

\$1,308,745,080 (Approximate)



FannieMae

**Guaranteed REMIC Pass-Through Certificates
 Fannie Mae REMIC Trust 1999-10**

The Certificates

We, the Federal National Mortgage Association (“Fannie Mae”), will issue the classes of certificates listed in the chart on this page.

Payments to Certificateholders

We will make monthly payments on the certificates. You, the investor will receive

- interest accrued on the balance of your certificate (except in the case of an accrual class), and
- principal to the extent available for payment on your class.

We may pay principal at rates that vary from time to time. We may not pay principal to certain classes for long periods of time.

The Fannie Mae Guaranty

We will guarantee that required payments of principal and interest on the certificates are distributed to investors on time. **We will not guarantee the payment to certificateholders of any prepayment penalties.**

The Trust and its Assets

The trust will indirectly own

- Fannie Mae MBS and
- Ginnie Mae certificates.

The mortgage loans underlying the Fannie Mae MBS are first lien, single-family, fixed-rate loans.

The mortgage loans underlying the Ginnie Mae certificates are first and second lien, multifamily, fixed-rate loans. In addition, the mortgage loans underlying the Ginnie Mae certificates are insured by the Federal Housing Administration.

Class	Group	Original Class Balance(1)	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
PA	1	\$155,492,000	PAC	5.5%	FIX	31359VHV8	October 2006
PE	1	75,000,000	PAC	6.0	FIX	31359VHW6	October 2006
PD(2)	1	334,249,000	PAC	6.0	FIX	31359VHX4	April 2012
PG(2)	1	156,689,000	PAC	6.0	FIX	31359VHY2	March 2014
PI	1	12,957,666(3)	NTL	6.0	FIX/IO	31359VHZ9	October 2006
CA	1	268,000,000	TAC	6.0	FIX	31359VJA2	March 2014
CZ	1	10,570,000	SUP	6.0	FIX/Z	31359VJB0	March 2014
MA	2	(4)	CPT	(5)	WAC	31359VKR3	September 2038
MZ	2	79,000,000	SEQ	6.5	FIX/Z	31359VKS1	September 2038
R		0	NPR	0	NPR	31359VJC8	September 2038
RL		0	NPR	0	NPR	31359VJD6	September 2038

- (1) Subject to a permitted variance of plus or minus 5%.
- (2) Exchangeable classes.
- (3) Notional balance. This class is an interest only class.
- (4) The MA Class consists of two payment components. The MA1 Component has an initial principal balance of \$229,745,080. The MA2 Component is a notional component with an initial notional principal balance of \$308,745,080.
- (5) The MA1 Component bears interest at the annual rate of 6.50%. The MA2 Component is an interest only component which bears interest at a variable interest rate described in this prospectus supplement. During the initial interest accrual period, the MA2 Component is expected to bear interest at the annual rate of approximately 1.01335%.

If you own certificates of certain classes, you can exchange them for other certificates to be issued at the time of the exchange.

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be February 26, 1999.

Carefully consider the additional risk factors starting on page S-8 of this prospectus supplement. If you are a prospective purchaser of certificates in Group 1, you should also consider the risk factors starting on page 10 of the REMIC Prospectus. If you are a prospective purchaser of certificates in Group 2, you should also consider the yield considerations and maturity and prepayment considerations and risks starting on page 11 of the Multifamily REMIC Prospectus. Unless you understand and are able to tolerate the related risks, you should not invest in the certificates.

If you are buying certificates in Group 1, you should read the REMIC Prospectus as well as this prospectus supplement. If you are buying certificates in Group 2, you should read the Multifamily REMIC Prospectus as well as this prospectus supplement.

The certificates, together with interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or any agency or instrumentality thereof other than Fannie Mae.

The certificates are exempt from registration under the Securities Act of 1933 and are “exempted securities” under the Securities Exchange Act of 1934.

Credit Suisse First Boston

The date of this Prospectus Supplement is January 26, 1999

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
AVAILABLE INFORMATION	S- 3	<i>Initial Effective Ranges</i>	S-19
REFERENCE SHEET	S- 4	YIELD TABLES	S-20
ADDITIONAL RISK FACTORS	S- 8	<i>General</i>	S-20
GENERAL	S- 8	<i>The PI Class</i>	S-20
ADDITIONAL RISK FACTORS RELATING TO THE GROUP 2 CLASSES	S- 9	<i>The MA Class</i>	S-21
DESCRIPTION OF THE CERTIFICATES	S- 9	WEIGHTED AVERAGE LIVES OF THE CERTIFICATES	S-21
GENERAL	S- 9	DECREMENT TABLES	S-22
<i>Structure</i>	S- 9	CHARACTERISTICS OF THE R AND RL CLASSES	S-26
<i>Fannie Mae Guaranty</i>	S-10	DESCRIPTION OF THE GINNIE MAE CERTIFICATES AND THE RELATED MORTGAGE LOANS	S-26
<i>Characteristics of Certificates</i>	S-10	GENERAL	S-26
<i>Authorized Denominations</i>	S-11	FHA INSURANCE PROGRAMS	S-27
<i>Distribution Dates</i>	S-11	<i>Section 221(d) (Low and Moderate Income Multifamily Housing Mortgage Insurance)</i>	S-28
<i>Record Date</i>	S-11	<i>Section 223(a) (7) (Refinancing of FHA-Insured Mortgages)</i>	S-28
<i>Class Factors</i>	S-11	<i>Section 223(d) (Insurance for Operating Loss Loans Secured by FHA-Insured Mortgages)</i>	S-28
<i>Optional Termination</i>	S-11	<i>Section 223(f) (Purchase or Refinancing of Existing Projects)</i>	S-28
COMBINATION AND RECOMBINATION	S-11	<i>Section 232 (Mortgage Insurance for Nursing Homes and Other Care Facilities)</i>	S-28
General	S-11	<i>Section 241 (Supplemental Financing and Equity Take Out Loans)</i>	S-28
Procedures	S-12	CERTAIN EXPECTED CHARACTERISTICS OF THE GROUP 2 MORTGAGE LOANS	S-28
Additional Considerations	S-12	Lockouts	S-28
BOOK-ENTRY PROCEDURES	S-12	Mortgage Prepayment Penalties	S-29
General	S-12	Coinsurance	S-29
Method of Payment	S-13	CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES	S-29
THE MBS	S-13	REMIC ELECTIONS AND SPECIAL TAX ATTRIBUTES	S-29
THE GINNIE MAE CERTIFICATES	S-13	TAXATION OF BENEFICIAL OWNERS OF REGULAR CERTIFICATES	S-30
FINAL DATA STATEMENT	S-14	TAXATION OF BENEFICIAL OWNERS OF RESIDUAL CERTIFICATES	S-30
DISTRIBUTIONS OF INTEREST	S-14	TAXATION OF BENEFICIAL OWNERS OF RCR CERTIFICATES	S-30
Categories of Classes and Components ..	S-14	General	S-30
General	S-14	Combination RCR Class	S-31
Interest Accrual Period	S-15	Exchanges	S-31
Accrual Classes	S-15	PLAN OF DISTRIBUTION	S-31
Notional Class and Component	S-15	General	S-31
Weighted Average Coupon Component ..	S-15	Increase in Certificates	S-31
DISTRIBUTIONS OF PRINCIPAL	S-16	LEGAL MATTERS	S-31
Categories of Classes and Components ..	S-16	SCHEDULE 1	A- 1
Components	S-16	PRINCIPAL BALANCE SCHEDULES	B- 1
Principal Distribution Amount	S-16		
Certain Calculations Relating to the Ginnie Mae Certificates	S-16		
Group 1 Principal Distribution Amount ..	S-17		
CZ Accrual Amount	S-17		
Group 1 Cash Flow Distribution Amount	S-17		
Group 2 Principal Distribution Amount ..	S-17		
MZ Accrual Amount	S-17		
Group 2 Cash Flow Distribution Amount	S-18		
STRUCTURING ASSUMPTIONS	S-18		
Pricing Assumptions	S-18		
Prepayment Assumptions	S-18		
Structuring Range and Rate	S-18		

AVAILABLE INFORMATION

You should purchase the certificates only if you have read and understand this prospectus supplement and the following documents (the “Disclosure Documents”):

- our Prospectus for Guaranteed REMIC Pass-Through Certificates dated September 18, 1998 (the “REMIC Prospectus”);
- our Prospectus for Guaranteed Multifamily REMIC Pass-Through Certificates dated January 1, 1999 (the “Multifamily REMIC Prospectus”);
- our Prospectus for Guaranteed Mortgage Pass-Through Certificates dated October 1, 1998 (the “MBS Prospectus”); and
- our Information Statement dated March 31, 1998 and its supplements (the “Information Statement”).

You can obtain the Disclosure Documents by writing or calling us at:

Fannie Mae
MBS Helpline
3900 Wisconsin Avenue, N.W., Area 2H-3S
Washington, D.C. 20016
(telephone 1-800-237-8627 or 202-752-6547).

Most of the Disclosure Documents, together with the class factors, are available on our website located at <http://www.fanniemae.com>.

You can also obtain the Disclosure Documents by writing or calling the dealer at:

Credit Suisse First Boston Corporation
Prospectus Department
11 Madison Avenue
New York, New York 10010
(telephone 212-325-2580).

REFERENCE SHEET

This reference sheet is not a summary of the transaction and does not contain complete information about the certificates. You should purchase the certificates only after reading this prospectus supplement and each of the additional disclosure documents listed on page S-3.

Assets underlying each Group of Classes

Group	Assets
1	MBS
2	Ginnie Mae Certificates

Assumed Characteristics of the Mortgage Loans underlying the MBS (as of February 1, 1999)

Approximate Principal Balance	Original Term to Maturity (in months)	Approximate Weighted Average Remaining Term to Maturity (in months)	Approximate Calculated Loan Age (in months)	Approximate Weighted Average Coupon
\$1,000,000,000	180	175	4	6.55%

The actual remaining terms to maturity, calculated loan ages and interest rates of most of the mortgage loans underlying the MBS will differ from the weighted averages shown above, perhaps significantly.

Assumed Characteristics of the Ginnie Mae Certificates and the Related Mortgage Loans (as of February 1, 1999)

Approximate Principal Balance as of Issue Date	Mortgage Interest Rate	Ginnie Mae Certificate Interest Rate	Original Term to Maturity (in months)	Remaining Term to Maturity (in months)	Certificate Age (in months)	Remaining Lockout Term	Term to End of Mortgage Loan Prepayment Penalty Period
\$ 14,991,438	7.6494%	7.3994%	446	407	39	17	77
89,332,473	7.4563	7.1979	413	380	33	56	85
42,737,970	8.0033	7.7383	408	375	33	49	88
86,582,837	8.0114	7.7271	448	426	22	59	93
31,661,196	7.9776	7.5894	464	451	13	63	105
28,796,611	7.7612	7.4979	476	474	2	105	118
14,642,554	7.7500	7.5000	474	473	1	48	108
\$308,745,080	7.7929%*	7.5133%*	438*	414*	24*	59*	94*

* Weighted average.

To learn more about the Ginnie Mae certificates and the related mortgage loans, including their actual characteristics, you should obtain the final data statement from us as described on page S-14.

Prepayment Penalties

If any prepayment penalties are included in the distributions received on the Ginnie Mae certificates with respect to any distribution date, the amount we will pay on the MA Class on that distribution date will include all of the prepayment penalties so received.

Class Factors

The class factors are numbers that, when multiplied by the initial principal balance of a certificate, can be used to calculate the current principal balance of that certificate (after taking into account distributions in the same month). We publish the class factors on or shortly after the 11th day of each month.

Settlement Date

We expect to issue the certificates on February 26, 1999.

Distribution Dates

We will make payments on the Group 1 Classes on the 25th day of each calendar month, or on the next business day if the 25th day is not a business day. We will make payments on the Group 2 Classes on the 17th day of each calendar month, or on the next business day if the 17th day is not a business day.

Book-Entry and Physical Certificates

We will issue the book-entry certificates through the U.S. Federal Reserve Banks and DTC, as applicable, which will electronically track ownership of the certificates and payments on them. We will issue physical certificates in registered, certificated form.

We will issue the classes of certificates in the following forms:

<u>Fed Book-Entry</u>	<u>DTC Book-Entry</u>	<u>Physical</u>
All Group 1 Classes	All Group 2 Classes	R and RL Classes

Exchanging Certificates Through Combination and Recombination

If you own certain certificates, you will be able to exchange them for a proportionate interest in the related RCR certificates as shown on Schedule 1. We will issue the RCR certificates upon such exchange. You can exchange your certificates by notifying us and paying an exchange fee. We use the principal and interest of the certificates exchanged to pay principal and interest on the related RCR certificates. Schedule 1 lists all of the available combinations of the certificates eligible for exchange and the related RCR certificates.

Interest Rates

During each interest accrual period, the fixed rate classes will accrue interest at the applicable annual interest rates listed on the cover.

The MA Class consists of two payment components. The MA1 Component bears interest at the annual rate of 6.50%. During the initial interest accrual period, the MA2 Component is expected to bear interest at the approximate annual interest rate specified on the cover. During subsequent interest accrual periods, the MA2 Component will bear interest at the variable annual interest rate described in this prospectus supplement.

We will apply interest payments from exchanged certificates to the corresponding RCR certificates, on a pro rata basis, following any exchange.

Notional Class and Component

A notional class and component will not receive any principal. Its notional principal balance is the balance used to calculate accrued interest. The notional principal balances of the notional class and component will equal the percentages of the outstanding balances specified below immediately before the related distribution date:

<u>Class or Component</u>	
PI	8.333333333% of PA Class
MA2	100% of the Ginnie Mae certificates

Components

The MA Class is made up of payment components. Each component will have the original principal balance, principal type and interest type set forth below.

<u>Component</u>	<u>Original Principal or Notional Principal Balance</u>	<u>Principal Type</u>	<u>Interest Type</u>
MA1.....	\$229,745,080	AD/SEQ	FIX
MA2.....	\$308,745,080	NTL	WAC/IO

Distributions of Principal

Group 1 Principal Distribution Amount

CZ Accrual Amount

To the CA Class to its Targeted Balance, and thereafter to the CZ Class.

Group 1 Cash Flow Distribution Amount

1. To the PA and PE Classes, pro rata, to their Planned Balances.
2. To the PD and PG Classes, in that order, to their Planned Balances.
3. To the CA Class, to its Targeted Balance.
4. To the CZ Class to zero.
5. To the CA Class to zero.
6. To the PA and PE Classes, pro rata, to zero.
7. To the PD and PG Classes, in that order, to zero.

Group 2 Principal Distribution Amount

MZ Accrual Amount

To the MA1 Component to zero, and thereafter to the MZ Class.

Group 2 Cash Flow Distribution Amount

To the MA1 Component and MZ Class, in that order, to zero.

We will apply principal payments from exchanged certificates to the corresponding RCR certificates, on a pro rata basis, following any exchange.

Weighted Average Lives (years) *

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>195%</u>	<u>250%</u>	<u>350%</u>	<u>500%</u>
PA, PE and PI	3.9	2.5	2.5	2.5	2.4	2.1
PD	8.8	5.9	5.9	5.9	4.8	3.8
PG	12.1	10.9	10.9	10.9	9.4	7.5
PB	9.9	7.5	7.5	7.5	6.3	4.9

	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>185%</u>	<u>195%</u>	<u>350%</u>	<u>500%</u>
CA	11.5	7.9	4.4	4.1	1.4	1.1

	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>195%</u>	<u>350%</u>	<u>500%</u>	
CZ	14.9	14.1	1.1	0.3	0.2	

<u>Group 2 Classes</u>	<u>Lockout †</u>				
	<u>CPR Prepayment Assumption</u>				
	<u>0%</u>	<u>15%</u>	<u>35%</u>	<u>70%</u>	<u>100%</u>
MA	10.3	6.0	5.0	4.4	4.0
MZ	28.0	14.7	9.6	7.3	6.0

	<u>Extended Protection ††</u>				
	<u>CPR Prepayment Assumption</u>				
	<u>0%</u>	<u>15%</u>	<u>35%</u>	<u>70%</u>	<u>100%</u>
MA	10.3	7.7	7.1	6.7	6.3
MZ	28.0	16.4	11.8	9.7	8.6

* Determined as specified under “Description of the Certificates—Weighted Average Lives of the Certificates” herein.
† “Lockout” assumes no prepayment during the remaining lockout terms specified under “Assumed Characteristics of the Ginnie Mae Certificates and Related Mortgage Loans” above.
†† “Extended Protection” assumes no prepayment during the terms to end of mortgage loan prepayment penalty period specified under “Assumed Characteristics of the Ginnie Mae Certificates and Related Mortgage Loans” above.

ADDITIONAL RISK FACTORS

General

Rate of principal payments on the certificates will be affected by the rate of principal payments on the underlying mortgage loans. The rate that you receive principal payments on the certificates will be sensitive to the rate of principal payments on the mortgage loans underlying the related MBS or Ginnie Mae certificates, including prepayments.

In the case of the mortgage loans underlying the MBS, borrowers generally may prepay their mortgage loans at any time without penalty. Therefore, the rate of principal payments on such mortgage loans is likely to vary over time.

In the case of the mortgage loans underlying the Ginnie Mae certificates, most of such loans have prepayment lockout periods and some of the loans impose prepayment penalties. Subject to the applicable lockout periods and any applicable prepayment penalties, such mortgage loans may be prepaid at any time.

It is highly unlikely that the mortgage loans will prepay

- at any of the prepayment rates we assumed, or
- at a constant prepayment rate until maturity.

Yields may be lower than expected due to unexpected rate of principal payments. The actual yield on your certificates probably will be lower than you expect:

- if you bought your certificates at a premium and principal payments are faster than you expected, or
- if you bought your certificates at a discount and principal payments are slower than you expected.

Furthermore, in the case of interest only certificates and certificates purchased at a premium, you could lose money on your investment if prepayments occur at a rapid rate.

You must make your own decisions about the various applicable assumptions, including prepayment assumptions, when

deciding whether to purchase the certificates.

Weighted average lives and yields on the certificates are affected by actual characteristics of the underlying mortgage loans. We have assumed that the mortgage loans underlying the MBS and the Ginnie Mae certificates have certain characteristics. However, the actual mortgage loans probably will have different characteristics from those we assumed. As a result, your yields could be lower than you expect, even if the mortgage loans prepay at the indicated constant prepayment rates. In addition, slight differences between the assumed mortgage loan characteristics and the actual mortgage loans could affect the weighted average lives of the classes of certificates.

Delay classes have lower yields and market values. Since the classes do not receive interest immediately following each interest accrual period, these classes have lower yields and lower market values than they would if there were no such delay.

Reinvestment of certificate payments may not achieve same yields as certificates. The rate of principal payments on the certificates is uncertain. You may be unable to reinvest the payments on the certificates at the same yields provided by the certificates.

Unpredictable timing of last payment affects yields on certificates. The actual final payment of your class is likely to occur earlier, and could occur much earlier, than the final distribution date listed on the cover page. If you assumed the actual final payment will occur on the final distribution date specified, your yield could be lower than you expect.

Some investors may be unable to buy certain classes. Investors whose investment activities are subject to legal investment laws and regulations, or to review by regulatory authorities, may be unable to buy certain certificates. You should get legal advice to determine whether you may purchase the certificates.

Uncertain market for the certificates could make them difficult to sell and cause their values to fluctuate. We cannot be sure that a market for resale of the certificates will develop. Further, if a market develops, it may not continue or be

sufficiently liquid to allow you to sell your certificates. Even if you are able to sell your certificates, the sale price may not be comparable to similar investments that have a developed market. Moreover, you may not be able to sell small or large amounts of certificates at prices comparable to those available to other investors. You should purchase certificates only if you understand and can tolerate the risk that the value of your certificates will vary over time and that your certificates may not be easily sold.

Additional Risk Factors Relating to the Group 2 Classes

Defaults may increase the risk of prepayment. Multifamily lending is generally viewed as exposing the lender to a greater risk of loss than single family lending. Mortgage loan defaults may result in distributions of the full principal balance of the related Ginnie Mae certificate, thereby affecting prepayment rates.

Prepayment lockouts and penalties may reduce the prepayment rate of the related mortgage loans. We expect that most of the mortgage loans underlying the Ginnie Mae certificates will prohibit voluntary prepayments during specified lockout periods. We expect these lockout periods to have remaining lockout terms that range from approximately 0 to 120 months, with a

weighted average remaining lockout term of approximately 59 months. Certain mortgage loans may also impose a prepayment penalty for a period extending beyond the lockout period. A prepayment penalty would not be imposed, however, if a borrower defaults on its mortgage loan. Mortgage loans having prepayment penalties may be less likely to prepay than mortgage loans without such penalties.

Allocation of prepayment penalties to the MA Class may not offset the adverse effect on yield of the corresponding prepayment. If any prepayment penalties are included in the payments received on the Ginnie Mae certificates with respect to any distribution date, we will include these amounts in the payments to be made on the MA Class on that distribution date. We do not, however, guarantee that any prepayment penalties will in fact be collected from mortgagors or Ginnie Mae, or paid to holders of the Ginnie Mae certificates or to the related certificateholders. Accordingly, holders of the MA Class will receive them only to the extent we receive them. Moreover, even if we pay the prepayment penalties to the holders of the MA Class, the additional amount may not offset the reduction in yield caused by the corresponding prepayment.

DESCRIPTION OF THE CERTIFICATES

The material under this heading summarizes certain features of the Certificates. You will find additional information about the Certificates in the other sections of this prospectus supplement, as well as in the additional Disclosure Documents and the Trust Agreement. If we use a capitalized term in this prospectus supplement without defining it, you will find the definition of such term in the applicable Disclosure Document or in the Trust Agreement.

General

Structure. We will create the Fannie Mae REMIC Trust specified on the cover (the “Trust”) and a separate trust (the “Lower Tier REMIC”) pursuant to a trust agreement dated as of February 1, 1999 (the “Trust Agreement”). We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”). We will issue the Guaranteed REMIC Pass-Through Certificates (the “REMIC Certificates”) and the Combinable and Recombinable REMIC Certificates (the “RCR Certificates” and, together with the REMIC Certificates, the “Certificates”) pursuant to the Trust Agreement. In general, the term “Classes” includes the Classes of REMIC Certificates and RCR Certificates.

The Trust and the Lower Tier REMIC each will constitute a “real estate mortgage investment conduit” (“REMIC”) under the Internal Revenue Code of 1986, as amended (the “Code”).

- The REMIC Certificates (except the R and RL Classes) will be “regular interests” in the Trust.
- The R Class will be the “residual interest” in the Trust.
- The interests in the Lower Tier REMIC other than the RL Class (the “Lower Tier Regular Interests”) will be the “regular interests” in the Lower Tier REMIC.
- The RL Class will be the “residual interest” in the Lower Tier REMIC.

The assets of the Trust will consist of the Lower Tier Regular Interests. The assets of the Lower Tier REMIC will consist of

- certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “MBS”), and
- certain “fully modified pass-through” mortgage-backed securities guaranteed as to timely payment of principal and interest by Ginnie Mae (the “Ginnie Mae Certificates”).

Each MBS represents a beneficial ownership interest in a pool (each, a “Pool”) of first lien, single-family, fixed-rate residential mortgage loans having the characteristics described herein.

Each Ginnie Mae Certificate will represent a beneficial ownership interest in a single mortgage loan (together with the mortgage loans underlying the MBS, the “Mortgage Loans”). See “Description of the Ginnie Mae Certificates and the Related Mortgage Loans.”

Fannie Mae Guaranty. We guarantee that we will distribute to Certificateholders:

- required installments of principal and interest on the Certificates on time, and
- the principal balance of each Class of Certificates no later than its Final Distribution Date, whether or not we have received sufficient payments on the Ginnie Mae Certificates or the MBS.

In addition, we guarantee that we will distribute to each holder of an MBS:

- scheduled installments of principal and interest on the underlying Mortgage Loans on time, whether or not the related borrowers pay us, and
- the full principal balance of any foreclosed Mortgage Loan, whether or not we recover it.

Our guarantees are not backed by the full faith and credit of the United States. *We will not guarantee the collection or the payment to the Group 2 Certificateholders of any prepayment penalties.* Accordingly, Certificateholders entitled to receive prepayment penalties will receive them only to the extent actually received in respect of the Ginnie Mae Certificates. See “Description of Certificates—The Fannie Mae Guaranty” in the REMIC Prospectus and “Description of Certificates—The Fannie Mae Guaranty” in the MBS Prospectus.

Characteristics of Certificates. We will issue the Certificates of the Group 1 Classes (the “Fed Book-Entry Certificates”) in book-entry form on the book-entry system of the U.S. Federal Reserve Banks. Entities whose names appear on the book-entry records of a Federal Reserve Bank as having had Certificates deposited in their accounts are “Holders” or “Certificateholders.”

The Group 2 Classes will be represented by one or more certificates (the “DTC Certificates”) to be registered at all times in the name of the nominee of The Depository Trust Company (“DTC”), a New York-chartered limited purpose trust company, or any successor or depository selected or approved by us. We refer to the nominee of DTC as the “Holder” or “Certificateholder” of the Certificates. DTC will maintain the DTC Certificates through its book-entry facilities.

A Holder is not necessarily the beneficial owner of a Certificate. Beneficial owners ordinarily will hold Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. See “Description of the Certificates—Denominations and Form” in the REMIC Prospectus.

We will issue the R and RL Certificates in fully registered, certificated form. The “Holder” or “Certificateholder” of the R or RL Certificate is its registered owner. The R or RL Certificate can be transferred at the corporate trust office of the Transfer Agent, or at the office of the Transfer Agent in New York, New York. State Street Bank and Trust Company in Boston, Massachusetts (“State Street”) will be the initial Transfer Agent. We may impose a service charge for any registration of transfer of the R or RL Certificate and may require payment to cover any tax or other governmental charge. See also “Characteristics of the R and RL Classes”.

The Holder of the R Class will receive the proceeds of any remaining assets of the Trust, and the Holder of the RL Class will receive the proceeds of any remaining assets of the Lower Tier REMIC, in each case only by presenting and surrendering the related Certificate at the office of the Paying Agent. State Street will be the initial Paying Agent.

Authorized Denominations. We will issue the Certificates, other than the R and RL Certificates, in minimum denominations of \$1,000 and whole dollar increments. We will issue the R and RL Classes as single Certificates with no principal balances.

Distribution Dates. We will make monthly payments on the Group 1 Classes on the 25th day of each month (or, if the 25th day is not a business day, on the first business day after the 25th). We will make monthly payments on the Group 2 Classes on the 17th day of each month (or, if the 17th day is not a business day, on the first business day after the 17th). We refer to each such date as a “Distribution Date.” We will make the first payments to Certificateholders the month after we issue the Certificates.

Record Date. On each Distribution Date, we will make each monthly payment on the Certificates to Holders of record on the last day of the preceding month.

Class Factors. On or shortly after the eleventh calendar day of each month with respect to the Group 1 Classes or the fourteenth calendar day of each month with respect to the Group 2 Classes, we will publish a factor (carried to eight decimal places) for each Class of Certificates. When the factor is multiplied by the original principal balance (or notional principal balance) of a Certificate of that Class, the product will equal the current principal balance (or notional principal balance) of that Certificate after taking into account payments on the Distribution Date in the same month (as well as any addition to principal in the case of an Accrual Class).

Optional Termination. We will not terminate the Lower Tier REMIC or the Trust by exercising our right to repurchase the Mortgage Loans underlying any MBS unless:

- only one Mortgage Loan remains in the related Pool, or
- the principal balance of the Pool is less than one percent of its original level.

See “Description of Certificates—Termination” in the MBS Prospectus.

Combination and Recombination

General. You are permitted to exchange all or a portion of the PD and PG Classes of REMIC Certificates for a proportionate interest in the related Combinable and Recombinable REMIC Certificates (“RCR Certificates”) in the combinations shown on Schedule 1. You also may exchange all or a portion of the RCR Certificates for the related REMIC Certificates in the same manner. This process may occur repeatedly.

Holders of RCR Certificates will be the beneficial owners of a proportionate interest in the related REMIC Certificates and will receive a proportionate share of the distributions on the related REMIC Certificates.

The Classes of REMIC Certificates and RCR Certificates that are outstanding at any given time, and the outstanding principal balances of these Classes, will depend upon any related distributions of principal, as well as any exchanges that occur. 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.

Procedures. If a Certificateholder wishes to exchange Certificates, the Certificateholder must notify our Structured Transactions Department through one of our “REMIC Dealer Group” dealers in writing or by telefax no later than two business days before the proposed exchange date. The exchange date can be any business day other than the first or last business day of the month subject to our approval. 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. After receiving the Holder’s notice, we will telephone the dealer with delivery and wire payment instructions. Notice becomes irrevocable on the second business day before the proposed exchange date.

In connection with each exchange, the Holder must pay us a fee equal to $1/32$ of 1% of the outstanding principal balance (exclusive of any notional principal balance) of the Certificates to be exchanged. In no event, however, will our fee be less than \$2,000.

We will make the first distribution on a REMIC Certificate or an RCR Certificate received in an exchange transaction on the Distribution Date in the following month. We will make such distribution 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. You should also consider a number of factors that will limit a Certificateholder’s ability to exchange REMIC Certificates for RCR Certificates or vice versa:

- At the time of the proposed exchange, a Certificateholder must own Certificates of the related Class or Classes in the proportions necessary to make the desired exchange.
- A Certificateholder that does not own the Certificates may be unable to obtain the necessary REMIC Certificates or RCR Certificates.
- The Certificateholder of needed Certificates may refuse to sell them at a reasonable price (or any price) or may be unable to sell them.
- Certain Certificates may have been purchased and placed into other financial structures and thus be unavailable.
- Principal distributions will decrease the amounts available for exchange over time.
- 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 to establish and maintain accounts for their respective customers. A beneficial owner’s rights with respect to us and the Federal Reserve Banks may be exercised only through the Holder of such Certificate. Neither we nor the Federal Reserve Banks will have any direct obligation to a beneficial owner of a Fed Book-Entry Certificate that is not 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 and Form” in the REMIC Prospectus.

The DTC Certificates will be registered at all times in the name of the nominee of DTC. Under its normal procedures, DTC will record the amount of DTC Certificates held by each firm which

participates in the book-entry system of DTC (each, a “DTC Participant”), whether held for its own account or on behalf of another person. Initially, State Street Bank and Trust Company (“State Street”) will act as paying agent for the DTC Certificates. State Street will also perform certain administrative functions in connection with the DTC Certificates.

A “beneficial owner” or an “investor” is anyone who acquires a beneficial ownership interest in the DTC Certificates. As an investor, you will not receive a physical certificate. Instead, your interest will be recorded on the records of the brokerage firm, bank, thrift institution or other financial intermediary (a “financial intermediary”) that maintains an account for you. In turn, the record ownership of the financial intermediary that holds your DTC Certificates will be recorded by DTC. If the intermediary is not a DTC Participant, the record ownership of the intermediary will be recorded by a DTC Participant acting on its behalf. Therefore, you must rely on these various arrangements to record your ownership of the DTC Certificates and to relay the payments to your account. You may transfer your beneficial ownership interest in the DTC Certificates only under the procedures of your financial intermediary and of DTC Participants. In general, ownership of DTC Certificates will be subject to the prevailing rules, regulations and procedures governing the DTC and DTC Participants.

Method of Payment. Our fiscal agent for the Fed Book-Entry Certificates is the Federal Reserve Bank of New York. On each applicable Distribution Date, the Federal Reserve Banks will make payments on such Certificates on our behalf by crediting Holders’ accounts at the Federal Reserve Banks.

State Street will direct payments on the DTC Certificates to DTC in immediately available funds. In turn, DTC will credit the payments to the accounts of the appropriate DTC Participants, in accordance with the DTC’s procedures. These procedures currently provide for payments made in same-day funds to be settled through the New York Clearing House. DTC Participants and financial intermediaries will direct the payments to the investors in DTC Certificates that they represent.

The MBS

The following table contains certain information about the MBS. The MBS will have the aggregate unpaid principal balance and Pass-Through Rate shown 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. 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. These Mortgage Loans will have original maturities of up to 15 years. See “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. We expect the characteristics of the MBS and the related Mortgage Loans as of February 1, 1999 (the “Issue Date”) to be as follows:

Aggregate Unpaid Principal Balance	\$1,000,000,000
MBS Pass-Through Rate	6.00%
Related Mortgage Loans	
Range of WACs (per annum percentages)	6.25% to 8.50%
Range of WAMs	121 months to 180 months
Approximate Weighted Average WAM	175 months
Approximate Weighted Average CAGE	4 months

The Ginnie Mae Certificates

The Ginnie Mae Certificates are described herein under “Description of the Ginnie Mae Certificates and the Related Mortgage Loans.”

Final Data Statement

After issuing the Certificates, we will prepare a Final Data Statement containing certain information, including (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 and (b) with respect to the Ginnie Mae Certificates and related Mortgage Loans as of the Issue Date, the Ginnie Mae pool number, the FHA Program, the city and state in which the Mortgaged Properties are located, the approximate principal balance, the mortgage interest rate, the Ginnie Mae certificate interest rate, the maturity date, the Ginnie Mae original term to maturity, the Ginnie Mae remaining term to maturity, the Ginnie Mae certificate age, the Ginnie Mae issue date, the lockout end date, the prepayment penalty end date, the lockout/prepayment penalty code, the remaining lockout term and the remaining prepayment penalty term. The Final Data Statement will also include the weighted averages of all the current or original WACs and the weighted averages of all the current or Adjusted WAMs, based on the current unpaid principal balances of the Mortgage Loans underlying each of the MBS as of the Issue Date. You may obtain the Final Data Statement by telephoning us at 1-800-237-8627 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 us at 1-800-752-6440 or 202-752-6000.

Distributions of Interest

Categories of Classes and Components

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

<u>Interest Type*</u>	<u>Classes and Components</u>
Group 1 Classes	
Fixed Rate	PA, PE, PD, PG, PI, CA and CZ
Interest Only	PI
Accrual	CZ
RCR**	PB
Group 2 Classes and Components	
Fixed Rate	MZ and MA1
Accrual	MZ
Weighted Average Coupon	MA2
Interest Only	MA2
No Payment Residual	R and RL

* See "Description of 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 Class.

General. We will pay interest on the interest-bearing Certificates at the applicable annual interest rates shown on the cover or described in this prospectus supplement. We calculate interest based on a 360-day year consisting of twelve 30-day months. We pay interest monthly (except in the case of the Accrual Classes) on each Distribution Date, beginning in the month after the Settlement Date specified in the Reference Sheet. Interest to be paid (or added to principal, in the case of the Accrual Classes) on each Certificate on a Distribution Date will consist of one month's interest on the outstanding balance of that Certificate immediately prior to such Distribution Date. For a description of the Accrual Classes, see "Accrual Classes."

For a description of how we will distribute any prepayment penalties received on the Ginnie Mae Certificates, see "Reference Sheet—Prepayment Penalties."

Interest payments on exchangeable REMIC Certificates will be applied to the corresponding RCR Certificates, on a pro rata basis, following any exchange.

Interest Accrual Period. Interest to be paid on each Distribution Date will accrue on the interest-bearing Certificates during the one-month period set forth below (the “Interest Accrual Period”).

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

See “Additional Risk Factors—*Delay classes have lower yields and market values.*”

Accrual Classes. The CZ and MZ Classes are Accrual Classes. Interest will accrue on the Accrual Classes at the applicable annual rates listed on the cover. However, we will not pay any interest:

- on the CZ Class, as long as that Class is outstanding, and
- on the MZ Class, until the Distribution Date following the Distribution Date on which the principal balance of the MA1 Component is reduced to zero.

Interest accrued and unpaid on each Accrual Class on any Distribution Date will be added as principal to its principal balance. We will pay principal on the Accrual Classes as described under “Distributions of Principal” below.

Notional Class and Component. The Notional Class and Component will not have principal balance. During each Interest Accrual Period, the Notional Class will bear interest on its notional principal balance at its applicable interest rate. The notional balance of the Notional Component will bear interest as described under “—*Weighted Average Coupon Component*” below. The notional principal balances of the Notional Class and Component will be calculated as indicated under “Reference Sheet—Notional Class and Component.”

We use the notional principal balance of a Notional Class or Component to determine interest payments on that Class or Component. Although a Notional Class or Component will not have a principal balance and will not be entitled to any principal payments, we will publish a class factor for that Class or Component. References in this prospectus supplement to the principal balances of the Certificates generally shall refer also to the notional principal balance of the Notional Class and Component.

Weighted Average Coupon Component. The MA2 Component will bear interest during each Interest Accrual Period at an annual rate equal to the excess, if any, of

- (a) the weighted average of the interest rates of the Ginnie Mae Certificates, weighted on the basis of their principal balances as of the first day of such Interest Accrual Period, over
- (b) 6.50%.

During the initial Interest Accrual Period, the MA2 Component will bear interest at the annual rate specified on the cover. Our determination of the rate of interest for such Component for the related Interest Accrual Period shall (in the absence of manifest error) be final and binding. You may obtain each such rate of interest by telephoning us at 1-800-237-8627 or 202-752-6547.

Distributions of Principal

Categories of Classes and Components

For the purpose of principal payments, the Classes and Components fall into the following categories:

<u>Principal Type*</u>	<u>Classes and Components</u>
Group 1 Classes	
PAC	PA, PE, PD, and PG
Notional	PI
TAC	CA
Support	CZ
Accretion Directed	CA
RCR**	PB
Group 2 Classes and Components	
Sequential Pay	MZ and MA1
Component	MA
Accretion Directed	MA1
Notional	MA2
No Payment Residual	R and RL

* See “Description of 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 Class.

Components. For purposes of calculating the payments it receives, the MA Class consists of multiple payment Components having the designations, original principal balance and original notional principal balance specified in this prospectus supplement under “Reference Sheet—Components.” **The payment characteristics of the MA Class 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 the Distribution Date in each month, we will pay principal on the Certificates in an aggregate amount (the “Principal Distribution Amount”) equal to the sum of

- the principal then paid on the MBS (the “Group 1 Cash Flow Distribution Amount”) plus any interest then accrued and added to the principal balance of the CZ Class (the “CZ Accrual Amount,” and, together with the Group 1 Cash Flow Distribution Amount, the “Group 1 Principal Distribution Amount”), and
- the principal that Ginnie Mae reports as receivable on the Ginnie Mae Certificates during the month of that Distribution Date (as described below) and any principal that was received on the Ginnie Mae Certificates during the previous month that we did not pay to Certificateholders in that month (the “Group 2 Cash Flow Distribution Amount”), plus any interest then accrued and added to the principal balance of the MZ Class (the “MZ Accrual Amount,” and, together with the Group 2 Cash Flow Distribution Amount, the “Group 2 Principal Distribution Amount”).

Certain Calculations Relating to the Ginnie Mae Certificates

We will calculate the amount that Ginnie Mae reports as receivable on the Ginnie Mae Certificates for each Distribution Date based in part on preliminary Ginnie Mae Certificate factors reported on or about the seventh business day of the month of that Distribution Date.

In some months, the principal actually received on the Ginnie Mae Certificates may exceed the amount reported in the Ginnie Mae Certificate factors. If that happens, we may include that excess amount in the principal that we pay on the Group 2 Certificates on the applicable Distribution Date.

In addition, the factors for some Ginnie Mae Certificates may not be reported in certain months. In that case, we will use assumed amortization schedules to calculate the principal balance to which any such Ginnie Mae Certificate would be reduced. We will create those schedules by using the remaining terms to maturity and interest rates of the applicable Ginnie Mae Certificates, and adjusting the remaining term to maturity to the current month. Our calculations will reflect payment factors previously reported to us and calculated after scheduled amortization (but not prepayments) on the related Mortgage Loans. Our determination of the principal payments will be final.

Group 1 Principal Distribution Amount

CZ Accrual Amount

On each Distribution Date, we will pay the CZ Accrual Amount as principal of the CA Class, until its principal balance is reduced to its Targeted Balance for such Distribution Date. Thereafter, we will pay the CZ Accrual Amount as principal of the CZ Class. } Accretion Directed Class and Accrual Class

Group 1 Cash Flow Distribution Amount

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

- (i) concurrently, to the PA and PE Classes, pro rata (or 67.4609097062% and 32.5390902938%, respectively), until their principal balances are reduced to their Planned Balances for such Distribution Date; } PAC Classes
- (ii) sequentially, to the PD and PG Classes, in that order, until their principal balances are reduced to their Planned Balances for such Distribution Date; }
- (iii) to the CA Class, until its principal balance is reduced to its Targeted Balance for such Distribution Date; } TAC Class
- (iv) to the CZ Class, until its principal balance is reduced to zero; } Support Class
- (v) to the CA Class, without regard to its Targeted Balance and until its principal balance is reduced to zero; } TAC Class
- (vi) concurrently, to the PA and PE Classes, pro rata, without regard to their Planned Balances and until their principal balances are reduced to zero; and } PAC Classes
- (vii) sequentially, to the PD and PG Classes, in that order, without regard to their Planned Balances and until their principal balances are reduced to zero. }

Group 2 Principal Distribution Amount

MZ Accrual Amount

On each Distribution Date, we will pay the MZ Accrual Amount as principal of the MA1 Component, until its principal balance is reduced to zero. Thereafter, we will pay the MZ Accrual Amount as principal of the MZ Class. } Accretion Directed Component and Accrual Class

Group 2 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 2 Cash Flow Distribution Amount, sequentially, as principal of the MA1 Component and MZ Class, in that order, until their principal balances are reduced to zero. } Sequential Pay Component and Class

Principal payments on exchangeable REMIC Certificates will be applied to the corresponding RCR Certificates, on a pro rata basis, following any exchange.

Structuring Assumptions

Pricing Assumptions. Except where otherwise noted, the information in the tables in this prospectus supplement has been prepared based on the following assumptions (the “Pricing Assumptions”):

- the Mortgage Loans underlying the MBS have the original term to maturity, remaining term to maturity, CAGE and interest rate specified under “Reference Sheet—Assumed Characteristics of the Mortgage Loans underlying the MBS”;
- the Mortgage Loans underlying the MBS prepay at the constant percentages of PSA specified in the related tables;
- the Ginnie Mae Certificates and the related Mortgage Loans have the principal balances, mortgage interest rates, Ginnie Mae Certificate interest rates, original terms to maturity, remaining terms to maturity, certificate age, remaining lockout terms and terms to end of Mortgage Loan prepayment penalty period specified under “Reference Sheet—Assumed Characteristics of the Ginnie Mae Certificates and the Related Mortgage Loans”;
- we pay all payments (including prepayments) on the Mortgage Loans underlying the Ginnie Mae Certificates in the month we receive them;
- the Mortgage Loans underlying the Ginnie Mae Certificates prepay at the percentages of CPR specified in the related tables, provided that no prepayments occur through the assumed lockout end dates or prepayment penalty end dates, as applicable;
- no prepayment penalties are received on the Ginnie Mae Certificates; and
- the settlement date for the sale of the Certificates is February 26, 1999.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used here with respect to the Group 1 Classes 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.

The model used with respect to the Group 2 Classes is the “Constant Prepayment Rate” or “CPR” model. The CPR model represents an assumed constant rate of prepayment each month, expressed as an annual percentage of the then outstanding principal balance of the pool of mortgage loans.

It is highly unlikely that prepayments will occur at any *constant* PSA rate at any particular level of CPR or at any other *constant* rate.

Structuring Range and Rate. The Principal Balance Schedules are found beginning on page B-1. The Principal Balance Schedules have been prepared on the basis of the Pricing Assumptions and the

assumption that the related Mortgage Loans will prepay at a constant PSA rate within the Structuring Range or at the rate set forth below.

<u>Principal Balance Schedule References</u>	<u>Related Classes</u>	<u>Structuring Range and Rate</u>
Planned Balances	PA, PE, PD, PG and PB	Between 100% and 250%
Targeted Balances	CA	185%

We cannot assure you that the balance of any Class listed above will conform on any Distribution Date to the specified balance in the Principal Balance Schedules. As a result, we cannot assure you that payments of principal of any Class listed above will begin or end on the Distribution Dates specified in the Principal Balance Schedules. We will distribute any excess of principal payments over the amount needed to reduce a Class to its scheduled balance on a Distribution Date. Accordingly, the ability to reduce a Class to its scheduled balance will not be improved by the averaging of high and low principal payments from month to month. In addition, even if the related Mortgage Loans prepay at rates falling within the Structuring Range, principal distributions may be insufficient to reduce the related Class 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 Classes specified above may not be reduced to their scheduled balances, even if prepayments occur at a *constant* rate within the Structuring Range or at the rate specified above.

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

<u>Classes</u>	<u>Initial Effective Ranges</u>
PA	Between 100% and 286%
PE	Between 100% and 286%
PD	Between 100% and 250%
PG	Between 82% and 250%
PB	Between 100% and 250%

The actual Effective Ranges at any time will be based upon the actual characteristics of the related Mortgage Loans at that 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 is likely to differ from the Initial Effective Ranges. As a result, the applicable Classes might not be reduced to their scheduled balances even if prepayments were to occur at a *constant* PSA rate within their Initial Effective Ranges. This is so particularly if such rate were at the lower or higher end of such ranges. In addition, even if prepayments occur at rates falling within the actual Effective Ranges, principal distributions may be insufficient to reduce the applicable Classes 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 Classes will be supported in part by the related TAC and Support Classes. When such related TAC and Support Classes are retired, the PAC Classes, if still outstanding, may no longer have Effective Ranges and will be more sensitive to prepayments.

Yield Tables

General. The tables below illustrate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of the applicable Classes to various constant percentages of PSA or CPR, as applicable. We calculated the yields set forth in the tables 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 values 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.

These calculations do not take into account variations in the interest rates at which you could reinvest distributions on the Certificates. Accordingly, these calculations do not illustrate the return on any investment in the Certificates when such reinvestment rates are taken into account.

We cannot assure you that

- the pre-tax yields on the applicable Certificates will correspond to any of the pre-tax yields shown here or
- the aggregate purchase prices of the applicable Certificates will be as assumed.

Furthermore, because some of the Mortgage Loans underlying the Group 1 and Group 2 Classes are likely to have remaining terms to maturity shorter or longer than those assumed and interest rates higher or lower than those assumed, the principal payments on the related Certificates are likely to differ from those assumed. This would be the case even if all related Mortgage Loans prepay at the indicated constant percentages of PSA or CPR, as applicable. Moreover, it is unlikely that:

- the related Mortgage Loans will prepay at a constant PSA rate or CPR level, as applicable until maturity, or
- all of such Mortgage Loans will prepay at the same rate.

The PI Class. **The yield to investors in the PI Class 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 without penalty. On the basis of the assumptions described below, the yield to maturity on the PI Class would be 0% if prepayments of the related Mortgage Loans were to occur at a constant rate of 469% PSA. If the actual prepayment rate of the related Mortgage Loans were to exceed that level for as little as one month while equaling such level for the remaining months, the investors in the PI Class would lose money on their initial investments.**

The information shown in the yield table has been prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase price of the PI Class (expressed as a percentage of the original principal balance) is as follows:

<u>Class</u>	<u>Price*</u>
PI	12.5%

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

Sensitivity of the PI Class to Prepayments

	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>195%</u>	<u>250%</u>	<u>350%</u>	<u>500%</u>
Pre-Tax Yields to Maturity	19.9%	11.4%	11.4%	11.4%	8.9%	(2.5)%

The MA Class. **The yield to investors in the MA Class will be sensitive to the rate of principal payments (including prepayments) of the related Mortgage Loans.**

The information shown in the yield table has been prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase price of the MA Class (expressed as a percentage of original principal balance) is as follows:

<u>Class</u>	<u>Price*</u>
MA	109.875%

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

Sensitivity of the MA Class to Prepayments (1)

Lockout [†] CPR Prepayment Assumption				
<u>5%</u>	<u>15%</u>	<u>35%</u>	<u>70%</u>	<u>100%</u>
7.0%	6.5%	6.0%	5.6%	5.3%

Extended Protection ^{††} CPR Prepayment Assumption				
<u>5%</u>	<u>15%</u>	<u>35%</u>	<u>70%</u>	<u>100%</u>
7.1%	6.8%	6.5%	6.3%	6.2%

(1) Any prepayment penalties actually received with respect to the Group 2 Classes will be allocated to the MA Class and will increase the yield on the MA Class. However, any such allocation may be insufficient to offset fully the adverse effects on the anticipated yield arising out of the corresponding principal prepayment.

† “Lockout” assumes no prepayment during the remaining lockout terms specified under “Reference Sheet—Assumed Characteristics of the Ginnie Mae Certificates and Related Mortgage Loans.” See “Description of the Certificates—Structuring Assumptions—Pricing Assumption” herein.

†† “Extended Protection” assumes no prepayment during the terms to end of Mortgage Loan prepayment penalty period specified under “Reference Sheet—Assumed Characteristics of the Ginnie Mae Certificates and Related Mortgage Loans.” See “Description of the Certificates—Structuring Assumptions—Pricing Assumption” herein.

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 and “Risk Factors—Prepayment Considerations” and “Description of the Certificates—Weighted Average Lives and Final Distribution Dates” in the Multifamily REMIC Prospectus.

In general, the weighted average lives of the Certificates will be shortened if the level of prepayments of principal of the Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including:

- the timing of changes in such rate of principal payments,
- the priority sequences of distributions of principal of the Group 1 and Group 2 Classes, and
- in the case of certain Group 1 Classes, the payment of principal of certain Classes in accordance with the Principal Balance Schedules.

See “Distributions of Principal”.

The effect of these factors may differ as to various Classes and the effects on any Class may vary at different times during the life of that Class. Accordingly, we can give no assurance as to the weighted average life of any Class. Further, to the extent the prices of the Certificates represent discounts or premiums to their 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” in this prospectus supplement, the MA Class consists of multiple payment components for purposes of calculating payments. **Since these components are not divisible, the payment characteristics of that 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 date shown at various constant PSA rates or constant percentages of CPR, as applicable, and the corresponding weighted average lives of such Classes. The tables have been prepared on the basis of the Pricing Assumptions. However, in the case of the information set forth for each Group 1 Class under 0% PSA, we assumed that the underlying Mortgage Loans have original and remaining terms to maturity of 180 months and bear interest at an annual rate of 8.5%.

It is unlikely that:

- the Mortgage Loans underlying the Group 1 and Group 2 Classes will prepay at any constant PSA rate or CPR level, or
- all of the Mortgage Loans underlying the Group 1 and Group 2 Classes will have the interest rates, CAGEs or remaining terms to maturity assumed.

In addition, the diverse remaining terms to maturity of the Mortgage Loans underlying the Group 1 Classes could produce slower or faster principal distributions than indicated in the tables at the specified constant PSA rates. This is the case even if the dispersion of weighted average remaining terms to maturity and the weighted average CAGEs of the Mortgage Loans are identical to the dispersion specified in the Pricing Assumptions.

Percent of Original Principal Balances Outstanding

Date	PA, PE and PI† Classes						PD Class						PG Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	195%	250%	350%	500%	0%	100%	195%	250%	350%	500%	0%	100%	195%	250%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
February 2000	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
February 2001	86	69	69	69	69	61	100	100	100	100	100	100	100	100	100	100	100	100
February 2002	69	28	28	28	18	0	100	100	100	100	100	79	100	100	100	100	100	100
February 2003	49	0	0	0	0	0	100	93	93	93	72	36	100	100	100	100	100	100
February 2004	28	0	0	0	0	0	100	68	68	68	40	7	100	100	100	100	100	100
February 2005	5	0	0	0	0	0	100	45	45	45	17	0	100	100	100	100	100	74
February 2006	0	0	0	0	0	0	87	24	24	24	0	0	100	100	100	100	97	47
February 2007	0	0	0	0	0	0	68	7	7	7	0	0	100	100	100	100	69	30
February 2008	0	0	0	0	0	0	48	0	0	0	0	0	100	86	86	86	48	18
February 2009	0	0	0	0	0	0	26	0	0	0	0	0	100	62	62	62	32	11
February 2010	0	0	0	0	0	0	1	0	0	0	0	0	100	42	42	42	20	6
February 2011	0	0	0	0	0	0	0	0	0	0	0	0	47	27	27	27	12	3
February 2012	0	0	0	0	0	0	0	0	0	0	0	0	14	14	14	14	6	1
February 2013	0	0	0	0	0	0	0	0	0	0	0	0	5	5	5	5	2	*
February 2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	3.9	2.5	2.5	2.5	2.4	2.1	8.8	5.9	5.9	5.9	4.8	3.8	12.1	10.9	10.9	10.9	9.4	7.5

Date	CA Class						CZ Class					PB Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption					PSA Prepayment Assumption					
	0%	100%	185%	195%	350%	500%	0%	100%	195%	350%	500%	0%	100%	195%	250%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
February 2000	87	76	71	71	62	50	106	106	52	0	0	100	100	100	100	100	100
February 2001	84	71	55	55	23	0	113	113	1	0	0	100	100	100	100	100	100
February 2002	84	71	43	42	0	0	120	120	0	0	0	100	100	100	100	100	85
February 2003	84	71	35	32	0	0	127	127	0	0	0	100	95	95	95	81	56
February 2004	84	71	30	27	0	0	135	135	0	0	0	100	78	78	78	59	37
February 2005	83	70	28	24	0	0	143	143	0	0	0	100	62	62	62	43	24
February 2006	83	68	27	23	0	0	152	152	0	0	0	91	48	48	48	31	15
February 2007	82	63	24	21	0	0	161	161	0	0	0	78	37	37	37	22	9
February 2008	82	56	21	18	0	0	171	171	0	0	0	64	27	27	27	15	6
February 2009	82	46	17	15	0	0	182	182	0	0	0	49	20	20	20	10	3
February 2010	81	36	14	12	0	0	193	193	0	0	0	33	13	13	13	6	2
February 2011	81	24	10	8	0	0	205	205	0	0	0	15	9	9	9	4	1
February 2012	64	11	6	5	0	0	218	218	0	0	0	5	5	5	5	2	*
February 2013	30	2	2	2	0	0	231	135	0	0	0	1	1	1	1	1	*
February 2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	11.5	7.9	4.4	4.1	1.4	1.1	14.9	14.1	1.1	0.3	0.2	9.9	7.5	7.5	7.5	6.3	4.9

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

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

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

Percent of Original Principal Balances Outstanding for the MA Class

Date	CPR Prepayment Assumption									
	Lockout†					Extended Protection††				
	0%	15%	35%	70%	100%	0%	15%	35%	70%	100%
Initial Percent	100	100	100	100	100	100	100	100	100	100
February 2000	97	97	97	97	97	97	97	97	97	97
February 2001	94	93	92	90	87	94	94	94	94	94
February 2002	90	88	87	84	84	90	90	90	90	90
February 2003	86	84	82	80	80	86	86	86	86	86
February 2004	82	73	63	44	0	82	82	82	82	82
February 2005	78	53	26	0	0	78	78	78	78	78
February 2006	73	35	0	0	0	73	72	71	70	67
February 2007	68	19	0	0	0	68	58	45	20	0
February 2008	62	4	0	0	0	62	40	14	0	0
February 2009	57	0	0	0	0	57	21	0	0	0
February 2010	50	0	0	0	0	50	3	0	0	0
February 2011	44	0	0	0	0	44	0	0	0	0
February 2012	37	0	0	0	0	37	0	0	0	0
February 2013	29	0	0	0	0	29	0	0	0	0
February 2014	21	0	0	0	0	21	0	0	0	0
February 2015	12	0	0	0	0	12	0	0	0	0
February 2016	3	0	0	0	0	3	0	0	0	0
February 2017	0	0	0	0	0	0	0	0	0	0
February 2018	0	0	0	0	0	0	0	0	0	0
February 2019	0	0	0	0	0	0	0	0	0	0
February 2020	0	0	0	0	0	0	0	0	0	0
February 2021	0	0	0	0	0	0	0	0	0	0
February 2022	0	0	0	0	0	0	0	0	0	0
February 2023	0	0	0	0	0	0	0	0	0	0
February 2024	0	0	0	0	0	0	0	0	0	0
February 2025	0	0	0	0	0	0	0	0	0	0
February 2026	0	0	0	0	0	0	0	0	0	0
February 2027	0	0	0	0	0	0	0	0	0	0
February 2028	0	0	0	0	0	0	0	0	0	0
February 2029	0	0	0	0	0	0	0	0	0	0
February 2030	0	0	0	0	0	0	0	0	0	0
February 2031	0	0	0	0	0	0	0	0	0	0
February 2032	0	0	0	0	0	0	0	0	0	0
February 2033	0	0	0	0	0	0	0	0	0	0
February 2034	0	0	0	0	0	0	0	0	0	0
February 2035	0	0	0	0	0	0	0	0	0	0
February 2036	0	0	0	0	0	0	0	0	0	0
February 2037	0	0	0	0	0	0	0	0	0	0
February 2038	0	0	0	0	0	0	0	0	0	0
February 2039	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	10.3	6.0	5.0	4.4	4.0	10.3	7.7	7.1	6.7	6.3

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

† “Lockout” assumes no prepayment during the remaining lockout terms specified under “Reference Sheet—Assumed Characteristics of the Ginnie Mae Certificates and Related Mortgage Loans.”

†† “Extended Protection” assumes no prepayment during the terms to end of Mortgage Loan prepayment penalty period specified under “Reference Sheet—Assumed Characteristics of the Ginnie Mae Certificates and the Related Mortgage Loans.”

Percent of Original Principal Balances Outstanding for the MZ Class

Date	CPR Prepayment Assumption									
	Lockout†					Extended Protection††				
	0%	15%	35%	70%	100%	0%	15%	35%	70%	100%
Initial Percent	100	100	100	100	100	100	100	100	100	100
February 2000	107	107	107	107	107	107	107	107	107	107
February 2001	114	114	114	114	114	114	114	114	114	114
February 2002	121	121	121	121	121	121	121	121	121	121
February 2003	130	130	130	130	130	130	130	130	130	130
February 2004	138	138	138	138	75	138	138	138	138	138
February 2005	148	148	148	108	35	148	148	148	148	148
February 2006	157	157	155	57	35	157	157	157	157	157
February 2007	168	168	112	41	35	168	168	168	168	91
February 2008	179	179	81	28	0	179	179	179	120	52
February 2009	191	161	52	8	0	191	191	151	54	0
February 2010	204	135	33	2	0	204	204	97	16	0
February 2011	218	113	21	1	0	218	177	62	5	0
February 2012	232	94	14	*	0	232	148	40	1	0
February 2013	248	79	9	*	0	248	123	25	*	0
February 2014	264	66	6	*	0	264	103	16	*	0
February 2015	282	54	4	*	0	282	85	10	*	0
February 2016	301	45	2	*	0	301	71	7	*	0
February 2017	300	37	1	*	0	300	58	4	*	0
February 2018	291	31	1	*	0	291	48	3	*	0
February 2019	280	25	1	*	0	280	39	2	*	0
February 2020	269	21	*	*	0	269	32	1	*	0
February 2021	257	17	*	*	0	257	26	1	*	0
February 2022	243	14	*	*	0	243	21	*	*	0
February 2023	229	11	*	0	0	229	17	*	*	0
February 2024	214	9	*	0	0	214	14	*	0	0
February 2025	197	7	*	0	0	197	11	*	0	0
February 2026	179	5	*	0	0	179	8	*	0	0
February 2027	160	4	*	0	0	160	6	*	0	0
February 2028	139	3	*	0	0	139	5	*	0	0
February 2029	116	2	*	0	0	116	3	*	0	0
February 2030	91	2	*	0	0	91	2	*	0	0
February 2031	72	1	*	0	0	72	2	*	0	0
February 2032	58	1	*	0	0	58	1	*	0	0
February 2033	44	*	*	0	0	44	1	*	0	0
February 2034	29	*	*	0	0	29	*	*	0	0
February 2035	19	*	*	0	0	19	*	*	0	0
February 2036	12	*	*	0	0	12	*	*	0	0
February 2037	6	*	*	0	0	6	*	*	0	0
February 2038	2	*	*	0	0	2	*	*	0	0
February 2039	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.0	14.7	9.6	7.3	6.0	28.0	16.4	11.8	9.7	8.6

* 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.

† “Lockout” assumes no prepayment during the remaining lockout terms specified under “Reference Sheet—Assumed Characteristics of the Ginnie Mae Certificates and Related Mortgage Loans.”

†† “Extended Protection” assumes no prepayment during the terms to end of Mortgage Loan prepayment penalty period specified under “Reference Sheet—Assumed Characteristics of the Ginnie Mae Certificates and the Related Mortgage Loans.”

Characteristics of the R and RL Classes

The R and RL Classes will not have principal balances and will not bear interest. If any assets of the Trust remain after the principal balances of all Classes are reduced to zero, we will pay the Holder of the R Class the proceeds from those assets. If any assets of the Lower Tier REMIC remain after the principal balances of the Lower Tier Regular Interests are reduced to zero, we will pay the proceeds of those assets to the Holder of the RL Class. Fannie Mae does not expect that any material assets will remain in either case.

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

The Holder of the R Class will be considered to be the holder of the “residual interest” in the REMIC constituted by the Trust, and the Holder of the RL Class will be considered to be the holder of the “residual interest” in the REMIC constituted by the Lower Tier REMIC. See “Certain Federal Income Tax Consequences” in the REMIC Prospectus and “Certain Federal Income Tax Consequences” in the Multifamily REMIC Prospectus. Pursuant to the Trust Agreement, we will be obligated to provide to these Holders (i) information 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.

DESCRIPTION OF THE GINNIE MAE CERTIFICATES AND THE RELATED MORTGAGE LOANS

General

The Government National Mortgage Association is a wholly-owned corporate instrumentality of the United States within the Department of Housing and Urban Development. Section 306(g) of Title III of the National Housing Act of 1934, as amended (the “Housing Act”), authorizes Ginnie Mae to guarantee the timely payment of principal and interest on certificates that are backed by a pool of mortgage loans insured by the Federal Housing Administration (“FHA”) under the Housing Act or Title V of the Housing Act of 1949, or partially guaranteed by the Department of Veterans Affairs under the Servicemen’s Readjustment Act of 1944, as amended, or Chapter 37 of Title 38, United States Code.

Section 306(g) of the Housing Act provides that “the full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guaranty under this subsection.” To meet these guaranty obligations, Ginnie Mae is authorized, under Section 306(d) of the Housing Act, to borrow from the United States Treasury without limitation.

Each Ginnie Mae Certificate will be a “fully modified pass-through” mortgage-backed security issued and serviced by a mortgage banking company or other financial concern approved by Ginnie Mae as a seller-servicer of FHA-insured loans.

The specific Ginnie Mae Certificates to be included in the assets of the Lower Tier REMIC will be identified prior to the Settlement Date. We expect that approximately 57 Mortgage Loans will underlie the Ginnie Mae Certificates. These Mortgage Loans are expected to have an aggregate balance of approximately \$308,745,080 (subject to a permitted variance of plus or minus 5%) as of the Issue Date, after giving effect to all payments of principal due on or before that date. The Mortgage Loans will be fixed-rate and generally will be level-pay and fully amortizing. Each Mortgage Loan underlying the Ginnie Mae Certificates will be secured by a mortgage, deed of trust or deed to secure debt that creates a first or second lien on the applicable borrower's fee simple estate in a multifamily property consisting of five or more dwelling units.

FHA Insurance Programs

FHA multifamily insurance programs generally are designed to assist private and public mortgagors in obtaining insured financing for the construction, purchase or rehabilitation of rental housing pursuant to the Housing Act. Mortgages are provided by FHA-approved institutions, including:

- mortgage bankers,
- commercial banks,
- savings and loan associations,
- trust companies,
- insurance companies,
- pension funds, and
- state and local housing finance agencies.

The Housing Act provides that mortgages for multifamily projects must not exceed certain dollar amounts or loan ratio limitations. However, the FHA may increase the dollar amount limitations by up to 110% in certain high cost areas and by up to 140% on a project-by-project basis. When we refer to estimated values and costs associated with maximum mortgage amounts we mean estimates made by the FHA.

In general, to qualify under the related FHA multifamily insurance programs, particular Housing Act sections provide that mortgage loans must not exceed 90% of the estimated value or replacement cost of the mortgaged property. In some cases, however, the applicable limit may be as low as 70% or as high as 100%. In addition, in some cases, the insurable loan limit is equal to the cost of refinancing or aggregate operating losses. Further, certain sections provide that insurable loan limits may be based on statutory dollar amounts calculated on a per unit basis (which may vary depending on the number bedrooms in each unit).

Mortgages insured under the programs described below will have the maturities and amortization features that the FHA approves. In general, the minimum mortgage term will be at least ten years and the maximum mortgage term will not exceed the lesser of (a) 40 years or (b) 75% of the estimated remaining economic life of the improvements on the mortgaged property.

Tenant eligibility for FHA-insured projects generally is not restricted by income, except for projects as to which rental subsidies are made available for some or all of the units or to specified tenants.

In the next section, we summarize the FHA insurance programs under which we expect the Mortgage Loans are insured.

Section 221(d) (Low and Moderate Income Multifamily Housing Mortgage Insurance)

Sections 221(d)(3) and 221(d)(4) of the Housing Act provide for mortgage insurance to assist private industry in the construction or substantial rehabilitation of rental and cooperative housing for low- and moderate-income families, as well as families that have been displaced as a result of urban renewal, governmental actions or disaster.

Section 223(a)(7) (Refinancing of FHA-Insured Mortgages)

Section 223(a)(7) permits the FHA to refinance existing mortgage loans under any section or title of the Housing Act. Such refinancing results in prepayment of the existing insured mortgage. The principal amount of the new, refinanced mortgage loan generally is limited to the lesser of the original principal amount of the existing mortgage loan and the unpaid balance of the existing mortgage loan.

Section 223(d) (Insurance for Operating Loss Loans Secured by FHA-Insured Mortgages)

Section 223(d) authorizes the FHA to insure loans made to cover (i) operating losses during the first two years after project completion or (ii) up to 80 percent of the unreimbursed cash contributions by the project owner during any period of up to two years within the first ten years of operation. The projects must be secured by an existing FHA-insured mortgage loan. The property may not include any one- to four-family dwelling. An “operating loss” for any project is defined as the amount by which the sum of taxes, interest on the mortgage debt, mortgage insurance premiums, hazard insurance premiums and expenses of maintenance and operation exceeds the income of the project.

Section 223(f) (Purchase or Refinancing of Existing Projects)

Section 223(f) provides for federal insurance of mortgage loans originated by FHA-approved lenders in connection with the purchase or refinancing of existing multifamily housing complexes that do not require substantial rehabilitation. The principal objective of the Section 223(f) program is to provide for lower debt service on the related projects in order to preserve an adequate supply of affordable rental housing. Such projects may have been financed originally with conventional or FHA-insured mortgages.

Section 232 (Mortgage Insurance for Nursing Homes and Other Care Facilities)

Section 232 provides for federal insurance of private construction mortgage loans to finance new or rehabilitated nursing homes, intermediate care facilities, board and care homes and assisted living for the elderly, including equipment to be used in their operation. Section 232 also provides for supplemental loans to finance the purchase and installation of fire safety equipment in these facilities.

Section 241 (Supplemental Financing and Equity Take Out Loans)

Section 241, which includes Section 241(a), provides for FHA insurance to finance property improvements, energy-conserving improvements or additions to any FHA-insured multifamily loan. The overall purpose of the Section 241 loan program is to provide a project with a means to remain competitive, extend its economic life and finance the replacement of obsolete equipment without the refinancing of the existing mortgage.

Certain Expected Characteristics of the Group 2 Mortgage Loans

Lockouts. Except as described below, we expect most of the Mortgage Loans underlying the Ginnie Mae Certificates to have provisions that prohibit voluntary prepayment for a number of years following origination (“lockout provisions”). We expect such lockout periods to have remaining lockout terms that range from approximately 0 to 120 months and with a weighted average remaining lockout term of approximately 59 months. For any mortgage loans insured under Section 232,

nonprofit mortgagors cannot make full or partial prepayments without prior written consent from the FHA. It is unclear whether these lockout provisions are enforceable under certain state laws.

Mortgage Prepayment Penalties. We expect certain of the Mortgage Loans underlying the Ginnie Mae Certificates to have a period (a “prepayment penalty period”) during which voluntary and involuntary prepayments (except for prepayments resulting from condemnation or casualty losses) must be accompanied by a mortgage prepayment penalty equal to a specified percentage of the principal amount of the Mortgage Loan. The prepayment penalty period may extend beyond the termination of the lockout provision. The Final Data Statement will set forth, for each applicable Mortgage Loan, a description of the related mortgage prepayment penalty and the period during which the mortgage prepayment penalty applies as well as the last month of any applicable lockout provision.

Despite the foregoing, the Mortgage Loans underlying the Ginnie Mae Certificates must include a provision allowing the FHA to override any lockout and/or prepayment penalty provisions when the Mortgage Loan is in default, if the FHA determines that it is in the best interest of the federal government to allow the mortgagor to refinance or partially prepay the Mortgage Loan without restrictions or penalties and thereby avoid or mitigate an FHA insurance claim.

Coinsurance. We expect that certain of the Mortgage Loans underlying the Ginnie Mae Certificates may be federally insured under FHA coinsurance programs. Under these programs, the mortgage lender retains a portion of the mortgage insurance risk that otherwise would be assumed by FHA. As part of these programs, FHA delegates to FHA-approved mortgage lenders certain underwriting functions generally performed by FHA. Accordingly, we cannot assure you that such mortgage loans were underwritten in conformity with FHA underwriting guidelines applicable to mortgage loans that were solely federally insured, or that the default risk with respect to coinsured mortgage loans is comparable to that of FHA-insured mortgage loans. As a result, we cannot predict the likelihood of future default or the prepayment rate on the coinsured Mortgage Loans underlying the Ginnie Mae Certificates.

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

The Certificates and payments on the Certificates are not generally exempt from taxation. Therefore, you should consider the tax consequences of holding a Certificate before you acquire one. The following tax discussion supplements the discussion under the caption “Certain Federal Income Tax Consequences” in the REMIC Prospectus and “Certain Federal Income Tax Consequences” in the Multifamily REMIC Prospectus. When read together, the discussions describe the current federal income tax treatment of beneficial owners of Certificates. These tax discussions do not purport to deal with all federal tax consequences applicable to all categories of beneficial owners, some of which may be subject to special rules. In addition, these discussions may not apply to your particular circumstances for one of the reasons explained in the REMIC Prospectus or in the Multifamily REMIC Prospectus. You should consult your own tax advisors regarding the federal income tax consequences of holding and disposing of Certificates as well as any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

REMIC Elections and Special Tax Attributes

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

Because the Lower Tier REMIC and the Trust will qualify 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—*REMIC Election and Special Tax Attributes*” in the REMIC Prospectus and the Multifamily REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Class, the Accrual Classes and the MA Class will be issued with original issue discount (“OID”), and certain other Classes of Certificates may be issued with OID. If a Class is issued with OID, a beneficial owner of a Certificate of that Class generally must recognize some taxable income in advance of the receipt of the cash attributable to that income. See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates—Treatment of Original Issue Discount*” in the REMIC Prospectus and the Multifamily REMIC Prospectus. In addition, certain Classes of Certificates may be treated as having been issued at a premium. See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates—Regular Certificates Purchased at a Premium*” in the REMIC Prospectus and the Multifamily REMIC Prospectus.

The Prepayment Assumption that we will use in determining the rate of accrual of OID for the Group 1 Classes will be 195% PSA. The Prepayment Assumption that we will use in determining the rate of accrual of OID for the Group 2 Classes is described below. See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates—Treatment of Original Issue Discount—Daily Portions of Original Issue Discount*” in the REMIC Prospectus and the Multifamily 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*” in this prospectus supplement and “Description of Certificates—*Weighted Average Life and Final Distribution Date*” in the REMIC Prospectus and “Description of the Certificates—*Weighted Average Lives and Final Distribution Dates*” in the Multifamily REMIC Prospectus.

The Prepayment Assumption for the Group 2 Classes will be applied on a loan-by-loan basis. The Prepayment Assumption that will be used for the related Mortgage Loans will be 0% CPR until the prepayment penalty end date for each such Mortgage Loan and 35% CPR thereafter. The prepayment penalty end dates for the related Mortgage Loans will be provided in the Final Data Statement. Because the prepayment penalty end date for each such Mortgage Loan is not the same, during the period beginning on the earliest prepayment penalty end date of the Mortgage Loans and ending on the last prepayment penalty end date of the Mortgage Loans, the effective Prepayment Assumption will increase, from 0% CPR to 35% CPR, as each related Mortgage Loan reaches its prepayment penalty end date.

For purposes of the discussion under “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*” in the Multifamily REMIC Prospectus, the MA Class should be treated as a Notional Class because the MA2 Component is a Notional Component.

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 6.15% (which is 120% of the “federal long-term rate”). See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates—Treatment of Excess Inclusions*” and “—*Foreign Investors—Residual Certificates*” in the REMIC Prospectus and the Multifamily REMIC Prospectus.

Taxation of Beneficial Owners of RCR Certificates

General. The RCR Classes will be created, sold and administered pursuant to an arrangement that will be classified as a grantor trust under subpart E, part I of subchapter J of the Code. The

REMIC Certificates that are exchanged for RCR Certificates (including any exchanges effective on the Settlement Date) will be the assets of the trust, and the RCR Certificates will represent an ownership interest in those REMIC Certificates. For a general discussion of the federal income tax treatment of beneficial owners of REMIC Certificates, see “Certain Federal Income Tax Consequences” in the REMIC Prospectus.

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

Combination RCR Classes. A beneficial owner of a Combination RCR Certificate will be treated as the beneficial owner of a proportionate interest in the REMIC Certificates underlying that Combination RCR Certificate. A beneficial owner of a Combination RCR Certificate must allocate its cost to acquire that Certificate among the underlying REMIC Certificates in proportion to their relative fair market values at the time of acquisition. Such owner should account for its ownership interest in each underlying REMIC Certificate as described under “—Taxation of Beneficial Owners of Regular Certificates” in this prospectus supplement 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, the owner must allocate the sale proceeds among the underlying REMIC Certificates in proportion to their relative fair market values at the time of sale.

Exchanges. If a beneficial owner exchanges one or more REMIC Certificates for the related RCR Certificate or Certificates in the manner described under “Description of the Certificates—Combination and Recombination” in this prospectus supplement, the exchange will not be taxable. Likewise, if a beneficial owner exchanges one or more RCR Certificates for the related REMIC Certificate or Certificates in the manner described in that discussion, the exchange will not be a taxable exchange. In each of these cases, the beneficial owner will be treated as continuing to own after the exchange the same combination of interests in the related REMIC Certificates (or the same interest in the related REMIC Certificate) that it owned immediately prior to the exchange.

PLAN OF DISTRIBUTION

General. We are obligated to deliver the Certificates to Credit Suisse First Boston Corporation (the “Dealer”) in exchange for the Ginnie Mae Certificates and MBS. 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 these transactions to or through other dealers.

Increase in Certificates. Before the Settlement Date, we and the Dealer may agree to offer Group 1 Classes in addition to those contemplated as of the date of this prospectus supplement. In this event, we will increase the related MBS in principal balance, but we expect that all these additional MBS will have the same characteristics as described under “Description of the Certificates—The MBS.” The proportion that the original principal balance of each Group 1 Class bears to the aggregate original principal balance of all Group 1 Classes, will remain the same. In addition, the dollar amounts shown in the Principal Balance Schedules will be increased to correspond to the increase of the principal balances of the applicable Classes.

LEGAL MATTERS

Brown & Wood LLP will provide legal representation for Fannie Mae. Arnold and Porter, Washington, D.C., will give us an opinion with respect to certain tax matters. Brown & Wood LLP will also provide legal representation for the Dealer.

Schedule 1

Available Recombination (1)

<u>REMIC Certificates</u>		<u>RCR Certificate</u>						
<u>Classes</u>	<u>Original Principal Balance</u>	<u>RCR Classes</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>
PD	\$334,249,000	PB	\$490,938,000	6.0%	FIX	PAC	31359VJE4	March 2014
PG	156,689,000							

- (1) The balances of the REMIC Certificates and RCR Certificate involved in any exchange will bear the same proportionate relationship as that borne by the original balances of the related Classes.
(2) See “Description of Certificates—Class Definitions and Abbreviations” in the REMIC Prospectus and “Description of the Certificates—Distributions of Interest” and “—Distributions of Principal” herein.

Principal Balance Schedules

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PG Class Planned Balance</u>	<u>CA Class Targeted Balance</u>	<u>PB Class Planned Balance</u>
Initial Balance	\$155,492,000.00	\$75,000,000.00	\$334,249,000.00	\$156,689,000.00	\$268,000,000.00	\$490,938,000.00
March 1999	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	263,211,695.65	490,938,000.00
April 1999	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	258,118,279.58	490,938,000.00
May 1999	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	252,723,392.67	490,938,000.00
June 1999	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	247,030,978.52	490,938,000.00
July 1999	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	241,045,279.25	490,938,000.00
August 1999	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	234,770,830.68	490,938,000.00
September 1999	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	228,212,457.16	490,938,000.00
October 1999	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	221,375,265.77	490,938,000.00
November 1999	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	214,264,640.06	490,938,000.00
December 1999	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	206,886,233.38	490,938,000.00
January 2000	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	199,245,961.67	490,938,000.00
February 2000	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	191,349,995.78	490,938,000.00
March 2000	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	183,204,753.42	490,938,000.00
April 2000	155,492,000.00	75,000,000.00	334,249,000.00	156,689,000.00	174,816,890.63	490,938,000.00
May 2000	151,061,452.56	72,862,970.07	334,249,000.00	156,689,000.00	172,511,671.44	490,938,000.00
June 2000	146,532,225.78	70,678,343.15	334,249,000.00	156,689,000.00	170,118,548.71	490,938,000.00
July 2000	141,907,351.39	68,447,581.57	334,249,000.00	156,689,000.00	167,640,514.65	490,938,000.00
August 2000	137,188,969.18	66,171,717.44	334,249,000.00	156,689,000.00	165,082,033.70	490,938,000.00
September 2000	132,379,267.20	63,851,806.14	334,249,000.00	156,689,000.00	162,447,691.29	490,938,000.00
October 2000	127,480,480.01	61,488,925.48	334,249,000.00	156,689,000.00	159,742,185.47	490,938,000.00
November 2000	122,494,887.02	59,084,174.92	334,249,000.00	156,689,000.00	156,970,318.34	490,938,000.00
December 2000	117,424,810.70	56,638,674.68	334,249,000.00	156,689,000.00	154,136,987.22	490,938,000.00
January 2001	112,272,614.75	54,153,564.85	334,249,000.00	156,689,000.00	151,247,175.57	490,938,000.00
February 2001	107,040,702.27	51,630,004.57	334,249,000.00	156,689,000.00	148,305,943.84	490,938,000.00
March 2001	101,731,513.88	49,069,171.03	334,249,000.00	156,689,000.00	145,318,420.02	490,938,000.00
April 2001	96,347,525.80	46,472,258.61	334,249,000.00	156,689,000.00	142,289,790.19	490,938,000.00
May 2001	90,990,523.34	43,888,362.43	334,249,000.00	156,689,000.00	139,341,349.76	490,938,000.00
June 2001	85,660,367.50	41,317,415.44	334,249,000.00	156,689,000.00	136,472,077.23	490,938,000.00
July 2001	80,356,920.00	38,759,350.96	334,249,000.00	156,689,000.00	133,680,962.24	490,938,000.00
August 2001	75,080,043.29	36,214,102.63	334,249,000.00	156,689,000.00	130,967,005.46	490,938,000.00
September 2001	69,829,600.50	33,681,604.44	334,249,000.00	156,689,000.00	128,329,218.50	490,938,000.00
October 2001	64,605,455.49	31,161,790.71	334,249,000.00	156,689,000.00	125,766,623.75	490,938,000.00
November 2001	59,407,472.80	28,654,596.12	334,249,000.00	156,689,000.00	123,278,254.34	490,938,000.00
December 2001	54,235,517.68	26,159,955.66	334,249,000.00	156,689,000.00	120,863,153.95	490,938,000.00
January 2002	49,089,456.06	23,677,804.67	334,249,000.00	156,689,000.00	118,520,376.75	490,938,000.00
February 2002	43,969,154.57	21,208,078.83	334,249,000.00	156,689,000.00	116,248,987.30	490,938,000.00
March 2002	38,874,480.52	18,750,714.12	334,249,000.00	156,689,000.00	114,048,060.40	490,938,000.00
April 2002	33,805,301.91	16,305,646.87	334,249,000.00	156,689,000.00	111,916,681.03	490,938,000.00
May 2002	28,761,487.42	13,872,813.75	334,249,000.00	156,689,000.00	109,853,944.21	490,938,000.00
June 2002	23,742,906.38	11,452,151.74	334,249,000.00	156,689,000.00	107,858,954.91	490,938,000.00
July 2002	18,749,428.82	9,043,598.14	334,249,000.00	156,689,000.00	105,930,827.95	490,938,000.00
August 2002	13,780,925.44	6,647,090.57	334,249,000.00	156,689,000.00	104,068,687.91	490,938,000.00
September 2002	8,837,267.57	4,262,567.00	334,249,000.00	156,689,000.00	102,271,669.00	490,938,000.00
October 2002	3,918,327.25	1,889,965.68	334,249,000.00	156,689,000.00	100,538,914.97	490,938,000.00
November 2002	0.00	0.00	332,802,202.35	156,689,000.00	98,869,579.04	489,491,202.35
December 2002	0.00	0.00	325,583,375.06	156,689,000.00	97,262,823.76	482,272,375.06
January 2003	0.00	0.00	318,400,624.25	156,689,000.00	95,717,820.95	475,089,624.25
February 2003	0.00	0.00	311,253,764.08	156,689,000.00	94,233,751.56	467,942,764.08
March 2003	0.00	0.00	304,142,609.66	156,689,000.00	92,809,805.64	460,831,609.66
April 2003	0.00	0.00	297,066,977.06	156,689,000.00	91,445,182.19	453,755,977.06

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PG Class Planned Balance</u>	<u>CA Class Targeted Balance</u>	<u>PB Class Planned Balance</u>
May 2003	\$ 0.00	\$ 0.00	\$290,026,683.28	\$156,689,000.00	\$ 90,139,089.07	\$446,715,683.28
June 2003	0.00	0.00	283,021,546.27	156,689,000.00	88,890,742.95	439,710,546.27
July 2003	0.00	0.00	276,051,384.93	156,689,000.00	87,699,369.19	432,740,384.93
August 2003	0.00	0.00	269,116,019.06	156,689,000.00	86,564,201.74	425,805,019.06
September 2003	0.00	0.00	262,215,269.42	156,689,000.00	85,484,483.08	418,904,269.42
October 2003	0.00	0.00	255,348,957.66	156,689,000.00	84,459,464.09	412,037,957.66
November 2003	0.00	0.00	248,516,906.38	156,689,000.00	83,488,404.03	405,205,906.38
December 2003	0.00	0.00	241,718,939.06	156,689,000.00	82,570,570.38	398,407,939.06
January 2004	0.00	0.00	234,954,880.11	156,689,000.00	81,705,238.80	391,643,880.11
February 2004	0.00	0.00	228,224,554.84	156,689,000.00	80,891,693.02	384,913,554.84
March 2004	0.00	0.00	221,527,789.45	156,689,000.00	80,129,224.78	378,216,789.45
April 2004	0.00	0.00	214,864,411.03	156,689,000.00	79,417,133.73	371,553,411.03
May 2004	0.00	0.00	208,234,247.59	156,689,000.00	78,754,727.35	364,923,247.59
June 2004	0.00	0.00	201,637,127.98	156,689,000.00	78,141,320.89	358,326,127.98
July 2004	0.00	0.00	195,072,881.96	156,689,000.00	77,576,237.25	351,761,881.96
August 2004	0.00	0.00	188,541,340.16	156,689,000.00	77,058,806.92	345,230,340.16
September 2004	0.00	0.00	182,042,334.08	156,689,000.00	76,588,367.92	338,731,334.08
October 2004	0.00	0.00	175,575,696.07	156,689,000.00	76,164,265.68	332,264,696.07
November 2004	0.00	0.00	169,141,259.38	156,689,000.00	75,785,853.02	325,830,259.38
December 2004	0.00	0.00	162,738,858.08	156,689,000.00	75,452,490.00	319,427,858.08
January 2005	0.00	0.00	156,368,327.11	156,689,000.00	75,163,543.92	313,057,327.11
February 2005	0.00	0.00	150,029,502.25	156,689,000.00	74,918,389.19	306,718,502.25
March 2005	0.00	0.00	143,722,220.15	156,689,000.00	74,716,407.27	300,411,220.15
April 2005	0.00	0.00	137,501,967.79	156,689,000.00	74,503,448.65	294,190,967.79
May 2005	0.00	0.00	131,382,969.12	156,689,000.00	74,265,068.90	288,071,969.12
June 2005	0.00	0.00	125,363,720.26	156,689,000.00	74,001,962.26	282,052,720.26
July 2005	0.00	0.00	119,442,738.72	156,689,000.00	73,714,809.98	276,131,738.72
August 2005	0.00	0.00	113,618,563.07	156,689,000.00	73,404,280.52	270,307,563.07
September 2005	0.00	0.00	107,889,752.69	156,689,000.00	73,071,029.73	264,578,752.69
October 2005	0.00	0.00	102,254,887.42	156,689,000.00	72,715,701.12	258,943,887.42
November 2005	0.00	0.00	96,712,567.35	156,689,000.00	72,338,925.99	253,401,567.35
December 2005	0.00	0.00	91,261,412.48	156,689,000.00	71,941,323.67	247,950,412.48
January 2006	0.00	0.00	85,900,062.45	156,689,000.00	71,523,501.72	242,589,062.45
February 2006	0.00	0.00	80,627,176.31	156,689,000.00	71,086,056.09	237,316,176.31
March 2006	0.00	0.00	75,441,432.21	156,689,000.00	70,629,571.34	232,130,432.21
April 2006	0.00	0.00	70,341,527.13	156,689,000.00	70,154,620.80	227,030,527.13
May 2006	0.00	0.00	65,326,176.65	156,689,000.00	69,661,766.78	222,015,176.65
June 2006	0.00	0.00	60,394,114.66	156,689,000.00	69,151,560.74	217,083,114.66
July 2006	0.00	0.00	55,544,093.15	156,689,000.00	68,624,543.45	212,233,093.15
August 2006	0.00	0.00	50,774,881.89	156,689,000.00	68,081,245.21	207,463,881.89
September 2006	0.00	0.00	46,085,268.23	156,689,000.00	67,522,185.98	202,774,268.23
October 2006	0.00	0.00	41,474,056.88	156,689,000.00	66,947,875.56	198,163,056.88
November 2006	0.00	0.00	36,940,069.58	156,689,000.00	66,358,813.77	193,629,069.58
December 2006	0.00	0.00	32,482,144.95	156,689,000.00	65,755,490.62	189,171,144.95
January 2007	0.00	0.00	28,099,138.23	156,689,000.00	65,138,386.43	184,788,138.23
February 2007	0.00	0.00	23,789,921.00	156,689,000.00	64,507,972.07	180,478,921.00
March 2007	0.00	0.00	19,553,381.04	156,689,000.00	63,864,709.01	176,242,381.04
April 2007	0.00	0.00	15,388,422.02	156,689,000.00	63,209,049.58	172,077,422.02
May 2007	0.00	0.00	11,293,963.33	156,689,000.00	62,541,437.06	167,982,963.33
June 2007	0.00	0.00	7,268,939.85	156,689,000.00	61,862,305.85	163,957,939.85
July 2007	0.00	0.00	3,312,301.72	156,689,000.00	61,172,081.61	160,001,301.72

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PG Class Planned Balance</u>	<u>CA Class Targeted Balance</u>	<u>PB Class Planned Balance</u>
August 2007	\$ 0.00	\$ 0.00	\$ 0.00	\$156,112,014.15	\$ 60,471,181.41	\$156,112,014.15
September 2007	0.00	0.00	0.00	152,289,057.18	59,760,013.90	152,289,057.18
October 2007	0.00	0.00	0.00	148,531,425.50	59,038,979.39	148,531,425.50
November 2007	0.00	0.00	0.00	144,838,128.24	58,308,470.06	144,838,128.24
December 2007	0.00	0.00	0.00	141,208,188.74	57,568,870.03	141,208,188.74
January 2008	0.00	0.00	0.00	137,640,644.41	56,820,555.56	137,640,644.41
February 2008	0.00	0.00	0.00	134,134,546.47	56,063,895.13	134,134,546.47
March 2008	0.00	0.00	0.00	130,688,959.80	55,299,249.61	130,688,959.80
April 2008	0.00	0.00	0.00	127,302,962.73	54,526,972.36	127,302,962.73
May 2008	0.00	0.00	0.00	123,975,646.87	53,747,409.36	123,975,646.87
June 2008	0.00	0.00	0.00	120,706,116.88	52,960,899.36	120,706,116.88
July 2008	0.00	0.00	0.00	117,493,490.35	52,167,773.98	117,493,490.35
August 2008	0.00	0.00	0.00	114,336,897.57	51,368,357.84	114,336,897.57
September 2008	0.00	0.00	0.00	111,235,481.38	50,562,968.68	111,235,481.38
October 2008	0.00	0.00	0.00	108,188,396.98	49,751,917.46	108,188,396.98
November 2008	0.00	0.00	0.00	105,194,811.77	48,935,508.50	105,194,811.77
December 2008	0.00	0.00	0.00	102,253,905.15	48,114,039.59	102,253,905.15
January 2009	0.00	0.00	0.00	99,364,868.40	47,287,802.09	99,364,868.40
February 2009	0.00	0.00	0.00	96,526,904.46	46,457,081.04	96,526,904.46
March 2009	0.00	0.00	0.00	93,739,227.81	45,622,155.28	93,739,227.81
April 2009	0.00	0.00	0.00	91,001,064.29	44,783,297.56	91,001,064.29
May 2009	0.00	0.00	0.00	88,311,650.93	43,940,774.63	88,311,650.93
June 2009	0.00	0.00	0.00	85,670,235.83	43,094,847.35	85,670,235.83
July 2009	0.00	0.00	0.00	83,076,077.95	42,245,770.78	83,076,077.95
August 2009	0.00	0.00	0.00	80,528,447.01	41,393,794.33	80,528,447.01
September 2009	0.00	0.00	0.00	78,026,623.31	40,539,161.78	78,026,623.31
October 2009	0.00	0.00	0.00	75,569,897.58	39,682,111.45	75,569,897.58
November 2009	0.00	0.00	0.00	73,157,570.85	38,822,876.25	73,157,570.85
December 2009	0.00	0.00	0.00	70,788,954.30	37,961,683.79	70,788,954.30
January 2010	0.00	0.00	0.00	68,463,369.10	37,098,756.48	68,463,369.10
February 2010	0.00	0.00	0.00	66,180,146.31	36,234,311.62	66,180,146.31
March 2010	0.00	0.00	0.00	63,938,626.70	35,368,561.45	63,938,626.70
April 2010	0.00	0.00	0.00	61,738,160.61	34,501,713.31	61,738,160.61
May 2010	0.00	0.00	0.00	59,578,107.88	33,633,969.67	59,578,107.88
June 2010	0.00	0.00	0.00	57,457,837.62	32,765,528.25	57,457,837.62
July 2010	0.00	0.00	0.00	55,376,728.17	31,896,582.06	55,376,728.17
August 2010	0.00	0.00	0.00	53,334,166.91	31,027,319.54	53,334,166.91
September 2010	0.00	0.00	0.00	51,329,550.16	30,157,924.61	51,329,550.16
October 2010	0.00	0.00	0.00	49,362,283.04	29,288,576.75	49,362,283.04
November 2010	0.00	0.00	0.00	47,431,779.37	28,419,451.08	47,431,779.37
December 2010	0.00	0.00	0.00	45,537,461.52	27,550,718.45	45,537,461.52
January 2011	0.00	0.00	0.00	43,678,760.29	26,682,545.50	43,678,760.29
February 2011	0.00	0.00	0.00	41,855,114.82	25,815,094.75	41,855,114.82
March 2011	0.00	0.00	0.00	40,065,972.45	24,948,524.66	40,065,972.45
April 2011	0.00	0.00	0.00	38,310,788.60	24,082,989.73	38,310,788.60
May 2011	0.00	0.00	0.00	36,589,026.68	23,218,640.54	36,589,026.68
June 2011	0.00	0.00	0.00	34,900,157.93	22,355,623.83	34,900,157.93
July 2011	0.00	0.00	0.00	33,243,661.39	21,494,082.58	33,243,661.39
August 2011	0.00	0.00	0.00	31,619,023.69	20,634,156.07	31,619,023.69
September 2011	0.00	0.00	0.00	30,025,739.04	19,775,979.96	30,025,739.04
October 2011	0.00	0.00	0.00	28,463,309.04	18,919,686.33	28,463,309.04

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>PE Class Planned Balance</u>	<u>PD Class Planned Balance</u>	<u>PG Class Planned Balance</u>	<u>CA Class Targeted Balance</u>	<u>PB Class Planned Balance</u>
November 2011	\$ 0.00	\$ 0.00	\$ 0.00	\$ 26,931,242.64	\$ 18,065,403.78	\$ 26,931,242.64
December 2011	0.00	0.00	0.00	25,429,055.99	17,213,257.45	25,429,055.99
January 2012	0.00	0.00	0.00	23,956,272.37	16,363,369.14	23,956,272.37
February 2012	0.00	0.00	0.00	22,512,422.06	15,515,857.31	22,512,422.06
March 2012	0.00	0.00	0.00	21,097,042.27	14,670,837.21	21,097,042.27
April 2012	0.00	0.00	0.00	19,709,677.03	13,828,420.86	19,709,677.03
May 2012	0.00	0.00	0.00	18,349,877.09	12,988,717.18	18,349,877.09
June 2012	0.00	0.00	0.00	17,017,199.82	12,151,832.02	17,017,199.82
July 2012	0.00	0.00	0.00	15,711,209.14	11,317,868.20	15,711,209.14
August 2012	0.00	0.00	0.00	14,431,475.39	10,486,925.61	14,431,475.39
September 2012	0.00	0.00	0.00	13,177,575.27	9,659,101.22	13,177,575.27
October 2012	0.00	0.00	0.00	11,949,091.74	8,834,489.15	11,949,091.74
November 2012	0.00	0.00	0.00	10,745,613.94	8,013,180.76	10,745,613.94
December 2012	0.00	0.00	0.00	9,566,737.08	7,195,264.62	9,566,737.08
January 2013	0.00	0.00	0.00	8,412,062.36	6,380,826.67	8,412,062.36
February 2013	0.00	0.00	0.00	7,281,196.92	5,569,950.17	7,281,196.92
March 2013	0.00	0.00	0.00	6,173,753.70	4,762,715.81	6,173,753.70
April 2013	0.00	0.00	0.00	5,089,351.40	3,959,201.76	5,089,351.40
May 2013	0.00	0.00	0.00	4,027,614.37	3,159,483.67	4,027,614.37
June 2013	0.00	0.00	0.00	2,988,172.57	2,363,634.79	2,988,172.57
July 2013	0.00	0.00	0.00	1,970,661.43	1,571,725.94	1,970,661.43
August 2013	0.00	0.00	0.00	974,721.84	783,825.61	974,721.84
September 2013 and thereafter	0.00	0.00	0.00	0.00	0.00	0.00

No one is authorized to give information or to make representations in connection with the Certificates other than the information and representations contained in this Prospectus Supplement and the additional Disclosure Documents. You must not rely on any unauthorized information or representation. This Prospectus Supplement and the additional Disclosure Documents do not constitute an offer or solicitation with regard to the Certificates if it is illegal to make such an offer or solicitation to you under state law. By delivering this Prospectus Supplement and the additional Disclosure Documents at any time, no one implies that the information contained herein or therein is correct after the date hereof or thereof.

The Securities and Exchange Commission has not approved or disapproved the Certificates or determined if this Prospectus Supplement is truthful and complete. Any representation to the contrary is a criminal offense.

\$1,308,745,080
(Approximate)



FannieMae

**Guaranteed
REMIC Pass-Through
Certificates**

Fannie Mae REMIC Trust 1999-10

PROSPECTUS SUPPLEMENT

TABLE OF CONTENTS

	<u>Page</u>
PROSPECTUS SUPPLEMENT	
Table of Contents	S- 2
Available Information	S- 3
Reference Sheet	S- 4
Additional Risk Factors	S- 8
Description of the Certificates	S- 9
Description of the Ginnie Mae Certificates and the Related Mortgage Loans	S-26
Certain Additional Federal Income Tax Consequences	S-29
Plan of Distribution	S-31
Legal Matters	S-31
Schedule 1	A- 1
Principal Balance Schedules	B- 1



January 26, 1999

Ginnie Mae Certificate and Related Mortgage Loans

Final Data Statement

Ginnie Mae Pool Number	FHA Program +	City	State	Approximate Principal Balance as of Issue Date	Mortgage Interest Rate ****	Ginnie Mae Certificate Interest Rate	Maturity Date	Ginnie Mae Original Term to Maturity (mos.)	Ginnie Mae Remaining Term to Maturity (mos.)	Ginnie Mae Certificate Age (mos.)	Ginnie Mae Issue Date	Lockout End Date **	Prepay Penalty End Date **	Lockout/Prepayment Penalty Code ***	Remaining Lockout Term	Remaining Prepayment Penalty Term
461418	221(d)(4)	Taylor Falls	MN	459,267.88	7.8000%	7.5500%	October 2038	477	476	1	January 1999	August 2008	August 2008	1	114	114
415926	223(f)	Waco	TX	625,184.50	8.1250%	7.8750%	August 2030	420	378	42	August 1995	August 2000	August 2005	2	18	78
461641	223(f)	Garland *	TX	941,700.00	6.9500%	6.7000%	February 2029	361	360	1	January 1999	February 2001	February 2006	2	24	84
461642	223(f)	Irving *	TX	981,700.00	6.9500%	6.7000%	February 2026	325	324	1	January 1999	February 2001	February 2006	2	24	84
406870	223(f)	Woonsocket	RI	1,049,565.28	8.1250%	7.8750%	July 2030	420	377	43	July 1995	July 2000	July 2005	2	17	77
419013	223(a)(7)	Barron *	WI	1,052,334.44	8.0000%	7.7500%	May 2020	288	255	33	May 1996	June 2001	June 2006	2	28	88
364424	223(a)(7)	Buffalo	NY	1,091,218.18	8.0000%	7.7500%	March 2026	359	325	34	April 1996	April 2001	April 2006	2	26	86
461639	223(f)	Arlington *	TX	1,117,700.00	6.9500%	6.7000%	February 2031	385	384	1	January 1999	February 2001	February 2006	2	24	84
406869	223(f)	North Providence	RI	1,253,095.19	8.1250%	7.8750%	July 2030	420	377	43	July 1995	July 2000	July 2005	2	17	77
420075	223(f)	West Lafayette	IN	1,267,155.62	7.7500%	7.5000%	May 2026	360	327	33	May 1996	May 2001	May 2006	2	27	87
364423	223(f)	Amherst *	NY	1,304,741.81	8.0000%	7.7500%	May 2031	421	387	34	April 1996	April 2001	April 2006	2	26	86
406868	223(f)	Narragansett	RI	1,410,417.87	8.1250%	7.8750%	July 2030	420	377	43	July 1995	July 2000	July 2005	2	17	77
165358	223(f)	Houston	TX	1,484,144.48	8.0000%	7.7500%	June 2023	326	292	34	April 1996	March 2006	March 2006	1	85	85
419395	223(f)	Mobile *	AL	1,760,692.91	8.0000%	7.7500%	June 2031	421	388	33	May 1996	June 2006	June 2006	1	88	88
372748	223(a)(7)	Tyler *	TX	2,082,551.83	8.0000%	7.7500%	May 2023	324	291	33	May 1996	June 2001	June 2006	2	28	88
321483	223(f)	Little Rock	AK	2,094,844.35	7.5000%	7.2500%	January 2027	346	335	11	March 1998	April 2003	April 2008	2	50	110
415668	223(f)	Mt. Vernon *	IL	2,571,378.44	7.5000%	7.2500%	January 2031	421	383	38	December 1995	January 2001	January 2006	2	23	83
461640	223(f)	Arlington *	TX	2,677,500.00	6.9500%	6.7000%	February 2034	421	420	1	January 1999	February 2001	February 2006	2	24	84
454692	232	Catonsville	MD	2,739,009.06	7.5000%	7.3000%	April 2034	424	422	2	December 1998	May 2008	May 2008	1	111	111
422988	223(f)	Athens *	TN	2,739,899.03	8.0000%	7.7500%	August 2031	421	390	31	July 1996	September 2006	September 2006	1	91	91
413210	223(f)	West Lebanon *	NH	2,785,473.71	7.7500%	7.5000%	May 2031	421	387	34	April 1996	May 2006	May 2006	1	87	87
422979	223(f)	Paramount	CA	2,914,376.43	7.6250%	7.3750%	April 2031	420	386	34	April 1996	April 2001	April 2006	2	26	86
406872	223(f)	Bloomfield *	CT	2,921,974.21	8.0000%	7.7500%	August 2030	421	378	43	July 1995	August 2000	August 2005	2	18	78
422136	223(f)	Atlanta	GA	2,927,531.17	8.0000%	7.7500%	June 2031	420	388	32	June 1996	June 2006	June 2006	1	88	88
473249	221(d)(4)	Indianapolis *	IN	2,939,300.00	8.1250%	7.7450%	June 2039	484	484	0	February 1999	October 2003	October 2008	2	56	116
422984	232(2)(a)(7)	Warren	AR	3,301,907.78	8.1250%	7.8750%	June 2036	480	448	32	June 1996	July 2006	July 2006	1	89	89
393125	241(a)	Tempe	AZ	3,539,187.20	8.2500%	7.7500%	January 2027	358	335	23	March 1997	March 2002	March 2007	2	37	97
372742	221(d)(4)	Harlingen	TX	3,793,786.33	7.7500%	7.5000%	June 2037	480	460	20	June 1997	March 2002	March 2007	2	37	97
401736	232	Elizabethton	TN	4,066,297.33	8.1250%	7.8750%	January 2031	416	383	33	May 1996	May 2001	May 2006	2	27	87
425364	223(f)	Atlanta	GA	4,271,642.67	8.2500%	7.8500%	June 2031	420	388	32	June 1996	June 2006	June 2006	1	88	88
420074	223(f)	West Lafayette	IN	4,995,516.93	7.7500%	7.5000%	May 2026	360	327	33	May 1996	May 2001	May 2006	2	27	87
420071	223(a)(7)	South Park Township	PA	5,089,663.58	7.5000%	7.2500%	February 2027	372	326	36	February 1996	February 2001	February 2006	2	24	84
420070	223(f)	Indianapolis	IN	5,188,634.39	7.3750%	7.1250%	January 2031	420	383	37	January 1996	January 2001	January 2006	2	23	83
422976	232	Brunswick City	OH	5,229,916.89	7.8750%	7.6250%	May 2037	470	459	11	March 1998	March 2007	March 2007	1	97	97
419009	221(d)(4)	La Crosse	WI	5,275,660.26	7.2500%	7.0000%	May 2037	480	459	21	May 1997	June 2002	June 2007	2	40	100
420996	223(f)	Modesto *	CA	5,450,546.19	7.8750%	7.6250%	May 2031	421	387	34	April 1996	June 2001	June 2006	2	28	88
418438	232(2)(f)	St. Louis	MO	5,834,887.43	8.1250%	7.8750%	October 2030	420	380	40	October 1995	October 2000	October 2005	2	20	80
413876	223(f)	Union City	GA	6,050,586.76	7.8750%	7.5000%	April 2031	420	386	34	April 1996	April 2001	April 2006	2	26	86
159789	232(2)(f)	Parma Heights	OH	6,502,670.98	7.2500%	7.0000%	February 2031	419	384	35	March 1996	April 2001	April 2006	2	26	86
415223	221(d)(4)	Veradale	WA	6,534,309.11	8.0000%	7.7500%	March 2037	476	457	19	July 1997	January 2007	January 2007	1	95	95
422989	223(f)	Cleveland *	TN	6,630,555.24	8.0000%	7.7500%	August 2031	421	390	31	July 1996	September 2006	September 2006	1	91	91
393123	221(d)(4)	Tucson	AZ	6,649,043.29	8.0000%	7.7500%	May 2037	476	459	17	September 1997	July 2002	July 2007	2	41	101
482532	232	Amherst	MA	6,775,027.00	8.6250%	8.2200%	June 2038	472	472	0	February 1999	July 2008	July 2008	1	113	113
427477	232(2)(f)	Arnold *	MD	7,264,200.05	8.0000%	7.7500%	July 2031	421	389	32	June 1996	August 2001	August 2006	2	30	90
421063	221(d)(4)	Chandler	AZ	7,645,493.26	7.9500%	7.7000%	March 2037	474	457	17	September 1997	May 2002	May 2007	2	39	99
415227	221(d)(4)	Lincoln	NE	7,731,204.33	7.2500%	7.0000%	May 2035	471	435	36	February 1996	June 2000	June 2005	2	16	76
413203	223(f)	Seattle	WA	8,028,109.30	7.2500%	7.0000%	February 2031	420	384	36	February 1996	February 2006	February 2006	1	84	84
393130	221(d)(4)	Tucson	AZ	8,127,611.91	7.7500%	7.5000%	June 2037	481	460	21	May 1997	August 2002	August 2007	2	42	102
427478	232(2)(f)	Reistertown *	MD	8,501,315.54	8.0000%	7.7500%	July 2031	421	389	32	June 1996	August 2001	August 2006	2	30	90
395481	221(d)(4)	Norcross	GA	8,682,849.34	8.0000%	7.7500%	January 2032	406	395	11	March 1998	February 2002	February 2007	2	36	96
361588	223(f)	Des Moines *	IA	8,776,419.83	8.1250%	7.8750%	July 2031	421	389	32	June 1996	July 2001	July 2006	2	29	89
418447	221(d)(4)	St. Louis	MO	9,488,481.00	7.8750%	7.6250%	August 2038	474	474	0	February 1999	September 2008	September 2008	1	115	115
415201	221(d)(4)	Tucson	AZ	10,925,603.81	8.0000%	7.7500%	April 2037	480	458	22	April 1997	October 2001	October 2006	2	32	92
414388	221(d)(4)	Fountain Hills	AZ	14,642,554.51	7.7500%	7.5000%	July 2038	474	473	1	January 1999	February 2003	February 2008	2	48	108
415206	221(d)(4)	Baton Rouge	LA	15,095,721.38	8.0000%	7.7500%	February 2037	476	456	20	June 1997	October 2006	October 2006	1	92	92
428639	221(d)(4)	Glendale	AZ	15,909,562.12	7.6250%	7.3750%	June 2038	475	472	3	November 1998	February 2008	February 2009	3	108	120
427641	223(f)	Fairfax *	VA	37,553,461.48	7.3750%	7.1250%	April 2031	421	386	35	March 1996	April 2006	April 2006	1	86	86
Total Weighted Average				308,745,080.63	7.7754%	7.5133%		438	414	24					59	94

+ Certain of the units included in the Mortgaged Properties may receive project-based Section 8 rent subsidies from HUD.

* The distribution which occurred on the first distribution date with respect to the related Ginnie Mae Certificate consisted solely of interest.

** Assumes prepayments are permitted as of the lockout end date and no prepayment penalties are imposed as of the prepayment penalty end date. Calculated based on publicly available information. Lockout End Dates and Prepayment Penalty End Dates may be earlier or later in certain cases. As described herein, the FHA may override any lockout and/or prepayment penalty provision when the related mortgage loan is in default if the FHA determines that it is in the best interest of the federal government to permit a refinancing or partial prepayment without restrictions or penalties.

*** Lockout/Prepayment Penalty Codes:

(1) Lockout before the lockout end date; thereafter no prepayment penalty is imposed.

(2) Lockout before the lockout end date; thereafter prepayment penalty of 5% of the prepaid amount until the twelfth mortgage loan payment date beyond the lockout end date disclosed above, declining thereafter by 1% annually.

(3) Lockout before the lockout end date; thereafter prepayment penalty of 1% of the prepaid amount until the twelfth mortgage loan payment date beyond the lockout end date disclosed above, thereafter no prepayment penalty is imposed.

**** Unless documentation was obtained indicating otherwise, each mortgage interest rate set forth on Exhibit A was determined based on the assumption that such rate is 25 basis points higher than the related Ginnie Mae Certificates Interest rate.

NOTE:

The information with respect to the Group 1 Ginnie Mae Certificates and the related Mortgage Loans set forth on this Exhibit A has been collected and summarized by Credit Suisse First Boston Corporation and provided to Fannie Mae.