

\$223,527,991
Federal National Mortgage Association



Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 1996-5

The Guaranteed REMIC Pass-Through Certificates offered hereby (the "Certificates") will represent beneficial ownership interests in Fannie Mae REMIC Trust 1996-5 (the "Trust"). The assets of the Trust will consist of the REMIC Certificates specified herein (collectively, the "Underlying REMIC Certificates") evidencing beneficial ownership interests in the related Fannie Mae REMIC Trusts (collectively, the "Underlying REMIC Trusts") as further described in Exhibit A hereto. The assets of the Underlying REMIC Trusts evidence direct or indirect beneficial ownership interests in certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the "MBS"). Each MBS represents a beneficial ownership interest in a pool (each, a "Pool") of first lien, single-family, fixed-rate residential mortgage loans (the "Mortgage Loans") having the characteristics described herein. The Certificates will be issued and guaranteed as to timely distribution of principal and interest by Fannie Mae.

Investors should not purchase the Certificates before reading this Prospectus Supplement and the additional Disclosure Documents listed at the bottom of page S-2.

(Cover continued on next page)

THE CERTIFICATES MAY NOT BE SUITABLE INVESTMENTS FOR ALL INVESTORS. NO INVESTOR SHOULD PURCHASE CERTIFICATES UNLESS SUCH INVESTOR UNDERSTANDS AND IS ABLE TO BEAR THE PREPAYMENT, YIELD, LIQUIDITY AND OTHER RISKS ASSOCIATED WITH SUCH CERTIFICATES.

THE CERTIFICATES, TOGETHER WITH ANY INTEREST THEREON, ARE NOT GUARANTEED BY THE UNITED STATES. THE OBLIGATIONS OF FANNIE MAE UNDER ITS GUARANTY OF THE CERTIFICATES ARE OBLIGATIONS SOLELY OF FANNIE MAE AND DO NOT CONSTITUTE AN OBLIGATION OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY THEREOF OTHER THAN FANNIE MAE. THE CERTIFICATES ARE EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933 AND ARE "EXEMPTED SECURITIES" WITHIN THE MEANING OF THE SECURITIES EXCHANGE ACT OF 1934.

Class	Original Principal Balance	Principal Type(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date
SA	\$11,530,000	SC/PT	(4)	INV	31359LU86	June 2018
SW	(3)	NTL	(4)	INV/IO	31359LU94	June 2018
AL	12,650,770	SC/PT	(2)	PO	31359LV28	December 2023
SV	(3)	NTL	(4)	INV/IO	31359LV36	December 2023
CH	405,886	SC/PT	7.0%	FIX	31359LV44	July 2020
AS	(3)	NTL	9.0%	FIX/IO	31359LV51	July 2020
PV	2,800,000	SC/PAC	(2)	PO	31359LV69	November 2023
PX	10,714,080	SC/SUP	(2)	PO	31359LV77	November 2023
ST	(3)	NTL	(4)	INV/IO	31359LV85	November 2023
GO	43,261,526	SC/PT	(2)	PO	31359LV93	April 2023
BE	(3)	NTL	(4)	INV/IO	31359LW27	April 2023
VE	13,632,123	SC/PT	(2)	PO	31359LW35	September 2023
LW	(3)	NTL	(4)	INV/IO	31359LW43	September 2023
NH	96,498,606	SC/PT	(2)	PO	31359LW50	April 2024
SH	(3)	NTL	(4)	INV/IO	31359LW68	April 2024
PD	10,075,000	SC/PT	(2)	PO	31359LW76	September 2023
SD	(3)	NTL	(4)	INV/IO	31359LW84	September 2023
PB	21,960,000	SC/PT	(2)	PO	31359LW92	April 2024
SB	(3)	NTL	(4)	INV/IO	31359LX26	April 2024
R	0	NPR	0	NPR	31359LX34	April 2024

- (1) See "Description of the Certificates—Class Definitions and Abbreviations" in the REMIC Prospectus and "Description of the Certificates—Distributions of Interest" and "Distributions of Principal" herein.
- (2) These Classes are Principal Only Classes and will bear no interest.
- (3) The SW, SV, AS, ST, BE, LW, SH, SD and SB Classes will be Notional Classes, will have no principal balances and will bear interest on their notional principal balance of the SH Class will be calculated based upon the principal balance of the NH Class, the notional principal balance of the SD Class will be calculated based upon the principal balance of the PD Class and the notional principal balance of the SB Class will be calculated based upon the principal balance of the PB Class. See "Description of the Certificates—Distributions of Interest—Notional Classes" herein.
- (4) The SA and SW Classes will bear interest based on the "10-Year Treasury Index" and the SV, ST, BE, LW, SH, SD and SB Classes will bear interest based on "LIBOR," as described under "Description of the Certificates—Distributions of Interest" herein and "Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes" in the REMIC Prospectus.

The Certificates will be offered by Salomon Brothers Inc (the "Dealer") from time to time in negotiated transactions, at varying prices to be determined at the time of sale.

The Certificates will be offered by the Dealer, subject to issuance by Fannie Mae and to prior sale or to withdrawal or modification of the offer without notice, when, as and if delivered to and accepted by the Dealer, subject to the right by the Dealer to reject any order in whole or in part and subject to approval of certain legal matters by counsel. It is expected that the Certificates, except for the R Class, will be available through the book-entry system of the Federal Reserve Banks on or about February 29, 1996 (the "Settlement Date"). It is expected that the R Class in registered, certificated form will be available for delivery at the offices of the Dealer, Seven World Trade Center, New York, New York 10048, on or about the Settlement Date.

Salomon Brothers Inc

The date of this Prospectus Supplement is January 25, 1996.

(Cover continued from previous page)

The yield to investors in each Class will be sensitive in varying degrees to, among other things, the rate of distributions on the related Underlying REMIC Certificates, which in turn will be sensitive in varying degrees to the rate of principal payments of the related Mortgage Loans, the characteristics of the Mortgage Loans included in the related Pools and the priority sequences affecting principal distributions on such Underlying REMIC Certificates. The yields to investors in each Class will also be sensitive to the purchase price paid for such Class and, in the case of any Inverse Floating Rate Classes, fluctuations in the level of the applicable Index (as defined herein). Accordingly, investors should consider the following risks:

- The Mortgage Loans generally may be prepaid at any time without penalty, and, accordingly, the rate of principal payments thereon is likely to vary considerably from time to time.
- Slight variations in Mortgage Loan characteristics could substantially affect the weighted average lives and yields of some or all of the Classes.
- In the case of any Certificates purchased at a discount to their principal amounts (including any Principal Only Classes), a slower than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- In the case of any Certificates purchased at a premium to their principal amounts, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- In the case of any Interest Only Class, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield and, in certain cases, an actual loss on the investment.
- The yield on any Inverse Floating Rate Class will be sensitive to the level of the applicable Index. See "Description of the Certificates—Distributions of Interest—Inverse Floating Rate Classes" herein.

See "Description of the Certificates—Yield Considerations" herein.

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

- The Underlying REMIC Certificates are subordinate in priority of principal distribution to certain other classes of certificates evidencing beneficial ownership interests in the related Underlying REMIC Trusts and, accordingly, there is no assurance that principal distributions will be made on such Underlying REMIC Certificates on any particular Distribution Date. In particular, certain of the Underlying REMIC Certificates are Support classes that are entitled to receive principal payments on any Distribution Date only if scheduled payments have been made on other specified classes of certificates evidencing beneficial ownership interests in the related Underlying REMIC Trusts. Accordingly, such Underlying REMIC Certificates may receive no principal payments for extended periods of time or may receive principal payments that vary widely from period to period. In addition, certain of the Underlying REMIC Certificates have Principal Balance Schedules and as a result, may receive principal distributions at a rate faster or slower than would otherwise have been the case (and, in some cases, may receive no principal distributions for extended periods). Further, prepayments on the related Mortgage Loans may have occurred at a rate faster or slower than that initially assumed. This Prospectus Supplement contains no information as to whether any Underlying REMIC Certificates which have Principal Balance Schedules have adhered to their Principal Balance Schedules, whether any related Support classes remain outstanding or whether the Underlying REMIC Certificates otherwise have performed as originally anticipated. Such information as to particular Underlying REMIC Certificates may be obtained by performing an analysis of current Fannie Mae principal factors in the context of applicable information contained in the related Underlying Prospectus Supplements (as defined below) which may be obtained from Fannie Mae as described below.
- The actual final payment of any Class will likely occur earlier, and could occur much earlier, than the Final Distribution Date for such Class specified on the cover page. See "Description of the Certificates—Weighted Average Lives of the Certificates" herein and "Description of the Certificates—Weighted Average Life and Final Distribution Dates" in the REMIC Prospectus.
- The rate of principal distributions of the Certificates is uncertain and investors may be unable to reinvest the distributions thereon at yields equaling the yields on the Certificates. See "Description of the Certificates—Reinvestment Risk" in the REMIC Prospectus.
- Investors whose investment activities are subject to legal investment laws and regulations or to review by regulatory authorities may be subject to restrictions on investment in certain Classes of the Certificates. Investors should consult their legal advisors to determine whether and to what extent the Certificates constitute legal investments or are subject to restrictions on investment. See "Legal Investment Considerations" in the REMIC Prospectus.

The Dealer intends to make a market for the Certificates but is not obligated to do so. There can be no assurance that such a secondary market will develop or, if developed, that it will continue. Thus, investors may not be able to sell their Certificates readily or at prices that will enable them to realize their anticipated yield. No investor should purchase Certificates unless such investor understands and is able to bear the risk that the value of the Certificates will fluctuate over time and that the Certificates may not be readily salable.

These securities have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission nor has the Securities and Exchange Commission or any state securities commission passed upon the accuracy or adequacy of this Prospectus Supplement, the REMIC Prospectus, the Prospectus Supplements for the Underlying REMIC Trusts (the "Underlying Prospectus Supplements") or the MBS Prospectus. Any representation to the contrary is a criminal offense.

An election will be made to treat the Trust as a "real estate mortgage investment conduit" ("REMIC") pursuant to the Internal Revenue Code of 1986, as amended (the "Code"). The R Class will be subject to transfer restrictions. See "Description of the Certificates—Characteristics of the R Class" and "Certain Additional Federal Income Tax Consequences" herein, and "Description of the Certificates—Additional Characteristics of Residual Certificates" and "Certain Federal Income Tax Consequences" in the REMIC Prospectus.

Investors should purchase the Certificates only if they have read and understood this Prospectus Supplement and the following documents (collectively, the "Disclosure Documents");

- Fannie Mae's Prospectus for Guaranteed REMIC Pass-Through Certificates dated April 7, 1994 (the "REMIC Prospectus"), which is attached to this Prospectus Supplement;
- Fannie Mae's Prospectus for Guaranteed Mortgage Pass-Through Certificates dated January 15, 1996 (the "MBS Prospectus");
- Fannie Mae's Information Statement dated March 31, 1995 and any supplements thereto (collectively, the "Information Statement"); and
- The Underlying Prospectus Supplements.

The MBS Prospectus and the Information Statement are incorporated herein by reference and, together with the Underlying Prospectus Supplements, may be obtained from Fannie Mae by writing or calling its MBS Helpline at 3900 Wisconsin Avenue, N.W., Area 2H-3S, Washington, D.C. 20016 (telephone 1-800-BEST-MBS or 202-752-6547). Such documents, other than the Underlying Prospectus Supplements, may also be obtained from Salomon Brothers Inc by writing or calling its Prospectus Department at Brooklyn Army Terminal, 140 58th Street, Suite 1-H, Brooklyn, New York 11220 (telephone 718-567-2005).

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REFERENCE SHEET

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

Characteristics of the Underlying REMIC Certificates

The table contained in Exhibit A hereto sets forth information with respect to each class of Underlying REMIC Certificates, including certain information regarding the Mortgage Loans underlying each such class. Certain additional information as to particular Underlying REMIC Certificates may be obtained by performing an analysis of current Fannie Mae principal factors of such Underlying REMIC Certificates in the context of applicable information contained in the related Underlying Prospectus Supplements, which may be obtained from Fannie Mae as described herein.

See “Description of the Certificates—The Underlying REMIC Certificates” herein.

Interest Rates

The Fixed Rate Classes will bear interest at the applicable per annum interest rates set forth on the cover.

Each of the Inverse Floating Rate Classes will bear interest during the initial Interest Accrual Period at an Initial Interest Rate determined as described below, and will bear interest during each Interest Accrual Period thereafter, subject to the applicable Maximum and Minimum Interest Rates, at the rate determined as described below:

Class	Assumed Initial Interest Rate	Maximum Interest Rate	Minimum Interest Rate	Formula for Calculation of Interest Rate
SA	6.8385%(1)	13.91136%	0.0%	15.00962% – (1.46435389 × 10-Year Treasury Index)
SW	13.0760%(1)	26.60000%	0.0%	28.7% – (2.8 × 10-Year Treasury Index)
SV	3.2290%(1)	9.44444%	0.0%	9.44444% – (LIBOR × 1.11111111)
ST	4.2404%(1)	(2)	(2)	(2)
BE	1.3500%(1)	9.67973%	0.0%	9.67973% – (1.489189 × LIBOR)
LW	4.0520%(1)	(3)	(3)	(3)
SH	2.3561%(1)	7.95000%	0.0%	7.95% – LIBOR
SD	3.1774%(1)	13.92857%	0.0%	26.55133% – (LIBOR × 4.178571)
SB	2.6950%(1)	9.68750%	0.0%	9.6875% – (1.25 × LIBOR)

- (1) The Initial Interest Rates listed above are assumed rates. The actual Initial Interest Rates will be calculated on the basis of the applicable formulas for the calculation of interest rates on the February 22, 1996 Index Determination Date.
- (2) The formula for calculation of the interest rate for the ST Class will be as follows: If the level of LIBOR is less than or equal to 4.6875%, the interest rate will be a per annum rate equal to 218.99105% – (45.230512 × LIBOR), subject to Maximum and Minimum Interest Rates of 9.79994% and 6.97303%, respectively. If the level of LIBOR is greater than 4.6875%, the interest rate will be a per annum rate equal to 21.10756% – (3.015367 × LIBOR), subject to Maximum and Minimum Interest Rates of 6.97303% and 0.00%, respectively.
- (3) The formula for calculation of the interest rate for the LW Class will be as follows: If the level of LIBOR is less than 4.6875%, the interest rate will be a per annum rate equal to 274.07179% – (57.04727 × LIBOR), subject to Maximum and Minimum Interest Rates of 10.228169% and 6.66271%, respectively. If the level of LIBOR is greater than or equal to 4.6875%, the interest rate will be a per annum rate equal to 20.16822% – (2.88118 × LIBOR), subject to Maximum and Minimum Interest Rates of 6.66268% and 0.00%, respectively.

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

Notional Classes

The notional principal balance of each Notional Class will be equal to the indicated percentage of the outstanding principal balance of the following Classes immediately prior to the related Distribution Date:

<u>Class</u>	<u>Percentage of Principal Balance of Specified Class or Classes</u>
SW	47.701647875% of SA Class
SV	100% of AL Class
AS	6,921.66666667% of CH Class
ST	100% of the aggregate of PV and PX Classes
BE	100% of GO Class
LW	100% of VE Class
SH	260% of NH Class
SD	100% of PD Class
SB	100% of PB Class

See “Description of the Certificates—Distributions of Interest—Notional Classes” and “—Yield Considerations—*The Interest Only Classes*” herein.

Distributions of Principal

The portion of the Principal Distribution Amount allocated to each Class of Certificates will be determined by distributions on particular classes of the Underlying REMIC Certificates. For such purposes, the Principal Distribution Amount will be allocated among the Group 1, Group 2, Group 3, Group 4, Group 5, Group 6, Group 7, Group 8 and Group 9 Principal Distribution Amounts, as described herein under “Description of the Certificates—Distributions of Principal—*Principal Distribution Amount*” herein.

Group 1 Principal Distribution Amount

To the SA Class, to zero.

Group 2 Principal Distribution Amount

To the AL Class, to zero.

Group 3 Principal Distribution Amount

To the CH Class, to zero.

Group 4 Principal Distribution Amount

1. To the PV Class, to its Planned Balance.
2. To the PX Class, to zero.
3. To the PV Class, to zero.

Group 5 Principal Distribution Amount

To the GO Class, to zero.

Group 6 Principal Distribution Amount

To the VE Class, to zero.

Group 7 Principal Distribution Amount

To the NH Class, to zero.

Group 8 Principal Distribution Amount

To the PD Class, to zero.

Group 9 Principal Distribution Amount

To the PB Class, to zero.

Weighted Average Lives (years)*

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>170%</u>	<u>300%</u>	<u>500%</u>
SA and SW	18.0	8.3	7.7	6.6	4.0

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>175%</u>	<u>300%</u>	<u>500%</u>
VE and LW	25.4	14.8	4.2	1.5	0.7

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>185%</u>	<u>300%</u>	<u>500%</u>
PD and SD	26.8	22.2	11.6	1.5	0.6

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>125%</u>	<u>200%</u>	<u>300%</u>	<u>500%</u>
PV	23.7	3.2	3.2	3.2	1.5
PX	25.7	13.7	4.8	2.0	0.7
ST	25.3	11.5	4.5	2.2	0.9

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>250%</u>	<u>300%</u>	<u>500%</u>
AL and SV	27.1	23.3	15.3	11.6	1.0
GO and BE	26.1	21.2	11.6	7.7	1.1
NH and SH	26.4	18.8	5.0	2.5	0.8

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>350%</u>	<u>450%</u>	<u>600%</u>
CH and AS	19.6	12.0	5.0	3.9	2.8

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>375%</u>	<u>450%</u>	<u>600%</u>
PB and SB	27.2	21.1	6.6	3.7	1.4

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

DESCRIPTION OF THE CERTIFICATES

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

General

Structure. The Trust will be created pursuant to a trust agreement dated as of September 1, 1987, as supplemented by an Issue Supplement thereto, dated as of February 1, 1996 (together the “Trust Agreement”), executed by the Federal National Mortgage Association (“Fannie Mae”) in its corporate capacity and in its capacity as trustee (the “Trustee”), and the Certificates in the Classes and aggregate original principal balances set forth on the cover hereof will be issued by Fannie Mae pursuant thereto. A description of Fannie Mae and its business, together with certain financial statements and other financial information, is contained in the Information Statement.

The Certificates (other than the R Class) will be designated as the “regular interests,” and the R Class will be designated as the “residual interest,” in the REMIC constituted by the Trust. The assets of the Trust will consist of the Underlying REMIC Certificates (which evidence beneficial ownership interests in the Underlying REMIC Trusts).

Fannie Mae Guaranty. Fannie Mae guarantees to each holder of an MBS the timely payment of scheduled installments of principal of and interest on the underlying Mortgage Loans, whether or not received, together with the full principal balance of any foreclosed Mortgage Loan, whether or not such balance is actually recovered. The guaranty obligations of Fannie Mae with respect to the Underlying REMIC Certificates are described in the Underlying Prospectus Supplements. In addition, Fannie Mae will be obligated to distribute on a timely basis to the Holders of Certificates required installments of principal and interest and to distribute the principal balance of each Class of Certificates in full no later than the applicable Final Distribution Date, whether or not sufficient funds are available in the Collateral Account. The guaranties of Fannie Mae are not backed by the full faith and credit of the United States. See “Description of the Certificates—Fannie Mae’s Guaranty” in the REMIC Prospectus, “Description of the Certificates—General—*Fannie Mae Guaranty*” or “Statement of Terms—*Fannie Mae Guaranty*”, as applicable, in the related Underlying Prospectus Supplements and “Description of Certificates—The Corporation’s Guaranty” in the MBS Prospectus.

Characteristics of Certificates. The Certificates, other than the R Certificate, will be issued and maintained and may be transferred by Holders only on the book-entry system of the Federal Reserve Banks. Such entities whose names appear on the book-entry records of a Federal Reserve Bank as the entities for whose accounts such Certificates have been deposited are herein referred to as “Holders” or “Certificateholders.” A Holder is not necessarily the beneficial owner of a book-entry Certificate. Beneficial owners will ordinarily hold book-entry Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. See “Description of the Certificates—Denominations, Certificate Form” in the REMIC Prospectus.

The R Certificate will not be issued in book-entry form but will be issued in fully registered, certificated form. As to the R Certificate, “Holder” or “Certificateholder” refers to the registered owner thereof. The R Certificate will be transferable at the corporate trust office of the Transfer Agent, or at the agency of the Transfer Agent in New York, New York. The Transfer Agent initially

will be State Street Bank and Trust Company in Boston, Massachusetts ("State Street"). A service charge may be imposed for any registration of transfer of the R Certificate and Fannie Mae may require payment of a sum sufficient to cover any tax or other governmental charge. See also "Characteristics of the R Class" herein.

The distribution to the Holder of the R Class of the proceeds of any remaining assets of the Trust will be made only upon presentation and surrender of the related Certificate at the office of the Paying Agent. The Paying Agent initially will be State Street.

Authorized Denominations. The Certificates, other than the R Certificate, will be issued in minimum denominations of \$1,000 and integral multiples of \$1 in excess thereof. The R Class will be issued as a single Certificate and will not have a principal balance.

Distribution Dates. Distributions on the Certificates will be made on the 25th day of each month (or, if such 25th day is not a business day, on the first business day next succeeding such 25th day), commencing in the month following the Settlement Date.

Record Date. Each monthly distribution on the Certificates will be made to Holders of record on the last day of the preceding month.

REMIC Trust Factors. As soon as practicable following the eleventh calendar day of each month, Fannie Mae will publish or otherwise make available for each Class of Certificates the factor (carried to eight decimal places) which, when multiplied by the original principal balance of a Certificate of such Class, will equal the remaining principal balance of such Certificate after giving effect to the distribution of principal to be made on the following Distribution Date.

Optional Termination. Consistent with its policy described under "Description of Certificates—Termination" in the MBS Prospectus, Fannie Mae will agree not to effect indirectly an early termination of the Trust through the exercise of its right to repurchase the Mortgage Loans underlying any MBS unless only one Mortgage Loan remains in the related Pool or the principal balance of such Pool at the time of repurchase is less than one percent of the original principal balance thereof.

Voting the Underlying REMIC Certificates. In the event any issue arises under the trust agreement governing any of the Underlying REMIC Trusts that requires the vote of holders of certificates outstanding thereunder, the Trustee will vote the related Underlying REMIC Certificates in accordance with instructions received from Holders of Certificates of the related Classes having principal balances aggregating not less than 51% of the aggregate principal balance of all such Classes outstanding. In the absence of such instructions, the Trustee will vote in a manner consistent, in its sole judgment, with the best interests of Certificateholders.

The Underlying REMIC Certificates

The Underlying REMIC Certificates represent beneficial ownership interests in the respective Underlying REMIC Trusts, the assets of which evidence the direct or indirect beneficial ownership interests in certain MBS having the general characteristics set forth in the MBS Prospectus. Each MBS evidences beneficial ownership interests in a Pool of conventional Level Payment Mortgage Loans secured by a first-mortgage or deed of trust on a one- to four-family residential property, as described under "The Mortgage Pools" and "Yield Considerations" in the MBS Prospectus. The Underlying REMIC Certificates provide that principal and interest payments thereon will be passed through monthly, commencing on the 25th day of the month following the initial issuance thereof (or, in each case, if such 25th day is not a business day, on the first business day next succeeding such 25th day).

The table contained in Exhibit A hereto sets forth certain information with respect to each class of Underlying REMIC Certificates including the numerical designation of the Underlying REMIC Trust, the class designation of the Underlying REMIC Certificate, the date of issue, the CUSIP number, the interest rate, the interest type, the final distribution date, the principal type, the original principal balance of the entire class, the percentage of such class in the Trust, the current principal factor for such class and the principal balance of such class contained in the Trust as of February 1, 1996 (the "Issue Date"). The table also sets forth the approximate weighted average WAC, approximate weighted average WAM and approximate weighted average CAGE of the Mortgage Loans underlying the related MBS as of the Issue Date, the underlying security type and the related Class Group.

To request further information regarding the Underlying REMIC Certificates, telephone Fannie Mae at 1-800-BEST-MBS or 202-752-6547. Other data specific to the Certificates is available in electronic form by calling Fannie Mae at 1-800-752-6440 or 202-752-6000. It should be noted that there may have been material changes in facts and circumstances since the dates the Underlying Prospectus Supplements were prepared, including, but not limited to, changes in prepayment speeds and prevailing interest rates and other economic factors, which may limit the usefulness of the information set forth in such documents.

Prepayment Considerations and Risks

The rate of distributions of principal of the Certificates will be determined by the rate of principal distributions on the related Underlying REMIC Certificates, which in turn will be very sensitive to the rate of payments of principal of the underlying Mortgage Loans and the priority sequences affecting principal distributions on such Underlying REMIC Certificates. As described in the Underlying Prospectus Supplements, the Underlying REMIC Certificates are subordinate in priority of principal distributions to certain other classes of certificates evidencing beneficial ownership interests in the related Underlying REMIC Trusts and, accordingly, distributions of principal of the related Mortgage Loans may for extended periods be applied to the distribution of principal of those classes of certificates having priority over such Underlying REMIC Certificates. In particular, certain of the Underlying REMIC Certificates are Support classes that are entitled to receive principal payments on any Distribution Date only if scheduled payments have been made on other specified classes of certificates evidencing beneficial ownership interests in the related Underlying REMIC Trusts. As illustrated in the Decrement Tables herein, it is possible under certain prepayment scenarios that no principal distributions would be made on certain Certificates for extended periods of time or, conversely, that investors in such Classes would receive distributions of principal earlier than they anticipated. In addition, certain of the Underlying REMIC Certificates have Principal Balance Schedules and, as a result, may receive distributions of principal during certain periods at a rate faster or slower than would otherwise have been the case (and, in some cases, may receive no principal distributions for extended periods). Further, prepayments on the related Mortgage Loans may have occurred at a rate faster or slower than that initially assumed. This Prospectus Supplement contains no information as to whether such Underlying REMIC Certificates have adhered to their Principal Balance Schedules, whether any Support classes remain outstanding or whether the Underlying REMIC Certificates otherwise have performed as originally anticipated. Such information as to particular Underlying REMIC Certificates may be obtained by performing an analysis of current Fannie Mae principal factors of such Underlying REMIC Certificates in the context of applicable information contained in the Underlying Prospectus Supplements, which may be obtained from Fannie Mae as described above.

Distributions of Interest

Categories of Classes

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

<u>Interest Type*</u>	<u>Classes</u>
Fixed Rate	CH and AS
Inverse Floating Rate	SA, SW, SV, ST, BE, LW, SH, SD and SB
Interest Only	SW, SV, AS, ST, BE, LW, SH, SD and SB
Principal Only	AL, PV, PX, GO, VE, NH, PD and PB
No Payment Residual	R

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

General. The interest-bearing Certificates will bear interest at the applicable per annum interest rates set forth on the cover or described herein. Interest on the interest-bearing Certificates is calculated on the basis of a 360-day year consisting of twelve 30-day months and is distributable monthly on each Distribution Date, commencing in the month after the Settlement Date. Interest to be distributed on each interest-bearing Certificate on a Distribution Date will consist of one month’s interest on the outstanding principal balance of such Certificate immediately prior to such Distribution Date.

Interest Accrual Periods. Interest to be distributed on a Distribution Date will accrue on the interest-bearing Certificates during the one-month periods set forth below (each, an “Interest Accrual Period”).

<u>Classes</u>	<u>Interest Accrual Periods</u>
SA, SW, SV, ST, BE, LW, SH, SD and SB Classes (collectively, the “No Delay Classes”)	One month period beginning on the 25th day of the month preceding the month of the Distribution Date and ending on the 24th day of the month of the Distribution Date
CH and AS Classes (collectively, the “Delay Classes”)	Calendar month preceding the month in which the Distribution Date occurs

See “Yield Considerations” herein.

Notional Classes. The SW, SV, AS, ST, BE, LW, SH, SD and SB Classes will be Notional Classes. Each Notional Class will have no principal balance and will bear interest at the per annum interest rate described herein during each Interest Accrual Period on the related notional principal balance. The notional principal balance of each Notional Class will be equal to the indicated percentage of the outstanding principal balance of the following Classes immediately prior to the related Distribution Date:

<u>Class</u>	<u>Percentage of Principal Balance of Specified Class or Classes</u>
SW	47.701647875% of SA Class
SV	100% of AL Class
AS	6,921.66666667% of CH Class
ST	100% of the aggregate of PV and PX Classes
BE	100% of GO Class
LW	100% of VE Class
SH	260% of NH Class
SD	100% of PD Class
SB	100% of PB Class

The notional principal balance of a Notional Class is used for purposes of the determination of interest distributions thereon and does not represent an interest in the principal distributions of the Underlying REMIC Certificates, the MBS or the underlying Mortgage Loans. Although a Notional Class will not have a principal balance, a REMIC Trust Factor (as described herein) will be published with respect to any such Class that will be applicable to the notional principal balance thereof, and references herein to the principal balances of the Certificates generally shall be deemed to refer also to the notional principal balances of the Notional Classes.

Inverse Floating Rate Classes. Each of the following Classes will bear interest during its initial Interest Accrual Period at an Initial Interest Rate determined as described below, and will bear interest during each Interest Accrual Period thereafter, subject to the applicable Maximum and Minimum Interest Rates, at the rate determined as described below:

Class	Assumed Initial Interest Rate	Maximum Interest Rate	Minimum Interest Rate	Formula for Calculation of Interest Rate
SA	6.8385%(1)	13.91136%	0.0%	$15.00962\% - (1.46435389 \times 10\text{-Year Treasury Index})$
SW	13.0760%(1)	26.60000%	0.0%	$28.7\% - (2.8 \times 10\text{-Year Treasury Index})$
SV	3.2290%(1)	9.44444%	0.0%	$9.44444\% - (\text{LIBOR} \times 1.11111111)$
ST	4.2404%(1)	(2)	(2)	(2)
BE	1.3500%(1)	9.67973%	0.0%	$9.67973\% - (1.489189 \times \text{LIBOR})$
LW	4.0520%(1)	(3)	(3)	(3)
SH	2.3561%(1)	7.95000%	0.0%	$7.95\% - \text{LIBOR}$
SD	3.1774%(1)	13.92857%	0.0%	$26.55133\% - (\text{LIBOR} \times 4.178571)$
SB	2.6950%(1)	9.68750%	0.0%	$9.6875\% - (1.25 \times \text{LIBOR})$

- (1) The Initial Interest Rates listed above are assumed rates. The actual Initial Interest Rates will be calculated on the basis of the applicable formulas for the calculation of interest rates on the February 22, 1996 Index Determination Date.
- (2) The formula for calculation of the interest rate for the ST Class will be as follows: If the level of LIBOR is less than or equal to 4.6875%, the interest rate will be a per annum rate equal to $218.99105\% - (45.230512 \times \text{LIBOR})$, subject to Maximum and Minimum Interest Rates of 9.79994% and 6.97303%, respectively. If the level of LIBOR is greater than 4.6875%, the interest rate will be a per annum rate equal to $21.10756\% - (3.015367 \times \text{LIBOR})$, subject to Maximum and Minimum Interest Rates of 6.97303% and 0.00%, respectively.
- (3) The formula for calculation of the interest rate for the LW Class will be as follows: If the level of LIBOR is less than 4.6875%, the interest rate will be a per annum rate equal to $274.07179\% - (57.04727 \times \text{LIBOR})$, subject to Maximum and Minimum Interest Rates of 10.228169% and 6.66271%, respectively. If the level of LIBOR is greater than or equal to 4.6875%, the interest rate will be a per annum rate equal to $20.16822\% - (2.88118 \times \text{LIBOR})$, subject to Maximum and Minimum Interest Rates of 6.66268% and 0.00%, respectively.

The yields with respect to such Classes will be affected by changes in the applicable index as set forth in the table above (each, an “Index”), which changes may not correlate with changes in mortgage interest rates. It is possible that lower mortgage interest rates could occur concurrently with an increase in the level of the applicable Index. Conversely, higher mortgage interest rates could occur concurrently with a decrease in the level of such Index.

The establishment of each Index value by Fannie Mae and Fannie Mae’s determination of the rate of interest for the applicable Classes for the related Interest Accrual Period shall (in the absence of manifest error) be final and binding. Each such rate of interest may be obtained by telephoning Fannie Mae at 1-800-BEST-MBS or 202-752-6547.

Calculation of 10-Year Treasury Index

On each Index Determination Date, until the principal and notional principal balances of the SA and SW Classes have been reduced to zero, Fannie Mae will ascertain the average yield on U.S. Treasury securities, adjusted to a constant maturity of ten years, in effect for the week ending on the last Friday immediately preceding the related Index Determination Date in the manner described in the REMIC Prospectus under “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—*Treasury Index*” with respect to yields on U.S. Treasury securities at “constant maturity.”

Calculation of LIBOR

On each Index Determination Date, until the notional principal balances of the SV, ST, BE, LW, SH, SD and SB Classes have been reduced to zero. Fannie Mae will establish LIBOR for the related Interest Accrual Period in the manner described in the REMIC Prospectus under “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—*LIBOR*.”

If on the initial Index Determination Date, Fannie Mae is unable to determine LIBOR in the manner specified in the REMIC Prospectus. LIBOR for the next succeeding Interest Accrual Period will be equal to LIBOR as determined for such Interest Accrual Period for the related Underlying REMIC Certificates.

Distributions of Principal

Categories of Classes

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

<u>Principal Type*</u>	<u>Classes</u>
Group 1 Classes	
Structured Collateral**/Pass-Through	SA
Notional	SW
Group 2 Classes	
Structured Collateral**/Pass-Through	AL
Notional	SV
Group 3 Classes	
Structured Collateral**/Pass-Through	CH
Notional	AS
Group 4 Classes	
Structured Collateral**/PAC	PV
Structured Collateral**/Support	PX
Notional	ST
Group 5 Classes	
Structured Collateral**/Pass-Through	GO
Notional	BE
Group 6 Classes	
Structured Collateral**/Pass-Through	VE
Notional	LW
Group 7 Classes	
Structured Collateral**/Pass-Through	NH
Notional	SH
Group 8 Classes	
Structured Collateral**/Pass-Through	PD
Notional	SD
Group 9 Classes	
Structured Collateral**/Pass-Through	PB
Notional	SB
No Payment Residual	R

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

** A Structured Collateral Class (“SC”) is designed to receive principal payments based on actual distributions on the related Underlying Securities (as defined in the REMIC Prospectus).

Principal Distribution Amount

Principal will be distributed monthly on the Certificates in an amount (the "Principal Distribution Amount") equal to the sum of (i) the distribution of principal concurrently made on the Class 1992-206-SA REMIC Certificates (the "Group 1 Principal Distribution Amount"), (ii) the distribution of principal concurrently made on the Class 1993-230-S REMIC Certificates (the "Group 2 Principal Distribution Amount"), (iii) the aggregate distributions of principal concurrently made on the Class 1990-73-F and 1990-73-S REMIC Certificates (the "Group 3 Principal Distribution Amount"), (iv) the distribution of principal concurrently made on the Class 1993-207-SC REMIC Certificates (the "Group 4 Principal Distribution Amount"), (v) the distribution of principal concurrently made on the Class 1993-58-SA REMIC Certificates (the "Group 5 Principal Distribution Amount"), (vi) the distribution of principal concurrently made on the Class 1993-185-S REMIC Certificates (the "Group 6 Principal Distribution Amount"), (vii) the distribution of principal concurrently made on the Class 1994-42-SH REMIC Certificates (the "Group 7 Principal Distribution Amount"), (viii) the distribution of principal concurrently made on the Class 1993-187-SB REMIC Certificates (the "Group 8 Principal Distribution Amount") and (ix) the distribution of principal concurrently made on the Class 1994-76-S REMIC Certificates (the "Group 9 Principal Distribution Amount"). The portion of each class of Underlying REMIC Certificates held by the Trust will be as set forth in Exhibit A.

Group 1 Principal Distribution Amount

On each Distribution Date, the Group 1 Principal Distribution Amount will be distributed as principal of the SA Class, until the principal balance thereof is reduced to zero.

Group 2 Principal Distribution Amount

On each Distribution Date, the Group 2 Principal Distribution Amount will be distributed as principal of the AL Class, until the principal balance thereof is reduced to zero.

Group 3 Principal Distribution Amount

On each Distribution Date, the Group 3 Principal Distribution Amount will be distributed as principal of the CH Class, until the principal balance thereof is reduced to zero.

Group 4 Principal Distribution Amount

On each Distribution Date, the Group 4 Principal Distribution Amount will be distributed as principal of the PV and PX Classes in the following order of priority:

(i) to the PV Class, until the principal balance thereof is reduced to its Planned Balance for such Distribution Date;

(ii) to the PX Class, until the principal balance thereof is reduced to zero; and

(iii) to the PV Class, without regard to its Planned Balance and until the principal balance thereof is reduced to zero.

Structured
Collateral/
Pass-Through
Classes

PAC
Class

Support
Class

PAC
Class

Group 5 Principal Distribution Amount

On each Distribution Date, the Group 5 Principal Distribution Amount will be distributed as principal of the GO Class, until the principal balance thereof is reduced to zero.

Group 6 Principal Distribution Amount

On each Distribution Date, the Group 6 Principal Distribution Amount will be distributed as principal of the VE Class, until the principal balance thereof is reduced to zero.

Group 7 Principal Distribution Amount

On each Distribution Date, the Group 7 Principal Distribution Amount will be distributed as principal of the NH Class, until the principal balance thereof is reduced to zero.

Group 8 Principal Distribution Amount

On each Distribution Date, the Group 8 Principal Distribution Amount will be distributed as principal of the PD Class, until the principal balance thereof is reduced to zero.

Group 9 Principal Distribution Amount

On each Distribution Date, the Group 9 Principal Distribution Amount will be distributed as principal of the PB Class, until the principal balance thereof is reduced to zero.

Structured
Collateral/
Pass-Through
Classes

Structuring Assumptions

Pricing Assumptions. Unless otherwise specified, the information in the tables in this Prospectus Supplement has been prepared on the basis of the actual characteristics of each Pool underlying the Underlying REMIC Certificates, the priority sequences affecting the principal distributions on the Underlying REMIC Certificates and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans prepay at the constant percentages of PSA specified in the related table;
- the closing date for the sale of the Certificates is the Settlement Date; and
- the first Distribution Date for the Certificates occurs in the month following the Settlement Date.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used in this Prospectus Supplement is the Public Securities Association’s standard prepayment model (“PSA”). To assume a specified rate of PSA is to assume a specified rate of prepayment each month of the then outstanding principal balance of a pool of new mortgage loans computed as described under “Description of the Certificates—Prepayment Considerations and Risks” in the REMIC Prospectus. It is highly unlikely that prepayments will occur at any PSA rate or at any other constant rate.

Structuring Range. The Principal Balance Schedule has been prepared on the basis of the Pricing Assumptions and the assumption that the Mortgage Loans prepay at a *constant* PSA rate within the Structuring Range set forth below.

<u>Principal Balance Schedule Reference</u>	<u>Related Class</u>	<u>Structuring Range</u>
Planned Balance	PV	Between 125% and 300%

There is no assurance that the principal balance of the Class listed above will conform on any Distribution Date to the applicable balance specified for such Distribution Date in the Principal Balance Schedule herein, or that distributions of principal on the related Class will begin or end on the respective Distribution Dates specified therein. Because any excess of the principal distribution on any Distribution Date over the amount necessary to reduce the applicable Class to its scheduled balance will be distributed, the ability to so reduce such Class will not be enhanced by the averaging of high and low principal prepayments from month to month. In addition, even if prepayments occur at rates falling within the Structuring Range specified above, principal distributions may be insufficient to reduce the applicable Class to its scheduled balances if such prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the Group 4 Mortgage Loans, the Class specified above may not be reduced to its scheduled balances, even if prepayments occur at a *constant* rate within the Structuring Range specified above.

Initial Effective Range. The Effective Range for a Class is the range of prepayment rates (measured by *constant* PSA rates) that would reduce such Class to its Principal Balance Schedule on each Distribution Date. The Initial Effective Range set forth in the table below is based upon the assumed characteristics of the Group 4 Mortgage Loans specified in the Pricing Assumptions.

<u>Related Class</u>	<u>Initial Effective Range</u>
PV	Between 125% and 301%

The actual Effective Range at any time will be based upon the actual characteristics of the Group 4 Mortgage Loans at such time, which are likely to vary (and may vary considerably) from the Pricing Assumptions. The actual Effective Range calculated on the basis of the actual characteristics likely will differ from the Initial Effective Range. As a result, the applicable Class might not be reduced to its scheduled balance even if prepayments were to occur at a *constant* PSA rate within the Initial Effective Range (particularly if such rate were at the lower or higher end of such range). In addition, even if prepayments occur at rates falling within the actual Effective Range, principal distributions may be insufficient to reduce the applicable Class to its scheduled balance if such prepayments do not occur at a *constant* PSA rate. It is highly unlikely that the Group 4 Mortgage Loans will prepay at any *constant* PSA rate. In general, the actual Effective Range may narrow, widen or shift upward or downward to reflect actual prepayment experience over time. The principal payment stability of the PAC Class will be supported in part by the Support Class. When the Support Class is retired, the PAC Class will no longer have an Effective Range and will be more sensitive to prepayments.

Principal Balance Schedule

<u>Distribution Date</u>	<u>PV Class Planned Balance</u>	<u>Distribution Date</u>	<u>PV Class Planned Balance</u>
Initial Balance	\$2,800,000.00	January 2000	\$ 988,976.96
March 1996	2,800,000.00	February 2000	962,367.69
April 1996	2,788,083.15	March 2000	936,260.30
May 1996	2,733,478.36	April 2000	910,650.20
June 1996	2,679,625.21	May 2000	885,532.84
July 1996	2,626,517.13	June 2000	860,903.69
August 1996	2,574,147.59	July 2000	836,758.26
September 1996	2,522,510.13	August 2000	813,092.10
October 1996	2,471,598.34	September 2000	789,900.80
November 1996	2,421,405.84	October 2000	767,179.98
December 1996	2,371,926.32	November 2000	744,925.29
January 1997	2,323,153.51	December 2000	723,132.43
February 1997	2,275,081.20	January 2001	701,797.12
March 1997	2,227,703.22	February 2001	680,915.12
April 1997	2,181,013.44	March 2001	660,482.22
May 1997	2,135,005.79	April 2001	640,494.26
June 1997	2,089,674.25	May 2001	620,947.09
July 1997	2,045,012.84	June 2001	601,836.61
August 1997	2,001,015.63	July 2001	583,158.75
September 1997	1,957,676.73	August 2001	564,909.47
October 1997	1,914,990.31	September 2001	547,084.76
November 1997	1,872,950.57	October 2001	529,680.65
December 1997	1,831,551.78	November 2001	512,693.20
January 1998	1,790,788.22	December 2001	496,118.49
February 1998	1,750,654.25	January 2002	479,952.65
March 1998	1,711,144.25	February 2002	464,191.83
April 1998	1,672,252.66	March 2002	447,209.44
May 1998	1,633,973.95	April 2002	428,420.08
June 1998	1,596,302.65	May 2002	407,867.97
July 1998	1,559,233.32	June 2002	385,596.51
August 1998	1,522,760.57	July 2002	361,648.29
September 1998	1,486,879.04	August 2002	336,065.08
October 1998	1,451,583.43	September 2002	308,887.89
November 1998	1,416,868.48	October 2002	280,480.17
December 1998	1,382,728.96	November 2002	252,576.15
January 1999	1,349,159.69	December 2002	225,167.16
February 1999	1,316,155.53	January 2003	198,244.68
March 1999	1,283,711.38	February 2003	171,800.34
April 1999	1,251,822.18	March 2003	145,825.90
May 1999	1,220,482.91	April 2003	120,313.28
June 1999	1,189,688.59	May 2003	95,254.51
July 1999	1,159,434.28	June 2003	70,641.77
August 1999	1,129,715.08	July 2003	46,467.37
September 1999	1,100,526.13	August 2003	22,723.76
October 1999	1,071,862.61	September 2003 and thereafter	0.00
November 1999	1,043,719.73		
December 1999	1,016,092.75		

Yield Considerations

General. There can be no assurance that the Mortgage Loans will have the characteristics assumed herein or will prepay at any of the rates assumed herein or at any other particular rate, that the pre-tax yields on the Certificates will correspond to any of the pre-tax yields shown herein or that the aggregate purchase prices of the Certificates will be as assumed. In addition, there can be no assurance that the applicable Index will correspond to the levels shown herein. Furthermore, because some of the Mortgage Loans will likely have remaining terms to maturity shorter or longer than those assumed and interest rates higher or lower than those assumed, the principal distributions on the Certificates are likely to differ from those assumed, even if all Mortgage Loans prepay at the indicated constant percentages of PSA. In addition, it is not likely that the Mortgage Loans will prepay at a constant PSA rate until maturity, that all of such Mortgage Loans will prepay at the same rate or that the level of the applicable Index will remain constant.

The rate of distributions of principal of the Certificates will be directly related to the rate of principal distributions on the Underlying REMIC Certificates, which in turn will be very sensitive to the amortization (including prepayments) of the Mortgage Loans and the priority sequences affecting principal distributions on the Underlying REMIC Certificates. As described in the Underlying Prospectus Supplements, the Underlying REMIC Certificates are subordinate in priority of principal distributions to certain other classes of certificates evidencing beneficial ownership interests in the related Underlying REMIC Trusts and, accordingly, distributions of principal of the related Mortgage Loans may for extended periods be applied to the distribution of principal of those classes of certificates having priority over such Underlying REMIC Certificates. In particular, certain of the Underlying REMIC Certificates are Support classes that are entitled to receive principal payments on any Distribution Date only if scheduled payments have been made on other specified classes of certificates evidencing beneficial ownership interests in the related Underlying REMIC Trusts. As illustrated in the Decrement Tables herein, it is possible under certain prepayment scenarios that no principal distributions would be made on certain Certificates for extended periods of time or, conversely, that investors in such Classes would receive distributions of principal earlier than they anticipated. In addition, certain of the Underlying REMIC Certificates have Principal Balance Schedules and, as a result, may receive distributions of principal during certain periods at a rate faster or slower than would otherwise have been the case (and, in some cases, may receive no principal distributions for extended periods). Further prepayments on the related Mortgage Loans may have occurred at a rate faster or slower than that initially assumed. This Prospectus Supplement contains no information as to whether such Underlying REMIC Certificates have adhered to their Principal Balance Schedules, whether any Support classes remain outstanding or whether the Underlying REMIC Certificates otherwise have performed as originally anticipated. Such information as to particular Underlying REMIC Certificates may be obtained by performing an analysis of current Fannie Mae principal factors of such Underlying REMIC Certificates in the context of applicable information contained in the Underlying Prospectus Supplements, which may be obtained from Fannie Mae as described herein.

The timing of changes in the rate of prepayments or the level of the applicable Index may significantly affect the actual yield to maturity to investors, even if the average rate of principal prepayments or the average level of the Index is consistent with the expectations of investors. In general, the earlier the payment of principal of the Mortgage Loans or change in the level of such Index, the greater the effect on an investor's yield to maturity. As a result, the effect on an investor's yield of principal prepayments or the level of the applicable Index occurring at a rate or level higher (or lower) than the rate or level anticipated by the investor during the period immediately following the issuance of the Certificates will not be offset by a subsequent like reduction (or increase) in the rate of principal prepayments or level of such Index.

The effective yield on the Delay Classes will be reduced below the yield otherwise produced because principal and interest payable on a Distribution Date will not be distributed until the 25th

day following the end of the related Interest Accrual Period and will not bear interest during each delay. No interest at all will be paid on any Class after its principal balance has been reduced to zero. As a result of the foregoing, the market value of the Delay Classes will be lower than would have been the case if there were no such delay. Investors must make their own decisions as to the appropriate assumptions, including prepayment assumptions, to be used in deciding whether to purchase the Certificates.

The tables below indicate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of certain Classes to various constant percentages of PSA and, where specified, to changes in the applicable Index. The yields set forth in the tables were calculated by determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on the applicable Classes, would cause the discounted present value of such assumed streams of cash flows to equal the assumed aggregate purchase prices of such Classes and converting such monthly rates to corporate bond equivalent rates. Such calculations do not take into account variations that may occur in the interest rates at which investors may be able to reinvest funds received by them as distributions on the Certificates and consequently do not purport to reflect the return on any investment in the Certificates when such reinvestment rates are considered.

The Principal Only Classes. **The Principal Only Classes will not bear interest. As indicated in the table below, a low rate of principal payments (including prepayments) on the Mortgage Loans underlying the related Underlying REMIC Trusts will have a negative effect on the yields to investors in the Principal Only Classes.**

The information set forth in the following table was prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase prices of the Principal Only Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price</u>
AL	55.0%
PV	82.0%
PX	67.0%
GO	70.0%
VE	73.0%
NH	69.0%
PD	60.0%
PB	68.0%

**Sensitivity of the Principal Only Classes to Prepayments
(Pre-Tax Yields to Maturity)**

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>250%</u>	<u>300%</u>	<u>500%</u>
AL	2.4%	2.6%	4.0%	5.6%	73.8%
NH	1.6%	2.0%	9.7%	18.7%	55.5%
GO	1.5%	1.7%	3.3%	5.4%	35.1%

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>125%</u>	<u>200%</u>	<u>300%</u>	<u>500%</u>
PV	1.2%	6.5%	6.5%	6.5%	14.3%
PX	1.9%	3.0%	10.0%	25.9%	69.9%

Class	PSA Prepayment Assumption				
	50%	100%	175%	300%	500%
VE	1.5%	2.2%	8.7%	24.1%	53.8%

Class	PSA Prepayment Assumption				
	50%	100%	185%	300%	500%
PD	2.1%	2.3%	4.9%	39.2%	120.6%

Class	PSA Prepayment Assumption				
	50%	100%	375%	450%	600%
PB	1.7%	1.8%	6.4%	12.0%	29.0%

The Inverse Floating Rate Classes. The yields to investors in the Inverse Floating Rate Classes will be very sensitive to the level of the applicable Index and to the rate of principal payments (including prepayments) of the Mortgage Loans underlying the related Underlying REMIC Trusts. The Mortgage Loans generally can be prepaid at any time. In addition, the rate of principal payments (including prepayments) of the Mortgage Loans is likely to vary, and may vary considerably, from Pool to Pool. As indicated in the tables below, it is possible that, under certain Index and prepayment scenarios, investors in certain of the Inverse Floating Rate Classes would not fully recoup their initial investment.

Changes in an Index may not correlate with changes in prevailing mortgage interest rates. It is possible that lower prevailing mortgage interest rates, which might be expected to result in faster prepayments, could occur concurrently with an increased level of such Index.

The information set forth in the following tables was prepared on the basis of the Pricing Assumptions and the assumptions that (i) the interest rates applicable to the Inverse Floating Rate Classes for each Interest Accrual Period subsequent to their initial Interest Accrual Period will be based on the indicated level of the applicable Index and (ii) the aggregate purchase prices of the Inverse Floating Rate Classes (expressed as percentages of original principal balances) are as follows:

Class	Price*
SA	90.0%
SW	50.0%
SV	11.0%
ST	16.0%
BE	4.0%
LW	13.0%
SH	6.50%
SD	12.50%
SB	7.50%

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

Sensitivity of the SA Class to Prepayments and 10-Year Treasury Index (Pre-Tax Yields to Maturity)

10-Year Treasury Index	PSA Prepayment Assumption				
	50%	100%	170%	300%	500%
3.5800%	11.6%	11.9%	12.0%	12.2%	13.3%
5.5800%	8.3%	8.7%	8.8%	9.0%	10.1%
7.5800%	5.1%	5.5%	5.6%	5.9%	7.0%
9.5800%	2.0%	2.4%	2.5%	2.7%	3.8%
10.2500%	1.0%	1.3%	1.4%	1.7%	2.8%

**Sensitivity of the SW Class to Prepayments and 10-Year Treasury Index
(Pre-Tax Yields to Maturity)**

<u>10-Year Treasury Index</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>170%</u>	<u>300%</u>	<u>500%</u>
3.5800%	39.3%	37.4%	36.6%	34.6%	21.3%
5.5800%	25.8%	22.6%	21.5%	18.6%	2.0%
7.5800%	10.8%	5.4%	3.9%	(0.3)%	(21.4)%
9.5800%	(12.0)%	(22.0)%	(24.6)%	(31.4)%	(60.5)%
10.2500%	*	*	*	*	*

* The pre-tax yield to maturity will be less than (99.9)%.

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>250%</u>	<u>300%</u>	<u>500%</u>
1.59380%	78.4%	78.4%	78.4%	75.9%	(54.2)%
3.59380%	54.2%	54.2%	54.1%	51.0%	(83.9)%
5.59380%	31.2%	31.2%	30.6%	27.0%	*
7.59380%	8.2%	7.9%	4.7%	1.1%	*
8.50000%	*	*	*	*	*

* The pre-tax yield to maturity will be less than (99.9)%.

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>125%</u>	<u>200%</u>	<u>300%</u>	<u>500%</u>
4.62500%	67.9%	62.8%	42.5%	16.7%	(69.4)%
5.59380%	27.8%	23.0%	4.8%	(21.7)%	*
7.00000%	*	*	*	*	*

* The pre-tax yield to maturity will be less than (99.9)%.

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>250%</u>	<u>300%</u>	<u>500%</u>
3.59380%	128.3%	128.3%	126.6%	118.7%	24.5%
5.59380%	36.2%	36.2%	31.8%	23.0%	(87.5)%
6.50001%	*	*	*	*	*

* The pre-tax yield to maturity will be less than (99.9)%.

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>175%</u>	<u>300%</u>	<u>500%</u>
3.59380%	89.6%	88.9%	61.5%	13.3%	(79.5)%
5.59380%	33.2%	31.9%	8.2%	(44.4)%	*
7.00000%	*	*	*	*	*

* The pre-tax yield to maturity will be less than (99.9)%.

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

LIBOR	PSA Prepayment Assumption				
	50%	100%	250%	300%	500%
3.59380%	75.4%	75.4%	45.5%	27.4%	(73.4)%
5.59380%	39.1%	39.0%	14.8%	(3.7)%	*
7.59380%	2.2%	0.5%	(14.4)%	(31.7)%	*
7.95000%	*	*	*	*	*

* The pre-tax yield to maturity will be less than (99.9)%.

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

LIBOR	PSA Prepayment Assumption				
	50%	100%	185%	300%	500%
3.59380%	106.5%	106.5%	104.2%	35.0%	*
5.59380%	26.8%	26.7%	21.2%	(70.6)%	*
6.35000%	(18.9)%	(20.8)%	(27.7)%	*	*

* The pre-tax yield to maturity will be less than (99.9)%.

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

LIBOR	PSA Prepayment Assumption				
	50%	100%	375%	450%	600%
3.59380%	78.2%	78.2%	71.5%	56.5%	(2.3)%
5.59380%	38.8%	38.7%	27.9%	11.2%	(59.7)%
7.59380%	(3.7)%	(4.8)%	(21.9)%	(31.0)%	*
7.75000%	*	*	*	*	*

* The pre-tax yield to maturity will be less than (99.9)%.

The AS Class. The yield to investors in the AS Class will be very sensitive to the rate of principal payments (including prepayments) of the Mortgage Loans underlying the related Underlying REMIC Trust. The Mortgage Loans generally can be prepaid at any time. In addition, the rate of principal payments (including prepayments) of the Mortgage Loans is likely to vary, and may vary considerably, from Pool to Pool. As indicated in the table below, it is possible that under certain prepayment scenarios, investors in the AS Class would not fully recoup their initial investment.

The information set forth in the following table was prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase price of the AS Class (expressed as a percentage of original principal balance) is as follows:

Class	Price*
AS	30.0%

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

**Sensitivity of the AS Class to Prepayments
(Pre-Tax Yields to Maturity)**

Class	PSA Prepayment Assumption				
	50%	100%	350%	450%	600%
AS	29.0%	27.0%	12.0%	4.6%	(7.5)%

Weighted Average Lives of the Certificates

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

In general, the weighted average lives of the Certificates will be shortened if the level of prepayments of principal of the related Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including the timing of changes in such rate of principal payments, the priority sequence of distributions of principal of the Underlying REMIC Certificates and, in the case of the Group 4 Classes, the priority sequence of distributions of principal of such Classes and the distribution of principal of the PV Class in accordance with the Principal Balance Schedule herein. In particular, if the amount distributable as principal of the Group 4 Classes on any Distribution Date exceeds the amount required to reduce the principal balance of the PV Class to its scheduled balance as set forth in the Principal Balance Schedule, such excess principal will be distributed on the PX Class on such Distribution Date. Conversely, if the principal distributable on any Distribution Date is less than the amount so required to reduce the PV Class to its scheduled balance, no principal will be distributed on the PX Class on such Distribution Date. Accordingly, the rate of principal payments on the Group 4 Mortgage Loans is expected to have a greater effect on the weighted average life of the PX Class than on the weighted average life of the PV Class. See “Distributions of Principal” herein and “Description of the Certificates—Distributions of Principal” in the Underlying Prospectus Supplements.

The effect of the foregoing factors may differ as to various Classes and the effects on any Class may vary at different times during the life of such Class. Accordingly, no assurance can be given as to the weighted average life of any Class. Further, to the extent the prices of the Certificates represent discounts or premiums to their respective original principal balances, variability in the weighted average lives of such Classes of Certificates could result in variability in the related yields to maturity. For an example of how the weighted average lives of the Classes may be affected at various constant prepayment rates, see the Decrement Tables below.

Decrement Tables

The following tables indicate the percentages of original principal balances of the specified Classes that would be outstanding after each of the dates shown at various constant PSA levels and the corresponding weighted average lives of such Classes. The tables have been prepared on the basis of the Pricing Assumptions, except that with respect to the information set forth for each such Class under 0% PSA it has been assumed that the underlying Mortgage Loans have the original and remaining terms to maturity and bear interest at the per annum rates specified below:

Mortgage Loans relating to Underlying REMIC Trusts specified below	Original Terms to Maturity	Remaining Terms to Maturity	Interest Rates	Related Classes
1990- 73	360 months	293 months	11.5%	CH and AS
1992-206	360 months	321 months	9.5%	SA and SW
1993- 58	360 months	326 months	10.0%	GO and BE
1993-185	360 months	331 months	9.0%	VE and LW
1993-187	360 months	331 months	9.0%	PD and SD
1993-207	360 months	333 months	9.0%	PV, PX and ST
1993-230	360 months	334 months	9.5%	AL and SV
1994- 42	360 months	338 months	9.5%	NH and SH
1994- 76	360 months	338 months	10.5%	PB and SB

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

Percent of Original Principal Balances Outstanding

Date	SA and SW† Classes					AL and SV† Classes					CH and AS† Classes					PV Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	170%	300%	500%	0%	100%	250%	300%	500%	0%	100%	350%	450%	600%	0%	125%	200%	300%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
February 1997	100	100	100	100	100	100	100	100	100	44	100	97	92	89	86	100	81	81	81	81
February 1998	100	100	100	100	100	100	100	100	100	0	99	95	83	71	54	100	63	63	63	0
February 1999	100	100	100	100	100	100	100	100	92	0	99	92	64	51	34	100	47	47	47	0
February 2000	100	100	100	100	45	100	100	100	83	0	99	90	50	37	22	100	34	34	34	0
February 2001	100	100	100	100	4	100	100	100	77	0	98	88	39	26	14	100	24	24	24	0
February 2002	100	100	98	66	0	100	100	100	75	0	98	85	30	19	8	100	17	17	17	0
February 2003	100	85	67	33	0	100	100	100	74	0	97	78	23	13	5	100	6	6	6	0
February 2004	100	56	39	6	0	100	100	100	74	0	96	71	18	9	3	100	0	0	0	0
February 2005	100	28	15	0	0	100	100	100	74	0	95	65	14	7	2	100	0	0	0	0
February 2006	100	*	0	0	0	100	100	100	74	0	95	59	10	5	1	100	0	0	0	0
February 2007	100	0	0	0	0	100	100	96	64	0	94	53	8	3	1	100	0	0	0	0
February 2008	100	0	0	0	0	100	100	79	51	0	93	48	6	2	*	100	0	0	0	0
February 2009	100	0	0	0	0	100	100	64	40	0	91	42	4	2	*	100	0	0	0	0
February 2010	100	0	0	0	0	100	100	52	32	0	90	37	3	1	*	100	0	0	0	0
February 2011	100	0	0	0	0	100	100	42	25	0	88	33	2	1	*	100	0	0	0	0
February 2012	100	0	0	0	0	100	100	34	19	0	87	28	2	*	*	100	0	0	0	0
February 2013	81	0	0	0	0	100	100	27	15	0	83	24	1	*	*	100	0	0	0	0
February 2014	51	0	0	0	0	100	100	22	11	0	76	19	1	*	*	100	0	0	0	0
February 2015	18	0	0	0	0	100	100	17	9	0	67	15	1	*	*	100	0	0	0	0
February 2016	0	0	0	0	0	100	98	13	6	0	58	11	*	*	*	100	0	0	0	0
February 2017	0	0	0	0	0	100	82	10	5	0	47	8	*	*	*	100	0	0	0	0
February 2018	0	0	0	0	0	100	66	7	3	0	35	4	*	*	*	100	0	0	0	0
February 2019	0	0	0	0	0	100	52	5	2	0	22	1	*	*	*	100	0	0	0	0
February 2020	0	0	0	0	0	100	38	3	1	0	7	*	*	*	0	12	0	0	0	0
February 2021	0	0	0	0	0	100	25	2	1	0	0	0	0	0	0	0	0	0	0	0
February 2022	0	0	0	0	0	100	13	1	*	0	0	0	0	0	0	0	0	0	0	0
February 2023	0	0	0	0	0	58	2	*	*	0	0	0	0	0	0	0	0	0	0	0
February 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	18.0	8.3	7.7	6.6	4.0	27.1	23.3	15.3	11.6	1.0	19.6	12.0	5.0	3.9	2.8	23.7	3.2	3.2	3.2	1.5

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

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

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

Date	PX Class					ST† Class					GO and BE† Classes					VE and LW† Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	125%	200%	300%	500%	0%	125%	200%	300%	500%	0%	100%	250%	300%	500%	0%	100%	175%	300%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
February 1997	100	100	81	54	34	100	96	81	59	44	100	100	100	100	54	100	100	81	50	32
February 1998	100	99	66	39	0	100	92	65	44	0	100	100	100	83	0	100	99	64	36	0
February 1999	100	99	55	30	0	100	88	53	33	0	100	100	91	62	0	100	98	50	15	0
February 2000	100	99	46	15	0	100	85	44	19	0	100	100	81	50	0	100	96	40	0	0
February 2001	100	98	39	6	0	100	83	36	10	0	100	100	74	42	0	100	95	31	0	0
February 2002	100	98	35	2	0	100	81	31	5	0	100	100	71	40	0	100	94	25	0	0
February 2003	100	98	32	1	0	100	79	27	2	0	100	100	71	40	0	100	94	21	0	0
February 2004	100	94	27	0	0	100	75	22	0	0	100	100	70	40	0	100	92	18	0	0
February 2005	100	88	21	0	0	100	70	17	0	0	100	100	70	40	0	100	89	14	0	0
February 2006	100	80	14	0	0	100	64	11	0	0	100	100	69	40	0	100	85	10	0	0
February 2007	100	72	8	0	0	100	57	6	0	0	100	100	63	40	0	100	79	7	0	0
February 2008	100	64	1	0	0	100	50	1	0	0	100	100	52	34	0	100	73	3	0	0
February 2009	100	55	0	0	0	100	44	0	0	0	100	100	42	27	0	100	66	0	0	0
February 2010	100	46	0	0	0	100	37	0	0	0	100	100	34	21	0	100	59	0	0	0
February 2011	100	39	0	0	0	100	31	0	0	0	100	100	28	16	0	100	52	0	0	0
February 2012	100	33	0	0	0	100	26	0	0	0	100	100	22	12	0	100	44	0	0	0
February 2013	100	26	0	0	0	100	20	0	0	0	100	97	18	10	0	100	37	0	0	0
February 2014	100	18	0	0	0	100	14	0	0	0	100	85	14	7	0	100	29	0	0	0
February 2015	100	10	0	0	0	100	8	0	0	0	100	72	11	5	0	100	22	0	0	0
February 2016	100	3	0	0	0	100	2	0	0	0	100	61	8	4	0	100	14	0	0	0
February 2017	100	0	0	0	0	100	0	0	0	0	100	49	6	3	0	100	7	0	0	0
February 2018	100	0	0	0	0	100	0	0	0	0	100	39	4	2	0	100	0	0	0	0
February 2019	100	0	0	0	0	100	0	0	0	0	100	29	3	1	0	100	0	0	0	0
February 2020	100	0	0	0	0	82	0	0	0	0	100	19	2	1	0	93	0	0	0	0
February 2021	73	0	0	0	0	58	0	0	0	0	98	10	1	*	0	62	0	0	0	0
February 2022	40	0	0	0	0	32	0	0	0	0	55	2	*	*	0	28	0	0	0	0
February 2023	0	0	0	0	0	0	0	0	0	0	8	*	*	*	0	0	0	0	0	0
February 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	25.7	13.7	4.8	2.0	0.7	25.3	11.5	4.5	2.2	0.9	26.1	21.2	11.6	7.7	1.1	25.4	14.8	4.2	1.5	0.7

Date	NH and SH† Classes					PD and SD† Classes					PB and SB† Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	250%	300%	500%	0%	100%	185%	300%	500%	0%	100%	375%	450%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
February 1997	100	100	78	69	35	100	100	100	70	0	100	100	100	100	81
February 1998	100	100	60	45	0	100	100	100	24	0	100	100	100	72	11
February 1999	100	100	47	29	0	100	100	91	0	0	100	100	79	42	0
February 2000	100	100	38	18	0	100	100	82	0	0	100	100	64	27	0
February 2001	100	100	32	11	0	100	100	75	0	0	100	100	52	18	0
February 2002	100	100	27	6	0	100	100	69	0	0	100	100	43	12	0
February 2003	100	100	24	5	0	100	100	64	0	0	100	100	35	9	0
February 2004	100	100	22	4	0	100	100	60	0	0	100	100	29	7	0
February 2005	100	100	20	3	0	100	100	57	0	0	100	100	24	6	0
February 2006	100	100	17	2	0	100	100	54	0	0	100	100	20	5	0
February 2007	100	99	15	2	0	100	100	51	0	0	100	100	16	4	0
February 2008	100	93	13	1	0	100	100	48	0	0	100	100	12	3	0
February 2009	100	87	11	1	0	100	100	43	0	0	100	100	9	2	0
February 2010	100	80	10	1	0	100	100	38	0	0	100	100	7	1	0
February 2011	100	73	8	1	0	100	100	34	0	0	100	100	5	1	0
February 2012	100	67	7	*	0	100	100	29	0	0	100	100	4	1	0
February 2013	100	60	6	*	0	100	100	25	0	0	100	100	3	*	0
February 2014	100	53	5	*	0	100	98	21	0	0	100	86	2	*	0
February 2015	100	47	4	*	0	100	86	18	0	0	100	73	2	*	0
February 2016	100	41	3	*	0	100	74	15	0	0	100	60	1	*	0
February 2017	100	35	2	*	0	100	62	12	0	0	100	48	1	*	0
February 2018	100	29	2	*	0	100	51	9	0	0	100	37	1	*	0
February 2019	100	23	1	0	0	100	40	7	0	0	100	27	*	*	0
February 2020	100	18	1	0	0	100	29	5	0	0	100	17	*	*	0
February 2021	84	12	1	0	0	100	18	3	0	0	100	8	*	*	0
February 2022	60	7	*	0	0	97	8	1	0	0	100	3	*	*	0
February 2023	34	3	*	0	0	37	*	0	0	0	61	1	*	*	0
February 2024	5	0	0	0	0	0	0	0	0	0	9	0	0	0	0
February 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	26.4	18.8	5.0	2.5	0.8	26.8	22.2	11.6	1.5	0.6	27.2	21.1	6.6	3.7	1.4

* Indicates an outstanding balance greater than 0% and less than 0.5% of the original principal balance.
 ** Determined as specified under "Weighted Average Lives of the Certificates" herein.
 † In the case of a Notional Class, the Decrement Table indicates the percentage of the original notional principal balance outstanding.

Characteristics of the R Class

The R Class will not have a principal balance and will not bear interest. The Holder of the R Class will be entitled to receive the proceeds of the remaining assets of the Trust, if any, after the principal balances of all Classes have been reduced to zero. It is not anticipated that there will be any material assets remaining in such circumstance.

The R Class will be subject to certain transfer restrictions. No transfer of record or beneficial ownership of an R Certificate will be allowed to a “disqualified organization.” In addition, no transfer of record or beneficial ownership of an R Certificate will be allowed to any person that is not a “U.S. Person” without the written consent of Fannie Mae. Under regulations issued by the Treasury Department on December 23, 1992 (the “Regulations”), a transfer of a “noneconomic residual interest” to a U.S. Person will be disregarded for all federal tax purposes unless no significant purpose of the transfer is to impede the assessment or collection of tax. The R Class will constitute a noneconomic residual interest under the Regulations. Any transferee of an R Certificate must execute and deliver an affidavit and an Internal Revenue Service Form W-9 on which the transferee provides its taxpayer identification number. See “Description of the Certificates—Additional Characteristics of Residual Certificates” and “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates” in the REMIC Prospectus. Transferors of an R Certificate should consult with their own tax advisors for further information regarding such transfers.

The Holder of the R Class will be considered to be the holder of the “residual interest” in the REMIC constituted by the Trust. See “Certain Federal Income Tax Consequences” in the REMIC Prospectus. Pursuant to the Trust Agreement, Fannie Mae will be obligated to provide to such Holder (i) such information as is necessary to enable it to prepare its federal income tax returns and (ii) any reports regarding the R Class that may be required under the Code.

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

The following tax discussion, when read in conjunction with the discussion of “Certain Federal Income Tax Consequences” in the REMIC Prospectus, describes the current federal income tax treatment of investors in the Certificates. These two tax discussions do not purport to deal with all federal tax consequences applicable to all categories of investors, some of which may be subject to special rules. Investors should consult their own tax advisors in determining the federal, state, local and any other tax consequences to them of the purchase, ownership and disposition of the Certificates.

REMIC Election and Special Tax Attributes

An election will be made to treat the Trust as a REMIC for federal income tax purposes. The Certificates, other than the R Class, will be designated as the “regular interests,” and the R Class will be designated as the “residual interest,” in the REMIC constituted by the Trust.

As a consequence of the qualification of the Trust as a REMIC, the Certificates generally will be treated as “qualifying real property loans” for mutual savings banks and domestic building and loan associations, “regular or residual interests in a REMIC” for domestic building and loan associations, “real estate assets” for real estate investment trusts, and, except for the R Class, as “qualified mortgages” for other REMICs. See “Certain Federal Income Tax Consequences—Special Tax Attributes” in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Classes and the Principal Only Classes will be, and the SA and CH Classes may be issued with original issue discount for federal income tax purposes, which generally will result in recognition of some taxable income in advance of the receipt of the cash attributable to such income. The Prepayment Assumption that will be used in determining the rate of accrual of original issue discount will be 170% PSA, in the case of the SA and SW Classes, 250% PSA in the case of the AL, SV, GO, BE, NH and SH Classes, 350% PSA in the case of the CH and AS Classes, 200% PSA in the case of the PV, PX and ST Classes, 175% PSA in the case of the VE and LW Classes, 185% PSA in the case of the PD and SD Classes and 375% PSA in the case of the PB and SB Classes. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Original Issue Discount*” in the REMIC Prospectus. No representation is made as to whether the Mortgage Loans underlying the MBS will prepay at any of those rates or any other rate. See “Description of the Certificates—Weighted Average Lives of the Certificates” herein and “Description of the Certificates—Weighted Average Life and Final Distribution Dates” in the REMIC Prospectus. In addition, the SA and CH Class may be treated as having been issued at a premium for federal income tax purposes. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Certificates Purchased at a Premium*” in the REMIC Prospectus.

Taxation of Beneficial Owners of Residual Certificates

Under the Regulations, the R Class will not have significant value. As a result, an organization to which section 593 of the Code applies and which is the beneficial owner of an R Certificate may not use its allowable deductions to offset any “excess inclusions” with respect to such Certificate. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates—*Excess Inclusions*” in the REMIC Prospectus.

For purposes of determining the portion of the taxable income of the Trust that generally will not be treated as excess inclusions, the rate to be used is 7.14% (which is 120% of the “federal long-term rate”). See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates—*Excess Inclusions*” and “—Foreign Investors—*Residual Certificates*” in the REMIC Prospectus. The federal income tax consequences of any consideration paid to a transferee on the transfer of an R Certificate are unclear; any transferee receiving such consideration should consult its own tax advisors.

Generally, the Prepayment Assumptions that will be used to determine the accruals of OID on the Underlying REMIC Certificates are different from the Prepayment Assumptions, as provided above, that will be used to determine the accruals of OID on the related Regular Certificates. Because of the different Prepayment Assumptions and the tax characteristics of the Underlying REMIC Certificates, the beneficial owner of an R Certificate may be required to accrue OID on the Underlying REMIC Certificates without being entitled to a corresponding deduction for OID accrued on the Regular Certificates. Investors should refer to “Certain Additional Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates” (and in the case of the Class 1990-73-F and Class 1990-73-S REMIC Certificates, “Statement of Terms—REMIC Elections, Tax Status of the REMIC Certificates, Prepayment Assumption”) in the Underlying Prospectus Supplements for the Prepayment Assumptions that will be used to determine the accruals of OID on the Underlying REMIC Certificates. See also “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates—*Taxable Income or Net Loss of a REMIC Trust*” in the REMIC Prospectus.

PLAN OF DISTRIBUTION

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

LEGAL MATTERS

Certain legal matters will be passed upon for the Dealer by Cleary, Gottlieb, Steen & Hamilton.

Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	Cusip Number	Interest Rate	Interest Type (1)	Final Distribution Date	Principal Type (2)	Original Principal Balances of Class	Class % in the Trust	February 1996 Class Factor	Principal Balance in the Trust as of Issue Date	Approximate Weighted Average WAC	Approximate Weighted Average WAM (In Months)	Approximate Weighted Average CAGE (In Months)	Underlying Security Type	Class Group
1992-206	SA	November 1992	31358RFP3	(2)	INV	June 2018	PAC	\$ 11,530,000	100.00000%	1.00000000	\$11,530,000.00	7.658%	309	40	MBS	1
1993-230	S	December 1993	31359FE20	(2)	INV	December 2023	SUP	\$ 13,398,496	100.00000%	0.94419334	\$12,650,770.69	7.446	326	29	MBS	2
1990-73	F	July 1990	31358ERD6	(2)	FLT/IO	July 2020	PAC	\$ 215,429	100.00000%	0.80746487	\$ 173,951.35	9.763	277	73	MBS	3
1990-73	S	July 1990	31358ERF1	(2)	INV/IO	July 2020	PAC	\$ 287,239	100.00000%	0.80746503	\$ 231,935.45	9.763	277	73	MBS	3
1993-207	SC	November 1993	31359E3R0	(2)	INV	November 2023	TAC	\$ 38,801,248	45.62031%	0.76345353	\$13,514,080.27	7.098	324	30	MBS	4
1993-58	SA	April 1993	31358UE28	(2)	INV	April 2023	SUP	\$ 95,376,645	85.08020%	0.53312773	\$43,261,526.65	8.006	314	38	MBS	5
1993-185	S	September 1993	31359DW25	(2)	INV	September 2023	TAC	\$ 52,409,176	34.17183%	0.76118097	\$13,632,123.96	7.156	323	30	MBS	6
1994-42	SH	April 1994	31359HZA5	(2)	INV	April 2024	SUP	\$100,000,000	100.00000%	0.96498606	\$96,498,606.00	7.482	331	24	MBS	7
1993-187	SB	September 1993	31359D2B8	(2)	INV	September 2023	SUP	\$ 39,797,800	25.31547%	1.00000000	\$10,075,000.00	7.148	322	31	MBS	8
1994-76	S	April 1994	31359HQP9	(2)	INV	April 2024	SUP	\$ 21,960,000	100.00000%	1.00000000	\$21,960,000.00	8.501	305	49	MBS	9

- (1) See “Description of the Certificates—Class Definitions and Abbreviations” in the REMIC Prospectus.
- (2) These Classes bear interest during their respective interest accrual periods, subject to the applicable Maximum and Minimum Interest Rates, at the respective rates determined as follows:

Class	Maximum Interest Rate	Minimum Interest Rate*	Formula for Calculation of Interest Rate*
1992-206-SA	26.60000%	0.00%	28.70% – (2.8 × 10-Year Treasury Index)
1993-230-S	9.44444	0.00	9.44444% – (LIBOR × 1.11111111)
1990-73-F	1,069.880	300.00	(256.626666 × LIBOR) – 2089.8358%
1990-73-S	877.410	300.00	2669.78687% – (192.47 × LIBOR)
1993-207-SC	**	**	**
1993-58-SA	9.67973	0.00	9.67973% – (1.489189 × LIBOR)
1993-185-S	***	***	***
1994-42-SH	20.67000	0.00	20.67% – (2.6 × LIBOR)
1993-187-SB	13.92857	0.00	26.55133% – (LIBOR × 4.178571)
1994-76-S	9.68750	0.00	9.6875% – (1.25 × LIBOR)

* See “Description of the Certificates—Distributions of Interest” in the related underlying Prospectus Supplement and “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes” in the REMIC Prospectus for a description of LIBOR and 10-Year Treasury Index.

** The formula for calculation of the interest rate for this Class will be as follows: If the level of LIBOR is less than or equal to 4.6875%, the interest rate will be a per annum rate equal to 218.99105% – (45.230512 × LIBOR), subject to Maximum and Minimum Interest Rates of 9.79994% and 6.97303%, respectively. If the level of LIBOR is greater than 4.6875%, the interest rate will be a per annum rate equal to 21.10756% – (3.015367 × LIBOR), subject to Maximum and Minimum Interest Rates of 6.97303% and 0.00%, respectively.

*** The formula for calculation of the interest rate for this Class will be as follows: If the level of LIBOR is less than 4.6875%, the interest rate will be a per annum rate equal to 274.07179% – (57.04727 × LIBOR), subject to Maximum and Minimum Interest Rates of 10.228169% and 6.66271%, respectively. If the level of LIBOR is greater than or equal to 4.6875%, the interest rate will be a per annum rate equal to 20.16822% – (2.88118 × LIBOR), subject to Maximum and Minimum Interest Rates of 6.66268% and 0.00%, respectively.

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No dealer, salesman or other person has been authorized to give any information or to make any representations in connection with this offering other than those contained in this Prospectus Supplement and the additional Disclosure Documents and, if given or made, such information or representations must not be relied upon as having been authorized. This Prospectus Supplement and the aforementioned documents do not constitute an offer to sell or a solicitation of an offer to buy any of the Certificates offered hereby in any state to any person to whom it is unlawful to make such offer or solicitation in such state. The delivery of this Prospectus Supplement and the aforementioned documents at any time does not imply that the information contained herein or therein is correct as of any time subsequent to the date hereof or thereof.

\$223,527,991

Federal National Mortgage Association



Guaranteed REMIC Pass-Through Certificates

Fannie Mae REMIC Trust 1996-5

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Salomon Brothers Inc

Prospectus Supplement
Dated January 25, 1996