

\$2,187,308,079



FannieMae

## Guaranteed REMIC Pass-Through Certificates Fannie Mae REMIC Trust 1998-44

The Guaranteed REMIC Pass-Through Certificates offered hereby (the “REMIC Certificates”) will represent beneficial ownership interests in one of two trust funds. The QB, QC, WD, QE, TF and JA Classes, in part, and the JB, IC, IG, PI, IH, SG, G, GB, IA, IB, ID, ZB, JI and R Classes, in their entirety, will represent beneficial ownership interests in Fannie Mae REMIC Trust 1998-44 (the “Trust”). The assets of the Trust will consist of the “regular interests” in a separate trust fund (the “Lower Tier REMIC”). The QB, QC, WD, QE, TF and JA Classes, in part, and the PB, TB, PC, PD, QD, TE, UE, QF, PH, FG, FD, SD, JD, JC, J, K, VJ, VK, VL, ZA, A, B, VA, VB, VC, Z and RL Classes, in their entirety, will represent beneficial ownership interests in the Lower Tier REMIC. The assets of the Lower Tier REMIC will include (i) two groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates described herein (the “Group 1 MBS” and “Group 3 MBS” and, together, the “MBS”) and (ii) certain “fully modified pass-through” mortgage-backed securities (the “Ginnie Mae Certificates”) guaranteed as to timely payment of principal and interest by the Government National Mortgage Association (“Ginnie Mae”). Each MBS represents a beneficial ownership interest in a pool of first lien, single-family, fixed-rate residential mortgage loans having the characteristics described herein. Each Ginnie Mae Certificate is based on and backed by a pool of mortgage loans (together with the pools and mortgage loans underlying the MBS, the “Pools” and “Mortgage Loans,” respectively) which are either insured or guaranteed by the Federal Housing Administration (“FHA”), the Department of Veterans Affairs (“VA”) or the Rural Housing Service (“FmHA”). The Certificates will be issued and guaranteed as to timely distribution of principal and interest by Fannie Mae.

This Prospectus Supplement is intended to be used only in conjunction with the REMIC Prospectus (defined herein). Investors should not purchase the Certificates before reading this Prospectus Supplement, the REMIC Prospectus and the additional Disclosure Documents (defined herein). Such documents may be obtained as described on page S-2.

**See “Additional Risk Factors” on page S-8 hereof and “Certain Risk Factors” beginning on page 10 of the REMIC Prospectus 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(1)	Group	Original Class Balance	Principal Type(2)	Interest Rate	Interest Type(2)	CUSIP Number	Final Distribution Date	Class(1)	Group	Original Class Balance	Principal Type(2)	Interest Rate	Interest Type(2)	CUSIP Number	Final Distribution Date
PB	1	\$ 5,000,000	SEG(PAC)/SEQ	6.500%	FIX	31359ULU7	February 2008	IB	1	9,300,307(3)	NTL	6.500	FIX/IO	31359UMU6	April 2021
TB	1	20,571,000	SEG(PAC)/SEQ	6.000	FIX	31359ULV5	January 2008	ID	1	\$ 5,121,923(3)	NTL	6.500%	FIX/IO	31359UMV4	September 2022
QB	1	52,342,000	SEG(PAC)/SEQ	6.000	FIX	31359ULW3	February 2008	ZB	1	1,444,000	SEG(TAC)/SUP	6.500	FIX/Z	31359UMW2	August 2028
PC	1	50,000,000	SEG(PAC)/SEQ	6.500	FIX	31359ULX1	January 2014	FD	1	163,902,375	SUP	(4)	FLT	31359UMX0	August 2028
QC	1	62,752,000	SEG(PAC)/SEQ	6.000	FIX	31359ULY9	January 2014	SD	1	37,823,625	SUP	(4)	INV	31359UMY8	August 2028
JB	1	5,654,846(3)	NTL	6.500	FIX/IO	31359ULZ6	February 2008	JA	2	52,304,000	SEQ	6.000	FIX	31359UMZ5	August 2017
IC	1	2,891,081(3)	NTL	6.500	FIX/IO	31359UMA0	January 2014	JI	2	4,023,384(3)	NTL	6.500	FIX/IO	31359UNA9	August 2017
PD	1	5,000,000	SEG(PAC)/SEQ	6.500	FIX	31359UMB8	July 2016	JD	2	5,000,000	SEQ	6.500	FIX	31359UNB7	July 2018
QD	1	17,000,000	SEG(PAC)/SEQ	6.000	FIX	31359UMC6	July 2016	JC	2	32,696,000	SEQ	6.500	FIX	31359UNC5	March 2023
WD	1	45,887,000	SEG(PAC)/SEQ	6.050	FIX	31359UMD4	July 2016	J	2	218,290,000	SEQ	6.500	FIX	31359UND3	March 2023
IG	1	1,387,714(3)	NTL	6.500	FIX/IO	31359UME2	July 2016	K	2	66,710,000	SEQ	6.500	FIX	31359UNE1	May 2025
TE	1	105,452,000	SEG(PAC)/SEQ	6.250	FIX	31359UMF9	April 2021	VJ	2	16,638,000	AD/SEQ	6.500	FIX	31359UNF8	April 2003
UE	1	30,904,000	SEG(PAC)/SEQ	6.125	FIX	31359UMG7	April 2021	VK	2	30,185,000	AD/SEQ	6.500	FIX	31359UNG6	May 2009
QE	1	45,000,000	SEG(PAC)/SEQ	6.000	FIX	31359UMH5	April 2021	VL	2	31,813,000	AD/SEQ	6.500	FIX	31359UNH4	November 2013
QF	1	30,000,000	SEG(PAC)/SEQ	5.750	FIX	31359UMJ1	September 2022	ZA	2	46,364,000	SEQ	6.500	FIX/Z	31359UNJ0	July 2028
TF	1	43,170,000	SEG(PAC)/SEQ	6.250	FIX	31359UMK8	September 2022	A	3	132,530,000	SEQ	6.500	FIX	31359UNK7	February 2025
PH	1	336,536,800	SEG(PAC)/SEQ	6.500	FIX	31359UML6	September 2027	B	3	11,535,000	SEQ	6.500	FIX	31359UNL5	December 2025
PI	1	84,134,200	SEG(PAC)/SEQ	6.500	FIX	31359UMM4	August 2028	VA	3	5,075,477	AD/SEQ	6.500	FIX	31359UNM3	April 2003
IH	1	12,000(3)	NTL	6.500	FIX/IO	31359UMN2	August 2028	VB	3	9,272,730	AD/SEQ	6.500	FIX	31359UNN1	May 2009
FG	1	100,436,000	SEG(SCH)/SEQ	(4)	FLT	31359UMP7	August 2028	VC	3	14,787,564	AD/SEQ	6.500	FIX	31359UNP6	November 2015
SG	1	30,904,000	SEG(SCH)/SEQ	(4)	INV	31359UMQ5	August 2028	Z	3	14,107,308	SEQ	6.500	FIX/Z	31359UNQ4	August 2028
G	1	36,350,000	SEG(SCH)/SEQ	6.500	FIX	31359UMR3	August 2028	R	1	612,000	CPT	(5)	WAC	31359UNR2	August 2028
GB	1	194,771,000	SEG(TAC)/TAC	6.500	FIX	31359UMS1	August 2028	RL	1	8,000	SEG(PAC)/SEQ	6.500	FIX	31359UNSO	August 2028
IA	1	5,032,765(3)	NTL	6.500	FIX/IO	31359UMT9	July 2016								

- (1) The PG, L and C Classes are RCR Classes. See “Description of the Certificates—Combination and Recombination” herein and Schedule 1 hereto for a description of the RCR Classes.
- (2) 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.
- (3) These Classes will be Notional Classes, will not have principal balances and will bear interest on their respective notional principal balances. The notional principal balances of the Notional Classes initially will be as set forth above and thereafter will be calculated as specified herein. See “Description of the Certificates—Distributions of Interest—Notional Classes and Components” herein.
- (4) 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.
- (5) The R Class will bear interest during each Interest Accrual Period at a variable rate per annum equal to a weighted average rate calculated as specified herein. See “Description of the Certificates—Distributions of Interest—Weighted Average Coupon Class” herein.

The Certificates will be offered by Merrill Lynch, Pierce, Fenner & Smith Incorporated (the “Dealer”) from time to time in negotiated transactions, at varying prices to be determined at the time of sale.

The Certificates will be offered by the Dealer, subject to issuance by Fannie Mae and to prior sale or to withdrawal or modification of the offer without notice, when, as and if delivered to and accepted by the Dealer, subject to the right by the Dealer to reject any order in whole or in part and subject to approval of certain legal matters by counsel. It is expected that the Group 1 and Group 3 Classes (other than the R and RL Classes) and the PG and C Classes will be available through the book-entry system of the Federal Reserve Banks and that the Group 2 Classes and the L Class will be available through the book-entry facilities of The Depository Trust Company on or about July 30, 1998 (the “Settlement Date”). It is expected that the R and RL Classes in registered, certificated form will be available for delivery at the offices of the Dealer, New York, New York, on or about the Settlement Date.

Merrill Lynch & Co.

June 12, 1998

(Cover continued from previous page)

Certain of the REMIC Certificates may, upon notice and payment of an exchange fee, be exchanged for the related Combinable and Recombinable REMIC Certificates ("RCR Certificates") as provided herein. Each RCR Certificate issued in such an exchange will represent a beneficial ownership interest in, and will entitle the Holder thereof to receive a proportionate share of the distributions on, the related REMIC Certificates. Certain characteristics of the RCR Certificates are set forth in Schedule 1 hereto. As used herein, unless the context requires otherwise, the term "Certificates" includes REMIC Certificates and RCR Certificates and the term "Classes" includes the Classes of REMIC Certificates and RCR Certificates. See "Description of the Certificates—Combination and Recombination" herein and Schedule 1 hereto.

The yields to investors in the Group 1, Group 2 and Group 3 Classes (as described herein) will be sensitive in varying degrees to, among other things, the rate of principal distributions on the Group 1 MBS, the Ginnie Mae Certificates and the Group 3 MBS, respectively, 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 "Certain Risk Factors—Yield Considerations" in the REMIC Prospectus and "Additional Risk Factors—Additional Yield and Prepayment Considerations" and "Yield Tables" herein.

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

- The 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 "Certain 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 November 12, 1997 (the "REMIC Prospectus");
- Fannie Mae's Prospectus for Guaranteed Mortgage Pass-Through Certificates dated August 1, 1997 (the "MBS Prospectus"); and
- Fannie Mae's Information Statement dated March 31, 1998 and any supplements thereto (collectively, the "Information Statement").

The Information Statement is incorporated herein by reference and, together with the other Disclosure Documents, may be obtained from Fannie Mae by writing or calling its MBS Helpline at 3900 Wisconsin Avenue, N.W., Area 2H-3S, Washington, D.C. 20016 (telephone 1-800-BEST-MBS or 202-752-6547). Such documents may also be obtained from Merrill Lynch, Pierce, Fenner & Smith Incorporated by writing or calling its Prospectus Department at 4 Corporate Place, Corporate Park 287, Piscataway, New Jersey 08855 (telephone 908-878-6526).

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## REFERENCE SHEET

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

### Assumed Characteristics of the Mortgage Loans Underlying the MBS and the Ginnie Mae Certificates (as of July 1, 1998)

	Group	Approximate Principal Balance	Original Term to Maturity (in months)	Approximate Weighted Average Remaining Term to Maturity or WARM (in months)	Approximate Calculated Loan Age or WALA (in months)	Approximate Weighted Average Coupon
Group 1 MBS	1	\$1,500,000,000	360	357	2	7.150%
Ginnie Mae Certificates	2	\$ 500,000,000	360	357	2	7.182%
Group 3 MBS	3	\$ 68,100,000	360	359	1	7.150%
		\$ 109,067,860	360	354	6	7.182%
		\$ 10,140,219	360	345	12	7.402%

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.

### Combination and Recombination

Holders of certain REMIC Certificates will be entitled, upon notice and payment of an exchange fee, to exchange all or a portion of such Certificates for a proportionate interest in the related RCR Certificates as reflected on Schedule 1 hereto. The Holders of RCR Certificates will be entitled to receive distributions from the related REMIC Certificates. See “Description of the Certificates—Combination and Recombination” herein. Schedule 1 sets forth all of the available combinations of REMIC Certificates and the related RCR Certificates.

### Interest Rates

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

Class	Initial Interest Rate	Maximum Interest Rate	Minimum Interest Rate	Formula for Calculation of Interest Rate (1)
FG .....	6.05625%	8.5000%	0.40%	LIBOR + 40 basis points
SG .....	7.94216%	26.3246%	0.00%	$26.3246\% - (3.24993528 \times \text{LIBOR})$
FD .....	6.60625%	8.0000%	0.95%	LIBOR + 95 basis points
SD .....	6.03958%	30.5500%	0.00%	$30.55\% - (4.33333333 \times \text{LIBOR})$

(1) LIBOR will be established on the basis of the “BBA Method.” See “Description of the Certificates—Calculation of LIBOR” herein.

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

Distributions of interest to be allocated from REMIC Certificates to RCR Certificates on any Distribution Date will be allocated on a pro rata basis.

## Notional Classes and Components

The notional principal balances of the Notional Classes will be equal to the indicated percentages of the outstanding balances specified below immediately prior to the related Distribution Date:

### Classes and Components

JB1 .....	7.6923076923% of the QB Class
JB2 .....	7.6923076923% of the TB Class
	7.6923076923% of the R1 Component
IC .....	4.6071538462% of the QC Class
IG .....	3.0242000000% of the WD Class
IH1 .....	100% of the R2 Component
IH2 .....	100% of the R3 Component
IA1 .....	3.0851538462% of the QC Class
IA2 .....	7.6923076923% of the QD Class
IA3 .....	3.8988769231% of the WD Class
IB1 .....	7.6923076923% of the QE Class
IB2 .....	3.8461538462% of the TE Class
IB3 .....	5.7692307692% of the UE Class
ID1 .....	11.5384615385% of the QF Class
ID2 .....	3.8461538462% of the TF Class
JI .....	7.6923076923% of the JA Class

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

### Components

	<u>Original Principal or Notional Principal Balance</u>	<u>Principal Type</u>	<u>Interest Rates</u>
JB1 .....	\$4,026,307	NTL	6.50%
JB2 .....	\$1,628,538	NTL	6.50
IH1 .....	\$ 10,000	NTL	6.50
IH2 .....	\$ 2,000	NTL	6.50
IA1 .....	\$1,935,995	NTL	6.50
IA2 .....	\$1,307,692	NTL	6.50
IA3 .....	\$1,789,077	NTL	6.50
IB1 .....	\$3,461,538	NTL	6.50
IB2 .....	\$4,055,846	NTL	6.50
IB3 .....	\$1,782,923	NTL	6.50
ID1 .....	\$3,461,538	NTL	6.50
ID2 .....	\$1,660,384	NTL	6.50
R1 .....	\$ 600,000	SEG (PAC)/SEQ	6.00
R2 .....	\$ 10,000	SEG (SCH)/SEQ	0.00
R3 .....	\$ 2,000	SEG (PAC)/SEQ	0.00

### Distributions of Principal

The portion of the Principal Distribution Amount allocated to each Class of Certificates will be determined as described herein under “Description of the Certificates—Distributions of Principal—*Principal Distribution Amount*.”

#### *Group 1 Principal Distribution Amount*

##### *ZB Accrual Amount*

To the GB Class, to zero, and then to the ZB Class.

##### *Group 1 Cash Flow Distribution Amount*

1. To the Aggregate Group I, to its Planned Balance.
2. To the Aggregate Group II, to its Scheduled Balance.
3. To the FD and SD Classes, pro rata, to zero.
4. To the Aggregate Group II, to zero.
5. To the Aggregate Group I, to zero.



For a discussion of the related Aggregate Groups, see “Description of the Certificates—Distributions of Principal—*Group 1 Cash Flow Distribution Amount*” herein.

*Group 2 Principal Distribution Amount*

*ZA Accrual Amount*

To the VJ, VK and VL Classes, in that order, to zero, and then to the ZA Class.

*Group 2 Cash Flow Distribution Amount*

1. (a) 29.1932920302% of such amount to the JA, JD and JC Classes, in that order, to zero; and  
 (b) 70.8067079698% of such amount to the J Class, to zero.
2. To the K, VJ, VK, VL and ZA Classes, in that order, to zero.

*Group 3 Principal Distribution Amount*

*Z Accrual Amount*

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

*Group 3 Cash Flow Distribution Amount*

To the A, B, VA, VB, VC and Z Classes, in that order, to zero.

Distributions of principal to be allocated from REMIC Certificates to RCR Certificates on any Distribution Date will be allocated on a pro rata basis.

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

Group 1 Classes		PSA Prepayment Assumption				
		0%	100%	170%	250%	500%
PB, QB and JB		4.9	2.5	2.5	2.5	2.4
TB		4.8	2.5	2.5	2.5	2.4
PC, QC and IC		9.9	3.5	3.5	3.5	2.8
PD, QD, WD and IG		13.2	4.5	4.5	4.5	3.1
TE, UE, QE and IB		16.5	6.0	6.0	6.0	3.7
QF, TF and ID		19.2	7.7	7.7	7.7	4.3
PH		22.3	11.4	11.4	11.4	6.2
PI		25.1	20.5	20.5	20.5	11.5
IH		25.4	12.6	7.2	6.1	3.3
IA		11.9	4.1	4.1	4.1	3.0
FD and SD		29.3	25.2	14.8	2.2	1.0
PG		22.9	13.2	13.2	13.2	7.2
RL		22.3	11.4	11.4	11.4	6.2

PSA Prepayment Assumption							
	0%	100%	148%	170%	193%	250%	500%
FG, SG and G	25.4	11.1	4.6	4.6	4.6	3.2	1.7
R	7.6	3.1	3.0	3.0	3.0	2.9	2.6

PSA Prepayment Assumption								
	0%	100%	116%	148%	170%	193%	250%	500%
GB	25.0	10.8	8.1	4.6	4.6	4.6	3.2	1.7
ZB	28.4	20.7	18.8	0.2	0.2	0.2	0.2	0.2

<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>145%</u>	<u>250%</u>	<u>500%</u>
JA and JI .....	11.8	3.6	2.9	2.1	1.4
JD .....	19.5	7.2	5.5	3.7	2.4
JC .....	22.4	10.1	7.7	5.1	3.0
J .....	16.1	6.2	4.8	3.3	2.1
K .....	25.7	14.9	11.7	7.6	4.2
VJ .....	2.5	2.5	2.5	2.5	2.5
VK .....	8.0	8.0	8.0	7.7	5.2
VL .....	13.2	13.2	12.9	9.9	5.9
ZA .....	28.5	22.7	20.0	15.3	9.1
L .....	28.5	22.7	19.6	13.8	7.5

<u>Group 3 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>170%</u>	<u>250%</u>	<u>500%</u>
A .....	18.0	7.1	4.8	3.6	2.2
B .....	26.9	16.6	11.6	8.4	4.6
VA .....	2.5	2.5	2.5	2.5	2.5
VB .....	8.0	8.0	8.0	7.8	5.2
VC .....	14.3	14.3	12.9	10.3	6.1
Z .....	28.7	23.0	19.4	16.0	9.4
C .....	28.7	23.0	18.3	14.0	7.6

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

## ADDITIONAL RISK FACTORS

### Additional Yield and Prepayment Considerations

The rate of distributions of principal of the Group 1, Group 2 and Group 3 Classes will be sensitive in varying degrees to the rate of principal distributions on the Group 1 MBS, the Ginnie Mae Certificates and the Group 3 MBS, respectively, which in turn will reflect the rate of amortization (including prepayments) of the related Mortgage Loans. There can be no assurance that such related Mortgage Loans will have the characteristics assumed herein. Because the rate of principal distributions on the Group 1, Group 2 and Group 3 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 such Classes is likely to differ from the rate anticipated by an investor, even if the related Mortgage Loans prepay at the indicated constant percentages of PSA.

It is highly unlikely that the Mortgage Loans underlying the MBS or the Ginnie Mae Certificates, as applicable, will prepay at any of the rates assumed herein, will prepay at a *constant* PSA rate until maturity or that such Mortgage Loans will prepay at the same rate. Investors must make their own decisions as to the appropriate assumptions, including prepayment assumptions, to be used in deciding whether to purchase the Certificates.

The effective yields on the Delay Classes (as defined herein) will be reduced below the yields otherwise produced because principal and interest payable on a Distribution Date will not be distributed until on or about the 18th or 20th day, as applicable, following the end of the related Interest Accrual Period and will not bear interest during such delay. No interest at all will be paid on any Class after its principal balance has been reduced to zero. As a result of the foregoing, the market values of the Delay Classes will be lower than would have been the case if there were no such delay.

## DESCRIPTION OF THE CERTIFICATES

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

### General

*Structure.* The Trust and the Lower Tier REMIC will be created pursuant to a trust agreement dated as of July 1, 1998 (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 QB, QC, WD, QE, TF and JA Classes, in part, and the JB, IC, IG, PI, IH, SG, G, GB, IA, IB, ID, ZB and JI Classes, in their entirety, 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 QB, QC, WD, QE, TF and JA Classes, in part, and certain other interests in the Lower Tier REMIC (including the PB, TB, PC, PD, QD, TE, UE, QF, PH, FG, FD, SD, JD, JC, J, K, VJ, VK, VL, ZA, A, B, VA, VB, VC and Z Classes), in their entirety, will be designated as the “regular interests” (the “Lower Tier Regular Interests”), and the RL Class will be designated as the “residual interest,” in the Lower Tier REMIC. For further information relevant to beneficial owners of the Residual Certificates, see



Schedule 2 hereto. The assets of the Lower Tier REMIC will include the MBS and the Ginnie Mae Certificates.

*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.* The Group 1 and Group 3 Classes (other than the R and RL Classes) and the PG and C Classes will be issued and maintained and may be transferred by Holders only on the book-entry system of the Federal Reserve Banks (such Certificates, the “Fed Book-Entry Certificates”). Such entities whose names appear on the book-entry records of a Federal Reserve Bank as the entities for whose accounts the Fed Book-Entry Certificates have been deposited are herein referred to as “Holders” or “Certificateholders.”

The Group 2 Classes and the L Class 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 an R or RL Certificate, “Holder” or “Certificateholder” refers to the registered owner thereof. The R and RL Certificates will be transferable and exchangeable at the corporate trust office of the Transfer Agent, or at the office of the Transfer Agent in New York, New York. The Transfer Agent initially will be State Street Bank and Trust Company in Boston, Massachusetts (“State Street”). A service charge may be imposed for any registration of transfer or exchange of an R or RL Certificate and Fannie Mae may require payment of a sum sufficient to cover any tax or other governmental charge. See also “Characteristics of the R and RL Classes” herein.

The distribution to the Holders of the R and RL Classes of the proceeds of any remaining assets of the related REMIC constituted by the Trust and the Lower Tier REMIC, respectively, will be made only upon presentation and surrender of the related Certificates at the office of the Paying Agent. The Paying Agent initially will be State Street.

*Authorized Denominations.* The Certificates will be issued in minimum denominations of \$1,000 and integral multiples of \$1 in excess thereof.

*Distribution Dates.* Distributions on the Group 1 and Group 3 Classes will be made on the 18th day of each month (or, if such 18th day is not a business day, on the first business day next succeeding such 18th day), and distributions on the Group 2 Classes will be made on the first business day following the 20th day of each month (or, if the 19th and 20th days are both business days, on such 20th 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.

## **Combination and Recombination**

*General.* Subject to the rules, regulations and procedures of the Depository, all or a portion of the PH, PI, VJ, VK, VL, ZA, VA, VB, VC and Z Classes of REMIC Certificates may be exchanged for a proportionate interest in one or more RCR Certificates as reflected on Schedule 1 hereto. Similarly, all or a portion of one or more RCR Certificates may be exchanged as reflected on Schedule 1, for certain REMIC Certificates. This process may occur repeatedly.

The RCR Certificates issued in an exchange will represent a beneficial ownership interest in, and will be entitled to receive a proportionate share of the distributions on, the related REMIC Certificates, and the Holders of RCR Certificates will be treated as the beneficial owners of a proportionate interest in the related REMIC Certificates.

The Classes of REMIC Certificates and RCR Certificates that are outstanding at any given time, and the outstanding principal balances (or notional principal balances) of such Classes, will depend upon distributions of principal of such Classes as well as any exchanges that occur. The principal balances and/or notional principal balances of the REMIC Certificates and RCR Certificates involved in any exchange will bear the same relationship as that borne by the original principal balances and/or original notional principal balances of the related Classes.

*Procedures.* A Holder proposing to effect an exchange must notify Fannie Mae’s Capital Markets Department through a dealer who is a member of Fannie Mae’s “REMIC Dealer Group.” Such notice must be given in writing or by telefax not later than two business days before the proposed exchange date (which date, subject to Fannie Mae’s approval, can be any business day other than the first or last business day of the month). The notice must include the outstanding principal balance of both the Certificates to be exchanged and the Certificates to be received, and the proposed exchange date. Promptly after the receipt of a Holder’s notice, Fannie Mae will telephone the dealer to provide instructions for delivering the Certificates and the exchange fee to Fannie Mae by wire transfer. A Holder’s notice becomes irrevocable on the second business day before the proposed exchange date.

A fee will be payable to Fannie Mae in connection with each exchange equal to  $\frac{1}{32}$  of 1% of the outstanding principal balance (exclusive of any notional principal balance) of the Certificates to be submitted for exchange, provided that the fee payable in connection with each exchange will in no event be less than \$2,000.

The first distribution on a REMIC Certificate or an RCR Certificate received in an exchange transaction will be made on the Distribution Date in the month following the month of the exchange. Such distribution will be made to the Holder of record as of the close of business on the last day of the month of the exchange.

*Additional Considerations.* The characteristics of RCR Certificates will reflect the characteristics of the REMIC Certificates used to form such RCR Certificates.

At any given time, a Holder's ability to exchange REMIC Certificates for RCR Certificates or to exchange RCR Certificates for REMIC Certificates will be limited by a number of factors. A Holder must, at the time of the proposed exchange, own Certificates of the Class or of the related Classes in the proportions necessary to effect a desired exchange. A Holder that does not own Certificates of the related Classes in the necessary proportions may not be able to obtain the necessary REMIC Certificates or RCR Certificates, as applicable. The Holder of needed Certificates may refuse or be unable to sell at a reasonable price or any price, or certain Certificates may have been purchased and placed into other financial structures. In addition, principal distributions will, over time, diminish the amounts available for exchange. Only the combinations listed on Schedule 1 are permitted.

## **Book-Entry Procedures**

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

The DTC Certificates will 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.* Fannie Mae's fiscal agent for the Fed Book-Entry Certificates is the Federal Reserve Bank of New York. The Federal Reserve Banks will make distributions on such Certificates on behalf of Fannie Mae on the applicable Distribution Dates by crediting Holders' accounts at the Federal Reserve Banks.

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 will have the aggregate unpaid principal balance and Pass-Through Rate 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 the 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 an original maturity of up to 30 years. The characteristics of the Group 1 and Group 3 MBS and the related Mortgage Loans as of July 1, 1998 (the "Issue Date") are expected to be as follows:

### **Group 1 MBS**

Aggregate Unpaid Principal Balance .....	\$1,500,000,000
MBS Pass-Through Rate .....	6.50%

### **Related Mortgage Loans**

Range of WACs (per annum percentages) .....	6.75% to 9.00%
Range of WAMs .....	241 months to 360 months
Approximate Weighted Average WAM .....	357 months
Approximate Weighted Average CAGE .....	2 months

### **Group 3 MBS**

#### **6.5% MBS**

Aggregate Unpaid Principal Balance .....	\$68,100,000
MBS Pass-Through Rate .....	6.50%

### **Related Mortgage Loans**

Range of WACs (per annum percentages) .....	6.75% to 9.00%
Range of WAMS .....	241 months to 360 months
Approximate Weighted Average WAM .....	359
Approximate Weighted Average CAGE .....	1

#### **6.5% MBS**

Aggregate Unpaid Principal Balance .....	\$109,067,860
MBS Pass-Through Rate .....	6.50%

### **Related Mortgage Loans**

Range of WACs (per annum percentages) .....	6.75% to 9.00%
Range of WAMS .....	241 months to 360 months
Approximate Weighted Average WAM .....	354
Approximate Weighted Average CAGE .....	6

#### **6.5% MBS**

Aggregate Unpaid Principal Balance .....	\$10,140,219
MBS Pass-Through Rate .....	6.50%

### Related Mortgage Loans

Range of WACs (per annum percentages) .....	6.75% to 9.00%
Range of WAMS .....	241 months to 360 months
Approximate Weighted Average WAM .....	345
Approximate Weighted Average CAGE .....	12

### The Ginnie Mae Certificates

The Ginnie Mae Certificates will have the aggregate unpaid principal balance and Pass-Through Rate set forth below and the general characteristics described in the REMIC Prospectus. All of the Ginnie Mae Certificates are Ginnie Mae II Certificates. See “Ginnie Mae and the Ginnie Mae Programs” in the REMIC Prospectus. The characteristics of the Ginnie Mae Certificates and the Mortgage Loans as of the Issue Date are expected to be as follows:

#### Ginnie Mae Certificates

Aggregate Unpaid Principal Balance .....	\$500,000,000
Ginnie Mae Pass-Through Rate .....	6.50%

#### Related Mortgage Loans

Range of WACs .....	7.00% to 8.00%
Range of WARMS .....	241 months to 360 months
Approximate Weighted Average WARM .....	357 months
Approximate Weighted Average WALA .....	2 months

### Final Data Statement

Following the issuance of the Certificates, Fannie Mae will prepare a Final Data Statement setting forth, among other information, (a) with respect to the MBS, the Pool number, the current WAC (or original WAC, if the current WAC is not available) and the current WAM (or Adjusted WAM, if the current WAM is not available) of the Mortgage Loans underlying the 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 each of the Group 1 and Group 3 MBS as of the Issue Date and (b) with respect to each Ginnie Mae Certificate, among other things, the Pool number, the original unpaid principal balance, the unpaid principal balance as of the Issue Date, and the remaining term to maturity of the latest maturing Mortgage Loan underlying such Ginnie Mae Certificate as of the Issue Date. The Final Data Statement will not accompany this Prospectus Supplement but will be made available by Fannie Mae. To request the Final Data Statement, telephone Fannie Mae at 1-800-BEST-MBS or 202-752-6547. The contents of the Final Data Statement and other data specific to the Certificates are available in electronic form by calling Fannie Mae at 1-800-752-6440 or 202-752-6000.

### Distributions of Interest

#### *Categories of Classes*

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

#### Interest Type\*

#### Classes

##### **Group 1 Classes**

Fixed Rate

PB, TB, QB, PC, QC, JB, IC, PD, QD,  
WD, IG, TE, UE, QE, QF, TF, PH,  
PI, IH, G, GB, IA, IB, ID, ZB and RL

Weighted Average Coupon

R

Accrual

ZB

Floating Rate

FG and FD

Inverse Floating Rate

SG and SD

Interest Only

JB, IC, IG, IH, IA, IB and ID

RCR\*\*

PG



Interest Type\*Classes**Group 2 Classes**

Fixed Rate

JA, JI, JD, JC, J, K, VJ, VK, VL and ZA

Accrual

ZA

Interest Only

JI

RCR\*\*

L

**Group 3 Classes**

Fixed Rate

A, B, VA, VB, VC and Z

Accrual

Z

RCR\*\*

C

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

\*\* See “Description of the Certificates—Combination and Recombination” herein and Schedule 1 for a further description of the RCR Classes.

*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.

Distributions of interest to be allocated from REMIC Certificates to RCR Certificates on any Distribution Date will be allocated on a pro rata basis.

*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>
FG and SG Classes	One month period ending on the day preceding the Distribution Date
All other interest-bearing Classes (collectively, the “Delay Classes”)	Calendar month preceding the month in which the Distribution Date occurs

See “Additional Risk Factors—Additional Yield and Prepayment Considerations” herein.

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

*Notional Classes and Components* The Notional Classes and Components will not have principal balances and will bear interest at the applicable per annum interest rates set forth on the cover or as described herein during each Interest Accrual Period on their respective notional principal balances. The notional principal balances of the Notional Classes and Components will be calculated as specified herein under “Reference Sheet—Notional Classes and Components.”

The notional principal balance of a Notional Class or Component is used for purposes of the determination of interest distributions thereon and does not represent an interest in any distributions of principal. 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.

*Weighted Average Coupon Class.* The R Class will bear interest during each Interest Accrual Period at a rate per annum equal to the weighted average of the interest rates of the R1, R2 and R3 Components.

*Floating Rate and Inverse Floating Rate Classes.* The Floating Rate and Inverse Floating Rate Classes will bear interest during each Interest Accrual Period, subject to applicable maximum and minimum interest rates, at rates determined as described herein under “Reference Sheet—Interest Rates.”

The yields with respect to such Classes will be affected by changes in the index specified (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 rate or rates of interest for the applicable Class or Classes for the related Interest Accrual Period shall (in the absence of manifest error) be final and binding. Each such rate of interest may be obtained by telephoning Fannie Mae at 1-800-BEST-MBS or 202-752-6547.

## **Calculation of LIBOR**

On each Index Determination Date, until the principal balances of the FG, FD, SG and SD Classes have been reduced to zero, Fannie Mae will establish LIBOR for the related Interest Accrual Period. LIBOR will be established on the basis of the “BBA Method” as described in the REMIC Prospectus under “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—*LIBOR*.” With respect to the “BBA Method,” Interest Settlement Rates currently are based on rates quoted by sixteen BBA designated banks and are calculated by eliminating the four highest rates and the four lowest rates and averaging the eight remaining rates.

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 5.65625%.

## 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>
<b>Group 1 Classes and Components</b>	
Support	FD and SD
Segment (PAC)**†/Sequential Pay	PB, TB, QB, PC, QC, PD, QD, WD, TE, UE, QE, QF, TF, PH, PI, R1, R3 and RL
Segment (SCH)**†/Sequential Pay	FG, SG, G and R2
Segment (TAC)**†/TAC**	GB
Segment (TAC)**†/Support	ZB
Accretion Directed	GB
Notional	JB1, JB2, IC, IG, IH1, IH2, IA1, IA2, IA3, IB1, IB2, IB3, ID1 and ID2
Component	JB, IH, IA, IB, ID and R
RCR***	PG
<b>Group 2 Classes</b>	
Sequential Pay	JA, JD, JC, J, K, VJ, VK, VL and ZA
Accretion Directed	VJ, VK and VL
Notional	JI
RCR***	L
<b>Group 3 Classes</b>	
Sequential Pay	A, B, VA, VB, VC and Z
Accretion Directed	VA, VB and VC
RCR***	C

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

\*\* The Principal Balance Schedules are set forth herein beginning on page B-1.

\*\*\* See “Description of the Certificates—Combination and Recombination” herein and Schedule 1 for a further description of the RCR Class.

† A Segment Class (“SEG”) is a Class that, in whole or in part, is combined with one or more other Classes (or portions thereof) to form a “Segment Group” or an “Aggregate Group” for purposes of allocating certain principal distribution amounts. The parenthetical designation following the “SEG” designation (*e.g.*, “PAC,” “TAC” or “SUP”) relates to the Principal Type associated with the “Segment Group” or “Aggregate Group,” as applicable.

*Components.* For purposes of calculating payments thereon, the JB, IH, IA, IB, ID and R Classes are comprised of multiple payment Components having the designations and original principal balances or notional principal balances specified herein under “Reference Sheet—Components.” The payment characteristics of such Classes will reflect a combination of the payment characteristics of the related Components. Components are not separately transferable from the related Class of Certificates.

### *Principal Distribution Amount*

On each Distribution Date, principal will be distributed monthly on the Certificates in an amount (the “Principal Distribution Amount”) equal to the sum of (i) the aggregate distributions of principal to be made on the Group 1 MBS in the month of such Distribution Date (the “Group 1 Cash Flow Distribution Amount”) and any interest accrued and added on such Distribution Date to the principal balance of the ZB Class (the “ZB Accrual Amount” and, together with the Group 1 Cash Flow Distribution Amount, the “Group 1 Principal Distribution Amount”), (ii) the aggregate amount distributable as principal of the Ginnie Mae Certificates in the month of such Distribution Date calculated as described in the immediately following paragraph (the “Group 2 Cash Flow Distribution Amount”) and any interest accrued and added on such Distribution Date to the principal balance of

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

On or about the eighth business day of each month, Fannie Mae will aggregate the amount of principal reported to be receivable on the Ginnie Mae Certificates during such month on the basis of published Ginnie Mae factors for such month. For any Ginnie Mae Certificate for which a factor is not available at such time, Fannie Mae will calculate the amount of scheduled payments of principal distributable in respect of such Ginnie Mae Certificates during such month on the basis of the assumed amortization schedules of the related Mortgage Loans. The amortization schedules will be prepared on the assumptions that: (i) each of the Mortgage Loans underlying a single Ginnie Mae Certificate amortizes on a level installment basis, had an original term to maturity of 360 months, and has a remaining term to maturity equal to the remaining term to maturity of the latest maturing Mortgage Loan underlying such Ginnie Mae Certificate at the origination of such Ginnie Mae Certificate, adjusted to the Issue Date; and (ii) each Mortgage Loan underlying a Ginnie Mae Certificate bears an interest rate of 8.00% per annum. All such amounts, whether reported in Ginnie Mae factors or calculated by Fannie Mae, will be reflected in the REMIC Trust Factors for the Distribution Date in such month and will be distributed to Holders of Certificates of the Group 2 Classes on such Distribution Date, whether or not received. There will also be reflected in such REMIC Trust Factors and distributable as principal on such Distribution Date the excess of (a) the distributions of principal of the Ginnie Mae Certificates received during the month prior to the month of such Distribution Date over (b) the amount of principal calculated and distributable previously in accordance with the Ginnie Mae factors and the assumed distribution schedules specified above.

#### *Group 1 Principal Distribution Amount*

##### *ZB Accrual Amount*

On each Distribution Date, the ZB Accrual Amount will be distributed as principal of the GB Class, until the principal balance thereof is reduced to zero, and thereafter will be distributed as principal of the ZB Class. } Accretion  
Directed  
Class  
and  
Accrual  
Class

##### *Group 1 Cash Flow Distribution Amount*

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

- (i) to the Aggregate Group I (as described below), until the Aggregate Group I Balance (as described below) is reduced to its Planned Balance for such Distribution Date; } PAC  
Group
- (ii) to the Aggregate Group II (as described below), until the Aggregate Group II Balance (as described below) is reduced to its Scheduled Balance for such Distribution Date; } Scheduled  
Group
- (iii) concurrently, to the FD and SD Classes, pro rata (or 81.25% and 18.75%, respectively), until the principal balances thereof are reduced to zero; } Support  
Classes
- (iv) to the Aggregate Group II, without regard to its Scheduled Balance and until the Aggregate Group II Balance is reduced to zero; and } Scheduled  
Group

(v) to the Aggregate Group I, without regard to its Planned Balance and until the Aggregate Group I Balance is reduced to zero. } PAC Group

The “Aggregate Group I” consists of the PB, TB, QB, PC, QC, PD, QD, WD, TE, UE, QE, QF, TF, PH, PI and RL Classes and the R1 and R3 Components, and any distribution of principal of the Aggregate Group I will be applied as follows:

*first*, concurrently, to the PB, TB and QB Classes, in the proportions of 6.3683721167%, 26.9649612166% and 66.6666666667%, respectively, until the principal balance of the TB Class is reduced to zero;

*second*, concurrently, to the PB and QB Classes and the R1 Component, in the proportions of 6.3683721167%, 66.6666666667% and 26.9649612166%, respectively, until the principal balances thereof are reduced to zero;

*third*, concurrently, to the PC and QC Classes, pro rata (or 44.3451113949% and 55.6548886051%, respectively), until the principal balances thereof are reduced to zero;

*fourth*, concurrently, to the PD, QD and WD Classes, pro rata (or 7.3651803733%, 25.0416132691% and 67.5932063576%, respectively), until the principal balances thereof are reduced to zero;

*fifth*, concurrently, to the TE, QE and UE Classes, pro rata (or 58.1464081696%, 24.8130748362% and 17.0405169942%, respectively), until the principal balances thereof are reduced to zero;

*sixth*, concurrently, to the QF and TF Classes, pro rata (or 41.0004100041% and 58.9995899959%, respectively), until the principal balances thereof are reduced to zero;

*seventh*, (a) 99.9976229019% of the remaining amount, sequentially, to the PH and PI Classes, in that order, until the respective principal balances thereof are reduced to zero, and

(b) 0.0023770981% of such remaining amount, sequentially, to the RL Class and R3 Component, in that order, until the respective principal balances thereof are reduced to zero.

The “Aggregate Group I Balance” for any Distribution Date is equal to \$934,359,000 minus the sum of all amounts previously applied thereto as specified above.

The “Aggregate Group II” consists of the FG, SG and G Classes, the R2 Component and the Segment Group I, and any distribution of principal of the Aggregate Group II will be applied, concurrently, to the FG, SG and G Classes, the R2 Component and the Segment Group I, pro rata (or 27.5987524559%, 8.4920929338%, 9.9885962381%, 0.0027478944% and 53.9178104778%, respectively), until the principal balances of such Classes, the R2 Component and the Segment Group I Balance (as described below) are reduced to zero.

The “Aggregate Group II Balance” for any Distribution Date is equal to \$363,915,000 minus the sum of all amounts previously applied thereto as specified above.

The “Segment Group I” consists of the GB and ZB Classes, and any distribution of principal of the Segment Group I will be applied as follows:

*first*, until the Segment Group I Balance is reduced to its Targeted Balance for such Distribution Date, sequentially, to the GB and ZB Classes, in that order, until the respective principal balances thereof are reduced to zero; and

*second*, without regard to the Targeted Balance of the Segment Group I, sequentially, to the ZB and GB Classes, in that order, until the respective principal balances thereof are reduced to zero.

The “Segment Group I Balance” for any Distribution Date is equal to \$196,215,000 minus the sum of all amounts previously applied thereto as specified above.

*Group 2 Principal Distribution Amount*

*ZA Accrual Amount*

On each Distribution Date, the ZA Accrual Amount will be distributed, sequentially, as principal of the VJ, VK and VL Classes, in that order, until the respective principal balances thereof are reduced to zero, and thereafter will be distributed, as principal of the ZA Class.

} Accretion  
Directed  
Classes  
and  
Accrual  
Class

*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 in the following order of priority:

(i) concurrently, to the JA and J Classes, in the proportions of 29.1932920302% and 70.8067079698%, respectively, until the principal balance of the JA Class is reduced to zero;

(ii) concurrently, to the JD and J Classes, in the proportions of 29.1932920302% and 70.8067079698%, respectively, until the principal balance of the JD Class is reduced to zero;

(iii) concurrently, to the JC and J Classes, in the proportions of 29.1932920302% and 70.8067079698%, respectively, until the principal balances thereof are reduced to zero; and

(iv) sequentially, to the K, VJ, VK, VL and ZA Classes, in that order, until the respective principal balances thereof are reduced to zero.

} Sequential  
Pay  
Classes

*Group 3 Principal Distribution Amount*

*Z Accrual Amount*

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

} Accretion  
Directed  
Classes  
and  
Accrual  
Class

*Group 3 Cash Flow Distribution Amount*

On each Distribution Date, the Group 3 Cash Flow Distribution Amount will be distributed, sequentially, as principal of the A, B, VA, VB, VC and Z Classes, in that order, until the respective principal balances thereof are reduced to zero.

} Sequential  
Pay  
Classes

Distributions of principal to be allocated from REMIC Certificates to RCR Certificates on any Distribution Date will be allocated on a pro rata basis.

## 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 Group 1 and Group 3 MBS and the Ginnie Mae Certificates have the original terms to maturity, remaining terms to maturity or WARMs, CAGEs or WALAs, and interest rates as specified herein under “Reference Sheet—

Assumed Characteristics of the Mortgage Loans Underlying the MBS and the Ginnie Mae Certificates”;

- all payments (including prepayments) on the Mortgage Loans underlying the Ginnie Mae Certificates are distributed on the Certificates in the month in which such payments are received;
- the Mortgage Loans prepay at the constant percentages of PSA specified in the related table; and
- the closing date for the sale of the Certificates is July 30, 1998.

*Prepayment Assumptions.* Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used herein is The Bond Market 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 Ranges and Rate.* The Principal Balance Schedules have been prepared on the basis of the Pricing Assumptions and the assumption that the related Mortgage Loans prepay at a *constant* PSA rate within the applicable Structuring Ranges or at the rate set forth below.

<u>Principal Balance Schedule References</u>	<u>Related Groups (1)</u>	<u>Structuring Ranges and Rate</u>
Planned Balance	Aggregate Group I	Between 100% and 250%
Scheduled Balance	Aggregate Group II	Between 148% and 193%
Targeted Balance	Segment Group I	116%

(1) The Structuring Ranges and Rate for the Aggregate and Segment Groups are associated with the related Aggregate and Segment Balances but not with the individual balances of the related Classes, Components and, in the case of Aggregate Group II, the related Segment Group.

**There is no assurance that the balance of any Group 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 of such Group 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 Group to its scheduled balance will be distributed or allocated, the ability to so reduce such Group will not be enhanced by the averaging of high and low principal payments from month to month. In addition, even if prepayments occur on the related Mortgage Loans at rates falling within the applicable Structuring Ranges specified above, principal distributions may be insufficient to reduce the applicable Group to its scheduled balance if such prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the related Mortgage Loans (which may include recently originated Mortgage Loans), the Groups specified above may not be reduced to their scheduled balances, even if prepayments occur at a *constant* rate within the applicable Structuring Ranges or at the rate specified above.

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

<u>Related Groups</u>	<u>Initial Effective Ranges</u>
Aggregate Group I	Between 100% and 250%
Aggregate Group II	Between 148% and 193%



The actual Effective Ranges at any time will be based upon the actual characteristics of the related 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 Group might not be reduced to its scheduled balance 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 Groups to their scheduled balances if such prepayments do not occur at a *constant* PSA rate. It is highly unlikely that the related 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 stability in principal payment of the PAC and Scheduled Groups will be supported in part by the related Support Classes. When the Support Classes are retired, any outstanding PAC or Scheduled Group may no longer have an Effective Range and will be more sensitive to prepayments.

## 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 Mortgage Loans prepay at the indicated constant percentages of PSA. Moreover, it is not likely that the Mortgage Loans will prepay at a constant PSA rate until maturity, that all of such Mortgage Loans will prepay at the same rate or that the level of the Index will remain constant.*

***The Interest Only Classes.*** The yields to investors in the Interest Only Classes will be very sensitive to the rate of principal payments (including prepayments) of the related Mortgage Loans. The Mortgage Loans generally can be prepaid at any time. On the basis of the assumptions described below, the yield to maturity on the IC, IG, JI, JB, IA, IB, ID and IH Classes would be 0% if prepayments of the related Mortgage Loans were to occur at constant rates of approximately 491% PSA, 454% PSA, 189% PSA, 623% PSA, 452% PSA, 433% PSA, 443% PSA and 435% PSA, respectively. If the actual prepayment rates of the related Mortgage Loans were to exceed the applicable levels for as little as one month while equaling such levels for the remaining months, the investors in the IC, IG, JI, JB, IA, IB, ID and IH 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 Interest Only Classes (expressed in each case as a percentage of the original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
IC .....	18.18750%
IG .....	21.51563%
JI .....	15.70313%
JB .....	14.03125%
IA .....	20.70313%
IB .....	26.39063%
ID .....	30.78125%
IH .....	24.00000%

\* 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 IC Class to Prepayments**

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>170%</u>	<u>250%</u>	<u>500%</u>
Pre-Tax Yields to Maturity .....	22.0%	12.1%	12.1%	12.1%	(0.9)%

#### **Sensitivity of the IG Class to Prepayments**

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>170%</u>	<u>250%</u>	<u>500%</u>
Pre-Tax Yields to Maturity .....	22.4%	13.8%	13.8%	13.8%	(4.1)%

#### **Sensitivity of the JI Class to Prepayments**

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>145%</u>	<u>250%</u>	<u>500%</u>
Pre-Tax Yields to Maturity .....	30.6%	19.6%	9.5%	(12.1)%	(49.7)%

#### **Sensitivity of the JB Class to Prepayments**

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>170%</u>	<u>250%</u>	<u>500%</u>
Pre-Tax Yields to Maturity .....	16.8%	9.9%	9.9%	9.9%	8.0%

#### **Sensitivity of the IA Class to Prepayments**

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>170%</u>	<u>250%</u>	<u>500%</u>
Pre-Tax Yields to Maturity .....	21.2%	12.1%	12.1%	12.1%	(4.5)%

#### **Sensitivity of the IB Class to Prepayments**

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>170%</u>	<u>250%</u>	<u>500%</u>
Pre-Tax Yields to Maturity .....	20.1%	13.6%	13.6%	13.6%	(5.8)%

### Sensitivity of the ID Class to Prepayments

	PSA Prepayment Assumption				
	50%	100%	170%	250%	500%
Pre-Tax Yields to Maturity .....	18.4%	13.7%	13.7%	13.7%	(4.4)%

### Sensitivity of the IH Class to Prepayments

	PSA Prepayment Assumption				
	50%	100%	170%	250%	500%
Pre-Tax Yields to Maturity .....	24.0%	20.9%	12.1%	9.1%	(2.7)%

*The Inverse Floating Rate Classes.* The yields to investors in the Inverse Floating Rate Classes will be sensitive in varying degrees to the rate of principal payments (including prepayments) of the related Mortgage Loans and to the level of the Index. The Mortgage Loans generally can be prepaid at any time. In addition, the rate of principal payments (including prepayments) of the Mortgage Loans is likely to vary, and may vary considerably, from Pool to Pool.

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 such 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 the initial Interest Accrual Period are the rates appearing in the table under “Reference Sheet—Interest Rates” herein and for each Interest Accrual Period subsequent to the initial Interest Accrual Period will be based on the indicated level of the Index and (ii) the aggregate purchase prices of such Classes (expressed in each case as a percentage of original principal balance) are as follows:

Class	Price*
SG .....	96.437500%
SD .....	82.328125%

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

LIBOR	PSA Prepayment Assumption						
	50%	100%	148%	170%	193%	250%	500%
3.65625% .....	15.5%	15.7%	16.2%	16.2%	16.2%	16.4%	17.2%
5.65625% .....	8.5%	8.7%	9.2%	9.2%	9.2%	9.5%	10.5%
7.65625% .....	1.7%	1.9%	2.4%	2.4%	2.4%	2.8%	3.8%
8.10000% .....	0.2%	0.4%	0.9%	0.9%	0.9%	1.3%	2.4%

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

LIBOR	PSA Prepayment Assumption				
	50%	100%	170%	250%	500%
3.65625% .....	18.4%	18.4%	19.5%	26.4%	37.9%
5.65625% .....	7.7%	7.7%	8.6%	16.0%	27.5%
7.05000% .....	0.7%	0.8%	1.4%	9.0%	20.4%

## Weighted Average Lives of the Certificates

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

In general, the weighted average lives of the Certificates will be shortened if the level of prepayments of principal of the related Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including the timing of changes in such rate of principal payments and the priority sequences of distributions of principal of the Group 1, Group 2 and Group 3 Classes. See “Distributions of Principal” herein. The weighted average lives of the Group 1 Classes will also depend on the distribution of principal of certain Classes in accordance with the Principal Balance Schedules. 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 “Distributions of Principal—Components” herein, for purposes of calculating payments thereon, the R Class, JB Class, IH Class, IA Class, IB Class and ID Class 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 rates and the corresponding weighted average lives of such Classes. The tables have been prepared on the basis of the Pricing Assumptions, except that with respect to the information set forth for each such Class under 0% PSA it has been assumed that the underlying Mortgage Loans have the original and remaining terms to maturity and bear interest at the per annum rates specified below:

<u>Mortgage Loans Relating to Trust Assets Specified Below</u>	<u>Original Terms to Maturity</u>	<u>Remaining Terms to Maturity</u>	<u>Interest Rates</u>	<u>Related Groups</u>
Group 1 MBS	360 months	360 months	9.00%	Group 1
Ginnie Mae Certificates	360 months	360 months	8.00%	Group 2
Group 3 MBS	360 months	360 months	9.00%	Group 3

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

## Percent of Original Principal Balances Outstanding

Date	PB, QB and JB† Classes					TB Class					PC, QC and IC† Classes					PD, QD, WD and IG† Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	170%	250%	500%	0%	100%	170%	250%	500%	0%	100%	170%	250%	500%	0%	100%	170%	250%	500%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1999 .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2000 .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2001 .....	86	0	0	0	0	85	0	0	0	0	100	90	90	90	0	100	100	100	100	100
July 2002 .....	69	0	0	0	0	68	0	0	0	0	100	8	8	8	0	100	100	100	100	0
July 2003 .....	50	0	0	0	0	48	0	0	0	0	100	0	0	0	0	100	0	0	0	0
July 2004 .....	29	0	0	0	0	27	0	0	0	0	100	0	0	0	0	100	0	0	0	0
July 2005 .....	7	0	0	0	0	4	0	0	0	0	100	0	0	0	0	100	0	0	0	0
July 2006 .....	0	0	0	0	0	0	0	0	0	0	88	0	0	0	0	100	0	0	0	0
July 2007 .....	0	0	0	0	0	0	0	0	0	0	69	0	0	0	0	100	0	0	0	0
July 2008 .....	0	0	0	0	0	0	0	0	0	0	49	0	0	0	0	100	0	0	0	0
July 2009 .....	0	0	0	0	0	0	0	0	0	0	27	0	0	0	0	100	0	0	0	0
July 2010 .....	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	100	0	0	0	0
July 2011 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	59	0	0	0	0
July 2012 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11	0	0	0	0
July 2013 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2014 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2015 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2016 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2017 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2018 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2019 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2020 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2021 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2022 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2023 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2024 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2025 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2026 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2027 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2028 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	4.9	2.5	2.5	2.5	2.4	4.8	2.5	2.5	2.5	2.4	9.9	3.5	3.5	3.5	2.8	13.2	4.5	4.5	4.5	3.1

Date	TE, UE, QE and IB† Classes					QF, TF and ID† Classes					PH Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	170%	250%	500%	0%	100%	170%	250%	500%	0%	100%	170%	250%	500%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1999 .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2000 .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2001 .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2002 .....	100	100	100	100	11	100	100	100	100	100	100	100	100	100	100
July 2003 .....	100	94	94	94	0	100	100	100	100	0	100	100	100	100	80
July 2004 .....	100	49	49	49	0	100	100	100	100	0	100	100	100	100	48
July 2005 .....	100	6	6	6	0	100	100	100	100	0	100	100	100	100	25
July 2006 .....	100	0	0	0	0	100	15	15	15	0	100	100	100	100	9
July 2007 .....	100	0	0	0	0	100	0	0	0	0	100	83	83	83	0
July 2008 .....	100	0	0	0	0	100	0	0	0	0	100	65	65	65	0
July 2009 .....	100	0	0	0	0	100	0	0	0	0	100	49	49	49	0
July 2010 .....	100	0	0	0	0	100	0	0	0	0	100	37	37	37	0
July 2011 .....	100	0	0	0	0	100	0	0	0	0	100	26	26	26	0
July 2012 .....	100	0	0	0	0	100	0	0	0	0	100	17	17	17	0
July 2013 .....	84	0	0	0	0	100	0	0	0	0	100	9	9	9	0
July 2014 .....	63	0	0	0	0	100	0	0	0	0	100	3	3	3	0
July 2015 .....	39	0	0	0	0	100	0	0	0	0	100	0	0	0	0
July 2016 .....	13	0	0	0	0	100	0	0	0	0	100	0	0	0	0
July 2017 .....	0	0	0	0	0	62	0	0	0	0	100	0	0	0	0
July 2018 .....	0	0	0	0	0	0	0	0	0	0	97	0	0	0	0
July 2019 .....	0	0	0	0	0	0	0	0	0	0	78	0	0	0	0
July 2020 .....	0	0	0	0	0	0	0	0	0	0	58	0	0	0	0
July 2021 .....	0	0	0	0	0	0	0	0	0	0	36	0	0	0	0
July 2022 .....	0	0	0	0	0	0	0	0	0	0	13	0	0	0	0
July 2023 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2024 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2025 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2026 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2027 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2028 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	16.5	6.0	6.0	6.0	3.7	19.2	7.7	7.7	7.7	4.3	22.3	11.4	11.4	11.4	6.2

\*\* 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	PI Class					IH† Class					FG, SG and G Classes						
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption						
	0%	100%	170%	250%	500%	0%	100%	170%	250%	500%	0%	100%	148%	170%	193%	250%	500%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1999 .....	100	100	100	100	100	98	91	88	88	88	97	89	86	86	86	86	86
July 2000 .....	100	100	100	100	100	95	74	64	64	47	94	68	57	57	57	57	36
July 2001 .....	100	100	100	100	100	95	72	55	55	17	94	66	46	46	46	46	0
July 2002 .....	100	100	100	100	100	95	72	48	48	17	94	66	38	38	38	38	0
July 2003 .....	100	100	100	100	100	95	72	43	36	17	94	66	31	31	31	23	0
July 2004 .....	100	100	100	100	100	95	72	38	27	17	94	66	26	26	26	12	0
July 2005 .....	100	100	100	100	100	95	72	35	21	17	94	66	22	22	22	5	0
July 2006 .....	100	100	100	100	100	95	72	33	18	17	94	66	20	20	20	1	0
July 2007 .....	100	100	100	100	94	95	72	32	17	16	94	66	18	18	18	*	0
July 2008 .....	100	100	100	100	65	95	71	30	17	11	94	65	16	16	16	*	0
July 2009 .....	100	100	100	100	44	95	69	29	17	7	94	63	14	14	14	*	0
July 2010 .....	100	100	100	100	30	95	65	27	17	5	94	59	12	12	12	*	0
July 2011 .....	100	100	100	100	20	95	61	25	17	3	94	54	9	9	9	*	0
July 2012 .....	100	100	100	100	14	95	57	22	17	2	94	48	7	7	7	*	0
July 2013 .....	100	100	100	100	9	95	51	20	17	2	94	42	4	4	4	*	0
July 2014 .....	100	100	100	100	6	95	46	18	17	1	94	35	2	2	2	*	0
July 2015 .....	100	90	90	90	4	95	38	15	15	1	94	28	0	0	0	*	0
July 2016 .....	100	73	73	73	3	95	30	12	12	*	94	21	0	0	0	*	0
July 2017 .....	100	58	58	58	2	95	21	10	10	*	94	14	0	0	0	*	0
July 2018 .....	100	46	46	46	1	95	13	8	8	*	94	7	0	0	0	*	0
July 2019 .....	100	36	36	36	1	95	6	6	6	*	94	0	0	0	0	*	0
July 2020 .....	100	28	28	28	1	95	5	5	5	*	94	0	0	0	0	*	0
July 2021 .....	100	21	21	21	*	95	4	4	4	*	94	0	0	0	0	*	0
July 2022 .....	100	16	16	16	*	95	3	3	3	*	94	0	0	0	0	*	0
July 2023 .....	45	11	11	11	*	86	2	2	2	*	94	0	0	0	0	*	0
July 2024 .....	8	8	8	8	*	65	1	1	1	*	76	0	0	0	0	*	0
July 2025 .....	5	5	5	5	*	41	1	1	1	*	48	0	0	0	0	*	0
July 2026 .....	2	2	2	2	*	14	*	*	1	*	17	0	0	0	0	*	0
July 2027 .....	1	1	1	1	*	*	*	*	*	*	0	0	0	0	0	*	0
July 2028 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	25.1	20.5	20.5	20.5	11.5	25.4	12.6	7.2	6.1	3.3	25.4	11.1	4.6	4.6	4.6	3.2	1.7

Date	GB Class								IA† Class						ZB Class							
	PSA Prepayment Assumption								PSA Prepayment Assumption						PSA Prepayment Assumption							
	0%	100%	116%	148%	170%	193%	250%	500%	0%	100%	170%	250%	500%		0%	100%	116%	148%	170%	193%	250%	500%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100		100	100	100	100	100	100	100	100
July 1999 .....	97	89	88	86	86	86	86	86	100	100	100	100	100		107	107	107	0	0	0	0	0
July 2000 .....	94	68	64	58	58	58	58	37	100	100	100	100	100		114	114	114	0	0	0	0	0
July 2001 .....	94	66	59	46	46	46	46	0	100	96	96	96	61		121	121	121	0	0	0	0	0
July 2002 .....	94	66	56	38	38	38	38	0	100	65	65	65	0		130	130	130	0	0	0	0	0
July 2003 .....	94	66	53	31	31	31	23	0	100	0	0	0	0		138	138	138	0	0	0	0	0
July 2004 .....	93	66	52	26	26	26	12	0	100	0	0	0	0		148	148	148	0	0	0	0	0
July 2005 .....	93	65	50	23	23	23	5	0	100	0	0	0	0		157	157	157	0	0	0	0	0
July 2006 .....	93	65	49	20	20	20	1	0	95	0	0	0	0		168	168	168	0	0	0	0	0
July 2007 .....	93	65	48	18	18	18	*	0	88	0	0	0	0		179	179	179	0	0	0	0	0
July 2008 .....	93	64	46	16	16	16	*	0	80	0	0	0	0		191	191	191	0	0	0	0	0
July 2009 .....	93	61	43	14	14	14	*	0	72	0	0	0	0		204	204	204	0	0	0	0	0
July 2010 .....	93	57	39	12	12	12	*	0	62	0	0	0	0		218	218	218	0	0	0	0	0
July 2011 .....	93	52	34	10	10	10	*	0	37	0	0	0	0		232	232	232	0	0	0	0	0
July 2012 .....	93	46	29	7	7	7	*	0	7	0	0	0	0		248	248	248	0	0	0	0	0
July 2013 .....	93	40	23	5	5	5	*	0	0	0	0	0	0		264	264	264	0	0	0	0	0
July 2014 .....	92	33	16	2	2	2	*	0	0	0	0	0	0		282	282	282	0	0	0	0	0
July 2015 .....	92	26	10	0	0	0	*	0	0	0	0	0	0		301	301	301	0	0	0	0	0
July 2016 .....	92	19	4	0	0	0	*	0	0	0	0	0	0		321	321	321	0	0	0	0	0
July 2017 .....	92	11	0	0	0	0	*	0	0	0	0	0	0		343	343	0	0	0	0	0	0
July 2018 .....	92	4	0	0	0	0	*	0	0	0	0	0	0		366	366	0	0	0	0	0	0
July 2019 .....	92	0	0	0	0	0	*	0	0	0	0	0	0		390	0	0	0	0	0	0	0
July 2020 .....	91	0	0	0	0	0	*	0	0	0	0	0	0		416	0	0	0	0	0	0	0
July 2021 .....	91	0	0	0	0	0	*	0	0	0	0	0	0		444	0	0	0	0	0	0	0
July 2022 .....	91	0	0	0	0	0	*	0	0	0	0	0	0		474	0	0	0	0	0	0	0
July 2023 .....	91	0	0	0	0	0	*	0	0	0	0	0	0		506	0	0	0	0	0	0	0
July 2024 .....	73	0	0	0	0	0	*	0	0	0	0	0	0		539	0	0	0	0	0	0	0
July 2025 .....	44	0	0	0	0	0	*	0	0	0	0	0	0		576	0	0	0	0	0	0	0
July 2026 .....	12	0	0	0	0	0	*	0	0	0	0	0	0		614	0	0	0	0	0	0	0
July 2027 .....	0	0	0	0	0	0	*	0	0	0	0	0	0		0	0	0	0	0	0	0	0
July 2028 .....	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	25.0	10.8	8.1	4.6	4.6	4.6	3.2	1.7	11.9	4.1	4.1	4.1	3.0		28.4	20.7	18.8	0.2	0.2	0.2	0.2	0.2

\* 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.



Date	FD and SD Classes					JA and JI† Classes					JD Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	170%	250%	500%	0%	100%	145%	250%	500%	0%	100%	145%	250%	500%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1999 .....	100	100	97	87	56	98	93	90	85	74	100	100	100	100	100
July 2000 .....	100	100	91	59	0	95	79	72	56	19	100	100	100	100	100
July 2001 .....	100	100	83	26	0	92	60	47	19	0	100	100	100	100	0
July 2002 .....	100	100	78	1	0	89	43	25	0	0	100	100	100	0	0
July 2003 .....	100	100	73	0	0	86	27	5	0	0	100	100	100	0	0
July 2004 .....	100	100	70	0	0	83	12	0	0	0	100	100	0	0	0
July 2005 .....	100	100	68	0	0	79	0	0	0	0	100	71	0	0	0
July 2006 .....	100	100	66	0	0	75	0	0	0	0	100	0	0	0	0
July 2007 .....	100	100	66	0	0	71	0	0	0	0	100	0	0	0	0
July 2008 .....	100	100	65	0	0	66	0	0	0	0	100	0	0	0	0
July 2009 .....	100	100	64	0	0	61	0	0	0	0	100	0	0	0	0
July 2010 .....	100	100	63	0	0	55	0	0	0	0	100	0	0	0	0
July 2011 .....	100	100	61	0	0	49	0	0	0	0	100	0	0	0	0
July 2012 .....	100	100	60	0	0	42	0	0	0	0	100	0	0	0	0
July 2013 .....	100	100	58	0	0	35	0	0	0	0	100	0	0	0	0
July 2014 .....	100	100	56	0	0	27	0	0	0	0	100	0	0	0	0
July 2015 .....	100	100	53	0	0	19	0	0	0	0	100	0	0	0	0
July 2016 .....	100	100	47	0	0	10	0	0	0	0	100	0	0	0	0
July 2017 .....	100	100	41	0	0	*	0	0	0	0	100	0	0	0	0
July 2018 .....	100	100	36	0	0	0	0	0	0	0	0	0	0	0	0
July 2019 .....	100	99	31	0	0	0	0	0	0	0	0	0	0	0	0
July 2020 .....	100	86	26	0	0	0	0	0	0	0	0	0	0	0	0
July 2021 .....	100	74	22	0	0	0	0	0	0	0	0	0	0	0	0
July 2022 .....	100	62	18	0	0	0	0	0	0	0	0	0	0	0	0
July 2023 .....	100	50	14	0	0	0	0	0	0	0	0	0	0	0	0
July 2024 .....	100	39	10	0	0	0	0	0	0	0	0	0	0	0	0
July 2025 .....	100	28	7	0	0	0	0	0	0	0	0	0	0	0	0
July 2026 .....	100	18	4	0	0	0	0	0	0	0	0	0	0	0	0
July 2027 .....	68	8	2	0	0	0	0	0	0	0	0	0	0	0	0
July 2028 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	29.3	25.2	14.8	2.2	1.0	11.8	3.6	2.9	2.1	1.4	19.5	7.2	5.5	3.7	2.4

Date	JC Class					J Class					K Class					VJ Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	145%	250%	500%	0%	100%	145%	250%	500%	0%	100%	145%	250%	500%	0%	100%	145%	250%	500%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1999 .....	100	100	100	100	100	99	96	94	92	85	100	100	100	100	100	100	81	81	81	81
July 2000 .....	100	100	100	100	100	97	88	83	74	53	100	100	100	100	100	100	61	61	61	61
July 2001 .....	100	100	100	100	50	96	77	69	53	18	100	100	100	100	100	100	40	40	40	40
July 2002 .....	100	100	100	94	0	94	67	56	34	0	100	100	100	100	69	18	18	18	18	18
July 2003 .....	100	100	100	51	0	92	58	45	19	0	100	100	100	100	0	0	0	0	0	0
July 2004 .....	100	100	93	15	0	90	49	34	5	0	100	100	100	100	0	0	0	0	0	0
July 2005 .....	100	100	66	0	0	88	40	24	0	0	100	100	100	74	0	0	0	0	0	0
July 2006 .....	100	89	42	0	0	85	32	15	0	0	100	100	100	31	0	0	0	0	0	0
July 2007 .....	100	69	19	0	0	83	25	7	0	0	100	100	100	0	0	0	0	0	0	0
July 2008 .....	100	49	0	0	0	80	18	0	0	0	100	100	98	0	0	0	0	0	0	0
July 2009 .....	100	31	0	0	0	77	11	0	0	0	100	100	67	0	0	0	0	0	0	0
July 2010 .....	100	14	0	0	0	74	5	0	0	0	100	100	39	0	0	0	0	0	0	0
July 2011 .....	100	0	0	0	0	70	0	0	0	0	100	97	13	0	0	0	0	0	0	0
July 2012 .....	100	0	0	0	0	66	0	0	0	0	100	71	0	0	0	0	0	0	0	0
July 2013 .....	100	0	0	0	0	62	0	0	0	0	100	47	0	0	0	0	0	0	0	0
July 2014 .....	100	0	0	0	0	58	0	0	0	0	100	24	0	0	0	0	0	0	0	0
July 2015 .....	100	0	0	0	0	53	0	0	0	0	100	3	0	0	0	0	0	0	0	0
July 2016 .....	100	0	0	0	0	48	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2017 .....	100	0	0	0	0	42	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2018 .....	99	0	0	0	0	36	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2019 .....	80	0	0	0	0	29	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2020 .....	61	0	0	0	0	22	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2021 .....	39	0	0	0	0	14	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2022 .....	16	0	0	0	0	6	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2023 .....	0	0	0	0	0	0	0	0	0	0	84	0	0	0	0	0	0	0	0	0
July 2024 .....	0	0	0	0	0	0	0	0	0	0	38	0	0	0	0	0	0	0	0	0
July 2025 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2026 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2027 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2028 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	22.4	10.1	7.7	5.1	3.0	16.1	6.2	4.8	3.3	2.1	25.7	14.9	11.7	7.6	4.2	2.5	2.5	2.5	2.5	2.5

\* 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	VK Class					VL Class					ZA Class					A Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	145%	250%	500%	0%	100%	145%	250%	500%	0%	100%	145%	250%	500%	0%	100%	170%	250%	500%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1999 .....	100	100	100	100	100	100	100	100	100	100	107	107	107	107	107	99	95	93	91	83
July 2000 .....	100	100	100	100	100	100	100	100	100	100	114	114	114	114	114	98	88	81	74	54
July 2001 .....	100	100	100	100	100	100	100	100	100	100	121	121	121	121	121	97	79	68	56	25
July 2002 .....	100	100	100	100	100	100	100	100	100	100	130	130	130	130	130	96	70	55	40	4
July 2003 .....	96	96	96	96	74	100	100	100	100	100	138	138	138	138	138	94	62	44	27	0
July 2004 .....	82	82	82	82	0	100	100	100	100	41	148	148	148	148	148	93	54	34	16	0
July 2005 .....	67	67	67	67	0	100	100	100	100	0	157	157	157	157	121	91	47	25	7	0
July 2006 .....	51	51	51	51	0	100	100	100	100	0	168	168	168	168	83	89	40	18	0	0
July 2007 .....	33	33	33	21	0	100	100	100	100	0	179	179	179	179	57	87	34	11	0	0
July 2008 .....	15	15	15	0	0	100	100	100	38	0	191	191	191	191	39	85	28	4	0	0
July 2009 .....	0	0	0	0	0	96	96	96	0	0	204	204	204	180	27	83	22	0	0	0
July 2010 .....	0	0	0	0	0	76	76	76	0	0	218	218	218	149	18	80	17	0	0	0
July 2011 .....	0	0	0	0	0	54	54	54	0	0	232	232	232	123	12	77	11	0	0	0
July 2012 .....	0	0	0	0	0	32	32	11	0	0	248	248	248	101	8	74	7	0	0	0
July 2013 .....	0	0	0	0	0	8	8	0	0	0	264	264	225	83	6	71	2	0	0	0
July 2014 .....	0	0	0	0	0	0	0	0	0	0	270	270	197	68	4	67	0	0	0	0
July 2015 .....	0	0	0	0	0	0	0	0	0	0	270	270	172	55	3	63	0	0	0	0
July 2016 .....	0	0	0	0	0	0	0	0	0	0	270	244	149	45	2	59	0	0	0	0
July 2017 .....	0	0	0	0	0	0	0	0	0	0	270	217	128	36	1	54	0	0	0	0
July 2018 .....	0	0	0	0	0	0	0	0	0	0	270	191	110	28	1	48	0	0	0	0
July 2019 .....	0	0	0	0	0	0	0	0	0	0	270	166	93	22	*	43	0	0	0	0
July 2020 .....	0	0	0	0	0	0	0	0	0	0	270	143	78	17	*	36	0	0	0	0
July 2021 .....	0	0	0	0	0	0	0	0	0	0	270	121	64	13	*	29	0	0	0	0
July 2022 .....	0	0	0	0	0	0	0	0	0	0	270	100	51	10	*	22	0	0	0	0
July 2023 .....	0	0	0	0	0	0	0	0	0	0	270	80	40	7	*	13	0	0	0	0
July 2024 .....	0	0	0	0	0	0	0	0	0	0	270	62	30	5	*	4	0	0	0	0
July 2025 .....	0	0	0	0	0	0	0	0	0	0	253	44	21	3	*	0	0	0	0	0
July 2026 .....	0	0	0	0	0	0	0	0	0	0	175	27	12	2	*	0	0	0	0	0
July 2027 .....	0	0	0	0	0	0	0	0	0	0	91	11	5	1	*	0	0	0	0	0
July 2028 .....	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	7.7	5.2	13.2	13.2	12.9	9.9	5.9	28.5	22.7	20.0	15.3	9.1	18.0	7.1	4.8	3.6	2.2

Date	B Class					VA Class					VB Class					VC Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	170%	250%	500%	0%	100%	170%	250%	500%	0%	100%	170%	250%	500%	0%	100%	170%	250%	500%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1999 .....	100	100	100	100	100	81	81	81	81	81	100	100	100	100	100	100	100	100	100	100
July 2000 .....	100	100	100	100	100	62	62	62	62	62	100	100	100	100	100	100	100	100	100	100
July 2001 .....	100	100	100	100	100	40	40	40	40	40	100	100	100	100	100	100	100	100	100	100
July 2002 .....	100	100	100	100	100	18	18	18	18	18	100	100	100	100	100	100	100	100	100	100
July 2003 .....	100	100	100	100	0	0	0	0	0	0	96	96	96	96	79	100	100	100	100	100
July 2004 .....	100	100	100	100	0	0	0	0	0	0	82	82	82	82	0	100	100	100	100	53
July 2005 .....	100	100	100	100	0	0	0	0	0	0	67	67	67	67	0	100	100	100	100	0
July 2006 .....	100	100	100	84	0	0	0	0	0	0	51	51	51	51	0	100	100	100	100	0
July 2007 .....	100	100	100	8	0	0	0	0	0	0	34	34	34	34	0	100	100	100	100	0
July 2008 .....	100	100	100	0	0	0	0	0	0	0	16	16	16	0	0	100	100	100	66	0
July 2009 .....	100	100	84	0	0	0	0	0	0	0	0	0	0	0	0	98	98	98	11	0
July 2010 .....	100	100	26	0	0	0	0	0	0	0	0	0	0	0	0	85	85	85	0	0
July 2011 .....	100	100	0	0	0	0	0	0	0	0	0	0	0	0	0	71	71	51	0	0
July 2012 .....	100	100	0	0	0	0	0	0	0	0	0	0	0	0	0	56	56	*	0	0
July 2013 .....	100	100	0	0	0	0	0	0	0	0	0	0	0	0	0	40	40	0	0	0
July 2014 .....	100	76	0	0	0	0	0	0	0	0	0	0	0	0	0	23	23	0	0	0
July 2015 .....	100	30	0	0	0	0	0	0	0	0	0	0	0	0	0	5	5	0	0	0
July 2016 .....	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2017 .....	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2018 .....	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2019 .....	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2020 .....	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2021 .....	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2022 .....	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2023 .....	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2024 .....	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2025 .....	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2026 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2027 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2028 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	26.9	16.6	11.6	8.4	4.6	2.5	2.5	2.5	2.5	2.5	8.0	8.0	8.0	7.8	5.2	14.3	14.3	12.9	10.3	6.1

\* 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	Z Class					R Class							RL Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption							PSA Prepayment Assumption				
	0%	100%	170%	250%	500%	0%	100%	148%	170%	193%	250%	500%	0%	100%	170%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1999	107	107	107	107	107	100	100	100	100	100	100	100	100	100	100	100	100
July 2000	114	114	114	114	114	100	99	99	99	99	99	99	100	100	100	100	100
July 2001	121	121	121	121	121	100	1	1	1	1	1	*	100	100	100	100	100
July 2002	130	130	130	130	130	100	1	1	1	1	1	*	100	100	100	100	100
July 2003	138	138	138	138	138	100	1	1	1	1	1	*	100	100	100	100	80
July 2004	148	148	148	148	148	100	1	1	1	1	1	*	100	100	100	100	48
July 2005	157	157	157	157	140	100	1	1	1	1	*	*	100	100	100	100	25
July 2006	168	168	168	168	96	2	1	1	1	1	*	*	100	100	100	100	9
July 2007	179	179	179	179	66	2	1	1	1	1	*	*	100	83	83	83	0
July 2008	191	191	191	191	45	2	1	1	1	1	*	*	100	65	65	65	0
July 2009	204	204	204	204	31	2	1	1	1	1	*	*	100	49	49	49	0
July 2010	218	218	218	178	21	2	1	1	1	1	*	*	100	37	37	37	0
July 2011	232	232	232	147	14	2	1	*	*	*	*	*	100	26	26	26	0
July 2012	248	248	248	121	10	2	1	*	*	*	*	*	100	17	17	17	0
July 2013	264	264	215	99	7	2	1	*	*	*	*	*	100	9	9	9	0
July 2014	282	282	185	81	4	2	1	*	*	*	*	*	100	3	3	3	0
July 2015	301	301	159	66	3	2	1	*	*	*	*	*	100	0	0	0	0
July 2016	307	296	135	53	2	2	1	*	*	*	*	*	100	0	0	0	0
July 2017	307	262	115	42	1	2	*	*	*	*	*	*	100	0	0	0	0
July 2018	307	230	96	34	1	2	*	*	*	*	*	*	97	0	0	0	0
July 2019	307	200	80	27	1	2	*	*	*	*	*	*	78	0	0	0	0
July 2020	307	172	66	21	*	2	*	*	*	*	*	*	58	0	0	0	0
July 2021	307	145	53	16	*	2	*	*	*	*	*	*	36	0	0	0	0
July 2022	307	119	42	12	*	2	*	*	*	*	*	*	13	0	0	0	0
July 2023	307	95	32	8	*	2	*	*	*	*	*	*	0	0	0	0	0
July 2024	307	73	23	6	*	1	*	*	*	*	*	*	0	0	0	0	0
July 2025	307	51	16	4	*	1	*	*	*	*	*	*	0	0	0	0	0
July 2026	234	31	9	2	*	*	*	*	*	*	*	*	0	0	0	0	0
July 2027	122	12	3	1	*	*	*	*	*	*	*	*	0	0	0	0	0
July 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.7	23.0	19.4	16.0	9.4	7.6	3.1	3.0	3.0	3.0	2.9	2.6	22.3	11.4	11.4	11.4	6.2

Date	PG Class					L Class					C Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	170%	250%	500%	0%	100%	145%	250%	500%	0%	100%	170%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1999	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2000	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2001	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2002	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2003	100	100	100	100	84	100	100	100	100	95	100	100	100	100	96
July 2004	100	100	100	100	58	100	100	100	100	65	100	100	100	100	66
July 2005	100	100	100	100	40	100	100	100	100	45	100	100	100	100	46
July 2006	100	100	100	100	27	100	100	100	100	31	100	100	100	100	31
July 2007	100	86	86	86	19	100	100	100	97	21	100	100	100	100	22
July 2008	100	72	72	72	13	100	100	100	81	14	100	100	100	85	15
July 2009	100	59	59	59	9	100	100	100	67	10	100	100	100	70	10
July 2010	100	49	49	49	6	100	100	100	55	7	100	100	100	58	7
July 2011	100	41	41	41	4	100	100	100	46	5	100	100	93	48	5
July 2012	100	33	33	33	3	100	100	95	38	3	100	100	81	39	3
July 2013	100	27	27	27	2	100	100	83	31	2	100	100	70	32	2
July 2014	100	22	22	22	1	100	100	73	25	1	100	100	60	26	1
July 2015	100	18	18	18	1	100	100	64	20	1	100	100	52	21	1
July 2016	100	15	15	15	1	100	91	55	17	1	100	96	44	17	1
July 2017	100	12	12	12	*	100	80	48	13	*	100	85	37	14	*
July 2018	97	9	9	9	*	100	71	41	11	*	100	75	31	11	*
July 2019	83	7	7	7	*	100	62	34	8	*	100	65	26	9	*
July 2020	67	6	6	6	*	100	53	29	6	*	100	56	21	7	*
July 2021	49	4	4	4	*	100	45	24	5	*	100	47	17	5	*
July 2022	30	3	3	3	*	100	37	19	4	*	100	39	14	4	*
July 2023	9	2	2	2	*	100	30	15	3	*	100	31	10	3	*
July 2024	2	2	2	2	*	100	23	11	2	*	100	24	8	2	*
July 2025	1	1	1	1	*	94	16	8	1	*	100	17	5	1	*
July 2026	*	*	*	*	*	65	10	5	1	*	76	10	3	1	*
July 2027	*	*	*	*	*	34	4	2	*	*	40	4	1	*	*
July 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	22.9	13.2	13.2	13.2	7.2	28.5	22.7	19.6	13.8	7.5	28.7	23.0	18.3	14.0	7.6

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

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

## **Characteristics of the R and RL Classes**

In addition to distributions of principal and interest, the Holders 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 (the “Regulations”), a transfer of a “noneconomic residual interest” to a U.S. Person will be disregarded for all federal tax purposes unless no significant purpose of the transfer is to impede the assessment or collection of tax. The R and RL Classes may constitute noneconomic residual interests under the Regulations. Any transferee of an R or RL Certificate must execute and deliver an affidavit and an Internal Revenue Service Form W-9 on which the transferee provides its taxpayer identification number. See “Description of the Certificates—Additional Characteristics of Residual Certificates” and “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates” in the REMIC Prospectus. Transferors of an R or RL Certificate should consult with their own tax advisors for further information regarding such transfers.

The Holders of the R Class will be considered to be the holders of the “residual interest” in the REMIC constituted by the Trust and the Holders of the RL Class will be considered to be the holders 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 JB, IC, IG, PI, IH, SG, G, GB, IA, IB, ID, ZB and JI 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. In addition, each of the QB, QC, WD, QE, TF and JA Classes will represent beneficial ownership of a “regular interest” in the REMIC constituted by the Trust and beneficial ownership of a Lower Tier Regular Interest, as further described in Schedule 2 hereto. The Lower Tier Regular Interests, including the PB, TB, PC, PD, QD, TE, UE, QF, PH, FG, FD, SD, JD, JC, J, K, VJ, VK, VL, ZA, A, B, VA, VB, VC and Z Classes, 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 REMIC Certificates and any related RCR 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. See “Certain Federal Income Tax Consequences—Special Tax Attributes” in the REMIC Prospectus.

## **Taxation of Beneficial Owners of Regular Certificates**

The Notional Classes, the Accrual Classes and the SD Class will be, and certain other Classes of REMIC Certificates may be, issued with original issue discount (“OID”) for federal income tax purposes, which generally will result in recognition of some taxable income in advance of the receipt of the cash attributable to such income. The Prepayment Assumption that will be used in determining the rate of accrual of original issue discount will be 170% PSA in the case of the Group 1 and Group 3 Classes and 145% PSA in the case of the Group 2 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 or the Ginnie Mae Certificates will prepay at either of those rates or any other rate. See “Description of the Certificates—Weighted Average Lives of the Certificates” herein and “Description of the Certificates—Weighted Average Life and Final Distribution Dates” in the REMIC Prospectus. In addition, certain Classes of REMIC 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**

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 June 20, 1998. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates—*Excess Inclusions*” and “—Foreign Investors—*Residual Certificates*” in the REMIC Prospectus.

## **Taxation of Beneficial Owners of RCR Certificates**

*General.* The arrangement pursuant to which the RCR Class will be created, sold and administered will be classified as a grantor trust under subpart E, Part I of subchapter J of the Code. The interests in the REMIC Certificates that have been exchanged for RCR Certificates (including any exchanges effective on the Settlement Date) will be the assets of such trust and the RCR Certificates will evidence an ownership interest in those REMIC Certificates. See “Certain Federal Income Tax Consequences” in the REMIC Prospectus.

The RCR Class will represent beneficial ownership of the underlying Regular Certificates set forth in Schedule 1. The RCR Certificates (the “Combination RCR Certificates”) will represent beneficial ownership of undivided interests in two or more underlying Regular Certificates.

The PG, L and C Classes are Combination RCR Classes.

*Combination RCR Classes.* A beneficial owner of a Combination RCR Certificate will be treated as the beneficial owner of a proportionate interest in the related Classes of REMIC Certificates. A purchaser of an RCR Certificate must allocate its purchase price among the related Classes of REMIC Certificates in proportion to their relative fair market values at the time of purchase. Such owner should account for its ownership interest in each related Class of REMIC Certificates as described under “—Taxation of Beneficial Owners of Regular Certificates” herein and “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates” in the REMIC Prospectus. When a beneficial owner sells a Combination RCR Certificate, such owner must allocate the sale proceeds among the related Classes of REMIC Certificates in proportion to their relative fair market value at the time of sale.

*Exchanges.* An exchange, as described under “Description of the Certificates—Combination and Recombination” herein, by a beneficial owner of (i) a combination of REMIC Certificates or (ii) all or a portion of an RCR Class for the related RCR Class or REMIC Certificates, respectively, will not be a taxable exchange. Such owner will be treated as continuing to own after the exchange the same combination of interests in the related REMIC Certificates that it owned immediately prior to the exchange.

## **PLAN OF DISTRIBUTION**

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

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

## **LEGAL MATTERS**

Certain legal matters will be passed upon for the Dealer by Milbank, Tweed, Hadley & McCloy.



**Schedule 1**

**Available Recombinations (1)**

REMIC Certificates		RCR Certificates						
<u>Class</u>	<u>Original Principal Balance</u>	<u>RCR Class</u>	<u>Original Principal Balance</u>	<u>Interest Rate</u>	<u>Interest Type (2)</u>	<u>Principal Type (2)</u>	<u>CUSIP Number</u>	<u>Final Distribution Date</u>
<b>Recombination 1</b>								
PH	\$336,536,800	PG	\$420,671,000	6.50%	FIX	SEG (PAC) /SEQ	31359UNT8	August 2028
PI	84,134,200							
<b>Recombination 2</b>								
VJ	16,638,000	L	125,000,000	6.50	FIX	SEQ	31359UNU5	July 2028
VK	30,185,000							
VL	31,813,000							
ZA	46,364,000							
<b>Recombination 3</b>								
VA	5,075,477	C	43,243,079	6.50	FIX	SEQ	31359UNV3	August 2028
VB	9,272,730							
VC	14,787,564							
Z	14,107,308							

- (1) The principal balances of the REMIC Certificates and RCR Certificates involved in any exchange will bear the same relationship as that borne by the original principal balances of the related Classes.
- (2) 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.

**Certain Additional Information  
Relevant to Beneficial Owners of the Residual Certificates**

<u>Class</u>	<u>Original Class Balance</u>	<u>Original Balance Issued Directly from Lower Tier REMIC (1) (2)</u>	<u>Original Balance Issued Directly from the Trust (2)</u>
QB .....	\$52,342,000	\$48,666,350	\$ 3,675,650
QC .....	62,752,000	58,830,000	3,922,000
WD .....	45,887,000	41,436,748	4,450,252
QE .....	45,000,000	34,205,000	10,795,000
TF .....	43,170,000	35,771,667	7,398,333
JA .....	52,304,000	49,688,800	2,615,200

- (1) Interest rates on the Lower Tier Regular Interests relating to the QB, QC, WD, QE, TF and JA Classes will be identical to the rates specified for such respective Classes on the cover hereof.
- (2) All distributions of principal of the QB, QC, WD, QE, TF and JA Classes will be allocated on a pro rata basis to the respective balances issued directly from the Lower Tier REMIC and the Trust Fund in respect of each such Class. For a description of the entitlements to distributions of principal of the foregoing Classes, see “Description of the Certificates—Distributions of Principal” herein.

## Principal Balance Schedules

<u>Distribution Date</u>	<u>Aggregate Group I Planned Balance</u>	<u>Aggregate Group II Scheduled Balance</u>	<u>Segment Group I Targeted Balance</u>
Initial Balance .....	\$934,359,000.00	\$363,915,000.00	\$196,215,000.00
August 1998 .....	934,359,000.00	361,583,372.20	195,088,080.90
September 1998 .....	934,359,000.00	358,874,471.10	193,801,104.50
October 1998 .....	934,359,000.00	355,789,179.90	192,354,439.70
November 1998 .....	934,359,000.00	352,328,667.80	190,748,551.00
December 1998 .....	934,359,000.00	348,494,390.30	188,983,998.20
January 1999 .....	934,359,000.00	344,288,088.50	187,061,436.90
February 1999 .....	934,359,000.00	339,711,788.50	184,981,617.20
March 1999 .....	934,359,000.00	334,767,800.50	182,745,384.30
April 1999 .....	934,359,000.00	329,458,717.00	180,353,677.40
May 1999 .....	934,359,000.00	323,787,411.40	177,807,529.70
June 1999 .....	934,359,000.00	317,757,035.40	175,108,067.40
July 1999 .....	934,359,000.00	311,371,016.80	172,256,508.90
August 1999 .....	934,359,000.00	304,633,056.60	169,254,164.20
September 1999 .....	934,359,000.00	297,547,125.40	166,102,434.20
October 1999 .....	934,359,000.00	290,117,460.10	162,802,809.00
November 1999 .....	934,359,000.00	282,348,560.20	159,356,867.50
December 1999 .....	934,359,000.00	274,245,182.80	155,766,275.70
January 2000 .....	934,359,000.00	265,812,338.70	152,032,785.80
February 2000 .....	934,359,000.00	257,055,286.90	148,158,234.70
March 2000 .....	934,359,000.00	247,979,529.60	144,144,542.30
April 2000 .....	934,359,000.00	238,590,806.50	139,993,710.40
May 2000 .....	934,359,000.00	228,895,089.00	135,707,820.60
June 2000 .....	934,359,000.00	218,898,573.70	131,289,032.90
July 2000 .....	934,359,000.00	208,607,676.00	126,739,584.00
August 2000 .....	934,359,000.00	198,029,023.30	122,061,785.00
September 2000 .....	926,443,702.00	195,084,746.10	121,525,775.50
October 2000 .....	918,324,309.50	192,070,670.60	120,976,297.80
November 2000 .....	910,004,423.10	188,990,416.20	120,413,934.00
December 2000 .....	901,726,288.90	185,958,710.00	119,859,366.00
January 2001 .....	893,489,691.20	182,975,066.10	119,312,528.50
February 2001 .....	885,294,415.60	180,039,003.40	118,773,356.60
March 2001 .....	877,140,248.90	177,150,044.70	118,241,785.60
April 2001 .....	869,026,978.70	174,307,717.10	117,717,751.80
May 2001 .....	860,954,394.00	171,511,552.00	117,201,191.50
June 2001 .....	852,922,284.50	168,761,085.00	116,692,041.80
July 2001 .....	844,930,441.50	166,055,855.70	116,190,240.00
August 2001 .....	836,978,656.90	163,395,407.90	115,695,724.30
September 2001 .....	829,066,723.90	160,779,289.40	115,208,432.80
October 2001 .....	821,194,436.80	158,207,052.00	114,728,304.50
November 2001 .....	813,361,590.80	155,678,251.70	114,255,278.80
December 2001 .....	805,567,982.20	153,192,448.20	113,789,295.30
January 2002 .....	797,813,408.50	150,749,205.30	113,330,294.40
February 2002 .....	790,097,668.00	148,348,090.70	112,878,216.70
March 2002 .....	782,420,560.30	145,988,675.80	112,433,003.30
April 2002 .....	774,781,885.70	143,670,536.10	111,994,595.80
May 2002 .....	767,181,445.90	141,393,250.60	111,562,936.30
June 2002 .....	759,619,043.30	139,156,402.30	111,137,967.10
July 2002 .....	752,094,481.50	136,959,577.90	110,719,631.30
August 2002 .....	744,607,565.00	134,802,367.60	110,307,872.10
September 2002 .....	737,158,099.50	132,684,365.60	109,902,633.30

<u>Distribution Date</u>	<u>Aggregate Group I Planned Balance</u>	<u>Aggregate Group II Scheduled Balance</u>	<u>Segment Group I Targeted Balance</u>
October 2002 .....	\$729,745,891.50	\$130,605,169.40	\$109,503,859.00
November 2002 .....	722,370,748.50	128,564,380.50	109,111,493.90
December 2002 .....	715,032,479.00	126,561,603.60	108,725,483.00
January 2003 .....	707,730,892.70	124,596,447.20	108,345,771.70
February 2003 .....	700,465,800.00	122,668,523.10	107,972,306.00
March 2003 .....	693,237,012.40	120,777,447.00	107,605,032.00
April 2003 .....	686,044,342.40	118,922,837.50	107,243,896.40
May 2003 .....	678,887,603.30	117,104,317.20	106,888,846.50
June 2003 .....	671,766,609.60	115,321,511.60	106,539,829.50
July 2003 .....	664,681,176.50	113,574,050.00	106,196,793.50
August 2003 .....	657,631,120.40	111,861,564.60	105,859,686.70
September 2003 .....	650,616,258.40	110,183,691.50	105,528,457.80
October 2003 .....	643,636,408.80	108,540,069.50	105,203,055.90
November 2003 .....	636,691,390.60	106,930,341.00	104,883,430.40
December 2003 .....	629,781,023.80	105,354,151.60	104,569,531.20
January 2004 .....	622,905,129.50	103,811,150.00	104,261,308.50
February 2004 .....	616,063,529.40	102,300,988.20	103,958,712.90
March 2004 .....	609,256,046.40	100,823,321.30	103,661,695.40
April 2004 .....	602,482,504.10	99,377,807.55	103,370,207.50
May 2004 .....	595,742,727.20	97,964,108.20	103,084,200.70
June 2004 .....	589,036,541.10	96,581,887.70	102,803,627.30
July 2004 .....	582,363,772.30	95,230,813.48	102,528,439.70
August 2004 .....	575,724,248.10	93,910,556.02	102,258,590.80
September 2004 .....	569,117,796.50	92,620,788.78	101,994,033.70
October 2004 .....	562,544,246.80	91,361,188.21	101,734,722.10
November 2004 .....	556,003,428.80	90,131,433.69	101,480,609.80
December 2004 .....	549,495,173.40	88,931,207.52	101,231,651.10
January 2005 .....	543,019,312.20	87,760,194.90	100,987,800.70
February 2005 .....	536,575,677.80	86,618,083.91	100,749,013.50
March 2005 .....	530,164,103.50	85,504,565.46	100,515,244.90
April 2005 .....	523,784,423.80	84,419,333.29	100,286,450.40
May 2005 .....	517,436,473.60	83,362,083.95	100,062,586.20
June 2005 .....	511,120,089.00	82,332,516.74	99,843,608.59
July 2005 .....	504,835,106.80	81,330,333.74	99,629,474.24
August 2005 .....	498,581,364.50	80,355,239.74	99,420,140.17
September 2005 .....	492,358,700.80	79,406,942.23	99,215,563.75
October 2005 .....	486,166,954.80	78,485,151.40	99,015,702.66
November 2005 .....	480,005,966.80	77,589,580.09	98,820,514.91
December 2005 .....	473,875,577.70	76,719,943.76	98,629,958.84
January 2006 .....	467,775,629.20	75,875,960.51	98,443,993.11
February 2006 .....	461,705,964.10	75,057,351.01	98,262,576.70
March 2006 .....	455,666,425.60	74,263,838.52	98,085,668.92
April 2006 .....	449,656,857.90	73,495,148.84	97,913,229.37
May 2006 .....	443,677,106.10	72,751,010.27	97,745,218.00
June 2006 .....	437,727,016.00	72,031,153.65	97,581,595.03
July 2006 .....	431,806,434.20	71,335,312.28	97,422,321.02
August 2006 .....	425,915,207.90	70,663,221.94	97,267,356.84
September 2006 .....	420,053,185.50	70,014,620.83	97,116,663.63
October 2006 .....	414,220,215.90	69,389,249.58	96,970,202.88
November 2006 .....	408,416,148.70	68,786,851.22	96,827,936.34
December 2006 .....	402,640,834.50	68,207,171.15	96,689,826.08

<u>Distribution Date</u>	<u>Aggregate Group I Planned Balance</u>	<u>Aggregate Group II Scheduled Balance</u>	<u>Segment Group I Targeted Balance</u>
January 2007 .....	\$396,894,124.50	\$ 67,649,957.15	\$ 96,555,834.46
February 2007 .....	391,175,870.80	67,114,959.29	96,425,924.13
March 2007 .....	385,485,926.10	66,601,930.02	96,300,058.06
April 2007 .....	379,824,144.10	66,110,624.03	96,178,199.46
May 2007 .....	374,190,378.90	65,640,798.34	96,060,311.87
June 2007 .....	368,584,485.60	65,192,212.18	95,946,359.10
July 2007 .....	363,006,320.00	64,778,299.47	95,836,305.24
August 2007 .....	357,485,938.40	64,371,477.69	95,713,831.62
September 2007 .....	352,044,591.40	63,949,818.31	95,567,368.16
October 2007 .....	346,681,179.40	63,513,749.64	95,397,395.95
November 2007 .....	341,394,618.40	63,063,691.80	95,204,388.66
December 2007 .....	336,183,838.80	62,600,056.91	94,988,812.58
January 2008 .....	331,047,785.90	62,123,249.21	94,751,126.79
February 2008 .....	325,985,419.40	61,633,665.20	94,491,783.22
March 2008 .....	320,995,713.30	61,131,693.75	94,211,226.75
April 2008 .....	316,077,655.60	60,617,716.22	93,909,895.36
May 2008 .....	311,230,248.20	60,092,106.61	93,588,220.15
June 2008 .....	306,452,506.70	59,555,231.68	93,246,625.53
July 2008 .....	301,743,460.10	59,007,451.03	92,885,529.23
August 2008 .....	297,102,151.00	58,449,117.27	92,505,342.46
September 2008 .....	292,527,634.80	57,880,576.11	92,106,469.95
October 2008 .....	288,018,980.00	57,302,166.48	91,689,310.10
November 2008 .....	283,575,267.90	56,714,220.62	91,254,255.02
December 2008 .....	279,195,592.30	56,117,064.24	90,801,690.66
January 2009 .....	274,879,059.70	55,511,016.59	90,331,996.86
February 2009 .....	270,624,788.60	54,896,390.59	89,845,547.47
March 2009 .....	266,431,909.60	54,273,492.90	89,342,710.43
April 2009 .....	262,299,565.40	53,642,624.09	88,823,847.83
May 2009 .....	258,226,910.40	53,004,078.66	88,289,316.03
June 2009 .....	254,213,110.60	52,358,145.21	87,739,465.72
July 2009 .....	250,257,343.40	51,705,106.51	87,174,642.01
August 2009 .....	246,358,797.70	51,045,239.61	86,595,184.50
September 2009 .....	242,516,673.20	50,378,815.91	86,001,427.37
October 2009 .....	238,730,180.90	49,706,101.29	85,393,699.46
November 2009 .....	234,998,542.50	49,027,356.18	84,772,324.35
December 2009 .....	231,320,990.50	48,342,835.66	84,137,620.41
January 2010 .....	227,696,767.90	47,652,789.56	83,489,900.91
February 2010 .....	224,125,128.00	46,957,462.53	82,829,474.07
March 2010 .....	220,605,334.40	46,257,094.14	82,156,643.14
April 2010 .....	217,136,661.00	45,551,918.97	81,471,706.48
May 2010 .....	213,718,391.60	44,842,166.68	80,774,957.61
June 2010 .....	210,349,819.70	44,128,062.11	80,066,685.31
July 2010 .....	207,030,248.60	43,409,825.37	79,347,173.67
August 2010 .....	203,758,991.40	42,687,671.88	78,616,702.14
September 2010 .....	200,535,370.30	41,961,812.50	77,875,545.66
October 2010 .....	197,358,717.10	41,232,453.58	77,123,974.63
November 2010 .....	194,228,372.70	40,499,797.03	76,362,255.08
December 2010 .....	191,143,686.90	39,764,040.44	75,590,648.66
January 2011 .....	188,104,018.90	39,025,377.11	74,809,412.72
February 2011 .....	185,108,736.20	38,283,996.13	74,018,800.39
March 2011 .....	182,157,215.40	37,540,082.48	73,219,060.63

<u>Distribution Date</u>	<u>Aggregate Group I Planned Balance</u>	<u>Aggregate Group II Scheduled Balance</u>	<u>Segment Group I Targeted Balance</u>
April 2011.....	\$179,248,841.40	\$ 36,793,817.07	\$ 72,410,438.30
May 2011 .....	176,383,007.90	36,045,376.84	71,593,174.19
June 2011 .....	173,559,116.60	35,294,934.81	70,767,505.13
July 2011 .....	170,776,577.70	34,542,660.13	69,933,664.00
August 2011 .....	168,034,809.40	33,788,718.20	69,091,879.81
September 2011.....	165,333,238.00	33,033,270.70	68,242,377.76
October 2011 .....	162,671,297.70	32,276,475.65	67,385,379.29
November 2011 .....	160,048,430.30	31,518,487.50	66,521,102.11
December 2011 .....	157,464,085.70	30,759,457.15	65,649,760.33
January 2012 .....	154,917,720.90	29,999,532.09	64,771,564.41
February 2012 .....	152,408,800.90	29,238,856.35	63,886,721.30
March 2012 .....	149,936,797.70	28,477,570.68	62,995,434.44
April 2012.....	147,501,190.70	27,715,812.52	62,097,903.84
May 2012 .....	145,101,466.50	26,953,716.09	61,194,326.11
June 2012 .....	142,737,118.80	26,191,412.46	60,284,894.53
July 2012 .....	140,407,648.20	25,429,029.58	59,369,799.09
August 2012 .....	138,112,562.40	24,666,692.35	58,449,226.52
September 2012.....	135,851,375.70	23,904,522.69	57,523,360.37
October 2012 .....	133,623,609.20	23,142,639.55	56,592,381.04
November 2012 .....	131,428,790.60	22,381,159.01	55,656,465.84
December 2012 .....	129,266,454.00	21,620,194.31	54,715,789.00
January 2013 .....	127,136,140.20	20,859,855.91	53,770,521.76
February 2013 .....	125,037,396.10	20,100,251.50	52,820,832.39
March 2013 .....	122,969,775.10	19,341,486.12	51,866,886.24
April 2013.....	120,932,836.50	18,583,662.17	50,908,845.77
May 2013 .....	118,926,145.80	17,826,879.43	49,946,870.64
June 2013 .....	116,949,274.70	17,071,235.17	48,981,117.67
July 2013 .....	115,001,800.60	16,316,824.15	48,011,740.97
August 2013 .....	113,083,306.70	15,563,738.67	47,038,891.91
September 2013.....	111,193,382.30	14,812,068.65	46,062,719.20
October 2013 .....	109,331,622.00	14,061,901.63	45,083,368.94
November 2013 .....	107,497,626.20	13,313,322.83	44,100,984.61
December 2013 .....	105,691,000.90	12,566,415.21	43,115,707.15
January 2014 .....	103,911,357.40	11,821,259.49	42,127,674.99
February 2014 .....	102,158,312.50	11,077,934.19	41,137,024.08
March 2014 .....	100,431,488.20	10,336,515.70	40,143,887.93
April 2014.....	98,730,511.74	9,597,078.27	39,148,397.66
May 2014 .....	97,055,015.71	8,859,694.12	38,150,682.00
June 2014 .....	95,404,637.61	8,124,433.41	37,150,867.37
July 2014 .....	93,779,020.03	7,391,364.31	36,149,077.88
August 2014 .....	92,177,810.49	6,660,553.03	35,145,435.39
September 2014.....	90,600,661.43	5,932,063.87	34,140,059.53
October 2014 .....	89,047,230.09	5,205,959.25	33,133,067.74
November 2014 .....	87,517,178.47	4,482,299.74	32,124,575.30
December 2014 .....	86,010,173.26	3,761,144.08	31,114,695.34
January 2015 .....	84,525,885.78	3,042,549.27	30,103,538.93
February 2015 .....	83,063,991.92	2,326,570.54	29,091,215.05
March 2015 .....	81,624,172.04	1,613,261.41	28,077,830.66
April 2015.....	80,206,110.97	902,673.73	27,063,490.71
May 2015 .....	78,809,497.90	194,857.71	26,048,298.20
June 2015 .....	77,434,026.36	0.00	25,032,354.16



<u>Distribution Date</u>	<u>Aggregate Group I Planned Balance</u>	<u>Aggregate Group II Scheduled Balance</u>	<u>Segment Group I Targeted Balance</u>
July 2015 .....	\$ 76,079,394.11	\$ 0.00	\$ 24,015,757.73
August 2015 .....	74,745,303.13	0.00	22,998,606.15
September 2015 .....	73,431,459.54	0.00	21,980,994.83
October 2015 .....	72,137,573.55	0.00	20,963,017.32
November 2015 .....	70,863,359.37	0.00	19,944,765.42
December 2015 .....	69,608,535.24	0.00	18,926,329.12
January 2016 .....	68,372,823.26	0.00	17,907,796.68
February 2016 .....	67,155,949.45	0.00	16,889,254.64
March 2016 .....	65,957,643.62	0.00	15,870,787.87
April 2016 .....	64,777,639.33	0.00	14,852,479.55
May 2016 .....	63,615,673.86	0.00	13,834,411.24
June 2016 .....	62,471,488.17	0.00	12,816,662.88
July 2016 .....	61,344,826.80	0.00	11,799,312.82
August 2016 .....	60,235,437.86	0.00	10,782,437.85
September 2016 .....	59,143,072.97	0.00	9,766,113.23
October 2016 .....	58,067,487.22	0.00	8,750,412.68
November 2016 .....	57,008,439.10	0.00	7,735,408.45
December 2016 .....	55,965,690.49	0.00	6,721,171.32
January 2017 .....	54,939,006.57	0.00	5,707,770.62
February 2017 .....	53,928,155.80	0.00	4,695,274.24
March 2017 .....	52,932,909.90	0.00	3,683,748.70
April 2017 .....	51,953,043.72	0.00	2,673,259.12
May 2017 .....	50,988,335.32	0.00	1,663,869.27
June 2017 .....	50,038,565.81	0.00	655,641.58
July 2017 .....	49,103,519.38	0.00	0.00
August 2017 .....	48,182,983.23	0.00	0.00
September 2017 .....	47,276,747.53	0.00	0.00
October 2017 .....	46,384,605.40	0.00	0.00
November 2017 .....	45,506,352.84	0.00	0.00
December 2017 .....	44,641,788.70	0.00	0.00
January 2018 .....	43,790,714.64	0.00	0.00
February 2018 .....	42,952,935.13	0.00	0.00
March 2018 .....	42,128,257.33	0.00	0.00
April 2018 .....	41,316,491.13	0.00	0.00
May 2018 .....	40,517,449.07	0.00	0.00
June 2018 .....	39,730,946.33	0.00	0.00
July 2018 .....	38,956,800.66	0.00	0.00
August 2018 .....	38,194,832.37	0.00	0.00
September 2018 .....	37,444,864.31	0.00	0.00
October 2018 .....	36,706,721.78	0.00	0.00
November 2018 .....	35,980,232.56	0.00	0.00
December 2018 .....	35,265,226.83	0.00	0.00
January 2019 .....	34,561,537.16	0.00	0.00
February 2019 .....	33,868,998.46	0.00	0.00
March 2019 .....	33,187,447.98	0.00	0.00
April 2019 .....	32,516,725.23	0.00	0.00
May 2019 .....	31,856,671.99	0.00	0.00
June 2019 .....	31,207,132.26	0.00	0.00
July 2019 .....	30,567,952.23	0.00	0.00
August 2019 .....	29,938,980.27	0.00	0.00
September 2019 .....	29,320,066.85	0.00	0.00

<u>Distribution Date</u>	<u>Aggregate Group I Planned Balance</u>	<u>Aggregate Group II Scheduled Balance</u>	<u>Segment Group I Targeted Balance</u>
October 2019 .....	\$ 28,711,064.58	\$ 0.00	\$ 0.00
November 2019 .....	28,111,828.12	0.00	0.00
December 2019 .....	27,522,214.18	0.00	0.00
January 2020 .....	26,942,081.49	0.00	0.00
February 2020 .....	26,371,290.78	0.00	0.00
March 2020 .....	25,809,704.73	0.00	0.00
April 2020 .....	25,257,187.95	0.00	0.00
May 2020 .....	24,713,606.98	0.00	0.00
June 2020 .....	24,178,830.22	0.00	0.00
July 2020 .....	23,652,727.94	0.00	0.00
August 2020 .....	23,135,172.24	0.00	0.00
September 2020 .....	22,626,037.02	0.00	0.00
October 2020 .....	22,125,197.96	0.00	0.00
November 2020 .....	21,632,532.51	0.00	0.00
December 2020 .....	21,147,919.82	0.00	0.00
January 2021 .....	20,671,240.79	0.00	0.00
February 2021 .....	20,202,377.97	0.00	0.00
March 2021 .....	19,741,215.58	0.00	0.00
April 2021 .....	19,287,639.50	0.00	0.00
May 2021 .....	18,841,537.18	0.00	0.00
June 2021 .....	18,402,797.72	0.00	0.00
July 2021 .....	17,971,311.73	0.00	0.00
August 2021 .....	17,546,971.43	0.00	0.00
September 2021 .....	17,129,670.52	0.00	0.00
October 2021 .....	16,719,304.22	0.00	0.00
November 2021 .....	16,315,769.25	0.00	0.00
December 2021 .....	15,918,963.78	0.00	0.00
January 2022 .....	15,528,787.44	0.00	0.00
February 2022 .....	15,145,141.27	0.00	0.00
March 2022 .....	14,767,927.71	0.00	0.00
April 2022 .....	14,397,050.61	0.00	0.00
May 2022 .....	14,032,415.17	0.00	0.00
June 2022 .....	13,673,927.93	0.00	0.00
July 2022 .....	13,321,496.79	0.00	0.00
August 2022 .....	12,975,030.92	0.00	0.00
September 2022 .....	12,634,440.81	0.00	0.00
October 2022 .....	12,299,638.21	0.00	0.00
November 2022 .....	11,970,536.15	0.00	0.00
December 2022 .....	11,647,048.86	0.00	0.00
January 2023 .....	11,329,091.84	0.00	0.00
February 2023 .....	11,016,581.75	0.00	0.00
March 2023 .....	10,709,436.46	0.00	0.00
April 2023 .....	10,407,575.02	0.00	0.00
May 2023 .....	10,110,917.62	0.00	0.00
June 2023 .....	9,819,385.60	0.00	0.00
July 2023 .....	9,532,901.41	0.00	0.00
August 2023 .....	9,251,388.63	0.00	0.00
September 2023 .....	8,974,771.91	0.00	0.00
October 2023 .....	8,702,976.99	0.00	0.00
November 2023 .....	8,435,930.68	0.00	0.00
December 2023 .....	8,173,560.81	0.00	0.00

<u>Distribution Date</u>	<u>Aggregate Group I Planned Balance</u>	<u>Aggregate Group II Scheduled Balance</u>	<u>Segment Group I Targeted Balance</u>
January 2024 .....	\$ 7,915,796.28	\$ 0.00	\$ 0.00
February 2024 .....	7,662,566.98	0.00	0.00
March 2024 .....	7,413,803.81	0.00	0.00
April 2024 .....	7,169,438.68	0.00	0.00
May 2024 .....	6,929,404.45	0.00	0.00
June 2024 .....	6,693,634.97	0.00	0.00
July 2024 .....	6,462,065.01	0.00	0.00
August 2024 .....	6,234,630.31	0.00	0.00
September 2024 .....	6,011,267.49	0.00	0.00
October 2024 .....	5,791,914.14	0.00	0.00
November 2024 .....	5,576,508.69	0.00	0.00
December 2024 .....	5,364,990.49	0.00	0.00
January 2025 .....	5,157,299.75	0.00	0.00
February 2025 .....	4,953,377.55	0.00	0.00
March 2025 .....	4,753,165.81	0.00	0.00
April 2025 .....	4,556,607.29	0.00	0.00
May 2025 .....	4,363,645.58	0.00	0.00
June 2025 .....	4,174,225.08	0.00	0.00
July 2025 .....	3,988,290.99	0.00	0.00
August 2025 .....	3,805,789.31	0.00	0.00
September 2025 .....	3,626,666.81	0.00	0.00
October 2025 .....	3,450,871.03	0.00	0.00
November 2025 .....	3,278,350.27	0.00	0.00
December 2025 .....	3,109,053.60	0.00	0.00
January 2026 .....	2,942,930.79	0.00	0.00
February 2026 .....	2,779,932.36	0.00	0.00
March 2026 .....	2,620,009.55	0.00	0.00
April 2026 .....	2,463,114.29	0.00	0.00
May 2026 .....	2,309,199.21	0.00	0.00
June 2026 .....	2,158,217.66	0.00	0.00
July 2026 .....	2,010,123.62	0.00	0.00
August 2026 .....	1,864,871.76	0.00	0.00
September 2026 .....	1,722,417.42	0.00	0.00
October 2026 .....	1,582,716.58	0.00	0.00
November 2026 .....	1,445,725.85	0.00	0.00
December 2026 .....	1,311,402.48	0.00	0.00
January 2027 .....	1,179,704.35	0.00	0.00
February 2027 .....	1,050,589.95	0.00	0.00
March 2027 .....	924,018.37	0.00	0.00
April 2027 .....	799,949.29	0.00	0.00
May 2027 .....	678,343.00	0.00	0.00
June 2027 .....	559,160.36	0.00	0.00
July 2027 .....	442,362.79	0.00	0.00
August 2027 .....	327,912.30	0.00	0.00
September 2027 .....	215,771.42	0.00	0.00
October 2027 .....	105,903.27	0.00	0.00
November 2027 and thereafter .....	0.00	0.00	0.00

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**\$2,187,308,079**



**FannieMae**

**Guaranteed REMIC  
Pass-Through Certificates**

**Fannie Mae REMIC Trust 1998-44**

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**PROSPECTUS SUPPLEMENT**

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**Merrill Lynch & Co.**

**June 12, 1998**

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