



Connecticut Avenue Securities, Series 2018-C04
CONFIDENTIAL PRELIMINARY TERM SHEET



Fannie Mae™

Fannie Mae
Issuer

Connecticut Avenue Securities, Series 2018-C04

\$939,464,000
(Approximate)
Confidential Term Sheet

June 20, 2018

Wells Fargo Bank, N.A.
Global Agent and Exchange Administrator



Structuring Lead and Joint Bookrunner

J.P.Morgan

Co-Lead Manager and Joint Bookrunner



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CLASS 2M-1, CLASS 2M-2 and CLASS 2B-1 NOTES*
\$939,464,000 (Approximate)**

Class	Approximate Initial Class Principal Balance or Class Notional Amount (\$) ⁽¹⁾		Expected Approximate Initial Credit Support (%)	Interest Rate ⁽²⁾	Expected Ratings (Fitch/Morningstar)	Expected WAL (yrs) ⁽¹⁾	Principal Payment Window (mos) ⁽¹⁾	Interest Accrual Basis	Maturity Date ⁽³⁾	Class Type
	Amount Issued	Reference Tranches								
2A-H ⁽⁴⁾	Reference Tranche Only	\$23,610,277,363	4.50%							Senior
2M-1 ⁽⁵⁾	\$187,893,000		3.70%	1mL + %	BBB-sf/A+	0.79	1 – 20	Actual/360	December 2030	Mezzanine
2M-1H ⁽⁴⁾	Reference Tranche Only	\$9,889,428	3.70%							Mezzanine
2M-2A ⁽⁵⁾⁽⁶⁾	\$199,636,000		2.85%	1mL + %	BBsf/BBB+	2.61	20 – 45	Actual/360	December 2030	Mezzanine
2M-AH ⁽⁴⁾	Reference Tranche Only	\$10,507,830	2.85%							Mezzanine
2M-2B ⁽⁵⁾⁽⁶⁾	\$199,636,000		2.00%	1mL + %	BB-sf/BBB	4.99	45 – 78	Actual/360	December 2030	Mezzanine
2M-BH ⁽⁴⁾	Reference Tranche Only	\$10,507,830	2.00%							Mezzanine
2M-2C ⁽⁵⁾⁽⁶⁾	\$199,636,000		1.15%	1mL + %	Bsf/BB+	8.29	78 – 120	Actual/360	December 2030	Mezzanine
2M-CH ⁽⁴⁾	Reference Tranche Only	\$10,507,830	1.15%							Mezzanine
2M-2 ⁽⁶⁾	\$598,908,000		1.15%	1mL + %	Bsf/BB+	5.30	20 – 120	Actual/360	December 2030	RCR/Mezzanine
2B-1 ⁽⁵⁾	\$152,663,000		0.50%	1mL + %	NR/NR	9.98	120 – 120	Actual/360	December 2030	Subordinate
2B-1H ⁽⁴⁾	Reference Tranche Only	\$8,035,223	0.50%							Subordinate
2B-2H ⁽⁴⁾	Reference Tranche Only	\$123,614,017	0.00%	1mL + 11.00% ⁽⁷⁾						Subordinate
Total:	\$939,464,000**	\$23,783,339,521								

* Offered on the Closing Date (the "Offered Notes").

** Including only Offered Notes.

Holders of certain Classes may exchange them for Classes of the corresponding Classes of Related Combinable and Recombinable Notes (the "RCR Notes") to be delivered at the time of exchange. The Classes of RCR Notes are the Class 2M-2, Class 2A-I1, Class 2A-I2, Class 2A-I3, Class 2A-I4, Class 2E-A1, Class 2E-A2, Class 2E-A3, Class 2E-A4, Class 2B-I1, Class 2B-I2, Class 2B-I3, Class 2B-I4, Class 2E-B1, Class 2E-B2, Class 2E-B3, Class 2E-B4, Class 2C-I1, Class 2C-I2, Class 2C-I3, Class 2C-I4, Class 2E-C1, Class 2E-C2, Class 2E-C3, Class 2E-C4, Class 2E-D1, Class 2E-D2, Class 2E-D3, Class 2E-D4, Class 2E-D5, Class 2E-F1, Class 2E-F2, Class 2E-F3, Class 2E-F4, Class 2E-F5, Class 2-X1, Class 2-X2, Class 2-X3, Class 2-X4, Class 2-Y1, Class 2-Y2, Class 2-Y3 and Class 2-Y4 Notes. For a more detailed description of the RCR Notes, see Schedule I hereto.

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Information is preliminary and subject to final collateral and legal review. The analyses, calculations and valuations herein are based on certain assumptions and data provided by third parties that may vary from the actual characteristics of the final collateral. Investors should rely on the information contained in the final prospectus.

- (1) The principal amounts and notional amounts presented in this term sheet are approximate and subject to a +/- 5% variance. Weighted average lives and principal payment windows (if applicable) with respect to the Class 2M-1 Notes, Class 2M-2A Notes, Class 2M-2B Notes, Class 2M-2C Notes, Class 2M-2 Notes and Class 2B-1 Notes (together with the additional Classes of RCR Notes set forth on Schedule I hereto, the "Notes") assume that no Credit Events or Modification Events occur, prepayments occur at the pricing speed of 10% CPR (calculated from the Closing Date), the Notes pay on the 25th day of each month beginning in July 2018 and the Early Redemption Option is exercised on the Payment Date in June 2028.
- (2) Each Class of Offered Notes will be sold at a price of par.
- (3) The Class Principal Balance of any outstanding Notes will be paid in full on the earlier to occur of the Early Redemption Date, if any, and the Maturity Date.
- (4) The Class 2A-H Reference Tranche, Class 2M-1H Reference Tranche, Class 2M-AH Reference Tranche, Class 2M-BH Reference Tranche, Class 2M-CH Reference Tranche, Class 2B-1H Reference Tranche and Class 2B-2H Reference Tranche will not have corresponding Notes and will be referenced only in connection with making calculations of payments required to be made by Fannie Mae and reductions and increases in the principal amounts of the Notes.
- (5) The Class 2M-1 Notes, Class 2M-2A Notes, Class 2M-2B Notes, Class 2M-2C Notes and Class 2B-1 Notes will have corresponding Reference Tranches for the purpose of making calculations of principal payments required to be made by Fannie Mae and reductions and increases in the principal amounts of the Notes.
- (6) The Holders of the Class 2M-2 Notes may exchange all or part of that Class for proportionate interests in the Class 2M-2A, Class 2M-2B and Class 2M-2C Notes (together, the "Exchangeable Notes"), and vice versa. Additionally, the Holders of the Class 2M-2A, Class 2M-2B and Class 2M-2C Notes may exchange all or part of those Classes for proportionate interests in the Classes of Related Combinable and Recombinable Notes (the "RCR Notes") in the applicable combinations set forth on Schedule I hereto, and vice versa. Holders of certain Classes of RCR Notes may further exchange all or part of those Classes for proportionate interests in other RCR Notes in the applicable combinations set forth on Schedule I hereto, and vice versa. Of the Exchangeable Notes and the RCR Notes, only the Class 2M-2 Notes are Offered Notes.
- (7) The Class 2B-2H Reference Tranche is assigned a class coupon solely for purposes of calculations in connection with the allocation of Modification Loss Amounts to the Mezzanine and Subordinate Reference Tranches.

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Transaction Overview

The Notes will be unsecured general obligations of Fannie Mae, or the "Issuer", and will be subject to the credit and principal payment risk of the related portion of a certain pool (the "Reference Pool") of residential mortgage loans (the "Reference Obligations") held in various Fannie Mae-guaranteed MBS. The transaction is designed to furnish credit protection to Fannie Mae with respect to Reference Obligations that experience losses relating to Credit Events and Modification Events. The actual cash flows from the Reference Obligations will never be paid to the holders of the Notes (the "Noteholders" or "Holders," and each, a "Noteholder" or a "Holder"). Fannie Mae will make monthly payments of accrued interest and periodic payments of principal to the Noteholders. The Notes will be issued at par and, except for the Interest Only RCR Notes (as defined herein), will be 12.5-year, uncapped LIBOR-based floaters.

On the Termination Date, the Class Principal Balances of all outstanding Notes will be paid in full. If there are unrecovered losses on any Notes as of the Termination Date, holders of those Notes will be entitled to certain projected recovery payments on that date.

The "Offered Notes" consist of the Class 2M-1, Class 2M-2 and Class 2B-1 Notes. The transaction is structured to provide credit protection to Fannie Mae with respect to Reference Obligations as to which certain credit and modification events occur. This credit protection is achieved in part by allowing Fannie Mae to reduce the outstanding Class Principal Balances of the Notes related to the designated Credit Events and Modification Events on the Reference Obligations. The occurrence of certain Credit Events or Modification Events on the Reference Obligations could result in write-downs of the Class Principal Balances of the Notes to the extent losses are realized on such Reference Obligations as a result of these events. In addition, the interest entitlement of the Notes may be subject to reduction based on the occurrence of Modification Events on these Reference Obligations to the extent losses are realized with respect thereto.

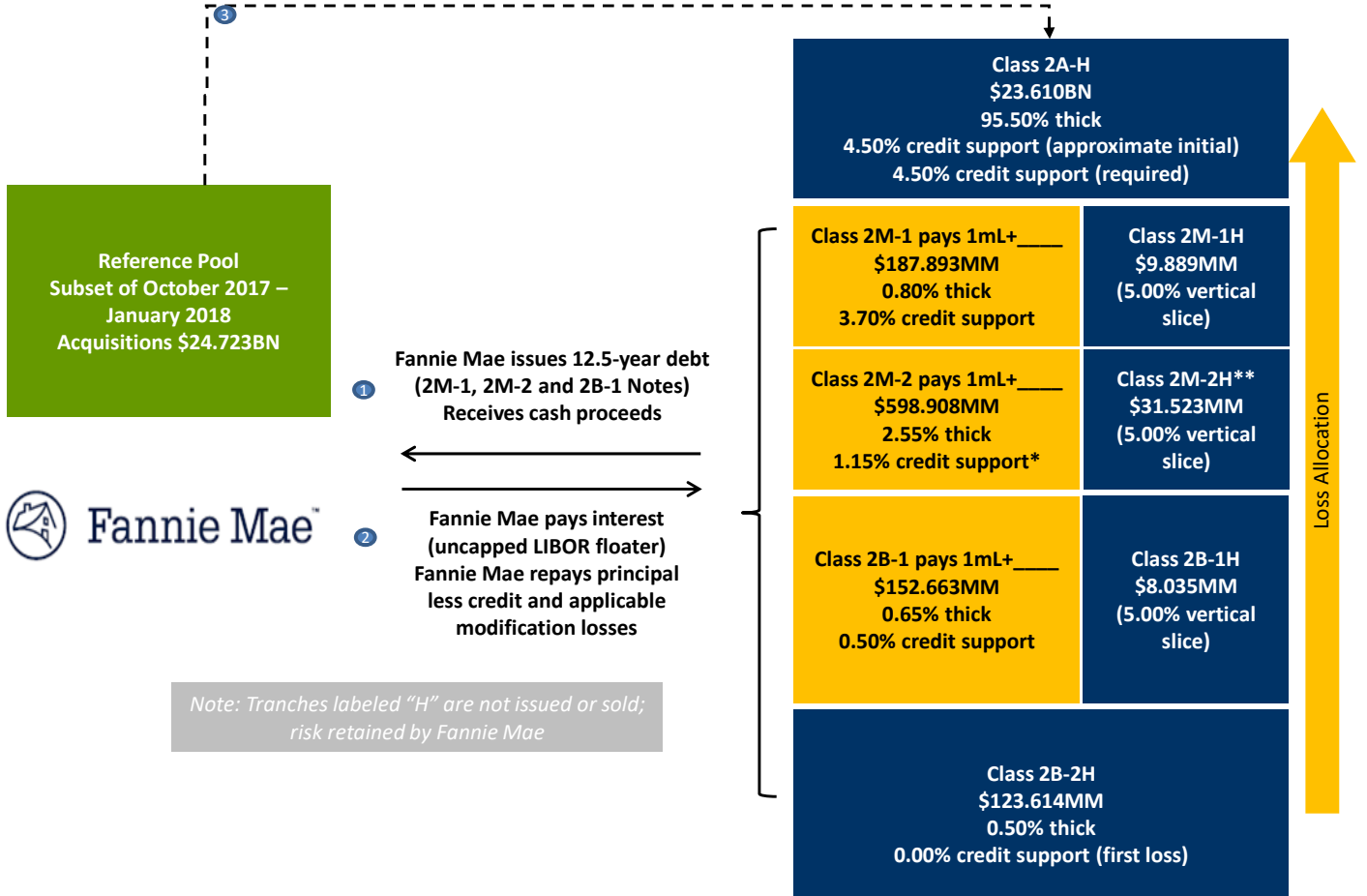
Although the Notes will be unsecured general obligations of Fannie Mae, and Fannie Mae alone will make all of the principal and interest payments on the Notes, the transaction has been structured so that the capital structure and cash flow allocations relative to principal payments of the Notes are reflective of private label senior/subordinate residential mortgage backed securities. Accordingly, subordinate interests will not receive allocations in respect of unscheduled principal unless target credit enhancement and delinquency percentages have been maintained. However, unlike securities in some senior/subordinate private label residential mortgage-backed securitizations, the principal payments required to be paid by Fannie Mae on the Notes will be based in part on the principal that is actually collected on the Reference Obligations, rather than on the entire amount of scheduled payments due on those Reference Obligations as further described herein.

Capitalized terms used in this term sheet are defined when first used or in the "*GLOSSARY OF CERTAIN DEFINED TERMS*."

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Credit and prepayment performance of the Reference Obligations determines performance of Notes



Note: Tranches labeled "H" are not issued or sold; risk retained by Fannie Mae

*Approximate initial credit support will be 2.85% for the Class 2M-2A Notes, 2.00% for the Class 2M-2B Notes and 1.15% for the Class 2M-2C Notes.
 **Shown for illustrative purposes only. Represents the sum of the Class Notional Amounts of the Class 2M-CH, Class 2M-BH and Class 2M-AH Reference Tranches. Losses are allocated to such Reference Tranches in that order.

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GENERAL INFORMATION

Issuer	Fannie Mae
Title of Series	Connecticut Avenue Securities ("CAS"), Series 2018-C04
Offered Notes	Class 2M-1, Class 2M-2 and Class 2B-1 Notes
Global Agent	Wells Fargo Bank, N.A., as the Global Agent of Fannie Mae, will perform certain reporting and administrative functions with respect to the Notes, including calculating payments on the Notes. Fees and expenses of the Global Agent will be paid by the Issuer.
Exchange Administrator	Wells Fargo Bank, N.A. will act as the Exchange Administrator for the RCR Notes and the Exchangeable Notes. The Exchange Administrator will, among other duties, administer all exchanges of RCR Notes for Exchangeable Notes and vice versa, which will include receiving notices of requests for such exchanges from Noteholders, accepting the Notes to be exchanged, and giving notice to the Global Agent of all such exchanges.
Master Servicer	Fannie Mae
Lead Managers and Joint Bookrunners	Citigroup (Structuring Lead) and J.P. Morgan (Co-Lead Manager)
Co-Managers	BofA Merrill, Barclays, BNP and Wells Fargo Securities
Selling Group Members	Blaylock Van, LLC and The Williams Capital Group, L.P.
Cut-off Date	For this term sheet and for the prospectus, April 30, 2018
Closing Date	On or about July 3, 2018
Payment Date	The 25 th day of each calendar month (or, if not a business day, the following business day), commencing in July 2018
Accrual Period	With respect to each Payment Date, the period beginning on and including the prior Payment Date (or, in the case of the first Payment Date, the Closing Date) and ending on and including the day preceding such Payment Date. Interest will be calculated based on the actual number of days in an Accrual Period and a 360-day year.
Note Rate	The Note Rate on each Class of Notes for any Accrual Period will be equal to the floating or fixed per annum rate specified

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for such class as set forth in the final prospectus.

Legal Status

The Notes will be unsecured general obligations having the same priority as all of Fannie Mae's other unsecured debt. The RCR Notes represent interests in the Class 2M-2A Notes, Class 2M-2B Notes and/or Class 2M-2C Notes. **The United States does not guarantee the Notes or any interest or return of discount on the Notes. The Notes are not debts or obligations of the United States or any agency or instrumentality of the United States other than Fannie Mae.**

Notes

The Class 2M-1 Notes, Class 2M-2 Notes (together with the Class 2M-2A Notes, Class 2M-2B Notes, Class 2M-2C Notes and the additional RCR Notes set forth on Schedule I hereto) and Class 2B-1 Notes.

The Class 2M-2A, Class 2M-2B and Class 2M-2C Notes are the "Exchangeable Notes." The Notes will receive principal payments, if entitled to receive principal, and will be allocated reductions and increases in Class Principal Balance or Class Notional Amount, as applicable, in accordance with such allocations to the related Reference Tranches.

RCR Notes

The Related Combinable and Recombinable Notes, or "RCR Notes" are set forth on Schedule I hereto. Holders of Class 2M-2 Notes may exchange all or part of those Notes for proportionate interests in the related Exchangeable Notes, and vice versa at any time on or after the earlier of (i) the tenth Business Day following the Closing Date or (ii) the first Business Day following the first Payment Date; *provided*, that no such exchange will occur on any Payment Date or Record Date. Additionally, Holders of Class 2M-2A, Class 2M-2B and Class 2M-2C Notes may further exchange all or part of those Exchangeable Notes for proportionate interests in the related RCR Notes, and vice versa. Certain Classes of related RCR Notes may further be exchanged for other Classes of RCR Notes as set forth on Schedule I hereto, and vice versa. Exchanges may occur repeatedly. Schedule I attached hereto sets forth the available combinations (the "Combinations") and characteristics of the RCR Notes. RCR Notes that are held by Holders will receive interest payments that are allocable to the related Exchangeable Notes, calculated at the applicable class coupon rate, and all principal amounts that are payable by Fannie Mae on the related Exchangeable Notes will be allocated to and payable to the related RCR Notes entitled to principal. In addition, all Tranche Write-down Amounts that are allocable to Exchangeable Notes will be allocated to reduce the Class

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Principal Balance or Class Notional Amount, as applicable, of the related RCR Notes. Further, all Tranche Write-up Amounts that are allocable to Exchangeable Notes will be allocated to increase the Class Principal Balance or Class Notional Amount, as applicable, of the related RCR Notes.

Certain of the RCR Notes set forth on Schedule I hereto are interest only RCR Notes (the "Interest Only RCR Notes"). The Interest Only RCR Notes are not entitled to receive payments of principal. Each Class of Interest Only RCR Notes has a "Class Notional Amount" as of any Payment Date equal to a specified percentage of the outstanding Class Principal Balance of the related Class of Exchangeable Notes or RCR Notes, as the case may be.

Reference Tranches

The Class 2A-H Reference Tranche, Class 2M-1 Reference Tranche, Class 2M-1H Reference Tranche, Class 2M-2A Reference Tranche, Class 2M-AH Reference Tranche, Class 2M-2B Reference Tranche, Class 2M-BH Reference Tranche, Class 2M-2C Reference Tranche, Class 2M-CH Reference Tranche, Class 2B-1 Reference Tranche, Class 2B-1H Reference Tranche and Class 2B-2H Reference Tranche (collectively, the "Reference Tranches"), which are described solely for the purpose of calculating principal payments required to be made on the Notes by Fannie Mae, any reductions or increases of principal on the Notes as a result of Credit Events on the Reference Obligations and any reductions in the interest or principal entitlements of the Notes as a result of Modification Events on the Reference Obligations. Only the Class 2M-1 Reference Tranche, Class 2M-2A Reference Tranche, Class 2M-2B Reference Tranche, Class 2M-2C Reference Tranche and Class 2B-1 Reference Tranche will have corresponding Classes of Notes on the Closing Date.

Senior Reference Tranche

The Class 2A-H Reference Tranche (the "Senior Reference Tranche").

Mezzanine Reference Tranches

The Class 2M-1 Reference Tranche, Class 2M-1H Reference Tranche, Class 2M-2A Reference Tranche, Class 2M-AH Reference Tranche, Class 2M-2B Reference Tranche and Class 2M-BH Reference Tranche, Class 2M-2C Reference Tranche and Class 2M-CH Reference Tranche (collectively, the "Mezzanine Reference Tranches").

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Subordinate Reference Tranches	The Mezzanine Reference Tranches, the Class 2B-1 Reference Tranche, Class 2B-1H Reference Tranche and the Class 2B-2H Reference Tranche (collectively, the "Subordinate Reference Tranches").
Class Notional Amount of Reference Tranches	As of any Payment Date and with respect to each Reference Tranche, a notional amount equal to the initial Class Notional Amount of such Reference Tranche, minus the aggregate amount of Senior Reduction Amounts or Subordinate Reduction Amounts allocated to such Reference Tranche on such Payment Date and all prior Payment Dates, minus the aggregate amount of Tranche Write-down Amounts allocated to reduce the Class Notional Amount of such Reference Tranche on such Payment Date and on all prior Payment Dates, and plus the aggregate amount of Tranche Write-up Amounts allocated to increase the Class Notional Amount of such Reference Tranche on such Payment Date and on all prior Payment Dates. For the avoidance of doubt, no Tranche Write-up Amount or Tranche Write-down Amount will be applied twice on the same Payment Date.
Settlement	The Notes will settle with no accrued interest.
Form of Offering	Exempt from registration with the SEC under the Securities Act. The Notes are being offered only to "Qualified Institutional Buyers" (as defined in Rule 144A under the Securities Act).
Ratings/Rating Agencies	The Issuer has engaged Fitch Ratings, Inc. and Morningstar Credit Ratings, LLC to rate the Class 2M-1 Notes, Class 2M-2A Notes, Class 2M-2B Notes, Class 2M-2C Notes, Class 2M-2 Notes and certain additional Classes of RCR Notes set forth on Schedule I hereto on the Closing Date. No rating agency has been engaged to rate the Class 2B-1 Notes on the Closing Date.
Reporting Period	The second calendar month preceding the month of each Payment Date. The delinquency status of each Reference Obligation will be determined as of the close of business on the last day of the related Reporting Period.
Maturity Date	On the Payment Date in December 2030, the Issuer will be obligated to retire the Notes by paying an amount equal to their full remaining Class Principal Balances, plus accrued and unpaid interest. However, the Notes may be paid in full prior to the Maturity Date on (a) the Payment Date on which the Early Redemption Option, if any, is exercised with respect to such Notes or (b) the Payment Date on which the aggregate Class

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Principal Balance of all outstanding Notes is otherwise reduced to zero. If on the Maturity Date a Class of RCR Notes is outstanding, all amounts payable on the Exchangeable Notes that were exchanged for such RCR Notes will be allocated to and payable on the applicable RCR Notes entitled to receive those amounts.

Early Redemption Option

The Issuer may redeem the Class 2M-1 Notes, Class 2M-2A Notes, Class 2M-2B Notes, Class 2M-2C Notes and Class 2B-1 Notes on any Payment Date on or after the earlier to occur of (i) the Payment Date on which the aggregate unpaid principal balance of the Reference Obligations is less than or equal to 10% of the Cut-off Date Balance or (ii) the Payment Date occurring in June 2028, by paying an amount equal to the outstanding Class Principal Balance of the Class 2M-1 Notes, Class 2M-2A Notes, Class 2M-2B Notes, Class 2M-2C Notes and Class 2B-1 Notes, plus accrued and unpaid interest and related unpaid fees and expenses of the Global Agent. If on the Early Redemption Date a Class of RCR Notes is outstanding, all principal amounts that are payable by Fannie Mae on the Exchangeable Notes that were exchanged for such RCR Notes will be allocated to and payable on the applicable RCR Notes entitled to receive principal.

Early Redemption Date

The Payment Date, if any, on which the Notes are redeemed by the Issuer pursuant to the Early Redemption Option.

Termination Date

The Notes will no longer be outstanding upon the date which is the earliest of:

- (1) the Maturity Date;
- (2) the Early Redemption Date; and
- (3) the Payment Date on which the aggregate initial Class Principal Balance (without giving effect to any allocations of Tranche Write-down Amounts or Tranche Write-up Amounts related to the Notes on such Payment Date and all prior Payment Dates) and accrued and unpaid interest due on the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C and Class 2B-1 Notes plus related unpaid fees and expenses of the Global Agent have otherwise been paid in full.

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Expected Credit Enhancement

Notes/Tranches	Tranche Size	Approximate Initial Credit Support
Class 2A-H	95.50%	4.50%
Class 2M-1 and Class 2M-1H	0.80%	3.70%
Class 2M-2 ⁽¹⁾ and Class 2M-2H ⁽²⁾	2.55%	1.15%
Class 2B-1 and Class 2B-1H	0.65%	0.50%
Class 2B-2H	0.50%	0.00%

- (1) Approximate initial credit support will be 2.85% for the Class 2M-2A Notes, 2.00% for the Class 2M-2B Notes and 1.15% for the Class 2M-2C Notes.
- (2) Shown for illustrative purposes only. Represents the sum of the Class 2M-AH, Class 2M-BH and Class 2M-CH Reference Tranches.

The Subordinate Reference Tranches are subordinate to, and provide credit enhancement for, the Senior Reference Tranche and for each Class of more senior Subordinate Reference Tranches.

Fannie Mae Retention of Minimum 5% of Underlying Credit Risk

Fannie Mae will retain at least 5% of the underlying credit risk corresponding to a vertical slice of each of the Reference Tranches. Moreover, Fannie Mae will retain 100% of the underlying credit risk corresponding to the Class 2B-2H Reference Tranche.

Notes Acquired by Fannie Mae

Fannie Mae may from time to time acquire any of the Notes at any price in the open market or otherwise.

STRUCTURAL FEATURES

Scheduled Principal

With respect to each Payment Date, the sum of all monthly scheduled payments of principal on the Reference Obligations that were collected by the related servicer during the related Reporting Period as reported to Fannie Mae. Once a Reference Obligation is removed from the related MBS, all subsequent principal collections will be treated as Unscheduled Principal.

Unscheduled Principal

With respect to each Payment Date:

- (a) all partial principal prepayments on the Reference

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- Obligations collected during the related Reporting Period,
plus
- (b) the aggregate unpaid principal balance of all Reference Obligations that became subject to Reference Pool Removals during the related Reporting Period (excluding (i) Credit Event Reference Obligations and (ii) the portions of any prepayments in full that consist of scheduled principal collections), *plus*
 - (c) decreases in the unpaid principal balance of all Reference Obligations as the result of loan modification or data corrections, *plus*
 - (d) all scheduled principal collections, if any, for any Reference Obligations that have been removed from the related MBS, *plus*
 - (e) the excess, if any, of the aggregate unpaid principal balance of the Reference Obligations refinanced under the High LTV Refinance Option and removed from the Reference Pool during the related Reporting Period, over the aggregate original unpaid principal balance of the resulting High LTV Refinance Reference Obligations, *minus*
 - (f) increases in the unpaid principal balances of all Reference Obligations as the result of loan modifications, reinstatements due to error, or data corrections.

In the event that (f) above exceeds the sum of (a) through (e), the Unscheduled Principal for such Payment Date will be zero, and the Class 2A-H Notional Amount will be increased by the amount of such excess. In April 2016, at the direction of its regulator and conservator FHFA, Fannie Mae announced a program that permits principal forgiveness as a loss mitigation alternative for a limited number of loans that were 90 days or more delinquent and underwater as of March 2016. No Reference Obligations are eligible for inclusion in this program. While there is no indication that this program will be extended or replicated, if any similar program of principal reduction were to be employed in the future that affected the Reference Obligations, any principal that was forgiven with respect to a Reference Obligation would decrease the unpaid principal balance of such Reference Obligation pursuant to clause (c) above.

Recovery Principal

With respect to each Payment Date, the sum of:

- (a) the excess, if any of the related Credit Event Amount for such Payment Date over the related Tranche Write-down Amount for such Payment Date; *plus*

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- (b) the related Tranche Write-up Amount for such Payment Date.

Senior Reduction Amount

With respect to each Payment Date, if either of the Minimum Credit Enhancement Test or the Delinquency Test is not satisfied, the sum of:

- (a) the Senior Percentage of the Scheduled Principal for such Payment Date;
- (b) 100% of the Unscheduled Principal for such Payment Date; and
- (c) 100% of the Recovery Principal for such Payment Date.

With respect to each Payment Date, if the Minimum Credit Enhancement Test and the Delinquency Test are satisfied, the sum of:

- (a) the Senior Percentage of the Scheduled Principal for such Payment Date;
- (b) the Senior Percentage of the Unscheduled Principal for such Payment Date; and
- (c) 100% of the Recovery Principal for such Payment Date.

The "Senior Percentage" for a Payment Date is the percentage equivalent to a fraction, the numerator of which is the Class Notional Amount of the Senior Reference Tranche immediately prior to such Payment Date and the denominator of which is the aggregate unpaid principal balance of the Reference Obligations at the end of the previous Reporting Period.

Subordinate Reduction Amount

With respect to each Payment Date, the sum of the Scheduled Principal, Unscheduled Principal and Recovery Principal for such Payment Date, less the Senior Reduction Amount.

Allocation of Senior Reduction Amount

On each Payment Date prior to the Termination Date, the Senior Reduction Amount will be allocated to the Senior Reference Tranche until its Class Notional Amount is reduced to zero, and then to the Subordinate Reference Tranches, in order of seniority, per "*Allocation of Subordinate Reduction Amount*."



Because the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C and Class 2B-1 Notes correspond to the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C and Class 2B-1 Reference Tranches, respectively, any portion of the Senior Reduction Amount that is allocated to the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C or Class 2B-1 Reference Tranche will result in a corresponding reduction in the Class Principal Balance of the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C or Class 2B-1 Notes, as applicable. Such reductions in the Class Principal Balance of the Class 2M-2A, Class 2M-2B or Class 2M-2C Notes will result in a corresponding reduction in the Class Principal Balance or Class Notional Amount, as applicable, of the related RCR Notes.

Allocation of Subordinate Reduction Amount

On each Payment Date prior to the Termination Date, the Subordinate Reduction Amount will be allocated to the Subordinate Reference Tranches:

- (i) *first*, concurrently, on a pro rata basis based on their Class Notional Amounts, to the Class 2M-1 and Class 2M-1H Reference Tranches until their Class Notional Amounts have been reduced to zero;
- (ii) *second*, concurrently, on a pro rata basis based on their Class Notional Amounts, to the Class 2M-2A and Class 2M-AH Reference Tranches until their Class Notional Amounts have been reduced to zero;
- (iii) *third*, concurrently, on a pro rata basis based on their Class Notional Amounts, to the Class 2M-2B and Class 2M-BH Reference Tranches until their Class Notional Amounts have been reduced to zero;
- (iv) *fourth*, concurrently, on a pro rata basis based on their Class Notional Amounts, to the Class 2M-2C and Class 2M-CH Reference Tranches until their Class Notional Amounts have been reduced to zero;
- (v) *fifth*, concurrently, on a pro rata basis based on their Class Notional Amounts, to the Class 2B-1 and Class 2B-1H Reference Tranches until their Class Notional Amounts have been reduced to zero; and
- (vi) *sixth*, to the Class 2B-2H Reference Tranche until its Class Notional Amount has been reduced to zero.

Any Subordinate Reduction Amount remaining after the allocation in the immediately preceding sentence will be allocated to reduce the Class Notional Amount of the Class 2A-H Reference Tranche.

Because the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C and Class 2B-1 Notes correspond to the Class 2M-1, Class 2M-

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2A, Class 2M-2B, Class 2M-2C and Class 2B-1 Reference Tranches, respectively, any portion of the Subordinate Reduction Amount that is allocated to the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C or Class 2B-1 Reference Tranche will result in a corresponding reduction in the Class Principal Balance of the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C or Class 2B-1 Notes, as applicable. The Class 2B-2H Reference Tranche will not have corresponding Notes.

If any RCR Notes are held by Holders, any Subordinate Reduction Amount that is allocable in the *second*, *third* or *fourth* priority above on any Payment Date to the related Exchangeable Notes will be allocated to reduce the Class Principal Balance or Class Notional Amount, as applicable, of the related RCR Notes.

Loss Allocation Framework

General

Upon the occurrence of Modification Events affecting the Reference Obligations and to the extent that losses are realized with respect thereto, the interest entitlements of the Notes will be subject to reduction and the Class Principal Balances thereof will be subject to write-downs as further described under "*Allocation of Modification Loss Amounts*" below. Any such reductions or write-downs will be applied first to the most subordinate Class of Notes with an outstanding Class Principal Balance (once the Class Notional Amount of the Class 2B-2H Reference Tranche has been reduced to zero).

Upon the occurrence of Credit Events affecting the Reference Obligations and to the extent that losses are realized with respect thereto, the Class Principal Balances of the Notes will be subject to write-downs as further described under "*Allocation of Tranche Write-down Amounts*" below. Any such write-downs will be allocated first to the most subordinate Class of Notes with an outstanding Class Principal Balance (once the Class Notional Amount of the Class 2B-2H Reference Tranche has been reduced to zero).

Modifications

Reference Obligations that undergo a temporary or permanent modification will not be removed from the Reference Pool unless they otherwise meet the criteria for Reference Pool Removal.

In the event that a program of principal forgiveness were implemented that impacted the Reference Obligations, any reduction in the principal balance of a Reference Obligation as the result of principal forgiveness would be treated as Unscheduled Principal. However, if the Reference Obligation subsequently

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became a Credit Event Reference Obligation, the related negative adjustment would be included in the Credit Event Net Loss for the Reference Obligation.

Modification Event

With respect to any Reference Obligation, a forbearance or certain mortgage rate modifications relating to such Reference Obligation. It is noted that in the absence of a forbearance or certain mortgage rate modifications, a term extension on a Reference Obligation will not constitute a Modification Event. For the avoidance of doubt, a refinancing of a Reference Obligation under the High LTV Refinance Option and replacement thereof with the resulting refinance mortgage loan (a "High LTV Refinance Reference Obligation") will not constitute a "Modification Event."

Modification Loss Amount

With respect to each Payment Date and any Reference Obligation that has experienced a Modification Event, the *excess*, if any, of:

- (i) one-twelfth of the Original Accrual Rate *multiplied by* the unpaid principal balance of such Reference Obligation, *over*
- (ii) one-twelfth of the Current Accrual Rate *multiplied by* the interest bearing unpaid principal balance of such Reference Obligation.

Allocation of Modification Loss Amounts

On each Payment Date on or prior to the Termination Date, the Preliminary Principal Loss Amount, Preliminary Tranche Write-down Amount, Preliminary Tranche Write-up Amount and Preliminary Class Notional Amount will be computed prior to the Allocation of the Modification Loss Amount.

On each Payment Date on or prior to the Termination Date, the Modification Loss Amount, if any, for such Payment Date will be allocated in the following order of priority:

first, to the Class 2B-2H Reference Tranche, until the amount allocated to the Class 2B-2H Reference Tranche is equal to the Class 2B-2H Reference Tranche Interest Accrual Amount;

second, to the Class 2B-2H Reference Tranche, until the aggregate amount allocated to the Class 2B-2H Reference Tranche is equal to the aggregate of the Preliminary Class Notional Amount of the Class 2B-2H Reference Tranche for such Payment Date;

third, to the Class 2B-1 and Class 2B-1H Reference Tranches, pro rata, based on their Class Notional Amounts immediately prior to

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such Payment Date, until the amount allocated to the Class 2B-1 Reference Tranche is equal to the Class 2B-1 Notes Interest Accrual Amount;

fourth, to the Class 2B-1 and Class 2B-1H Reference Tranches, pro rata, based on their Preliminary Class Notional Amounts for such Payment Date, until the aggregate amount allocated to the Class 2B-1 and Class 2B-1H Reference Tranches is equal to the aggregate of the Preliminary Class Notional Amounts of the Class 2B-1 and Class 2B-1H Reference Tranches for such Payment Date;

fifth, to the Class 2M-2C and Class 2M-CH Reference Tranches, pro rata, based on their Class Notional Amounts immediately prior to such Payment Date, until the amount allocated to the Class 2M-2C Reference Tranche is equal to the Class 2M-2C Notes Interest Accrual Amount;

sixth, to the Class 2M-2B and Class 2M-BH Reference Tranches, pro rata, based on their Class Notional Amounts immediately prior to such Payment Date, until the amount allocated to the Class 2M-2B Reference Tranche is equal to the Class 2M-2B Notes Interest Accrual Amount;

seventh, to the Class 2M-2A and Class 2M-AH Reference Tranches, pro rata, based on their Class Notional Amounts immediately prior to such Payment Date, until the amount allocated to the Class 2M-2A Reference Tranche is equal to the Class 2M-2A Notes Interest Accrual Amount;

eighth, to the Class 2M-2C and Class 2M-CH Reference Tranches, pro rata, based on their Preliminary Class Notional Amounts for such Payment Date, until the aggregate amount allocated to the Class 2M-2C and Class 2M-CH Reference Tranches is equal to the aggregate of the Preliminary Class Notional Amounts of the Class 2M-2C and Class 2M-CH Reference Tranches for such Payment Date;

ninth, to the Class 2M-2B and Class 2M-BH Reference Tranches, pro rata, based on their Preliminary Class Notional Amounts for such Payment Date, until the aggregate amount allocated to the Class 2M-2B and Class 2M-BH Reference Tranches is equal to the aggregate of the Preliminary Class Notional Amounts of the Class 2M-2B and Class 2M-BH Reference Tranches for such Payment Date;

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tenth, to the Class 2M-2A and Class 2M-AH Reference Tranches, pro rata, based on their Preliminary Class Notional Amounts for such Payment Date, until the aggregate amount allocated to the Class 2M-2A and Class 2M-AH Reference Tranches is equal to the aggregate of the Preliminary Class Notional Amounts of the Class 2M-2A and Class 2M-AH Reference Tranches for such Payment Date;

eleventh, to the Class 2M-1 and Class 2M-1H Reference Tranches, pro rata, based on their Class Notional Amounts immediately prior to such Payment Date, until the amount allocated to the Class 2M-1 Reference Tranche is equal to the Class 2M-1 Notes Interest Accrual Amount; and

twelfth, to the Class 2M-1 and Class 2M-1H Reference Tranches, pro rata, based on their Preliminary Class Notional Amounts for such Payment Date, until the aggregate amount allocated to the Class 2M-1 and Class 2M-1H Reference Tranches is equal to the aggregate of the Preliminary Class Notional Amounts of the Class 2M-1 and Class 2M-1H Reference Tranches for such Payment Date.

Any amounts allocated to the Class 2B-1, Class 2M-2C, Class 2M-2B, Class 2M-2A or Class 2M-1 Reference Tranches in the *third*, *fifth*, *sixth*, *seventh* or *eleventh* priority above will result in a corresponding reduction of the Interest Payment Amount of the Class 2B-1, Class 2M-2C, Class 2M-2B, Class 2M-2A or Class 2M-1 Notes, as applicable (without regard to any exchanges of Exchangeable Notes for RCR Notes for such Payment Date). The Class 2B-2H Reference Tranche is assigned a class coupon solely for purposes of calculations in connection with the allocation of Modification Loss Amounts to the Subordinate Reference Tranches, and any amounts allocated to the Class 2B-2H Reference Tranche in the *first* priority above will not result in a corresponding reduction of the Interest Payment Amount of any Class of Notes.

Any amounts allocated to the Class 2B-2H, Class 2B-1, Class 2M-2C, Class 2M-2B, Class 2M-2A or Class 2M-1 Reference Tranches in the *second*, *fourth*, *eighth*, *ninth*, *tenth* or *twelfth* priority above will be included in the calculation of the Principal Loss Amount.

If any RCR Notes are held by Holders, any Modification Loss Amount that is allocable in the *fifth*, *sixth* or *seventh* priority above on any Payment Date to the related Exchangeable Notes will be allocated to reduce the Interest Payment Amount of the applicable

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RCR Notes in accordance with the exchange proportions applicable to the related Combination.

Principal Loss Amount

With respect to any Payment Date, the sum of:

(a) the aggregate amount of Credit Event Net Losses for all Credit Event Reference Obligations for the related Reporting Period;

(b) the aggregate amount of court-approved principal reductions ("cramdowns") on the Reference Obligations in the related Reporting Period;

(c) subsequent losses on any Reference Obligation that became a Credit Event Reference Obligation on a prior Payment Date and with respect to which Net Liquidation Proceeds have already been determined; and

(d) amounts included in the *second, fourth, eighth, ninth, tenth and twelfth* priorities under "*Allocation of Modification Loss Amount*" above.

Principal Recovery Amount

With respect to any Payment Date, the sum of:

(a) the aggregate amount of Credit Event Net Losses for all Reversed Credit Event Reference Obligations for the related Reporting Period;

(b) subsequent recoveries on any Reference Obligation that became a Credit Event Reference Obligation on a prior Payment Date and with respect to which Net Liquidation Proceeds have already been determined;

(c) the aggregate amount of the Credit Event Net Gains of all Credit Event Reference Obligations for the related Reporting Period;

(d) the Rep and Warranty Settlement Amount; and

(e) the Projected Recovery Amount on the Termination Date.

Credit Event

With respect to any Payment Date on or before the Termination Date and any Reference Obligation, the first to occur of any of the following events during the related Reporting Period, as reported by the servicer to Fannie Mae, if applicable: (i) a short sale is settled, (ii) the related mortgaged property is sold to a third party during the foreclosure process, (iii) an REO disposition occurs, (iv)

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a mortgage note sale is executed on a loan that is 12 or more months delinquent when offered for sale or (v) the related mortgage note is charged off. With respect to any Credit Event Reference Obligation, there can only be one occurrence of a Credit Event; *provided*, that one additional separate Credit Event can occur with respect to each instance of such Credit Event Reference Obligation becoming a Reversed Credit Event Reference Obligation. For the avoidance of doubt, a refinancing of a Reference Obligation under the High LTV Refinance Option and replacement thereof with the resulting High LTV Refinance Reference Obligation will not constitute a "Credit Event."

Credit Event Reference Obligation

With respect to each Payment Date, any Reference Obligation in the Reference Pool for which a Credit Event has occurred and is reported during the related Reporting Period.

Tranche Write-down Amount

With respect to each Payment Date, the excess, if any, of the Principal Loss Amount for such Payment Date over the Principal Recovery Amount for such Payment Date.

With respect to each Payment Date, the Class Notional Amount of the Senior Reference Tranche will be increased by the excess, if any, of the Tranche Write-down Amount for such Payment Date over the Credit Event Amount for such Payment Date.

Tranche Write-up Amount

With respect to each Payment Date, the excess, if any, of the Principal Recovery Amount for such Payment Date over the Principal Loss Amount for such Payment Date.

Allocation of Tranche Write-down Amounts

On each Payment Date on or prior to the Termination Date, after allocation of the Senior Reduction Amount and Subordinate Reduction Amount, the Tranche Write-down Amount, if any, for such Payment Date will be allocated, *first*, to reduce any Overcollateralization Amount for such Payment Date, until such Overcollateralization Amount is reduced to zero and, *second*, to reduce the Class Notional Amount of each Reference Tranche in the following order of priority, in each case until its Class Notional Amount is reduced to zero:

- (i) *first*, to the Class 2B-2H Reference Tranche,
- (ii) *second*, to the Class 2B-1 and Class 2B-1H Reference Tranches, pro rata, based on their Class Notional Amounts,
- (iii) *third*, to the Class 2M-2C and Class 2M-CH Reference Tranches, pro rata, based on their Class Notional Amounts,

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- (iv) *fourth*, to the Class 2M-2B and Class 2M-BH Reference Tranches, pro rata, based on their Class Notional Amounts,
- (v) *fifth*, to the Class 2M-2A and Class 2M-AH Reference Tranches, pro rata, based on their Class Notional Amounts,
- (vi) *sixth*, to the Class 2M-1 and Class 2M-1H Reference Tranches, pro rata, based on their Class Notional Amounts, and
- (vii) *seventh*, to the Class 2A-H Reference Tranche.

Because the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C and Class 2B-1 Notes correspond to the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C and Class 2B-1 Reference Tranches, respectively, any Tranche Write-down Amounts allocated to the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C or Class 2B-1 Reference Tranche will result in a corresponding reduction in the Class Principal Balance of the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C or Class 2B-1 Notes, as applicable (without regard to any exchanges of Exchangeable Notes for RCR Notes for such Payment Date). If any RCR Notes are held by Holders, any Tranche Write-down Amount that is allocable to the related Exchangeable Notes will be allocated to reduce the Class Principal Balance or Class Notional Amount, as applicable, of the related RCR Notes. The Class 2B-2H Reference Tranche will not have corresponding Notes.

Allocation of Tranche Write-up Amounts

On each Payment Date on or prior to the Termination Date, after allocation of the Senior Reduction Amount and Subordinate Reduction Amount and Tranche Write-down Amounts, the Tranche Write-up Amount, if any, for such Payment Date will be allocated to increase the Class Notional Amount of each Reference Tranche in the following order of priority until the cumulative Tranche Write-up Amount so allocated is equal to the cumulative Tranche Write-down Amount previously allocated to such Reference Tranche on or prior to such Payment Date:

- (i) *first*, to the Class 2A-H Reference Tranche,
- (ii) *second*, to the Class 2M-1 and Class 2M-1H Reference Tranches, pro rata, based on their Class Notional Amounts,
- (iii) *third*, to the Class 2M-2A and Class 2M-AH Reference Tranches, pro rata, based on their Class Notional Amounts,
- (iv) *fourth*, to the Class 2M-2B and Class 2M-BH Reference Tranches, pro rata, based on their Class Notional Amounts,

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- (v) *fifth*, to the Class 2M-2C and Class 2M-CH Reference Tranches, pro rata, based on their Class Notional Amounts,
- (vi) *sixth*, to the Class 2B-1 and Class 2B-1H Reference Tranches, pro rata, based on their Class Notional Amounts, and
- (vii) *seventh*, to the Class 2B-2H Reference Tranche.

Because the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C and Class 2B-1 Notes correspond to the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C and Class 2B-1 Reference Tranches, respectively, any Tranche Write-up Amounts allocated to the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C or Class 2B-1 Reference Tranche will result in a corresponding increase in the Class Principal Balance of the Class 2M-1, Class 2M-2A, Class 2M-2B, Class 2M-2C or Class 2B-1 Notes, as applicable (without regard to any exchanges of Exchangeable Notes for RCR Notes for such Payment Date). If any RCR Notes are held by Holders, any Tranche Write-up Amount that is allocable to the related Exchangeable Notes will be allocated to increase the Class Principal Balance or Class Notional Amount, as applicable, of the related RCR Notes. The Class 2B-2H Reference Tranche will not have corresponding Notes.

To the extent that the Tranche Write-up Amount on any Payment Date exceeds the Tranche Write-up Amount allocated on such Payment Date, the excess (the "Write-up Excess") will be available as overcollateralization to offset any Tranche Write-down Amounts on future Payment Dates prior to the allocation of such Tranche Write-down Amounts to reduce the Class Notional Amounts of the related Reference Tranches. On each Payment Date, the "Overcollateralization Amount" equals (a) the aggregate amount of Write-up Excesses for such Payment Date and all prior Payment Dates, minus (b) the aggregate amount of Overcollateralization Amounts used to offset Tranche Write-down Amounts on all prior Payment Dates.

Credit Event Reversals and Reference Pool Removals

Reversed Credit Event Reference Obligation

With respect to any Payment Date, a Reference Obligation that was formerly in the Reference Pool and that became a Credit Event Reference Obligation in a prior Reporting Period and (i) that is repurchased by the lender or with respect to which the lender agrees to a full indemnification of Fannie Mae or provides a fee in lieu of repurchase for any identified Eligibility Defect, (ii) with respect to which the party responsible for the representations and warranties and/or servicing obligations or liabilities with respect to

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the Reference Obligation (A) has declared bankruptcy or has been put into receivership or (B) has otherwise been relieved of such obligations or liabilities by operation of law or by agreement, and an Eligibility Defect is identified that could otherwise have resulted in a repurchase or (iii) with respect to which a violation of certain specified Eligibility Criteria is discovered as a result of a data correction.

Reference Pool Removals

A Reference Obligation will be removed (a "Reference Pool Removal") from the Reference Pool upon the occurrence of any of the following:

- (1) the Reference Obligation becomes a Credit Event Reference Obligation;
- (2) the Reference Obligation is paid in full (except as provided below with regard to a refinancing under the High LTV Refinance Option);
- (3) the Reference Obligation is seized pursuant to an eminent domain proceeding with respect to the underlying mortgage loan;
- (4) the lender repurchases the Reference Obligation, agrees to a full indemnification agreement or fee in lieu of repurchase for the Reference Obligation;
- (5) Fannie Mae elects to sell (a) a delinquent Reference Obligation that is less than 12 months delinquent at the time it is offered for sale or (b) a Reference Obligation that previously had been seriously delinquent and is current at the time it is offered for sale;
- (6) the discovery of any of certain specified violations of the Eligibility Criteria for such Reference Obligation as a result of data correction;
- (7) the party responsible for the representations and warranties with respect to the Reference Obligation was granted relief by Fannie Mae from liability for potential breaches of specified Eligibility Defects at the time Fannie Mae acquired the Reference Obligation and an Eligibility Defect is identified that could otherwise have resulted in a repurchase but for the aforementioned relief, provided that the Eligibility Defect is identified on or before the 36th month following the date of Fannie Mae's acquisition of the Reference Obligation; or
- (8) the party responsible for the representations and warranties and/or servicing obligations or liabilities with respect to the Reference Obligation (A) has declared bankruptcy or has been put into receivership or (B) has otherwise been relieved of such obligations or liabilities by operation of law or by agreement, and an Eligibility Defect is identified

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that could otherwise have resulted in a repurchase.

A Reference Obligation will be removed from the Reference Pool or will become a Reversed Credit Event Reference Obligation if a loan data change occurs that causes the Reference Obligation to no longer meet one or more of the criteria set forth in clauses (a), (e), (f), (i) and (j) of the definition of Eligibility Criteria.

A Reference Obligation that becomes subject to an Origination Rep and Warranty Settlement subsequent to the Cut-off Date may be removed, at its respective unpaid principal balance as of such date, from the Reference Pool by Fannie Mae at any time in its sole discretion, provided that the aggregate unpaid principal balance of the Reference Obligations so removed during any Reporting Period does not result in a reduction of the Class Notional Amount of any Reference Tranche in excess of 1.00% of the Class Notional Amount thereof immediately prior to such reduction. The removal of any Reference Obligation from the Reference Pool as described above will be treated as a "Reference Pool Removal"; *provided, however*, that the removal of a Reference Obligation from the Reference Pool as a result of a refinancing under our High LTV Refinance Option will not constitute a "Reference Pool Removal."

If a Reference Obligation meeting the High LTV Refinance Hold Criteria (defined below) is paid in full, the Reference Obligation will not be removed from the Reference Pool until the earlier of (i) the date Fannie Mae is able to confirm whether such payment in full was made in connection with the High LTV Refinance Option and (ii) the date that is 180 days following such payment in full (the earlier of (i) and (ii), the "Release Date").

On the Release Date, the following will apply:

- if Fannie Mae confirms that the payment in full was made in connection with the High LTV Refinance Option, the original Reference Obligation will be removed from the Reference Pool and the resulting High LTV Refinance Obligation will be included in the Reference Pool as a replacement of the original Reference Obligation (which removal and replacement will not constitute a Reference Pool Removal);
- if Fannie Mae confirms that the payment in full was not made in connection with the High LTV Refinance Option, the related Reference Obligation will be removed from the Reference Pool (which removal will constitute a Reference

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Pool Removal); and

- if neither such confirmation can be made, the related Reference Obligation will be removed from the Reference Pool (which removal will constitute a Reference Pool Removal).

A Reference Obligation meets the "High LTV Refinance Hold Criteria" if it (i) was originated on or after October 1, 2017, (ii) was originated at least 15 months prior to the date it was paid in full, (iii) had no 30-day delinquency in the six-month period immediately preceding the date it was paid in full, and no more than one 30-day delinquency in the 12-month period immediately preceding the date it was paid in full and (iv) is secured by a mortgaged property with a current estimated property value that is reasonably believed by Fannie Mae to result in eligibility under the High LTV Refinance Option.

Rep and Warranty Settlement Allocation

Origination Rep and Warranty Settlement

A settlement relating to claims arising from breaches of loan representations and warranties that Fannie Mae enters into with a seller or servicer in lieu of requiring such seller or servicer to repurchase a specified pool of Mortgage Loans that includes one or more Reference Obligations, whereby Fannie Mae has received the agreed-upon settlement proceeds from such seller or servicer.

Rep and Warranty Settlement Amount

For each Reference Obligation that is part of an Origination Rep and Warranty Settlement (including any Reference Obligation that may previously have been removed from the Reference Pool due to a Credit Event), the portion of the settlement amount determined to be attributable to such Reference Obligation. The determination will be made by Fannie Mae at or about the time of the settlement and will be verified by an independent third party as described below.

After completion of an Origination Rep and Warranty Settlement that includes any Reference Obligations, Fannie Mae will engage an independent third party to conduct an annual review to validate that the Rep and Warranty Settlement Amount corresponding to each Reference Obligation matches Fannie Mae's records for such settlement.

MORTGAGE LOANS IN REFERENCE POOL

Reference Obligations

The Reference Pool consists of mortgage loans acquired by Fannie Mae between October 1, 2017 and January 31, 2018 that meet the

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Eligibility Criteria, as defined below. The Reference Pool summary attached to this term sheet provides additional details about the Reference Obligations in the Reference Pool.

**Reference Pool
Eligibility Criteria**

Each mortgage loan in the Reference Pool must satisfy the following criteria (the "Eligibility Criteria"):

- (a) is a fully amortizing, fixed rate, first lien Mortgage Loan secured by a one- to four-unit property, town house, individual condominium unit, individual unit in a planned unit development, individual cooperative unit or manufactured home, with an original term of 241 to 360 months;
- (b) was acquired by Fannie Mae between October 1, 2017 and January 31, 2018;
- (c) has not been 30 or more days delinquent from the date of acquisition to the Cut-off Date;
- (d) was not originated under Fannie Mae's Refi Plus program (Fannie Mae's Refi Plus program includes but is not limited to the Home Affordable Refinance Program);
- (e) has an original combined loan-to-value ratio less than or equal to 97%;
- (f) is not subject to any form of risk sharing with the loan seller or servicer (other than limited seller or servicer indemnification or limited future loss protection settlements in certain cases);
- (g) was not originated under certain non-standard programs;
- (h) is a conventional loan (i.e. is not guaranteed by the Federal Housing Administration or the U.S. Department of Veterans Affairs);
- (i) has an original loan-to-value ratio that is (i) greater than 80% and (ii) less than or equal to 97%; and
- (j) (i) is not covered by pool insurance and (ii) is covered by private mortgage insurance as of the Cut-off Date or was covered by private mortgage insurance at the time of acquisition that has since been cancelled or otherwise eliminated by the borrower as permitted under Fannie Mae's Servicing Guide or in the case of certain Reference Obligations secured by mortgaged properties in the State of New York, was not covered by private mortgage insurance at the time of acquisition as permitted under Fannie Mae's Selling Guide.

provided, however, that upon the refinancing of a Reference Obligation under the High LTV Refinance Option, the resulting High LTV Refinance Reference Obligation will constitute a Reference Obligation and will be included in the Reference Pool in

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replacement of the original Reference Obligation.

**Reference Pool
Selection Process**

Fannie Mae determined the composition of the Reference Pool utilizing the multi-step process described below.

- All mortgage loans that Fannie Mae acquired between October 1, 2017 and January 31, 2018 (other than mortgage loans that were included as reference obligations in a previous Fannie Mae risk sharing transaction) were divided into two segments on a random basis.
- Loans that were included in the first segment were made available for potential selection for the Reference Pool. From the first segment, Fannie Mae identified all of the loans that met the Eligibility Criteria (such loans, the "Available Loans").
- The loans included in the second segment were made available for potential selection for one or more unrelated Fannie Mae credit risk transactions and will not be included in the Reference Pool.

The "Initial Cohort Pool" represents all of the Available Loans that met the Eligibility Criteria at the time of their acquisition by Fannie Mae (other than those Eligibility Criteria that are determined as of the Cut-off Date). The table below summarizes the loan count, original unpaid principal balance and key attributes of the mortgage loans included in the Initial Cohort Pool.

<u>Category</u>	<u>Loan Count</u>	<u>Aggregate Original Loan Balance</u>
Initial Cohort Pool	106,227	\$25,607,322,000
less loans that did not satisfy the delinquency criteria set forth in clause (c) of the Eligibility Criteria, less loans that paid in full, less quality control removals	<u>2,474</u>	<u>\$594,149,000</u>
Reference Pool	103,753	\$25,013,173,000

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The table below summarizes the loans in the Initial Cohort Pool which were excluded from the Reference Pool due to failure to satisfy the delinquency-related Eligibility Criteria, payoffs and quality control removals.

Worst DQ Status Since Acquisition	Current Status ⁽¹⁾											Total
	Current	30	60	90	120	150	180	>180	Paid in Full	QC Removal	Repurchase	
Current	37 ⁽²⁾	0	0	0	0	0	0	0	915	4	0	956
30	1,001	355	0	0	0	0	0	0	9	0	0	1,365
60	49	13	42	0	0	0	0	0	2	0	0	106
90	4	1	2	22	0	0	0	0	0	0	0	29
120	0	0	0	0	13	0	0	0	0	0	0	13
150	0	0	0	0	0	5	0	0	0	0	0	5
180	0	0	0	0	0	0	0	0	0	0	0	0
>180	0	0	0	0	0	0	0	0	0	0	0	0
Total	1,091	369	44	22	13	5	0	0	926	4	0	2,474

(1) The above table takes into account acquisition eligibility criteria prior to the consideration of delinquency and other Cut-off Date eligibility requirements, which could understate such Cut-off Date eligibility exclusions.

(2) Defects identified, but the loans remain subject to the rebuttal process as of May 29, 2018 and therefore excluded from eligibility.

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**Loan Acquisition Practices**

All of the Reference Obligations were acquired from and serviced by loan sellers and servicers who are approved by Fannie Mae to conduct business with Fannie Mae. Fannie Mae relies on loan sellers to comply with Fannie Mae's standards and make underwriting decisions that result in investment quality loans. To protect Fannie Mae from acquiring loans that do not meet Fannie Mae's prescribed underwriting standards, loan sellers are required to make representations and warranties as to certain facts and circumstances concerning the loan sellers themselves and the mortgage loans they are selling. Representations and warranties required by Fannie Mae are described in the Mortgage Selling and Servicing Contract, the Fannie Mae Single-Family Selling Guide (the "Selling Guide"), the Fannie Mae Single-Family Servicing Guide (the "Servicing Guide") and other lender contracts (collectively, the "Lender Contract"). Subject to representation and warranty relief and sunset policies described in the prospectus, violation of any representation and warranty is a breach of the Lender Contract, entitling Fannie Mae to pursue certain remedies, including a loan repurchase request.

Underwriting Standards

Fannie Mae's Selling Guide establishes the baseline credit standards for mortgage loans that Fannie Mae acquires from Fannie Mae's approved loan sellers. In evaluating a borrower's willingness and ability to repay the mortgage loan, the loan seller must include documentation in the loan file that confirms that information provided by the borrower as part of the loan application is accurate and documents the loan seller's assessment of the borrower's credit history, employment, income, assets and other financial information. In addition, the loan seller must conduct a comprehensive risk assessment of each mortgage loan application prior to approving it. The loan seller is also responsible for the accuracy and completeness of the appraisal and its assessment of the marketability of the property as well as underwriting the appraisal report to determine whether the property presents adequate collateral for the mortgage loan.

Desktop Underwriter

Approximately 90.72% of the Reference Obligations, by unpaid principal balance, were underwritten through Fannie Mae's Desktop Underwriter® ("DU") system. DU is a proprietary automated underwriting system that evaluates mortgage delinquency risk and arrives at an underwriting recommendation by conducting a comprehensive examination of the primary and contributory risk factors in a mortgage application. DU analyzes the information in the

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loan case file to reach an overall credit risk assessment to determine eligibility for delivery to Fannie Mae. In addition, DU outlines certain steps necessary for the loan seller to complete the processing of the loan file, including the required documentation necessary to verify borrower income, assets, and property value. All loans delivered to Fannie Mae must meet the documentation requirements stated in the Selling Guide or as required by DU as of the date of origination.

Servicing Practices

The servicing of the mortgage loans that are held in Fannie Mae's mortgage portfolio or that back Fannie Mae's MBS is performed by servicers on Fannie Mae's behalf, with Fannie Mae retaining servicing control. Each servicer is required to service the applicable Reference Obligations in accordance with Fannie Mae's servicing guidelines as stated in Fannie Mae's Servicing Guide and related announcements, including applicable contract variances. Fannie Mae's servicing guidelines may be revised from time to time at Fannie Mae's sole discretion.

Fannie Mae's QC Process

General

Fannie Mae conducts several different types of QC reviews on a sample basis with respect to mortgage loans, including post-purchase reviews, early payment default reviews, servicing reviews and post-foreclosure reviews. Fannie Mae reviews a statistically valid random sample of newly acquired performing mortgage loans, and augments this random sample with targeted, discretionary sampling employing a number of technology tools and internal models to more accurately identify loans with characteristics that merit further scrutiny in discretionary reviews.

During the course of its post-purchase QC reviews, Fannie Mae may identify the following:

- significant eligibility violations;
- breaches of selling representations or warranties, including instances of fraud or misrepresentation or that a selling warranty the lender made is untrue;
- breaches of the terms of applicable contract provisions; or
- servicing deficiencies that have had a materially adverse effect on the value of the mortgage loan or the acquired property.

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If Fannie Mae identifies any of the foregoing, Fannie Mae may require the immediate repurchase of a mortgage loan. Fannie Mae refers to defects that ultimately give rise to a repurchase obligation as "Eligibility Defects." In certain circumstances, Fannie Mae may provide the loan seller with an alternative to the immediate repurchase of a mortgage loan that does not meet Fannie Mae's requirements.

Under Fannie Mae's lender selling representations and warranties framework, lenders are relieved of certain selling representations and warranties that relate to the underwriting of loans delivered to Fannie Mae, provided that those loans have achieved an acceptable payment history or a successful full-file quality control review by Fannie Mae. Nonetheless, lenders will not be relieved from Fannie Mae's enforcement with respect to certain "life of loan representations and warranties," including, but not limited to, fraud and misrepresentation, validity of title and Fannie Mae Charter violations.

Any limitations on Fannie Mae's ability to require the repurchase of a mortgage loan is likely to reduce the rate of lender repurchases following certain breaches and thus may increase the exposure of investors to credit losses.

Delinquent Mortgage Loans

Fannie Mae's current quality control process requires completion of an automated analysis of all defaulted loans that remain subject to loan seller repurchase obligations at the time of default. The objective is to determine the likelihood that a defect exists that will result in a repurchase by the loan seller. This automated analysis triggers referral to a specialist for a detailed review. The analysis takes into account the nature and circumstances of the borrower default, the timing and prior payment history of the borrower, the current status of the loan and/or property and other data elements that, based on Fannie Mae's experience, indicate that the default is correlated with a potential loan seller breach requiring a repurchase.

Fannie Mae's QC policies and procedures are generally subject to revision over time as a result of changes in the economic environment as well as changes in regulatory policies and requirements, including implementation of the "Single Security Initiative", among other factors. Further,

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Fannie Mae may at any time modify our servicing requirements and other procedures in light of our evolving business needs and to minimize losses to taxpayers and our shareholders, among other purposes. These changes may be adopted without regard to investors and in some cases may have a negative impact on Noteholders.

Fannie Mae QC Results

Fannie Mae's post-purchase QC process is designed to evaluate the eligibility of the loans Fannie Mae acquires. In connection with Fannie Mae's post-purchase QC reviews for mortgage loans with LTV ratios greater than 80% and less than or equal to 97% that Fannie Mae acquired from October 1, 2017 through January 31, 2018, Fannie Mae reviewed 3,726 mortgage loans out of the eligible production for the period October 1, 2017 through January 31, 2018, an approximate 3.45% sample, of which 3,510 are in the Reference Pool. Of the 3,726 mortgage loans, approximately 40.10% (or 1,494 mortgage loans) remain subject to Fannie Mae's post-purchase QC process as of May 29, 2018.

The following summary is preliminary based on the most current information available as of May 29, 2018. The prospectus will contain additional information about the results of Fannie Mae's post purchase QC reviews.

Type of Sample	Number of Loans Reviewed*	Loans With Eligibility Defects	Share of Sample with Eligibility Defects
Randomly Selected	1,585	15	0.95%
Discretionary Selections	<u>2,141</u>	<u>27</u>	<u>1.26%</u>
Total	3,726	42	1.13%

*1,494 loans remain subject to the random or discretionary post-purchase review process as of May 29, 2018, some of which may be determined to have eligibility defects.

None of the loans determined by Fannie Mae to have Eligibility Defects as of May 29, 2018 were included in the Reference Pool.

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**Due Diligence Review**

In connection with the issuance from time to time of Connecticut Avenue Securities, Fannie Mae engages third-party diligence providers (each, a "Diligence Provider") to conduct limited reviews of mortgage loans that Fannie Mae acquires in a specified calendar quarter and/or calendar month and includes in fully-guaranteed MBS. Each Diligence Provider selects for review a statistically valid, random sample of mortgage loan files (each, a "Diligence Sample") from a broader population of loans that were acquired in the applicable calendar quarter or calendar month and that received full credit and appraisal reviews (and a portion of which received compliance reviews) as part of Fannie Mae's random QC Process.

In its review of fourth quarter 2017 acquisitions, the relevant Diligence Provider selected a Diligence Sample of 999 mortgage loan files from a broader population of 4,565 loans (all of which met the Preliminary Eligibility Criteria). The related Diligence Sample included 216 Reference Obligations that were included in the final selection of the Reference Pool. The results of the fourth quarter 2017 review are described more fully in the related sections set forth under "The Reference Obligations" in the prospectus.

In its review of January 2018 acquisitions, the relevant Diligence Provider selected a Diligence Sample of 333 mortgage loan files from a broader population of 1,697 loans (all of which met the Preliminary Eligibility Criteria). The related Diligence Sample included 86 Reference Obligations that were included in the final selection of the Reference Pool. The results of the January 2018 review are described more fully in the related sections set forth under "*The Reference Obligations*" in the prospectus.

The "Preliminary Eligibility Criteria" are the Eligibility Criteria other than the criteria specified in clauses (b), (c) and (f) of the definition thereof, and provided that for this purpose clause (i) of the definition thereof is deemed to read as follows: "has an original loan-to-value ratio that is (i) greater than 60% and (ii) less than or equal to 97%."



THE NOTES

Debt Agreement

The Notes will be issued pursuant to a debt agreement. The permissible Combinations of RCR Notes that may be issued in exchange for Exchangeable Notes are set forth on Schedule I hereto.

Class Principal Balance

As of any Payment Date and for the Notes (in each case without regard to any exchange of Exchangeable Notes for RCR Notes):

- (a) the maximum dollar amount of principal to which the Holders of each related Class of Notes are then entitled, with such amount being equal to the initial Class Principal Balance of such Class of Notes, *minus*
- (b) the aggregate amount of principal paid by Fannie Mae on such Class of Notes on such Payment Date and all prior Payment Dates, *minus*
- (c) the aggregate amount of Tranche Write-down Amounts allocated to reduce the Class Principal Balance of such Class of Notes on such Payment Date and on all prior Payment Dates, and *plus*
- (d) the aggregate amount of Tranche Write-up Amounts allocated to increase the Class Principal Balance of such Class of Notes on such Payment Date and on all prior Payment Dates.

The Class Principal Balance of each Class of Notes (other than RCR Notes) will at all times equal the Class Notional Amount of the Reference Tranche that corresponds to such Class of Notes. For the avoidance of doubt, no Tranche Write-up Amount or Tranche Write-down Amount will be applied twice on the same Payment Date. The Class Principal Balance of each outstanding Class of RCR Notes entitled to principal will be equal to the outstanding Class Principal Balance of the Exchangeable Notes that were exchanged for such RCR Notes.

Interest Accrual Amount

With respect to each outstanding Class of Notes (and, solely for purposes of calculating allocations of any Modification Loss Amounts, the Class 2B-2H Reference Tranche) and any Payment Date, an amount equal to the accrued interest at the class coupon on the Class Principal Balance or Class Notional Amount, as applicable, of each Class of Notes immediately prior to such Payment Date.

Interest Payment Amount

With respect to each outstanding Class of Notes and any Payment Date, the amount that Noteholders thereof will be entitled to receive from the Interest Accrual Amount for such Class of Notes, less any Modification Loss Amount for such Payment Date allocated to reduce such amount for such Class of Notes. In each case, interest amounts that are payable by Fannie Mae on the related Exchangeable Notes

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will be allocated to and payable on any outstanding RCR Notes.

Principal Payment

Except as described below, on each Payment Date, Fannie Mae will pay principal to Holders of each outstanding Class of Notes (without regard to any exchanges of Exchangeable Notes for RCR Notes) in an amount equal to the portion of the Senior Reduction Amount or Subordinate Reduction Amount, as applicable, allocated to the corresponding Reference Tranche on such Payment Date. No payments of principal will be made to the Reference Tranches.

On the earlier to occur of (x) the Early Redemption Date, if any, and (y) the Maturity Date, Fannie Mae will pay 100% of the outstanding Class Principal Balance to Holders of each Class of Notes, after allocations of the Tranche Write-down Amount and the Tranche Write-up Amount for such Payment Date (without regard to any exchanges of Exchangeable Notes for RCR Notes).

In each case, principal amounts that are payable by Fannie Mae on the related Exchangeable Notes will be allocated to and payable on any outstanding RCR Notes that are entitled to principal.

In addition, on the Termination Date, the Projected Recovery Amount will be included in the calculation of the Principal Recovery Amount.

Event of Default

An "Event of Default" for the Notes under the Debt Agreement will consist of:

- (a) any failure by Fannie Mae to pay principal or interest on a Note that continues unremedied for 30 days;
- (b) any failure by Fannie Mae to perform in any material respect any other obligation under the Debt Agreement if the failure continues unremedied for 60 days after Fannie Mae receives notification by the Holders of at least 25% of the outstanding Class Principal Balance of the Notes (with the outstanding Class Principal Balances of the Exchangeable Notes to be determined without regard to any exchanges for RCR Notes); or
- (c) specified events of bankruptcy, insolvency or similar proceedings involving Fannie Mae.

Holders of RCR Notes will be entitled to exercise all the voting or direction rights that are otherwise allocated to the related Exchangeable Notes; provided, however, that Holders of any outstanding RCR Notes (other than the Interest Only RCR Notes) will be entitled to exercise their pro rata shares of 99% of the voting or direction rights that are otherwise allocated to the related Exchangeable Notes, and Holders of any outstanding Interest Only

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RCR Notes will be entitled to exercise 1% of the voting or direction rights that are otherwise allocated to the related Exchangeable Notes.

The appointment of a conservator (or other similar official) by a regulator having jurisdiction over Fannie Mae, whether or not Fannie Mae consents to such appointment, will not constitute an Event of Default.

Rights Upon Event of Default

If an Event of Default under the Debt Agreement continues unremedied, Holders of not less than 50% of the Class Principal Balance amount of each Class of Notes (with the outstanding Class Principal Balances of Exchangeable Notes to be determined without regard to any exchanges for RCR Notes) to which such Event of Default relates may, by written notice to Fannie Mae, declare such Notes due and payable.

No Noteholder has any right under the Debt Agreement to institute any action or proceeding at law or in equity or in bankruptcy or otherwise, or for the appointment of a receiver or trustee, or for any other remedy, unless:

- (a) the Noteholder has previously given Fannie Mae written notice of an Event of Default and of the continuance thereof;
- (b) the Holders of not less than 50% of the outstanding Class Principal Balance of each Class of Notes to which such Event of Default relates (with the outstanding Class Principal Balances of the Exchangeable Notes to be determined without regard to any exchanges for RCR Notes) have given Fannie Mae written notice of the Event of Default; and
- (c) the Event of Default continues uncured for 60 days following such notice.

The Holders of not less than 50% of the outstanding Class Principal Balance of each Class of Notes (with the outstanding Class Principal Balances of the Exchangeable Notes to be determined without regard to any exchanges for RCR Notes) to which an Event of Default relates may waive, rescind or annul such Event of Default as it relates to such Class at any time.

Holders of such RCR Notes will be entitled to exercise all the voting or direction rights otherwise allocable to the related Exchangeable Notes as further described in the prospectus.

Exchange Administration

Under the Global Agency Agreement, the Exchange Administrator will be engaged by Fannie Mae to perform certain administrative functions with respect to exchanging Exchangeable Notes for RCR Notes and vice versa. The Exchange Administrator will, among other

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duties set forth in the Global Agency Agreement, administer all exchanges of Exchangeable Notes for RCR Notes and vice versa, which will include receiving notices of requests for such exchanges from Noteholders, accepting the Notes to be exchanged, and giving notice to the Global Agent of all such exchanges. The Exchange Administrator will notify the Global Agent with respect to any exchanges of Exchangeable Notes for RCR Notes (and vice versa) at the time of such exchange, and the Global Agent will make all subsequent payments in accordance with such notice, unless notified of a subsequent exchange by the Exchange Administrator.

INVESTMENT CONSIDERATIONS

United States Federal Tax Consequences

Fannie Mae expects to receive an opinion from Hunton Andrews Kurth LLP that, although the matter is not free from doubt, each of the Class 2M-1, Class 2M-2A, Class 2M-2B and Class 2M-2C Notes sold on the Closing Date (including through a sale of RCR Notes) to a person unrelated to Fannie Mae will be characterized as indebtedness for U.S. federal income tax purposes. Fannie Mae and each Holder of such a Note, by acceptance of such Note, will agree to treat such Note as indebtedness of Fannie Mae for all U.S. federal income tax purposes unless otherwise required by law. The arrangement under which the RCR Notes are created will be classified as a grantor trust for U.S. federal income tax purposes. The RCR Notes represent beneficial ownership interests in the applicable Exchangeable Notes for U.S. federal income tax purposes.

The Class 2B-1 Notes could be characterized as derivatives, guarantee contracts, debt instruments or equity instruments for U.S. federal income tax purposes. While the characterization is not entirely clear, Fannie Mae intends to take the position that each Class 2B-1 Note will be treated as a notional principal contract for U.S. federal income tax purposes (other than for purposes of U.S. federal withholding tax).

Because the U.S. federal income tax characterization of the Class 2B-1 Notes is uncertain, the characterization of payments on the Class 2B-1 Notes for U.S. withholding tax purposes is also uncertain. As a result, to the extent that Fannie Mae makes payments to a beneficial owner not exempt from withholding with respect to a Class 2B-1 Note, Fannie Mae and its paying agent intend to withhold U.S. federal income tax on the entire amount of each class coupon payment (as adjusted as a result of any Modification Events) with respect to such Class 2B-1 Note. Further, Fannie Mae expects that other withholding agents making such payments to a non-U.S. beneficial owner will also withhold on such payments. Fannie Mae will not gross up for such withheld amounts. Accordingly, potential investors that are not U.S. persons should consult with their tax advisors regarding the suitability

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of the Class 2B-1 Notes for investment.

- ERISA Considerations** Subject to the terms and considerations in the prospectus, the Notes are eligible to be purchased by employee benefit plans and entities holding the assets of any such plan.
- Legal Investment** The Notes will not be "mortgage related securities" for purposes of the Secondary Mortgage Market Enhancement Act of 1984, as amended ("SMMEA"). No representation is or will be made as to the proper characterization of the Notes for legal investment or other purposes, the ability of particular investors to purchase Notes for legal investment or other purposes or the ability of particular investors to purchase the Notes under applicable legal investment or other restrictions.
- EU Risk Retention** In connection with Article 405(1) of EU Regulation 575/2013, Fannie Mae will retain a material net economic interest in the exposure related to the Notes issuance transaction of not less than 5%.
- Notes Not Listed** At the time of issuance, the Notes are not expected to be listed on any national securities exchange or traded on any automated quotation systems of any registered securities association.
- Registration and Denomination** The Notes will be issuable in book-entry form through DTC, Euroclear and Clearstream in minimum denominations of \$10,000 with integral multiples of \$1 in excess thereof. The Notes are being offered only to "Qualified Institutional Buyers" (as defined in Rule 144A under the Securities Act).
- Record Date** The business day preceding a Payment Date, with respect to beneficial interests in book-entry Notes and the last business day of the preceding month of a Payment Date, with respect to definitive Notes.

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EXAMPLE OF PAYMENTS

The following sets forth an example of reporting of principal payments from borrowers on the Reference Obligations and payments on the Notes for the Payment Date in July 2018:

May 1 through May 31	Reporting Period	The Master Servicer will report principal payments on the Reference Obligations received during the related Reporting Period (May 1 through May 31) from borrowers including scheduled principal and full and partial principal prepayments.
May 31	Delinquency Determination Date	The Master Servicer will report the MBA delinquency status on the Reference Obligations determined as of the Delinquency Determination Date (May 31).
July 12	Master Servicer Remittance Date	Master Servicer will provide remittance file in respect of the Reference Obligations to the Global Agent on or prior to the 8th business day of each month.
July 24	Record Date	Distributions on each Payment Date will be made to Holders of record for all classes of Notes as of the business day immediately preceding such Payment Date.
July 25	Payment Date	On the 25 th day of each month (or if the 25 th day is not a business day, the next business day), the Issuer will make payments to Noteholders.

Succeeding months will follow the same pattern.

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SCHEDULE I

**CONNECTICUT AVENUE SECURITIES, SERIES 2018-C04
RCR NOTES
AVAILABLE COMBINATIONS AND RECOMBINATIONS**

Combination	Class of Exchangeable or RCR Note	Original Balance (\$)	Exchange Proportions (%) ⁽¹⁾	Class of RCR Note	Maximum Original Balance / Notional Amount (\$)	Exchange Proportions (%) ⁽¹⁾	Class Coupon (%)	Expected Ratings (Fitch/Morningstar)
1	2M-2A	\$199,636,000	33.3333333333%	2M-2	\$598,908,000	100.0000000000%	1mL + ___%	Bsf / BB+
	2M-2B	\$199,636,000	33.3333333333%					
	2M-2C	\$199,636,000	33.3333333333%					
2	2M-2A	\$199,636,000	100.0000000000%	2E-A1	\$199,636,000	100.0000000000%	1mL + ___%	BBsf / BBB+
				2A-I1	\$199,636,000 ⁽²⁾	100.0000000000%	% ⁽³⁾	BBsf / BBB+
3	2M-2A	\$199,636,000	100.0000000000%	2E-A2	\$199,636,000	100.0000000000%	1mL + ___%	BBsf / BBB+
				2A-I2	\$199,636,000 ⁽²⁾	100.0000000000%	% ⁽³⁾	BBsf / BBB+
4	2M-2A	\$199,636,000	100.0000000000%	2E-A3	\$199,636,000	100.0000000000%	1mL + ___%	BBsf / BBB+
				2A-I3	\$199,636,000 ⁽²⁾	100.0000000000%	% ⁽³⁾	BBsf / BBB+
5	2M-2A	\$199,636,000	100.0000000000%	2E-A4	\$199,636,000	100.0000000000%	1mL + ___%	BBsf / BBB+
				2A-I4	\$199,636,000 ⁽²⁾	100.0000000000%	% ⁽³⁾	BBsf / BBB+
6	2M-2B	\$199,636,000	100.0000000000%	2E-B1	\$199,636,000	100.0000000000%	1mL + ___%	BB-sf / BBB
				2B-I1	\$199,636,000 ⁽²⁾	100.0000000000%	% ⁽³⁾	BB-sf / BBB
7	2M-2B	\$199,636,000	100.0000000000%	2E-B2	\$199,636,000	100.0000000000%	1mL + ___%	BB-sf / BBB
				2B-I2	\$199,636,000 ⁽²⁾	100.0000000000%	% ⁽³⁾	BB-sf / BBB
8	2M-2B	\$199,636,000	100.0000000000%	2E-B3	\$199,636,000	100.0000000000%	1mL + ___%	BB-sf / BBB
				2B-I3	\$199,636,000 ⁽²⁾	100.0000000000%	% ⁽³⁾	BB-sf / BBB
9	2M-2B	\$199,636,000	100.0000000000%	2E-B4	\$199,636,000	100.0000000000%	1mL + ___%	BB-sf / BBB
				2B-I4	\$199,636,000 ⁽²⁾	100.0000000000%	% ⁽³⁾	BB-sf / BBB
10	2M-2C	\$199,636,000	100.0000000000%	2E-C1	\$199,636,000	100.0000000000%	1mL + ___%	Bsf / BB+
				2C-I1	\$199,636,000 ⁽²⁾	100.0000000000%	% ⁽³⁾	Bsf / BB+
11	2M-2C	\$199,636,000	100.0000000000%	2E-C2	\$199,636,000	100.0000000000%	1mL + ___%	Bsf / BB+
				2C-I2	\$199,636,000 ⁽²⁾	100.0000000000%	% ⁽³⁾	Bsf / BB+
12	2M-2C	\$199,636,000	100.0000000000%	2E-C3	\$199,636,000	100.0000000000%	1mL + ___%	Bsf / BB+
				2C-I3	\$199,636,000 ⁽²⁾	100.0000000000%	% ⁽³⁾	Bsf / BB+
13	2M-2C	\$199,636,000	100.0000000000%	2E-C4	\$199,636,000	100.0000000000%	1mL + ___%	Bsf / BB+
				2C-I4	\$199,636,000 ⁽²⁾	100.0000000000%	% ⁽³⁾	Bsf / BB+
14	2E-A1	\$199,636,000	50.0000000000%	2E-D1	\$399,272,000	100.0000000000%	1mL + ___%	BB-sf / BBB
	2E-B1	\$199,636,000	50.0000000000%					
15	2E-A2	\$199,636,000	50.0000000000%	2E-D2	\$399,272,000	100.0000000000%	1mL + ___%	BB-sf / BBB
	2E-B2	\$199,636,000	50.0000000000%					
16	2E-A3	\$199,636,000	50.0000000000%	2E-D3	\$399,272,000	100.0000000000%	1mL + ___%	BB-sf / BBB
	2E-B3	\$199,636,000	50.0000000000%					
17	2E-A4	\$199,636,000	50.0000000000%	2E-D4	\$399,272,000	100.0000000000%	1mL + ___%	BB-sf / BBB
	2E-B4	\$199,636,000	50.0000000000%					
18	2M-2A	\$199,636,000	50.0000000000%	2E-D5	\$399,272,000	100.0000000000%	1mL + ___%	BB-sf / BBB
	2M-2B	\$199,636,000	50.0000000000%					
19	2E-B1	\$199,636,000	50.0000000000%	2E-F1	\$399,272,000	100.0000000000%	1mL + ___%	Bsf / BB+
	2E-C1	\$199,636,000	50.0000000000%					
20	2E-B2	\$199,636,000	50.0000000000%	2E-F2	\$399,272,000	100.0000000000%	1mL + ___%	Bsf / BB+
	2E-C2	\$199,636,000	50.0000000000%					

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Table with 9 columns: Combination, Class of Exchangeable or RCR Note, Original Balance (\$), Exchange Proportions (%)(1), Class of RCR Note, Maximum Original Balance / Notional Amount (\$), Exchange Proportions (%)(1), Class Coupon (%), Expected Ratings (Fitch/Morningstar). Rows 21-31.

(1) Exchange proportions are constant proportions of the original Class Principal Balances or Class Notional Amounts, as applicable, of the Class or Classes of Exchangeable or RCR Notes being exchanged.

(2) This Class is an interest only class with a Class Notional Amount as of any Payment Date equal to a specified percentage of the outstanding Class Principal Balance of the related Exchangeable or RCR Note or Notes.

(3) The interest payment on each of these Classes of Interest Only RCR Notes for a Payment Date represents a portion of the interest payment on the Class of Exchangeable Notes included in the related Combination for that Payment Date.

Table with 2 columns: Class of Interest Only RCR Notes, Negative LIBOR Trigger. Lists classes 2A-I1 through 2C-I4 with corresponding trigger percentages.

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(4) The interest payment on each of these Classes of Interest Only RCR Notes for a Payment Date represents a portion of the interest payments on the Classes of RCR Notes included in the related Combination for that Payment Date. For any Payment Date for which One-Month LIBOR is less than the applicable Negative LIBOR Trigger set forth below, the interest payment on the specified Class of Interest Only RCR Notes will be calculated as the lesser of (x) the amount calculated based on the Class Coupon set forth above for that Class and (y) the aggregate of the interest amounts payable on the Classes of RCR Notes included in the same Combination that were exchanged for the specified Class of Interest Only RCR Notes for that Payment Date.

Class of Interest Only RCR Notes	Negative LIBOR Trigger
Class 2-X1 Notes	- ___%
Class 2-X2 Notes	- ___%
Class 2-X3 Notes	- ___%
Class 2-X4 Notes	- ___%
Class 2-Y1 Notes	- ___%
Class 2-Y2 Notes	- ___%
Class 2-Y3 Notes	- ___%
Class 2-Y4 Notes	- ___%

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GLOSSARY OF CERTAIN DEFINED TERMS

"Credit Event Amount" means, with respect to each Payment Date, the aggregate amount of the Credit Event UPB of all Credit Event Reference Obligations for the related Reporting Period.

"Credit Event Net Gain" means, with respect to any Credit Event Reference Obligation, an amount equal to the *excess*, if any, of:

- (a) the related Net Liquidation Proceeds, over
- (b) the *sum* of:
 - (i) the related Credit Event UPB;
 - (ii) the total amount of prior principal forgiveness modifications (excluding any reduction in principal balance that resulted from the origination of a High LTV Refinance Reference Obligation), if any, on the related Credit Event Reference Obligation; and
 - (iii) delinquent accrued interest thereon, calculated at the applicable Current Accrual Rate from the related last-paid interest date through the date such Reference Obligation has been reported as a Credit Event Reference Obligation.

"Credit Event Net Loss" means, with respect to any Credit Event Reference Obligation, an amount equal to the *excess*, if any, of:

- (a) the sum of:
 - (i) the related Credit Event UPB;
 - (ii) the total amount of prior principal forgiveness modifications (excluding any reduction in principal balance that resulted from the origination of a High LTV Refinance Reference Obligation), if any, on the related Credit Event Reference Obligation; and
 - (iii) delinquent accrued interest thereon, calculated at the related Current Accrual Rate from the related last paid interest date through the date such Reference Obligation has been reported as a Credit Event Reference Obligation, *over*
- (b) the related Net Liquidation Proceeds.

As indicated below, the Net Liquidation Proceeds for any Credit Event Reference Obligation will be determined based on the proceeds received (net of related expenses and credits) during the period including the month in which such Reference Obligation became a Credit Event Reference Obligation together with the immediately following three-month period. Any proceeds or expenses received or incurred thereafter with respect to such Credit Event Reference

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Obligation will be determined on a monthly basis for inclusion in the calculation of the Principal Recovery Amount or Principal Loss Amount, as applicable.

"Credit Event Reference Obligation" means, with respect to any Payment Date, any Reference Obligation with respect to which a Credit Event has occurred.

"Credit Event UPB" means, with respect to each Credit Event Reference Obligation, the unpaid principal balance of such Reference Obligation as of the end of the Reporting Period related to the Payment Date that it became a Credit Event Reference Obligation.

"Current Accrual Rate" means, with respect to each Payment Date and any Reference Obligation, the current mortgage rate, less the greater of (i) the related servicing fee rate and (ii) 35 basis points.

"Delinquency Test" means, for any Payment Date, a test that will be satisfied if:

(a) the sum of the Distressed Principal Balance for the current Payment Date and each of the preceding five Payment Dates, divided by six, is less than

(b) 40% of the excess of (i) the product of (x) the Subordinate Percentage and (y) the aggregate unpaid principal balance of the Reference Obligations as of the preceding Payment Date over (ii) the Principal Loss Amount for the current Payment Date.

"Distressed Principal Balance" means, for any Payment Date, the aggregate unpaid principal balance of the Reference Obligations that are 90 days or more delinquent or are otherwise in foreclosure, bankruptcy or REO status.

"High LTV Refinance Option" means Fannie Mae's high loan-to-value refinance program, effective October 1, 2017, designed to provide refinance opportunities to borrowers with existing Fannie Mae mortgages who are current in their mortgage payments but whose loan-to-value ratios exceed the maximum permitted for standard refinance products under the Selling Guide.

"Minimum Credit Enhancement Test" means, with respect to any Payment Date, a test that will be satisfied if the Subordinate Percentage (solely for purposes of such test, rounded to the sixth decimal place) is greater than or equal to 4.500000%.

"Mortgage Insurance Credit Amount" means, with respect to any Credit Event Reference Obligation the full amount, if any, that may be claimed as contractual proceeds of any mortgage insurance covering such Reference Obligation at the time such Reference Obligation became a Credit Event Reference Obligation, without regard to whether such amount or any portion thereof is actually received by or reimbursed to Fannie Mae from the applicable mortgage insurer, servicer or any other source. For the avoidance of doubt, the "Mortgage Insurance Credit Amount" will not include amounts that otherwise may have been claimed to the extent the related mortgage insurance coverage has been rescinded or has been denied or curtailed due to origination or servicing breaches.

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"Net Liquidation Proceeds" means, with respect to any Credit Event Reference Obligation, the sum of the related liquidation proceeds, any Mortgage Insurance Credit Amount and any proceeds received from the related servicer in connection with such Credit Event Reference Obligation, less related expenses and credits, including but not limited to taxes and insurance, legal costs, maintenance and preservation costs, in each case during the period including the month in which such Reference Obligation became a Credit Event Reference Obligation together with the immediately following three-month period.

"Original Accrual Rate" means, with respect to any Reference Obligation, the mortgage rate as of the Cut-off Date, less the greater of (i) the related servicing fee and (ii) 35 basis points.

"Preliminary Class Notional Amount" means, for a Payment Date and Reference Tranche, an amount equal to the Class Notional Amount of a Reference Tranche immediately prior to such Payment Date after the application of the Preliminary Tranche Write-down Amount in accordance with the priorities set forth in the Allocation of Tranche Write-down Amount for the related Notes and after the application of the Preliminary Tranche Write-up Amount in accordance with the priorities set forth in the Allocation of Tranche Write-up Amount.

"Preliminary Principal Loss Amount" means, for a Payment Date, an amount equal to the Principal Loss Amount computed without giving effect to clause (d) of the definition of Principal Loss Amount.

"Preliminary Tranche Write-down Amount" means, for a Payment Date, an amount equal to the Tranche Write-down Amount computed using the Preliminary Principal Loss Amount instead of the Principal Loss Amount.

"Preliminary Tranche Write-up Amount" means, for a Payment Date, an amount equal to the Tranche Write-up Amount computed using the Preliminary Principal Loss Amount instead of the Principal Loss Amount.

"Projected Recovery Amount" means, as of the Termination Date, the aggregate amount of subsequent recoveries, net of expenses and credits, projected to be received on the Reference Obligations, calculated based on a formula to be derived by Fannie Mae from the actual net recovery experience during the 30-month period immediately preceding the Termination Date, plus any additional amount determined by Fannie Mae in its sole discretion to be appropriate for purposes of the foregoing projection in light of then-current market conditions. Information regarding the formula and results of the related calculations will be provided to Holders through Payment Date Statements in advance of the Termination Date, if any. In the absence of manifest error, Fannie Mae's determination of the Projected Recovery Amount shall be final.

The prospectus will contain further information regarding the Projected Recovery Amount.

"Senior Percentage" means, with respect to each Payment Date, the percentage equivalent of a fraction, the numerator of which is the Class Notional Amount of the Senior Reference Tranche immediately prior to such Payment Date and the denominator of which is the aggregate

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unpaid principal balance of the Reference Obligations at the end of the previous Reporting Period.

"Subordinate Percentage" means, with respect to each Payment Date and the Notes, 100% minus the Senior Percentage for such Payment Date.

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Weighted Average Life and Modeling Assumptions

Weighted average life of a Class of Notes refers to the average amount of time that will elapse from the date of issuance of such Class of Notes until each dollar is distributed and any Tranche Write-down Amount is allocated in reduction of its principal balance. The weighted average lives of the Notes will be influenced by, among other things, the rate at which principal of the mortgage loans that are Reference Obligations is paid, which may be in the form of scheduled amortization, prepayments or liquidations and the timing and rate of allocation of Tranche Write-down Amounts and Tranche Write-up Amounts.

Prepayments on mortgage loans are commonly measured relative to a constant prepayment standard or model. The model used in this term sheet for the Reference Obligations is a Constant Prepayment Rate (or "CPR"). CPR assumes that the outstanding principal balance of a pool of mortgage loans prepays at a specified constant annual rate. In projecting monthly cashflows, this rate is converted to an equivalent monthly rate. CPR does not purport to be either a historical description of the prepayment experience of mortgage loans or a prediction of the anticipated rate of prepayment of any mortgage loans, including the Reference Obligations. The percentages of CPR in the tables below do not purport to be historical description of relative prepayment experience of the Reference Obligations or predictions of the anticipated relative rate of prepayment of the Reference Obligations. Variations in the prepayment experience and the principal balance of the Reference Obligations that prepay may increase or decrease the percentages of initial Class Principal Balance (and weighted average lives) shown in the following tables. Such variations may occur even if the average prepayment experience of all such Reference Obligations equals any of the specified percentages of CPR.

The Weighted Average Life Tables, Declining Balances Tables, Credit Event Sensitivity Tables, Cumulative Note Write-down Amount Tables and Yield Tables below were prepared based on the following assumptions (collectively, the "Modeling Assumptions"):

- (1) the initial Class Principal Balances or Class Notional Amounts are as set forth in the table on page 4;
- (2) the scheduled monthly payment for each Reference Obligation is based on its outstanding principal balance, current mortgage rate and remaining amortization term to maturity so that it will fully amortize in amounts sufficient for the repayment thereof over its remaining amortization term to maturity;
- (3) each monthly payment of scheduled principal and interest on the Reference Obligations is timely received on the first day of each month commencing in June 2018;
- (4) other than with respect to the Declining Balances Tables, the Reference Obligations experience Credit Events at the indicated CDR percentages and there is no lag between the related Credit Event Amounts and the application of any related Recovery Principal; the Principal Loss Amount is equal to 15% of the Credit Event Amount; in the case of the Declining Balances Tables, it is assumed that no Credit Events occur;
- (5) the Delinquency Test is satisfied for each Payment Date;

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- (6) principal prepayments in full on the Reference Obligations are received on the last day of each month beginning in the calendar month prior to the month in which the first Payment Date occurs;
- (7) there are no partial principal prepayments on the Reference Obligations;
- (8) the Reference Obligations prepay at the indicated CPR percentages;
- (9) except as specified in the tables, there are no defaults or delinquencies on the Reference Obligations;
- (10) Payment Dates occur on the 25th day of each month commencing in July 2018;
- (11) there are no purchases, removals, reinstatements, or substitutions of Reference Obligations;
- (12) there are no Modification Events or data corrections in connection with the Reference Obligations;
- (13) the Maturity Date is the Payment Date in December 2030;
- (14) there is no Early Redemption Option exercised (except in the case of Weighted Average Life in Years (to Early Redemption Option));
- (15) the Closing Date is July 3, 2018;
- (16) one-month LIBOR stays constant at 2.04700%;
- (17) the Reference Obligations are aggregated into the assumed mortgage loans having the characteristics as described in "Assumed Characteristics of the Reference Obligations as of the Cut-off Date";
- (18) there are no Reversed Credit Event Reference Obligations;
- (19) the Projected Recovery Amount is zero;
- (20) there are no Originator Rep and Warranty Settlements; and
- (21) the Class 2M-1 margin is equal to 0.75%, the Class 2M-2 margin is equal to 2.25% and the Class 2B-1 margin is equal to 4.10%.

The following default sensitivity tables assume a constant rate of Reference Obligations becoming Credit Event Reference Obligations each month relative to the then outstanding aggregate principal balance of Reference Obligations. This credit event rate (or "CDR") does not purport to be either an historical description of the default experience of the Reference Obligations or a prediction of the anticipated rate of defaults on the Reference Obligations. The rate and extent of actual defaults experienced on the Reference Obligations are likely to differ from those assumed and may differ significantly. A rate of 1.0% CDR assumes Reference Obligations become Credit Event Reference Obligations at an annual rate of 1.0% which remains in effect through the remaining lives of such Reference Obligations. Further, it is unlikely the Reference Obligations will become Credit Event Reference Obligations at any specified percentage of CDR.



Assumed Characteristics of the Reference Obligations as of the Cut-off Date

Assumed Reference Obligation Group Number	Outstanding Principal Balance (\$)	Remaining Term to Maturity (months)	Original Term to Maturity (months)	Current Mortgage Rate (%)
1	1,002,262.74	354	360	3.000
2	2,783,123.96	354	360	3.125
3	8,669,933.45	354	360	3.250
4	22,788,261.66	353	359	3.375
5	59,901,297.55	355	360	3.498
6	268,319,731.88	355	360	3.624
7	1,468,149,159.58	355	360	3.749
8	3,575,766,001.65	355	360	3.874
9	4,520,484,584.99	355	360	3.996
10	3,411,085,250.26	355	360	4.123
11	3,999,609,797.57	355	360	4.247
12	2,343,174,761.70	355	360	4.374
13	1,503,923,347.35	355	360	4.499
14	936,031,039.60	355	360	4.621
15	842,234,192.64	355	360	4.749
16	682,327,008.37	356	360	4.874
17	204,977,162.97	355	360	4.996
18	270,990,779.15	355	360	5.125
19	210,639,276.81	355	360	5.250
20	241,550,818.88	355	360	5.375
21	88,205,251.17	355	360	5.500
22	39,917,038.70	356	360	5.625
23	8,195,783.23	355	360	5.750
24	6,039,245.25	355	360	5.875
25	2,799,203.33	355	360	6.000
26	3,239,207.43	355	360	6.125

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Declining Balances Tables

Percentages of Original Class Principal Balances Outstanding and Weighted Average Lives

Date	Class 2M-1 CPR Prepayment Assumption							
	<u>0%</u>	<u>5%</u>	<u>10%</u>	<u>15%</u>	<u>20%</u>	<u>25%</u>	<u>30%</u>	<u>35%</u>
Closing Date	100	100	100	100	100	100	100	100
June 25, 2019	90	63	35	7	0	0	0	0
June 25, 2020	80	27	0	0	0	0	0	0
June 25, 2021	69	0	0	0	0	0	0	0
June 25, 2022	58	0	0	0	0	0	0	0
June 25, 2023	47	0	0	0	0	0	0	0
June 25, 2024	35	0	0	0	0	0	0	0
June 25, 2025	22	0	0	0	0	0	0	0
June 25, 2026	9	0	0	0	0	0	0	0
June 25, 2027	0	0	0	0	0	0	0	0
June 25, 2028	0	0	0	0	0	0	0	0
June 25, 2029	0	0	0	0	0	0	0	0
June 25, 2030	0	0	0	0	0	0	0	0
June 25, 2031	0	0	0	0	0	0	0	0
Weighted Average Life (years) to Maturity	4.60	1.39	0.79	0.55	0.41	0.33	0.27	0.23
Weighted Average Life (years) to Early Redemption Date*	4.60	1.39	0.79	0.55	0.41	0.33	0.27	0.23

** The Early Redemption Date occurs on the first eligible Payment Date.*

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Class 2M-2
CPR Prepayment Assumption

Date	0%	5%	10%	15%	20%	25%	30%	35%
Closing Date	100	100	100	100	100	100	100	100
June 25, 2019	100	100	100	100	94	85	76	68
June 25, 2020	100	100	93	78	64	51	38	27
June 25, 2021	100	98	77	57	40	25	12	1
June 25, 2022	100	88	62	40	22	7	0	0
June 25, 2023	100	78	49	26	7	0	0	0
June 25, 2024	100	70	38	14	0	0	0	0
June 25, 2025	100	61	28	4	0	0	0	0
June 25, 2026	100	53	19	0	0	0	0	0
June 25, 2027	98	45	11	0	0	0	0	0
June 25, 2028	94	38	3	0	0	0	0	0
June 25, 2029	89	31	0	0	0	0	0	0
June 25, 2030	84	25	0	0	0	0	0	0
June 25, 2031	0	0	0	0	0	0	0	0
Weighted Average Life (years) to Maturity	12.15	8.39	5.31	3.69	2.78	2.20	1.80	1.51
Weighted Average Life (years) to Early Redemption Date*	9.94	7.63	5.30	3.69	2.78	2.20	1.80	1.51

* The Early Redemption Date occurs on the first eligible Payment Date.

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Class 2B-1
CPR Prepayment Assumption

Date	0%	5%	10%	15%	20%	25%	30%	35%
Closing Date	100	100	100	100	100	100	100	100
June 25, 2019	100	100	100	100	100	100	100	100
June 25, 2020	100	100	100	100	100	100	100	100
June 25, 2021	100	100	100	100	100	100	100	100
June 25, 2022	100	100	100	100	100	100	77	37
June 25, 2023	100	100	100	100	100	72	28	0
June 25, 2024	100	100	100	100	83	32	0	0
June 25, 2025	100	100	100	100	48	3	0	0
June 25, 2026	100	100	100	81	20	0	0	0
June 25, 2027	100	100	100	54	0	0	0	0
June 25, 2028	100	100	100	31	0	0	0	0
June 25, 2029	100	100	89	11	0	0	0	0
June 25, 2030	100	100	67	0	0	0	0	0
June 25, 2031	0	0	0	0	0	0	0	0
Weighted Average Life (years) to Maturity	12.48	12.48	12.05	9.29	7.07	5.61	4.60	3.85
Weighted Average Life (years) to Early Redemption Date*	9.98	9.98	9.98	9.04	7.07	5.61	4.60	3.85

**The Early Redemption Date occurs on the first eligible Payment Date.*

Credit Event Sensitivity Table

Cumulative Credit Events (as % of the Cut-off Date Balance)

CDR	0% CPR	5% CPR	10% CPR	15% CPR	20% CPR	25% CPR	30% CPR	35% CPR
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.25%	2.69%	2.03%	1.56%	1.22%	0.98%	0.80%	0.66%	0.56%
0.50%	5.31%	4.01%	3.08%	2.42%	1.94%	1.59%	1.32%	1.12%
0.75%	7.86%	5.94%	4.58%	3.60%	2.89%	2.37%	1.97%	1.67%
1.00%	10.34%	7.83%	6.04%	4.76%	3.83%	3.14%	2.62%	2.22%
1.50%	15.10%	11.47%	8.88%	7.02%	5.66%	4.65%	3.89%	3.30%
2.00%	19.61%	14.94%	11.60%	9.20%	7.44%	6.13%	5.13%	4.36%
3.00%	27.92%	21.40%	16.73%	13.33%	10.84%	8.97%	7.54%	6.43%

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Cumulative Note Write-down Amount Tables

Class 2M-1 Cumulative Write-down Amount (as % of Class 2M-1 Original Class Principal Balance)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3.00%	37.43%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Class 2M-2 Cumulative Write-down Amount (as % of Class 2M-2 Original Class Principal Balance)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.75%	1.14%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.00%	15.73%	0.95%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.50%	43.75%	22.37%	7.14%	0.00%	0.00%	0.00%	0.00%	0.00%
2.00%	70.27%	42.79%	23.16%	9.01%	0.00%	0.00%	0.00%	0.00%
3.00%	100.00%	80.80%	53.30%	33.34%	18.66%	7.66%	0.00%	0.00%

Class 2B-1 Cumulative Write-down Amount (as % of Class 2B-1 Original Class Principal Balance)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.50%	45.64%	15.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.75%	100.00%	60.17%	28.74%	6.21%	0.00%	0.00%	0.00%	0.00%
1.00%	100.00%	100.00%	62.52%	32.95%	11.44%	0.00%	0.00%	0.00%
1.50%	100.00%	100.00%	100.00%	85.04%	53.68%	30.39%	12.76%	0.00%
2.00%	100.00%	100.00%	100.00%	100.00%	94.69%	64.43%	41.45%	23.62%
3.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	97.09%	71.38%

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Classes Yield Tables

Class 2M-1 Pre-Tax Yield to Maturity (Price = 100.00000%)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%
0.25%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%
0.50%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%
0.75%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%
1.00%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%
1.50%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%
2.00%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%
3.00%	(4.43)%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%	2.81%

Class 2M-2 Pre-Tax Yield to Maturity (Price = 100.00000%)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%
0.25%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%
0.50%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%
0.75%	4.27%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%
1.00%	3.21%	4.27%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%
1.50%	0.39%	2.49%	3.64%	4.34%	4.34%	4.34%	4.34%	4.34%
2.00%	(3.95)%	0.33%	1.82%	3.17%	4.34%	4.34%	4.34%	4.34%
3.00%	(26.35)%	(7.28)%	(2.27)%	(0.70)%	0.93%	2.72%	4.34%	4.34%

Class 2B-1 Pre-Tax Yield to Maturity (Price = 100.00000%)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	6.23%	6.23%	6.23%	6.23%	6.23%	6.23%	6.23%	6.23%
0.25%	6.23%	6.23%	6.23%	6.23%	6.23%	6.23%	6.23%	6.23%
0.50%	2.57%	5.24%	6.23%	6.23%	6.23%	6.23%	6.23%	6.23%
0.75%	(12.67)%	0.37%	4.04%	5.84%	6.23%	6.23%	6.23%	6.23%
1.00%	(23.90)%	(15.22)%	(0.43)%	3.44%	5.32%	6.23%	6.23%	6.23%
1.50%	(46.89)%	(38.54)%	(28.10)%	(7.06)%	0.13%	2.77%	4.71%	6.23%
2.00%	(68.85)%	(61.23)%	(52.06)%	(40.22)%	(14.20)%	(2.97)%	0.18%	2.53%
3.00%	*	*	(93.88)%	(85.53)%	(75.09)%	(60.69)%	(20.30)%	(8.32)%

*Indicates a yield less than (99.99)%.

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Weighted Average Life Tables

Class 2M-1 Weighted Average Life to Maturity (in Years)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	4.60	1.39	0.79	0.55	0.41	0.33	0.27	0.23
0.25%	4.71	1.55	0.87	0.62	0.48	0.40	0.34	0.30
0.50%	4.83	1.71	0.91	0.62	0.48	0.40	0.34	0.30
0.75%	4.97	1.91	0.96	0.64	0.49	0.40	0.34	0.30
1.00%	5.12	2.17	1.02	0.67	0.49	0.40	0.34	0.30
1.50%	5.51	2.99	1.17	0.71	0.52	0.40	0.34	0.30
2.00%	6.09	4.74	1.35	0.78	0.55	0.42	0.34	0.30
3.00%	6.74	6.49	2.09	0.95	0.61	0.47	0.37	0.30

Class 2M-2 Weighted Average Life to Maturity (in Years)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	12.15	8.39	5.31	3.69	2.78	2.20	1.80	1.51
0.25%	12.22	9.03	5.82	3.95	2.95	2.32	1.91	1.61
0.50%	12.28	9.63	6.38	4.22	3.09	2.41	1.95	1.63
0.75%	12.34	10.22	6.93	4.54	3.26	2.50	2.01	1.67
1.00%	12.09	10.77	7.48	4.93	3.44	2.61	2.08	1.71
1.50%	10.89	11.05	8.40	5.89	3.94	2.87	2.24	1.81
2.00%	9.35	10.53	8.61	6.54	4.71	3.22	2.43	1.93
3.00%	6.32	7.96	8.33	6.69	5.30	4.17	3.11	2.27

Class 2B-1 Weighted Average Life to Maturity (in Years)

CDR	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>20% CPR</u>	<u>25% CPR</u>	<u>30% CPR</u>	<u>35% CPR</u>
0.00%	12.48	12.48	12.05	9.29	7.07	5.61	4.60	3.85
0.25%	12.48	12.48	12.45	10.40	7.77	6.07	4.90	4.07
0.50%	11.26	12.22	12.48	11.34	8.67	6.58	5.23	4.31
0.75%	8.26	10.15	11.52	11.95	9.76	7.28	5.64	4.55
1.00%	6.02	7.46	9.47	10.97	10.36	8.29	6.18	4.88
1.50%	3.91	4.42	5.27	7.14	8.78	8.42	7.37	5.99
2.00%	2.90	3.16	3.53	4.12	5.57	7.06	6.83	6.15
3.00%	1.91	2.02	2.15	2.32	2.56	2.94	4.00	4.86

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Reference Pool Summary

Statistics for the Reference Obligations listed below are based on statistical Cut-off Date information as of April 30, 2018.

Collateral Summary				
	<u>Aggregate</u>	<u>Weighted Average</u>	<u>Minimum</u>	<u>Maximum</u>
Number of Reference Obligations	103,753	-	-	-
Aggregate Original Principal Balance	\$25,013,173,000	\$241,084 ⁽¹⁾	\$19,000	\$818,000
Aggregate Unpaid Principal Balance	\$24,722,803,522	\$238,285 ⁽¹⁾	\$5,840	\$814,457
Gross Mortgage Rate	-	4.210%	3.000%	6.125%
Remaining Term to Stated Maturity	-	355 Months	258 Months	358 Months
Original Term	-	360 Months	264 Months	360 Months
Loan Age	-	5 Months	2 Months	23 Months
Original Loan-to-Value Ratio	-	92.47%	81.00%	97.00%
Original Combined Loan-to-Value Ratio	-	92.49%	81.00%	97.00%
Debt-to-Income Ratio	-	37.62%	1.19%	50.00%
Credit Score	-	742	620	829
% Refinance	10.65%			
% Owner Occupied	95.72%			
% SFR/PUD	89.22%			
Top Five Geographic Concentration of Mortgage Loans (States)				
CA	13.11%			
TX	7.37%			
FL	5.66%			
WA	4.15%			
AZ	4.04%			

(1) Average

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<i>Product Type of the Mortgage Loans</i>							
Product Type	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Fixed Rate	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

<i>Unpaid Principal Balances as of the Origination Date</i>							
Range of Unpaid Principal Balance (\$)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
0.01 - 25,000.00	18	389,921	*	4.556	720	93.34	93.34
25,000.01 - 50,000.00	622	26,141,416	0.11	4.478	724	93.20	93.29
50,000.01 - 75,000.00	2,815	180,098,179	0.73	4.410	724	93.39	93.46
75,000.01 - 100,000.00	4,645	407,173,958	1.65	4.337	730	93.58	93.63
100,000.01 - 125,000.00	7,217	816,112,475	3.30	4.289	733	93.33	93.38
125,000.01 - 150,000.00	9,208	1,261,376,829	5.10	4.267	735	93.48	93.53
150,000.01 - 200,000.00	19,145	3,322,389,076	13.44	4.248	738	93.39	93.41
200,000.01 - 250,000.00	17,657	3,921,553,772	15.86	4.205	743	92.90	92.91
250,000.01 - 300,000.00	14,008	3,797,049,649	15.36	4.183	744	92.61	92.62
300,000.01 - 350,000.00	10,487	3,360,575,584	13.59	4.179	743	92.48	92.50
350,000.01 - 400,000.00	7,877	2,909,949,641	11.77	4.157	743	92.23	92.25
400,000.01 - 450,000.00	5,281	2,190,380,297	8.86	4.182	743	91.43	91.46
450,000.01 - 500,000.00	1,762	827,470,010	3.35	4.243	750	91.00	91.01
500,000.01 - 550,000.00	1,142	592,915,057	2.40	4.230	749	90.65	90.67
550,000.01 - 600,000.00	1,036	590,997,741	2.39	4.241	748	90.33	90.36
600,000.01 - 650,000.00	778	479,877,188	1.94	4.263	749	89.86	89.94
650,000.01 - 700,000.00	33	22,085,950	0.09	4.252	759	89.45	89.45
700,000.01 - 750,000.00	15	10,753,243	0.04	4.357	738	87.38	87.38
750,000.01 - 800,000.00	3	2,283,173	0.01	4.142	787	85.00	85.00
800,000.01 - 850,000.00	4	3,230,363	0.01	4.469	740	84.50	84.50
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49
Average (\$)	241,083.85						

*Indicates a number that is greater than 0.000% but less than 0.005%.

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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*Unpaid Principal Balances as of the Cut-off Date*

Range of Unpaid Principal Balance (\$)	Number of Mortgage Loans	Unpaid Principal Balance (\$) ⁽¹⁾	Unpaid Principal Balance (%) ⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
0.01 - 25,000.00	43	784,214	*	4.371	753	92.73	92.73
25,000.01 - 50,000.00	684	28,465,213	0.12	4.440	728	93.06	93.13
50,000.01 - 75,000.00	2,913	186,850,259	0.76	4.402	725	93.39	93.46
75,000.01 - 100,000.00	4,725	415,866,324	1.68	4.334	731	93.54	93.59
100,000.01 - 125,000.00	7,416	842,328,196	3.41	4.284	733	93.34	93.39
125,000.01 - 150,000.00	9,231	1,272,022,670	5.15	4.265	736	93.45	93.50
150,000.01 - 200,000.00	19,300	3,369,617,283	13.63	4.247	739	93.39	93.41
200,000.01 - 250,000.00	17,832	3,995,886,969	16.16	4.203	743	92.88	92.90
250,000.01 - 300,000.00	13,898	3,808,949,584	15.41	4.184	744	92.60	92.61
300,000.01 - 350,000.00	10,435	3,380,616,511	13.67	4.177	743	92.46	92.49
350,000.01 - 400,000.00	7,619	2,847,685,715	11.52	4.159	742	92.21	92.23
400,000.01 - 450,000.00	5,032	2,105,589,630	8.52	4.188	743	91.41	91.45
450,000.01 - 500,000.00	1,705	808,402,877	3.27	4.244	750	90.92	90.93
500,000.01 - 550,000.00	1,145	599,447,635	2.42	4.230	749	90.65	90.67
550,000.01 - 600,000.00	1,003	577,198,397	2.33	4.243	748	90.28	90.31
600,000.01 - 650,000.00	718	445,388,333	1.80	4.265	749	89.86	89.95
650,000.01 - 700,000.00	32	21,436,932	0.09	4.246	759	89.28	89.28
700,000.01 - 750,000.00	16	11,498,774	0.05	4.350	742	87.22	87.22
750,000.01 - 800,000.00	2	1,537,643	0.01	4.089	786	85.00	85.00
800,000.01 - 850,000.00	4	3,230,363	0.01	4.469	740	84.50	84.50
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49
Average (\$)	238,285.19						

*Indicates a number that is greater than 0.000% but less than 0.005%.

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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<i>Gross Mortgage Rates of the Mortgage Loans as of the Cut-off Date</i>							
Range of Gross Mortgage Rates (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
2.751 - 3.000	6	1,002,263	*	3.000	724	94.73	94.73
3.001 - 3.250	56	11,453,057	0.05	3.220	744	93.10	93.10
3.251 - 3.500	325	82,689,559	0.33	3.464	761	91.73	91.75
3.501 - 3.750	6,564	1,736,468,891	7.02	3.730	763	91.50	91.52
3.751 - 4.000	32,947	8,096,250,587	32.75	3.942	758	91.99	92.00
4.001 - 4.250	30,998	7,410,695,048	29.98	4.190	745	92.43	92.46
4.251 - 4.500	16,652	3,847,098,109	15.56	4.423	726	92.88	92.90
4.501 - 4.750	7,874	1,778,265,232	7.19	4.682	710	93.26	93.32
4.751 - 5.000	3,996	887,304,171	3.59	4.903	703	93.65	93.73
5.001 - 5.250	2,349	481,630,056	1.95	5.179	704	94.47	94.49
5.251 - 5.500	1,678	329,756,070	1.33	5.408	703	94.61	94.64
5.501 - 5.750	243	48,112,822	0.19	5.646	692	95.11	95.11
5.751 - 6.000	41	8,838,449	0.04	5.915	652	95.09	95.09
6.001 - 6.250	24	3,239,207	0.01	6.125	665	94.11	94.11
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49
Weighted Average (%)	4.210						

*Indicates a number that is greater than 0.000% but less than 0.005%.

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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<i>Seasoning of the Mortgage Loans as of the Cut-off Date</i>							
Seasoning (months)	Number of Mortgage Loans	Unpaid Principal Balance (\$) ⁽¹⁾	Unpaid Principal Balance (%) ⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
2	4,118	963,155,174	3.90	4.260	740	92.72	92.74
3	19,669	4,767,933,073	19.29	4.238	742	92.46	92.48
4	26,486	6,319,473,156	25.56	4.211	742	92.44	92.46
5	26,382	6,240,342,533	25.24	4.166	743	92.43	92.46
6	19,089	4,555,241,251	18.43	4.197	741	92.50	92.52
7	6,430	1,513,880,531	6.12	4.284	740	92.50	92.54
8	1,149	263,354,039	1.07	4.323	742	92.42	92.48
9	305	70,918,424	0.29	4.340	750	92.40	92.48
10	51	11,688,661	0.05	4.377	735	92.93	92.93
11	14	3,318,890	0.01	4.307	763	93.00	93.00
12	13	3,001,765	0.01	4.327	746	93.58	94.01
13	15	3,200,425	0.01	4.341	753	91.66	91.66
14	8	2,054,882	0.01	3.981	739	93.98	93.98
15	9	2,773,140	0.01	4.068	739	88.55	88.55
16	3	599,999	*	4.051	730	93.65	93.65
17	1	361,572	*	4.250	664	95.00	95.00
18	2	333,578	*	3.551	755	90.64	90.64
19	1	129,434	*	4.500	673	95.00	95.00
20	2	158,940	*	4.201	703	95.78	95.78
21	1	127,923	*	3.750	798	94.00	94.00
22	3	564,300	*	3.638	765	93.25	93.25
23	2	191,833	*	3.750	807	95.82	95.82
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49
Weighted Average (months)	4.60						

*Indicates a number that is greater than 0.000% but less than 0.005%.

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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<i>Original Loan-to-Value Ratio of the Mortgage Loans at Origination</i>							
Range of Original LTV (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
80.01 - 85.00	11,322	2,999,268,127	12.13	4.162	743	84.30	84.42
85.01 - 90.00	26,361	6,766,730,459	27.37	4.140	747	89.54	89.57
90.01 - 95.00	41,670	10,208,915,687	41.29	4.211	740	94.71	94.71
95.01 - 97.00	24,400	4,747,889,248	19.20	4.338	738	96.99	96.99
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49
Weighted Average (%)	92.47						

<i>Combined Loan-to-Value Ratio of the Mortgage Loans at Origination</i>							
Range of Combined LTV (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
80.01 - 85.00	11,146	2,956,402,483	11.96	4.159	743	84.31	84.31
85.01 - 90.00	26,231	6,748,300,585	27.30	4.139	747	89.52	89.54
90.01 - 95.00	41,823	10,243,780,000	41.43	4.212	740	94.67	94.70
95.01 - 97.00	24,553	4,774,320,453	19.31	4.339	738	96.95	96.98
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49
Weighted Average (%)	92.49						

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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<i>Credit Scores of the Mortgage Loans at Origination</i>							
Credit Scores at Origination	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
620	60	12,638,868	0.05	4.737	620	91.64	91.64
621 - 640	1,746	357,065,379	1.44	4.711	631	92.46	92.48
641 - 660	3,494	713,640,188	2.89	4.668	651	92.81	92.84
661 - 680	5,242	1,101,522,355	4.46	4.550	671	92.80	92.83
681 - 700	9,971	2,276,227,744	9.21	4.381	691	92.75	92.78
701 - 720	13,072	3,065,795,648	12.40	4.295	711	92.65	92.68
721 - 740	15,102	3,580,293,748	14.48	4.203	730	92.78	92.81
741 - 760	16,612	4,073,362,195	16.48	4.133	751	92.52	92.54
761 - 780	16,816	4,226,904,912	17.10	4.094	771	92.30	92.32
781 - 800	14,855	3,727,327,782	15.08	4.080	790	92.07	92.09
801 - 820	6,734	1,578,947,790	6.39	4.075	807	91.86	91.87
821 - 840	49	9,076,913	0.04	4.028	823	91.76	91.83
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49
Weighted Average	742						

<i>Debt-to-Income Ratio of the Mortgage Loans at Origination</i>							
Range of Debt-to-Income Ratios (%)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
0.001 - 20.000	3,292	636,947,517	2.58	4.098	761	91.28	91.29
20.001 - 25.000	6,801	1,480,757,030	5.99	4.099	757	91.72	91.74
25.001 - 30.000	11,855	2,712,479,962	10.97	4.138	751	92.07	92.09
30.001 - 35.000	16,548	3,869,942,968	15.65	4.173	745	92.40	92.42
35.001 - 40.000	20,762	4,942,220,008	19.99	4.215	741	92.59	92.62
40.001 - 45.000	24,440	5,981,101,742	24.19	4.254	737	92.76	92.79
45.001 - 50.000	20,055	5,099,354,295	20.63	4.268	735	92.64	92.66
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49
Weighted Average (%)	37.62						

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

This is a Confidential Preliminary Term Sheet. All terms and statements are subject to change.



<i>Occupancy Status of the Mortgage Loans as of the Cut-off Date</i>							
Occupancy Status	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Owner-Occupied	98,322	23,664,369,986	95.72	4.208	741	92.62	92.64
Second Home	4,772	961,061,956	3.89	4.179	754	89.51	89.51
Investment Property	659	97,371,580	0.39	5.059	756	84.98	84.98
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

<i>Loan Purpose of the Mortgage Loans</i>							
Loan Purpose	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Purchase	93,993	22,090,471,132	89.35	4.213	742	93.05	93.07
No Cash-Out Refinance	9,760	2,632,332,389	10.65	4.187	741	87.56	87.64
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

<i>Property Type of the Mortgage Loans as of the Cut-off Date</i>							
Property Type	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
1-4 Family Dwelling Unit	62,593	14,209,399,322	57.47	4.197	741	92.52	92.55
PUD	28,849	7,847,672,869	31.74	4.201	742	92.42	92.44
Condo	10,854	2,449,630,000	9.91	4.294	745	92.36	92.40
Manufactured Housing	1,211	173,159,739	0.70	4.505	731	92.67	92.70
Co-op	246	42,941,593	0.17	4.152	748	89.62	89.62
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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<i>Geographic Concentration of the Mortgage Loans</i>							
State or Territory	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
California	8,675	3,240,094,103	13.11	4.307	742	91.29	91.33
Texas	8,085	1,822,127,294	7.37	4.198	738	92.88	92.89
Florida	6,176	1,399,469,147	5.66	4.277	738	92.75	92.80
Washington	3,415	1,026,898,851	4.15	4.207	740	92.61	92.63
Arizona	4,407	998,586,859	4.04	4.505	733	93.16	93.18
Colorado	2,890	860,442,307	3.48	4.261	746	92.52	92.56
Virginia	2,852	833,221,874	3.37	4.156	751	92.18	92.21
Illinois	4,103	818,884,369	3.31	4.172	741	92.35	92.40
North Carolina	3,699	811,929,245	3.28	4.163	745	92.72	92.73
Georgia	3,568	782,110,557	3.16	4.152	742	92.93	92.94
Pennsylvania	3,566	731,743,519	2.96	4.130	747	92.75	92.76
New York	2,789	727,776,358	2.94	4.146	744	91.84	91.87
Michigan	4,112	706,039,028	2.86	4.212	737	92.74	92.74
Maryland	2,324	689,325,117	2.79	4.206	747	92.64	92.69
Massachusetts	2,148	645,037,693	2.61	4.149	741	92.22	92.24
Minnesota	2,946	629,989,427	2.55	4.086	746	92.86	92.88
Ohio	3,730	617,611,141	2.50	4.141	741	92.86	92.87
New Jersey	2,111	596,926,055	2.41	4.159	743	91.52	91.54
Utah	1,865	503,066,592	2.03	4.182	749	92.77	92.78
Wisconsin	2,693	493,123,305	1.99	4.063	744	92.46	92.49
Nevada	1,926	479,064,669	1.94	4.599	728	93.32	93.35
Oregon	1,669	456,139,002	1.85	4.215	747	92.94	92.94
Tennessee	1,909	420,648,424	1.70	4.157	744	92.65	92.66
Missouri	2,230	409,265,733	1.66	4.118	745	92.48	92.50
Indiana	2,297	389,994,359	1.58	4.167	740	92.86	92.87
South Carolina	1,859	368,091,492	1.49	4.197	742	92.89	92.90
Connecticut	1,108	254,228,687	1.03	4.042	742	92.77	92.78
Idaho	1,180	248,336,406	1.00	4.045	737	92.81	92.86
Alabama	1,242	248,095,690	1.00	4.159	746	92.73	92.73
Iowa	1,398	234,222,446	0.95	4.054	741	92.89	92.94
Louisiana	1,068	221,283,873	0.90	4.204	739	92.62	92.62
Oklahoma	976	184,894,790	0.75	4.186	741	92.57	92.57
Kentucky	986	183,505,641	0.74	4.223	744	92.34	92.38
Nebraska	959	174,523,661	0.71	4.032	747	93.03	93.07
Kansas	868	161,905,551	0.65	4.115	743	92.89	92.90
New Hampshire	656	158,632,671	0.64	4.156	741	92.62	92.62
Arkansas	679	119,038,083	0.48	4.055	745	92.40	92.40
District of Columbia	276	116,048,559	0.47	4.143	760	91.06	91.25
New Mexico	585	115,715,424	0.47	4.255	741	93.09	93.14
Montana	488	108,461,605	0.44	4.119	746	93.09	93.09
Mississippi	526	102,072,878	0.41	4.098	743	92.55	92.55
Delaware	414	100,177,966	0.41	4.149	746	92.22	92.26
Hawaii	222	95,980,235	0.39	4.242	744	91.93	91.93
South Dakota	405	75,426,732	0.31	4.051	743	93.27	93.30
Rhode Island	279	65,174,249	0.26	4.146	744	92.42	92.46
Maine	305	61,472,885	0.25	4.146	746	92.41	92.43
Alaska	205	57,473,619	0.23	4.096	746	93.28	93.28
Wyoming	213	48,787,139	0.20	4.073	739	92.71	92.71
West Virginia	284	47,797,832	0.19	4.214	742	93.06	93.06
North Dakota	195	43,587,681	0.18	4.024	749	92.39	92.39
Vermont	156	32,132,859	0.13	4.124	740	91.69	91.77
Puerto Rico	36	6,219,841	0.03	4.241	767	92.80	92.80
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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<i>Geographic Concentration of the Mortgage Loans (Top 10 Metropolitan Statistical Areas ("MSA"))*</i>							
Top 10 MSAs	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Non-Metro	10,463	1,814,325,835	7.34	4.176	739	92.45	92.46
New York-Newark-Jersey City, NY-NJ-PA	3,030	976,650,610	3.95	4.160	743	91.37	91.40
Los Angeles-Long Beach-Anaheim, CA	2,116	950,954,830	3.85	4.303	746	90.60	90.63
Washington-Arlington-Alexandria, DC-VA-MD-WV	2,630	932,981,079	3.77	4.178	750	92.22	92.29
Phoenix-Mesa-Scottsdale, AZ	3,534	828,951,533	3.35	4.530	732	93.29	93.30
Chicago-Naperville-Elgin, IL-IN-WI	3,326	727,638,691	2.94	4.179	741	92.28	92.32
Dallas-Fort Worth-Arlington, TX	2,905	695,023,968	2.81	4.194	739	92.89	92.90
Seattle-Tacoma-Bellevue, WA	1,805	637,943,429	2.58	4.193	742	92.39	92.42
Atlanta-Sandy Springs-Roswell, GA	2,574	594,673,568	2.41	4.159	742	93.00	93.02
Denver-Aurora-Lakewood, CO	1,679	531,831,643	2.15	4.255	747	92.46	92.51
Other	69,691	16,031,828,335	64.85	4.200	742	92.59	92.62
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

*Definitions of Metropolitan Statistical Areas (MSA) are updated periodically by the United States Office of Management and Budget. Fannie Mae seeks to update its loan level disclosure from time to time to reflect corresponding changes.

<i>Geographic Concentration of the Mortgage Loans (Top 10 Zip Codes)</i>							
Top 10 Zip Codes	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
85383	98	30,535,041	0.12	4.278	730	91.84	91.84
20148	70	29,932,000	0.12	4.015	752	91.54	91.69
84096	92	28,241,258	0.11	4.185	746	92.52	92.52
85142	103	27,998,194	0.11	4.564	721	92.79	92.79
93619	82	27,217,435	0.11	4.226	730	92.83	92.83
80134	68	26,324,951	0.11	4.283	741	91.14	91.21
75070	81	24,937,373	0.10	4.054	742	92.28	92.28
95747	60	24,909,648	0.10	4.295	744	91.23	91.26
30040	77	23,841,981	0.10	4.123	739	92.93	92.93
85212	80	23,653,147	0.10	4.494	731	92.81	92.81
Other	102,942	24,455,212,495	98.92	4.210	742	92.47	92.50
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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<i>Original Term to Maturity of the Mortgage Loans</i>							
Original Term to Maturity (months)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
260 - 279	18	3,498,772	0.01	4.173	756	87.43	87.43
280 - 299	14	3,637,810	0.01	4.124	764	85.35	85.35
300 - 319	458	96,725,818	0.39	4.165	746	87.31	87.39
320 - 339	116	29,686,382	0.12	4.170	750	85.93	85.95
340 - 359	93	25,372,982	0.10	4.142	745	88.97	89.06
360	103,054	24,563,881,759	99.36	4.210	742	92.50	92.53
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49
Weighted Average (months)	360						

<i>Remaining Term to Maturity of the Mortgage Loans as of the Cut-off Date</i>							
Remaining Term to Maturity (months)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
251 - 260	4	842,619	*	3.996	747	85.60	85.60
261 - 270	6	1,055,226	*	4.146	762	90.07	90.07
271 - 280	9	1,841,008	0.01	4.264	761	87.75	87.75
281 - 290	12	2,992,698	0.01	4.107	770	85.03	85.03
291 - 300	439	91,959,460	0.37	4.168	746	87.32	87.40
301 - 357	99,180	23,664,397,384	95.72	4.208	742	92.48	92.50
358 or greater	4,103	959,715,126	3.88	4.261	740	92.74	92.75
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49
Weighted Average (months)	355						

*Indicates a number that is greater than 0.000% but less than 0.005%.

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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<i>Seller of the Mortgage Loans</i>							
Seller	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Wells Fargo Bank, N.A.	21,463	5,414,785,584	21.90	4.127	746	92.06	92.07
Quicken Loans Inc.	6,276	1,690,666,739	6.84	4.183	743	90.14	90.18
JPMorgan Chase Bank, NA	5,728	1,291,228,055	5.22	4.118	750	92.98	92.99
United Shore Financial Services LLC	4,775	1,272,998,823	5.15	4.393	747	92.79	92.80
U.S. Bank N.A.	3,687	778,290,769	3.15	4.622	735	93.85	94.00
Movement Mortgage, LLC	2,993	674,222,999	2.73	4.366	740	93.37	93.37
SunTrust Mortgage Inc.	2,392	669,368,812	2.71	4.078	750	92.42	92.44
Guild Mortgage Company	1,961	472,137,844	1.91	4.313	741	94.20	94.21
Fairway Independent Mortgage Corporation	1,849	464,219,139	1.88	4.212	746	92.96	92.99
Caliber Home Loans, Inc.	1,532	444,672,092	1.80	4.308	739	92.43	92.49
Other	51,097	11,550,212,665	46.72	4.206	738	92.68	92.70
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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*Servicers of the Mortgage Loans as of the Cut-off Date*

Servicer	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Wells Fargo Bank, N.A.	21,463	5,414,785,584	21.90	4.127	746	92.06	92.07
Quicken Loans Inc.	6,276	1,690,666,739	6.84	4.183	743	90.14	90.18
JPMorgan Chase Bank, NA	5,728	1,291,228,055	5.22	4.118	750	92.98	92.99
United Shore Financial Services LLC	4,775	1,272,998,823	5.15	4.393	747	92.79	92.80
Matrix Financial Services Corporation	5,114	1,200,046,722	4.85	4.333	740	92.95	92.98
U.S. Bank N.A.	3,687	778,290,769	3.15	4.622	735	93.85	94.00
SunTrust Mortgage Inc.	2,543	701,640,424	2.84	4.094	748	92.46	92.48
Guild Mortgage Company	1,961	472,137,844	1.91	4.313	741	94.20	94.21
Caliber Home Loans, Inc.	1,532	444,672,092	1.80	4.308	739	92.43	92.49
Freedom Mortgage Corp.	1,650	437,939,477	1.77	4.235	741	92.28	92.32
Other	49,024	11,018,396,991	44.57	4.201	739	92.71	92.73
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

Origination Channel of the Mortgage Loans

Origination Channel	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Retail	55,470	12,823,314,368	51.87	4.191	741	92.46	92.49
Correspondent	38,386	9,172,926,899	37.10	4.204	743	92.51	92.54
Broker	9,897	2,726,562,254	11.03	4.320	743	92.33	92.34
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

Mortgage Loans with Subordinate Financing at Origination

Mortgage Loans with Subordinate Financing at Origination	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
No	103,269	24,620,313,320	99.59	4.210	742	92.49	92.49
Yes	484	102,490,202	0.41	4.340	734	87.28	93.17
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.*This is a Confidential Preliminary Term Sheet. All terms and statements are subject to change.*



<i>First Payment Date of the Mortgage Loans</i>							
First Payment Date	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
June 2016	2	191,833	*	3.750	807	95.82	95.82
July 2016	3	564,300	*	3.638	765	93.25	93.25
August 2016	1	127,923	*	3.750	798	94.00	94.00
September 2016	2	158,940	*	4.201	703	95.78	95.78
October 2016	1	129,434	*	4.500	673	95.00	95.00
November 2016	2	333,578	*	3.551	755	90.64	90.64
December 2016	1	361,572	*	4.250	664	95.00	95.00
January 2017	3	599,999	*	4.051	730	93.65	93.65
February 2017	9	2,773,140	0.01	4.068	739	88.55	88.55
March 2017	8	2,054,882	0.01	3.981	739	93.98	93.98
April 2017	15	3,200,425	0.01	4.341	753	91.66	91.66
May 2017	13	3,001,765	0.01	4.327	746	93.58	94.01
June 2017	14	3,318,890	0.01	4.307	763	93.00	93.00
July 2017	51	11,688,661	0.05	4.377	735	92.93	92.93
August 2017	305	70,918,424	0.29	4.340	750	92.40	92.48
September 2017	1,149	263,354,039	1.07	4.323	742	92.42	92.48
October 2017	6,430	1,513,880,531	6.12	4.284	740	92.50	92.54
November 2017	19,089	4,555,241,251	18.43	4.197	741	92.50	92.52
December 2017	26,382	6,240,342,533	25.24	4.166	743	92.43	92.46
January 2018	26,486	6,319,473,156	25.56	4.211	742	92.44	92.46
February 2018	19,669	4,767,933,073	19.29	4.238	742	92.46	92.48
March 2018	4,118	963,155,174	3.90	4.260	740	92.72	92.74
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

*Indicates a number that is greater than 0.000% but less than 0.005%.

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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<i>Maturity Date of the Mortgage Loans</i>							
Maturity Date (year)	Number of Mortgage Loans	Unpaid Principal Balance (\$) ⁽¹⁾	Unpaid Principal Balance (%) ⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
2039	4	842,619	*	3.996	747	85.60	85.60
2040	12	2,403,304	0.01	4.207	764	88.54	88.54
2041	12	2,872,328	0.01	4.152	767	86.30	86.30
2042	344	72,757,241	0.29	4.150	747	87.25	87.32
2043	112	23,207,454	0.09	4.223	742	87.38	87.48
2044	40	9,871,129	0.04	4.135	752	85.85	85.93
2045	72	18,766,391	0.08	4.174	749	86.07	86.07
2046	84	21,046,193	0.09	4.119	746	89.09	89.18
2047	79,427	18,871,191,403	76.33	4.201	742	92.49	92.52
2048	23,646	5,699,845,458	23.06	4.242	742	92.54	92.55
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

**Indicates a number that is greater than 0.000% but less than 0.005%.*

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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First Time Homebuyer

	Number of Mortgage Loans	Unpaid Principal Balance (\$) ⁽¹⁾	Unpaid Principal Balance (%) ⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
First Time Homebuyer							
No	49,506	12,517,611,217	50.63	4.172	745	91.08	91.10
Yes	54,247	12,205,192,305	49.37	4.249	738	93.89	93.92
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

Number of Borrowers

	Number of Mortgage Loans	Unpaid Principal Balance (\$) ⁽¹⁾	Unpaid Principal Balance (%) ⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Number of Borrowers							
1	61,851	13,636,016,549	55.16	4.213	746	92.75	92.78
2 or More	41,902	11,086,786,973	44.84	4.206	737	92.12	92.14
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

Number of Units

	Number of Mortgage Loans	Unpaid Principal Balance (\$) ⁽¹⁾	Unpaid Principal Balance (%) ⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Number of Units							
1	103,289	24,595,558,976	99.49	4.210	742	92.50	92.53
2	443	120,860,939	0.49	4.271	747	85.64	85.66
3	16	4,956,621	0.02	4.087	756	92.66	92.66
4	5	1,426,986	0.01	4.190	746	90.17	90.17
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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<i>Mortgage Insurance Coverage</i>							
Mortgage Insurance Coverage	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
6	181	33,371,635	0.13	4.154	724	84.24	85.96
12	11,840	3,110,559,206	12.58	4.163	743	84.51	84.63
13	1	223,404	*	4.125	746	90.00	90.00
16	1,878	369,118,815	1.49	4.772	720	94.81	94.85
18	2,802	515,345,748	2.08	4.642	725	96.95	96.96
20	2	536,526	*	4.256	700	92.54	92.54
25	44,895	10,409,092,163	42.10	4.182	743	91.99	92.01
26	1	90,827	*	4.625	685	97.00	97.00
28	1	70,032	*	4.500	669	95.00	95.00
30	35,196	8,816,806,474	35.66	4.193	742	94.75	94.76
35	6,956	1,467,588,692	5.94	4.327	740	96.99	96.99
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

*Indicates a number that is greater than 0.000% but less than 0.005%.

<i>Mortgage Insurance (Lender - or Borrower-Paid)</i>							
Mortgage Insurance (Lender - or Borrower-Paid)	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Borrower-Paid	89,833	20,760,686,495	83.97	4.169	741	92.58	92.61
Lender-Paid	13,920	3,962,117,027	16.03	4.426	748	91.87	91.90
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

<i>Mortgage Insurance Cancellation Indicator</i>							
Mortgage Insurance Cancellation Indicator	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
No	103,189	24,609,028,077	99.54	4.211	742	92.47	92.50
Yes	564	113,775,445	0.46	4.003	762	91.37	91.38
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.

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*Delinquency Status of the Mortgage Loans as of the Cut-off Date*

Delinquency Status	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Current	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

Historical Delinquency of the Mortgage Loans Since Acquisition as of the Cut-off Date

Delinquency Status Since Acquisition	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
Never Delinquent	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

HomeReady Indicator

HomeReady Indicator	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
No	82,108	20,525,201,052	83.02	4.208	743	92.01	92.03
Yes	21,645	4,197,602,469	16.98	4.222	736	94.70	94.74
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

Property Inspection Waiver

Property Inspection Waiver	Number of Mortgage Loans	Unpaid Principal Balance (\$)⁽¹⁾	Unpaid Principal Balance (%)⁽¹⁾	W.A. Mortgage Rate (%)	W.A. Original Credit Score	W.A. Original LTV Ratio (%)	W.A. Original CLTV Ratio (%)
No	102,002	24,206,945,184	97.91	4.211	742	92.61	92.63
Yes	1,751	515,858,338	2.09	4.166	745	85.94	85.96
Total:	103,753	24,722,803,522	100.00	4.210	742	92.47	92.49

⁽¹⁾ Amounts may not add up to the totals shown due to rounding.*This is a Confidential Preliminary Term Sheet. All terms and statements are subject to change.*



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