

\$1,002,600,000



FannieMae

Guaranteed REMIC Pass-Through Certificates Fannie Mae REMIC Trust 1997-17

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 1997-17 (the "Trust"). The LL Class, having an aggregate original principal balance of \$30,000,000, is being offered by means of a separate Prospectus Supplement dated February 13, 1997 (the "Retail Class Supplement"). The other Classes of Certificates are offered hereby. 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 certain groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (collectively, the "MBS"). 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-9 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.

(Cover continued on next page)

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

THE CERTIFICATES, TOGETHER WITH ANY INTEREST THEREON, ARE NOT GUARANTEED BY THE UNITED STATES.

THE OBLIGATIONS OF FANNIE MAE UNDER ITS GUARANTY OF THE CERTIFICATES ARE OBLIGATIONS SOLELY OF FANNIE MAE AND DO NOT CONSTITUTE AN OBLIGATION OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY THEREOF OTHER THAN FANNIE MAE. THE CERTIFICATES ARE EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933 AND ARE "EXEMPTED SECURITIES" WITHIN THE MEANING OF THE SECURITIES EXCHANGE ACT OF 1934.

Class	Original Principal Balance	Principal Type(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date	Class	Original Principal Balance	Principal Type(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date
A	\$ 73,257,000	SEQ	7.250%	FIX	31359NB26	April 2024	PJ	(3)	NTL	7.500%	FIX/IO	31359NW56	March 2018
B	100,022,000	SEQ	7.250	FIX	31359NB34	November 2022	PK	(3)	NTL	7.500	FIX/IO	31359NW64	April 2027
C	48,729,000	SEQ	7.250	FIX	31359NB42	November 2025	FA	\$ 83,750,000	CPT	(2)	FLT	31359NW72	April 2027
F	51,032,000	SEQ	(2)	FLT	31359NB59	November 2025	SA	16,750,000	CPT	(2)	INV	31359NW80	April 2027
S	(3)	NTL	(2)	INV/IO	31359NB67	November 2025	ZB	14,052,000	CPT/SUP	7.500	FIX/Z	31359NW98	April 2027
D	20,006,000	SEQ	7.000	FIX	31359NB75	April 2024	AC	36,467,000	SEQ	7.000	FIX	31359NX22	November 2012
FC	10,523,000	CPT/SEQ	(2)	FLT	31359NB83	April 2024	AB	73,578,000	SEQ	7.000	FIX	31359NX30	October 2022
SC	(3)	NTL	(2)	INV/IO	31359NB91	April 2024	AD	18,376,000	SEQ	7.000	FIX	31359NX48	April 2024
G	23,840,000	SEQ	7.500	FIX	31359NC25	April 2027	AE	16,608,000	SEQ	7.000	FIX	31359NX55	June 2025
H	(3)	NTL	0.250	FIX/IO	31359NC33	July 2026	AG	4,193,000	AD/SEQ/LIQ	7.000	FIX	31359NX63	March 2002
J	25,000,000	SEQ	7.000	FIX	31359NC41	March 2022	AH	6,761,000	AD/SEQ	7.000	FIX	31359NX71	October 2007
K	17,939,000	SEQ	7.000	FIX	31359NC58	February 2020	AJ	8,975,000	AD/SEQ	7.000	FIX	31359NX89	November 2012
L	10,716,000	SEQ	7.000	FIX	31359NC66	April 2024	ZC	10,042,000	SEQ	7.000	FIX/Z	31359NX97	April 2027
T	16,536,000	SEQ	7.500	FIX	31359NC74	April 2027	U	18,041,000	SEQ	7.000	FIX	31359NY21	September 2011
LL	(4)	SEQ/RTL	7.250	FIX	31359NA92	July 2026	V	33,138,000	SEQ	6.500	FIX	31359NY39	April 2022
PA	18,252,000	PAC	6.750	FIX	31359NC82	February 2013	W	18,056,000	SEQ	6.750	FIX	31359NY47	February 2025
PB	19,135,000	PAC	6.875	FIX	31359NV81	March 2016	FB	10,540,000	SEQ	(2)	FLT	31359NY54	February 2025
PC	16,060,000	PAC	7.000	FIX	31359NV99	March 2018	SB	(3)	NTL	(2)	INV/IO	31359NY62	February 2025
PD	32,471,000	PAC	7.000	FIX	31359NW23	April 2021	M	20,225,000	SEQ	7.000	FIX	31359NY70	April 2027
PE	72,330,000	PAC	7.000	FIX	31359NW31	January 2026	R	0	NPR	0	NPR	31359NY86	April 2027
PH	27,200,000	PAC	7.250	FIX	31359NW49	April 2027	RL	0	NPR	0	NPR	31359NY96	April 2027

- 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.
- 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.
- The S, SC, H, PJ, PK and SB Classes will be Notional Classes, will not have principal balances and will bear interest on their respective notional principal balances (initially, \$51,032,000, \$10,523,000, \$30,000,000, \$4,490,450, \$7,893,400 and \$10,540,000, 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.
- The LL Class, with an aggregate original principal balance of \$30,000,000, is being offered by means of the Retail Class Supplement and is not offered hereby.

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 March 27, 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

February 13, 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 any 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 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 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 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 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 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 March 1, 1997)

<u>Mortgage Loan Group</u>	<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>
Group 1	\$427,600,000	355	4	8.00%
Group 2	\$300,000,000	355	4	8.00%
Group 3	\$175,000,000	355	4	7.60%
Group 4	\$100,000,000	340	18	7.50%

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:

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate</u>
F	5.9760%	9.00%	0.55%	LIBOR + 55 basis points
S	3.0240%	8.45%	0.00%	8.45% – LIBOR
FC	5.9260%	9.00%	0.50%	LIBOR + 50 basis points
SC	3.0740%	8.50%	0.00%	8.5% – LIBOR
FA	5.9250%	9.00%	0.55%	LIBOR + 55 basis points
SA	15.3750%	42.25%	0.00%	42.25% – (5 × LIBOR)
FB	5.9375%	9.00%	0.50%	LIBOR + 50 basis points
SB	3.0625%	8.50%	0.00%	8.5% – LIBOR

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

Notional Classes

The notional principal balances of the S, SC, H, PJ, PK and SB Classes will be equal to the indicated percentages of the applicable outstanding principal balances specified below immediately prior to the related Distribution Date.

<u>Class</u>	<u>Percentage of Principal Balance</u>
S	100% of F Class
SC	100% of FC Class
H	100% of LL Class
PJ	10.0000000000% of PA Class
	8.3333333333% of PB Class
	6.6666666667% of PC Class
PK	6.6666666667% of PD Class
	6.6666666667% of PE Class
	3.3333333333% of PH Class
SB	100% of FB Class

See “Description of the Certificates—Distributions of Interest—Notional Classes” and “—Yield Tables—*The Inverse Floating Rate Classes*” and “—*The H, PJ and PK Classes*” herein.

Component Classes

	<u>Original Principal Balance</u>	<u>Principal Type</u>
FC1 Component	\$ 2,858,000	SEQ
FC2 Component	7,665,000	SEQ
FA1 Component	20,495,000	PAC
FA2 Component	63,255,000	SCH/AD
SA1 Component	4,099,000	PAC
SA2 Component	12,651,000	SCH/AD
ZB1 Component	13,952,000	SUP
ZB2 Component	100,000	SUP

Distributions of Principal

Group 1 Principal Distribution Amount

On each Distribution Date, commencing in April 2000, if the C Class is then outstanding, to the LL Class, the lesser of \$30,000 and the Group 1 Principal Distribution Amount.

On each Distribution Date, 14.2857142857% of the remaining amount to the F Class, to zero.

On each Distribution Date, the remaining amount as follows:

1. (a) 76.1829855164% of such amount as follows:
 - (i) to the A and D Classes and the FC1 Component, in proportion to their original principal balances, until \$35,268,000 has been paid pursuant to this clause (i);
 - (ii) to the A and D Classes, the FC1 Component and the B Class, in the proportions of 19.0534714853%, 5.2033764764%, 0.7433394966% and 74.9998125417%, respectively, until the B Class is reduced to zero; and

- (iii) to the A and D Classes and the FC1 Component, in proportion to their original principal balances, to zero;
- (b) 2.9771268105% of such amount to the FC2 Component, to zero; and
- (c) 20.8398876732% of such amount in the following order of priority:
 - (i) to the J Class, until \$9,888,000 has been paid pursuant to this clause (i);
 - (ii) to the J and K Classes, in the proportions of 24.9968649417% and 75.0031350583%, respectively, until the K Class is reduced to zero; and
 - (iii) to the J and L Classes, in that order, to zero;
- 2. To the C Class, to zero; and
- 3. To the LL, G and T Classes as described herein under “Description of the Certificates—Distributions of Principal—*Group 1 Principal Distribution Amount*,” to zero.

Group 2 Principal Distribution Amount

Group 2 Accrual Amount

- 1. To the FA2 and SA2 Components, in proportion to their original principal balances, to their Maximum Scheduled Balances; and
- 2. To the ZB1 Component, to zero, and then to the ZB2 Component.

Group 2 Cash Flow Distribution Amount

- 1. To the FA1 and SA1 Components, in proportion to their original principal balances, to their Planned Balances;
- 2. To the PA, PB, PC, PD, PE and PH Classes, in that order, to their Planned Balances;
- 3. To the FA2 and SA2 Components, in proportion to their original principal balances, to their Maximum Scheduled Balances;
- 4. To the ZB1 Component, to zero;
- 5. To the FA2 and SA2 Components, in proportion to their original principal balances, to their Minimum Scheduled Balances;
- 6. To the ZB2 Component, to zero;
- 7. To the FA2 and SA2 Components, in proportion to their original principal balances, to zero;
- 8. To the FA1 and SA1 Components, in proportion to their original principal balances, to zero; and
- 9. To the PA, PB, PC, PD, PE and PH Classes, in that order, to zero.

Group 3 Principal Distribution Amount

Group 3 Accrual Amount

To the AG, AH and AJ Classes, in that order, to zero, and then to the ZC Class.

Group 3 Cash Flow Distribution Amount

To the AC, AB, AD, AE, AG, AH, AJ and ZC Classes, in that order, to zero.

Group 4 Principal Distribution Amount

1. To the U Class, to zero;
2. To the V and FB Classes, in the proportions of 80% and 20%, respectively, until the V Class is reduced to zero;
3. To the W and FB Classes, in proportion to their then current principal balances, to zero;
and
4. To the M Class, to zero.

Weighted Average Lives (years) *

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>175%</u>	<u>350%</u>	<u>500%</u>
A and D	17.4	7.2	4.8	2.8	2.1
B	20.5	7.3	4.8	2.9	2.2
C	27.8	18.6	12.8	7.0	5.0
F and S	20.4	9.1	6.1	3.5	2.6
FC and SC	18.6	7.3	4.8	2.8	2.2
G	29.6	27.3	23.7	15.0	10.7
LL and H	24.9	20.8	16.1	9.4	6.8
J	16.3	5.7	3.8	2.3	1.8
K	18.6	5.6	3.7	2.3	1.9
L	26.0	13.8	9.1	5.0	3.7
T	29.3	25.2	20.4	12.1	8.6

<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>185%</u>	<u>250%</u>	<u>350%</u>	<u>500%</u>
PA	11.4	2.5	2.5	2.5	2.5	2.4
PB	14.6	3.5	3.5	3.5	3.4	2.7
PC	16.9	4.5	4.5	4.5	4.0	3.0
PD	19.4	6.0	6.0	6.0	4.8	3.6
PE	23.3	10.0	10.0	10.0	7.4	5.4
PH	26.1	18.6	18.6	18.6	14.2	10.1
PJ	13.8	3.3	3.3	3.3	3.2	2.7
PK	22.5	9.9	9.9	9.9	7.5	5.4
FA and SA	13.5	10.0	3.4	2.9	1.9	1.5
ZB	28.4	23.8	18.3	1.6	0.8	0.5

<u>Group 3 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>155%</u>	<u>350%</u>	<u>500%</u>
AC	9.6	2.3	1.8	1.1	0.9
AB	21.3	8.2	6.0	3.2	2.5
AD	26.2	14.9	11.0	5.6	4.1
AE	27.6	18.4	14.0	7.1	5.1
AG	2.7	2.7	2.7	2.7	2.7
AH	8.0	8.0	8.0	7.4	5.9
AJ	13.3	13.3	13.3	9.0	6.8
ZC	29.1	24.6	21.0	13.4	10.0

<u>Group 4 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>155%</u>	<u>350%</u>	<u>500%</u>
U	8.8	1.5	1.1	0.5	0.4
V	20.5	6.8	4.8	2.3	1.6
W	26.4	14.6	10.7	5.1	3.5
FB and SB	21.8	8.5	6.1	2.9	2.0
M	28.9	22.7	19.2	10.4	7.2

* 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 March 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 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. 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 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 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.

Liquid Asset. The AG 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 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 March 1, 1997 (the “Issue Date”) are expected to be as follows:

Group 1 MBS

Aggregate Unpaid Principal Balance	\$427,600,000
MBS Pass-Through Rate	7.50%

Group 1 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

Group 2 MBS

Aggregate Unpaid Principal Balance	\$300,000,000
MBS Pass-Through Rate	7.50%

Group 2 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

Group 3 MBS

Aggregate Unpaid Principal Balance	\$175,000,000
MBS Pass-Through Rate	7.00%

Group 3 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	355 months
Approximate Weighted Average CAGE	4 months

Group 4 MBS

Aggregate Unpaid Principal Balance	\$100,000,000
MBS Pass-Through Rate	7.00%

Group 4 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	340 months
Approximate Weighted Average CAGE	18 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:

<u>Interest Type*</u>	<u>Classes</u>
Fixed Rate	All Classes other than the Floating Rate and Inverse Floating Rate Classes and the R and RL Classes
Accrual	ZB and ZC
Floating Rate	F, FC, FA and FB
Inverse Floating Rate	S, SC, SA and SB
Interest Only	S, SC, H, PJ, PK and SB
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 Periods. Interest to be distributed on a Distribution Date will accrue on the interest-bearing Certificates during the one-month periods set forth below (each, an “Interest Accrual Period”).

<u>Classes</u>	<u>Interest Accrual Periods</u>
F, S, FC, SC, FA, SA, FB and SB Classes	One month period beginning on the 18th day of the month preceding the month of the Distribution Date and ending on the 17th day of the month of the Distribution Date
All Fixed Rate 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 ZB and ZC Classes are Accrual Classes. Interest will accrue on the ZB1 and ZB2 Components and the ZC Class at the applicable per annum rates set forth on the cover hereof; however, such interest will not be distributed thereon (i) until the Distribution Date following the Distribution Date on which the principal balances of the FA2 and SA2 Components are reduced to zero, in the case of the ZB1 Component, (ii) for so long as the ZB2 Component is outstanding, in the case of the ZB2 Component, and (iii) until the Distribution Date following the Distribution Date on which the principal balance of the AJ Class is reduced to zero, in the case of the ZC Class. 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 S, SC, H, PJ, PK and SB Classes will be Notional Classes. The Notional Classes will not have 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 balances of the S, SC, H, PJ, PK and SB Classes will be equal to the indicated percentages of the applicable outstanding principal balances specified below immediately prior to the related Distribution Date:

<u>Class</u>	<u>Percentage of Principal Balance</u>
S	100% of F Class
SC	100% of FC Class
H	100% of LL Class
PJ	10.0000000000% of PA Class
	8.3333333333% of PB Class
	6.6666666667% of PC Class
PK	6.6666666667% of PD Class
	6.6666666667% of PE Class
	3.3333333333% of PH Class
SB	100% of FB 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 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.

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:

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate</u>
F	5.9760%	9.00%	0.55%	LIBOR + 55 basis points
S	3.0240%	8.45%	0.00%	8.45% – LIBOR
FC	5.9260%	9.00%	0.50%	LIBOR + 50 basis points
SC	3.0740%	8.50%	0.00%	8.5% – LIBOR
FA	5.9250%	9.00%	0.55%	LIBOR + 55 basis points
SA	15.3750%	42.25%	0.00%	42.25% – (5 × LIBOR)
FB	5.9375%	9.00%	0.50%	LIBOR + 50 basis points
SB	3.0625%	8.50%	0.00%	8.5% – 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 and notional principal balances of the F, S, FC, SC, FA, SA, FB and SB 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 5.375% for the FA and SA Classes, 5.4375% for the FB and SB Classes and 5.426% for the F, S, FC and SC Classes.

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	
Sequential Pay	A, B, C, F, D, FC1, FC2, G, J, K, L, T and LL
Component	FC
Retail	LL
Notional	S, SC and H
Group 2 Classes and Components	
PAC	FA1, SA1, PA, PB, PC, PD, PE and PH
Scheduled	FA2 and SA2
Support	ZB1 and ZB2
Accretion Directed	FA2 and SA2
Component	FA, SA and ZB
Notional	PJ and PK
Group 3 Classes	
Sequential Pay	AC, AB, AD, AE, AG, AH, AJ and ZC
Accretion Directed	AG, AH and AJ
Liquid Asset	AG
Group 4 Classes	
Sequential Pay	U, V, W, FB and M
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 FC, FA, SA and ZB Classes are comprised of multiple payment Components having the designations and original principal

balances set forth below. The payment characteristics of each such Class will reflect a combination of the payment characteristics of the related Components.

<u>Designation</u>	<u>Original Principal Balance</u>	<u>Principal Type</u>
FC1 Component.....	\$ 2,858,000	SEQ
FC2 Component.....	7,665,000	SEQ
FA1 Component.....	20,495,000	PAC
FA2 Component.....	63,255,000	SCH/AD
SA1 Component.....	4,099,000	PAC
SA2 Component.....	12,651,000	SCH/AD
ZB1 Component.....	13,952,000	SUP
ZB2 Component.....	100,000	SUP

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

Principal Distribution Amount

Principal will be distributed on the Certificates on each Distribution Date 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 Cash Flow Distribution Amount”) and any interest accrued and added on such Distribution Date to the principal balances of the ZB1 and ZB2 Components (the “Group 2 Accrual Amount” and together with the Group 2 Cash Flow Distribution Amount, the “Group 2 Principal Distribution Amount”), (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 ZC Class (the “Group 3 Accrual Amount” and together with the Group 3 Cash Flow Distribution Amount, the “Group 3 Principal Distribution Amount”) and (iv) the aggregate distributions of principal to be made on the Group 4 MBS in the month of such Distribution Date (the “Group 4 Principal Distribution Amount”).

Group 1 Principal Distribution Amount

On each Distribution Date, commencing in April 2000, if the C Class is then outstanding, an amount equal to the lesser of \$30,000 and the Group 1 Principal Distribution Amount will be distributed as principal of the LL Class, until the principal balance thereof is reduced to zero.

} Retail
Class

On each Distribution Date, an amount equal to 14.2857142857% of the excess, if any, of the Group 1 Principal Distribution Amount over the amount distributed pursuant to the immediately preceding paragraph will be distributed as principal of the F Class, until the principal balance thereof is reduced to zero.

On each Distribution Date, the excess, if any, of the Group 1 Principal Distribution Amount over the amounts applied pursuant to the two immediately preceding paragraphs will be distributed as principal of the remaining Group 1 Classes and Components in the following order of priority:

1. (a) 76.1829855164% of such amount in the following order of priority:

(i) concurrently, to the A and D Classes and the FC1 Component, in proportion to their original principal balances (or 76.2133144682%, 20.8133498403% and 2.9733356915%, respectively), until the aggregate amount applied pursuant to this clause (i) is equal to \$35,268,000;

(ii) concurrently, to the A and D Classes, the FC1 Component and the B Class in the proportions of 19.0534714853%, 5.2033764764%, 0.7433394966% and 74.9998125417%, respectively, until the principal balance of the B Class is reduced to zero; and

(iii) concurrently, to the A and D Classes and the FC1 Component, in proportion to their original principal balances, until the principal balances thereof are reduced to zero;

(b) 2.9771268105% of such amount to the FC2 Component, until the principal balance thereof is reduced to zero; and

(c) 20.8398876732% of such amount in the following order of priority:

(i) to the J Class, until the aggregate amount applied pursuant to this clause (i) is equal to \$9,888,000;

(ii) concurrently, to the J and K Classes, in the proportions of 24.9968649417% and 75.0031350583%, respectively, until the principal balance of the K Class is reduced to zero; and

(iii) sequentially, to the J and L Classes, in that order, until the respective principal balances thereof are reduced to zero;

2. To the C Class, until the principal balance thereof is reduced to zero; and

3. To the remaining Group 1 Classes as follows:

(a) sequentially, to the LL and G Classes, in that order, an amount equal to the remaining Group 1 Principal Distribution Amount multiplied by a fraction the numerator of which is the then current aggregate principal balance of the LL and G Classes and the denominator of which is the then current aggregate principal balance of the LL, G and T Classes (before giving effect to any distributions on such Distribution Date pursuant to this clause (a)) until the respective principal balances of the LL and G Classes are reduced to zero; and

(b) to the T Class, any remaining amount, until the principal balance thereof is reduced to zero.

Sequential
Pay
Classes
and
Components

Retail and
Sequential
Pay
Classes

Sequential
Pay
Class

Group 2 Principal Distribution Amount

Group 2 Accrual Amount

On each Distribution Date, the Group 2 Accrual Amount, if any, will be distributed as principal of the Group 2 Components specified below in the following order of priority:

(i) concurrently, to the FA2 and SA2 Components, in proportion to their original principal balances (or 83.3333333333% and 16.6666666667%, respectively), until the principal balances thereof are reduced to their respective Maximum Scheduled Balances for such Distribution Date; and

(ii) to the ZB1 Component, until the principal balance thereof is reduced to zero, and then to the ZB2 Component.

Accretion
Directed/
Scheduled
Components
and Accrual
Components

Group 2 Cash Flow Distribution Amount

On each Distribution Date, the Group 2 Cash Flow Distribution Amount will be distributed as principal of the Group 2 Classes and Components in the following order of priority:

(i) concurrently, to the FA1 and SA1 Components in proportion to their original principal balances, (or 83.3333333333% and 16.6666666667%, respectively), until the principal balances thereof are reduced to their respective Planned Balances for such Distribution Date;

PAC
Components

(ii) sequentially, to the PA, PB, PC, PD, PE and PH Classes, in that order, until the principal balances thereof are reduced to their respective Planned Balances for such Distribution Date;

PAC
Classes

(iii) concurrently, to the FA2 and SA2 Components, in proportion to their original principal balances, until the principal balances thereof are reduced to their respective Maximum Scheduled Balances for such Distribution Date;

Scheduled
Components

(iv) to the ZB1 Component, until the principal balance thereof is reduced to zero;

Support
Component

(v) concurrently, to the FA2 and SA2 Components, in proportion to their original principal balances, until the principal balances thereof are reduced to their respective Minimum Scheduled Balances for such Distribution Date;

Scheduled
Components

(vi) to the ZB2 Component, until the principal balance thereof is reduced to zero;

Support
Component

(vii) concurrently, to the FA2 and SA2 Components, in proportion to their original principal balances, without regard to their Maximum or Minimum Scheduled Principal Balances and until the principal balances thereof are reduced to zero;

Scheduled
Components

(viii) concurrently, to the FA1 and SA1 Components in proportion to their original principal balances, without regard to their Planned Balances and until the principal balances thereof are reduced to zero; and

PAC
Components
and
Classes

(ix) sequentially, to the PA, PB, PC, PD, PE and PH Classes, in that order, without regard to their Planned Balances and until the respective principal balances thereof are reduced to zero.

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 AG, AH and AJ Classes, in that order, until the respective principal balances thereof are reduced to zero, and thereafter to the ZC 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, sequentially, as principal of the AC, AB, AD, AE, AG, AH, AJ and ZC Classes, in that order, until the respective principal balances thereof are reduced to zero.

} Sequential
Pay
Classes

Group 4 Principal Distribution Amount

On each Distribution Date, the Group 4 Principal Distribution Amount will be distributed as principal of the Group 4 Classes in the following order of priority:

- (i) to the U Class, until the principal balance thereof is reduced to zero;
- (ii) concurrently, to the V and FB Classes, in the proportions of 80% and 20%, respectively, until the principal balance of the V Class is reduced to zero;
- (iii) concurrently, to the W and FB Classes, in proportion to their then current principal balances, until the principal balances thereof are reduced to zero; and
- (iv) to the M Class, until the principal balance thereof is 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 original terms to maturity of 360 months and the principal balances, remaining terms to maturity, CAGEs and interest rates, respectively, as specified:

Group 1	\$427,600,000	355	4	8.00%
Group 2	\$300,000,000	355	4	8.00%
Group 3	\$175,000,000	355	4	7.60%
Group 4	\$100,000,000	340	18	7.50%

- 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 Range and Rates. 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 a *constant* PSA rate within the Structuring Range and at the rates set forth below.

<u>Principal Balance Schedule References</u>	<u>Related Classes and Components</u>	<u>Structuring Range and Rates</u>
Planned Balances	FA1, SA1, PA, PB, PC, PD, PE and PH	Between 100% and 250%
Maximum Scheduled Balances	FA2 and SA2	185%
Minimum Scheduled Balances	FA2 and SA2	250%

There is no assurance that the principal balance of any Class or Component listed above will conform on any Distribution Date to the applicable 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 so 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 occur at rates falling within the Structuring Range specified above, principal distributions may be insufficient to reduce the applicable Classes and Components to their scheduled balances if such prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the Mortgage Loans (which may include recently originated Mortgage Loans), the Classes and Components specified above may not be reduced to their scheduled balances, even if prepayments occur at a *constant* rate within the Structuring Range or at the rates 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 Mortgage Loans specified in the Pricing Assumptions.

<u>Related Classes and Components</u>	<u>Initial Effective Ranges</u>
FA1	Between 100% and 612%
SA1	Between 100% and 612%
PA	Between 100% and 410%
PB	Between 100% and 326%
PC	Between 100% and 291%
PD	Between 100% and 257%
PE	Between 100% and 250%
PH	Between 85% and 250%

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

Principal Balance Schedules

<u>Distribution Date</u>	<u>FA1 Component Planned Balance</u>	<u>SA1 Component Planned Balance</u>	<u>PA Class Planned Balance</u>	<u>PB Class Planned Balance</u>
Initial Balance	\$20,495,000.00	\$4,099,000.00	\$18,252,000.00	\$19,135,000.00
April 1997	20,111,848.42	4,022,369.69	18,252,000.00	19,135,000.00
May 1997	19,686,007.76	3,937,201.55	18,252,000.00	19,135,000.00
June 1997	19,217,603.36	3,843,520.67	18,252,000.00	19,135,000.00
July 1997	18,706,782.59	3,741,356.52	18,252,000.00	19,135,000.00
August 1997	18,153,714.86	3,630,742.97	18,252,000.00	19,135,000.00
September 1997	17,558,591.48	3,511,718.30	18,252,000.00	19,135,000.00
October 1997	16,921,625.63	3,384,325.13	18,252,000.00	19,135,000.00
November 1997	16,243,052.25	3,248,610.45	18,252,000.00	19,135,000.00
December 1997	15,523,127.88	3,104,625.58	18,252,000.00	19,135,000.00
January 1998	14,762,130.58	2,952,426.12	18,252,000.00	19,135,000.00
February 1998	13,960,359.73	2,792,071.95	18,252,000.00	19,135,000.00
March 1998	13,118,135.84	2,623,627.17	18,252,000.00	19,135,000.00
April 1998	12,235,800.41	2,447,160.08	18,252,000.00	19,135,000.00
May 1998	11,313,715.66	2,262,743.13	18,252,000.00	19,135,000.00
June 1998	10,352,264.30	2,070,452.86	18,252,000.00	19,135,000.00
July 1998	9,351,849.32	1,870,369.86	18,252,000.00	19,135,000.00
August 1998	8,312,893.69	1,662,578.74	18,252,000.00	19,135,000.00
September 1998	7,235,840.08	1,447,168.02	18,252,000.00	19,135,000.00
October 1998	6,121,150.53	1,224,230.11	18,252,000.00	19,135,000.00
November 1998	4,969,306.19	993,861.24	18,252,000.00	19,135,000.00
December 1998	3,780,806.92	756,161.38	18,252,000.00	19,135,000.00
January 1999	2,556,170.95	511,234.19	18,252,000.00	19,135,000.00
February 1999	1,295,934.55	259,186.91	18,252,000.00	19,135,000.00
March 1999	651.59	130.32	18,252,000.00	19,135,000.00
April 1999	0.00	0.00	16,657,071.78	19,135,000.00
May 1999	0.00	0.00	15,020,696.56	19,135,000.00
June 1999	0.00	0.00	13,392,397.42	19,135,000.00
July 1999	0.00	0.00	11,772,132.33	19,135,000.00
August 1999	0.00	0.00	10,159,859.44	19,135,000.00
September 1999	0.00	0.00	8,555,537.17	19,135,000.00
October 1999	0.00	0.00	6,959,124.10	19,135,000.00
November 1999	0.00	0.00	5,370,579.04	19,135,000.00
December 1999	0.00	0.00	3,789,861.03	19,135,000.00
January 2000	0.00	0.00	2,216,929.30	19,135,000.00
February 2000	0.00	0.00	651,743.29	19,135,000.00
March 2000	0.00	0.00	0.00	18,229,262.65
April 2000	0.00	0.00	0.00	16,679,447.25
May 2000	0.00	0.00	0.00	15,137,257.14
June 2000	0.00	0.00	0.00	13,602,652.60
July 2000	0.00	0.00	0.00	12,075,594.09
August 2000	0.00	0.00	0.00	10,556,042.29
September 2000	0.00	0.00	0.00	9,043,958.08
October 2000	0.00	0.00	0.00	7,539,302.53
November 2000	0.00	0.00	0.00	6,042,036.93
December 2000	0.00	0.00	0.00	4,552,122.73
January 2001	0.00	0.00	0.00	3,069,521.63
February 2001	0.00	0.00	0.00	1,594,195.47
March 2001	0.00	0.00	0.00	126,106.34
April 2001 and thereafter	0.00	0.00	0.00	0.00

<u>Distribution Date</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PH Class Planned Balance</u>
Initial Balance	\$16,060,000.00	\$32,471,000.00	\$72,330,000.00	\$27,200,000.00
April 1997	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
May 1997	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
June 1997	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
July 1997	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
August 1997	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
September 1997	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
October 1997	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
November 1997	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
December 1997	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
January 1998	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
February 1998	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
March 1998	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
April 1998	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
May 1998	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
June 1998	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
July 1998	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
August 1998	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
September 1998	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
October 1998	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
November 1998	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
December 1998	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
January 1999	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
February 1999	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
March 1999	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
April 1999	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
May 1999	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
June 1999	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
July 1999	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
August 1999	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
September 1999	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
October 1999	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
November 1999	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
December 1999	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
January 2000	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
February 2000	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
March 2000	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
April 2000	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
May 2000	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
June 2000	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
July 2000	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
August 2000	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
September 2000	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
October 2000	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
November 2000	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
December 2000	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
January 2001	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
February 2001	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
March 2001	16,060,000.00	32,471,000.00	72,330,000.00	27,200,000.00
April 2001	14,725,216.47	32,471,000.00	72,330,000.00	27,200,000.00
May 2001	13,271,488.34	32,471,000.00	72,330,000.00	27,200,000.00
June 2001	11,824,884.57	32,471,000.00	72,330,000.00	27,200,000.00

<u>Distribution Date</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PH Class Planned Balance</u>
July 2001	\$10,385,368.01	\$32,471,000.00	\$72,330,000.00	\$27,200,000.00
August 2001	8,952,901.68	32,471,000.00	72,330,000.00	27,200,000.00
September 2001	7,527,448.79	32,471,000.00	72,330,000.00	27,200,000.00
October 2001	6,108,972.75	32,471,000.00	72,330,000.00	27,200,000.00
November 2001	4,697,437.14	32,471,000.00	72,330,000.00	27,200,000.00
December 2001	3,292,805.75	32,471,000.00	72,330,000.00	27,200,000.00
January 2002	1,895,042.53	32,471,000.00	72,330,000.00	27,200,000.00
February 2002	504,111.64	32,471,000.00	72,330,000.00	27,200,000.00
March 2002	0.00	31,590,977.40	72,330,000.00	27,200,000.00
April 2002	0.00	30,213,604.33	72,330,000.00	27,200,000.00
May 2002	0.00	28,842,957.12	72,330,000.00	27,200,000.00
June 2002	0.00	27,479,000.65	72,330,000.00	27,200,000.00
July 2002	0.00	26,121,699.97	72,330,000.00	27,200,000.00
August 2002	0.00	24,771,020.32	72,330,000.00	27,200,000.00
September 2002	0.00	23,426,927.10	72,330,000.00	27,200,000.00
October 2002	0.00	22,089,385.92	72,330,000.00	27,200,000.00
November 2002	0.00	20,758,362.53	72,330,000.00	27,200,000.00
December 2002	0.00	19,433,822.87	72,330,000.00	27,200,000.00
January 2003	0.00	18,115,733.07	72,330,000.00	27,200,000.00
February 2003	0.00	16,804,059.41	72,330,000.00	27,200,000.00
March 2003	0.00	15,498,768.34	72,330,000.00	27,200,000.00
April 2003	0.00	14,199,826.51	72,330,000.00	27,200,000.00
May 2003	0.00	12,907,200.72	72,330,000.00	27,200,000.00
June 2003	0.00	11,620,857.94	72,330,000.00	27,200,000.00
July 2003	0.00	10,340,765.32	72,330,000.00	27,200,000.00
August 2003	0.00	9,066,890.16	72,330,000.00	27,200,000.00
September 2003	0.00	7,799,199.95	72,330,000.00	27,200,000.00
October 2003	0.00	6,537,662.32	72,330,000.00	27,200,000.00
November 2003	0.00	5,282,245.09	72,330,000.00	27,200,000.00
December 2003	0.00	4,032,916.24	72,330,000.00	27,200,000.00
January 2004	0.00	2,789,643.89	72,330,000.00	27,200,000.00
February 2004	0.00	1,552,396.37	72,330,000.00	27,200,000.00
March 2004	0.00	321,142.12	72,330,000.00	27,200,000.00
April 2004	0.00	0.00	71,425,849.78	27,200,000.00
May 2004	0.00	0.00	70,206,488.12	27,200,000.00
June 2004	0.00	0.00	68,993,026.11	27,200,000.00
July 2004	0.00	0.00	67,785,432.83	27,200,000.00
August 2004	0.00	0.00	66,583,677.56	27,200,000.00
September 2004	0.00	0.00	65,387,729.72	27,200,000.00
October 2004	0.00	0.00	64,197,558.87	27,200,000.00
November 2004	0.00	0.00	63,013,134.76	27,200,000.00
December 2004	0.00	0.00	61,834,427.26	27,200,000.00
January 2005	0.00	0.00	60,661,406.43	27,200,000.00
February 2005	0.00	0.00	59,494,042.45	27,200,000.00
March 2005	0.00	0.00	58,332,305.67	27,200,000.00
April 2005	0.00	0.00	57,176,166.60	27,200,000.00
May 2005	0.00	0.00	56,025,595.87	27,200,000.00
June 2005	0.00	0.00	54,880,564.29	27,200,000.00
July 2005	0.00	0.00	53,741,042.81	27,200,000.00
August 2005	0.00	0.00	52,607,002.52	27,200,000.00
September 2005	0.00	0.00	51,478,414.67	27,200,000.00
October 2005	0.00	0.00	50,355,250.66	27,200,000.00

<u>Distribution Date</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PH Class Planned Balance</u>
November 2005	\$ 0.00	\$ 0.00	\$49,237,482.01	\$27,200,000.00
December 2005	0.00	0.00	48,125,080.42	27,200,000.00
January 2006	0.00	0.00	47,018,017.71	27,200,000.00
February 2006	0.00	0.00	45,916,265.86	27,200,000.00
March 2006	0.00	0.00	44,819,796.98	27,200,000.00
April 2006	0.00	0.00	43,737,149.57	27,200,000.00
May 2006	0.00	0.00	42,669,848.44	27,200,000.00
June 2006	0.00	0.00	41,617,681.77	27,200,000.00
July 2006	0.00	0.00	40,580,440.63	27,200,000.00
August 2006	0.00	0.00	39,557,918.93	27,200,000.00
September 2006	0.00	0.00	38,549,913.40	27,200,000.00
October 2006	0.00	0.00	37,556,223.54	27,200,000.00
November 2006	0.00	0.00	36,576,651.57	27,200,000.00
December 2006	0.00	0.00	35,611,002.42	27,200,000.00
January 2007	0.00	0.00	34,659,083.68	27,200,000.00
February 2007	0.00	0.00	33,720,705.55	27,200,000.00
March 2007	0.00	0.00	32,795,680.82	27,200,000.00
April 2007	0.00	0.00	31,883,824.85	27,200,000.00
May 2007	0.00	0.00	30,984,955.51	27,200,000.00
June 2007	0.00	0.00	30,098,893.14	27,200,000.00
July 2007	0.00	0.00	29,225,460.56	27,200,000.00
August 2007	0.00	0.00	28,364,482.97	27,200,000.00
September 2007	0.00	0.00	27,515,787.99	27,200,000.00
October 2007	0.00	0.00	26,679,205.57	27,200,000.00
November 2007	0.00	0.00	25,854,567.99	27,200,000.00
December 2007	0.00	0.00	25,041,709.82	27,200,000.00
January 2008	0.00	0.00	24,240,467.87	27,200,000.00
February 2008	0.00	0.00	23,450,681.21	27,200,000.00
March 2008	0.00	0.00	22,672,191.09	27,200,000.00
April 2008	0.00	0.00	21,904,840.91	27,200,000.00
May 2008	0.00	0.00	21,148,476.24	27,200,000.00
June 2008	0.00	0.00	20,402,944.74	27,200,000.00
July 2008	0.00	0.00	19,668,096.16	27,200,000.00
August 2008	0.00	0.00	18,943,782.29	27,200,000.00
September 2008	0.00	0.00	18,229,856.95	27,200,000.00
October 2008	0.00	0.00	17,526,175.97	27,200,000.00
November 2008	0.00	0.00	16,832,597.12	27,200,000.00
December 2008	0.00	0.00	16,148,980.16	27,200,000.00
January 2009	0.00	0.00	15,475,186.71	27,200,000.00
February 2009	0.00	0.00	14,811,080.33	27,200,000.00
March 2009	0.00	0.00	14,156,526.42	27,200,000.00
April 2009	0.00	0.00	13,511,392.22	27,200,000.00
May 2009	0.00	0.00	12,875,546.80	27,200,000.00
June 2009	0.00	0.00	12,248,861.00	27,200,000.00
July 2009	0.00	0.00	11,631,207.45	27,200,000.00
August 2009	0.00	0.00	11,022,460.50	27,200,000.00
September 2009	0.00	0.00	10,422,496.23	27,200,000.00
October 2009	0.00	0.00	9,831,192.42	27,200,000.00
November 2009	0.00	0.00	9,248,428.50	27,200,000.00
December 2009	0.00	0.00	8,674,085.58	27,200,000.00
January 2010	0.00	0.00	8,108,046.37	27,200,000.00
February 2010	0.00	0.00	7,550,195.21	27,200,000.00

<u>Distribution Date</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PH Class Planned Balance</u>
March 2010	\$ 0.00	\$ 0.00	\$ 7,000,418.00	\$27,200,000.00
April 2010	0.00	0.00	6,458,602.22	27,200,000.00
May 2010	0.00	0.00	5,924,636.88	27,200,000.00
June 2010	0.00	0.00	5,398,412.51	27,200,000.00
July 2010	0.00	0.00	4,879,821.14	27,200,000.00
August 2010	0.00	0.00	4,368,756.29	27,200,000.00
September 2010	0.00	0.00	3,865,112.92	27,200,000.00
October 2010	0.00	0.00	3,368,787.45	27,200,000.00
November 2010	0.00	0.00	2,879,677.70	27,200,000.00
December 2010	0.00	0.00	2,397,682.89	27,200,000.00
January 2011	0.00	0.00	1,922,703.65	27,200,000.00
February 2011	0.00	0.00	1,454,641.93	27,200,000.00
March 2011	0.00	0.00	993,401.05	27,200,000.00
April 2011	0.00	0.00	538,885.66	27,200,000.00
May 2011	0.00	0.00	91,001.69	27,200,000.00
June 2011	0.00	0.00	0.00	26,849,656.40
July 2011	0.00	0.00	0.00	26,414,758.29
August 2011	0.00	0.00	0.00	25,986,217.12
September 2011	0.00	0.00	0.00	25,563,943.90
October 2011	0.00	0.00	0.00	25,147,850.85
November 2011	0.00	0.00	0.00	24,737,851.40
December 2011	0.00	0.00	0.00	24,333,860.16
January 2012	0.00	0.00	0.00	23,935,792.94
February 2012	0.00	0.00	0.00	23,543,566.66
March 2012	0.00	0.00	0.00	23,157,099.42
April 2012	0.00	0.00	0.00	22,776,310.43
May 2012	0.00	0.00	0.00	22,401,120.01
June 2012	0.00	0.00	0.00	22,031,449.56
July 2012	0.00	0.00	0.00	21,667,221.59
August 2012	0.00	0.00	0.00	21,308,359.66
September 2012	0.00	0.00	0.00	20,954,788.37
October 2012	0.00	0.00	0.00	20,606,433.37
November 2012	0.00	0.00	0.00	20,263,221.33
December 2012	0.00	0.00	0.00	19,925,079.92
January 2013	0.00	0.00	0.00	19,591,937.81
February 2013	0.00	0.00	0.00	19,263,724.66
March 2013	0.00	0.00	0.00	18,940,371.08
April 2013	0.00	0.00	0.00	18,621,808.65
May 2013	0.00	0.00	0.00	18,307,969.89
June 2013	0.00	0.00	0.00	17,998,788.23
July 2013	0.00	0.00	0.00	17,694,198.04
August 2013	0.00	0.00	0.00	17,394,134.58
September 2013	0.00	0.00	0.00	17,098,534.00
October 2013	0.00	0.00	0.00	16,807,333.34
November 2013	0.00	0.00	0.00	16,520,470.50
December 2013	0.00	0.00	0.00	16,237,884.23
January 2014	0.00	0.00	0.00	15,959,514.14
February 2014	0.00	0.00	0.00	15,685,300.66
March 2014	0.00	0.00	0.00	15,415,185.04
April 2014	0.00	0.00	0.00	15,149,109.34
May 2014	0.00	0.00	0.00	14,887,016.42
June 2014	0.00	0.00	0.00	14,628,849.94

<u>Distribution Date</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PH Class Planned Balance</u>
July 2014	\$ 0.00	\$ 0.00	\$ 0.00	\$14,374,554.32
August 2014	0.00	0.00	0.00	14,124,074.76
September 2014	0.00	0.00	0.00	13,877,357.20
October 2014	0.00	0.00	0.00	13,634,348.33
November 2014	0.00	0.00	0.00	13,394,995.60
December 2014	0.00	0.00	0.00	13,159,247.15
January 2015	0.00	0.00	0.00	12,927,051.85
February 2015	0.00	0.00	0.00	12,698,359.29
March 2015	0.00	0.00	0.00	12,473,119.74
April 2015	0.00	0.00	0.00	12,251,284.15
May 2015	0.00	0.00	0.00	12,032,804.18
June 2015	0.00	0.00	0.00	11,817,632.11
July 2015	0.00	0.00	0.00	11,605,720.93
August 2015	0.00	0.00	0.00	11,397,024.24
September 2015	0.00	0.00	0.00	11,191,496.31
October 2015	0.00	0.00	0.00	10,989,092.01
November 2015	0.00	0.00	0.00	10,789,766.88
December 2015	0.00	0.00	0.00	10,593,477.02
January 2016	0.00	0.00	0.00	10,400,179.19
February 2016	0.00	0.00	0.00	10,209,830.71
March 2016	0.00	0.00	0.00	10,022,389.52
April 2016	0.00	0.00	0.00	9,837,814.11
May 2016	0.00	0.00	0.00	9,656,063.57
June 2016	0.00	0.00	0.00	9,477,097.55
July 2016	0.00	0.00	0.00	9,300,876.26
August 2016	0.00	0.00	0.00	9,127,360.46
September 2016	0.00	0.00	0.00	8,956,511.44
October 2016	0.00	0.00	0.00	8,788,291.06
November 2016	0.00	0.00	0.00	8,622,661.67
December 2016	0.00	0.00	0.00	8,459,586.17
January 2017	0.00	0.00	0.00	8,299,027.96
February 2017	0.00	0.00	0.00	8,140,950.96
March 2017	0.00	0.00	0.00	7,985,319.58
April 2017	0.00	0.00	0.00	7,832,098.72
May 2017	0.00	0.00	0.00	7,681,253.79
June 2017	0.00	0.00	0.00	7,532,750.65
July 2017	0.00	0.00	0.00	7,386,555.66
August 2017	0.00	0.00	0.00	7,242,635.62
September 2017	0.00	0.00	0.00	7,100,957.83
October 2017	0.00	0.00	0.00	6,961,490.01
November 2017	0.00	0.00	0.00	6,824,200.33
December 2017	0.00	0.00	0.00	6,689,057.44
January 2018	0.00	0.00	0.00	6,556,030.37
February 2018	0.00	0.00	0.00	6,425,088.63
March 2018	0.00	0.00	0.00	6,296,202.13
April 2018	0.00	0.00	0.00	6,169,341.20
May 2018	0.00	0.00	0.00	6,044,476.59
June 2018	0.00	0.00	0.00	5,921,579.45
July 2018	0.00	0.00	0.00	5,800,621.34
August 2018	0.00	0.00	0.00	5,681,574.20
September 2018	0.00	0.00	0.00	5,564,410.38
October 2018	0.00	0.00	0.00	5,449,102.61

<u>Distribution Date</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PH Class Planned Balance</u>
November 2018	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,335,623.99
December 2018	0.00	0.00	0.00	5,223,948.01
January 2019	0.00	0.00	0.00	5,114,048.52
February 2019	0.00	0.00	0.00	5,005,899.74
March 2019	0.00	0.00	0.00	4,899,476.24
April 2019	0.00	0.00	0.00	4,794,752.96
May 2019	0.00	0.00	0.00	4,691,705.18
June 2019	0.00	0.00	0.00	4,590,308.53
July 2019	0.00	0.00	0.00	4,490,538.96
August 2019	0.00	0.00	0.00	4,392,372.80
September 2019	0.00	0.00	0.00	4,295,786.67
October 2019	0.00	0.00	0.00	4,200,757.53
November 2019	0.00	0.00	0.00	4,107,262.67
December 2019	0.00	0.00	0.00	4,015,279.69
January 2020	0.00	0.00	0.00	3,924,786.50
February 2020	0.00	0.00	0.00	3,835,761.33
March 2020	0.00	0.00	0.00	3,748,182.70
April 2020	0.00	0.00	0.00	3,662,029.45
May 2020	0.00	0.00	0.00	3,577,280.70
June 2020	0.00	0.00	0.00	3,493,915.87
July 2020	0.00	0.00	0.00	3,411,914.67
August 2020	0.00	0.00	0.00	3,331,257.08
September 2020	0.00	0.00	0.00	3,251,923.39
October 2020	0.00	0.00	0.00	3,173,894.13
November 2020	0.00	0.00	0.00	3,097,150.13
December 2020	0.00	0.00	0.00	3,021,672.49
January 2021	0.00	0.00	0.00	2,947,442.55
February 2021	0.00	0.00	0.00	2,874,441.94
March 2021	0.00	0.00	0.00	2,802,652.53
April 2021	0.00	0.00	0.00	2,732,056.45
May 2021	0.00	0.00	0.00	2,662,636.09
June 2021	0.00	0.00	0.00	2,594,374.08
July 2021	0.00	0.00	0.00	2,527,253.29
August 2021	0.00	0.00	0.00	2,461,256.83
September 2021	0.00	0.00	0.00	2,396,368.06
October 2021	0.00	0.00	0.00	2,332,570.57
November 2021	0.00	0.00	0.00	2,269,848.18
December 2021	0.00	0.00	0.00	2,208,184.93
January 2022	0.00	0.00	0.00	2,147,565.09
February 2022	0.00	0.00	0.00	2,087,973.16
March 2022	0.00	0.00	0.00	2,029,393.85
April 2022	0.00	0.00	0.00	1,971,812.08
May 2022	0.00	0.00	0.00	1,915,213.00
June 2022	0.00	0.00	0.00	1,859,581.97
July 2022	0.00	0.00	0.00	1,804,904.52
August 2022	0.00	0.00	0.00	1,751,166.43
September 2022	0.00	0.00	0.00	1,698,353.66
October 2022	0.00	0.00	0.00	1,646,452.37
November 2022	0.00	0.00	0.00	1,595,448.92
December 2022	0.00	0.00	0.00	1,545,329.85
January 2023	0.00	0.00	0.00	1,496,081.91
February 2023	0.00	0.00	0.00	1,447,692.02

<u>Distribution Date</u>	<u>PC Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PH Class Planned Balance</u>
March 2023	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,400,147.30
April 2023	0.00	0.00	0.00	1,353,435.04
May 2023	0.00	0.00	0.00	1,307,542.72
June 2023	0.00	0.00	0.00	1,262,457.99
July 2023	0.00	0.00	0.00	1,218,168.68
August 2023	0.00	0.00	0.00	1,174,662.79
September 2023	0.00	0.00	0.00	1,131,928.49
October 2023	0.00	0.00	0.00	1,089,954.12
November 2023	0.00	0.00	0.00	1,048,728.19
December 2023	0.00	0.00	0.00	1,008,239.37
January 2024	0.00	0.00	0.00	968,476.47
February 2024	0.00	0.00	0.00	929,428.51
March 2024	0.00	0.00	0.00	891,084.61
April 2024	0.00	0.00	0.00	853,434.07
May 2024	0.00	0.00	0.00	816,466.36
June 2024	0.00	0.00	0.00	780,171.07
July 2024	0.00	0.00	0.00	744,537.95
August 2024	0.00	0.00	0.00	709,556.91
September 2024	0.00	0.00	0.00	675,217.97
October 2024	0.00	0.00	0.00	641,511.32
November 2024	0.00	0.00	0.00	608,427.30
December 2024	0.00	0.00	0.00	575,956.35
January 2025	0.00	0.00	0.00	544,089.07
February 2025	0.00	0.00	0.00	512,816.21
March 2025	0.00	0.00	0.00	482,128.61
April 2025	0.00	0.00	0.00	452,017.29
May 2025	0.00	0.00	0.00	422,473.35
June 2025	0.00	0.00	0.00	393,488.06
July 2025	0.00	0.00	0.00	365,052.79
August 2025	0.00	0.00	0.00	337,159.04
September 2025	0.00	0.00	0.00	309,798.44
October 2025	0.00	0.00	0.00	282,962.71
November 2025	0.00	0.00	0.00	256,643.74
December 2025	0.00	0.00	0.00	230,833.49
January 2026	0.00	0.00	0.00	205,524.06
February 2026	0.00	0.00	0.00	180,707.65
March 2026	0.00	0.00	0.00	156,376.58
April 2026	0.00	0.00	0.00	132,523.29
May 2026	0.00	0.00	0.00	109,140.31
June 2026	0.00	0.00	0.00	86,220.29
July 2026	0.00	0.00	0.00	63,755.98
August 2026	0.00	0.00	0.00	41,740.23
September 2026	0.00	0.00	0.00	20,166.01
October 2026 and thereafter	0.00	0.00	0.00	0.00

<u>Distribution Date</u>	<u>FA2 Component Maximum Scheduled Balance</u>	<u>SA2 Component Maximum Scheduled Balance</u>	<u>FA2 Component Minimum Scheduled Balance</u>	<u>SA2 Component Minimum Scheduled Balance</u>
Initial Balance	\$63,255,000.00	\$12,651,000.00	\$63,255,000.00	\$12,651,000.00
April 1997	63,002,507.89	12,600,501.58	63,002,507.89	12,600,501.58
May 1997	62,713,917.45	12,542,783.49	62,713,917.45	12,542,783.49
June 1997	62,389,404.74	12,477,880.95	62,389,404.74	12,477,880.95
July 1997	62,029,198.16	12,405,839.64	62,029,198.17	12,405,839.63
August 1997	61,633,578.36	12,326,715.68	61,633,578.37	12,326,715.67
September 1997	61,202,878.05	12,240,575.61	61,202,878.05	12,240,575.61
October 1997	60,737,481.74	12,147,496.35	60,737,481.74	12,147,496.35
November 1997	60,237,825.38	12,047,565.08	60,237,825.38	12,047,565.08
December 1997	59,704,395.88	11,940,879.18	59,704,395.88	11,940,879.18
January 1998	59,137,730.56	11,827,546.11	59,137,730.56	11,827,546.11
February 1998	58,538,416.44	11,707,683.29	58,538,416.44	11,707,683.29
March 1998	57,907,089.54	11,581,417.91	57,907,089.54	11,581,417.91
April 1998	57,244,433.95	11,448,886.79	57,244,433.95	11,448,886.79
May 1998	56,551,180.94	11,310,236.19	56,551,180.94	11,310,236.19
June 1998	55,828,107.88	11,165,621.58	55,828,107.88	11,165,621.58
July 1998	55,076,037.10	11,015,207.42	55,076,037.10	11,015,207.42
August 1998	54,295,834.63	10,859,166.93	54,295,834.63	10,859,166.93
September 1998	53,488,408.96	10,697,681.80	53,488,408.97	10,697,681.79
October 1998	52,654,709.55	10,530,941.91	52,654,709.55	10,530,941.91
November 1998	51,795,725.37	10,359,145.08	51,795,725.37	10,359,145.08
December 1998	50,912,483.35	10,182,496.67	50,912,483.35	10,182,496.67
January 1999	50,006,046.70	10,001,209.34	50,006,046.70	10,001,209.34
February 1999	49,077,513.21	9,815,502.64	49,077,513.21	9,815,502.64
March 1999	48,128,013.43	9,625,602.69	48,128,013.43	9,625,602.69
April 1999	47,158,708.85	9,431,741.77	47,158,708.85	9,431,741.77
May 1999	46,170,789.92	9,234,157.99	46,170,789.92	9,234,157.99
June 1999	45,198,276.20	9,039,655.24	45,198,276.20	9,039,655.24
July 1999	44,240,976.41	8,848,195.29	44,240,976.42	8,848,195.28
August 1999	43,298,701.29	8,659,740.26	43,298,701.29	8,659,740.26
September 1999	42,371,263.51	8,474,252.71	42,371,263.52	8,474,252.70
October 1999	41,458,477.69	8,291,695.54	41,440,546.43	8,288,109.29
November 1999	40,560,160.37	8,112,032.07	40,091,266.75	8,018,253.35
December 1999	39,676,129.97	7,935,226.00	38,772,519.31	7,754,503.86
January 2000	38,806,206.84	7,761,241.37	37,484,471.63	7,496,894.33
February 2000	37,950,213.14	7,590,042.63	36,226,022.50	7,245,204.50
March 2000	37,107,972.89	7,421,594.58	34,996,713.02	6,999,342.60
April 2000	36,279,311.93	7,255,862.39	33,796,090.81	6,759,218.16
May 2000	35,464,057.92	7,092,811.59	32,623,709.92	6,524,741.98
June 2000	34,662,040.27	6,932,408.06	31,479,130.68	6,295,826.14
July 2000	33,873,090.19	6,774,618.04	30,361,919.73	6,072,383.95
August 2000	33,097,040.62	6,619,408.12	29,271,649.81	5,854,329.96
September 2000	32,333,726.22	6,466,745.24	28,207,899.74	5,641,579.95
October 2000	31,582,983.38	6,316,596.68	27,170,254.35	5,434,050.87
November 2000	30,844,650.17	6,168,930.04	26,158,304.35	5,231,660.87
December 2000	30,118,566.37	6,023,713.27	25,171,646.27	5,034,329.26
January 2001	29,404,573.35	5,880,914.67	24,209,882.42	4,841,976.49
February 2001	28,702,514.19	5,740,502.84	23,272,620.74	4,654,524.15
March 2001	28,012,233.55	5,602,446.71	22,359,474.76	4,471,894.95
April 2001	27,333,577.72	5,466,715.54	21,470,063.52	4,294,012.71
May 2001	26,666,394.55	5,333,278.91	20,604,011.52	4,120,802.30
June 2001	26,010,533.52	5,202,106.70	19,760,948.58	3,952,189.72

<u>Distribution Date</u>	<u>FA2 Component Maximum Scheduled Balance</u>	<u>SA2 Component Maximum Scheduled Balance</u>	<u>FA2 Component Minimum Scheduled Balance</u>	<u>SA2 Component Minimum Scheduled Balance</u>
July 2001	\$25,365,845.59	\$ 5,073,169.12	\$18,940,509.83	\$ 3,788,101.97
August 2001	24,732,183.33	4,946,436.67	18,142,335.62	3,628,467.12
September 2001	24,109,400.80	4,821,880.16	17,366,071.40	3,473,214.28
October 2001	23,497,353.57	4,699,470.72	16,611,367.74	3,322,273.55
November 2001	22,895,898.71	4,579,179.74	15,877,880.17	3,175,576.04
December 2001	22,304,894.75	4,460,978.95	15,165,269.19	3,033,053.84
January 2002	21,724,201.71	4,344,840.34	14,473,200.12	2,894,640.03
February 2002	21,153,681.03	4,230,736.21	13,801,343.12	2,760,268.63
March 2002	20,593,195.60	4,118,639.12	13,149,373.05	2,629,874.61
April 2002	20,042,609.70	4,008,521.94	12,516,969.43	2,503,393.89
May 2002	19,501,789.04	3,900,357.81	11,903,816.42	2,380,763.28
June 2002	18,970,600.69	3,794,120.14	11,309,602.67	2,261,920.54
July 2002	18,448,913.12	3,689,782.62	10,734,021.35	2,146,804.27
August 2002	17,936,596.12	3,587,319.22	10,176,770.00	2,035,354.00
September 2002	17,433,520.85	3,486,704.17	9,637,550.53	1,927,510.11
October 2002	16,939,559.80	3,387,911.96	9,116,069.17	1,823,213.83
November 2002	16,454,586.74	3,290,917.35	8,612,036.33	1,722,407.27
December 2002	15,978,476.79	3,195,695.36	8,125,166.63	1,625,033.33
January 2003	15,511,106.31	3,102,221.26	7,655,178.82	1,531,035.76
February 2003	15,052,352.96	3,010,470.59	7,201,795.65	1,440,359.13
March 2003	14,602,095.65	2,920,419.13	6,764,743.93	1,352,948.79
April 2003	14,160,214.54	2,832,042.91	6,343,754.41	1,268,750.88
May 2003	13,726,591.02	2,745,318.20	5,938,561.71	1,187,712.34
June 2003	13,301,107.68	2,660,221.54	5,548,904.30	1,109,780.86
July 2003	12,883,648.37	2,576,729.67	5,174,524.46	1,034,904.89
August 2003	12,474,098.06	2,494,819.61	4,815,168.17	963,033.63
September 2003	12,072,342.97	2,414,468.59	4,470,585.12	894,117.02
October 2003	11,678,270.43	2,335,654.09	4,140,528.60	828,105.72
November 2003	11,291,768.97	2,258,353.79	3,824,755.52	764,951.10
December 2003	10,912,728.23	2,182,545.65	3,523,026.30	704,605.26
January 2004	10,541,039.02	2,108,207.80	3,235,104.84	647,020.97
February 2004	10,176,593.22	2,035,318.64	2,960,758.49	592,151.70
March 2004	9,819,283.84	1,963,856.77	2,699,757.98	539,951.60
April 2004	9,469,005.00	1,893,801.00	2,451,877.37	490,375.48
May 2004	9,125,651.89	1,825,130.38	2,216,894.03	443,378.81
June 2004	8,789,120.76	1,757,824.15	1,994,588.57	398,917.72
July 2004	8,459,308.92	1,691,861.79	1,784,744.82	356,948.96
August 2004	8,136,114.76	1,627,222.95	1,587,149.72	317,429.94
September 2004	7,819,437.67	1,563,887.53	1,401,593.38	280,318.68
October 2004	7,509,178.07	1,501,835.62	1,227,868.96	245,573.79
November 2004	7,205,237.44	1,441,047.49	1,065,772.65	213,154.53
December 2004	6,907,518.19	1,381,503.64	915,103.62	183,020.73
January 2005	6,615,923.78	1,323,184.76	775,664.00	155,132.80
February 2005	6,330,358.63	1,266,071.73	647,258.82	129,451.76
March 2005	6,050,728.13	1,210,145.63	529,695.95	105,939.19
April 2005	5,776,938.65	1,155,387.73	422,786.13	84,557.23
May 2005	5,508,897.47	1,101,779.49	326,342.85	65,268.57
June 2005	5,246,512.84	1,049,302.57	240,182.36	48,036.47
July 2005	4,989,693.95	997,938.79	164,123.61	32,824.72
August 2005	4,738,350.87	947,670.18	97,988.23	19,597.65
September 2005	4,492,394.63	898,478.93	41,600.48	8,320.10
October 2005	4,251,737.11	850,347.42	0.00	0.00

<u>Distribution Date</u>	<u>FA2 Component Maximum Scheduled Balance</u>	<u>SA2 Component Maximum Scheduled Balance</u>	<u>FA2 Component Minimum Scheduled Balance</u>	<u>SA2 Component Minimum Scheduled Balance</u>
November 2005	\$ 4,016,291.10	\$ 803,258.22	\$ 0.00	\$ 0.00
December 2005	3,785,970.28	757,194.06	0.00	0.00
January 2006	3,560,689.19	712,137.84	0.00	0.00
February 2006	3,340,363.22	668,072.65	0.00	0.00
March 2006	3,124,908.64	624,981.73	0.00	0.00
April 2006	2,907,103.99	581,420.80	0.00	0.00
May 2006	2,685,573.53	537,114.71	0.00	0.00
June 2006	2,460,389.64	492,077.93	0.00	0.00
July 2006	2,231,623.22	446,324.65	0.00	0.00
August 2006	1,999,343.74	399,868.75	0.00	0.00
September 2006	1,763,619.21	352,723.84	0.00	0.00
October 2006	1,524,516.24	304,903.25	0.00	0.00
November 2006	1,282,100.08	256,420.02	0.00	0.00
December 2006	1,036,434.59	207,286.92	0.00	0.00
January 2007	787,582.30	157,516.46	0.00	0.00
February 2007	535,604.41	107,120.88	0.00	0.00
March 2007	280,560.82	56,112.17	0.00	0.00
April 2007	22,510.17	4,502.03	0.00	0.00
May 2007 and thereafter	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 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 Inverse Floating Rate Classes. The yields to investors in the Inverse Floating Rate Classes 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. As indicated in the applicable tables below, it is possible that, under certain Index and prepayment scenarios, investors in the S, SC and SB Classes would not fully recoup their initial investments.

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 indicated levels of the Index and (ii) the aggregate purchase prices of the Inverse Floating Rate Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
S	7.1875%
SC	6.2500%
SA	98.0000%
SB	8.2500%

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>175%</u>	<u>350%</u>	<u>500%</u>
3.426%	75.0%	72.0%	67.3%	55.6%	44.7%
5.426%	41.3%	38.0%	32.8%	18.9%	6.1%
7.426%	8.8%	4.7%	(2.8)%	(22.8)%	(40.1)%
8.450%	*	*	*	*	*

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

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>175%</u>	<u>350%</u>	<u>500%</u>
3.426%	87.4%	83.3%	77.3%	62.6%	49.3%
5.426%	47.7%	43.5%	36.9%	19.8%	4.5%
7.426%	10.5%	5.0%	(4.7)%	(29.2)%	(48.8)%
8.500%	*	*	*	*	*

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

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>185%</u>	<u>250%</u>	<u>500%</u>
3.375%	27.3%	27.3%	27.6%	27.6%	28.1%
5.375%	16.4%	16.4%	16.8%	16.9%	17.5%
7.375%	5.8%	5.8%	6.4%	6.5%	7.3%
8.450%	0.2%	0.3%	0.9%	1.0%	2.0%

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>155%</u>	<u>350%</u>	<u>500%</u>
3.4375%	68.1%	65.9%	61.9%	39.3%	17.0%
5.4375%	38.5%	35.1%	29.7%	3.6%	(20.2)%
7.4375%	7.8%	2.0%	(5.7)%	(38.7)%	(65.5)%
8.5000%	*	*	*	*	*

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

The H, PJ and PK Classes. As indicated in the applicable tables below, the yields to investors in the H, PJ and PK Classes will be highly sensitive to the rate of principal payments (including prepayments) of the Mortgage Loans underlying the Group 1 MBS and Group 2 MBS, as applicable, which generally can be prepaid at any time. On the basis of the assumptions described below, the yield to maturity on the H, PJ and PK Classes would be 0% if prepayments were to occur at constant rates of approximately 261% PSA, 483% PSA and 460% PSA, respectively. If the actual prepayment rates of the Mortgage Loans underlying the related MBS Groups were to exceed the foregoing levels for as little

as one month while equaling such levels for the remaining months, investors in the H, PJ and PK Classes, as applicable, would not fully recoup their initial investments.

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 H, PJ and PK Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price</u>
H	3.0%
PJ	20.0%
PK	43.5%

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

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>175%</u>	<u>350%</u>	<u>500%</u>
H	6.1%	5.6%	3.7%	(4.9)%	(14.8)%

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

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>185%</u>	<u>250%</u>	<u>500%</u>
PJ	27.8%	12.0%	12.0%	12.0%	(1.6)%

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

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>185%</u>	<u>250%</u>	<u>500%</u>
PK	14.8%	10.8%	10.8%	10.8%	(2.3)%

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by (a) multiplying the amount of the reduction, if any, of the principal balance of such Certificate from one Distribution Date to the next Distribution Date by the number of years from the Settlement Date to the second such Distribution Date, (b) summing the results and (c) dividing the sum by the aggregate amount of the reductions in principal balance of such Certificate referred to in clause (a). For a description of the factors which may influence the weighted average life of a Certificate, see “Description of the Certificates—Weighted Average Life and Final Distribution Dates” in the 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 PAC Classes and Components and Scheduled Components in accordance with the applicable Principal Balance Schedules herein. In particular, if certain principal distributions of the Group 2 Classes and Components on any Distribution Date exceed the amount required to reduce the principal balances of the PAC Classes and Components and Scheduled Components 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 Components on such Distribution Date. Conversely, if certain principal distributions on any Distribution Date are less than the amount so required to reduce the PAC Classes and Components and Scheduled Components to their scheduled balances, no principal will be distributed on certain of the remaining Group 2 Components 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 life of the Support Class than on the weighted average lives of the PAC Classes and the FA and SA 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.

As described under “Distribution of Principal—Components” herein, for purposes of calculating payments of principal, the FC, FA, SA and ZB Classes are comprised of multiple payment components. Since such components are not divisible, the payment characteristics of each such Class will reflect a combination of the payment characteristics of the related 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 each underlying Mortgage Loan has an original and remaining term to maturity and bears interest at the per annum rate specified below:

<u>Mortgage Loans relating to the MBS specified below</u>	<u>Original and Remaining Terms to Maturity</u>	<u>Interest Rates</u>
Group 1	360 months	10.00%
Group 2	360 months	10.00%
Group 3	360 months	9.50%
Group 4	360 months	9.50%

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

Date	A and D Classes					B Class					C Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	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
March 1998	98	91	87	76	67	100	100	100	100	100	100	100	100	100	100
March 1999	97	76	63	55	49	100	100	99	77	59	100	100	100	100	100
March 2000	95	62	56	43	34	100	96	79	43	16	100	100	100	100	100
March 2001	93	58	50	34	9	100	83	60	15	0	100	100	100	100	100
March 2002	91	53	44	20	0	100	72	44	0	0	100	100	100	100	47
March 2003	88	50	39	0	0	100	61	29	0	0	100	100	100	92	0
March 2004	85	46	34	0	0	100	50	16	0	0	100	100	100	45	0
March 2005	82	43	30	0	0	100	40	5	0	0	100	100	100	9	0
March 2006	79	39	21	0	0	100	31	0	0	0	100	100	100	0	0
March 2007	75	36	8	0	0	100	22	0	0	0	100	100	100	0	0
March 2008	71	34	0	0	0	100	14	0	0	0	100	100	91	0	0
March 2009	67	31	0	0	0	100	6	0	0	0	100	100	65	0	0
March 2010	63	27	0	0	0	99	0	0	0	0	100	100	42	0	0
March 2011	61	18	0	0	0	95	0	0	0	0	100	100	22	0	0
March 2012	60	9	0	0	0	90	0	0	0	0	100	100	4	0	0
March 2013	58	*	0	0	0	85	0	0	0	0	100	100	0	0	0
March 2014	56	0	0	0	0	80	0	0	0	0	100	80	0	0	0
March 2015	54	0	0	0	0	73	0	0	0	0	100	60	0	0	0
March 2016	52	0	0	0	0	67	0	0	0	0	100	41	0	0	0
March 2017	49	0	0	0	0	59	0	0	0	0	100	23	0	0	0
March 2018	46	0	0	0	0	51	0	0	0	0	100	6	0	0	0
March 2019	43	0	0	0	0	42	0	0	0	0	100	0	0	0	0
March 2020	39	0	0	0	0	31	0	0	0	0	100	0	0	0	0
March 2021	36	0	0	0	0	20	0	0	0	0	100	0	0	0	0
March 2022	31	0	0	0	0	7	0	0	0	0	100	0	0	0	0
March 2023	20	0	0	0	0	0	0	0	0	0	100	0	0	0	0
March 2024	0	0	0	0	0	0	0	0	0	0	96	0	0	0	0
March 2025	0	0	0	0	0	0	0	0	0	0	35	0	0	0	0
March 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	17.4	7.2	4.8	2.8	2.1	20.5	7.3	4.8	2.9	2.2	27.8	18.6	12.8	7.0	5.0

Date	F and S† Classes					FC and SC† Classes					G Class					LL and H† Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	175%	350%	500%	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	100	100	100	100	100
March 1998	99	96	95	90	86	99	95	92	85	79	100	100	100	100	100	100	100	100	100	100
March 1999	99	90	85	72	62	98	85	77	64	53	100	100	100	100	100	100	100	100	100	100
March 2000	98	83	73	52	37	97	75	64	43	27	100	100	100	100	100	100	100	100	100	100
March 2001	97	75	62	36	19	95	67	54	27	5	100	100	100	100	100	99	99	99	99	99
March 2002	96	69	53	24	8	94	60	44	13	0	100	100	100	100	100	98	98	98	98	98
March 2003	95	62	44	15	0	93	54	35	0	0	100	100	100	100	100	96	96	96	96	90
March 2004	94	56	37	7	0	91	48	28	0	0	100	100	100	100	100	95	95	95	95	37
March 2005	93	51	30	1	0	89	42	21	0	0	100	100	100	100	100	94	94	94	94	1
March 2006	91	46	24	0	0	87	36	13	0	0	100	100	100	100	69	93	93	93	65	0
March 2007	90	41	19	0	0	85	31	5	0	0	100	100	100	100	48	92	92	92	32	0
March 2008	88	36	15	0	0	82	26	0	0	0	100	100	100	100	33	90	90	90	7	0
March 2009	86	31	10	0	0	79	22	0	0	0	100	100	100	84	22	89	89	89	0	0
March 2010	84	27	7	0	0	76	17	0	0	0	100	100	100	64	15	88	88	88	0	0
March 2011	82	23	3	0	0	74	11	0	0	0	100	100	100	49	10	87	87	87	0	0
March 2012	79	20	1	0	0	71	6	0	0	0	100	100	100	38	7	86	86	86	0	0
March 2013	76	16	0	0	0	68	*	0	0	0	100	100	100	29	5	84	84	67	0	0
March 2014	73	13	0	0	0	65	0	0	0	0	100	100	100	22	3	83	83	46	0	0
March 2015	70	10	0	0	0	61	0	0	0	0	100	100	100	16	2	82	82	28	0	0
March 2016	66	7	0	0	0	57	0	0	0	0	100	100	100	12	1	81	81	11	0	0
March 2017	62	4	0	0	0	53	0	0	0	0	100	100	96	9	1	80	80	0	0	0
March 2018	57	1	0	0	0	48	0	0	0	0	100	100	79	7	1	78	78	0	0	0
March 2019	51	0	0	0	0	42	0	0	0	0	100	100	65	5	*	77	64	0	0	0
March 2020	46	0	0	0	0	36	0	0	0	0	100	100	52	3	*	76	42	0	0	0
March 2021	39	0	0	0	0	30	0	0	0	0	100	100	41	2	*	75	21	0	0	0
March 2022	32	0	0	0	0	22	0	0	0	0	100	100	31	2	*	74	1	0	0	0
March 2023	24	0	0	0	0	12	0	0	0	0	100	77	23	1	*	72	0	0	0	0
March 2024	15	0	0	0	0	0	0	0	0	0	100	54	15	1	*	71	0	0	0	0
March 2025	6	0	0	0	0	0	0	0	0	0	100	33	9	*	*	70	0	0	0	0
March 2026	0	0	0	0	0	0	0	0	0	0	100	12	3	*	*	24	0	0	0	0
March 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	20.4	9.1	6.1	3.5	2.6	18.6	7.3	4.8	2.8	2.2	29.6	27.3	23.7	15.0	10.7	24.9	20.8	16.1	9.4	6.8

* 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.

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

Date	J Class					K Class					L Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	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
March 1998	98	91	86	75	65	100	100	100	100	100	100	100	100	100	100
March 1999	96	75	61	52	46	100	100	100	67	39	100	100	100	100	100
March 2000	94	59	53	40	10	100	95	69	13	0	100	100	100	100	100
March 2001	92	55	46	9	0	100	76	40	0	0	100	100	100	100	21
March 2002	90	50	40	0	0	100	58	15	0	0	100	100	100	49	0
March 2003	88	46	30	0	0	100	41	0	0	0	100	100	100	0	0
March 2004	85	43	11	0	0	100	25	0	0	0	100	100	100	0	0
March 2005	82	39	0	0	0	100	10	0	0	0	100	100	86	0	0
March 2006	78	33	0	0	0	100	0	0	0	0	100	100	51	0	0
March 2007	74	20	0	0	0	100	0	0	0	0	100	100	19	0	0
March 2008	70	8	0	0	0	100	0	0	0	0	100	100	0	0	0
March 2009	65	0	0	0	0	100	0	0	0	0	100	92	0	0	0
March 2010	60	0	0	0	0	99	0	0	0	0	100	67	0	0	0
March 2011	59	0	0	0	0	93	0	0	0	0	100	44	0	0	0
March 2012	57	0	0	0	0	86	0	0	0	0	100	21	0	0	0
March 2013	55	0	0	0	0	78	0	0	0	0	100	*	0	0	0
March 2014	53	0	0	0	0	70	0	0	0	0	100	0	0	0	0
March 2015	51	0	0	0	0	61	0	0	0	0	100	0	0	0	0
March 2016	49	0	0	0	0	50	0	0	0	0	100	0	0	0	0
March 2017	46	0	0	0	0	39	0	0	0	0	100	0	0	0	0
March 2018	43	0	0	0	0	26	0	0	0	0	100	0	0	0	0
March 2019	39	0	0	0	0	12	0	0	0	0	100	0	0	0	0
March 2020	33	0	0	0	0	0	0	0	0	0	100	0	0	0	0
March 2021	16	0	0	0	0	0	0	0	0	0	100	0	0	0	0
March 2022	0	0	0	0	0	0	0	0	0	0	96	0	0	0	0
March 2023	0	0	0	0	0	0	0	0	0	0	48	0	0	0	0
March 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	16.3	5.7	3.8	2.3	1.8	18.6	5.6	3.7	2.3	1.9	26.0	13.8	9.1	5.0	3.7

Date	T Class					PA Class						PB Class					
	PSA Prepayment Assumption					PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	175%	350%	500%	0%	100%	185%	250%	350%	500%	0%	100%	185%	250%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 1998	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 1999	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 2000	100	100	100	100	100	100	0	0	0	0	0	100	95	95	95	95	0
March 2001	100	100	100	100	100	100	0	0	0	0	0	100	1	1	1	0	0
March 2002	100	100	100	100	100	100	0	0	0	0	0	100	0	0	0	0	0
March 2003	100	100	100	100	96	100	0	0	0	0	0	100	0	0	0	0	0
March 2004	100	100	100	100	66	100	0	0	0	0	0	100	0	0	0	0	0
March 2005	100	100	100	100	46	100	0	0	0	0	0	100	0	0	0	0	0
March 2006	100	100	100	83	31	100	0	0	0	0	0	100	0	0	0	0	0
March 2007	100	100	100	65	22	86	0	0	0	0	0	100	0	0	0	0	0
March 2008	100	100	100	50	15	61	0	0	0	0	0	100	0	0	0	0	0
March 2009	100	100	100	38	10	34	0	0	0	0	0	100	0	0	0	0	0
March 2010	100	100	100	30	7	4	0	0	0	0	0	100	0	0	0	0	0
March 2011	100	100	100	23	5	0	0	0	0	0	0	72	0	0	0	0	0
March 2012	100	100	100	17	3	0	0	0	0	0	0	36	0	0	0	0	0
March 2013	100	100	89	13	2	0	0	0	0	0	0	0	0	0	0	0	0
March 2014	100	100	76	10	1	0	0	0	0	0	0	0	0	0	0	0	0
March 2015	100	100	65	7	1	0	0	0	0	0	0	0	0	0	0	0	0
March 2016	100	100	55	6	1	0	0	0	0	0	0	0	0	0	0	0	0
March 2017	100	100	46	4	*	0	0	0	0	0	0	0	0	0	0	0	0
March 2018	100	100	38	3	*	0	0	0	0	0	0	0	0	0	0	0	0
March 2019	100	91	31	2	*	0	0	0	0	0	0	0	0	0	0	0	0
March 2020	100	77	25	2	*	0	0	0	0	0	0	0	0	0	0	0	0
March 2021	100	64	20	1	*	0	0	0	0	0	0	0	0	0	0	0	0
March 2022	100	51	15	1	*	0	0	0	0	0	0	0	0	0	0	0	0
March 2023	100	39	11	*	*	0	0	0	0	0	0	0	0	0	0	0	0
March 2024	100	27	7	*	*	0	0	0	0	0	0	0	0	0	0	0	0
March 2025	100	16	4	*	*	0	0	0	0	0	0	0	0	0	0	0	0
March 2026	70	6	1	*	*	0	0	0	0	0	0	0	0	0	0	0	0
March 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	29.3	25.2	20.4	12.1	8.6	11.4	2.5	2.5	2.5	2.5	2.4	14.6	3.5	3.5	3.5	3.4	2.7

* 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.

Date	PC Class						PD Class						PE Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	185%	250%	350%	500%	0%	100%	185%	250%	350%	500%	0%	100%	185%	250%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 1998	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 1999	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 2000	100	100	100	100	100	59	100	100	100	100	100	100	100	100	100	100	100	100
March 2001	100	100	100	100	52	0	100	100	100	100	100	0	100	100	100	100	100	98
March 2002	100	0	0	0	0	0	100	97	97	97	31	0	100	100	100	100	100	56
March 2003	100	0	0	0	0	0	100	48	48	48	0	0	100	100	100	100	80	27
March 2004	100	0	0	0	0	0	100	1	1	1	0	0	100	100	100	100	54	7
March 2005	100	0	0	0	0	0	100	0	0	0	0	0	100	81	81	81	34	0
March 2006	100	0	0	0	0	0	100	0	0	0	0	0	100	62	62	62	18	0
March 2007	100	0	0	0	0	0	100	0	0	0	0	0	100	45	45	45	5	0
March 2008	100	0	0	0	0	0	100	0	0	0	0	0	100	31	31	31	0	0
March 2009	100	0	0	0	0	0	100	0	0	0	0	0	100	20	20	20	0	0
March 2010	100	0	0	0	0	0	100	0	0	0	0	0	100	10	10	10	0	0
March 2011	100	0	0	0	0	0	100	0	0	0	0	0	100	1	1	1	0	0
March 2012	100	0	0	0	0	0	100	0	0	0	0	0	100	0	0	0	0	0
March 2013	97	0	0	0	0	0	100	0	0	0	0	0	100	0	0	0	0	0
March 2014	46	0	0	0	0	0	100	0	0	0	0	0	100	0	0	0	0	0
March 2015	0	0	0	0	0	0	95	0	0	0	0	0	100	0	0	0	0	0
March 2016	0	0	0	0	0	0	64	0	0	0	0	0	100	0	0	0	0	0
March 2017	0	0	0	0	0	0	30	0	0	0	0	0	100	0	0	0	0	0
March 2018	0	0	0	0	0	0	0	0	0	0	0	0	97	0	0	0	0	0
March 2019	0	0	0	0	0	0	0	0	0	0	0	0	78	0	0	0	0	0
March 2020	0	0	0	0	0	0	0	0	0	0	0	0	57	0	0	0	0	0
March 2021	0	0	0	0	0	0	0	0	0	0	0	0	34	0	0	0	0	0
March 2022	0	0	0	0	0	0	0	0	0	0	0	0	9	0	0	0	0	0
March 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	16.9	4.5	4.5	4.5	4.0	3.0	19.4	6.0	6.0	6.0	4.8	3.6	23.3	10.0	10.0	10.0	7.4	5.4

Date	PH Class						PJ† Class						PK† Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	185%	250%	350%	500%	0%	100%	185%	250%	350%	500%	0%	100%	185%	250%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 1998	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 1999	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 2000	100	100	100	100	100	100	100	58	58	58	58	14	100	100	100	100	100	100
March 2001	100	100	100	100	100	100	100	24	24	24	12	0	100	100	100	100	100	71
March 2002	100	100	100	100	100	100	100	0	0	0	0	0	100	99	99	99	81	46
March 2003	100	100	100	100	100	100	100	0	0	0	0	0	100	86	86	86	61	28
March 2004	100	100	100	100	100	100	100	0	0	0	0	0	100	73	73	73	45	16
March 2005	100	100	100	100	100	82	100	0	0	0	0	0	100	61	61	61	32	9
March 2006	100	100	100	100	100	56	100	0	0	0	0	0	100	49	49	49	22	6
March 2007	100	100	100	100	100	38	94	0	0	0	0	0	100	39	39	39	15	4
March 2008	100	100	100	100	88	26	84	0	0	0	0	0	100	31	31	31	10	3
March 2009	100	100	100	100	68	18	73	0	0	0	0	0	100	23	23	23	8	2
March 2010	100	100	100	100	52	12	61	0	0	0	0	0	100	17	17	17	6	1
March 2011	100	100	100	100	40	8	49	0	0	0	0	0	100	12	12	12	5	1
March 2012	100	85	85	85	31	6	37	0	0	0	0	0	100	10	10	10	4	1
March 2013	100	70	70	70	23	4	23	0	0	0	0	0	100	8	8	8	3	*
March 2014	100	57	57	57	18	3	11	0	0	0	0	0	100	7	7	7	2	*
March 2015	100	46	46	46	13	2	0	0	0	0	0	0	99	5	5	5	2	*
March 2016	100	37	37	37	10	1	0	0	0	0	0	0	90	4	4	4	1	*
March 2017	100	29	29	29	7	1	0	0	0	0	0	0	81	3	3	3	1	*
March 2018	100	23	23	23	5	*	0	0	0	0	0	0	70	3	3	3	1	*
March 2019	100	18	18	18	4	*	0	0	0	0	0	0	59	2	2	2	*	*
March 2020	100	14	14	14	3	*	0	0	0	0	0	0	46	2	2	2	*	*
March 2021	100	10	10	10	2	*	0	0	0	0	0	0	33	1	1	1	*	*
March 2022	100	7	7	7	1	*	0	0	0	0	0	0	17	1	1	1	*	*
March 2023	51	5	5	5	1	*	0	0	0	0	0	0	6	1	1	1	*	*
March 2024	3	3	3	3	*	*	0	0	0	0	0	0	*	*	*	*	*	*
March 2025	2	2	2	2	*	*	0	0	0	0	0	0	*	*	*	*	*	*
March 2026	1	1	1	1	*	*	0	0	0	0	0	0	*	*	*	*	*	*
March 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	26.1	18.6	18.6	18.6	14.2	10.1	13.8	3.3	3.3	3.3	3.2	2.7	22.5	9.9	9.9	9.9	7.5	5.4

* 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.

Date	FA and SA Classes						ZB Class						AC Class				
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption				
	0%	100%	185%	250%	350%	500%	0%	100%	185%	250%	350%	500%	0%	100%	155%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 1998	97	90	85	85	85	80	108	108	108	79	34	0	97	86	80	60	45
March 1999	94	73	57	57	44	18	116	116	116	32	0	0	94	60	44	0	0
March 2000	91	72	44	42	13	0	125	125	125	1	0	0	90	29	0	0	0
March 2001	87	71	33	27	0	0	135	135	135	1	0	0	86	0	0	0	0
March 2002	83	69	25	16	0	0	145	145	145	1	0	0	82	0	0	0	0
March 2003	79	68	17	8	0	0	157	157	157	1	0	0	77	0	0	0	0
March 2004	74	66	12	3	0	0	169	169	169	1	0	0	72	0	0	0	0
March 2005	69	64	7	1	0	0	182	182	182	1	0	0	66	0	0	0	0
March 2006	64	62	4	0	0	0	196	196	196	*	0	0	60	0	0	0	0
March 2007	60	59	*	0	0	0	211	211	211	*	0	0	53	0	0	0	0
March 2008	58	55	0	0	0	0	228	228	202	*	0	0	45	0	0	0	0
March 2009	55	50	0	0	0	0	245	245	189	*	0	0	37	0	0	0	0
March 2010	53	43	0	0	0	0	264	264	174	*	0	0	28	0	0	0	0
March 2011	50	36	0	0	0	0	285	285	160	*	0	0	18	0	0	0	0
March 2012	47	29	0	0	0	0	307	307	145	*	0	0	7	0	0	0	0
March 2013	43	21	0	0	0	0	331	331	130	*	0	0	0	0	0	0	0
March 2014	40	12	0	0	0	0	356	356	116	*	0	0	0	0	0	0	0
March 2015	36	3	0	0	0	0	384	384	102	*	0	0	0	0	0	0	0
March 2016	32	0	0	0	0	0	414	368	89	*	0	0	0	0	0	0	0
March 2017	27	0	0	0	0	0	446	330	77	*	0	0	0	0	0	0	0
March 2018	22	0	0	0	0	0	481	292	65	*	0	0	0	0	0	0	0
March 2019	17	0	0	0	0	0	518	255	55	*	0	0	0	0	0	0	0
March 2020	11	0	0	0	0	0	558	219	45	*	0	0	0	0	0	0	0
March 2021	5	0	0	0	0	0	602	183	36	*	0	0	0	0	0	0	0
March 2022	0	0	0	0	0	0	640	148	28	*	0	0	0	0	0	0	0
March 2023	0	0	0	0	0	0	640	114	21	*	0	0	0	0	0	0	0
March 2024	0	0	0	0	0	0	574	81	14	*	0	0	0	0	0	0	0
March 2025	0	0	0	0	0	0	403	49	8	*	0	0	0	0	0	0	0
March 2026	0	0	0	0	0	0	212	18	3	*	0	0	0	0	0	0	0
March 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	13.5	10.0	3.4	2.9	1.9	1.5	28.4	23.8	18.3	1.6	0.8	0.5	9.6	2.3	1.8	1.1	0.9

Date	AB Class					AD Class					AE Class					AG Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	155%	350%	500%	0%	100%	155%	350%	500%	0%	100%	155%	350%	500%	0%	100%	155%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 1998	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	83	83	83	83	83
March 1999	100	100	100	94	73	100	100	100	100	100	100	100	100	100	100	64	64	64	64	64
March 2000	100	100	100	54	24	100	100	100	100	100	100	100	100	100	100	44	44	44	44	44
March 2001	100	100	80	23	0	100	100	100	100	56	100	100	100	100	100	23	23	23	23	23
March 2002	100	86	63	0	0	100	100	100	93	0	100	100	100	100	56	0	0	0	0	0
March 2003	100	73	47	0	0	100	100	100	16	0	100	100	100	100	0	0	0	0	0	0
March 2004	100	61	32	0	0	100	100	100	0	0	100	100	100	52	0	0	0	0	0	0
March 2005	100	50	19	0	0	100	100	100	0	0	100	100	100	0	0	0	0	0	0	0
March 2006	100	39	7	0	0	100	100	100	0	0	100	100	100	0	0	0	0	0	0	0
March 2007	100	29	0	0	0	100	100	86	0	0	100	100	100	0	0	0	0	0	0	0
March 2008	100	19	0	0	0	100	100	47	0	0	100	100	100	0	0	0	0	0	0	0
March 2009	100	10	0	0	0	100	100	13	0	0	100	100	100	0	0	0	0	0	0	0
March 2010	100	2	0	0	0	100	100	0	0	0	100	100	79	0	0	0	0	0	0	0
March 2011	100	0	0	0	0	100	75	0	0	0	100	100	47	0	0	0	0	0	0	0
March 2012	100	0	0	0	0	100	45	0	0	0	100	100	19	0	0	0	0	0	0	0
March 2013	97	0	0	0	0	100	16	0	0	0	100	100	0	0	0	0	0	0	0	0
March 2014	91	0	0	0	0	100	0	0	0	0	100	87	0	0	0	0	0	0	0	0
March 2015	83	0	0	0	0	100	0	0	0	0	100	59	0	0	0	0	0	0	0	0
March 2016	75	0	0	0	0	100	0	0	0	0	100	32	0	0	0	0	0	0	0	0
March 2017	66	0	0	0	0	100	0	0	0	0	100	6	0	0	0	0	0	0	0	0
March 2018	57	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
March 2019	46	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
March 2020	34	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
March 2021	21	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
March 2022	7	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
March 2023	0	0	0	0	0	65	0	0	0	0	100	0	0	0	0	0	0	0	0	0
March 2024	0	0	0	0	0	0	0	0	0	0	96	0	0	0	0	0	0	0	0	0
March 2025	0	0	0	0	0	0	0	0	0	0	13	0	0	0	0	0	0	0	0	0
March 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	21.3	8.2	6.0	3.2	2.5	26.2	14.9	11.0	5.6	4.1	27.6	18.4	14.0	7.1	5.1	2.7	2.7	2.7	2.7	2.7

* 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.

Date	AH Class					AJ Class					ZC Class					U Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	155%	350%	500%	0%	100%	155%	350%	500%	0%	100%	155%	350%	500%	0%	100%	155%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 1998	100	100	100	100	100	100	100	100	100	100	107	107	107	107	107	97	67	52	0	0
March 1999	100	100	100	100	100	100	100	100	100	100	115	115	115	115	115	93	30	0	0	0
March 2000	100	100	100	100	100	100	100	100	100	100	123	123	123	123	123	89	0	0	0	0
March 2001	100	100	100	100	100	100	100	100	100	100	132	132	132	132	132	84	0	0	0	0
March 2002	100	100	100	100	100	100	100	100	100	100	142	142	142	142	142	79	0	0	0	0
March 2003	85	85	85	85	43	100	100	100	100	100	152	152	152	152	152	74	0	0	0	0
March 2004	68	68	68	68	0	100	100	100	100	26	163	163	163	163	163	68	0	0	0	0
March 2005	51	51	51	50	0	100	100	100	100	0	175	175	175	175	128	61	0	0	0	0
March 2006	32	32	32	0	0	100	100	100	49	0	187	187	187	187	88	54	0	0	0	0
March 2007	12	12	12	0	0	100	100	100	0	0	201	201	201	179	60	46	0	0	0	0
March 2008	0	0	0	0	0	93	93	93	0	0	215	215	215	138	41	37	0	0	0	0
March 2009	0	0	0	0	0	75	75	75	0	0	231	231	231	106	28	27	0	0	0	0
March 2010	0	0	0	0	0	57	57	57	0	0	248	248	248	81	19	17	0	0	0	0
March 2011	0	0	0	0	0	37	37	37	0	0	266	266	266	62	13	5	0	0	0	0
March 2012	0	0	0	0	0	15	15	15	0	0	285	285	285	48	9	0	0	0	0	0
March 2013	0	0	0	0	0	0	0	0	0	0	298	298	288	36	6	0	0	0	0	0
March 2014	0	0	0	0	0	0	0	0	0	0	298	298	249	27	4	0	0	0	0	0
March 2015	0	0	0	0	0	0	0	0	0	0	298	298	215	20	3	0	0	0	0	0
March 2016	0	0	0	0	0	0	0	0	0	0	298	298	184	15	2	0	0	0	0	0
March 2017	0	0	0	0	0	0	0	0	0	0	298	298	156	11	1	0	0	0	0	0
March 2018	0	0	0	0	0	0	0	0	0	0	298	269	131	8	1	0	0	0	0	0
March 2019	0	0	0	0	0	0	0	0	0	0	298	231	109	6	*	0	0	0	0	0
March 2020	0	0	0	0	0	0	0	0	0	0	298	195	89	4	*	0	0	0	0	0
March 2021	0	0	0	0	0	0	0	0	0	0	298	161	71	3	*	0	0	0	0	0
March 2022	0	0	0	0	0	0	0	0	0	0	298	129	55	2	*	0	0	0	0	0
March 2023	0	0	0	0	0	0	0	0	0	0	298	98	40	1	*	0	0	0	0	0
March 2024	0	0	0	0	0	0	0	0	0	0	298	69	27	1	*	0	0	0	0	0
March 2025	0	0	0	0	0	0	0	0	0	0	298	41	16	*	*	0	0	0	0	0
March 2026	0	0	0	0	0	0	0	0	0	0	167	15	5	*	*	0	0	0	0	0
March 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	8.0	8.0	8.0	7.4	5.9	13.3	13.3	13.3	9.0	6.8	29.1	24.6	21.0	13.4	10.0	8.8	1.5	1.1	0.5	0.4

Date	V Class					W Class					FB and SB† Classes					M Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	155%	350%	500%	0%	100%	155%	350%	500%	0%	100%	155%	350%	500%	0%	100%	155%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March 1998	100	100	100	100	82	100	100	100	100	100	100	100	100	100	86	100	100	100	100	100
March 1999	100	100	100	57	27	100	100	100	100	100	100	100	100	66	42	100	100	100	100	100
March 2000	100	98	79	23	0	100	100	100	100	76	100	98	84	39	16	100	100	100	100	100
March 2001	100	84	61	0	0	100	100	100	92	22	100	87	69	20	5	100	100	100	100	100
March 2002	100	70	44	0	0	100	100	100	49	0	100	77	56	11	0	100	100	100	100	84
March 2003	100	58	28	0	0	100	100	100	16	0	100	67	44	3	0	100	100	100	100	58
March 2004	100	46	15	0	0	100	100	100	0	0	100	57	33	0	0	100	100	100	90	40
March 2005	100	34	2	0	0	100	100	100	0	0	100	48	23	0	0	100	100	100	70	27
March 2006	100	24	0	0	0	100	100	81	0	0	100	40	17	0	0	100	100	100	54	19
March 2007	100	14	0	0	0	100	100	61	0	0	100	32	13	0	0	100	100	100	42	13
March 2008	100	4	0	0	0	100	100	42	0	0	100	25	9	0	0	100	100	100	32	9
March 2009	100	0	0	0	0	100	90	25	0	0	100	19	5	0	0	100	100	100	25	6
March 2010	100	0	0	0	0	100	73	10	0	0	100	16	2	0	0	100	100	100	19	4
March 2011	100	0	0	0	0	100	57	0	0	0	100	12	0	0	0	100	100	96	14	3
March 2012	97	0	0	0	0	100	42	0	0	0	97	9	0	0	0	100	100	84	11	2
March 2013	90	0	0	0	0	100	27	0	0	0	92	6	0	0	0	100	100	72	8	1
March 2014	84	0	0	0	0	100	13	0	0	0	87	3	0	0	0	100	100	62	6	1
March 2015	76	0	0	0	0	100	*	0	0	0	81	*	0	0	0	100	100	53	5	1
March 2016	68	0	0	0	0	100	0	0	0	0	75	0	0	0	0	100	88	45	3	*
March 2017	59	0	0	0	0	100	0	0	0	0	68	0	0	0	0	100	76	38	2	*
March 2018	49	0	0	0	0	100	0	0	0	0	60	0	0	0	0	100	65	31	2	*
March 2019	38	0	0	0	0	100	0	0	0	0	51	0	0	0	0	100	55	25	1	*
March 2020	26	0	0	0	0	100	0	0	0	0	42	0	0	0	0	100	45	20	1	*
March 2021	13	0	0	0	0	100	0	0	0	0	32	0	0	0	0	100	36	15	1	*
March 2022	0	0	0	0	0	98	0	0	0	0	21	0	0	0	0	100	27	11	*	*
March 2023	0	0	0	0	0	65	0	0	0	0	14	0	0	0	0	100	18	7	*	*
March 2024	0	0	0	0	0	30	0	0	0	0	6	0	0	0	0	100	10	4	*	*
March 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	91	2	1	*	*
March 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	0	0	0	0
March 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	20.5	6.8	4.8	2.3	1.6	26.4	14.6	10.7	5.1	3.5	21.8	8.5	6.1	2.9	2.0	28.9	22.7	19.2	10.4	7.2

* 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 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. Transferees 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 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 Classes and the Accrual Classes will be, and certain other Classes of Certificates may be, issued with original issue discount for federal income tax purposes, which generally will result in recognition of some taxable income in advance of the receipt of the cash attributable to such income. The Prepayment Assumption that will be used in determining the rate of accrual of original issue discount will be 175% PSA in the case of the Group 1 Classes, 185% PSA in the case of the Group 2 Classes and 155% PSA in the case of the Group 3 and 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 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 120% of the “federal long-term rate.” The rate will be published on or about February 20, 1997. 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, Group 3 and Group 4 Class bears to the aggregate original principal balance of all the Group 1, Group 2, Group 3 and Group 4 Classes, respectively, will remain the same. In addition, the dollar amounts reflected in the Principal Balance Schedules with respect to any Group 2 Class or Component 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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\$1,002,600,000



FannieMae

Guaranteed REMIC
Pass-Through Certificates
Fannie Mae REMIC Trust 1997-17

PROSPECTUS SUPPLEMENT

LEHMAN BROTHERS

February 13, 1997
