Prospectus Supplement
(To Prospectus dated June 14, 1996)

$732,000,000

FannieMae

Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 1997-11

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 1997-11 (the "Trust"). The assets of the Trust will include the "regular interests" in a separate trust fund (the "Lower Tier REMIC"). The assets of the Lower Tier REMIC will include (i) certain groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (collectively, the "Trust MBS") and (ii) certain Fannie Mae Stripped Mortgage-Backed Securities specified herein (the "SMBS") evidencing beneficial ownership interests in certain principal and interest distributions made in respect of certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (together with the Trust MBS, the "MBS") held in the form of a Fannie Mae Guaranteed MBS Pass-Through Certificate (the "Mega Certificate"). Each MBS represents a beneficial 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
A	$134,987,000	SEQ	7.000%	FIX	31359NTE1	December 2022	Y	$ 23,107,000	SEQ	7.000%	FIX	31359NTS0	November 2019
B	59,187,000	SEQ	7.000	FIX	31359NTF8	March 2019	L	43,173,000	SEQ	9.000	FIX	31359NTT8	January 2023
C	29,011,000	SEQ	7.000	FIX	31359NTG6	May 2024	M	1,798,000	SEQ	9.000	FIX	31359NTU5	May 2023
D	22,055,000	SEQ	7.000	FIX	31359NTH4	April 2025	N	32,121,000	SEQ	7.500	FIX	31359NTV3	October 2024
E	54,760,000	SEQ	7.000	FIX	31359NTJ0	March 2027	T	25,153,000	SEQ	7.500	FIX	31359NTW1	October 2025
G	75,373,000	TAC	7.000	FIX	31359NTK7	November 2022	U	6,127,000	SEQ/AD/LIQ	6.875	FIX	31359NTX9	February 2002
H	26,345,000	TAC	7.000	FIX	31359NTL5	August 2025	V	10,102,000	SEQ/AD	7.000	FIX	31359NTY7	September 2007
F	8,988,000	SUP	(2)	FLT	31359NTM3	October 2025	AB	13,594,000	SEQ/AD	7.250	FIX	31359NTZ4	September 2012
S	2,568,000	SUP	(2)	INV	31359NTN1	October 2025	AC	(3)	NTL	7.500	FIX/IO	31359NUA7	September 2012
J	18,726,000	SEQ	7.000	FIX	31359NTP6	February 2027	Z	13,518,000	SEQ	7.500	Z/FIX	31359NUB5	March 2027
K	78,004,000	SEQ	7.125	FIX	31359NTQ4	May 2023	R	0	NPR	0	NPR	31359NUC3	March 2027
W	53,303,000	SEQ	7.000	FIX	31359NTR2	May 2023	RL	0	NPR	0	NPR	31359NUD1	March 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) These Classes will bear interest based on "LIBOR" as described under "Description of the Certificates—Distributions of Interest" herein and "Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes" in the REMIC Prospectus.
(3) The AC Class will be a Notional Class, will not have a principal balance and will bear interest on its notional principal balance (initially, $1,637,183). The notional principal balance of the Notional Class will be calculated based upon the principal balances of the Classes specified herein. See "Description of the Certificates—Distributions of Interest—*Notional Class*" herein.

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

The Certificates will be offered by the Dealer, subject to issuance by Fannie Mae, to prior sale or to withdrawal or modification of the offer without notice, when, as and if delivered to and accepted by the Dealer, and subject to approval of certain legal matters by counsel. It is expected that the Certificates, except for the R and RL Classes, will be available through the book-entry facilities of The Depository Trust Company on or about February 28, 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, Three World Financial Center, New York, New York 10285, on or about the Settlement Date.

LEHMAN BROTHERS

January 22, 1997

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The yield to investors in each Class will be sensitive in varying degrees to, among other things, the rate of principal distributions on the MBS included in the related MBS Group (as described herein), 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 yield to investors in each Class will also be sensitive to the purchase price paid for such Class and, in the case of the Floating Rate or 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, 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 the Interest Only Class, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield and, in certain cases, an actual loss on the investment.**
- **The yield on any Floating Rate or Inverse Floating Rate Class will be sensitive to the level of the Index. See "Description of the Certificates—Distributions of Interest—*Floating Rate and Inverse Floating Rate Classes*" herein.**

See "Risk Factors—Yield Considerations" in the REMIC Prospectus and "Additional Risk Factors—Additional Yield and Prepayment Considerations" herein.

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

- **The actual final payment of any Class will likely occur earlier, and could occur much earlier, than the Final Distribution Date for such Class specified on the cover page. See "Description of the Certificates—Weighted Average Lives of the Certificates" herein and "Description of the Certificates—Weighted Average Life and Final Distribution Dates" in the 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 SMBS Prospectus, the Mega Prospectus 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 Stripped Mortgage-Backed Securities dated July 1, 1996 (the "SMBS Prospectus");
- Fannie Mae's Prospectus for Guaranteed MBS Pass-Through Securities dated October 1, 1996 (the "Mega Prospectus");
- Fannie Mae's Prospectus for Guaranteed Mortgage Pass-Through Certificates dated January 1, 1997 (the "MBS Prospectus"); and
- Fannie Mae's Information Statement dated February 22, 1996 and any supplements thereto (collectively, the "Information Statement").

The SMBS Prospectus, the Mega Prospectus, the MBS Prospectus and the Information Statement are incorporated herein by reference and may be obtained from Fannie Mae by writing or calling its MBS Helpline at 3900 Wisconsin Avenue, N.W., Area 2H-3S, Washington, D.C. 20016 (telephone 1-800-BEST-MBS or 202-752-6547). Such documents may also be obtained from Lehman Brothers Inc. by writing or calling its Registration Department at 536 Broadhollow Road, Melville, New York 11747 (telephone 516-254-7106).

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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 (as of February 1, 1997)

Mortgage Loan Group	Approximate Principal Balance	Approximate Weighted Average Remaining Term to Maturity (in months)	Approximate Calculated Loan Age (in months)	Approximate Weighted Average Coupon
Group 1	$300,000,000	344	16	7.60%
Group 2	$132,000,000	352	8	8.55%
Group 3	$300,000,000	355	4	8.00%

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.

Interest Rates

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

The Floating Rate and Inverse Floating Rate Classes will bear interest during the initial Interest Accrual Period at the initial interest rates set forth 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:

Class	Initial Interest Rate	Maximum Interest Rate	Minimum Interest Rate	Formula for Calculation of Interest Rate
F	6.63750%	9.0%	1.2%	LIBOR + 120 basis points
S	8.26875%	27.3%	0.0%	27.3% − (3.5 × LIBOR)

See "Description of the Certificates—Distributions of Interest—Floating Rate and Inverse Floating Rate Classes" herein.

Notional Class

The notional principal balance of the Notional Class will be equal to (x) the sum of the indicated percentages of the respective outstanding principal balances of the Classes specified below immediately prior to the related Distribution Date, divided by (y) 0.075:

Class	Percentages of Principal Balances of Specified Classes
AC	0.625% of U Class 0.500% of V Class 0.250% of AB Class

See "Description of the Certificates—Distributions of Interest—Notional Class" and "—Yield Tables—*The Interest Only Class*" herein.

Distributions of Principal

Group 1 Principal Distribution Amount

1. To the A Class, until its principal balance is reduced to $92,987,000.

2. To the A and B Classes, in the proportions of 32.8846655403% and 67.1153344597%, respectively, until the principal balance of the B Class is reduced to zero.

3. To the A, C, D and E Classes, in that order, to zero.

Group 2 Principal Distribution Amount

1. To the G and H Classes, in that order, to their Targeted Balances.

2. To the F and S Classes, in proportion to their original principal balances, to zero.

3. To the G and H Classes, in that order, to zero.

4. To the J Class, to zero.

Group 3 Principal Distribution Amount

Group 3 Accrual Amount

To the U, V and AB Classes, in that order, to zero, and then to the Z Class.

Group 3 Cash Flow Distribution Amount

1. To the K, W, Y, L and M Classes, as specified below:

39.1223010758% to the K Class, to zero,

38.3228427414% to the W and Y Classes, as follows:

first, to the W Class, until its principal balance is reduced to $38,021,000,

second, to the W and Y Classes, in the proportions of 36.9986640129% and 63.0013359871%, respectively, until the Y Class is reduced to zero, and

third, to the W Class, to zero, and

22.5548561828% to the L and M Classes, in that order, to zero.

2. To the N, T, U, V, AB and Z Classes, in that order, to zero.

Weighted Average Lives (years)*

Class	PSA Prepayment Assumption				
	0%	100%	150%	350%	500%
A	17.5	6.3	4.6	2.1	1.5
B	17.9	4.9	3.5	1.7	1.2
C	26.4	14.6	11.0	5.1	3.5
D	27.6	17.6	13.6	6.4	4.4
E	29.0	23.5	20.2	10.9	7.6

Class	PSA Prepayment Assumption				
	0%	100%	220%	350%	500%
G	17.4	5.5	3.0	2.6	2.0
H	26.4	14.7	8.0	6.5	4.7
F and S	28.1	19.8	11.5	1.1	0.6
J	29.3	25.3	18.0	12.3	8.7

Class	PSA Prepayment Assumption				
	0%	100%	175%	350%	500%
K	18.2	6.7	4.5	2.7	2.1
W	18.1	7.2	4.8	2.8	2.1
Y	18.4	5.6	3.8	2.4	1.9
L	17.9	6.4	4.3	2.6	2.0
M	26.0	14.0	9.3	5.2	3.8
N	26.9	16.2	11.0	6.1	4.4
T	28.0	19.8	14.0	7.7	5.5
U	2.7	2.7	2.7	2.7	2.7
V	8.0	8.0	8.0	7.7	6.3
AB	13.2	13.2	13.2	9.6	7.2
AC	7.8	7.8	7.8	6.6	5.4
Z	29.3	25.3	20.7	13.9	10.4

* 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 Classes will be sensitive in varying degrees to the rate of principal distributions on the MBS included in the related MBS Group, which in turn will reflect the rate of amortization (including prepayments) of the related Mortgage Loans. There can be no assurance that such Mortgage Loans will have the characteristics assumed herein. Because the rate of principal distributions on the Classes will be related to the rate of amortization of the related Mortgage Loans, 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 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. In addition, it is highly unlikely that the Mortgage Loans underlying the MBS included in any MBS Group will prepay at a constant PSA rate until maturity or that all 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. See "Risk Factors—Prepayment Considerations" in the REMIC Prospectus and "Maturity and Prepayment Assumptions" in the MBS Prospectus.

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 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 February 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 include the SMBS and the Trust MBS.

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 guarantee obligations of Fannie Mae with respect to the SMBS and the Mega Certificate are described in the SMBS Prospectus and the Mega Prospectus, respectively. 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, "The SMBS Certificates—Fannie Mae Obligations" in the SMBS Prospectus, "The Certificates—Fannie Mae's Guaranty" in the Mega Prospectus and "Description of Certificates—The Corporation's Guaranty" in the MBS Prospectus.

Characteristics of Certificates. Each Class of Certificates, other than the R and RL 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. 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 and 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 distributions to the Holders 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 Certificates 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) (each, a "Distribution Date"), commencing in the month following the Settlement Date.

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

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

Liquid Asset. The U 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 Class of Certificates, other than the R and RL 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 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.

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.

The SMBS

The SMBS underlying the Group 2 Classes will represent the aggregate of interest payments at a Pass-Through Rate of 8.00% on a notional principal amount of $115,500,000 and principal payments on a principal amount of $132,000,000 of MBS held in the form of Mega Certificate CL-190275 and included in Fannie Mae Stripped Mortgage-Backed Security Trust 000275-CL. Certain characteristics of such MBS are described herein under "The MBS—Group 2 MBS." The SMBS will provide that certain principal and interest payments on the related MBS will be passed through monthly, commencing in the month following the month of initial issuance of the SMBS.

Following the issuance of the Certificates, Fannie Mae will prepare a Final Data Statement setting forth, among other information, the unpaid principal balance and notional principal balance of each SMBS 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.

The MBS

The MBS included in each group specified below (each, an "MBS Group") will have the aggregate unpaid principal balances and Pass-Through Rates set forth below and the general characteristics described in the MBS Prospectus. The 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 such MBS. The Mortgage Loans underlying the MBS will be conventional Level Payment Mortgage Loans secured by first mortgages or deeds of trust on one- to four-family ("single-family") residential properties and having original maturities of up to 30 years. See "The Mortgage Pools" and "Yield Considerations" in the MBS Prospectus. The characteristics of the MBS included in each MBS Group and the related Mortgage Loans as of February 1, 1997 (the "Issue Date") are expected to be as follows:

Group 1 MBS	
Aggregate Unpaid Principal Balance	$300,000,000
MBS Pass-Through Rate	7.00%
Group 1 Mortgage Loans	
Range of WACs (per annum percentages)	7.25% to 9.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	344 months
Approximate Weighted Average CAGE	16 months
Group 2 MBS	
Aggregate Unpaid Principal Balance	$132,000,000
MBS Pass-Through Rate	8.00%
Group 2 Mortgage Loans	
Range of WACs (per annum percentages)	8.25% to 10.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	352 months
Approximate Weighted Average CAGE	8 months
Group 3 MBS	
Aggregate Unpaid Principal Balance	$300,000,000
MBS Pass-Through Rate	7.50%
Group 3 Mortgage Loans	
Range of WACs (per annum percentages)	7.75% to 10.00%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	355 months
Approximate Weighted Average CAGE	4 months

Following the issuance of the Certificates, Fannie Mae will prepare a Final Data Statement setting forth, among other information, 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 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 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:

Interest Type*	Classes
Fixed Rate	A, B, C, D, E, G, H, J, K, W, Y, L, M, N, T, U, V, AB, AC and Z
Accrual	Z
Floating Rate	F
Inverse Floating Rate	S
Interest Only	AC
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 Class) in the month after the Settlement Date. Interest to be distributed or, in the case of the Accrual Class, 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").

Classes	Interest Accrual Period
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 Class. The Z Class is an Accrual Class. Interest will accrue on the Accrual Class at the applicable per annum rates set forth on the cover hereof; however, such interest will not be distributed thereon until the Distribution Date following the Distribution Date on which the principal balance of the AB Class is reduced to zero. Interest so accrued and unpaid on the Accrual Class will be added as principal to the principal balance thereof on each Distribution Date. Distributions of principal of the Accrual Class will be made as described herein.

Notional Class. The AC Class will be a Notional Class. The Notional Class will not have a principal balance and will bear interest at the applicable per annum interest rate set forth on the cover during each Interest Accrual Period on the related notional principal balance. The notional principal balance of the Notional Class will be equal to (x) the sum of the indicated percentages of the respective outstanding principal balances of the Classes specified below immediately prior to the related Distribution Date, divided by (y) 0.075:

Class	Percentages of Principal Balances of Specified Classes
AC	0.625% of U Class 0.500% of V Class 0.250% of AB 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 SMBS, 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 balance of the Notional Class.

Floating Rate and Inverse Floating Rate Classes. The following Classes will bear interest during their initial Interest Accrual Period at the initial interest rates set forth 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:

Class	Initial Interest Rate	Maximum Interest Rate	Minimum Interest Rate	Formula for Calculation of Interest Rate
F	6.63750%	9.0%	1.2%	LIBOR + 120 basis points
S	8.26875%	27.3%	0.0%	27.3% − (3.5 × LIBOR)

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

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

Calculation of LIBOR

On each Index Determination Date, until the principal balances of the F and S Classes have been reduced to zero, Fannie Mae will establish LIBOR for the related Interest Accrual Period in the manner described in the REMIC Prospectus under "Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—*LIBOR*."

If on the initial Index Determination Date, Fannie Mae is unable to determine LIBOR in the manner specified in the REMIC Prospectus, LIBOR for the next succeeding Interest Accrual Period will be equal to 5.4375%.

Distributions of Principal

Categories of Classes

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

Principal Type*	Classes
Group 1 Classes	
Sequential Pay	A, B, C, D and E
Group 2 Classes	
TAC	G and H
Support	F and S
Sequential Pay	J
Group 3 Classes	
Sequential Pay	K, W, Y, L, M, N, T, U, V, AB and Z
Accretion Directed	U, V and AB
Notional	AC
No Payment Residual	R and RL

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

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 distributions of principal to be made on the Group 1 MBS in the month of such Distribution Date (the "Group 1 Principal Distribution Amount"), (ii) the aggregate distributions of principal to be made on the Group 2 MBS in the month of such Distribution Date (the "Group 2 Principal Distribution Amount") and (iii) the aggregate distributions of principal to be made on the Group 3 MBS in the month of such Distribution Date (the "Group 3 Cash Flow Distribution Amount") and any interest accrued and added on such Distribution Date to the principal balance of the Accrual Class (the "Group 3 Accrual Amount" and together with the Group 3 Cash Flow Distribution Amount, the "Group 3 Principal Distribution Amount").

Group 1 Principal Distribution Amount

On each Distribution Date, the Group 1 Principal Distribution Amount will be distributed as principal of the Group 1 Classes in the following order of priority:

(i) to the A Class, until the principal balance thereof is reduced to $92,987,000;

(ii) concurrently, to the A and B Classes, in the proportions of 32.8846655403% and 67.1153344597%, respectively, until the principal balance of the B Class is reduced to zero; and

(iii) sequentially, to the A, C, D and E 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 Group 2 Classes in the following order of priority:

(i) sequentially, to the G and H Classes, in that order, until the principal balances thereof are reduced to their respective Targeted Balances for such Distribution Date;

TAC Classes

(ii) concurrently, to the F and S Classes, in proportion to their original principal balances (or 77.7777777778% and 22.2222222222%, respectively), until the principal balances thereof are reduced to zero; — Support Classes

(iii) sequentially, to the G and H Classes, in that order, without regard to their Targeted Balances and until the respective principal balances thereof are reduced to zero; and — TAC Classes

(iv) to the J Class, until the principal balance thereof is reduced to zero. — Sequential Pay Class

Group 3 Principal Distribution Amount

Group 3 Accrual Amount

On each Distribution Date, the Group 3 Accrual Amount, if any, will be distributed, sequentially, as principal of the U, V and AB Classes, in that order, until the respective principal balances thereof are reduced to zero, and thereafter to the Z Class. — Accretion Directed Classes and Accrual Class

Group 3 Cash Flow Distribution Amount

On each Distribution Date, the Group 3 Cash Flow Distribution Amount will be distributed as principal of the Group 3 Classes as follows:

(i) to the K, W, Y, L and M Classes, as specified below:

39.1223010758% of such amount to the K Class, until the principal balance thereof is reduced to zero,

38.3228427414% of such amount, to the W and Y Classes, as follows:

first, to the W Class, until the principal balance thereof is reduced to $38,021,000,

second, concurrently, to the W and Y Classes, in the proportions of 36.9986640129% and 63.0013359871%, respectively, until the principal balance of the Y Class is reduced to zero, and

third, to the W Class, until the principal balance thereof is reduced to zero, and

22.5548561828% of such amount, sequentially, to the L and M Classes, in that order, until the respective principal balances thereof are reduced to zero; and

(ii) sequentially, to the N, T, U, V, AB and Z Classes, in that order, until the respective principal balances thereof are reduced to zero. — Sequential Pay Classes

Structuring Assumptions

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

- the Mortgage Loans underlying the MBS Groups have the principal balances, original terms to maturity, remaining terms to maturity, CAGEs and interest rates, respectively, as specified:

Group 1	$300,000,000	360	344	16	7.60%
Group 2	$132,000,000	360	352	8	8.55%
Group 3	$300,000,000	360	355	4	8.00%

- 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 herein 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—Prepayment 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 Rate. The Principal Balance Schedules have been prepared on the basis of the Pricing Assumptions and the assumption that the Mortgage Loans underlying the Group 2 MBS prepay at the *constant* PSA rate set forth below.

Principal Balance Schedule References	Related Classes	Structuring Rate
Targeted Balances	G and H	220%

There is no assurance that the principal balance of any Class listed above will conform on any Distribution Date to the balance specified for such Distribution Date in the applicable Principal Balance Schedule herein, or that distributions of principal on such Class 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 such Class to its scheduled balance will be distributed, the ability to so reduce such Class will not be enhanced by the averaging of high and low principal payments from month to month. Moreover, because of the diverse remaining terms to maturity of the Mortgage Loans underlying the Group 2 MBS (which may include recently originated Mortgage Loans), the Classes specified above may not be reduced to their scheduled balances, even if prepayments occur at the applicable Structuring Rate specified above. The principal payment stability of the Classes listed above will be supported in part by the related Support Classes. When each related Support Class is retired, the Classes listed above will be more sensitive to prepayments.

Principal Balance Schedules

Distribution Date	G Class Targeted Balance	H Class Targeted Balance
Initial Balance	$75,373,000.00	$26,345,000.00
March 1997	74,845,384.37	26,345,000.00
April 1997	74,269,129.89	26,345,000.00
May 1997	73,644,660.01	26,345,000.00
June 1997	72,972,453.52	26,345,000.00
July 1997	72,253,044.04	26,345,000.00
August 1997	71,487,019.46	26,345,000.00
September 1997	70,675,021.25	26,345,000.00
October 1997	69,817,743.69	26,345,000.00
November 1997	68,915,932.95	26,345,000.00
December 1997	67,970,386.10	26,345,000.00
January 1998	66,981,950.03	26,345,000.00
February 1998	65,951,520.22	26,345,000.00
March 1998	64,880,039.49	26,345,000.00
April 1998	63,768,496.60	26,345,000.00
May 1998	62,617,924.74	26,345,000.00
June 1998	61,429,399.99	26,345,000.00
July 1998	60,204,039.68	26,345,000.00
August 1998	58,943,000.62	26,345,000.00
September 1998	57,647,477.31	26,345,000.00
October 1998	56,318,700.01	26,345,000.00
November 1998	54,957,932.83	26,345,000.00
December 1998	53,566,471.67	26,345,000.00
January 1999	52,191,717.25	26,345,000.00
February 1999	50,833,471.82	26,345,000.00
March 1999	49,491,539.96	26,345,000.00
April 1999	48,165,728.55	26,345,000.00
May 1999	46,855,846.73	26,345,000.00
June 1999	45,561,705.91	26,345,000.00
July 1999	44,283,119.71	26,345,000.00
August 1999	43,019,903.93	26,345,000.00
September 1999	41,771,876.56	26,345,000.00
October 1999	40,538,857.72	26,345,000.00
November 1999	39,320,669.65	26,345,000.00
December 1999	38,117,136.69	26,345,000.00
January 2000	36,928,085.24	26,345,000.00
February 2000	35,753,343.74	26,345,000.00
March 2000	34,592,742.67	26,345,000.00
April 2000	33,446,114.48	26,345,000.00
May 2000	32,313,293.61	26,345,000.00
June 2000	31,194,116.45	26,345,000.00
July 2000	30,088,421.30	26,345,000.00
August 2000	28,996,048.39	26,345,000.00
September 2000	27,916,839.81	26,345,000.00
October 2000	26,850,639.52	26,345,000.00
November 2000	25,797,293.32	26,345,000.00
December 2000	24,756,648.81	26,345,000.00
January 2001	23,728,555.40	26,345,000.00
February 2001	22,712,864.27	26,345,000.00
March 2001	21,709,428.36	26,345,000.00
April 2001	20,718,102.33	26,345,000.00
May 2001	19,738,742.55	26,345,000.00
June 2001	$18,771,207.10	$26,345,000.00
July 2001	17,815,355.72	26,345,000.00
August 2001	16,871,049.79	26,345,000.00
September 2001	15,938,152.36	26,345,000.00
October 2001	15,016,528.05	26,345,000.00
November 2001	14,106,043.10	26,345,000.00
December 2001	13,206,565.32	26,345,000.00
January 2002	12,317,964.09	26,345,000.00
February 2002	11,440,110.30	26,345,000.00
March 2002	10,572,876.39	26,345,000.00
April 2002	9,716,136.29	26,345,000.00
May 2002	8,869,765.42	26,345,000.00
June 2002	8,033,640.66	26,345,000.00
July 2002	7,207,640.35	26,345,000.00
August 2002	6,391,644.26	26,345,000.00
September 2002	5,585,533.58	26,345,000.00
October 2002	4,789,190.90	26,345,000.00
November 2002	4,002,500.18	26,345,000.00
December 2002	3,225,346.77	26,345,000.00
January 2003	2,457,617.36	26,345,000.00
February 2003	1,699,199.97	26,345,000.00
March 2003	949,983.95	26,345,000.00
April 2003	209,859.96	26,345,000.00
May 2003	0.00	25,823,719.94
June 2003	0.00	25,101,457.09
July 2003	0.00	24,387,965.89
August 2003	0.00	23,683,142.06
September 2003	0.00	22,986,882.55
October 2003	0.00	22,299,085.51
November 2003	0.00	21,619,650.32
December 2003	0.00	20,948,477.52
January 2004	0.00	20,285,468.83
February 2004	0.00	19,630,527.14
March 2004	0.00	18,983,556.48
April 2004	0.00	18,344,461.99
May 2004	0.00	17,713,149.97
June 2004	0.00	17,089,527.79
July 2004	0.00	16,473,503.93
August 2004	0.00	15,864,987.95
September 2004	0.00	15,263,890.46
October 2004	0.00	14,670,123.15
November 2004	0.00	14,083,598.73
December 2004	0.00	13,504,230.96
January 2005	0.00	12,931,934.59
February 2005	0.00	12,366,625.40
March 2005	0.00	11,808,220.15
April 2005	0.00	11,256,636.60
May 2005	0.00	10,711,793.46
June 2005	0.00	10,173,610.41
July 2005	0.00	9,642,008.08
August 2005	0.00	9,116,908.02
September 2005	0.00	8,598,232.73

Distribution Date	G Class Targeted Balance	H Class Targeted Balance
October 2005	$ 0.00	$ 8,085,905.62
November 2005	0.00	7,579,850.98
December 2005	0.00	7,079,994.01
January 2006	0.00	6,586,260.81
February 2006	0.00	6,098,578.34
March 2006	0.00	5,616,874.39
April 2006	0.00	5,141,077.66
May 2006	0.00	4,671,117.65
June 2006	0.00	4,206,924.71
July 2006	0.00	3,748,430.01
August 2006	$ 0.00	$ 3,295,565.53
September 2006	0.00	2,848,264.05
October 2006	0.00	2,406,459.15
November 2006	0.00	1,970,085.19
December 2006	0.00	1,539,077.32
January 2007	0.00	1,113,371.43
February 2007	0.00	692,904.19
March 2007	0.00	277,613.00
April 2007 and thereafter	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 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 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 such 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 Index will remain constant.*

The Interest Only Class. **As indicated in the table below, the yield to investors in the Interest Only Class will be highly sensitive to the rate of principal payments (including prepayments) of the Mortgage Loans underlying the related MBS Group, which generally can be prepaid at any time. On the basis of the assumptions described below, the yield to maturity on the Interest Only Class would be 0% if prepayments were to occur at a constant rate of approximately 578% PSA. If the actual prepayment rate of the Mortgage Loans underlying the related MBS Group was to exceed the foregoing level for as little as one month while equaling such level for the remaining months, investors in the Interest Only Class would not fully recoup their initial investments.**

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

Class	Price
AC	36.5%

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

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

	PSA Prepayment Assumption				
Class	50%	100%	175%	350%	500%
AC	10.4%	10.4%	10.4%	8.2%	3.2%

The Inverse Floating Rate Class. **The yield to investors in the Inverse Floating Rate Class will be very sensitive to the level of the Index and to the rate of principal payments (including prepayments) of the Mortgage Loans underlying the related MBS Group. The Mortgage Loans generally can be prepaid at any time.**

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

Class	Price*
S	82.0%

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

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

	PSA Prepayment Assumption				
LIBOR	50%	100%	220%	350%	500%
3.4375%	19.2%	19.3%	19.8%	38.3%	56.0%
5.4375%	10.5%	10.6%	11.2%	29.7%	47.2%
7.4375%	2.2%	2.4%	3.2%	21.3%	38.6%
7.8000%	0.8%	1.0%	1.7%	19.8%	37.1%

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 and the priority sequences of distributions of principal of the Classes. The weighted average lives of certain Group 2 Classes will also depend on the distribution of principal of the related TAC Classes in accordance with the applicable Principal Balance Schedules herein. In particular, if certain principal distributions of the Group 2 Classes on any Distribution Date exceed the amount required to reduce the principal balances of the related TAC Classes to their scheduled balances as set forth in the applicable Principal Balance Schedules, such excess principal will be distributed on certain of the remaining Group 2 Classes on such Distribution Date. Conversely, if certain principal distributions on any Distribution Date are less than the amount so required to reduce the related TAC Classes to their scheduled balances, no principal will be distributed on certain of the remaining Group 2 Classes on such Distribution Date. Accordingly, the rate of principal payments on the Mortgage Loans underlying the Group 2 MBS is expected to have a greater effect on the weighted average lives of the Support Classes than on the weighted average lives of the TAC Classes. See "—Distributions of Principal" herein.

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.

Decrement Tables

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

Mortgage Loans relating to the MBS specified below	Original and Remaining Terms to Maturity	Interest Rates
Group 1	360 months	9.50%
Group 2	360 months	10.50%
Group 3	360 months	10.00%

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 (which will include recently originated Mortgage Loans) could produce slower or faster principal distributions than indicated in the tables at the specified *constant* PSA levels, even if the weighted average remaining terms to maturity and the weighted average CAGEs of the Mortgage Loans are identical to the remaining terms to maturity and CAGEs specified in the Pricing Assumptions.

Percent of Original Principal Balances Outstanding

	A Class					B Class					C Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
Date	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
February 1998	99	88	83	67	62	100	100	100	91	68	100	100	100	100	100
February 1999	97	73	67	54	40	100	100	90	29	0	100	100	100	100	100
February 2000	95	66	61	35	3	100	85	62	0	0	100	100	100	100	100
February 2001	94	61	55	10	0	100	65	36	0	0	100	100	100	100	0
February 2002	92	57	50	0	0	100	46	12	0	0	100	100	100	55	0
February 2003	89	53	41	0	0	100	28	0	0	0	100	100	100	0	0
February 2004	87	50	29	0	0	100	11	0	0	0	100	100	100	0	0
February 2005	84	45	17	0	0	100	0	0	0	0	100	100	100	0	0
February 2006	81	35	7	0	0	100	0	0	0	0	100	100	100	0	0
February 2007	78	26	0	0	0	100	0	0	0	0	100	100	88	0	0
February 2008	75	17	0	0	0	100	0	0	0	0	100	100	48	0	0
February 2009	71	9	0	0	0	100	0	0	0	0	100	100	12	0	0
February 2010	68	1	0	0	0	96	0	0	0	0	100	100	0	0	0
February 2011	67	0	0	0	0	89	0	0	0	0	100	70	0	0	0
February 2012	65	0	0	0	0	81	0	0	0	0	100	38	0	0	0
February 2013	63	0	0	0	0	73	0	0	0	0	100	7	0	0	0
February 2014	61	0	0	0	0	63	0	0	0	0	100	0	0	0	0
February 2015	59	0	0	0	0	53	0	0	0	0	100	0	0	0	0
February 2016	56	0	0	0	0	41	0	0	0	0	100	0	0	0	0
February 2017	54	0	0	0	0	29	0	0	0	0	100	0	0	0	0
February 2018	51	0	0	0	0	15	0	0	0	0	100	0	0	0	0
February 2019	47	0	0	0	0	0	0	0	0	0	100	0	0	0	0
February 2020	36	0	0	0	0	0	0	0	0	0	100	0	0	0	0
February 2021	24	0	0	0	0	0	0	0	0	0	100	0	0	0	0
February 2022	11	0	0	0	0	0	0	0	0	0	100	0	0	0	0
February 2023	0	0	0	0	0	0	0	0	0	0	81	0	0	0	0
February 2024	0	0	0	0	0	0	0	0	0	0	7	0	0	0	0
February 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	17.5	6.3	4.6	2.1	1.5	17.9	4.9	3.5	1.7	1.2	26.4	14.6	11.0	5.1	3.5

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

D Class

Date	PSA Prepayment Assumption 0%	100%	150%	350%	500%
Initial Percent	100	100	100	100	100
February 1998	100	100	100	100	100
February 1999	100	100	100	100	100
February 2000	100	100	100	100	100
February 2001	100	100	100	100	97
February 2002	100	100	100	100	0
February 2003	100	100	100	78	0
February 2004	100	100	100	5	0
February 2005	100	100	100	0	0
February 2006	100	100	100	0	0
February 2007	100	100	100	0	0
February 2008	100	100	100	0	0
February 2009	100	100	100	0	0
February 2010	100	100	73	0	0
February 2011	100	100	34	0	0
February 2012	100	100	0	0	0
February 2013	100	100	0	0	0
February 2014	100	71	0	0	0
February 2015	100	36	0	0	0
February 2016	100	2	0	0	0
February 2017	100	0	0	0	0
February 2018	100	0	0	0	0
February 2019	100	0	0	0	0
February 2020	100	0	0	0	0
February 2021	100	0	0	0	0
February 2022	100	0	0	0	0
February 2023	100	0	0	0	0
February 2024	100	0	0	0	0
February 2025	1	0	0	0	0
February 2026	0	0	0	0	0
February 2027	0	0	0	0	0
Weighted Average Life (years)**	27.6	17.6	13.6	6.4	4.4

E Class

Date	PSA Prepayment Assumption 0%	100%	150%	350%	500%
Initial Percent	100	100	100	100	100
February 1998	100	100	100	100	100
February 1999	100	100	100	100	100
February 2000	100	100	100	100	100
February 2001	100	100	100	100	100
February 2002	100	100	100	100	96
February 2003	100	100	100	100	66
February 2004	100	100	100	100	45
February 2005	100	100	100	79	31
February 2006	100	100	100	61	21
February 2007	100	100	100	47	15
February 2008	100	100	100	36	10
February 2009	100	100	100	28	7
February 2010	100	100	100	21	5
February 2011	100	100	100	16	3
February 2012	100	100	99	12	2
February 2013	100	100	86	9	1
February 2014	100	100	75	7	1
February 2015	100	100	64	5	1
February 2016	100	100	55	4	*
February 2017	100	88	46	3	*
February 2018	100	75	39	2	*
February 2019	100	64	32	1	*
February 2020	100	53	25	1	*
February 2021	100	42	20	1	*
February 2022	100	32	15	*	*
February 2023	100	23	10	*	*
February 2024	100	14	6	*	*
February 2025	100	5	2	*	*
February 2026	53	0	0	0	0
February 2027	0	0	0	0	0
Weighted Average Life (years)**	29.0	23.5	20.2	10.9	7.6

G Class

Date	PSA Prepayment Assumption 0%	100%	220%	350%	500%
Initial Percent	100	100	100	100	100
February 1998	99	94	88	88	88
February 1999	98	83	67	66	49
February 2000	97	72	47	39	15
February 2001	96	62	30	17	0
February 2002	95	52	15	*	0
February 2003	93	43	2	0	0
February 2004	91	34	0	0	0
February 2005	90	26	0	0	0
February 2006	88	19	0	0	0
February 2007	85	11	0	0	0
February 2008	83	4	0	0	0
February 2009	80	0	0	0	0
February 2010	77	0	0	0	0
February 2011	74	0	0	0	0
February 2012	70	0	0	0	0
February 2013	66	0	0	0	0
February 2014	61	0	0	0	0
February 2015	56	0	0	0	0
February 2016	50	0	0	0	0
February 2017	44	0	0	0	0
February 2018	37	0	0	0	0
February 2019	29	0	0	0	0
February 2020	20	0	0	0	0
February 2021	10	0	0	0	0
February 2022	0	0	0	0	0
February 2023	0	0	0	0	0
February 2024	0	0	0	0	0
February 2025	0	0	0	0	0
February 2026	0	0	0	0	0
February 2027	0	0	0	0	0
Weighted Average Life (years)**	17.4	5.5	3.0	2.6	2.0

H Class

Date	PSA Prepayment Assumption 0%	100%	220%	350%	500%
Initial Percent	100	100	100	100	100
February 1998	100	100	100	100	100
February 1999	100	100	100	100	100
February 2000	100	100	100	100	100
February 2001	100	100	100	100	78
February 2002	100	100	100	100	32
February 2003	100	100	100	63	*
February 2004	100	100	75	34	0
February 2005	100	100	47	10	0
February 2006	100	100	23	0	0
February 2007	100	100	3	0	0
February 2008	100	100	0	0	0
February 2009	100	94	0	0	0
February 2010	100	76	0	0	0
February 2011	100	59	0	0	0
February 2012	100	43	0	0	0
February 2013	100	28	0	0	0
February 2014	100	14	0	0	0
February 2015	100	1	0	0	0
February 2016	100	0	0	0	0
February 2017	100	0	0	0	0
February 2018	100	0	0	0	0
February 2019	100	0	0	0	0
February 2020	100	0	0	0	0
February 2021	100	0	0	0	0
February 2022	98	0	0	0	0
February 2023	64	0	0	0	0
February 2024	26	0	0	0	0
February 2025	0	0	0	0	0
February 2026	0	0	0	0	0
February 2027	0	0	0	0	0
Weighted Average Life (years)**	26.4	14.7	8.0	6.5	4.7

F and S Classes

Date	PSA Prepayment Assumption 0%	100%	220%	350%	500%
Initial Percent	100	100	100	100	100
February 1998	100	100	100	57	7
February 1999	100	100	100	0	0
February 2000	100	100	100	0	0
February 2001	100	100	100	0	0
February 2002	100	100	100	0	0
February 2003	100	100	100	0	0
February 2004	100	100	100	0	0
February 2005	100	100	100	0	0
February 2006	100	100	100	0	0
February 2007	100	100	100	0	0
February 2008	100	100	66	0	0
February 2009	100	100	31	0	0
February 2010	100	100	1	0	0
February 2011	100	100	0	0	0
February 2012	100	100	0	0	0
February 2013	100	100	0	0	0
February 2014	100	100	0	0	0
February 2015	100	100	0	0	0
February 2016	100	72	0	0	0
February 2017	100	44	0	0	0
February 2018	100	18	0	0	0
February 2019	100	0	0	0	0
February 2020	100	0	0	0	0
February 2021	100	0	0	0	0
February 2022	100	0	0	0	0
February 2023	100	0	0	0	0
February 2024	100	0	0	0	0
February 2025	63	0	0	0	0
February 2026	0	0	0	0	0
February 2027	0	0	0	0	0
Weighted Average Life (years)**	28.1	19.8	11.5	1.1	0.6

J Class

Date	PSA Prepayment Assumption 0%	100%	220%	350%	500%
Initial Percent	100	100	100	100	100
February 1998	100	100	100	100	100
February 1999	100	100	100	100	100
February 2000	100	100	100	100	100
February 2001	100	100	100	100	100
February 2002	100	100	100	100	100
February 2003	100	100	100	100	100
February 2004	100	100	100	100	69
February 2005	100	100	100	100	48
February 2006	100	100	100	89	33
February 2007	100	100	100	69	23
February 2008	100	100	100	53	15
February 2009	100	100	100	41	11
February 2010	100	100	100	32	7
February 2011	100	100	85	24	5
February 2012	100	100	71	19	3
February 2013	100	100	59	14	2
February 2014	100	100	49	11	1
February 2015	100	100	41	8	1
February 2016	100	100	34	6	1
February 2017	100	100	27	4	*
February 2018	100	100	22	3	*
February 2019	100	95	17	2	*
February 2020	100	80	14	2	*
February 2021	100	66	10	1	*
February 2022	100	53	8	1	*
February 2023	100	40	5	*	*
February 2024	100	27	3	*	*
February 2025	100	15	2	*	*
February 2026	73	4	*	*	*
February 2027	0	0	0	0	0
Weighted Average Life (years)**	29.3	25.3	18.0	12.3	8.7

* 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.

	K Class PSA Prepayment Assumption					W Class PSA Prepayment Assumption					Y Class PSA Prepayment Assumption				
Date	0%	100%	175%	350%	500%	0%	100%	175%	350%	500%	0%	100%	175%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
February 1998	99	96	93	88	83	99	94	90	82	76	100	100	100	100	100
February 1999	98	88	81	65	52	97	82	72	63	56	100	100	100	68	41
February 2000	97	78	66	40	20	96	70	64	50	29	100	96	70	16	0
February 2001	96	69	52	20	0	94	65	57	29	0	100	77	42	0	0
February 2002	95	60	40	4	0	93	61	50	6	0	100	59	17	0	0
February 2003	93	52	30	0	0	91	57	43	0	0	100	42	0	0	0
February 2004	92	45	20	0	0	88	53	29	0	0	100	27	0	0	0
February 2005	90	38	12	0	0	86	49	17	0	0	100	12	0	0	0
February 2006	88	31	4	0	0	83	44	6	0	0	100	0	0	0	0
February 2007	86	24	0	0	0	80	35	0	0	0	100	0	0	0	0
February 2008	84	18	0	0	0	77	26	0	0	0	100	0	0	0	0
February 2009	82	13	0	0	0	74	18	0	0	0	100	0	0	0	0
February 2010	79	7	0	0	0	71	10	0	0	0	98	0	0	0	0
February 2011	76	2	0	0	0	69	3	0	0	0	91	0	0	0	0
February 2012	72	0	0	0	0	67	0	0	0	0	84	0	0	0	0
February 2013	69	0	0	0	0	65	0	0	0	0	76	0	0	0	0
February 2014	65	0	0	0	0	63	0	0	0	0	68	0	0	0	0
February 2015	60	0	0	0	0	61	0	0	0	0	58	0	0	0	0
February 2016	55	0	0	0	0	58	0	0	0	0	48	0	0	0	0
February 2017	49	0	0	0	0	55	0	0	0	0	36	0	0	0	0
February 2018	43	0	0	0	0	52	0	0	0	0	24	0	0	0	0
February 2019	37	0	0	0	0	48	0	0	0	0	9	0	0	0	0
February 2020	29	0	0	0	0	42	0	0	0	0	0	0	0	0	0
February 2021	21	0	0	0	0	30	0	0	0	0	0	0	0	0	0
February 2022	12	0	0	0	0	17	0	0	0	0	0	0	0	0	0
February 2023	2	0	0	0	0	2	0	0	0	0	0	0	0	0	0
February 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	18.2	6.7	4.5	2.7	2.1	18.1	7.2	4.8	2.8	2.1	18.4	5.6	3.8	2.4	1.9

	L Class PSA Prepayment Assumption					M Class PSA Prepayment Assumption					N Class PSA Prepayment Assumption				
Date	0%	100%	175%	350%	500%	0%	100%	175%	350%	500%	0%	100%	175%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
February 1998	99	95	93	87	82	100	100	100	100	100	100	100	100	100	100
February 1999	98	87	80	63	50	100	100	100	100	100	100	100	100	100	100
February 2000	97	77	64	37	17	100	100	100	100	100	100	100	100	100	100
February 2001	96	68	50	17	0	100	100	100	100	0	100	100	100	100	92
February 2002	95	59	38	1	0	100	100	100	100	0	100	100	100	100	0
February 2003	93	50	27	0	0	100	100	100	0	0	100	100	100	53	0
February 2004	92	42	17	0	0	100	100	100	0	0	100	100	100	0	0
February 2005	90	35	8	0	0	100	100	100	0	0	100	100	100	0	0
February 2006	88	28	*	0	0	100	100	100	0	0	100	100	100	0	0
February 2007	86	21	0	0	0	100	100	0	0	0	100	100	85	0	0
February 2008	83	15	0	0	0	100	100	0	0	0	100	100	47	0	0
February 2009	81	9	0	0	0	100	100	0	0	0	100	100	14	0	0
February 2010	78	3	0	0	0	100	100	0	0	0	100	100	0	0	0
February 2011	75	0	0	0	0	100	54	0	0	0	100	100	0	0	0
February 2012	71	0	0	0	0	100	0	0	0	0	100	83	0	0	0
February 2013	67	0	0	0	0	100	0	0	0	0	100	55	0	0	0
February 2014	63	0	0	0	0	100	0	0	0	0	100	28	0	0	0
February 2015	58	0	0	0	0	100	0	0	0	0	100	3	0	0	0
February 2016	53	0	0	0	0	100	0	0	0	0	100	0	0	0	0
February 2017	47	0	0	0	0	100	0	0	0	0	100	0	0	0	0
February 2018	41	0	0	0	0	100	0	0	0	0	100	0	0	0	0
February 2019	34	0	0	0	0	100	0	0	0	0	100	0	0	0	0
February 2020	26	0	0	0	0	100	0	0	0	0	100	0	0	0	0
February 2021	18	0	0	0	0	100	0	0	0	0	100	0	0	0	0
February 2022	8	0	0	0	0	100	0	0	0	0	100	0	0	0	0
February 2023	0	0	0	0	0	40	0	0	0	0	100	0	0	0	0
February 2024	0	0	0	0	0	0	0	0	0	0	41	0	0	0	0
February 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	17.9	6.4	4.3	2.6	2.0	26.0	14.0	9.3	5.2	3.8	26.9	16.2	11.0	6.1	4.4

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

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

	T Class					U Class					V Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
Date	0%	100%	175%	350%	500%	0%	100%	175%	350%	500%	0%	100%	175%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
February 1998	100	100	100	100	100	83	83	83	83	83	100	100	100	100	100
February 1999	100	100	100	100	100	64	64	64	64	64	100	100	100	100	100
February 2000	100	100	100	100	100	45	45	45	45	45	100	100	100	100	100
February 2001	100	100	100	100	100	23	23	23	23	23	100	100	100	100	100
February 2002	100	100	100	100	97	0	0	0	0	0	100	100	100	100	100
February 2003	100	100	100	100	13	0	0	0	0	0	85	85	85	85	85
February 2004	100	100	100	92	0	0	0	0	0	0	69	69	69	69	0
February 2005	100	100	100	33	0	0	0	0	0	0	51	51	51	51	0
February 2006	100	100	100	0	0	0	0	0	0	0	32	32	32	0	0
February 2007	100	100	100	0	0	0	0	0	0	0	12	12	12	0	0
February 2008	100	100	100	0	0	0	0	0	0	0	0	0	0	0	0
February 2009	100	100	100	0	0	0	0	0	0	0	0	0	0	0	0
February 2010	100	100	81	0	0	0	0	0	0	0	0	0	0	0	0
February 2011	100	100	47	0	0	0	0	0	0	0	0	0	0	0	0
February 2012	100	100	18	0	0	0	0	0	0	0	0	0	0	0	0
February 2013	100	100	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2014	100	100	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2015	100	100	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2016	100	73	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2017	100	44	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2018	100	16	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2019	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2020	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2021	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2022	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2023	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2024	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2025	55	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.0	19.8	14.0	7.7	5.5	2.7	2.7	2.7	2.7	2.7	8.0	8.0	8.0	7.7	6.3

	AB Class					AC† Class					Z Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
Date	0%	100%	175%	350%	500%	0%	100%	175%	350%	500%	0%	100%	175%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
February 1998	100	100	100	100	100	95	95	95	95	95	108	108	108	108	108
February 1999	100	100	100	100	100	89	89	89	89	89	116	116	116	116	116
February 2000	100	100	100	100	100	83	83	83	83	83	125	125	125	125	125
February 2001	100	100	100	100	100	76	76	76	76	76	135	135	135	135	135
February 2002	100	100	100	100	100	69	69	69	69	69	145	145	145	145	145
February 2003	100	100	100	100	100	63	63	63	63	63	157	157	157	157	157
February 2004	100	100	100	100	69	56	56	56	56	19	169	169	169	169	169
February 2005	100	100	100	100	0	49	49	49	49	0	182	182	182	182	164
February 2006	100	100	100	100	0	41	41	41	28	0	196	196	196	196	113
February 2007	100	100	100	18	0	33	33	33	5	0	211	211	211	211	77
February 2008	92	92	92	0	0	26	26	26	0	0	228	228	228	177	53
February 2009	75	75	75	0	0	21	21	21	0	0	245	245	245	137	36
February 2010	56	56	56	0	0	15	15	15	0	0	264	264	264	105	25
February 2011	36	36	36	0	0	10	10	10	0	0	285	285	285	80	17
February 2012	14	14	14	0	0	4	4	4	0	0	307	307	307	61	11
February 2013	0	0	0	0	0	0	0	0	0	0	321	321	304	47	8
February 2014	0	0	0	0	0	0	0	0	0	0	321	321	261	35	5
February 2015	0	0	0	0	0	0	0	0	0	0	321	321	222	27	3
February 2016	0	0	0	0	0	0	0	0	0	0	321	321	188	20	2
February 2017	0	0	0	0	0	0	0	0	0	0	321	321	158	15	1
February 2018	0	0	0	0	0	0	0	0	0	0	321	321	131	11	1
February 2019	0	0	0	0	0	0	0	0	0	0	321	302	107	8	1
February 2020	0	0	0	0	0	0	0	0	0	0	321	255	86	6	*
February 2021	0	0	0	0	0	0	0	0	0	0	321	211	68	4	*
February 2022	0	0	0	0	0	0	0	0	0	0	321	169	52	3	*
February 2023	0	0	0	0	0	0	0	0	0	0	321	129	38	2	*
February 2024	0	0	0	0	0	0	0	0	0	0	321	91	25	1	*
February 2025	0	0	0	0	0	0	0	0	0	0	321	54	14	*	*
February 2026	0	0	0	0	0	0	0	0	0	0	222	20	5	*	*
February 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	13.2	13.2	13.2	9.6	7.2	7.8	7.8	7.8	6.6	5.4	29.3	25.3	20.7	13.9	10.4

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

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

† 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 not have 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 the R or RL Certificate will be allowed to a "disqualified organization." In addition, no transfer of record or beneficial ownership of the 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 may constitute noneconomic residual interests under the Regulations. Any transferee of the 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 the 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 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 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 Class, the Accrual Class and the Inverse Floating Rate Class will be, and certain other Classes of Certificates may be, issued with original issue discount for federal income tax purposes, which generally will result in recognition of some taxable income in advance of the receipt of the cash attributable to such income. The Prepayment Assumption that will be used in determining the rate of accrual of original issue discount will be 150% PSA in the case of the Group 1 Classes, 220% PSA in the case of the Group 2 Classes and 175% PSA in the case of the Group 3 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 these 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 7.92% (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.

PLAN OF DISTRIBUTION

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

Increase in Certificates. Before the Settlement Date, Fannie Mae and the Dealer may agree to offer hereby Certificates in addition to those contemplated as of the date hereof. In such event, the MBS in the related MBS Group will be increased in principal balance, but it is expected that all additional MBS will have the same characteristics as described herein under "Description of the Certificates—The MBS." The proportion that the original principal balance of each Group 1, Group 2 and Group 3 Class bears to the aggregate original principal balance of all the Group 1, Group 2 and Group 3 Classes, respectively, will remain the same. In addition, the dollar amounts reflected in the Principal Balance Schedules with respect to any Group 2 Class will be increased in a pro rata amount that corresponds to the increase of the principal balances of the Group 2 Classes.

LEGAL MATTERS

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

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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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Guaranteed REMIC Pass-Through Certificates Fannie Mae REMIC Trust 1997-11

PROSPECTUS SUPPLEMENT

LEHMAN BROTHERS

January 22, 1997