESSM REMIC
Pass-Through Certificates**

**Fannie Mae Multifamily
REMIC Trust 1994-M5**

PROSPECTUS SUPPLEMENT

Donaldson, Lufkin & Jenrette
Securities Corporation
CS First Boston

December 13, 1994