

\$166,899,164



FannieMae®

Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2016-58

The Certificates

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

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 the accrual class), and
- principal to the extent available for payment on your class.

We will pay principal at rates that may 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 available for distribution to investors on time.

The Trust and its Assets

The trust will own

- Fannie Mae MBS backed by first lien, single-family adjustable-rate loans, and
- Fannie Mae MBS backed by first lien, single-family fixed-rate loans.

| <i>Class</i> | <i>Group</i> | <i>Original Class Balance</i> | <i>Principal Type(1)</i> | <i>Interest Rate</i> | <i>Interest Type(1)</i> | <i>CUSIP Number</i> | <i>Final Distribution Date</i> |
|--------------|--------------|-------------------------------|--------------------------|----------------------|-------------------------|---------------------|--------------------------------|
| FA | 1 | \$87,099,244 | PT | (2) | FLT/AFC | 3136ATAA2 | August 2046 |
| SA | 1 | 87,099,244(3) | NTL | (4) | WAC/IO | 3136ATAB0 | August 2046 |
| L(5) | 2 | 59,508,000 | SEQ/AD | 2.5% | FIX | 3136AQ7L8 | September 2039 |
| LP(5) | 2 | 7,818,000 | SEQ/AD | 2.5 | FIX | 3136AR7M4 | July 2041 |
| LZ | 2 | 12,473,920 | SEQ | 2.5 | FIX/Z | 3136ATAD6 | August 2046 |
| R | | 0 | NPR | 0 | NPR | 3136ATAE4 | August 2046 |

- (1) See "Description of the Certificates—Class Definitions and Abbreviations" in the REMIC prospectus.
(2) Based on LIBOR and subject to the limitations described on page S-10.

- (3) Notional principal balance. This Class is an interest only class. See page S-5 for a description of how its notional principal balance is calculated.
(4) The interest rate of the SA Class is calculated as described on page S-10.
(5) Exchangeable classes.

If you own certificates of the L and LP Classes, you can exchange them for certificates of the corresponding RCR class to be delivered at the time of exchange. The LA Class is the RCR class. For a more detailed description of the RCR class, see Schedule 1 attached to this prospectus supplement and "Description of the Certificates—Combination and Recombination—RCR Certificates" in the REMIC prospectus.

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be July 29, 2016.

Carefully consider the risk factors starting on page 14 of the REMIC prospectus. Unless you understand and are able to tolerate these risks, you should not invest in the certificates.

You should read the 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.

BNP PARIBAS

The date of this Prospectus Supplement is July 25, 2016

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AVAILABLE INFORMATION

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

- our Prospectus for Fannie Mae Guaranteed REMIC Pass-Through Certificates dated June 1, 2014 (the “REMIC Prospectus”);
- our Prospectus for Fannie Mae Guaranteed Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated
 - June 1, 2016, for all MBS issued on or after June 1, 2016,
 - October 1, 2014, for all MBS issued on or after October 1, 2014 and prior to June 1, 2016,
 - March 1, 2013, for all MBS issued on or after March 1, 2013 and prior to October 1, 2014,
 - February 1, 2012, for all MBS issued on or after February 1, 2012 and prior to March 1, 2013,
 - July 1, 2011, for all MBS issued on or after July 1, 2011 and prior to February 1, 2012,
 - June 1, 2009, for all MBS issued on or after January 1, 2009 and prior to July 1, 2011,
 - April 1, 2008, for all MBS issued on or after June 1, 2007 and prior to January 1, 2009, or
 - January 1, 2006, for all other MBS(as applicable, the “MBS Prospectus”); and
- any information incorporated by reference in this prospectus supplement as discussed below and under the heading “Incorporation by Reference” in the REMIC Prospectus.

For a description of current servicing policies generally applicable to existing Fannie Mae MBS pools, see “Yield, Maturity and Prepayment Considerations” in the MBS Prospectus dated June 1, 2016.

The MBS Prospectus is incorporated by reference in this prospectus supplement. This means that we are disclosing information in that document by referring you to it. That document is considered part of this prospectus supplement, so you should read this prospectus supplement, and any applicable supplements or amendments, together with that document.

You can obtain copies of 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 800-2FANNIE).

In addition, the Disclosure Documents, together with the class factors, are available on our corporate Web site at www.fanniemae.com.

You also can obtain copies of the REMIC Prospectus and the MBS Prospectus by writing or calling the dealer at:

Static Data NY Securities
BNP Paribas
525 Washington Boulevard
Jersey City, New Jersey 07310
(telephone (201) 850-5627)
StaticDataNYSEcurities@americas.bnpparibas.com.

SUMMARY

This summary contains only limited information about the certificates. Statistical information in this summary is provided as of July 1, 2016. You should purchase the certificates only after reading this prospectus supplement and each of the additional disclosure documents listed on page S-3. In particular, please see the discussion of risk factors that appears in each of those additional disclosure documents.

Assets Underlying Each Group of Classes

| <u>Group</u> | <u>Assets</u> |
|--------------|---------------|
| 1 | Group 1 MBS |
| 2 | Group 2 MBS |

Group 1 MBS

The first table in Exhibit A of this prospectus supplement lists certain assumed characteristics of the mortgage loans underlying the adjustable-rate MBS in Group 1. The assumed characteristics appearing in Exhibit A may not reflect the actual characteristics of the individual adjustable-rate mortgage loans included in the related pools. The actual characteristics of most of the related mortgage loans may differ from those specified in Exhibit A, and may differ significantly.

The second table in Exhibit A of this prospectus supplement lists the pool numbers of the adjustable-rate MBS expected to be included in the Trust.

Group 2 MBS

Characteristics of the Fixed Rate MBS

| <u>Approximate Principal Balance</u> | <u>Pass- Through Rate</u> | <u>Range of Weighted Average Coupons or WACs (annual percentages)</u> | <u>Range of Weighted Average Remaining Terms to Maturity or WAMs (in months)</u> |
|--|-----------------------------------|---|--|
| \$79,799,920 | 2.50% | 2.75% to 5.00% | 241 to 360 |

Assumed Characteristics of the Underlying Mortgage Loans

| <u>Principal Balance</u> | <u>Original Term to Maturity (in months)</u> | <u>Remaining Term to Maturity (in months)</u> | <u>Loan Age (in months)</u> | <u>Interest Rate</u> |
|------------------------------|--|---|---------------------------------|--------------------------|
| \$79,799,920 | 360 | 317 | 37 | 3.187% |

The actual remaining terms to maturity, loan ages and interest rates of most of the mortgage loans underlying the fixed rate MBS will differ from those shown above, and may differ significantly. See “Risk Factors—Risks Relating to Yield and Prepayment—*Yields on and weighted average lives of the certificates are affected by actual characteristics of the mortgage loans backing the series trust assets*” in the REMIC Prospectus.

Settlement Date

We expect to issue the certificates on July 29, 2016.

Distribution Dates

We will make payments on the certificates on the 25th day of each calendar month, or on the next business day if the 25th day is not a business day.

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.

Book-Entry and Physical Certificates

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

Fed Book-Entry

All classes of certificates other than the R Class

Physical

R Class

Exchanging Certificates Through Combination and Recombination

If you own certificates of a class designated as “exchangeable” on the cover of this prospectus supplement, you will be able to exchange them for a proportionate interest in the related RCR certificates. Schedule 1 lists the available combination of the certificates eligible for exchange and the related RCR certificates. You can exchange your certificates by notifying us and paying an exchange fee. We will deliver the RCR certificates upon such exchange.

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

Interest Rates

During each interest accrual period, the fixed rate classes will bear interest at the applicable annual interest rates listed on the cover of this prospectus supplement or on Schedule 1.

During each interest accrual period, the FA and SA Classes will bear interest at the applicable annual rates described under “Description of the Certificates—Distributions of Interest—*The FA Class*” and “—*The SA Class*,” respectively, in this prospectus supplement.

Notional Class

The notional principal balance of the notional class specified below will equal the percentage of the outstanding balance specified below immediately before the related distribution date:

Class

SA 100% of the FA Class

Distributions of Principal

For a description of the principal payment priorities, see “Description of the Certificates—Distributions of Principal” in this prospectus supplement.

Weighted Average Lives (years)*

| <u>Group 1 Classes</u> | <u>CPR Prepayment Assumption</u> | | | | | | |
|------------------------|----------------------------------|-----------|------------|------------|------------|------------|------------|
| | <u>0%</u> | <u>5%</u> | <u>10%</u> | <u>15%</u> | <u>25%</u> | <u>50%</u> | <u>75%</u> |
| FA and SA | 14.9 | 10.0 | 7.1 | 5.3 | 3.3 | 1.5 | 0.8 |

| <u>Group 2 Classes</u> | <u>PSA Prepayment Assumption</u> | | | | |
|------------------------|----------------------------------|-------------|-------------|-------------|-------------|
| | <u>0%</u> | <u>100%</u> | <u>154%</u> | <u>300%</u> | <u>600%</u> |
| L | 13.6 | 5.2 | 4.0 | 2.3 | 1.1 |
| LP | 24.0 | 13.3 | 10.6 | 6.5 | 3.3 |
| LZ | 27.6 | 19.6 | 16.9 | 11.3 | 5.8 |
| LA | 14.8 | 6.2 | 4.7 | 2.8 | 1.4 |

* Determined as specified under “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.

DESCRIPTION OF THE CERTIFICATES

The material under this heading describes the principal 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 that 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 of this prospectus supplement (the “Trust”) pursuant to a trust agreement dated as of May 1, 2010 and a supplement thereto dated as of July 1, 2016 (the “Issue Date”). We will issue the Guaranteed REMIC Pass-Through Certificates (the “REMIC Certificates”) pursuant to that trust agreement and supplement. We will issue the Combinable and Recombinable REMIC Certificates (the “RCR Certificates” and, together with the REMIC Certificates, the “Certificates”) pursuant to a separate trust agreement dated as of May 1, 2010 and a supplement thereto dated as of the Issue Date (together with the trust agreement and supplement relating to the REMIC Certificates, the “Trust Agreement”). We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”). In general, the term “Classes” includes the Classes of REMIC Certificates and RCR Certificates.

The assets of the Trust will include:

- one group of Fannie Mae Guaranteed Mortgage Pass-Through Certificates having variable pass-through rates (the “Group 1 MBS” or “ARM MBS”), and
- certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates having fixed pass-through rates (the “Group 2 MBS” or “Fixed Rate MBS”).

The ARM MBS and the Fixed Rate MBS are referred to collectively as the “MBS.”

Each MBS represents a beneficial ownership interest in a pool of first lien, one- to four-family (“single-family”), fixed-rate or adjustable rate residential mortgage loans (the “Mortgage Loans”) having the characteristics described in this prospectus supplement.

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

The following chart contains information about the assets, the “regular interests” and the “residual interest” of the REMIC. The REMIC Certificates other than the R Class are collectively referred to as the “Regular Classes” or “Regular Certificates,” and the R Class is referred to as the “Residual Class” or “Residual Certificate.”

| | <u>Assets</u> | <u>Regular Interests</u> | <u>Residual Interest</u> |
|-----------------|---------------|--|--------------------------|
| REMIC | MBS | All Classes of REMIC Certificates other than the R Class | R |

Fannie Mae Guaranty. For a description of our guaranties of the Certificates and the MBS, see the applicable discussions appearing under the heading “Fannie Mae Guaranty” in the REMIC Prospectus and the MBS Prospectus. Our guaranties are not backed by the full faith and credit of the United States.

Characteristics of Certificates. Except as specified below, we will issue the 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.”

We will issue the Residual Certificate in fully registered, certificated form. The “Holder” or “Certificateholder” of the Residual Certificate is its registered owner. The Residual 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. U.S. Bank National Association in Boston, Massachusetts will be the initial Transfer Agent. We may impose a service charge for any registration of transfer of the Residual Certificate and may require payment to cover any tax or other governmental charge. See also “—Characteristics of the Residual Class” below.

Authorized Denominations. We will issue the Certificates in the following denominations:

| <u>Classes</u> | <u>Denominations</u> |
|--|--|
| Interest Only Class | \$100,000 minimum plus whole dollar increments |
| All other Classes (except the R Class) | \$1,000 minimum plus whole dollar increments |

The ARM MBS

Unless otherwise specified, references in this section to percentages of the Hybrid ARM Loans are in each case measured by aggregate principal balance of the Hybrid ARM Loans at the Issue Date.

General

The Mortgage Loans underlying the ARM MBS in Group 1 (the “Hybrid ARM Loans”) will have the general characteristics described in the MBS Prospectus. In addition, we assume that the Hybrid ARM Loans will have the characteristics listed in the first table on Exhibit A to this prospectus supplement. The ARM MBS provide that principal and interest on the Hybrid ARM Loans are passed through monthly, beginning in the month after we issue the ARM MBS. The Hybrid ARM Loans generally are conventional, adjustable-rate mortgage loans secured by first mortgages or deeds of trust on single-family residential properties. The Hybrid ARM Loans have original maturities of up to 30 years. See “Description of the Certificates,” “The Mortgage Loan Pools,” “The Mortgage Loans—Adjustable-Rate Mortgage Loans (ARM Loans)” and “Yield, Maturity and Prepayment Considerations” in the MBS Prospectus. See also the second table in Exhibit A to this prospectus supplement for the pool numbers of the ARM MBS expected to be included in the Trust.

Characteristics of the Hybrid ARM Loans

Applicable Index

After the initial fixed-rate period, the interest rate (the “ARM Rate”) for the Hybrid ARM Loans will adjust annually, based on the One-Year WSJ LIBOR Index as available generally 45 days prior to the related interest rate adjustment date. See “The Mortgage Loans—Adjustable-Rate Mortgage Loans (ARM Loans)—*ARM Indices*” in the MBS Prospectus for descriptions of the index. If the index becomes unavailable, an alternative index will be determined in accordance with the terms of the related mortgage note.

Initial Interest Only Periods

The scheduled monthly payments on the Hybrid ARM Loans represented accrued interest only for periods that may range up to 10 years following origination. Beginning with the first monthly payment following the expiration of the applicable interest only period, the related loan documents provide that the scheduled monthly payment on each of the related Hybrid ARM Loans will be increased by an amount sufficient to pay accrued interest at the then current rate and to fully amortize the Hybrid ARM Loan by its scheduled maturity date. See “Risk Factors—Risks Relating to Yield and Prepayment—*Fixed-rate and ARM loans with long initial interest-only payment periods may be more likely to be refinanced or become delinquent than other mortgage loans*” in the MBS Prospectus dated June 1, 2016.

Initial Fixed-Rate Periods

The interest rates of the Hybrid ARM Loans were fixed for an initial period of 5 years from origination (the “Initial Fixed Rate”).

ARM Rate Changes

After the initial fixed-rate period, the ARM Rate of each Hybrid ARM Loan is set annually, subject to the caps and floors described below, to equal the *sum* of (i) the applicable index value *plus* (ii) a specified percentage amount (the “ARM Margin”) that the lender established when the Hybrid ARM Loan was originated.

Initial ARM Rate Change Caps

For the interest rate adjustment immediately following the end of the initial fixed-rate period, the ARM Rate for each Hybrid ARM Loan generally may not deviate by more than 5 percentage points from the related Initial Fixed Rate.

Subsequent ARM Rate Change Caps

On each annual ARM Rate adjustment date thereafter, the ARM Rate for each Hybrid ARM Loan generally may not deviate by more than 2 percentage points from the related ARM Rate in effect immediately prior to that adjustment date.

Lifetime Cap and Floor

The ARM Rate for each Hybrid ARM Loan, when adjusted on its annual adjustment date, may not be greater than the maximum ARM Rate (lifetime rate cap) or less than its minimum ARM Rate (lifetime floor), as specified in the related mortgage note.

Monthly Payments

After the initial fixed-rate period, the amount of a borrower’s monthly payment is generally subject to change on each anniversary of the date specified in the related mortgage note.

Each new monthly payment amount will be calculated to equal an amount necessary to pay interest at the new ARM Rate, adjusted as described above, and, except in the case of any loan that may still be in its initial interest only payment period, to fully amortize the outstanding principal balance of the Hybrid ARM Loan on a level debt service basis over the remainder of its term.

The Fixed Rate MBS

The Fixed Rate MBS provide that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the Fixed Rate MBS are conventional, fixed-rate, fully-amortizing mortgage loans secured by first mortgages or deeds of trust on single-family residential properties. These Mortgage Loans have original maturities of up to 30 years.

For additional information, see “Summary—Group 2 MBS—Characteristics of the Fixed Rate MBS” in this prospectus supplement and “The Mortgage Loan Pools” and “Yield, Maturity and Prepayment Considerations” in the MBS Prospectus.

Distributions of Interest

General. The Certificates will bear interest at the rates specified in this prospectus supplement. Interest to be paid on each Certificate (or added to principal, in the case of the Accrual Class) on a Distribution Date will consist of one month’s interest on the outstanding balance of that Certificate immediately prior to that Distribution Date. For a description of the Accrual Class, see “—*Accrual Class*” below.

The FA Class will bear interest at an interest rate based on LIBOR. We currently establish LIBOR on the basis of the “ICE Method” as generally described under “Description of the

Certificates—Distributions on Certificates—*Interest Distributions—Indices for Floating Rate Classes and Inverse Floating Rate Classes*” in the REMIC Prospectus. For a description of recent developments affecting LIBOR calculations, see “Risk Factors—Risks Relating to Yield and Prepayment—*Intercontinental Exchange Benchmark Administration is the new LIBOR administrator*” in the REMIC Prospectus.

Delay Classes and No-Delay Classes. The “Delay” Classes and “No-Delay” Classes are set forth in the following table:

| <u>Delay Classes</u> | <u>No-Delay Classes</u> |
|------------------------------|-------------------------|
| All interest-bearing Classes | — |

See “Description of the Certificates—Distributions on Certificates—*Interest Distributions*” in the REMIC Prospectus.

Accrual Class. The LZ Class is an Accrual Class. Interest will accrue on the Accrual Class at the applicable annual rate specified on the cover of this prospectus supplement. However, we will not pay any interest on the Accrual Class. Instead, interest accrued on the Accrual Class will be added as principal to its principal balance on each Distribution Date. We will pay principal on the Accrual Class as described under “—Distributions of Principal” below.

The FA Class. On each Distribution Date, we will pay interest on the FA Class in an amount equal to one month’s interest at an annual rate equal to the *lesser* of

- LIBOR + 48 basis points (but in no event less than 0.48%)

or

- the Weighted Average Group 1 MBS Pass-Through Rate.

The “Weighted Average Group 1 MBS Pass-Through Rate” for any Distribution Date is equal to the weighted average of the pass-through rates of the Group 1 MBS for that Distribution Date (weighted on the basis of the principal balances of the Group 1 MBS after giving effect to distributions of principal made on the immediately preceding Distribution Date).

During the initial interest accrual period, the FA Class will bear interest at an annual rate of 0.93%. Our determination of the interest rate for the FA Class will be final and binding in the absence of manifest error. You may obtain each such interest rate by telephoning us at 800-2FANNIE.

The SA Class. On each Distribution Date, we will pay interest on the SA Class at an annual rate equal to the *product* of

- a fraction, expressed as a percentage, the numerator of which is the *excess*, if any, of
 - the aggregate amount of interest then paid on the Group 1 MBS

over

- the interest payable on the FA Class on that Distribution Date,

and the denominator of which is the notional principal balance of the SA Class immediately preceding that Distribution Date,

multiplied by

- 12.

During the initial interest accrual period, the SA Class is expected to bear interest at an annual rate of approximately 1.834%. Our determination of the interest rate for the SA Class will be final and binding in the absence of manifest error. You may obtain each such interest rate by telephoning us at 800-2FANNIE.

Distributions of Principal

On the Distribution Date in each month, we will make payments of principal on the Classes of REMIC Certificates as described below. Following any exchange of REMIC Certificates for RCR Certificates, we will apply principal payments from the exchanged REMIC Certificates to the corresponding RCR Certificates on a pro rata basis.

- *Group 1*

The Group 1 Principal Distribution Amount to FA until retired.

} Pass-Through Class

The “Group 1 Principal Distribution Amount” is the principal then paid on the Group 1 MBS.

- *Group 2*

The LZ Accrual Amount to L and LP, in that order, until retired, and thereafter to LZ.

} Accretion Directed Classes and Accrual Class

The Group 2 Cash Flow Distribution Amount to L, LP and LZ, in that order, until retired.

} Sequential Pay Classes

The “LZ Accrual Amount” is any interest then accrued and added to the principal balance of the LZ Class.

The “Group 2 Cash Flow Distribution Amount” is the principal then paid on the Group 2 MBS.

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 Hybrid ARM Loans have the characteristics set forth in Exhibit A to this prospectus supplement;
- with respect to the Hybrid ARM Loans, the One-Year WSJ LIBOR Index value is and remains 1.205%;
- the Mortgage Loans underlying the Fixed Rate MBS have the original term to maturity, remaining term to maturity, loan age and interest rate specified under “Summary—Group 2 MBS—Assumed Characteristics of the Underlying Mortgage Loans” in this prospectus supplement;
- the Mortgage Loans prepay at the constant percentages of CPR or PSA, as applicable, specified in the related tables;
- the settlement date for the Certificates is July 29, 2016; and
- each Distribution Date occurs on the 25th day of a month.

The actual remaining terms to maturity, loan ages and interest rates of most of the mortgage loans underlying the Fixed Rate MBS will differ from the assumed characteristics shown in the Summary, and may differ significantly. See “Risk Factors—Risks Relating to Yield and Prepayment—Yields on and weighted average lives of the certificates are affected by actual characteristics of the mortgage loans backing the series trust assets” in the REMIC Prospectus.

Prepayment Assumptions. The prepayment model used in this prospectus supplement with respect to the Group 1 Classes is CPR. For a description of CPR, see “Yield, Maturity and Prepayment Considerations—Prepayment Models” in the REMIC Prospectus. The prepayment model used in this prospectus supplement with respect to the Group 2 Classes is PSA. For a description of PSA, see “Yield, Maturity and Prepayment Considerations—Prepayment Models” in the REMIC Prospectus.

It is highly unlikely that prepayments will occur at any *constant* CPR or PSA rate, as applicable, or at any other *constant* rate.

Additional Yield Considerations for the SA Class

The yield to investors in the SA Class will be very sensitive to the rate of principal payments (including prepayments) of the Hybrid ARM Loans and to the level of LIBOR. The yield will also be sensitive to the weighted average interest rate of the Hybrid ARM Loans. The Hybrid ARM Loans can be prepaid at any time without penalty. In addition, the rate of principal payments (including prepayments) of the Hybrid ARM Loans is likely to vary, and may vary considerably, from pool to pool. Under certain high prepayment or high LIBOR scenarios, in particular, it is possible that investors in the SA Class would lose money on their initial investments.

Weighted Average Lives of the Certificates

For a description of how the weighted average life of a Certificate is determined, see “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.

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

- the timing of changes in the rate of principal distributions, and
- the priority sequence of distributions of principal of the Group 2 Classes.

See “—Distributions of Principal” above.

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 those Classes of Certificates could result in variability in the related yields to maturity. For an example of how the weighted average lives of the Classes may be affected at various constant prepayment rates, see the Decrement Tables below.

Decrement Tables

The following tables indicate the percentages of original principal balances of the specified Classes that would be outstanding after each date shown at various constant CPR or PSA rates, as applicable, and the corresponding weighted average lives of those Classes. The tables have been prepared on the basis of the Pricing Assumptions.

In the case of the information set forth for each Group 2 Class under 0% PSA, however, we assumed that the Mortgage Loans have the original and remaining term to maturity and bear interest at the annual rate specified in the table below.

| <u>Mortgage Loans Backing Trust Assets Specified Below</u> | <u>Original and Remaining Term to Maturity</u> | <u>Interest Rate</u> |
|--|--|--------------------------|
| Group 2 MBS | 360 months | 5.00% |

It is unlikely that all of the Mortgage Loans will have the loan ages, interest rates or remaining terms to maturity assumed, or that the Mortgage Loans will prepay at any *constant* CPR or PSA level, as applicable.

In addition, the diverse remaining terms to maturity of the Mortgage Loans could produce slower or faster principal distributions than indicated in the tables at the specified constant CPR or PSA rates, as applicable, even if the weighted average remaining term to maturity and the weighted average loan age of the Mortgage Loans are identical to the weighted averages specified in the Pricing Assumptions. This is the case because pools of loans with identical weighted averages are nonetheless likely to reflect differing dispersions of the related characteristics.

Percent of Original Principal Balances Outstanding

| Date | FA and SA† Classes | | | | | | | L Class | | | | | LP Class | | | | |
|-----------------------|---------------------------|------|-----|-----|-----|-----|-----|---------------------------|------|------|------|------|---------------------------|------|------|------|------|
| | CPR Prepayment Assumption | | | | | | | PSA Prepayment Assumption | | | | | PSA Prepayment Assumption | | | | |
| | 0% | 5% | 10% | 15% | 25% | 50% | 75% | 0% | 100% | 154% | 300% | 600% | 0% | 100% | 154% | 300% | 600% |
| Initial Percent | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| July 2017 | 100 | 95 | 90 | 85 | 75 | 50 | 25 | 97 | 88 | 84 | 73 | 49 | 100 | 100 | 100 | 100 | 100 |
| July 2018 | 100 | 90 | 81 | 72 | 56 | 25 | 6 | 95 | 77 | 70 | 50 | 17 | 100 | 100 | 100 | 100 | 100 |
| July 2019 | 100 | 86 | 73 | 61 | 42 | 12 | 2 | 92 | 67 | 57 | 33 | 0 | 100 | 100 | 100 | 100 | 75 |
| July 2020 | 99 | 80 | 65 | 52 | 31 | 6 | * | 89 | 58 | 45 | 18 | 0 | 100 | 100 | 100 | 100 | 0 |
| July 2021 | 95 | 74 | 56 | 42 | 23 | 3 | * | 86 | 49 | 35 | 6 | 0 | 100 | 100 | 100 | 100 | 0 |
| July 2022 | 92 | 67 | 49 | 35 | 16 | 1 | * | 83 | 40 | 26 | 0 | 0 | 100 | 100 | 100 | 75 | 0 |
| July 2023 | 88 | 61 | 42 | 28 | 12 | 1 | * | 80 | 32 | 17 | 0 | 0 | 100 | 100 | 100 | 16 | 0 |
| July 2024 | 84 | 56 | 36 | 23 | 8 | * | * | 76 | 25 | 9 | 0 | 0 | 100 | 100 | 100 | 0 | 0 |
| July 2025 | 80 | 50 | 31 | 18 | 6 | * | * | 73 | 18 | 3 | 0 | 0 | 100 | 100 | 100 | 0 | 0 |
| July 2026 | 76 | 45 | 26 | 15 | 4 | * | * | 69 | 12 | 0 | 0 | 0 | 100 | 100 | 72 | 0 | 0 |
| July 2027 | 71 | 40 | 22 | 12 | 3 | * | * | 65 | 6 | 0 | 0 | 0 | 100 | 100 | 30 | 0 | 0 |
| July 2028 | 67 | 36 | 19 | 9 | 2 | * | * | 61 | 0 | 0 | 0 | 0 | 100 | 99 | 0 | 0 | 0 |
| July 2029 | 62 | 32 | 16 | 7 | 1 | * | 0 | 57 | 0 | 0 | 0 | 0 | 100 | 58 | 0 | 0 | 0 |
| July 2030 | 57 | 28 | 13 | 6 | 1 | * | 0 | 52 | 0 | 0 | 0 | 0 | 100 | 20 | 0 | 0 | 0 |
| July 2031 | 52 | 24 | 11 | 5 | 1 | * | 0 | 47 | 0 | 0 | 0 | 0 | 100 | 0 | 0 | 0 | 0 |
| July 2032 | 47 | 21 | 9 | 3 | * | * | 0 | 42 | 0 | 0 | 0 | 0 | 100 | 0 | 0 | 0 | 0 |
| July 2033 | 41 | 17 | 7 | 3 | * | * | 0 | 37 | 0 | 0 | 0 | 0 | 100 | 0 | 0 | 0 | 0 |
| July 2034 | 36 | 14 | 5 | 2 | * | * | 0 | 32 | 0 | 0 | 0 | 0 | 100 | 0 | 0 | 0 | 0 |
| July 2035 | 30 | 11 | 4 | 1 | * | * | 0 | 26 | 0 | 0 | 0 | 0 | 100 | 0 | 0 | 0 | 0 |
| July 2036 | 24 | 9 | 3 | 1 | * | * | 0 | 20 | 0 | 0 | 0 | 0 | 100 | 0 | 0 | 0 | 0 |
| July 2037 | 18 | 6 | 2 | 1 | * | * | 0 | 14 | 0 | 0 | 0 | 0 | 100 | 0 | 0 | 0 | 0 |
| July 2038 | 11 | 4 | 1 | * | * | * | 0 | 7 | 0 | 0 | 0 | 0 | 100 | 0 | 0 | 0 | 0 |
| July 2039 | 5 | 1 | * | * | * | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 100 | 0 | 0 | 0 | 0 |
| July 2040 | * | * | * | * | * | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50 | 0 | 0 | 0 | 0 |
| July 2041 | * | * | * | * | * | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| July 2042 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| July 2043 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| July 2044 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| July 2045 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| July 2046 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Weighted Average | | | | | | | | | | | | | | | | | |
| Life (years)** | 14.9 | 10.0 | 7.1 | 5.3 | 3.3 | 1.5 | 0.8 | 13.6 | 5.2 | 4.0 | 2.3 | 1.1 | 24.0 | 13.3 | 10.6 | 6.5 | 3.3 |

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

** Determined as specified under “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.

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

| Date | LZ Class | | | | | LA Class | | | | |
|-----------------------|---------------------------|------|------|------|------|---------------------------|------|------|------|------|
| | PSA Prepayment Assumption | | | | | PSA Prepayment Assumption | | | | |
| | 0% | 100% | 154% | 300% | 600% | 0% | 100% | 154% | 300% | 600% |
| Initial Percent | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| July 2017 | 103 | 103 | 103 | 103 | 103 | 98 | 90 | 86 | 76 | 55 |
| July 2018 | 105 | 105 | 105 | 105 | 105 | 95 | 80 | 73 | 56 | 27 |
| July 2019 | 108 | 108 | 108 | 108 | 108 | 93 | 71 | 62 | 40 | 9 |
| July 2020 | 111 | 111 | 111 | 111 | 96 | 91 | 63 | 52 | 28 | 0 |
| July 2021 | 113 | 113 | 113 | 113 | 60 | 88 | 55 | 42 | 17 | 0 |
| July 2022 | 116 | 116 | 116 | 116 | 37 | 85 | 47 | 34 | 9 | 0 |
| July 2023 | 119 | 119 | 119 | 119 | 23 | 82 | 40 | 27 | 2 | 0 |
| July 2024 | 122 | 122 | 122 | 102 | 14 | 79 | 34 | 20 | 0 | 0 |
| July 2025 | 125 | 125 | 125 | 80 | 9 | 76 | 28 | 14 | 0 | 0 |
| July 2026 | 128 | 128 | 128 | 63 | 5 | 73 | 22 | 8 | 0 | 0 |
| July 2027 | 132 | 132 | 132 | 49 | 3 | 69 | 17 | 3 | 0 | 0 |
| July 2028 | 135 | 135 | 129 | 38 | 2 | 66 | 12 | 0 | 0 | 0 |
| July 2029 | 138 | 138 | 111 | 30 | 1 | 62 | 7 | 0 | 0 | 0 |
| July 2030 | 142 | 142 | 95 | 23 | 1 | 58 | 2 | 0 | 0 | 0 |
| July 2031 | 145 | 135 | 80 | 17 | * | 54 | 0 | 0 | 0 | 0 |
| July 2032 | 149 | 118 | 67 | 13 | * | 49 | 0 | 0 | 0 | 0 |
| July 2033 | 153 | 102 | 56 | 10 | * | 45 | 0 | 0 | 0 | 0 |
| July 2034 | 157 | 87 | 46 | 7 | * | 40 | 0 | 0 | 0 | 0 |
| July 2035 | 161 | 73 | 37 | 5 | * | 35 | 0 | 0 | 0 | 0 |
| July 2036 | 165 | 60 | 30 | 4 | * | 29 | 0 | 0 | 0 | 0 |
| July 2037 | 169 | 49 | 23 | 3 | * | 24 | 0 | 0 | 0 | 0 |
| July 2038 | 173 | 38 | 17 | 2 | * | 18 | 0 | 0 | 0 | 0 |
| July 2039 | 178 | 28 | 12 | 1 | * | 12 | 0 | 0 | 0 | 0 |
| July 2040 | 182 | 19 | 8 | 1 | * | 6 | 0 | 0 | 0 | 0 |
| July 2041 | 182 | 11 | 4 | * | * | 0 | 0 | 0 | 0 | 0 |
| July 2042 | 149 | 3 | 1 | * | * | 0 | 0 | 0 | 0 | 0 |
| July 2043 | 115 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| July 2044 | 78 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| July 2045 | 40 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| July 2046 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Weighted Average | | | | | | | | | | |
| Life (years)** | 27.6 | 19.6 | 16.9 | 11.3 | 5.8 | 14.8 | 6.2 | 4.7 | 2.8 | 1.4 |

* Indicates an outstanding balance greater than 0% and less than 0.5% of the original principal balance.
 ** Determined as specified under “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.

Characteristics of the Residual Class

A Residual Certificate will be subject to certain transfer restrictions. See “Description of the Certificates—Special Characteristics of the Residual Certificates” and “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates” in the REMIC Prospectus.

Treasury Department regulations (the “Regulations”) provide that a transfer of a “noneconomic residual interest” will be disregarded for all federal tax purposes unless no significant purpose of the transfer is to impede the assessment or collection of tax. A Residual Certificate will constitute a noneconomic residual interest under the Regulations. Having a significant purpose to impede the assessment or collection of tax means that the transferor of a Residual Certificate had “improper knowledge” at the time of the transfer. See “Description of the Certificates—Special Characteristics of the Residual Certificates” in the REMIC Prospectus. You should consult your own tax advisor regarding the application of the Regulations to a transfer of a Residual Certificate.

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 “Material Federal Income Tax Consequences” in the REMIC Prospectus. When read together, the two discussions describe the current federal income tax treatment of beneficial owners of Certificates. These two 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. 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 Election and Special Tax Attributes

We will make a REMIC election with respect to the REMIC set forth in the table under “Description of the Certificates—General—*Structure*.” The Regular Classes will be designated as “regular interests” and the Residual Class will be designated as the “residual interest” in the REMIC as set forth in that table. Thus, 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, as “real estate assets” for real estate investment trusts, and, except for the Residual Class, as “qualified mortgages” for other REMICs. See “Material Federal Income Tax Consequences—REMIC Election and Special Tax Attributes” in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Accrual Class and the Notional Class will be issued with original issue discount (“OID”), and certain other Classes of REMIC 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 “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Treatment of Original Issue Discount*” in the REMIC Prospectus. In addition, certain Classes of REMIC Certificates may be treated as having been issued at a premium. See “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Regular Certificates Purchased at a Premium*” in the REMIC Prospectus.

The Prepayment Assumptions that will be used in determining the rate of accrual of OID will be as follows:

| <u>Group</u> | <u>Prepayment Assumption</u> |
|--------------|------------------------------|
| 1 | 15% CPR |
| 2 | 154% PSA |

See “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Treatment of Original Issue Discount*” in the REMIC Prospectus. No representation is made as to whether the Mortgage Loans underlying the MBS will prepay at either of those rates or at any other rate. See “Description of the Certificates—Weighted Average Lives of the Certificates” in this prospectus supplement and “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.

Taxation of Beneficial Owners of Residual Certificates

The Holder of a Residual Certificate will be considered to be the holder of the “residual interest” in the related REMIC. Such Holder generally will be required to report its daily portion of the taxable income or net loss of the REMIC to which that Certificate relates. In certain periods, a Holder of a Residual Certificate may be required to recognize taxable income without being entitled to receive a corresponding amount of cash. Pursuant to the Trust Agreement, we will be obligated to provide to the Holder of a Residual Certificate (i) information necessary to enable it to prepare its federal income tax returns and (ii) any reports regarding the Residual Class that may be required under the Code. See “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates” in the REMIC Prospectus.

Taxation of Beneficial Owners of RCR Certificates

The RCR Class 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 Regular Certificates that are exchanged for RCR Certificates set forth in Schedule 1 (including any exchanges effective on the Settlement Date) will be the assets of the trust, and the RCR

Certificates will represent an ownership interest of the underlying Regular Certificates. For a general discussion of the federal income tax treatment of beneficial owners of Regular Certificates, see “Material Federal Income Tax Consequences” in the REMIC Prospectus.

Generally, the ownership interest represented by an RCR certificate will be one of two types. A certificate of a Combination RCR Class (a “Combination RCR Certificate”) will represent beneficial ownership of undivided interests in one or more underlying Regular Certificates. A certificate of a Strip RCR Class (a “Strip RCR Certificate”) will represent the right to receive a disproportionate part of the principal or interest payments on one or more underlying Regular Certificates. All of the RCR Certificates are Combination RCR Certificates. See “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of RCR Certificates” in the REMIC Prospectus for a general discussion of the federal income tax treatment of beneficial owners of RCR Certificates.

Tax Audit Procedures

The Bipartisan Budget Act of 2015, which was enacted on November 2, 2015, repeals and replaces the rules applicable to certain administrative and judicial proceedings regarding a REMIC’s tax affairs, effective beginning with the 2018 taxable year. Under the new rules, a partnership, including for this purpose a REMIC, appoints one person to act as its sole representative in connection with IRS audits and related procedures. In the case of a REMIC, the representative’s actions, including the representative’s agreeing to adjustments to taxable income, will bind Residual Owners to a greater degree than would actions of the tax matters partner (“TMP”) under current rules. See “*Material Federal Income Tax Consequences—Reporting and Other Administrative Matters*” in the REMIC Prospectus for a discussion of the TMP. Further, an adjustment to the REMIC’s taxable income following an IRS audit may have to be taken into account by those Residual Owners in the year in which the adjustment is made rather than in the year to which the adjustment relates, and otherwise in different and potentially less advantageous ways than under current rules. In some cases, a REMIC could itself be liable for taxes on income adjustments, although it is anticipated that each REMIC will seek to follow procedures in the new rules to avoid entity-level liability to the extent it otherwise may be imposed. The new rules, which will apply to both existing and future REMICs, are complex and likely will be clarified and possibly revised before going into effect. Residual Owners should discuss with their own tax advisors the possible effect of the new rules on them.

Foreign Investors

In IRS Notice 2015-66, the IRS announced on September 18, 2015 its intention to push back the start date of FATCA withholding on gross proceeds from the sale or other disposition of any property of a type that can produce interest from U.S. sources. Under this published guidance, a 30-percent United States withholding tax (“FATCA withholding”) will apply to gross proceeds from the sale or other disposition of a Regular Certificate beginning on January 1, 2019 that are paid to a non-U.S. entity that is a “financial institution” and fails to comply with certain reporting and other requirements or to a non-U.S. entity that is not a “financial institution” but fails to disclose the identity of its direct or indirect “substantial U.S. owners” or to certify that it has no such owners. FATCA withholding currently applies to payments treated as interest on a Regular Certificate paid to such persons. Various exceptions may apply. You should consult your own tax advisor regarding the potential application and impact of this withholding tax based on your particular circumstances. See “Material Federal Income Tax Consequences—Foreign Investors” in the REMIC Prospectus.

PLAN OF DISTRIBUTION

We are obligated to deliver the Certificates to BNP Paribas Securities Corp. (the “Dealer”) in exchange for the 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.

CREDIT RISK RETENTION

The Certificates satisfy the requirements of the Credit Risk Retention Rule (12 C.F.R. Part 1234) jointly promulgated by the Federal Housing Finance Agency (“FHFA”), the SEC and several other federal agencies. In accordance with 12 C.F.R. 1234.8(a), (i) the Certificates are fully guaranteed as to timely payment of principal and interest by Fannie Mae and (ii) Fannie Mae is operating under the conservatorship of FHFA with capital support from the United States.

LEGAL MATTERS

Katten Muchin Rosenman LLP will provide legal representation for Fannie Mae. K&L Gates LLP will provide legal representation for the Dealer.

Exhibit A

**Assumed Characteristics of the Mortgage Loans Underlying the ARM MBS
(As of July 1, 2016)**

| Issue Date Unpaid Principal Balance | Net Mortgage Rate* (%) | Mortgage Rate (%) | Original Term (in months) | Remaining Term to Maturity (in months) | Loan Age (in months) | Margin (%) | Initial Rate Cap (%) | Periodic Rate Cap (%) | Lifetime Rate Cap (%) | Lifetime Rate Floor (%) | Months to Rate Change | Rate Reset Frequency (in months) | Payment Reset Frequency (in months) | Remaining Interest Only Period (in months) | Index** |
|--|---------------------------------------|----------------------------------|--|---|---------------------------------|-----------------------|---|--|--|--|--------------------------------------|---|--|---|------------------|
| \$10,398,474.69 | 2.547 | 3.017 | 360 | 278 | 82 | 2.250 | *** | 2.000 | 9.5029 | 2.250 | 2 | 12 | 12 | 38 | WSJ 1 Year LIBOR |
| 456,527.67 | 2.785 | 3.322 | 360 | 283 | 77 | 2.245 | *** | 2.000 | 9.1542 | 2.245 | 7 | 12 | 12 | 43 | WSJ 1 Year LIBOR |
| 2,973,969.72 | 2.654 | 3.279 | 360 | 283 | 77 | 2.250 | *** | 2.000 | 9.2204 | 2.250 | 7 | 12 | 12 | 43 | WSJ 1 Year LIBOR |
| 2,006,659.07 | 2.863 | 3.368 | 360 | 302 | 58 | 2.274 | *** | 2.000 | 8.3823 | 2.274 | 2 | 12 | 12 | 62 | WSJ 1 Year LIBOR |
| 2,239,166.75 | 2.477 | 3.017 | 360 | 301 | 59 | 2.250 | 5.000 | 2.000 | 7.8580 | 2.250 | 3 | 12 | 12 | 61 | WSJ 1 Year LIBOR |
| 30,825,584.16 | 2.754 | 3.274 | 360 | 281 | 79 | 2.263 | *** | 2.000 | 9.2915 | 2.263 | 7 | 12 | 12 | 41 | WSJ 1 Year LIBOR |
| 38,198,862.15 | 2.853 | 3.352 | 360 | 287 | 73 | 2.259 | *** | 2.000 | 8.8877 | 2.259 | 8 | 12 | 12 | 47 | WSJ 1 Year LIBOR |

* The “Net Mortgage Rate” of a Hybrid ARM Loan is equal to its then current interest rate *less* the sum of the related servicing fee and our guaranty fee (expressed in each case as an annual percentage).

** For a description of the Index, see “The Mortgage Loans—Adjustable-Rate Mortgage Loans (ARM Loans)—*ARM Indices*” in the MBS Prospectus.

*** We have assumed that all applicable initial fixed-rate periods have expired and that all initial rate adjustments have occurred.

**Expected ARM MBS
(As of July 1, 2016)**

The pool numbers of the adjustable-rate MBS expected to be included in the Trust are listed below:

| Pool Number | Issue Date Unpaid Principal Balance |
|--------------------|--|
| AC2560 | \$10,398,474.69 |
| AD0905 | 456,527.67 |
| AD2226 | 2,973,969.72 |
| AI4060 | 2,006,659.07 |
| AJ0970 | 2,239,166.75 |
| AL7565 | 30,825,584.16 |
| AL8650 | 38,198,862.15 |

Schedule 1

Available Recombination(1)

| REMIC Certificates | | RCR Certificates | | | | | | Final Distribution Date |
|--------------------|----------------------|------------------|---------------------|----------------------|------------------|---------------------|-----------------|-------------------------------|
| Classes | Original Balances | RCR Class | Original Balance | Principal Type(2) | Interest Rate | Interest Type(2) | CUSIP Number | |
| Recombination 1 | | | | | | | | |
| L | \$59,508,000 | LA | \$67,326,000 | SEQ/AD | 2.5% | FIX | 3136ATAC8 | July 2041 |
| LP | 7,818,000 | | | | | | | |

- (1) REMIC Certificates and RCR Certificates in each Recombination may be exchanged only in the proportions of *original* principal or notional principal balances for the related Classes shown in this Schedule 1 (disregarding any retired Classes). For example, if a particular Recombination includes two REMIC Classes and one RCR Class whose *original* principal balances shown in the schedule reflect a 1:1:2 relationship, the same 1:1:2 relationship among the *original* principal balances of those REMIC and RCR Classes must be maintained in any exchange. This is true even if, as a result of the applicable payment priority sequence, the relationship between their *current* principal balances has changed over time. Moreover, if as a result of a proposed exchange, a Certificateholder would hold a REMIC Certificate or RCR Certificate of a Class in an amount less than the applicable minimum denomination for that Class, the Certificateholder will be unable to effect the proposed exchange. See “Description of the Certificates—General— *Authorized Denominations*” in this prospectus supplement.
- (2) See “Description of the Certificates—Class Definitions and Abbreviations” in the REMIC Prospectus.

No one is authorized to give information or to make representations in connection with the Certificates other than the information and representations contained in or incorporated into this Prospectus Supplement and the additional Disclosure Documents. We take no responsibility for 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.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the Certificates or determined if this Prospectus Supplement is truthful and complete. Any representation to the contrary is a criminal offense.

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\$166,899,164



**Guaranteed REMIC
Pass-Through Certificates
Fannie Mae REMIC Trust 2016-58**

PROSPECTUS SUPPLEMENT

BNP PARIBAS

July 25, 2016
