

\$356,463,964



FannieMae®

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2017-109**

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.

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

Carefully consider the risk factors on page S-7 of this prospectus supplement and 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.

Class	Group	Original Class Balance	Principal Type(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date
SM ...	1	\$ 21,330,187(2)	NTL	(3)	INV/IO	3136B0QN9	January 2048
SJ ...	1	25,329,490(2)	NTL	(3)	INV/IO	3136B0QP4	January 2048
FM ...	1	46,659,677	PT	(3)	FLT	3136B0QQ2	January 2048
JD ...	1	40,554,430	PAC	2.725%	FIX	3136B0QR0	June 2046
JI ...	1	2,478,326(2)	NTL	4.500	FIX/IO	3136B0QS8	June 2046
JL ...	1	5,488,219	PAC	3.000	FIX	3136B0QT6	January 2048
LF(4) ..	1	9,702,154	SUP	(3)	FLT	3136B0QU3	January 2048
LS(4) ..	1	6,468,102	SUP	(3)	INV	3136B0QV1	January 2048
PT ...	2	47,869,348	PT	2.500	FIX	3136B0QW9	January 2038
IO ...	2	17,951,005(2)	NTL	4.000	FIX/IO	3136B0QX7	January 2038
A(4) ...	3	48,945,000	SEQ	3.500	FIX	3136B0QY5	November 2045
VA(4) ..	3	2,216,000	SEQ/AD	3.500	FIX	3136B0QZ2	April 2029
VN(4) ..	3	2,357,000	SEQ/AD	3.500	FIX	3136B0RA6	October 2037
AZ(4) ..	3	4,621,710	SEQ	3.500	FIX/Z	3136B0RB4	January 2048
AI ...	3	7,267,463(2)	NTL	4.000	FIX/IO	3136B0RC2	January 2048
LA ...	4	101,130,231	PT	3.000	FIX	3136B0RD0	January 2048
FA ...	4	40,452,093	PT	(3)	FLT	3136B0RE8	January 2048
SA ...	4	40,452,093(2)	NTL	(3)	INV/IO	3136B0RF5	January 2048
R ...		0	NPR	0	NPR	3136B0RG3	January 2048
RL ...		0	NPR	0	NPR	3136B0RH1	January 2048

- (1) See “Description of the Certificates—Class Definitions and Abbreviations” in the REMIC prospectus.
- (2) Notional principal balances. These Classes are interest only classes. See page S-6 for a description of how their notional principal balances are calculated.
- (3) Based on LIBOR.
- (4) Exchangeable classes.

If you own certificates of certain classes, you can exchange them for certificates of the corresponding RCR classes to be delivered at the time of exchange. The CA, IA, AC, AB, AJ, AK and AY Classes are the RCR classes. For a more detailed description of the RCR classes, 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 December 29, 2017.

Citigroup

The date of this Prospectus Supplement is December 22, 2017

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
AVAILABLE INFORMATION	S- 3	WEIGHTED AVERAGE LIVES OF THE	
SUMMARY	S- 4	CERTIFICATES	S-16
ADDITIONAL RISK FACTORS	S- 7	DECREMENT TABLES	S-16
DESCRIPTION OF THE		CHARACTERISTICS OF THE RESIDUAL	
CERTIFICATES	S- 7	CLASSES	S-19
GENERAL	S- 8	CERTAIN ADDITIONAL FEDERAL	
<i>Structure</i>	S- 8	INCOME TAX CONSEQUENCES ..	S-19
<i>Fannie Mae Guaranty</i>	S- 8	REMIC ELECTIONS AND SPECIAL TAX	
<i>Characteristics of Certificates</i>	S- 8	ATTRIBUTES	S-20
<i>Authorized Denominations</i>	S- 9	TAXATION OF BENEFICIAL OWNERS OF	
THE MBS	S- 9	REGULAR CERTIFICATES	S-20
DISTRIBUTIONS OF INTEREST	S- 9	TAXATION OF BENEFICIAL OWNERS OF	
<i>General</i>	S- 9	RESIDUAL CERTIFICATES	S-21
<i>Delay Classes and No-Delay</i>		TAXATION OF BENEFICIAL OWNERS OF	
<i>Classes</i>	S-10	RCR CERTIFICATES	S-21
<i>Accrual Class</i>	S-10	TAX AUDIT PROCEDURES	S-21
DISTRIBUTIONS OF PRINCIPAL	S-10	FOREIGN INVESTORS	S-22
STRUCTURING ASSUMPTIONS	S-11	ADDITIONAL ERISA	
<i>Pricing Assumptions</i>	S-11	CONSIDERATIONS	S-22
<i>Prepayment Assumptions</i>	S-11	PLAN OF DISTRIBUTION	S-23
<i>Principal Balance Schedule</i>	S-11	CREDIT RISK RETENTION	S-23
YIELD TABLES	S-12	EUROPEAN ECONOMIC AREA	
<i>General</i>	S-12	RISK RETENTION	S-23
<i>The Inverse Floating Rate</i>		LEGAL MATTERS	S-25
<i>Classes</i>	S-13	SCHEDULE 1	A- 1
<i>The Fixed Rate Interest Only</i>		PRINCIPAL BALANCE	
<i>Classes</i>	S-14	SCHEDULE	B- 1

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:

Citigroup Global Markets Inc.
Prospectus Department
540 Crosspoint Parkway
Building 2
Attn: Compliance Fulfillment Unit
Getzville, NY 14068
(telephone 1-800-831-9146).

SUMMARY

This summary contains only limited information about the certificates. Statistical information in this summary is provided as of December 1, 2017. 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
3	Group 3 MBS
4	Group 4 MBS

* Includes the Subgroup 1a MBS and the Subgroup 1b MBS

Group 1, Group 2, Group 3 and Group 4

Characteristics of the 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>
Group 1 MBS				
Subgroup 1a	\$ 49,770,437	4.50%	4.75% to 7.00%	241 to 360
Subgroup 1b	\$ 59,102,145	4.50%	4.75% to 7.00%	241 to 360
Group 2 MBS	\$ 47,869,348	4.00%	4.25% to 6.50%	171 to 240
Group 3 MBS	\$ 58,139,710	4.00%	4.25% to 6.50%	241 to 360
Group 4 MBS	\$141,582,324	4.00%	4.25% to 6.50%	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>
Group 1 MBS					
Subgroup 1a	\$ 49,770,437	360	358	2	4.954%
Subgroup 1b	\$ 59,102,145	360	358	1	5.008%
Group 2 MBS	\$ 47,869,348	240	202	34	4.477%
Group 3 MBS	\$ 58,139,710	360	342	4	4.620%
Group 4 MBS	\$141,582,324	360	356	2	4.432%

The actual remaining terms to maturity, loan ages and interest rates of most of the mortgage loans underlying the 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 December 29, 2017.

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:

<u>Fed Book-Entry</u>	<u>Physical</u>
All classes of certificates other than the R and RL Classes	R and RL Classes

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 combinations 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 the initial interest accrual period, the floating rate and inverse floating rate classes will bear interest at the initial interest rates listed below. During each subsequent interest accrual period, the floating rate and inverse floating rate classes will bear interest based on the formulas indicated below, but always subject to the specified maximum and minimum interest rates:

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate(1)</u>
SM	4.82812%	6.200%	0.00%	6.2% – LIBOR
SJ	4.82812%	6.200%	0.00%	6.2% – LIBOR
FM	1.67188%	6.500%	0.30%	LIBOR + 30 basis points
LF	2.32188%	5.000%	0.95%	LIBOR + 95 basis points
LS	4.01718%	6.075%	0.00%	6.075% – (1.5 x LIBOR)
FA	1.85000%	6.500%	0.35%	LIBOR + 35 basis points
SA	4.65000%	6.150%	0.00%	6.15% – LIBOR

(1) We will establish LIBOR on the basis of the “ICE Method.”

Notional Classes

The notional principal balances of the notional classes specified below will equal the percentages of the outstanding balances specified below immediately before the related distribution date:

<u>Class</u>	
SM	42.8571422831% of the Subgroup 1a MBS
SJ	42.8571416486% of the Subgroup 1b MBS
JI	6.1111104262% of the JD Class
IO	37.4999989555% of the PT Class
AI	12.49999871% of the Group 3 MBS
SA	100% of the FA Class
IA	12.5% of the A 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>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>200%</u>	<u>235%</u>	<u>500%</u>	<u>900%</u>
SM	19.9	10.9	7.4	6.6	3.7	2.3
SJ	19.9	11.0	7.5	6.7	3.8	2.4
FM	19.9	11.0	7.4	6.6	3.7	2.3
JD and JI	15.8	6.3	6.3	6.3	3.7	2.4
JL	25.7	19.0	19.0	19.0	10.2	5.6
LF, LS and CA	28.2	20.0	6.3	3.3	1.5	1.0

<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>238%</u>	<u>500%</u>	<u>900%</u>
PT and IO	12.1	6.8	4.5	2.5	1.2

<u>Group 3 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>193%</u>	<u>400%</u>	<u>700%</u>
A, IA, AC, AB, AJ and AK	17.9	8.0	5.3	3.1	2.0
VA	6.0	6.0	6.0	5.2	3.7
VN	15.7	15.7	13.3	7.9	4.9
AZ	28.9	23.3	18.8	11.6	6.9
AI	19.6	10.4	7.3	4.2	2.7
AY	28.9	23.2	17.9	10.4	6.0

<u>Group 4 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>282%</u>	<u>500%</u>	<u>900%</u>
LA, FA and SA	19.6	10.7	5.7	3.7	2.3

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

ADDITIONAL RISK FACTORS

Recent natural disasters may present a risk of increased mortgage loan defaults. In late summer 2017, Hurricane Harvey, Hurricane Irma and Hurricane Maria resulted in catastrophic damage to extensive areas of the Southeastern United States (including coastal Texas and Louisiana and coastal and inland Florida and Georgia), Puerto Rico and the U.S. Virgin Islands. The full extent of the physical damage resulting from the foregoing events, including severe flooding, high winds and environmental contamination, remains uncertain. Thousands of people have been displaced and interruptions in the affected regional economies have been significant. Although the long-term effects are unclear, these events could lead to a general economic downturn in the affected regions, including job losses and declines in real estate values. Accordingly, the rate of defaults on mortgage loans in the affected areas may increase. Any such increase will result in early payments of principal to holders of certificates (and early decreases in notional principal balances of interest only certificates) backed by MBS with underlying mortgage loans secured by properties in the affected areas.

Uncertainty as to the determination of LIBOR and the potential phasing out of LIBOR after 2021 may adversely affect the value of certain certificates. On July 27, 2017, regulatory authorities in the United Kingdom announced their intention to stop persuading or compelling banks to submit LIBOR rates after 2021. Accordingly, it is uncertain whether ICE will continue to quote LIBOR after 2021. Efforts to identify a set of alternative U.S. dollar reference interest rates

include proposals by the Alternative Reference Rates Committee of the Federal Reserve Board and the Federal Reserve Bank of New York. At present, we are unable to predict the effect of any alternative reference rates that may be established or any other reforms to LIBOR that may be adopted in the United Kingdom, in the U.S. or elsewhere. Uncertainty as to the nature of such potential changes, alternative reference rates or other reforms may adversely affect the trading market for LIBOR-based securities, including certificates with interest rates that adjust based on LIBOR. Moreover, any future reform, replacement or disappearance of LIBOR may adversely affect the value of and return on the affected certificates.

As discussed in the REMIC Prospectus under “Risk Factors—Risks Relating to Yield and Prepayment—*Intercontinental Exchange Benchmark Administration is the new LIBOR administrator*,” if we determine that the methods for establishing LIBOR are no longer viable, we may in our discretion designate an alternative method or, if appropriate, an alternative index for the determination of monthly interest rates on the floating rate and inverse floating rate classes. We will designate any alternative method or index taking into account general comparability and other factors. In addition, we may apply an adjustment factor to any designated alternative index as deemed appropriate to better achieve comparability and otherwise in keeping with industry-accepted practices. However, we can provide no assurance that any such alternative will yield the same or similar economic results over the lives of the related classes.

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 December 1, 2017 (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 four groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 1 MBS,” “Group 2 MBS,” “Group 3 MBS” and “Group 4 MBS,” and together, the “MBS”).

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

The Trust will include the “Lower Tier REMIC” and “Upper Tier REMIC” as “real estate mortgage investment conduits” (each, a “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 interests” of each REMIC. The REMIC Certificates other than the R and RL Classes are collectively referred to as the “Regular Classes” or “Regular Certificates,” and the R and RL Classes are collectively referred to as the “Residual Classes” or “Residual Certificates.”

REMIC Designation	Assets	Regular Interests	Residual Interest
Lower Tier REMIC	MBS	Interests in the Lower Tier REMIC other than the RL Class (the “Lower Tier Regular Interests”)	RL
Upper Tier REMIC	Lower Tier Regular Interests	All Classes of REMIC Certificates other than the R and RL Classes	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 Certificates in fully registered, certificated form. The “Holder” or “Certificateholder” of a Residual Certificate is its registered owner. A 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 a Residual Certificate and may require payment to cover any tax or other governmental charge. See also “—Characteristics of the Residual Classes” below.

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

<u>Classes</u>	<u>Denominations</u>
Interest Only and Inverse Floating Rate Classes	\$100,000 minimum plus whole dollar increments
All other Classes (except the R and RL Classes)	\$1,000 minimum plus whole dollar increments

The MBS

The MBS provide that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the 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 in the case of the Group 1 MBS, Group 3 MBS and Group 4 MBS; and up to 20 years in the case of the Group 2 MBS.

In addition, the Mortgage Loans backing the Group 3 MBS have been refinanced under Fannie Mae Refi Plus and are designated as “high loan-to-value ratio” loans, with loan-to-value ratios ranging from greater than 105% up to 125% at the time of refinance. These loans are targeted at borrowers who have demonstrated an acceptable payment history on their mortgage loans but may have been unable to refinance due to a decline in home prices or the unavailability of mortgage insurance. Fannie Mae Refi Plus refinancing is available only if the new mortgage loan either reduces the monthly principal and interest payment for the borrower or provides a more stable loan product (such as movement from an adjustable-rate loan to a fixed rate loan). For more information on the Home Affordable Refinance Program, see “The Mortgage Loans—High Loan-to-Value Mortgage Loans” in the MBS Prospectus dated June 1, 2016 and on our Web site at www.fanniemae.com. See also “Risk Factors—Risks Relating to Yield and Prepayment—*Mortgage loans with loan-to-value ratios greater than 80% may have different prepayment and default characteristics than conforming mortgage loans generally*” in the MBS Prospectus dated June 1, 2016.

For additional information, see “Summary—Group 1, Group 2, Group 3 and Group 4—Characteristics of the 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 Floating Rate and Inverse Floating Rate Classes will bear interest at interest rates 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 and “Additional Risk Factors—*Uncertainty as to the determination of LIBOR and the potential phasing out of LIBOR after 2021 may adversely affect the value of certain certificates*” in this prospectus supplement.

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>
Fixed Rate Classes and the LF and LS Classes	SM, SJ, FM, FA and SA Classes

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

Accrual Class. The AZ 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.

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*

42.8571422831% of the Subgroup 1a Principal Distribution Amount and 42.8571416486% of the Subgroup 1b Principal Distribution Amount to FM until retired. } Pass-Through Class

57.1428577169% of the Subgroup 1a Principal Distribution Amount and 57.1428583514% of the Subgroup 1b Principal Distribution Amount as follows:

first, to the Aggregate Group to its Planned Balance;	} PAC Group
second, to LF and LS, pro rata, until retired; and	} Support Classes
third, to the Aggregate Group to zero.	} PAC Group

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

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

The “Aggregate Group” consists of the JD and JL Classes. On each Distribution Date, we will apply payments of principal of the Aggregate Group to JD and JL, in that order, until retired.

The Aggregate Group has a principal balance equal to the aggregate principal balance of the Classes included in the Aggregate Group.

- *Group 2*

The Group 2 Principal Distribution Amount to PT until retired. } Pass-Through Class

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

- *Group 3*

The AZ Accrual Amount to VA and VN, in that order, until retired and thereafter to AZ. } Accretion Directed Classes and Accrual Class

The Group 3 Cash Flow Distribution Amount to A, VA, VN and AZ, in that order, until retired. } Sequential Pay Classes

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

The “Group 3 Cash Flow Distribution Amount” is the principal then paid on the Group 3 MBS.

• *Group 4*

The Group 4 Principal Distribution Amount to LA and FA, pro rata, until retired. } Pass-Through Classes

The “Group 4 Principal Distribution Amount” is the principal then paid on the Group 4 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 Mortgage Loans underlying the MBS have the original terms to maturity, remaining terms to maturity, loan ages and interest rates specified under “Summary—Group 1, Group 2, Group 3 and Group 4—Assumed Characteristics of the Underlying Mortgage Loans” in this prospectus supplement;
- the Mortgage Loans prepay at the constant percentages of PSA specified in the related tables;
- the settlement date for the Certificates is December 29, 2017; 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 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 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* PSA rate or at any other *constant* rate.

Principal Balance Schedule. The Principal Balance Schedule for the Aggregate Group is set forth beginning on page B-1 of this prospectus supplement. The Principal Balance Schedule was prepared based on the Pricing Assumptions and the assumption that the related Mortgage Loans prepay at a *constant* rate within the “Structuring Range” specified in the chart below. The “Effective Range” for the Aggregate Group is the range of prepayment rates (measured by *constant* PSA rates) that would reduce the Aggregate Group to its scheduled balance each month based on the Pricing Assumptions. We have not provided separate schedules for the individual Classes included in the Aggregate Group. However, those Classes are designed to receive principal distributions in the same fashion as if separate schedules had been provided (with schedules based on the same underlying assumptions that apply to the Aggregate Group schedule). If such separate schedules had been provided for the individual Classes included in the Aggregate Group, we expect that the effective ranges for those Classes would not be narrower than that shown below for the Aggregate Group.

<u>Group</u>	<u>Structuring Range</u>	<u>Initial Effective Range</u>
Aggregate Group Planned Balances	Between 100% and 235% PSA	Between 100% and 235% PSA

The Aggregate Group consists of the JD and JL Classes.

See “—Decrement Tables” below for the percentages of original principal balances of the individual Classes included in the Aggregate Group that would be outstanding at various *constant* PSA rates, including the upper and lower bands of the Structuring Range, based on the Pricing Assumptions.

We cannot assure you that the balance of the Aggregate Group will conform on any Distribution Date to the balance specified in the Principal Balance Schedule or that distributions of principal of the Aggregate Group will begin or end on the Distribution Dates specified in the Principal Balance Schedule.

If you are considering the purchase of a PAC Class, you should first take into account the considerations set forth below.

- We will distribute any excess of principal distributions over the amount necessary to reduce the Aggregate Group to its scheduled balance in any month. As a result, the likelihood of reducing the Aggregate Group to its scheduled balance each month will not be improved by the averaging of high and low principal distributions from month to month.
- Even if the related Mortgage Loans prepay at rates falling within the Structuring Range or Effective Range, principal distributions may be insufficient to reduce the Aggregate Group to its scheduled balance each month if prepayments do not occur at a *constant* PSA rate.
- The actual Effective Range 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. As a result, the actual Effective Range will likely differ from the Initial Effective Range specified above. For the same reason, the Aggregate Group might not be reduced to its scheduled balance each month even if the related Mortgage Loans prepay at a *constant* PSA rate within the Initial Effective Range. This is so particularly if the rate falls at the lower or higher end of the range.
- The actual Effective Range may narrow, widen or shift upward or downward to reflect actual prepayment experience over time.
- The principal payment stability of the Aggregate Group will be supported by other Classes. When the related supporting Classes are retired, the Aggregate Group, if still outstanding, may no longer have an Effective Range and will be much more sensitive to prepayments of the related Mortgage Loans.

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 and, where specified, to changes in the Index. **The tables below are provided for illustrative purposes only and are not intended as a forecast or prediction of the actual yields on the applicable Classes.** 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 the assumed streams of cash flows to equal the assumed aggregate purchase prices of those Classes, and
- converting the 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 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.

In addition, it is unlikely that the Index will correspond to the levels shown here. Furthermore, because some of the Mortgage Loans 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 (or notional principal balance reductions) on the Certificates are likely to differ from those assumed. This would be the case even if all Mortgage Loans prepay at the indicated constant percentages of PSA. Moreover, it is unlikely that

- the Mortgage Loans will prepay at a constant PSA rate until maturity,
- all of the Mortgage Loans will prepay at the same rate, or
- the level of the Index will remain constant.

The Inverse Floating Rate Classes. The yields on the Inverse Floating Rate Classes will be sensitive in varying degrees to the rate of principal payments (including prepayments) of the related Mortgage Loans and to the level of the Index. The Mortgage Loans generally can be prepaid at any time without penalty. In addition, the rate of principal payments (including prepayments) of the related Mortgage Loans is likely to vary, and may vary considerably, from pool to pool. As illustrated in the applicable tables below, it is possible that investors in the SM, SJ and SA Classes would lose money on their initial investments under certain Index and prepayment scenarios.

Changes in the Index may not correspond to changes in prevailing mortgage interest rates. It is possible that lower prevailing mortgage interest rates, which might be expected to result in faster prepayments, could occur while the level of the Index increased.

The information shown in the following yield tables has been prepared on the basis of the Pricing Assumptions and the assumptions that

- the interest rates for the Inverse Floating Rate Classes for the initial Interest Accrual Period are the rates listed in the table under “Summary—Interest Rates” in this prospectus supplement and for each following Interest Accrual Period will be based on the specified levels of the Index, and
- the aggregate purchase prices of those Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
SM	28.20%
SJ	19.60%
LS	97.30%
SA	23.00%

* The prices do not include accrued interest. Accrued interest has been added to the prices in calculating the yields set forth in the tables below.

In the following yield tables, the symbol * is used to represent a yield of less than (99.9)%.

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

LIBOR	PSA Prepayment Assumption					
	50%	100%	200%	235%	500%	900%
0.69000%	15.2%	12.6%	7.2%	5.2%	(9.8)%	(34.3)%
1.37188%	12.5%	9.8%	4.3%	2.4%	(12.9)%	(37.9)%
3.37188%	4.0%	1.2%	(4.4)%	(6.4)%	(22.2)%	(48.9)%
5.37188%	(7.5)%	(10.2)%	(15.9)%	(17.9)%	(34.0)%	(62.9)%
6.20000%	*	*	*	*	*	*

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

LIBOR	PSA Prepayment Assumption					
	50%	100%	200%	235%	500%	900%
0.69000%	25.1%	22.6%	17.5%	15.7%	1.8%	(20.3)%
1.37188%	21.2%	18.6%	13.5%	11.6%	(2.6)%	(25.4)%
3.37188%	9.5%	6.8%	1.4%	(0.6)%	(15.8)%	(40.8)%
5.37188%	(4.7)%	(7.4)%	(13.0)%	(15.0)%	(31.1)%	(59.1)%
6.20000%	*	*	*	*	*	*

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

LIBOR	PSA Prepayment Assumption					
	50%	100%	200%	235%	500%	900%
0.69000%	5.3%	5.3%	5.6%	5.9%	6.8%	7.7%
1.37188%	4.2%	4.2%	4.6%	4.9%	5.8%	6.7%
3.37188%	1.1%	1.2%	1.5%	1.9%	2.9%	3.8%
4.05000%	0.1%	0.1%	0.4%	0.8%	1.9%	2.8%

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

LIBOR	PSA Prepayment Assumption				
	50%	100%	282%	500%	900%
0.75%	19.5%	16.9%	7.2%	(5.0)%	(28.7)%
1.50%	15.8%	13.2%	3.3%	(9.1)%	(33.4)%
3.50%	5.7%	2.9%	(7.3)%	(20.3)%	(46.6)%
5.50%	(8.0)%	(10.7)%	(21.1)%	(34.5)%	(63.3)%
6.15%	*	*	*	*	*

The Fixed Rate Interest Only Classes. The yields to investors in the Fixed Rate Interest Only Classes will be very sensitive to the rate of principal payments (including prepayments) of the related Mortgage Loans. The Mortgage Loans generally can be prepaid at any time without penalty. On the basis of the assumptions described below,

the yield to maturity on each Fixed Rate Interest Only Class would be 0% if prepayments of the related Mortgage Loans were to occur at the following constant rates:

<u>Class</u>	<u>% PSA</u>
JI	341%
IO	235%
AI	237%
IA	219%

For any Fixed Rate Interest Only Class, if the actual prepayment rate of the related Mortgage Loans were to exceed the level specified for as little as one month while equaling that level for the remaining months, the investors in the applicable Class would lose money on their initial investments.

The information shown in the following yield tables has been prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase prices of the Fixed Rate Interest Only Classes (expressed in each case as a percentage of the original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
JI	22.00%
IO	18.00%
AI	25.00%
IA	19.00%

* The prices do not include accrued interest. Accrued interest has been added to the prices in calculating the yields set forth in the tables below.

Sensitivity of the JI Class to Prepayments

	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>235%</u>	<u>500%</u>	<u>900%</u>
Pre-Tax Yields to Maturity	11.9%	6.1%	6.1%	6.1%	(11.3)%	(39.6)%

Sensitivity of the IO Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>238%</u>	<u>500%</u>	<u>900%</u>
Pre-Tax Yields to Maturity	12.3%	9.1%	(0.2)%	(19.1)%	(52.8)%

Sensitivity of the AI Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>193%</u>	<u>400%</u>	<u>700%</u>
Pre-Tax Yields to Maturity	10.5%	7.8%	2.5%	(9.6)%	(28.5)%

Sensitivity of the IA Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>193%</u>	<u>400%</u>	<u>700%</u>
Pre-Tax Yields to Maturity	14.8%	10.9%	2.5%	(18.5)%	(48.0)%

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 sequences of distributions of principal of the Group 1 and Group 3 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 PSA rates, 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 Class under 0% PSA, however, we assumed that the Mortgage Loans have the original and remaining terms to maturity and bear interest at the annual rates specified in the table below.

<u>Mortgage Loans Backing Trust Assets Specified Below</u>	<u>Original and Remaining Terms to Maturity</u>	<u>Interest Rates</u>
Group 1 MBS	360 months	7.00%
Group 2 MBS	240 months	6.50%
Group 3 MBS	360 months	6.50%
Group 4 MBS	360 months	6.50%

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* PSA level.

In addition, the diverse remaining terms to maturity of the Mortgage Loans could produce slower or faster principal distributions than indicated in the tables at the specified constant PSA rates, even if the 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	SM† Class						SJ† Class						FM Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	200%	235%	500%	900%	0%	100%	200%	235%	500%	900%	0%	100%	200%	235%	500%	900%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
December 2018	99	97	95	95	90	83	99	97	96	95	91	85	99	97	95	95	91	84
December 2019	98	91	86	84	70	51	98	92	87	85	72	54	98	92	86	85	71	53
December 2020	97	84	74	71	49	24	97	85	75	72	50	25	97	85	75	72	50	25
December 2021	95	78	64	60	34	11	95	78	65	61	34	11	95	78	65	60	34	11
December 2022	94	72	56	51	23	5	94	72	56	51	24	5	94	72	56	51	23	5
December 2023	93	66	48	42	16	2	93	67	48	43	16	2	93	66	48	43	16	2
December 2024	91	61	41	36	11	1	91	61	42	36	11	1	91	61	41	36	11	1
December 2025	89	56	35	30	7	*	89	56	36	30	8	*	89	56	36	30	7	*
December 2026	88	51	30	25	5	*	88	51	31	25	5	*	88	51	30	25	5	*
December 2027	86	47	26	21	3	*	86	47	26	21	4	*	86	47	26	21	3	*
December 2028	84	42	22	17	2	*	84	43	22	18	2	*	84	43	22	18	2	*
December 2029	82	39	19	14	2	*	82	39	19	15	2	*	82	39	19	15	2	*
December 2030	79	35	16	12	1	*	79	35	16	12	1	*	79	35	16	12	1	*
December 2031	77	32	13	10	1	*	77	32	14	10	1	*	77	32	14	10	1	*
December 2032	74	28	11	8	*	*	74	29	12	8	*	*	74	29	11	8	*	*
December 2033	71	25	10	7	*	*	71	26	10	7	*	*	71	26	10	7	*	*
December 2034	68	23	8	5	*	*	68	23	8	6	*	*	68	23	8	5	*	*
December 2035	65	20	7	4	*	*	65	20	7	4	*	*	65	20	7	4	*	*
December 2036	61	18	5	4	*	*	61	18	6	4	*	*	61	18	5	4	*	*
December 2037	57	15	4	3	*	*	57	16	5	3	*	*	57	16	4	3	*	*
December 2038	53	13	4	2	*	*	53	13	4	2	*	*	53	13	4	2	*	*
December 2039	49	11	3	2	*	*	49	12	3	2	*	*	49	11	3	2	*	*
December 2040	44	10	2	1	*	*	44	10	2	1	*	*	44	10	2	1	*	*
December 2041	39	8	2	1	*	0	39	8	2	1	*	0	39	8	2	1	*	0
December 2042	34	6	1	1	*	0	34	6	1	1	*	0	34	6	1	1	*	0
December 2043	28	5	1	1	*	0	28	5	1	1	*	0	28	5	1	1	*	0
December 2044	22	3	1	*	*	0	22	3	1	*	*	0	22	3	1	*	*	0
December 2045	15	2	*	*	*	0	15	2	*	*	*	0	15	2	*	*	*	0
December 2046	8	1	*	*	*	0	8	1	*	*	*	0	8	1	*	*	*	0
December 2047	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average																		
Life (years)**	19.9	10.9	7.4	6.6	3.7	2.3	19.9	11.0	7.5	6.7	3.8	2.4	19.9	11.0	7.4	6.6	3.7	2.3

Date	JD and JI† Classes						JL Class						LF, LS and CA Classes					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	200%	235%	500%	900%	0%	100%	200%	235%	500%	900%	0%	100%	200%	235%	500%	900%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
December 2018	98	95	95	95	95	95	100	100	100	100	100	100	100	100	94	92	76	51
December 2019	97	87	87	87	87	68	100	100	100	100	100	100	100	100	80	73	22	0
December 2020	95	77	77	77	62	24	100	100	100	100	100	100	100	100	62	50	0	0
December 2021	93	67	67	67	39	3	100	100	100	100	100	100	100	100	48	32	0	0
December 2022	91	57	57	57	22	0	100	100	100	100	100	57	100	100	38	18	0	0
December 2023	89	48	48	48	11	0	100	100	100	100	100	25	100	100	30	9	0	0
December 2024	86	40	40	40	3	0	100	100	100	100	100	11	100	100	25	4	0	0
December 2025	84	32	32	32	0	0	100	100	100	100	85	5	100	100	22	1	0	0
December 2026	81	25	25	25	0	0	100	100	100	100	58	2	100	100	20	0	0	0
December 2027	78	19	19	19	0	0	100	100	100	100	39	1	100	99	19	0	0	0
December 2028	75	13	13	13	0	0	100	100	100	100	27	*	100	97	18	0	0	0
December 2029	72	9	9	9	0	0	100	100	100	100	18	*	100	93	17	0	0	0
December 2030	68	5	5	5	0	0	100	100	100	100	12	*	100	89	15	0	0	0
December 2031	64	2	2	2	0	0	100	100	100	100	8	*	100	84	14	0	0	0
December 2032	60	0	0	0	0	0	100	93	93	93	6	*	100	78	13	0	0	0
December 2033	56	0	0	0	0	0	100	76	76	76	4	*	100	73	11	0	0	0
December 2034	51	0	0	0	0	0	100	62	62	62	2	*	100	67	10	0	0	0
December 2035	46	0	0	0	0	0	100	50	50	50	2	*	100	61	9	0	0	0
December 2036	40	0	0	0	0	0	100	40	40	40	1	*	100	55	7	0	0	0
December 2037	34	0	0	0	0	0	100	32	32	32	1	*	100	49	6	0	0	0
December 2038	28	0	0	0	0	0	100	25	25	25	*	*	100	43	5	0	0	0
December 2039	21	0	0	0	0	0	100	20	20	20	*	*	100	37	4	0	0	0
December 2040	14	0	0	0	0	0	100	15	15	15	*	*	100	32	4	0	0	0
December 2041	6	0	0	0	0	0	100	11	11	11	*	*	100	27	3	0	0	0
December 2042	0	0	0	0	0	0	86	8	8	8	*	*	100	21	2	0	0	0
December 2043	0	0	0	0	0	0	20	6	6	6	*	*	100	17	2	0	0	0
December 2044	0	0	0	0	0	0	4	4	4	4	*	0	82	12	1	0	0	0
December 2045	0	0	0	0	0	0	2	2	2	2	*	0	56	7	1	0	0	0
December 2046	0	0	0	0	0	0	1	1	1	1	*	0	29	3	*	0	0	0
December 2047	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average																		
Life (years)**	15.8	6.3	6.3	6.3	3.7	2.4	25.7	19.0	19.0	19.0	10.2	5.6	28.2	20.0	6.3	3.3	1.5	1.0

* 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	PT and IO† Classes				
	PSA Prepayment Assumption				
	0%	100%	238%	500%	900%
Initial Percent	100	100	100	100	100
December 2018	97	90	82	67	44
December 2019	95	81	67	45	19
December 2020	92	72	55	30	8
December 2021	89	64	45	20	4
December 2022	86	57	36	13	2
December 2023	82	50	29	9	1
December 2024	78	44	23	6	*
December 2025	74	38	18	4	*
December 2026	70	32	14	2	*
December 2027	66	27	11	1	*
December 2028	61	22	8	1	*
December 2029	56	17	6	1	*
December 2030	50	13	4	*	*
December 2031	44	9	3	*	*
December 2032	38	6	1	*	*
December 2033	31	3	1	*	*
December 2034	24	0	0	0	0
December 2035	17	0	0	0	0
December 2036	9	0	0	0	0
December 2037	0	0	0	0	0
Weighted Average Life (years)**	12.1	6.8	4.5	2.5	1.2

Date	A, IA†, AC, AB, AJ and AK Classes					VA Class					VN Class					AZ Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	193%	400%	700%	0%	100%	193%	400%	700%	0%	100%	193%	400%	700%	0%	100%	193%	400%	700%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
December 2018	99	95	93	88	81	93	93	93	93	93	100	100	100	100	100	104	104	104	104	104
December 2019	97	88	82	67	48	85	85	85	85	85	100	100	100	100	100	107	107	107	107	107
December 2020	96	80	68	45	19	77	77	77	77	77	100	100	100	100	100	111	111	111	111	111
December 2021	94	72	57	29	3	69	69	69	69	69	100	100	100	100	100	115	115	115	115	115
December 2022	92	65	46	17	0	60	60	60	60	0	100	100	100	100	20	119	119	119	119	119
December 2023	91	58	37	7	0	51	51	51	51	0	100	100	100	100	0	123	123	123	123	73
December 2024	89	51	30	1	0	42	42	42	42	0	100	100	100	100	0	128	128	128	128	41
December 2025	87	45	23	0	0	33	33	33	0	0	100	100	100	39	0	132	132	132	132	23
December 2026	84	40	17	0	0	23	23	23	0	0	100	100	100	0	0	137	137	137	112	13
December 2027	82	34	12	0	0	13	13	13	0	0	100	100	100	0	0	142	142	142	83	7
December 2028	79	29	7	0	0	2	2	2	0	0	100	100	100	0	0	147	147	147	61	4
December 2029	77	25	3	0	0	0	0	0	0	0	92	92	92	0	0	152	152	152	44	2
December 2030	74	20	0	0	0	0	0	0	0	0	81	81	81	0	0	158	158	158	32	1
December 2031	71	16	0	0	0	0	0	0	0	0	70	70	9	0	0	163	163	163	23	1
December 2032	67	13	0	0	0	0	0	0	0	0	59	59	0	0	0	169	169	141	17	*
December 2033	64	9	0	0	0	0	0	0	0	0	47	47	0	0	0	175	175	118	12	*
December 2034	60	6	0	0	0	0	0	0	0	0	35	35	0	0	0	181	181	98	9	*
December 2035	56	3	0	0	0	0	0	0	0	0	22	22	0	0	0	188	188	81	6	*
December 2036	52	*	0	0	0	0	0	0	0	0	9	9	0	0	0	194	194	66	4	*
December 2037	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	199	171	53	3	*
December 2038	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	199	145	43	2	*
December 2039	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	199	121	33	1	*
December 2040	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	199	98	25	1	*
December 2041	26	0	0	0	0	0	0	0	0	0	0	0	0	0	0	199	77	19	1	*
December 2042	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	199	58	13	*	*
December 2043	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	199	40	9	*	*
December 2044	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	199	23	5	*	*
December 2045	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	178	7	1	*	*
December 2046	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	92	0	0	0	0
December 2047	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	17.9	8.0	5.3	3.1	2.0	6.0	6.0	6.0	5.2	3.7	15.7	15.7	13.3	7.9	4.9	28.9	23.3	18.8	11.6	6.9

* 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	AI† Class					AY Class					LA, FA and SA† Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	193%	400%	700%	0%	100%	193%	400%	700%	0%	100%	282%	500%	900%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
December 2018	99	96	94	90	84	100	100	100	100	100	99	97	94	90	83
December 2019	98	90	84	72	56	100	100	100	100	100	98	91	81	70	51
December 2020	96	83	73	54	32	100	100	100	100	100	96	84	66	49	24
December 2021	95	76	63	40	18	100	100	100	100	100	95	77	54	33	11
December 2022	94	70	55	30	10	100	100	100	100	65	94	71	44	23	5
December 2023	92	64	47	22	6	100	100	100	100	37	92	65	36	16	2
December 2024	90	59	41	16	3	100	100	100	100	21	90	60	29	11	1
December 2025	89	54	35	12	2	100	100	100	77	12	89	55	23	7	*
December 2026	87	49	30	9	1	100	100	100	56	7	87	50	19	5	*
December 2027	85	45	26	7	1	100	100	100	41	4	85	46	15	3	*
December 2028	83	41	22	5	*	100	100	100	30	2	83	42	12	2	*
December 2029	80	37	19	4	*	100	100	100	22	1	80	38	10	2	*
December 2030	78	33	16	3	*	100	100	100	16	1	78	34	8	1	*
December 2031	75	30	13	2	*	100	100	84	12	*	75	31	6	1	*
December 2032	73	27	11	1	*	100	100	71	8	*	73	28	5	*	*
December 2033	70	24	9	1	*	100	100	59	6	*	70	25	4	*	*
December 2034	66	21	8	1	*	100	100	49	4	*	66	22	3	*	*
December 2035	63	18	6	*	*	100	100	41	3	*	63	19	2	*	*
December 2036	59	16	5	*	*	100	100	33	2	*	59	17	2	*	*
December 2037	56	14	4	*	*	100	86	27	2	*	56	15	1	*	*
December 2038	52	12	3	*	*	100	73	21	1	*	52	13	1	*	*
December 2039	47	10	3	*	*	100	61	17	1	*	47	11	1	*	*
December 2040	43	8	2	*	*	100	49	13	*	*	43	9	1	*	*
December 2041	38	6	1	*	*	100	39	9	*	*	38	7	*	*	0
December 2042	32	5	1	*	*	100	29	7	*	*	32	6	*	*	0
December 2043	27	3	1	*	*	100	20	4	*	*	27	4	*	*	0
December 2044	21	2	*	*	*	100	12	2	*	*	21	3	*	*	0
December 2045	14	1	*	*	*	90	4	1	*	*	14	2	*	*	0
December 2046	7	0	0	0	0	46	0	0	0	0	7	1	*	*	0
December 2047	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average															
Life (years)**	19.6	10.4	7.3	4.2	2.7	28.9	23.2	17.9	10.4	6.0	19.6	10.7	5.7	3.7	2.3

* 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.

Characteristics of the Residual Classes

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 Elections and Special Tax Attributes

We will make a REMIC election with respect to each 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 Classes will be designated as the “residual interests” in the REMICs 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 Classes, as “qualified mortgages” for other REMICs. See “Material Federal Income Tax Consequences—REMIC Election and Special Tax Attributes” in the REMIC Prospectus.

Notwithstanding the foregoing, the Mortgage Loans backing the Group 3 MBS have loan-to-value ratios at origination ranging from greater than 105% up to 125%. See “Description of the Certificates—The MBS” in this prospectus supplement. A portion of the Group 3 Classes may not be treated as “real estate assets” within the meaning of section 856(c)(5)(B) of the Code. See “Material Federal Income Tax Consequences—Special Tax Attributes” in the MBS Prospectus dated June 1, 2016. Accordingly, special tax considerations may apply to a real estate investment trust that holds a REMIC Certificate of a Group 3 Class, and we may be obligated to provide additional information, pursuant to Regulations under section 6049 of the Code, on those Classes. 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 Classes 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	200% PSA
2	238% PSA
3	193% PSA
4	282% 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 any 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.

Pending legislation generally would require a beneficial owner of a Regular Certificate that uses an accrual method of accounting for tax purposes to include certain amounts in income no later than the time such amounts are reflected on certain financial statements. Although the precise application of this rule is unclear, it might require the accrual of income earlier than is the case under the general tax rules described under “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates” in the REMIC Prospectus. This rule generally would be effective for tax years beginning after December 31, 2017, or for Regular Certificates issued with original issue discount, for tax years beginning after December 31, 2018. Prospective investors in Regular Certificates that use an accrual method of accounting for tax purposes are urged to consult with their tax advisors regarding the potential applicability of this legislation to their particular situations.

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.

Pending legislation generally would deny a deduction for an individual, trust or estate that holds a Residual Certificate of its allocable share of the REMIC’s fees or expenses under Section 212 of the Code for any taxable year beginning after December 31, 2017, and before January 1, 2026. Prospective investors in Residual Certificates are urged to consult with their tax advisors regarding the potential applicability of this legislation to their particular situations.

Taxation of Beneficial Owners of RCR Certificates

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 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. The CA and AY Classes are Classes of Combination RCR Certificates. The remaining RCR Classes are Classes of Strip 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 partnership’s tax affairs, effective beginning with the 2018 taxable year. Under the new rules, a partnership, including for this purpose a REMIC for a taxable year in which it has multiple

Residual Owners, appoints one person to act as its sole representative in connection with IRS audits and related procedures. The representative's actions, including the representative's agreeing to adjustments to taxable income, will bind partners or Residual Owners to a greater degree than would actions of the tax matters partner ("TMP") under the rules in effect prior to the 2018 taxable year. See "Material Federal Income Tax Consequences—Reporting and Other Administrative Matters" in the REMIC Prospectus for a discussion of the TMP. Under the new rules, a REMIC having multiple Residual Owners in a taxable year, unless such REMIC elects otherwise, will be required to pay taxes arising from IRS audit adjustments rather than its Residual Owners. The Trustee, as representative, will have the authority to utilize, and will be directed to utilize, any exceptions available under the new provisions (including changes) and Regulations so that the Residual Owners, to the fullest extent possible, rather than the REMIC itself, will be liable for any taxes arising from audit adjustments to the REMIC's taxable income. 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 taxable year in which the adjustment is made rather than in the taxable year to which the adjustment relates, and otherwise in different and potentially less advantageous ways than under the rules in effect prior to the 2018 taxable year. The new rules apply to existing and future REMICs having multiple Residual Owners in a taxable year. The new rules are complex and may be clarified and possibly revised. Residual Owners should discuss with their own tax advisors the possible effect of the new rules on them.

Foreign Investors

Beginning on January 1, 2019, a 30-percent United States withholding tax ("FATCA withholding") will apply to gross proceeds from the sale or other disposition of a Regular Certificate 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.

ADDITIONAL ERISA CONSIDERATIONS

The following discussion supplements the discussion under "ERISA Considerations" in the REMIC Prospectus regarding important considerations for investors subject to ERISA or section 4975 of the Code. None of Fannie Mae, the Dealer or any of their respective affiliates (collectively, the "Transaction Parties") is undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the acquisition of Certificates by any "plan." In addition, each beneficial owner of Certificates or any interest therein that is a plan, including any fiduciary purchasing the Certificates on behalf of a plan ("Plan Fiduciary"), will be deemed by its acquisition of the Certificates to represent that:

1. If any of the Transaction Parties has provided, or will provide, advice with respect to the acquisition of the Certificates by the plan, it has or will provide advice only to a Plan Fiduciary that is independent of the Transaction Parties giving such advice, if any, and that is one of the following:
 - a bank as defined in Section 202 of the Investment Advisers Act of 1940 (the "Advisers Act"), or a similar institution that is regulated and supervised and subject to periodic examination by a State or federal agency;
 - an insurance carrier that is qualified under the laws of more than one State to perform the services of managing, acquiring or disposing of assets of a plan;

- an investment adviser registered under the Advisers Act or, if not registered as an investment adviser under the Advisers Act by reason of paragraph (1) of Section 203A of the Advisers Act, registered as an investment adviser under the laws of the State in which it maintains its principal office and place of business;
 - a broker-dealer registered under the Exchange Act; or
 - a fiduciary that, for so long as the plan is invested in the Certificates, will have total assets of at least \$50,000,000 under its management or control (provided that this requirement will not be satisfied if the Plan Fiduciary is either (i) the owner or a relative of the owner of an investing IRA or (ii) a participant or beneficiary or a relative of such participant or beneficiary of the plan investing in the Certificates in such capacity).
2. The Plan Fiduciary is capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies, including the acquisition by the plan of the Certificates.
 3. The Plan Fiduciary is a “fiduciary” with respect to the plan within the meaning of section 3(21) of ERISA or section 4975 of the Code, or both, and is responsible for exercising independent judgment in evaluating the plan’s acquisition of the Certificates.
 4. None of the Transaction Parties has exercised any authority to cause the plan to invest in the Certificates or to negotiate the terms of the plan’s investment in the Certificates.
 5. The Plan Fiduciary has been informed by the Transaction Parties:
 - that none of the Transaction Parties is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity in connection with the plan’s acquisition of the Certificates; and
 - of the existence and nature of the Transaction Parties’ financial interests in the plan’s acquisition of the Certificates.

The foregoing representations are intended to comply with the Department of Labor’s Reg. Sections 29 C.F.R. 2510.3-21(a) and (c)(1) as promulgated on April 8, 2016 (81 Fed. Reg. 20,997). If these regulations are revoked, repealed or no longer effective, these representations will be deemed to no longer be in effect.

PLAN OF DISTRIBUTION

We are obligated to deliver the Certificates to Citigroup Global Markets Inc. (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.

EUROPEAN ECONOMIC AREA RISK RETENTION

Prospective investors whose investment activities are subject to investment laws and regulations, regulatory capital requirements or review by regulatory authorities may be subject to restrictions on investment in the certificates. Prospective investors should consult legal, tax and

accounting advisers for assistance in determining the suitability of and consequences of the purchase, ownership and sale of the certificates.

The application of Articles 404-410 of the European Union Capital Requirements Regulation 575/2013 (the “EEA Risk Retention Regulation”) to the certificates transaction (the “Transaction”) is unclear. Our exposure to the credit risk related to the Transaction is in the form of our guaranty obligations on the certificates (the “Guaranty Obligations”). Our Guaranty Obligations represent general unsecured obligations. Obligations similar to our Guaranty Obligations have long been a central feature to our mortgage-backed securities issuance programs and our Guaranty Obligations were undertaken in the ordinary course of our business.

In determining the extent to which the EEA Risk Retention Regulation applies to the Transaction, investors subject to the EEA Risk Retention Regulation may wish to consider the guidance appearing in the European Commission’s regulatory technical standards released March 3, 2014, which provides in relevant part: “Where an entity securitizes its own liabilities, alignment of interest is established automatically, regardless of whether the final debtor collateralizes its debt. Where it is clear that the credit risk remains with the originator the retention of interest by the originator is unnecessary, and would not improve on the pre-existing position.” We will remain fully liable under the Guaranty Obligations.

We do not intend to collateralize any of our credit exposure under the Guaranty Obligations or the certificates.

In order to assist Applicable Investors (as defined below) in evaluating a potential investment in the certificates, we will enter into a letter agreement (the “EEA Risk Retention Letter”) on the settlement date pursuant to which we will irrevocably undertake to the certificateholders that, in connection with Article 405(1) of EU Regulation 575/2013, including the technical standards in relation thereto adopted by the European Commission, and guidelines and other materials published by the European Banking Authority in relation thereto (“Article 405(1)”), as at the origination and on an ongoing basis, so long as any certificates remain outstanding:

- we will, as originator (as such term is defined for the purpose of Article 405(1)), retain a material net economic interest (the “Retained Interest”) in the exposure related to the Transaction of not less than 5%;
- neither we nor our affiliates will sell, hedge or otherwise mitigate our credit risk under or associated with the Retained Interest or the mortgage loans, except to the extent permitted in accordance with Article 405(1); accordingly, neither we nor our affiliates will, through this transaction or any subsequent transactions, enter into agreements that transfer or hedge more than a 95% *pro rata* share of the credit risk corresponding to any of the certificates;
- we will, upon written request and further subject to any applicable duty of confidentiality, provide such information in our possession as may reasonably be required to assist the certificateholders to satisfy the due diligence obligations set forth in Article 406 of EU Regulation 575/2013 as of the settlement date and at any time prior to maturity of the certificates;
- we will confirm to the trustee for reporting to certificateholders our continued compliance with the undertakings set out at the first and second bullet points above (which confirmation may be by email): (i) on a monthly basis; and (ii) following our determination that the performance of the certificates or the risk characteristics of the certificates or of the mortgage loans has materially changed; and
- we will promptly notify the trustee in writing if for any reason: (i) we cease to hold the Retained Interest in accordance with the first bullet point above; or (ii) we or any of our affiliates fails to comply with the covenants set out in the second and third bullet points above in any way.

“Applicable Investor” means each holder of a beneficial interest in any certificates that is (i) an EEA credit institution or investment firm, (ii) an EEA insurer or reinsurer, (iii) an EEA undertaking for collective investment in transferable securities (UCITS) or (iv) an alternative investment fund to which Directive 2011/61/EU applies.

Each prospective investor in the certificates is required independently to assess and determine whether our disclosure regarding risk retention contained in this prospectus supplement and the prospectus is sufficient for purposes of complying with any applicable risk retention requirements. Neither we nor the trustee or any other person makes any representation or provides any assurance to the effect that the information described in this prospectus supplement or in the prospectus is sufficient for such purposes. Each prospective investor in the certificates that is subject to any retention requirements should consult with its own legal, accounting and other advisors and/or its national regulator in determining the extent to which such information is sufficient for such purpose.

LEGAL MATTERS

Katten Muchin Rosenman LLP will provide legal representation for Fannie Mae. Cleary Gottlieb Steen & Hamilton LLP will provide legal representation for the Dealer.

Schedule 1

Available Recombinations(1)

REMIC Certificates		RCR Certificates						
Classes	Original Balances	RCR Classes	Original Balances	Principal Type(2)	Interest Rate	Interest Type(2)	CUSIP Number	Final Distribution Date
Recombination 1								
LF	\$ 9,702,154	CA	\$16,170,256	SUP	3.00%	FIX	3136B0RJ7	January 2048
LS	6,468,102							
Recombination 2								
A	48,945,000	IA	6,118,125(3)	NTL	4.00	FIX/IO	3136B0RK4	November 2045
		AC	48,945,000	SEQ	3.00	FIX	3136B0RL2	November 2045
Recombination 3								
A	48,945,000	IA	3,059,062(3)	NTL	4.00	FIX/IO	3136B0RK4	November 2045
		AB	48,945,000	SEQ	3.25	FIX	3136B0RM0	November 2045
Recombination 4								
A	48,945,000	AC	24,472,500	SEQ	3.00	FIX	3136B0RL2	November 2045
		AJ	24,472,500	SEQ	4.00	FIX	3136B0RN8	November 2045
Recombination 5								
A	48,945,000	AC	32,630,000	SEQ	3.00	FIX	3136B0RL2	November 2045
		AK	16,315,000	SEQ	4.50	FIX	3136B0RP3	November 2045
Recombination 6								
VA	2,216,000	AY(4)	9,194,710	SEQ	3.50	FIX	3136B0RQ1	January 2048
VN	2,357,000							
AZ	4,621,710							

(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.

(3) Notional principal balance. This Class is an Interest Only Class. See page S-6 for a description of how its notional principal balance is calculated.

(4) Principal payments on the REMIC Certificates in Recombination 6 from the AZ Accrual Amount will be paid as interest on the related RCR Certificates, and thus will not reduce the principal balances of those RCR Certificates.

Principal Balance Schedule

Aggregate Group Planned Balances

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
Initial Balance	\$46,042,649.00	August 2022	\$29,913,456.26	April 2027	\$14,768,801.27
January 2018	45,941,351.82	September 2022	29,600,160.48	May 2027	14,548,745.40
February 2018	45,829,417.70	October 2022	29,288,553.16	June 2027	14,331,749.10
March 2018	45,706,881.18	November 2022	28,978,625.54	July 2027	14,117,771.41
April 2018	45,573,782.29	December 2022	28,670,368.91	August 2027	13,906,771.90
May 2018	45,430,166.58	January 2023	28,363,774.57	September 2027	13,698,710.66
June 2018	45,276,085.05	February 2023	28,058,833.92	October 2027	13,493,548.32
July 2018	45,111,594.17	March 2023	27,755,538.37	November 2027	13,291,246.01
August 2018	44,936,755.83	April 2023	27,453,879.38	December 2027	13,091,765.38
September 2018	44,751,637.30	May 2023	27,153,848.45	January 2028	12,895,068.58
October 2018	44,556,311.19	June 2023	26,855,437.14	February 2028	12,701,118.25
November 2018	44,350,855.46	July 2023	26,558,637.04	March 2028	12,509,877.53
December 2018	44,135,353.29	August 2023	26,263,439.77	April 2028	12,321,310.04
January 2019	43,909,893.07	September 2023	25,969,837.04	May 2028	12,135,379.86
February 2019	43,674,568.37	October 2023	25,677,820.54	June 2028	11,952,051.58
March 2019	43,429,477.83	November 2023	25,387,382.06	July 2028	11,771,290.22
April 2019	43,174,725.11	December 2023	25,098,513.39	August 2028	11,593,061.27
May 2019	42,910,418.83	January 2024	24,811,206.39	September 2028	11,417,330.68
June 2019	42,636,672.49	February 2024	24,525,452.95	October 2028	11,244,064.83
July 2019	42,353,604.40	March 2024	24,241,245.00	November 2028	11,073,230.57
August 2019	42,061,337.56	April 2024	23,958,574.51	December 2028	10,904,795.14
September 2019	41,759,999.63	May 2024	23,677,433.51	January 2029	10,738,726.27
October 2019	41,449,722.79	June 2024	23,397,814.04	February 2029	10,574,992.06
November 2019	41,130,643.66	July 2024	23,119,708.21	March 2029	10,413,561.06
December 2019	40,802,903.22	August 2024	22,843,108.16	April 2029	10,254,402.22
January 2020	40,466,646.68	September 2024	22,568,006.06	May 2029	10,097,484.91
February 2020	40,122,023.38	October 2024	22,294,394.14	June 2029	9,942,778.90
March 2020	39,769,186.68	November 2024	22,022,264.65	July 2029	9,790,254.34
April 2020	39,408,293.87	December 2024	21,751,609.90	August 2029	9,639,881.79
May 2020	39,043,973.10	January 2025	21,482,422.22	September 2029	9,491,632.20
June 2020	38,681,605.44	February 2025	21,214,694.00	October 2029	9,345,476.89
July 2020	38,321,180.75	March 2025	20,948,417.64	November 2029	9,201,387.56
August 2020	37,962,688.96	April 2025	20,683,585.61	December 2029	9,059,336.30
September 2020	37,606,120.05	May 2025	20,420,190.41	January 2030	8,919,295.54
October 2020	37,251,464.05	June 2025	20,158,224.56	February 2030	8,781,238.10
November 2020	36,898,711.05	July 2025	19,897,680.65	March 2030	8,645,137.13
December 2020	36,547,851.17	August 2025	19,638,551.28	April 2030	8,510,966.16
January 2021	36,198,874.60	September 2025	19,380,829.10	May 2030	8,378,699.06
February 2021	35,851,771.58	October 2025	19,124,506.81	June 2030	8,248,310.03
March 2021	35,506,532.38	November 2025	18,869,577.12	July 2030	8,119,773.63
April 2021	35,163,147.35	December 2025	18,616,032.79	August 2030	7,993,064.74
May 2021	34,821,606.87	January 2026	18,363,866.64	September 2030	7,868,158.59
June 2021	34,481,901.37	February 2026	18,113,071.48	October 2030	7,745,030.73
July 2021	34,144,021.34	March 2026	17,863,640.21	November 2030	7,623,657.02
August 2021	33,807,957.30	April 2026	17,615,565.73	December 2030	7,504,013.64
September 2021	33,473,699.84	May 2026	17,368,840.98	January 2031	7,386,077.11
October 2021	33,141,239.59	June 2026	17,123,458.95	February 2031	7,269,824.23
November 2021	32,810,567.23	July 2026	16,879,412.67	March 2031	7,155,232.12
December 2021	32,481,673.47	August 2026	16,636,695.17	April 2031	7,042,278.21
January 2022	32,154,549.11	September 2026	16,395,299.57	May 2031	6,930,940.21
February 2022	31,829,184.95	October 2026	16,155,218.97	June 2031	6,821,196.13
March 2022	31,505,571.87	November 2026	15,916,446.56	July 2031	6,713,024.29
April 2022	31,183,700.77	December 2026	15,680,459.02	August 2031	6,606,403.27
May 2022	30,863,562.63	January 2027	15,447,744.20	September 2031	6,501,311.94
June 2022	30,545,148.46	February 2027	15,218,258.33	October 2031	6,397,729.47
July 2022	30,228,449.30	March 2027	14,991,958.22	November 2031	6,295,635.28

Aggregate Group (Continued)

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
December 2031	\$ 6,195,009.07	November 2036	\$ 2,255,692.04	October 2041	\$ 657,949.56
January 2032	6,095,830.82	December 2036	2,214,473.54	November 2041	641,908.96
February 2032	5,998,080.76	January 2037	2,173,882.66	December 2041	626,136.07
March 2032	5,901,739.39	February 2037	2,133,910.57	January 2042	610,626.99
April 2032	5,806,787.47	March 2037	2,094,548.57	February 2042	595,377.83
May 2032	5,713,206.00	April 2037	2,055,788.08	March 2042	580,384.76
June 2032	5,620,976.25	May 2037	2,017,620.63	April 2042	565,644.04
July 2032	5,530,079.74	June 2037	1,980,037.85	May 2042	551,151.93
August 2032	5,440,498.22	July 2037	1,943,031.50	June 2042	536,904.77
September 2032	5,352,213.69	August 2037	1,906,593.46	July 2042	522,898.95
October 2032	5,265,208.39	September 2037	1,870,715.69	August 2042	509,130.91
November 2032	5,179,464.78	October 2037	1,835,390.29	September 2042	495,597.13
December 2032	5,094,965.59	November 2037	1,800,609.45	October 2042	482,294.15
January 2033	5,011,693.73	December 2037	1,766,365.46	November 2042	469,218.54
February 2033	4,929,632.39	January 2038	1,732,650.73	December 2042	456,366.95
March 2033	4,848,764.93	February 2038	1,699,457.76	January 2043	443,736.03
April 2033	4,769,074.98	March 2038	1,666,779.17	February 2043	431,322.53
May 2033	4,690,546.35	April 2038	1,634,607.64	March 2043	419,123.19
June 2033	4,613,163.08	May 2038	1,602,936.00	April 2043	407,134.85
July 2033	4,536,909.43	June 2038	1,571,757.15	May 2043	395,354.35
August 2033	4,461,769.86	July 2038	1,541,064.07	June 2043	383,778.59
September 2033	4,387,729.04	August 2038	1,510,849.88	July 2043	372,404.53
October 2033	4,314,771.84	September 2038	1,481,107.74	August 2043	361,229.13
November 2033	4,242,883.33	October 2038	1,451,830.95	September 2043	350,249.45
December 2033	4,172,048.79	November 2038	1,423,012.88	October 2043	339,462.53
January 2034	4,102,253.69	December 2038	1,394,646.98	November 2043	328,865.51
February 2034	4,033,483.68	January 2039	1,366,726.81	December 2043	318,455.51
March 2034	3,965,724.63	February 2039	1,339,246.00	January 2044	308,229.74
April 2034	3,898,962.58	March 2039	1,312,198.28	February 2044	298,185.43
May 2034	3,833,183.75	April 2039	1,285,577.45	March 2044	288,319.85
June 2034	3,768,374.55	May 2039	1,259,377.41	April 2044	278,630.29
July 2034	3,704,521.59	June 2039	1,233,592.14	May 2044	269,114.11
August 2034	3,641,611.63	July 2039	1,208,215.70	June 2044	259,768.69
September 2034	3,579,631.62	August 2039	1,183,242.22	July 2044	250,591.44
October 2034	3,518,568.69	September 2039	1,158,665.92	August 2044	241,579.82
November 2034	3,458,410.12	October 2039	1,134,481.10	September 2044	232,731.33
December 2034	3,399,143.39	November 2039	1,110,682.14	October 2044	224,043.48
January 2035	3,340,756.13	December 2039	1,087,263.49	November 2044	215,513.83
February 2035	3,283,236.14	January 2040	1,064,219.68	December 2044	207,139.98
March 2035	3,226,571.37	February 2040	1,041,545.31	January 2045	198,919.56
April 2035	3,170,749.96	March 2040	1,019,235.05	February 2045	190,850.24
May 2035	3,115,760.17	April 2040	997,283.66	March 2045	182,929.69
June 2035	3,061,590.46	May 2040	975,685.96	April 2045	175,155.65
July 2035	3,008,229.41	June 2040	954,436.84	May 2045	167,525.89
August 2035	2,955,665.76	July 2040	933,531.25	June 2045	160,038.18
September 2035	2,903,888.42	August 2040	912,964.24	July 2045	152,690.35
October 2035	2,852,886.43	September 2040	892,730.90	August 2045	145,480.26
November 2035	2,802,648.98	October 2040	872,826.39	September 2045	138,405.78
December 2035	2,753,165.41	November 2040	853,245.95	October 2045	131,464.83
January 2036	2,704,425.20	December 2040	833,984.87	November 2045	124,655.35
February 2036	2,656,417.97	January 2041	815,038.52	December 2045	117,975.31
March 2036	2,609,133.48	February 2041	796,402.32	January 2046	111,422.72
April 2036	2,562,561.63	March 2041	778,071.76	February 2046	104,995.59
May 2036	2,516,692.45	April 2041	760,042.39	March 2046	98,691.98
June 2036	2,471,516.11	May 2041	742,309.82	April 2046	92,509.99
July 2036	2,427,022.91	June 2041	724,869.73	May 2046	86,447.71
August 2036	2,383,203.28	July 2041	707,717.83	June 2046	80,503.29
September 2036	2,340,047.78	August 2041	690,849.93	July 2046	74,674.89
October 2036	2,297,547.10	September 2041	674,261.87	August 2046	68,960.71

Aggregate Group (Continued)

<u>Distribution Date</u>		<u>Planned Balance</u>		<u>Distribution Date</u>		<u>Planned Balance</u>		<u>Distribution Date</u>		<u>Planned Balance</u>
September 2046	\$	63,358.95		February 2047	\$	36,975.87		July 2047	\$	13,150.06
October 2046		57,867.86		March 2047		32,012.60		August 2047		8,674.27
November 2046		52,485.70		April 2047		27,149.97		September 2047		4,291.38
December 2046		47,210.77		May 2047		22,386.37		October 2047 and		
January 2047		42,041.38		June 2047		17,720.25		thereafter		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 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.

\$356,463,964



Guaranteed REMIC
Pass-Through Certificates

Fannie Mae REMIC Trust 2017-109

TABLE OF CONTENTS

	Page
Table of Contents	S- 2
Available Information	S- 3
Summary	S- 4
Additional Risk Factors	S- 7
Description of the Certificates	S- 7
Certain Additional Federal Income Tax Consequences	S-19
Additional ERISA Considerations	S-22
Plan of Distribution	S-23
Credit Risk Retention	S-23
European Economic Area Risk Retention	S-23
Legal Matters	S-25
Schedule 1	A- 1
Principal Balance Schedule	B- 1

Prospectus Supplement

Citigroup

December 22, 2017