

\$236,478,061



FannieMae

Guaranteed REMIC Pass-Through Certificates Fannie Mae REMIC Trust 1997-3

The Guaranteed REMIC Pass-Through Certificates offered hereby (the “Certificates”) will represent beneficial ownership interests in one of two trust funds. The Certificates, other than the RL Class, will represent beneficial ownership interests in Fannie Mae REMIC Trust 1997-3 (the “Trust”). The assets of the Trust will consist of the “regular interests” in a separate trust fund (the “Lower Tier REMIC”). The assets of the Lower Tier REMIC will consist of (i) certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Trust MBS”) described herein and (ii) certain previously issued REMIC certificates specified herein (the “Underlying REMIC Certificates”) evidencing beneficial ownership interests in the related Fannie Mae REMIC Trusts (the “Underlying REMIC Trusts”) as further described in Exhibit A hereto. The assets of the Underlying REMIC Trusts evidence direct or indirect beneficial ownership interests in certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (together with the Trust MBS, the “MBS”). Each MBS represents a beneficial ownership interest in a pool (each, a “Pool”) of first lien, single-family, fixed-rate residential mortgage loans (the “Mortgage Loans”) having the characteristics described herein. The Certificates will be issued and guaranteed as to timely distribution of principal and interest by Fannie Mae.

Investors should not purchase the Certificates before reading this Prospectus Supplement and the additional Disclosure Documents listed at the bottom of page S-2.

See “Additional Risk Factors” on page S-7 hereof and “Risk Factors” beginning on page 8 of the REMIC Prospectus attached hereto for a discussion of certain risks that should be considered in connection with an investment in the Certificates.

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

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

Class	Original Principal Balance	Principal Type(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date	Class	Original Principal Balance	Principal Type(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date
PA	\$ 9,042,000	PAC	6.5%	FIX	31359NJS1	November 2016	VB	\$13,078,000	SEQ/AD	7.0%	FIX	31359NKB6	November 2015
PB	18,692,000	PAC	6.5	FIX	31359NJT9	April 2022	ZA	5,677,000	SEQ	7.0	FIX/Z	31359NKC4	February 2027
PC	20,212,000	PAC	6.5	FIX	31359NJU6	March 2026	PO	7,910,993	SC/PT	(3)	PO	31359NKE0	August 2023
IO	(2)	NTL	7.0	FIX/IO	31359NJV4	March 2026	S	(2)	NTL	(4)	INV/IO	31359NKF7	August 2023
PD	6,567,000	PAC	7.0	FIX	31359N JW2	February 2027	D	14,804,163	SC/PT	(3)	PO	31359NKG5	September 2023
A	40,487,000	CPT	7.0	FIX	31359NKD2	May 2023	SA	(2)	NTL	(4)	INV/IO	31359NKH3	September 2023
Z	5,000,000	SUP	7.0	FIX/Z	31359N JX0	February 2027	E	13,762,905	SC/PT	(3)	PO	31359N K J9	December 2023
B	51,690,000	SEQ	7.0	FIX	31359N JY8	October 2020	SB	(2)	NTL	(4)	INV/IO	31359NKK6	December 2023
C	27,349,000	SEQ	7.0	FIX	31359N JZ5	November 2024	R	0	NPR	0	NPR	31359NKL4	February 2027
VA	2,206,000	SEQ/AD/LIQ	7.0	FIX	31359NKA8	November 2001	RL	0	NPR	0	NPR	31359NKM2	February 2027

- (1) See “Description of the Certificates—Class Definitions and Abbreviations” in the REMIC Prospectus and “Description of the Certificates—Distributions of Interest” and “—Distributions of Principal” herein.
- (2) The IO, S, SA and SB Classes will be Notional Classes, will not have principal balances and will bear interest on their notional principal balances (initially, \$3,424,713, \$7,910,993, \$14,804,163 and \$13,762,905, respectively). The notional principal balances of the Notional Classes will be calculated based upon the principal balances of the Classes specified herein. See “Description of the Certificates—Distributions of Interest—Notional Classes” herein.
- (3) These Classes will be Principal Only Classes and will bear no interest.
- (4) The S, SA and SB Classes will bear interest based on the “COFI” as described under “Description of the Certificates—Distributions of Interest” herein and “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes” in the REMIC Prospectus.

The Certificates will be offered by PaineWebber Incorporated (the “Dealer”) from time to time in negotiated transactions, at varying prices to be determined at the time of sale.

The Certificates will be offered by the Dealer, subject to issuance by Fannie Mae and to prior sale or to withdrawal or modification of the offer without notice, when, as and if delivered to and accepted by the Dealer, and subject to approval of certain legal matters by counsel. It is expected that the PA, PB, PC, IO, PD, A, Z, B, C, VA, VB and ZA Classes will be available through the book-entry facilities of The Depository Trust Company and that the PO, S, D, SA, E and SB Classes will be available through the book-entry system of the Federal Reserve Banks on or about January 30, 1997 (the “Settlement Date”). It is expected that the R and RL Classes in registered, certificated form will be available for delivery at the offices of the Dealer, New York, New York, on or about the Settlement Date.

PaineWebber Incorporated

The date of this Prospectus Supplement is December 30, 1996.

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The yields to investors in the Group 1 Classes will be sensitive in varying degrees to, among other things, the rate of principal distributions on the Trust MBS, which in turn will be determined by the rate of principal payments of the related Mortgage Loans and the characteristics of such Mortgage Loans. The yields to investors in the Group 2, Group 3 and Group 4 Classes will be sensitive in varying degrees to, among other things, the rate of principal distributions on the related Underlying REMIC Certificates, which in turn will be sensitive in varying degrees to the rate of principal payments of the related Mortgage Loans, the characteristics of the Mortgage Loans included in the related Pools and the priority sequences affecting principal distributions on the Underlying REMIC Certificates. The yield to investors in each Class will also be sensitive to the purchase price paid for such Class and, in the case of any Inverse Floating Rate Class, fluctuations in the level of the Index (as defined herein). Accordingly, investors should consider the following risks:

- The Mortgage Loans generally may be prepaid at any time without penalty, and, accordingly, the rate of principal payments thereon is likely to vary considerably from time to time.
- Slight variations in Mortgage Loan characteristics could substantially affect the weighted average lives and yields of some or all of the Classes.
- In the case of any Certificates purchased at a discount to their principal amounts (including any Principal Only Class), a slower than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- In the case of any Certificates purchased at a premium to their principal amounts, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- In the case of any Interest Only Class, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield and, in certain cases, an actual loss on the investment.
- The yield on any Inverse Floating Rate Class will be sensitive to the level of the index. See “Description of the Certificates—Distributions of Interest—Inverse Floating Rate Classes” herein.

See “Risk Factors—Yield Considerations” in the REMIC Prospectus and “Additional Risk Factors—Additional Yield and Prepayment Considerations” and “Yield Tables” herein.

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

- The Underlying REMIC Certificates are subordinate in priority of principal distributions to certain other classes of certificates evidencing beneficial ownership interests in the related Underlying REMIC Trusts and, accordingly, there is no assurance that principal distributions will be made on such Underlying REMIC Certificates on any particular Distribution Date. In addition, the Underlying REMIC Certificates have Principal Balance Schedules and, as a result, may receive principal distributions at a rate faster or slower than would otherwise have been the case. Further, prepayments on the related Mortgage Loans may have occurred at a rate faster or slower than that initially assumed. This Prospectus Supplement contains no information as to whether the Underlying REMIC Certificates have adhered to their Principal Balance Schedules, whether any related Support classes remain outstanding or whether such Underlying REMIC Certificates otherwise have performed as originally anticipated. Such information may be obtained by performing an analysis of current Fannie Mae principal factors in the context of applicable information contained in the related Underlying REMIC Disclosure Documents (as defined below), which may be obtained from Fannie Mae as described below.
- The actual final payment of any Class will likely occur earlier, and could occur much earlier, than the Final Distribution Date for such Class specified on the cover page. See “Description of the Certificates—Weighted Average Lives of the Certificates” herein and “Description of the Certificates—Weighted Average Life and Final Distribution Dates” in the 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 “Risk Factors—Suitability and Reinvestment Considerations” in the REMIC Prospectus.
- Investors whose investment activities are subject to legal investment laws and regulations or to review by regulatory authorities may be subject to restrictions on investment in certain Classes of the Certificates. Investors should consult their legal advisors to determine whether and to what extent the Certificates constitute legal investments or are subject to restrictions on investment. See “Legal Investment Considerations” in the REMIC Prospectus.
- The Dealer intends to make a market for the Certificates but is not obligated to do so. There can be no assurance that such a secondary market will develop or, if developed, that it will continue. Thus, investors may not be able to sell their Certificates readily or at prices that will enable them to realize their anticipated yield. No investor should purchase Certificates unless such investor understands and is able to bear the risk that the value of the Certificates will fluctuate over time and that the Certificates may not be readily salable.

These securities have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission nor has the Securities and Exchange Commission or any state securities commission passed upon the accuracy or adequacy of this Prospectus Supplement, the REMIC Prospectus, the Underlying REMIC Disclosure Documents or the MBS Prospectus (each as defined below). Any representation to the contrary is a criminal offense.

Elections will be made to treat the Lower Tier REMIC and the Trust as “real estate mortgage investment conduits” (“REMICs”) pursuant to the Internal Revenue Code of 1986, as amended (the “Code”). The R and RL Classes will be subject to transfer restrictions. See “Description of the Certificates—Characteristics of the R and RL Classes” and “Certain Additional Federal Income Tax Consequences” herein, and “Description of the Certificates—Additional Characteristics of Residual Certificates” and “Certain Federal Income Tax Consequences” in the 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 REMIC Pass-Through Certificates dated June 14, 1996 (the “REMIC Prospectus”), which is attached to this Prospectus Supplement;
- Fannie Mae’s Prospectus for Guaranteed Mortgage Pass-Through Certificates dated October 1, 1996 (the “MBS Prospectus”);
- Fannie Mae’s Information Statement dated February 22, 1996 and any supplements thereto (collectively, the “Information Statement”); and
- The Prospectus Supplements for the Underlying REMIC Trusts (collectively, the “Underlying REMIC Disclosure Documents”).

The MBS Prospectus and the Information Statement are incorporated herein by reference and, together with the Underlying REMIC Disclosure Documents, 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, other than the Underlying REMIC Disclosure Documents, may also be obtained from PaineWebber Incorporated by writing or calling its Prospectus Department at 1000 Harbor Boulevard, Weehawken, New Jersey 07087 (telephone 201-902-7341).

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REFERENCE SHEET

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

Assumed Characteristics of the Mortgage Loans Underlying the Trust MBS (as of January 1, 1997)

<u>Approximate Principal Balance</u>	<u>Approximate Weighted Average Remaining Term to Maturity (in months)</u>	<u>Approximate Calculated Loan Age (in months)</u>	<u>Approximate Weighted Average Coupon</u>
\$10,000,000	360	0	7.68%
\$20,000,000	359	1	7.68%
\$30,000,000	358	2	7.68%
\$20,000,000	356	4	7.68%
\$56,000,000	350	9	7.68%
\$44,000,000	343	14	7.68%
\$20,000,000	338	16	7.68%

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

Characteristics of the Underlying REMIC Certificates

The table contained in Exhibit A hereto sets forth information with respect to the Underlying REMIC Certificates, including certain information regarding the underlying Mortgage Loans. Certain additional information as to the Underlying REMIC Certificates may be obtained by performing an analysis of current Fannie Mae principal factors in the context of applicable information contained in the related Underlying REMIC Disclosure Documents, which may be obtained from Fannie Mae as described herein.

See “Description of the Certificates—The Underlying REMIC Certificates” herein.

Interest Rates

The Fixed Rate Classes will bear interest at the applicable per annum interest rates set forth on the cover.

The Inverse Floating Rate Classes will bear interest during the initial Interest Accrual Period at the initial interest rates specified below, and will bear interest during each Interest Accrual Period thereafter, subject to the applicable maximum and minimum interest rates, at rates determined as described below:

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate</u>
S	9.60166%	20.88333%	0.00%	$20.88333\% - (2.3333333 \times \text{COFI})$
SA	9.34615%	9.34615%	0.00%	$56.07692\% - (6.23076925 \times \text{COFI})$
SB	7.70900%	20.28000%	0.00%	$20.28\% - (2.6 \times \text{COFI})$

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

Notional Classes

The notional principal balance of each Notional Class will be equal to the indicated percentage of the outstanding principal balance of the Class or Classes specified below immediately prior to the related Distribution Date:

<u>Class</u>	<u>Percentage of Principal Balance of Class or Classes</u>
IO	7.1428571429% of PA, PB and PC Classes
S	100% of PO Class
SA	100% of D Class
SB	100% of E Class

See “Description of the Certificates—Distributions of Interest—*Notional Classes*” and “—Yield Tables—*The Interest Only Classes*” herein.

Component Class

	<u>Original Principal Balance</u>	<u>Principal Type</u>
A1 Component	\$14,356,000	PAC
A2 Component	\$26,131,000	SUP

Distributions of Principal

The portion of the Principal Distribution Amount allocated to each Class of REMIC Certificates will be determined by distributions of principal of the related Underlying REMIC Certificate or, in the case of the Group 1 Classes, the Trust MBS and the Z Class and ZA Class Accrual Amounts. For such purposes, the Principal Distribution Amount will be allocated among the Group 1, Group 2, Group 3 and Group 4 Principal Distribution Amounts as described herein under “Description of the Certificates—Distributions of Principal—*Principal Distribution Amount*”.

Group 1 Principal Distribution Amount

Z Class Accrual Amount

To the A2 Component, to zero, and then to the Z Class.

ZA Class Accrual Amount

To the VA and VB Classes, in that order, to zero, and then to the ZA Class.

Group 1 Cash Flow Distribution Amount

(a) 50% of such amount as follows:

(i) To the A1 Component and the PA, PB, PC and PD Classes, in that order, to their Planned Balances;

(ii) To the A2 Component and the Z Class, in that order, to zero; and

(iii) To the A1 Component and the PA, PB, PC and PD Classes, in that order, to zero, and

(b) 50% of such amount to the B, C, VA, VB and ZA Classes, in that order, to zero.

Group 2 Principal Distribution Amount

To the PO Class, to zero.

Group 3 Principal Distribution Amount

To the D Class, to zero.

Group 4 Principal Distribution Amount

To the E Class, to zero.

Weighted Average Lives (years) *

<u>Class</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>150%</u>	<u>260%</u>	<u>350%</u>	<u>500%</u>
PA	14.7	3.5	3.5	3.5	3.4	2.6
PB	19.3	6.0	6.0	6.0	4.9	3.5
PC	23.6	10.7	10.7	10.7	8.2	5.8
IO	20.3	7.5	7.5	7.5	6.0	4.3
PD	25.9	19.1	19.1	19.1	15.1	10.7
A	13.6	8.8	4.9	1.9	1.5	1.2
Z	28.3	23.6	20.7	5.6	3.1	2.1

Class	PSA Prepayment Assumption				
	0%	100%	150%	350%	500%
B	15.9	4.9	3.6	1.9	1.5
C	25.8	13.9	10.5	5.1	3.7
VA	2.5	2.5	2.5	2.5	2.5
VB	12.8	12.8	12.2	7.9	5.9
ZA	28.9	23.4	21.1	13.2	9.8

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>135%</u>	<u>350%</u>	<u>500%</u>
PO and S	25.5	19.4	16.3	1.0	0.6

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>145%</u>	<u>350%</u>	<u>500%</u>
D and SA	24.7	16.4	10.3	1.0	0.6

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>130%</u>	<u>350%</u>	<u>500%</u>
E and SB	23.3	11.9	8.5	1.2	0.9

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

ADDITIONAL RISK FACTORS

Additional Yield and Prepayment Considerations

The rate of distributions of principal of the Group 1 Classes will be sensitive in varying degrees to the rate of principal distributions on the Trust MBS, which in turn will reflect the rate of amortization (including prepayments) of the related Mortgage Loans. There can be no assurance that the Mortgage Loans underlying the Trust MBS will have the characteristics assumed herein. Because the rate of principal distributions on the Group 1 Classes will be related to the rate of amortization of the Mortgage Loans underlying the Trust MBS, which are likely to include Mortgage Loans with remaining terms to maturity shorter or longer than those assumed and interest rates higher or lower than those assumed, the rate of principal distributions on the Group 1 Classes is likely to differ from the rate anticipated by an investor, even if such Mortgage Loans prepay at the indicated constant percentages of PSA.

The rate of distributions of principal of the Group 2, Group 3 and Group 4 Classes will be directly related to the rate of principal distributions on the related Underlying REMIC Certificates, which in turn will be sensitive in varying degrees to the rate of payments of principal (including prepayments) of the related Mortgage Loans and the priority sequences affecting principal distributions on such Underlying REMIC Certificates. As described in the Underlying REMIC Disclosure Documents, the Underlying REMIC Certificates are subordinate in priority of principal distributions to certain other classes of certificates evidencing beneficial ownership interests in the related Underlying REMIC Trusts and, accordingly, distributions of principal of the related Mortgage Loans may for extended periods be applied to the distribution of principal of those classes of certificates having priority over such Underlying REMIC Certificates. In addition, the Underlying REMIC Certificates have Principal Balance Schedules and, as a result, may receive distributions of principal during certain periods at a rate faster or slower than would otherwise have been the case. Further, prepayments on the related Mortgage Loans may have occurred at a rate faster or slower than that initially assumed. This Prospectus Supplement contains no information as to whether the Underlying REMIC Certificates have adhered to their Principal Balance Schedules, whether any related Support classes remain outstanding or whether such Underlying REMIC Certificates otherwise have performed as originally anticipated. Such information may be obtained by performing an analysis of current Fannie Mae principal factors in the context of applicable information contained in the related Underlying REMIC Disclosure Documents, which may be obtained from Fannie Mae as described herein.

It is highly unlikely that the Mortgage Loans underlying either of the Underlying REMIC Certificates or the Trust MBS will prepay at any of the rates assumed herein, will prepay at a *constant* PSA rate until maturity or that such Mortgage Loans will prepay at the same rate. 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 effective yields on the Delay Classes (as defined herein) will be reduced below the yields otherwise produced because principal and interest payable on a Distribution Date will not be distributed until the 18th day or 25th day, as applicable, following the end of the related Interest Accrual Period and will not bear interest during such delay. No interest at all will be paid on any Class after its principal balance has been reduced to zero. As a result of the foregoing, the market values of the Delay Classes will be lower than would have been the case if there were no such delay.

DESCRIPTION OF THE CERTIFICATES

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

General

Structure. The Trust and the Lower Tier REMIC will be created pursuant to a trust agreement dated as of January 1, 1997 (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 and RL Classes) will be designated as the “regular interests,” and the R Class will be designated as the “residual interest,” in the REMIC constituted by the Trust. The interests in the Lower Tier REMIC other than the RL Class (the “Lower Tier Regular Interests”) will be designated as the “regular interests,” and the RL Class will be designated as the “residual interest,” in the Lower Tier REMIC. The assets of the Lower Tier REMIC will consist of the Trust MBS and the Underlying REMIC Certificates (which evidence beneficial ownership interests in the Underlying REMIC Trusts).

Fannie Mae Guaranty. Fannie Mae guarantees to each holder of an MBS the timely payment of scheduled installments of principal of and interest on the underlying Mortgage Loans, whether or not received, together with the full principal balance of any foreclosed Mortgage Loan, whether or not such balance is actually recovered. The guaranty obligations of Fannie Mae with respect to the Underlying REMIC Certificates are described in the Underlying REMIC Disclosure Documents. In addition, Fannie Mae will be obligated to distribute on a timely basis to the Holders of Certificates required installments of principal and interest and to distribute the principal balance of each Class of Certificates in full no later than the applicable Final Distribution Date, whether or not sufficient funds are available in the Trust Account. The guaranties of Fannie Mae are not backed by the full faith and credit of the United States. See “Description of the Certificates—Fannie Mae’s Guaranty” in the REMIC Prospectus, “Description of Certificates—The Corporation’s Guaranty” in the MBS Prospectus, and “Description of the Certificates—General—Fannie Mae Guaranty” in the related Underlying REMIC Disclosure Documents.

Characteristics of Certificates. The PA, PB, PC, IO, PD, A, Z, B, C, VA, VB and ZA Classes will be represented by one or more certificates (the “DTC Certificates”) to be registered at all times in the name of the nominee of the Depository (as defined herein), which Depository will maintain such Certificates through its book entry facilities. When used herein with respect to any DTC Certificate, the terms “Holders” and “Certificateholders” refer to the nominee of the Depository.

The PO, S, D, SA, E and SB Classes 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 REMIC Prospectus.

The R and RL Certificates will not be issued in book-entry form but will be issued in fully registered, certificated form. As to the R or RL Certificate, “Holder” or “Certificateholder” refers to the registered owner thereof. The R or RL Certificates will be transferable at the corporate trust office of the Transfer Agent, or at the agency of the Transfer Agent in New York, New York. The Transfer Agent initially will be State Street Bank and Trust Company in Boston, Massachusetts (“State Street”). A service charge may be imposed for any registration of transfer of the R or RL Certificate and Fannie Mae may require payment of a sum sufficient to cover any tax or other governmental charge. See also “Characteristics of the R and RL Classes” herein.

The distribution to the Holder of the R and RL Classes of the proceeds of any remaining assets of the Trust and the Lower Tier REMIC, as applicable, will be made only upon presentation and surrender of the related Certificate at the office of the Paying Agent. The Paying Agent initially will be State Street.

Authorized Denominations. The Certificates, other than the R and RL Certificates, will be issued in minimum denominations of \$1,000 and integral multiples of \$1 in excess thereof. The R and RL Classes will be issued as single Certificates and will not have principal balances.

Distribution Dates. Distributions on the PA, PB, PC, IO, PD, A, Z, B, C, VA, VB and ZA Classes will be made on the 18th day of each month (or, if such 18th day is not a business day, on the first business day next succeeding such 18th day) and distributions on the PO, S, D, SA, E and SB Classes 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. See “Distributions of Interest—*General*” and “—*Interest Accrual Period*” and “Distributions of Principal—*Principal Distribution Amount*” herein.

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

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

Optional Termination. Consistent with its policy described under “Description of Certificates—Termination” in the MBS Prospectus, Fannie Mae will agree not to effect indirectly an early termination of the Lower Tier REMIC or the Trust through the exercise of its right to repurchase the Mortgage Loans underlying any MBS unless only one Mortgage Loan remains in the related Pool or the principal balance of such Pool at the time of repurchase is less than one percent of the original principal balance thereof.

Voting the Underlying REMIC Certificates. In the event any issue arises under the trust indenture or trust agreement governing any of the Underlying REMIC Trusts that requires the vote of holders of certificates outstanding thereunder, the Trustee will vote the related Underlying REMIC Certificates in accordance with instructions received from Holders of Certificates of the related Classes having principal balances aggregating not less than 51% of the aggregate principal balance of all such Classes outstanding. In the absence of such instructions, the Trustee will vote in a manner consistent, in its sole judgment, with the best interests of Certificateholders.

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

Book-Entry Procedures

General. Each of the PA, PB, PC, IO, PD, A, Z, B, C, VA, VB and ZA Classes will be represented by one or more DTC Certificates to be registered at all times in the name of the nominee of The Depository Trust Company, a New York chartered limited purpose trust company, or any successor depository selected or approved by Fannie Mae (the “Depository”). In accordance with its normal procedures, the Depository will record the positions held by each Depository participating firm (each, a “Depository Participant”) in the DTC Certificates, whether held for its own account or as a nominee for another person. State Street will act as Paying Agent for, and perform certain administrative functions with respect to, the DTC Certificates.

No person acquiring a beneficial ownership interest in the DTC Certificates (a “beneficial owner” or an “investor”) will be entitled to receive a physical certificate representing such ownership interest. An investor’s interest in the DTC Certificates will be recorded on the records of the brokerage firm, bank, thrift institution or other financial intermediary (a “financial intermediary”) that maintains such investor’s account for such purpose. In turn, the financial intermediary’s record ownership of such interest will be recorded on the records of the Depository (or of a Depository Participant that acts as an agent for the financial intermediary if such intermediary is not a Depository Participant). Accordingly, an investor will not be recognized by the Trustee or the Depository as a Certificateholder and must rely on the foregoing arrangements to evidence its interest in the DTC Certificates. Beneficial ownership of an investor’s interest in the DTC Certificates may be transferred only by compliance with the procedures of an investor’s financial intermediary and of Depository Participants. In general, beneficial ownership of an investor’s interest in the DTC Certificates will be subject to the rules, regulations and procedures governing the Depository and Depository Participants as in effect from time to time.

The PO, S, D, SA, E and SB Classes will be issued and maintained only on the book-entry system of the Federal Reserve Banks. Such Certificates may be held of record only by entities eligible to maintain book-entry accounts with the Federal Reserve Banks. Beneficial owners ordinarily will hold such Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. A Holder that is not the beneficial owner of such a Certificate, and each other financial intermediary in the chain to the beneficial owner, will have the responsibility of establishing and maintaining accounts for their respective customers. The rights of the beneficial owner of such a Certificate with respect to Fannie Mae and the Federal Reserve Banks may be exercised only through the Holder of such Certificate. Fannie Mae and the Federal Reserve Banks will have no direct obligation to a beneficial owner of such a Certificate that is not also the Holder of the Certificate. The Federal Reserve Banks will act only upon the instructions of the Holder in recording transfers of such a Certificate. See “Description of the Certificates—Denominations, Certificate Form” in the REMIC Prospectus.

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

Fannie Mae’s fiscal agent for the PO, S, D, SA, E and SB Classes is the Federal Reserve Bank of New York. The Federal Reserve Banks will make distributions on such Certificates on behalf of Fannie Mae on the applicable Distribution Dates by crediting Holders’ accounts at the Federal Reserve Banks.

The Trust MBS

The Trust MBS underlying the Group 1 Classes will have the aggregate unpaid principal balance and Pass-Through Rate set forth below and the general characteristics described in the MBS Prospectus. The Trust MBS will provide that principal and interest on the related Mortgage Loans will be passed through monthly, commencing in the month following the month of the initial issuance of the Trust MBS. The Mortgage Loans underlying the Trust MBS will be conventional Level Payment Mortgage Loans secured by first mortgages or deeds of trust on single family residential properties and having original maturities of up to 30 years, as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. The characteristics of the Trust MBS and the related Mortgage Loans as of January 1, 1997 (the “Issue Date”) are expected to be as follows:

Trust MBS

Aggregate Unpaid Principal Balance	\$200,000,000
MBS Pass-Through Rate	7.00%

Mortgage Loans Underlying Trust MBS

Range of WACs (per annum percentages)	7.25% to 9.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	350 months
Approximate Weighted Average CAGE	8 months

The Underlying REMIC Certificates

The Underlying REMIC Certificates represent beneficial ownership interests in the respective Underlying REMIC Trusts, the assets of which evidence beneficial ownership interests in certain MBS having the general characteristics set forth in the MBS Prospectus.

The general characteristics of the Underlying REMIC Certificates are described in the related Underlying REMIC Disclosure Documents. The general characteristics of the MBS are described in the MBS Prospectus. Each MBS evidences beneficial ownership interests in a Pool of conventional Level Payment Mortgage Loans secured by a first-mortgage or deed of trust on a one- to four-family residential property, as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. The Underlying REMIC Certificates provide that distributions thereon will be passed through monthly, commencing in the month following the initial issuance thereof.

The table contained in Exhibit A hereto sets forth certain information with respect to the Underlying REMIC Certificates, including the numerical designations of the Underlying REMIC Trusts, the class designation, the date of issue, the CUSIP number, the interest rate, the interest type, the final distribution date, the principal type, the original principal balance of the entire class, the current principal factor for such class and the principal balance of such class contained in the Lower Tier REMIC as of the Issue Date. The table also sets forth the approximate weighted average WAC, approximate weighted average WAM and approximate weighted average CAGE of the Mortgage Loans underlying the related MBS as of the Issue Date, the underlying security type and the related Class Group.

To request further information regarding the Underlying REMIC Certificates and the Trust MBS, telephone Fannie Mae at 1-800-BEST-MBS or 202-752-6547. Other data specific to the Certificates is available in electronic form by calling Fannie Mae at 1-800-752-6440 or 202-752-6000. It should be noted that there may have been material changes in facts and circumstances since the dates the Underlying REMIC Disclosure Documents were prepared, including, but not limited to, changes in prepayment speeds and prevailing interest rates and other economic factors, which may limit the usefulness of the information set forth in such documents.

Final Data Statement

Following the issuance of the Certificates, Fannie Mae will prepare a Final Data Statement setting forth, among other information, the current principal balance of the Trust MBS and Underlying REMIC Certificates as of the Issue Date and, with respect to the Trust MBS, the Pool number, the current WAC (or original WAC, if the current WAC is not available) and the current WAM (or Adjusted WAM, if the current WAM is not available) of the Mortgage Loans underlying each Trust MBS, along with the weighted average of all the current or original WACs and the weighted average of all the current or Adjusted WAMs, based on the current unpaid principal balances of the Mortgage Loans underlying the Trust MBS as of the Issue Date. The Final Data Statement will not accompany this Prospectus Supplement but will be made available by Fannie Mae. To request the Final Data Statement, telephone Fannie Mae at 1-800-BEST-MBS or 202-752-6547. The contents of the Final Data Statement and other data specific to the Certificates are available in electronic form by calling Fannie Mae at 1-800-752-6440 or 202-752-6000.

Distributions of Interest

Categories of Classes

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

<u>Interest Type*</u>	<u>Classes</u>
Fixed Rate	PA, PB, PC, IO, PD, A, Z, B, C, VA, VB and ZA
Accrual	Z and ZA
Inverse Floating Rate	S, SA and SB
Interest Only	IO, S, SA and SB
Principal Only	PO, D and E
No Payment Residual	R and RL

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

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

Interest Accrual Period. Interest to be distributed 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 “Additional Risk Factors—Additional Yield and Prepayment Considerations” herein.

Accrual Classes. The Z and ZA Classes are Accrual Classes. Interest will accrue on the Accrual Classes at the applicable per annum rate set forth on the cover hereof; however, such interest will not be distributed thereon (x) in the case of the Z Class, until the Distribution Date following the Distribution Date on which the principal balance of the A2 Component is reduced to zero and (y) in the case of the ZA Class, until the Distribution Date following the Distribution Date on which the principal balance of the VB Class is reduced to zero. Interest so accrued and unpaid on the Accrual Classes will be added as principal to the respective principal balances thereof on each Distribution Date. Distributions of principal of the Accrual Classes will be made as described herein.

Notional Classes. The IO, S, SA and SB Classes will be Notional Classes. The Notional Classes will have no principal balances and will bear interest at the applicable per annum interest rates set forth on the cover or described herein during each Interest Accrual Period on their respective notional principal balances. The notional principal balance of each Notional Class will be equal to the indicated percentage of the outstanding principal balance of the Class or Classes specified below immediately prior to the related Distribution Date:

<u>Class</u>	<u>Percentage of Principal Balance of Class or Classes</u>
IO	7.1428571429% of PA, PB and PC Classes
S	100% of PO Class
SA	100% of D Class
SB	100% of E Class

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

Inverse Floating Rate Classes. The following Classes will bear interest during their initial Interest Accrual Period at the initial interest rates specified below, and will bear interest during each Interest Accrual Period thereafter, subject to the applicable maximum and minimum interest rates, at rates determined as described below:

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate</u>
S	9.60166%	20.88333%	0.00%	20.88333% – (2.33333333 × COFI)
SA	9.34615%	9.34615%	0.00%	56.07692% – (6.23076925 × COFI)
SB	7.70900%	20.28000%	0.00%	20.28% – (2.6 × COFI)

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

The establishment of each Index value by Fannie Mae and Fannie Mae’s determination of the rate or rates of interest for the applicable Class or Classes for the related Interest Accrual Period shall (in the absence of manifest error) be final and binding. Each such rate of interest may be obtained by telephoning Fannie Mae at 1-800-BEST-MBS or 202-752-6547.

Calculation of COFI

Except as otherwise specified below, the amount of interest which will accrue in respect of the S, SA and SB Classes (the “COFI Classes”) during each Interest Accrual Period following their initial Interest Accrual Period will be determined on the basis of the Eleventh District Cost of Funds Index for the second month next preceding the month in which such Interest Accrual Period commences if such Eleventh District Cost of Funds Index for such second preceding month is published on or before the tenth day of the month in which such Interest Accrual Period commences. For example, if the Eleventh District Cost of Funds Index for May is announced on or before July 10, interest accrued on the COFI Classes for the Interest Accrual Period commencing in July and distributable in August will

be based on the Eleventh District Cost of Funds relating to May. If the Eleventh District Cost of Funds Index for the applicable month is not published on or before the tenth day of the second following month, interest will accrue on the COFI Classes at a rate determined as provided in the REMIC Prospectus under “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—*COFI*.” Under certain circumstances, an alternative index may be applicable to the COFI Classes. A change of index from the Eleventh District Cost of Funds Index to an alternative index will result in a change in the index level, and, particularly if LIBOR is the alternative index, could increase the degree of index volatility.

For information regarding historical values of the Eleventh District Cost of Funds Index as reported by the Federal Home Loan Bank of San Francisco (“FHLBSF”), see “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—*COFI*” in the REMIC Prospectus.

The values of the Eleventh District Cost of Funds Index as reported by the FHLBSF for the period from May 1996 through November 1996 were as follows:

May 1996	4.823%
June 1996	4.809%
July 1996	4.819%
August 1996	4.839%
September 1996	4.834%
October 1996	4.839%
November 1996	4.835%

Distributions of Principal

Categories of Classes and Components

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

<u>Principal Type*</u>	<u>Classes and Components</u>
Group 1 Classes and Components	
PAC	A1, PA, PB, PC and PD
Support	A2 and Z
Sequential Pay	B, C, VA, VB and ZA
Liquid Asset	VA
Accretion Directed	A2, VA and VB
Component	A
Notional	IO
Group 2 Classes	
Structured Collateral/Pass-Through	PO
Notional	S
Group 3 Classes	
Structured Collateral/Pass-Through	D
Notional	SA
Group 4 Classes	
Structured Collateral/Pass-Through	E
Notional	SB
No Payment Residual	R and RL

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

Components. For purposes of calculating payments of principal, the A Class is comprised of two payment Components having the designations and original principal balances set forth below, and

therefore the payment characteristics of the A Class will reflect a combination of the payment characteristics of such Components.

<u>Designation</u>	<u>Original Principal Balance</u>
A1 Component	\$14,356,000
A2 Component	\$26,131,000

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

Principal Distribution Amount

Principal will be distributed monthly on the Certificates in an amount (the “Principal Distribution Amount”) equal to the sum of (i) the aggregate amount distributable as principal of the Trust MBS in such month (the “Group 1 Cash Flow Distribution Amount”) and any interest accrued and added in such month to the principal balances of the Z Class and ZA Class (the “Z Class Accrual Amount” and “ZA Class Accrual Amount,” respectively, and together with the Group 1 Cash Flow Distribution Amount, the “Group 1 Principal Distribution Amount”), (ii) the distribution of principal concurrently made on the Class 1993-137-SA REMIC Certificate (the “Group 2 Principal Distribution Amount”), (iii) the distribution of principal concurrently made on the Class 1993-155-SA REMIC Certificate (the “Group 3 Principal Distribution Amount”) and (iv) the distribution of principal concurrently made on the Class 1993-223-SB REMIC Certificate (the “Group 4 Principal Distribution Amount”). The portion of each class of Underlying REMIC Certificates held by the Lower Tier REMIC will be as set forth in Exhibit A.

Group 1 Principal Distribution Amount

Z Class Accrual Amount

On each Distribution Date, the Z Class Accrual Amount, if any, will be distributed as principal of the A2 Component, until the principal balance thereof is reduced to zero, and then to the Z Class. } Accretion
Directed
Component
and
Accrual
Class

ZA Class Accrual Amount

On each Distribution Date, the ZA Class Accrual Amount will be distributed, sequentially, as principal of the VA and VB Classes, in that order, until the respective principal balances thereof are reduced to zero, and then to the ZA Class. } Accretion
Directed
and
Accrual
Classes

Group 1 Cash Flow Distribution Amount

(a) On each Distribution Date, 50% of the Group 1 Cash Flow Distribution Amount will be distributed as principal of the Group 1 Classes and Components specified below, in the following order of priority:

- (i) sequentially, to the A1 Component and the PA, PB, PC and PD Classes, in that order, until the principal balances thereof are reduced to their respective Planned Balances for such Distribution Date; } PAC
Classes and
Component
- (ii) sequentially, to the A2 Component and the Z Class, in that order, until the respective principal balances thereof are reduced to zero; and } Support
Class and
Component
- (iii) to the A1 Component and the PA, PB, PC and PD Classes, in that order, without regard to their Planned Balances and until the respective principal balances thereof are reduced to zero. } PAC
Classes and
Component

(b) On each Distribution Date, 50% of the Group 1 Principal Distribution Amount will be distributed, sequentially, as principal of the B, C, VA, VB and ZA Classes, in that order, until the respective principal balances thereof are reduced to zero.

Sequential Pay
Classes

Group 2 Principal Distribution Amount

On each Distribution Date, the Group 2 Principal Distribution Amount will be distributed as principal of the PO Class, until the principal balance thereof is reduced to zero.

Group 3 Principal Distribution Amount

On each Distribution Date, the Group 3 Principal Distribution Amount will be distributed as principal of the D Class, until the principal balance thereof is reduced to zero.

Structured
Collateral/
Pass-Through
Classes

Group 4 Principal Distribution Amount

On each Distribution Date, the Group 4 Principal Distribution Amount will be distributed as principal of the E Class, until the principal balance thereof is reduced to zero.

Structuring Assumptions

Pricing Assumptions. Unless otherwise specified, the information in the tables in this Prospectus Supplement has been prepared on the basis of the actual characteristics of each Pool underlying the Underlying REMIC Certificates, the priority sequences affecting the principal distributions on the Underlying REMIC Certificates and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the Trust MBS have original terms to maturity of 360 months, bear interest at the rate of 7.68% per annum, and the following principal amounts of such Mortgage Loans have the remaining terms to maturity and CAGEs, respectively, as specified below:

Approximate Principal Balance	Approximate Weighted Average Remaining Term to Maturity (in months)	Approximate Calculated Loan Age (in months)
\$10,000,000	360	0
\$20,000,000	359	1
\$30,000,000	358	2
\$20,000,000	356	4
\$56,000,000	350	9
\$44,000,000	343	14
\$20,000,000	338	16

- the Mortgage Loans prepay at the constant percentages of PSA specified in the related table;
- the closing date for the sale of the Certificates is the Settlement Date; and
- the first Distribution Date for the Certificates occurs in the month following the Settlement Date.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used in this Prospectus Supplement is the Public Securities Association’s standard prepayment model (“PSA”). To assume a specified rate of PSA is to assume a specified rate of prepayment each month of the then outstanding principal balance of a pool of new mortgage loans computed as described under “Description of the Certificates—Prepay-

ment Models” in the REMIC Prospectus. It is highly unlikely that prepayments will occur at any *constant* PSA rate or at any other *constant* rate.

Structuring Range. The Principal Balance Schedules have been prepared on the basis of the Pricing Assumptions and the assumption that the Mortgage Loans underlying the Trust MBS prepay at a constant PSA rate within the Structuring Range specified below.

<u>Principal Balance Schedule References</u>	<u>Related Classes and Component</u>	<u>Structuring Range</u>
Planned Balances	PAC	Between 100% and 260%

There is no assurance that the principal balance of any Class or Component listed above will conform on any Distribution Date to the balance specified for such Distribution Date in the Principal Balance Schedules herein, or that distributions of principal on such Class or Component will begin or end on the respective Distribution Dates specified therein. Because any excess of the principal distribution on any Distribution Date over the amount necessary to reduce any such Class or Component to its scheduled balance will be distributed, the ability to reduce such Class or Component will not be enhanced by the averaging of high and low principal payments from month to month. In addition, even if prepayments on the Mortgage Loans underlying the Trust MBS occur at rates falling within the Structuring Range specified above, principal distributions may be insufficient to reduce such Class or Component to its scheduled balance if such prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the Mortgage Loans underlying the Trust MBS (which may include recently originated Mortgage Loans), the Classes and Component specified above may not be reduced to their scheduled balances, even if prepayments occur at a *constant* rate within the Structuring Range specified above.

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

<u>Related Classes and Component</u>	<u>Initial Effective Ranges</u>
A1	Between 100% and 428%
PA	Between 100% and 319%
PB	Between 100% and 261%
PC	Between 100% and 260%
PD	Between 77% and 260%

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

Principal Balance Schedules

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PB Class Planned Balance</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>A1 Component Planned Balance</u>
Initial Balance	\$9,042,000.00	\$18,692,000.00	\$20,212,000.00	\$6,567,000.00	\$14,356,000.00
February 1997	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	14,127,912.74
March 1997	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	13,882,742.05
April 1997	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	13,620,813.38
May 1997	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	13,342,224.05
June 1997	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	13,047,080.01
July 1997	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	12,735,495.78
August 1997	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	12,407,594.35
September 1997	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	12,063,507.14
October 1997	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	11,703,373.92
November 1997	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	11,327,342.67
December 1997	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	10,935,569.57
January 1998	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	10,528,218.82
February 1998	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	10,105,462.57
March 1998	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	9,667,480.79
April 1998	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	9,216,108.36
May 1998	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	8,751,513.13
June 1998	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	8,277,469.83
July 1998	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	7,794,100.16
August 1998	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	7,301,531.02
September 1998	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	6,799,894.37
October 1998	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	6,289,327.21
November 1998	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	5,774,490.44
December 1998	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	5,255,456.05
January 1999	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	4,732,298.99
February 1999	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	4,205,097.10
March 1999	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	3,673,931.07
April 1999	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	3,140,483.07
May 1999	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	2,604,812.88
June 1999	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	2,069,374.11
July 1999	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	1,535,783.88
August 1999	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	1,004,836.95
September 1999	9,042,000.00	18,692,000.00	20,212,000.00	6,567,000.00	476,519.60
October 1999	8,992,818.19	18,692,000.00	20,212,000.00	6,567,000.00	0.00
November 1999	8,469,719.13	18,692,000.00	20,212,000.00	6,567,000.00	0.00
December 1999	7,949,208.92	18,692,000.00	20,212,000.00	6,567,000.00	0.00
January 2000	7,431,274.12	18,692,000.00	20,212,000.00	6,567,000.00	0.00
February 2000	6,915,901.36	18,692,000.00	20,212,000.00	6,567,000.00	0.00
March 2000	6,403,077.33	18,692,000.00	20,212,000.00	6,567,000.00	0.00
April 2000	5,892,788.82	18,692,000.00	20,212,000.00	6,567,000.00	0.00
May 2000	5,385,022.64	18,692,000.00	20,212,000.00	6,567,000.00	0.00
June 2000	4,879,765.71	18,692,000.00	20,212,000.00	6,567,000.00	0.00
July 2000	4,377,004.99	18,692,000.00	20,212,000.00	6,567,000.00	0.00
August 2000	3,876,727.52	18,692,000.00	20,212,000.00	6,567,000.00	0.00
September 2000	3,378,920.40	18,692,000.00	20,212,000.00	6,567,000.00	0.00
October 2000	2,883,570.81	18,692,000.00	20,212,000.00	6,567,000.00	0.00
November 2000	2,390,665.97	18,692,000.00	20,212,000.00	6,567,000.00	0.00
December 2000	1,900,193.19	18,692,000.00	20,212,000.00	6,567,000.00	0.00
January 2001	1,412,139.83	18,692,000.00	20,212,000.00	6,567,000.00	0.00
February 2001	926,493.33	18,692,000.00	20,212,000.00	6,567,000.00	0.00
March 2001	443,241.18	18,692,000.00	20,212,000.00	6,567,000.00	0.00
April 2001	0.00	18,654,370.94	20,212,000.00	6,567,000.00	0.00

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PB Class Planned Balance</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>A1 Component Planned Balance</u>
May 2001	\$ 0.00	\$18,175,870.24	\$20,212,000.00	\$6,567,000.00	\$ 0.00
June 2001	0.00	17,699,726.75	20,212,000.00	6,567,000.00	0.00
July 2001	0.00	17,225,928.23	20,212,000.00	6,567,000.00	0.00
August 2001	0.00	16,754,462.49	20,212,000.00	6,567,000.00	0.00
September 2001	0.00	16,285,317.41	20,212,000.00	6,567,000.00	0.00
October 2001	0.00	15,818,480.92	20,212,000.00	6,567,000.00	0.00
November 2001	0.00	15,353,941.03	20,212,000.00	6,567,000.00	0.00
December 2001	0.00	14,891,685.79	20,212,000.00	6,567,000.00	0.00
January 2002	0.00	14,431,703.33	20,212,000.00	6,567,000.00	0.00
February 2002	0.00	13,973,981.83	20,212,000.00	6,567,000.00	0.00
March 2002	0.00	13,518,509.53	20,212,000.00	6,567,000.00	0.00
April 2002	0.00	13,065,274.74	20,212,000.00	6,567,000.00	0.00
May 2002	0.00	12,614,265.81	20,212,000.00	6,567,000.00	0.00
June 2002	0.00	12,165,471.19	20,212,000.00	6,567,000.00	0.00
July 2002	0.00	11,718,879.34	20,212,000.00	6,567,000.00	0.00
August 2002	0.00	11,274,478.81	20,212,000.00	6,567,000.00	0.00
September 2002	0.00	10,832,258.20	20,212,000.00	6,567,000.00	0.00
October 2002	0.00	10,392,206.18	20,212,000.00	6,567,000.00	0.00
November 2002	0.00	9,954,311.45	20,212,000.00	6,567,000.00	0.00
December 2002	0.00	9,518,562.79	20,212,000.00	6,567,000.00	0.00
January 2003	0.00	9,084,949.04	20,212,000.00	6,567,000.00	0.00
February 2003	0.00	8,653,459.09	20,212,000.00	6,567,000.00	0.00
March 2003	0.00	8,224,081.87	20,212,000.00	6,567,000.00	0.00
April 2003	0.00	7,796,806.41	20,212,000.00	6,567,000.00	0.00
May 2003	0.00	7,371,621.75	20,212,000.00	6,567,000.00	0.00
June 2003	0.00	6,948,517.02	20,212,000.00	6,567,000.00	0.00
July 2003	0.00	6,527,481.38	20,212,000.00	6,567,000.00	0.00
August 2003	0.00	6,108,504.07	20,212,000.00	6,567,000.00	0.00
September 2003	0.00	5,691,574.37	20,212,000.00	6,567,000.00	0.00
October 2003	0.00	5,276,681.60	20,212,000.00	6,567,000.00	0.00
November 2003	0.00	4,863,815.18	20,212,000.00	6,567,000.00	0.00
December 2003	0.00	4,452,964.54	20,212,000.00	6,567,000.00	0.00
January 2004	0.00	4,044,119.18	20,212,000.00	6,567,000.00	0.00
February 2004	0.00	3,637,268.67	20,212,000.00	6,567,000.00	0.00
March 2004	0.00	3,232,402.60	20,212,000.00	6,567,000.00	0.00
April 2004	0.00	2,829,510.65	20,212,000.00	6,567,000.00	0.00
May 2004	0.00	2,428,582.52	20,212,000.00	6,567,000.00	0.00
June 2004	0.00	2,029,607.98	20,212,000.00	6,567,000.00	0.00
July 2004	0.00	1,632,576.86	20,212,000.00	6,567,000.00	0.00
August 2004	0.00	1,237,479.02	20,212,000.00	6,567,000.00	0.00
September 2004	0.00	844,304.38	20,212,000.00	6,567,000.00	0.00
October 2004	0.00	453,042.94	20,212,000.00	6,567,000.00	0.00
November 2004	0.00	63,684.70	20,212,000.00	6,567,000.00	0.00
December 2004	0.00	0.00	19,888,219.76	6,567,000.00	0.00
January 2005	0.00	0.00	19,502,638.23	6,567,000.00	0.00
February 2005	0.00	0.00	19,118,930.31	6,567,000.00	0.00
March 2005	0.00	0.00	18,737,086.21	6,567,000.00	0.00
April 2005	0.00	0.00	18,357,096.22	6,567,000.00	0.00
May 2005	0.00	0.00	17,978,950.68	6,567,000.00	0.00
June 2005	0.00	0.00	17,602,639.95	6,567,000.00	0.00
July 2005	0.00	0.00	17,228,154.46	6,567,000.00	0.00
August 2005	0.00	0.00	16,855,567.77	6,567,000.00	0.00

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PB Class Planned Balance</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>A1 Component Planned Balance</u>
September 2005.....	\$ 0.00	\$ 0.00	\$16,488,508.49	\$6,567,000.00	\$ 0.00
October 2005	0.00	0.00	16,126,896.73	6,567,000.00	0.00
November 2005	0.00	0.00	15,770,653.76	6,567,000.00	0.00
December 2005	0.00	0.00	15,419,701.97	6,567,000.00	0.00
January 2006	0.00	0.00	15,073,964.85	6,567,000.00	0.00
February 2006	0.00	0.00	14,733,366.97	6,567,000.00	0.00
March 2006	0.00	0.00	14,397,834.00	6,567,000.00	0.00
April 2006.....	0.00	0.00	14,067,292.64	6,567,000.00	0.00
May 2006	0.00	0.00	13,741,670.68	6,567,000.00	0.00
June 2006	0.00	0.00	13,420,896.89	6,567,000.00	0.00
July 2006	0.00	0.00	13,104,901.09	6,567,000.00	0.00
August 2006	0.00	0.00	12,793,614.09	6,567,000.00	0.00
September 2006.....	0.00	0.00	12,486,967.69	6,567,000.00	0.00
October 2006	0.00	0.00	12,184,894.66	6,567,000.00	0.00
November 2006	0.00	0.00	11,887,328.74	6,567,000.00	0.00
December 2006	0.00	0.00	11,594,204.60	6,567,000.00	0.00
January 2007	0.00	0.00	11,305,457.85	6,567,000.00	0.00
February 2007	0.00	0.00	11,021,025.03	6,567,000.00	0.00
March 2007	0.00	0.00	10,740,843.57	6,567,000.00	0.00
April 2007.....	0.00	0.00	10,464,851.80	6,567,000.00	0.00
May 2007	0.00	0.00	10,192,988.93	6,567,000.00	0.00
June 2007	0.00	0.00	9,925,195.05	6,567,000.00	0.00
July 2007	0.00	0.00	9,661,411.09	6,567,000.00	0.00
August 2007	0.00	0.00	9,401,578.83	6,567,000.00	0.00
September 2007.....	0.00	0.00	9,145,640.89	6,567,000.00	0.00
October 2007	0.00	0.00	8,893,540.69	6,567,000.00	0.00
November 2007	0.00	0.00	8,645,222.47	6,567,000.00	0.00
December 2007	0.00	0.00	8,400,631.28	6,567,000.00	0.00
January 2008	0.00	0.00	8,159,712.95	6,567,000.00	0.00
February 2008	0.00	0.00	7,922,414.06	6,567,000.00	0.00
March 2008	0.00	0.00	7,688,681.98	6,567,000.00	0.00
April 2008.....	0.00	0.00	7,458,464.83	6,567,000.00	0.00
May 2008	0.00	0.00	7,231,711.47	6,567,000.00	0.00
June 2008	0.00	0.00	7,008,371.49	6,567,000.00	0.00
July 2008	0.00	0.00	6,788,395.19	6,567,000.00	0.00
August 2008	0.00	0.00	6,571,733.60	6,567,000.00	0.00
September 2008.....	0.00	0.00	6,358,338.45	6,567,000.00	0.00
October 2008	0.00	0.00	6,148,162.14	6,567,000.00	0.00
November 2008	0.00	0.00	5,941,157.78	6,567,000.00	0.00
December 2008	0.00	0.00	5,737,279.12	6,567,000.00	0.00
January 2009	0.00	0.00	5,536,480.61	6,567,000.00	0.00
February 2009	0.00	0.00	5,338,717.33	6,567,000.00	0.00
March 2009	0.00	0.00	5,143,944.99	6,567,000.00	0.00
April 2009.....	0.00	0.00	4,952,119.95	6,567,000.00	0.00
May 2009	0.00	0.00	4,763,199.22	6,567,000.00	0.00
June 2009	0.00	0.00	4,577,140.38	6,567,000.00	0.00
July 2009	0.00	0.00	4,393,901.64	6,567,000.00	0.00
August 2009	0.00	0.00	4,213,441.82	6,567,000.00	0.00
September 2009.....	0.00	0.00	4,035,720.30	6,567,000.00	0.00
October 2009	0.00	0.00	3,860,697.09	6,567,000.00	0.00
November 2009	0.00	0.00	3,688,332.72	6,567,000.00	0.00
December 2009	0.00	0.00	3,518,588.32	6,567,000.00	0.00

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PB Class Planned Balance</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>A1 Component Planned Balance</u>
January 2010	\$ 0.00	\$ 0.00	\$ 3,351,425.57	\$6,567,000.00	\$ 0.00
February 2010	0.00	0.00	3,186,806.70	6,567,000.00	0.00
March 2010	0.00	0.00	3,024,694.47	6,567,000.00	0.00
April 2010	0.00	0.00	2,865,052.19	6,567,000.00	0.00
May 2010	0.00	0.00	2,707,843.70	6,567,000.00	0.00
June 2010	0.00	0.00	2,553,033.34	6,567,000.00	0.00
July 2010	0.00	0.00	2,400,585.98	6,567,000.00	0.00
August 2010	0.00	0.00	2,250,466.98	6,567,000.00	0.00
September 2010	0.00	0.00	2,102,642.20	6,567,000.00	0.00
October 2010	0.00	0.00	1,957,078.01	6,567,000.00	0.00
November 2010	0.00	0.00	1,813,741.24	6,567,000.00	0.00
December 2010	0.00	0.00	1,672,599.20	6,567,000.00	0.00
January 2011	0.00	0.00	1,533,619.68	6,567,000.00	0.00
February 2011	0.00	0.00	1,396,770.93	6,567,000.00	0.00
March 2011	0.00	0.00	1,262,021.65	6,567,000.00	0.00
April 2011	0.00	0.00	1,129,340.99	6,567,000.00	0.00
May 2011	0.00	0.00	998,698.56	6,567,000.00	0.00
June 2011	0.00	0.00	870,064.38	6,567,000.00	0.00
July 2011	0.00	0.00	743,408.92	6,567,000.00	0.00
August 2011	0.00	0.00	618,703.07	6,567,000.00	0.00
September 2011	0.00	0.00	495,918.15	6,567,000.00	0.00
October 2011	0.00	0.00	375,025.87	6,567,000.00	0.00
November 2011	0.00	0.00	255,998.36	6,567,000.00	0.00
December 2011	0.00	0.00	138,808.15	6,567,000.00	0.00
January 2012	0.00	0.00	23,428.18	6,567,000.00	0.00
February 2012	0.00	0.00	0.00	6,476,831.75	0.00
March 2012	0.00	0.00	0.00	6,364,992.58	0.00
April 2012	0.00	0.00	0.00	6,254,884.72	0.00
May 2012	0.00	0.00	0.00	6,146,482.65	0.00
June 2012	0.00	0.00	0.00	6,039,761.17	0.00
July 2012	0.00	0.00	0.00	5,934,695.48	0.00
August 2012	0.00	0.00	0.00	5,831,261.12	0.00
September 2012	0.00	0.00	0.00	5,729,433.98	0.00
October 2012	0.00	0.00	0.00	5,629,190.30	0.00
November 2012	0.00	0.00	0.00	5,530,506.66	0.00
December 2012	0.00	0.00	0.00	5,433,360.00	0.00
January 2013	0.00	0.00	0.00	5,337,727.56	0.00
February 2013	0.00	0.00	0.00	5,243,586.94	0.00
March 2013	0.00	0.00	0.00	5,150,916.03	0.00
April 2013	0.00	0.00	0.00	5,059,693.06	0.00
May 2013	0.00	0.00	0.00	4,969,896.58	0.00
June 2013	0.00	0.00	0.00	4,881,505.43	0.00
July 2013	0.00	0.00	0.00	4,794,498.78	0.00
August 2013	0.00	0.00	0.00	4,708,856.07	0.00
September 2013	0.00	0.00	0.00	4,624,557.07	0.00
October 2013	0.00	0.00	0.00	4,541,581.82	0.00
November 2013	0.00	0.00	0.00	4,459,910.66	0.00
December 2013	0.00	0.00	0.00	4,379,524.21	0.00
January 2014	0.00	0.00	0.00	4,300,403.36	0.00
February 2014	0.00	0.00	0.00	4,222,529.29	0.00
March 2014	0.00	0.00	0.00	4,145,883.46	0.00
April 2014	0.00	0.00	0.00	4,070,447.58	0.00

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PB Class Planned Balance</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>A1 Component Planned Balance</u>
May 2014	\$ 0.00	\$ 0.00	\$ 0.00	\$3,996,203.63	\$ 0.00
June 2014	0.00	0.00	0.00	3,923,133.85	0.00
July 2014	0.00	0.00	0.00	3,851,220.75	0.00
August 2014	0.00	0.00	0.00	3,780,447.08	0.00
September 2014	0.00	0.00	0.00	3,710,795.84	0.00
October 2014	0.00	0.00	0.00	3,642,250.28	0.00
November 2014	0.00	0.00	0.00	3,574,793.90	0.00
December 2014	0.00	0.00	0.00	3,508,410.43	0.00
January 2015	0.00	0.00	0.00	3,443,083.83	0.00
February 2015	0.00	0.00	0.00	3,378,798.30	0.00
March 2015	0.00	0.00	0.00	3,315,538.28	0.00
April 2015	0.00	0.00	0.00	3,253,288.42	0.00
May 2015	0.00	0.00	0.00	3,192,033.60	0.00
June 2015	0.00	0.00	0.00	3,131,758.91	0.00
July 2015	0.00	0.00	0.00	3,072,449.67	0.00
August 2015	0.00	0.00	0.00	3,014,091.41	0.00
September 2015	0.00	0.00	0.00	2,956,669.87	0.00
October 2015	0.00	0.00	0.00	2,900,170.98	0.00
November 2015	0.00	0.00	0.00	2,844,580.90	0.00
December 2015	0.00	0.00	0.00	2,789,885.99	0.00
January 2016	0.00	0.00	0.00	2,736,072.78	0.00
February 2016	0.00	0.00	0.00	2,683,128.02	0.00
March 2016	0.00	0.00	0.00	2,631,038.65	0.00
April 2016	0.00	0.00	0.00	2,579,791.80	0.00
May 2016	0.00	0.00	0.00	2,529,374.78	0.00
June 2016	0.00	0.00	0.00	2,479,775.10	0.00
July 2016	0.00	0.00	0.00	2,430,980.43	0.00
August 2016	0.00	0.00	0.00	2,382,978.63	0.00
September 2016	0.00	0.00	0.00	2,335,757.74	0.00
October 2016	0.00	0.00	0.00	2,289,305.98	0.00
November 2016	0.00	0.00	0.00	2,243,611.73	0.00
December 2016	0.00	0.00	0.00	2,198,663.54	0.00
January 2017	0.00	0.00	0.00	2,154,450.13	0.00
February 2017	0.00	0.00	0.00	2,110,960.39	0.00
March 2017	0.00	0.00	0.00	2,068,183.37	0.00
April 2017	0.00	0.00	0.00	2,026,108.26	0.00
May 2017	0.00	0.00	0.00	1,984,724.44	0.00
June 2017	0.00	0.00	0.00	1,944,021.43	0.00
July 2017	0.00	0.00	0.00	1,903,988.89	0.00
August 2017	0.00	0.00	0.00	1,864,616.66	0.00
September 2017	0.00	0.00	0.00	1,825,894.70	0.00
October 2017	0.00	0.00	0.00	1,787,813.14	0.00
November 2017	0.00	0.00	0.00	1,750,362.23	0.00
December 2017	0.00	0.00	0.00	1,713,532.39	0.00
January 2018	0.00	0.00	0.00	1,677,314.15	0.00
February 2018	0.00	0.00	0.00	1,641,698.21	0.00
March 2018	0.00	0.00	0.00	1,606,675.39	0.00
April 2018	0.00	0.00	0.00	1,572,236.64	0.00
May 2018	0.00	0.00	0.00	1,538,373.05	0.00
June 2018	0.00	0.00	0.00	1,505,075.84	0.00
July 2018	0.00	0.00	0.00	1,472,336.36	0.00
August 2018	0.00	0.00	0.00	1,440,146.07	0.00

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PB Class Planned Balance</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>A1 Component Planned Balance</u>
September 2018.....	\$ 0.00	\$ 0.00	\$ 0.00	\$1,408,496.59	\$ 0.00
October 2018	0.00	0.00	0.00	1,377,379.63	0.00
November 2018	0.00	0.00	0.00	1,346,787.03	0.00
December 2018	0.00	0.00	0.00	1,316,710.77	0.00
January 2019	0.00	0.00	0.00	1,287,142.91	0.00
February 2019	0.00	0.00	0.00	1,258,075.67	0.00
March 2019	0.00	0.00	0.00	1,229,501.35	0.00
April 2019.....	0.00	0.00	0.00	1,201,412.38	0.00
May 2019	0.00	0.00	0.00	1,173,801.30	0.00
June 2019	0.00	0.00	0.00	1,146,660.75	0.00
July 2019	0.00	0.00	0.00	1,119,983.49	0.00
August 2019	0.00	0.00	0.00	1,093,762.37	0.00
September 2019.....	0.00	0.00	0.00	1,067,990.38	0.00
October 2019	0.00	0.00	0.00	1,042,660.57	0.00
November 2019	0.00	0.00	0.00	1,017,766.12	0.00
December 2019	0.00	0.00	0.00	993,300.30	0.00
January 2020	0.00	0.00	0.00	969,256.49	0.00
February 2020	0.00	0.00	0.00	945,628.16	0.00
March 2020	0.00	0.00	0.00	922,408.86	0.00
April 2020.....	0.00	0.00	0.00	899,592.27	0.00
May 2020	0.00	0.00	0.00	877,172.14	0.00
June 2020	0.00	0.00	0.00	855,142.31	0.00
July 2020	0.00	0.00	0.00	833,496.72	0.00
August 2020	0.00	0.00	0.00	812,229.41	0.00
September 2020.....	0.00	0.00	0.00	791,334.48	0.00
October 2020	0.00	0.00	0.00	770,806.14	0.00
November 2020	0.00	0.00	0.00	750,638.68	0.00
December 2020	0.00	0.00	0.00	730,826.47	0.00
January 2021	0.00	0.00	0.00	711,363.97	0.00
February 2021	0.00	0.00	0.00	692,245.71	0.00
March 2021	0.00	0.00	0.00	673,466.32	0.00
April 2021.....	0.00	0.00	0.00	655,020.49	0.00
May 2021	0.00	0.00	0.00	636,903.01	0.00
June 2021	0.00	0.00	0.00	619,108.73	0.00
July 2021	0.00	0.00	0.00	601,632.58	0.00
August 2021	0.00	0.00	0.00	584,469.56	0.00
September 2021.....	0.00	0.00	0.00	567,614.77	0.00
October 2021	0.00	0.00	0.00	551,063.34	0.00
November 2021	0.00	0.00	0.00	534,810.52	0.00
December 2021	0.00	0.00	0.00	518,851.59	0.00
January 2022	0.00	0.00	0.00	503,181.92	0.00
February 2022	0.00	0.00	0.00	487,796.96	0.00
March 2022	0.00	0.00	0.00	472,692.19	0.00
April 2022.....	0.00	0.00	0.00	457,863.20	0.00
May 2022	0.00	0.00	0.00	443,305.63	0.00
June 2022	0.00	0.00	0.00	429,015.16	0.00
July 2022	0.00	0.00	0.00	414,987.58	0.00
August 2022	0.00	0.00	0.00	401,218.71	0.00
September 2022.....	0.00	0.00	0.00	387,704.43	0.00
October 2022	0.00	0.00	0.00	374,440.71	0.00
November 2022	0.00	0.00	0.00	361,423.56	0.00
December 2022	0.00	0.00	0.00	348,649.04	0.00

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PB Class Planned Balance</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>A1 Component Planned Balance</u>
January 2023	\$ 0.00	\$ 0.00	\$ 0.00	\$ 336,113.30	\$ 0.00
February 2023	0.00	0.00	0.00	323,812.52	0.00
March 2023	0.00	0.00	0.00	311,742.94	0.00
April 2023	0.00	0.00	0.00	299,900.88	0.00
May 2023	0.00	0.00	0.00	288,282.68	0.00
June 2023	0.00	0.00	0.00	276,884.77	0.00
July 2023	0.00	0.00	0.00	265,703.60	0.00
August 2023	0.00	0.00	0.00	254,735.70	0.00
September 2023	0.00	0.00	0.00	243,977.64	0.00
October 2023	0.00	0.00	0.00	233,426.04	0.00
November 2023	0.00	0.00	0.00	223,077.58	0.00
December 2023	0.00	0.00	0.00	212,928.98	0.00
January 2024	0.00	0.00	0.00	202,977.01	0.00
February 2024	0.00	0.00	0.00	193,218.49	0.00
March 2024	0.00	0.00	0.00	183,650.30	0.00
April 2024	0.00	0.00	0.00	174,269.35	0.00
May 2024	0.00	0.00	0.00	165,072.61	0.00
June 2024	0.00	0.00	0.00	156,057.08	0.00
July 2024	0.00	0.00	0.00	147,219.81	0.00
August 2024	0.00	0.00	0.00	138,557.91	0.00
September 2024	0.00	0.00	0.00	130,068.52	0.00
October 2024	0.00	0.00	0.00	121,748.82	0.00
November 2024	0.00	0.00	0.00	113,596.05	0.00
December 2024	0.00	0.00	0.00	105,607.47	0.00
January 2025	0.00	0.00	0.00	97,780.39	0.00
February 2025	0.00	0.00	0.00	90,112.16	0.00
March 2025	0.00	0.00	0.00	82,600.18	0.00
April 2025	0.00	0.00	0.00	75,870.71	0.00
May 2025	0.00	0.00	0.00	69,278.70	0.00
June 2025	0.00	0.00	0.00	62,821.90	0.00
July 2025	0.00	0.00	0.00	56,498.07	0.00
August 2025	0.00	0.00	0.00	50,305.04	0.00
September 2025	0.00	0.00	0.00	45,542.81	0.00
October 2025	0.00	0.00	0.00	40,878.75	0.00
November 2025	0.00	0.00	0.00	36,311.24	0.00
December 2025	0.00	0.00	0.00	31,838.68	0.00
January 2026	0.00	0.00	0.00	27,459.49	0.00
February 2026	0.00	0.00	0.00	23,172.13	0.00
March 2026	0.00	0.00	0.00	18,975.09	0.00
April 2026	0.00	0.00	0.00	16,426.69	0.00
May 2026	0.00	0.00	0.00	13,931.69	0.00
June 2026	0.00	0.00	0.00	11,489.19	0.00
July 2026	0.00	0.00	0.00	9,098.32	0.00
August 2026	0.00	0.00	0.00	6,758.23	0.00
September 2026	0.00	0.00	0.00	4,468.07	0.00
October 2026	0.00	0.00	0.00	2,765.42	0.00
November 2026	0.00	0.00	0.00	1,099.33	0.00
December 2026	0.00	0.00	0.00	273.17	0.00
January 2027 and thereafter	0.00	0.00	0.00	0.00	0.00

Yield Tables

General. The tables below indicate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of applicable Classes to various constant percentages of PSA and, where specified, to changes in the applicable Index. The yields set forth in the tables were calculated by determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on the applicable Classes, would cause the discounted present value of such assumed streams of cash flows to equal the assumed aggregate purchase prices of such Classes and converting such monthly rates to corporate bond equivalent rates. Such calculations do not take into account variations that may occur in the interest rates at which investors may be able to reinvest funds received by them as distributions on the Certificates and consequently do not purport to reflect the return on any investment in the Certificates when such reinvestment rates are considered. *There can be no assurance that the pre-tax yields on the Certificates will correspond to any of the pre-tax yields shown herein or that the aggregate purchase prices of the Certificates will be as assumed. In addition, there can be no assurance that the applicable Index will correspond to the levels shown herein. Furthermore, because some of the Mortgage Loans will likely have remaining terms to maturity shorter or longer than those assumed and interest rates higher or lower than those assumed, the principal distributions on the Certificates are likely to differ from those assumed, even if all Mortgage Loans prepay at the indicated constant percentages of PSA. Moreover, it is not likely that the Mortgage Loans will prepay at a constant PSA rate until maturity, that all of such Mortgage Loans will prepay at the same rate or that the level of the applicable Index will remain constant.*

The Interest Only Classes. **The yields to investors in the Interest Only Classes will be very sensitive to the rate of principal payments (including prepayments) of the Mortgage Loans underlying the Trust MBS or the related Underlying REMIC Certificate, as applicable. The Mortgage Loans generally can be prepaid at any time. In addition, the rate of principal payments (including prepayments) of the Mortgage Loans is likely to vary, and may vary considerably, from Pool to Pool. The yield to investors in the Inverse Floating Rate Classes will also be sensitive to the level of the Index. As indicated in the tables below, it is possible that, under certain prepayment and Index scenarios, investors in the Inverse Floating Rate Classes would not fully recoup their initial investments. Further, on the basis of the assumptions described below, the yield to maturity on the IO Class would be 0% if prepayments of the Mortgage Loans underlying the Trust MBS were to occur at a constant rate of approximately 423% PSA. If the actual prepayment rates of the related Mortgage Loans were to exceed the applicable level for as little as one month while equaling such level for the remaining months, the investors in the IO Class would not fully recoup their initial investment.**

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

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

<u>Class</u>	<u>Price*</u>
IO	35.0%
S	10.0%
SA	40.0%
SB	30.0%

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

Sensitivity of the IO Class to Prepayments

	PSA Prepayment Assumption					
	50%	100%	150%	260%	350%	500%
Pre-Tax Yields to Maturity	15.9%	10.1%	10.1%	10.1%	5.2%	(6.0)%

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

COFI	PSA Prepayment Assumption				
	50%	100%	135%	350%	500%
2.835%	171.4%	171.4%	171.4%	64.6%	(77.2)%
4.835%	109.0%	109.0%	109.0%	(9.6)%	*
6.835%	52.8%	52.8%	52.8%	(83.0)%	*
8.950%	*	*	*	*	*

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

Sensitivity of the SA Class to Prepayments and COFI (Pre-Tax Yields to Maturity)

COFI	PSA Prepayment Assumption				
	50%	100%	145%	350%	500%
7.5% and below	23.9%	23.4%	19.6%	(89.6)%	*
8.835%	(5.4)%	(9.0)%	(17.9)%	*	*
9.0%	*	*	*	*	*

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

Sensitivity of the SB Class to Prepayments and COFI (Pre-Tax Yields to Maturity)

COFI	PSA Prepayment Assumption				
	50%	100%	130%	350%	500%
2.835%	45.6%	45.2%	43.8%	(36.5)%	(77.4)%
4.835%	26.2%	24.9%	21.7%	(53.9)%	(98.8)%
6.835%	4.6%	(0.1)%	(7.5)%	(79.6)%	*
7.800%	*	*	*	*	*

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

The Principal Only Classes. The Principal Only Classes will not bear interest. As indicated in the tables below, a low rate of principal payments (including prepayments) on the Mortgage Loans underlying the related Underlying REMIC Certificates, will have a negative effect on the yields to investors in the Principal Only Classes.

The information set forth in the following tables was prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase prices of the Principal Only Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price</u>
PO	45.0%
D	60.0%
E	50.0%

Sensitivity of the PO Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>135%</u>	<u>350%</u>	<u>500%</u>
Pre-Tax Yields to Maturity	3.6%	4.2%	5.0%	94.6%	216.2%

Sensitivity of the D Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>145%</u>	<u>350%</u>	<u>500%</u>
Pre-Tax Yields to Maturity	2.5%	3.2%	5.2%	70.9%	125.7%

Sensitivity of the E Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>130%</u>	<u>350%</u>	<u>500%</u>
Pre-Tax Yields to Maturity	4.0%	5.9%	8.4%	106.1%	162.4%

Weighted Average Lives of the Certificates

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

In general, the weighted average lives of the Certificates will be shortened if the level of prepayments of principal of the related Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including the timing of changes in such rate of principal payments, the priority sequence of distributions of principal of the Group 1 Classes and Components and, in the case of the Group 2, Group 3 and Group 4 Classes, the priority sequences of distributions of principal of the related Underlying REMIC Certificates. The weighted average life of the Support Class will also depend on the distribution of principal of the PAC Classes and Component in accordance with the Principal Balance Schedules. In particular, if the amount distributable as principal of the PAC Classes and Component on any Distribution Date exceeds the amount required to reduce such Classes and Component to their scheduled balances as set forth in the Principal Balance Schedules, such excess principal will be distributed on the Support Class and Component on such Distribution Date. Conversely, if the principal distributable on any Distribution Date is less than the amount so required to reduce the PAC Classes and Component to their scheduled balances, no principal will be distributed on the Support Class or Component on such Distribution Date.

Accordingly, the rate of principal payments on the Mortgage Loans underlying the Trust MBS is expected to have a greater effect on the weighted average life of the Support Class than on the weighted average lives of the PAC Classes. See “Distributions of Principal” herein and “Description of the Certificates—Distributions of Principal” in the Underlying REMIC Disclosure Documents.

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

As described under “Distribution of Principal—Components” herein, for purposes of calculating payments of principal, the A Class is comprised of two components. Since such components are not divisible, the payment characteristics of the A Class will reflect a combination of the payment characteristics of such Components.

Decrement Tables

The following tables indicate the percentages of original principal balances of the specified Classes that would be outstanding after each of the dates shown at various constant PSA levels and the corresponding weighted average lives of such Classes. The tables have been prepared on the basis of the Pricing Assumptions, except that with respect to the information set forth for each such Class under 0% PSA it has been assumed that the underlying Mortgage Loans have the original and remaining terms to maturity and bear interest at the per annum rates specified below:

Mortgage Loans relating to Trust MBS and Underlying REMIC Trusts specified below	Original Terms to Maturity	Remaining Terms to Maturity	Interest Rates	Related Groups
Trust MBS	360 months	360 months	9.5%	Group 1
1993-137	360 months	319 months	9.5%	Group 2
1993-155	360 months	320 months	9.5%	Group 3
1993-223	360 months	323 months	9.0%	Group 4

It is not likely that (i) all of the underlying Mortgage Loans will have the interest rates, CAGEs or remaining terms to maturity assumed or (ii) the underlying Mortgage Loans will prepay at a constant PSA level. In addition, the diverse remaining terms to maturity of the Mortgage Loans could produce slower or faster principal distributions than indicated in the tables at the specified constant PSA levels, even if the distributions of the weighted average remaining terms to maturity and the weighted average CAGEs of the Mortgage Loans are identical to the distributions of the remaining terms to maturity and CAGEs specified in the Pricing Assumptions.

Percent of Original Principal Balances Outstanding

Date	PA Class						PB Class						PC Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	150%	260%	350%	500%	0%	100%	150%	260%	350%	500%	0%	100%	150%	260%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1998	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1999	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 2000	100	82	82	82	82	0	100	100	100	100	100	90	100	100	100	100	100	100
January 2001	100	16	16	16	0	0	100	100	100	100	94	18	100	100	100	100	100	100
January 2002	100	0	0	0	0	0	100	77	77	77	42	0	100	100	100	100	100	71
January 2003	100	0	0	0	0	0	100	49	49	49	1	0	100	100	100	100	100	39
January 2004	100	0	0	0	0	0	100	22	22	22	0	0	100	100	100	100	71	16
January 2005	100	0	0	0	0	0	100	0	0	0	0	0	100	96	96	96	48	1
January 2006	100	0	0	0	0	0	100	0	0	0	0	0	100	75	75	75	30	0
January 2007	100	0	0	0	0	0	100	0	0	0	0	0	100	56	56	56	16	0
January 2008	100	0	0	0	0	0	100	0	0	0	0	0	100	40	40	40	5	0
January 2009	100	0	0	0	0	0	100	0	0	0	0	0	100	27	27	27	0	0
January 2010	92	0	0	0	0	0	100	0	0	0	0	0	100	17	17	17	0	0
January 2011	69	0	0	0	0	0	100	0	0	0	0	0	100	8	8	8	0	0
January 2012	43	0	0	0	0	0	100	0	0	0	0	0	100	*	*	*	0	0
January 2013	15	0	0	0	0	0	100	0	0	0	0	0	100	0	0	0	0	0
January 2014	0	0	0	0	0	0	92	0	0	0	0	0	100	0	0	0	0	0
January 2015	0	0	0	0	0	0	76	0	0	0	0	0	100	0	0	0	0	0
January 2016	0	0	0	0	0	0	58	0	0	0	0	0	100	0	0	0	0	0
January 2017	0	0	0	0	0	0	38	0	0	0	0	0	100	0	0	0	0	0
January 2018	0	0	0	0	0	0	16	0	0	0	0	0	100	0	0	0	0	0
January 2019	0	0	0	0	0	0	0	0	0	0	0	0	92	0	0	0	0	0
January 2020	0	0	0	0	0	0	0	0	0	0	0	0	68	0	0	0	0	0
January 2021	0	0	0	0	0	0	0	0	0	0	0	0	41	0	0	0	0	0
January 2022	0	0	0	0	0	0	0	0	0	0	0	0	12	0	0	0	0	0
January 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	14.7	3.5	3.5	3.5	3.4	2.6	19.3	6.0	6.0	6.0	4.9	3.5	23.6	10.7	10.7	10.7	8.2	5.8

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

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

Date	IO† Class						PD Class						A Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	150%	260%	350%	500%	0%	100%	150%	260%	350%	500%	0%	100%	150%	260%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1998	100	100	100	100	100	100	100	100	100	100	100	100	98	90	86	78	72	61
January 1999	100	100	100	100	100	100	100	100	100	100	100	100	95	74	65	46	30	12
January 2000	100	97	97	97	97	77	100	100	100	100	100	100	92	62	47	17	0	0
January 2001	100	84	84	84	79	49	100	100	100	100	100	100	89	61	41	3	0	0
January 2002	100	72	72	72	58	30	100	100	100	100	100	100	86	59	36	0	0	0
January 2003	100	61	61	61	42	16	100	100	100	100	100	100	82	58	32	0	0	0
January 2004	100	51	51	51	30	7	100	100	100	100	100	100	78	57	29	0	0	0
January 2005	100	41	41	41	20	*	100	100	100	100	100	100	73	55	26	0	0	0
January 2006	100	31	31	31	13	0	100	100	100	100	100	71	69	54	23	0	0	0
January 2007	100	24	24	24	7	0	100	100	100	100	100	49	63	51	20	0	0	0
January 2008	100	17	17	17	2	0	100	100	100	100	100	33	58	47	16	0	0	0
January 2009	100	12	12	12	0	0	100	100	100	100	88	23	51	42	11	0	0	0
January 2010	99	7	7	7	0	0	100	100	100	100	67	15	46	37	7	0	0	0
January 2011	94	3	3	3	0	0	100	100	100	100	51	10	44	31	1	0	0	0
January 2012	89	*	*	*	0	0	100	100	100	100	39	7	42	24	0	0	0	0
January 2013	84	0	0	0	0	0	100	81	81	81	30	5	39	17	0	0	0	0
January 2014	78	0	0	0	0	0	100	65	65	65	22	3	36	10	0	0	0	0
January 2015	72	0	0	0	0	0	100	52	52	52	17	2	34	3	0	0	0	0
January 2016	65	0	0	0	0	0	100	42	42	42	12	1	30	0	0	0	0	0
January 2017	57	0	0	0	0	0	100	33	33	33	9	1	27	0	0	0	0	0
January 2018	48	0	0	0	0	0	100	26	26	26	7	1	23	0	0	0	0	0
January 2019	39	0	0	0	0	0	100	20	20	20	5	*	20	0	0	0	0	0
January 2020	29	0	0	0	0	0	100	15	15	15	3	*	15	0	0	0	0	0
January 2021	17	0	0	0	0	0	100	11	11	11	2	*	11	0	0	0	0	0
January 2022	5	0	0	0	0	0	100	8	8	8	2	*	6	0	0	0	0	0
January 2023	0	0	0	0	0	0	36	5	5	5	1	*	1	0	0	0	0	0
January 2024	0	0	0	0	0	0	3	3	3	3	1	*	0	0	0	0	0	0
January 2025	0	0	0	0	0	0	1	1	1	1	*	*	0	0	0	0	0	0
January 2026	0	0	0	0	0	0	*	*	*	*	*	*	0	0	0	0	0	0
January 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	20.3	7.5	7.5	7.5	6.0	4.3	25.9	19.1	19.1	19.1	15.1	10.7	13.6	8.8	4.9	1.9	1.5	1.2

Date	Z Class						B Class						C Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	150%	260%	350%	500%	0%	100%	150%	350%	500%	0%	100%	150%	350%	500%	0%	100%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1998	107	107	107	107	107	107	99	93	90	79	70	100	100	100	100	100	100	100
January 1999	115	115	115	115	115	71	97	81	74	47	28	100	100	100	100	100	100	100
January 2000	123	123	123	123	78	0	96	69	58	16	0	100	100	100	100	83	83	83
January 2001	132	132	132	132	0	0	94	57	42	0	0	100	100	100	100	85	34	34
January 2002	142	142	142	90	0	0	93	46	28	0	0	100	100	100	50	0	0	0
January 2003	152	152	152	43	0	0	91	36	16	0	0	100	100	100	22	0	0	0
January 2004	163	163	163	14	0	0	89	26	4	0	0	100	100	100	0	0	0	0
January 2005	175	175	175	2	0	0	86	17	0	0	0	100	100	89	0	0	0	0
January 2006	187	187	187	0	0	0	84	9	0	0	0	100	100	71	0	0	0	0
January 2007	201	201	201	0	0	0	81	*	0	0	0	100	100	55	0	0	0	0
January 2008	215	215	215	0	0	0	78	0	0	0	0	100	86	40	0	0	0	0
January 2009	231	231	231	0	0	0	75	0	0	0	0	100	72	27	0	0	0	0
January 2010	248	248	248	0	0	0	71	0	0	0	0	100	59	15	0	0	0	0
January 2011	266	266	266	0	0	0	67	0	0	0	0	100	47	4	0	0	0	0
January 2012	285	285	254	0	0	0	62	0	0	0	0	100	35	0	0	0	0	0
January 2013	305	305	230	0	0	0	57	0	0	0	0	100	24	0	0	0	0	0
January 2014	328	328	206	0	0	0	52	0	0	0	0	100	14	0	0	0	0	0
January 2015	351	351	184	0	0	0	46	0	0	0	0	100	4	0	0	0	0	0
January 2016	377	336	161	0	0	0	39	0	0	0	0	100	0	0	0	0	0	0
January 2017	404	300	140	0	0	0	32	0	0	0	0	100	0	0	0	0	0	0
January 2018	433	264	120	0	0	0	24	0	0	0	0	100	0	0	0	0	0	0
January 2019	464	228	102	0	0	0	16	0	0	0	0	100	0	0	0	0	0	0
January 2020	498	194	84	0	0	0	6	0	0	0	0	100	0	0	0	0	0	0
January 2021	534	160	68	0	0	0	0	0	0	0	0	92	0	0	0	0	0	0
January 2022	573	127	52	0	0	0	0	0	0	0	0	70	0	0	0	0	0	0
January 2023	614	95	38	0	0	0	0	0	0	0	0	46	0	0	0	0	0	0
January 2024	521	64	25	0	0	0	0	0	0	0	0	19	0	0	0	0	0	0
January 2025	364	34	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2026	191	11	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.3	23.6	20.7	5.6	3.1	2.1	15.9	4.9	3.6	1.9	1.5	25.8	13.9	10.5	5.1	3.7		

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

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

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

Date	VA Class					VB Class					ZA Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	150%	350%	500%	0%	100%	150%	350%	500%	0%	100%	150%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1998	81	81	81	81	81	100	100	100	100	100	107	107	107	107	107
January 1999	61	61	61	61	61	100	100	100	100	100	115	115	115	115	115
January 2000	40	40	40	40	40	100	100	100	100	100	123	123	123	123	123
January 2001	17	17	17	17	17	100	100	100	100	100	132	132	132	132	132
January 2002	0	0	0	0	0	99	99	99	99	98	142	142	142	142	142
January 2003	0	0	0	0	0	94	94	94	94	44	152	152	152	152	152
January 2004	0	0	0	0	0	90	90	90	89	5	163	163	163	163	163
January 2005	0	0	0	0	0	84	84	84	48	0	175	175	175	175	120
January 2006	0	0	0	0	0	79	79	79	15	0	187	187	187	187	82
January 2007	0	0	0	0	0	73	73	73	0	0	201	201	201	171	56
January 2008	0	0	0	0	0	67	67	67	0	0	215	215	215	132	39
January 2009	0	0	0	0	0	60	60	60	0	0	231	231	231	102	26
January 2010	0	0	0	0	0	53	53	53	0	0	248	248	248	78	18
January 2011	0	0	0	0	0	45	45	45	0	0	266	266	266	60	12
January 2012	0	0	0	0	0	37	37	24	0	0	285	285	285	45	8
January 2013	0	0	0	0	0	28	28	0	0	0	305	305	296	34	5
January 2014	0	0	0	0	0	18	18	0	0	0	328	328	258	26	4
January 2015	0	0	0	0	0	8	8	0	0	0	351	351	222	19	2
January 2016	0	0	0	0	0	0	0	0	0	0	369	344	190	14	2
January 2017	0	0	0	0	0	0	0	0	0	0	369	302	162	11	1
January 2018	0	0	0	0	0	0	0	0	0	0	369	262	136	8	1
January 2019	0	0	0	0	0	0	0	0	0	0	369	224	112	6	*
January 2020	0	0	0	0	0	0	0	0	0	0	369	188	91	4	*
January 2021	0	0	0	0	0	0	0	0	0	0	369	153	72	3	*
January 2022	0	0	0	0	0	0	0	0	0	0	369	121	55	2	*
January 2023	0	0	0	0	0	0	0	0	0	0	369	90	40	1	*
January 2024	0	0	0	0	0	0	0	0	0	0	369	60	26	1	*
January 2025	0	0	0	0	0	0	0	0	0	0	323	32	13	*	*
January 2026	0	0	0	0	0	0	0	0	0	0	169	10	4	*	*
January 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	2.5	2.5	2.5	2.5	2.5	12.8	12.8	12.2	7.9	5.9	28.9	23.4	21.1	13.2	9.8

Date	PO and S† Classes					D and SA† Classes					E and SB† Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	135%	350%	500%	0%	100%	145%	350%	500%	0%	100%	130%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
January 1998	100	100	100	52	0	100	100	100	33	33	100	100	100	35	35
January 1999	100	100	100	0	0	100	100	100	19	0	100	100	100	22	22
January 2000	100	100	100	0	0	100	100	97	0	0	100	100	100	13	0
January 2001	100	100	100	0	0	100	100	93	0	0	100	100	100	6	0
January 2002	100	100	100	0	0	100	100	90	0	0	100	100	100	1	0
January 2003	100	100	100	0	0	100	100	87	0	0	100	100	100	0	0
January 2004	100	100	100	0	0	100	100	82	0	0	100	100	93	0	0
January 2005	100	100	100	0	0	100	100	76	0	0	100	100	65	0	0
January 2006	100	100	100	0	0	100	100	68	0	0	100	100	34	0	0
January 2007	100	100	100	0	0	100	100	59	0	0	100	100	1	0	0
January 2008	100	100	100	0	0	100	100	50	0	0	100	85	0	0	0
January 2009	100	100	100	0	0	100	100	39	0	0	100	47	0	0	0
January 2010	100	100	100	0	0	100	100	26	0	0	100	9	0	0	0
January 2011	100	100	100	0	0	100	91	13	0	0	100	0	0	0	0
January 2012	100	100	81	0	0	100	73	*	0	0	100	0	0	0	0
January 2013	100	100	57	0	0	100	56	0	0	0	100	0	0	0	0
January 2014	100	100	33	0	0	100	39	0	0	0	100	0	0	0	0
January 2015	100	93	11	0	0	100	22	0	0	0	100	0	0	0	0
January 2016	100	62	0	0	0	100	5	0	0	0	100	0	0	0	0
January 2017	100	32	0	0	0	100	0	0	0	0	100	0	0	0	0
January 2018	100	3	0	0	0	100	0	0	0	0	100	0	0	0	0
January 2019	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
January 2020	100	0	0	0	0	100	0	0	0	0	81	0	0	0	0
January 2021	100	0	0	0	0	95	0	0	0	0	0	0	0	0	0
January 2022	100	0	0	0	0	29	0	0	0	0	0	0	0	0	0
January 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
January 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	25.5	19.4	16.3	1.0	0.6	24.7	16.4	10.3	1.0	0.6	23.3	11.9	8.5	1.2	0.9

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

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

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

Characteristics of the R and RL Classes

The R and RL Classes will have no principal balances 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 the Holder of the RL Class will be entitled to receive the proceeds of the remaining assets of the Lower Tier REMIC, if any, after the principal balances of the Lower Tier Regular Interests have been reduced to zero. It is not anticipated that there will be any material assets remaining in either such circumstance.

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

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

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

The following tax discussion, when read in conjunction with the discussion of “Certain Federal Income Tax Consequences” in the 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 Elections and Special Tax Attributes

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

As a consequence of the qualification of the Lower Tier REMIC and the Trust as REMICs, the Certificates generally will be treated as “regular or residual interests in a REMIC” for domestic building and loan associations, “real estate assets” for real estate investment trusts, and, except for the R and RL Classes, as “qualified mortgages” for other REMICs. The Small Business Job Protection Act of 1996 repeals the bad debt reserve method of accounting for mutual savings banks and domestic building and loan associations for tax years beginning after December 31, 1995. As a

result, section 593(d) of the Code is no longer applicable to treat the Certificates as “qualifying real property loans.” See “Certain Federal Income Tax Consequences—Special Tax Attributes” in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Classes, the Principal Only Classes and the Accrual Classes will be, and certain other Classes of REMIC Certificates may be, issued with original issue discount (“OID”) 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 150% PSA in the case of the Group 1 Classes, 135% PSA in the case of the Group 2 Classes, 145% PSA in the case of the Group 3 Classes and 130% PSA in the case of the Group 4 Classes. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Original Issue Discount*” in the REMIC Prospectus. No representation is made as to whether the Mortgage Loans underlying the MBS will prepay at any of those rates or any other rate. See “Description of the Certificates—Weighted Average Lives of the Certificates” herein and “Description of the Certificates—Weighted Average Life and Final Distribution Dates” in the REMIC Prospectus. In addition, certain Classes of Certificates may be treated as having been issued at a premium for federal income tax purposes. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Certificates Purchased at a Premium*” in the REMIC Prospectus.

Taxation of Beneficial Owners of Residual Certificates

Under the Regulations, neither the R Class nor the RL Class will have significant value. Special rules regarding the treatment of “excess inclusions” by certain thrift institutions no longer apply because of the amendment of section 593 of the Code by the Small Business Job Protection Act of 1996. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates—*Excess Inclusions*” in the REMIC Prospectus.

For purposes of determining the portion of the taxable income of the Trust (or the Lower Tier REMIC) that generally will not be treated as excess inclusions, the rate to be used is 7.66% (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 REMIC Prospectus. The federal income tax consequences of any consideration paid to a transferee on the transfer of an R or RL Certificate are unclear; any transferee receiving such consideration should consult its own tax advisors.

Fannie Mae intends to determine the accruals of OID on the Underlying REMIC Certificates using the same Prepayment Assumption, as provided above, that will be used to determine the accruals of OID on the related Regular Certificates. The IRS, however, could take the position that the proper Prepayment Assumption to be used with respect to the Underlying REMIC Certificates is the Prepayment Assumption set forth in the related Underlying REMIC Disclosure Documents. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates—*Taxable Income or Net Loss of a REMIC Trust*” in the REMIC Prospectus.

PLAN OF DISTRIBUTION

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

Increase in Certificates. Before the Settlement Date, Fannie Mae and the Dealer may agree to offer hereby Group 1 Certificates in addition to those contemplated as of the date hereof. In such

event, the Trust MBS will be increased in principal balance, but it is expected that all such additional Trust MBS will have the same characteristics as described herein under “Description of the Certificates—The Trust MBS.” The proportion that the original principal balance of each Group 1 Class and Component bears to the aggregate original principal balance of all Group 1 Classes will remain the same. In addition, the dollar amounts reflected in the Principal Balance Schedules will be increased in pro rata amounts that correspond to the increase of the principal balances of the PAC Classes and Component.

LEGAL MATTERS

Certain legal matters will be passed upon for the Dealer by Cleary, Gottlieb, Steen and Hamilton.

Exhibit A

Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type (1)	Final Distribution Date	Principal Type (1)	Original Principal Balance of Class	January 1997 Class Factor	Principal Balance in the Lower Tier REMIC	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average CAGE (in months)	Underlying Security Type	Class Group
1993-137	SA	August 1993	31359BW94	(2)	INV	August 2023	TAC	\$ 8,699,100	0.92526240	\$ 7,910,993.52	7.560%	304	47	MBS	2
1993-155	SA	September 1993	31359DM75	(2)	INV	September 2023	TAC	16,081,800	0.92055386	14,804,163.07	7.522	309	42	MBS	3
1993-223	SB	December 1993	31359FTX6	(2)	INV	December 2023	SCH	24,707,224	0.97214726	13,762,905.55	7.068	312	41	MBS	4

(1) See “Description of the Certificates—Class Definitions and Abbreviations” in the REMIC Prospectus.

(2) These Classes bear interest during their respective interest accrual periods, subject to the applicable maximum and minimum interest rates, as further described in the related Underlying REMIC Disclosure Documents.

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

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\$236,478,061



FannieMae

**Guaranteed
REMIC Pass-Through
Certificates**

**Fannie Mae REMIC Trust
1997-3**

PROSPECTUS SUPPLEMENT

PaineWebber Incorporated

December 30, 1996