

\$150,000,000



FannieMae

Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 1996-G2

The Guaranteed REMIC Pass-Through Certificates offered hereby (the "Certificates") will represent beneficial ownership interests in Fannie Mae REMIC Trust 1996-G2 (the "Trust"). The assets of the Trust will consist of certain "fully modified pass-through" mortgage-backed securities (the "GNMA Certificates") guaranteed as to timely payment of principal and interest by the Government National Mortgage Association ("GNMA"). Each GNMA Certificate is based on and backed by a pool (each, a "Pool") of first lien, single-family, fixed-rate residential mortgage loans (the "Mortgage Loans") which are either insured or guaranteed by the Federal Housing Administration ("FHA"), the Department of Veterans Affairs ("VA") or the Rural Housing Service (the "FmHA"). 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.

See "Additional Risk Factors" on page S-5 hereof and "Risk Factors" beginning on page 8 of the REMIC Prospectus attached hereto for a discussion of certain risks that should be considered in connection with an investment in the Certificates.

(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.

<i>Class</i>	<i>Original Principal Balance</i>	<i>Principal Type (1)</i>	<i>Interest Rate</i>	<i>Interest Type (1)</i>	<i>CUSIP Number</i>	<i>Final Distribution Date</i>
A.....	\$ 7,619,000	PAC	7.5%	FIX	31359KLU9	March 2004
B.....	9,815,000	PAC	7.5%	FIX	31359KLV7	October 2009
C.....	5,215,000	PAC	7.5%	FIX	31359KLW5	December 2011
D.....	9,206,000	PAC	7.5%	FIX	31359KLX3	November 2014
E.....	10,135,000	PAC	7.5%	FIX	31359KLY1	June 2017
G.....	55,322,000	PAC	7.5%	FIX	31359KLZ8	October 2025
H.....	7,299,000	PAC	7.5%	FIX	31359KMA2	July 2026
J.....	27,534,000	SUP/AD	7.5%	FIX	31359KMB0	January 2009
Z.....	17,855,000	SUP	7.5%	Z	31359KMC8	July 2026
R.....	0	NPR	0	NPR	31359KMD6	July 2026

(1) See "Description of the Certificates—Class Definitions and Abbreviations" in the GNMA Prospectus and "Description of the Certificates—Distributions of Interest" and "—Distributions of Principal" herein.

The Certificates will be offered by Morgan Stanley & Co. Incorporated (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, 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 facilities of The Depository Trust Company on or about July 30, 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, New York, New York, on or about the Settlement Date.

MORGAN STANLEY & CO.
Incorporated

June 21, 1996

(Cover continued from previous page)

The yield to investors in each Class will be sensitive to, among other things, the rate of distributions on the GNMA Certificates, which in turn will be directly related to the rate of principal payments of the Mortgage Loans and the actual characteristics of the Mortgage Loans. Such yield will also be sensitive to the purchase price paid for such Class. 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, 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.

See “Risk Factors—Yield Considerations” in the GNMA Prospectus and “Additional Risk Factors—Additional Yield Considerations” herein.

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

- 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 GNMA 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 “Risk Factors—Suitability and Reinvestment Considerations” in the GNMA 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 GNMA 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 or the GNMA 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 GNMA 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 June 14, 1996 (the “GNMA Prospectus”) which is attached to this Prospectus Supplement; and
- Fannie Mae’s Information Statement dated February 22, 1996 and any supplements thereto (collectively, the “Information Statement”).

The Information Statement is incorporated herein by reference and 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 document may also be obtained from Morgan Stanley & Co. Incorporated by writing or calling its Prospectus Department at 1585 Broadway, New York, New York 10036 (telephone 212-761-6775).

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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.

Assumed Mortgage Loan Characteristics (as of July 1, 1996)

<u>Unpaid Aggregate Principal Balance</u>	<u>Original Term to Maturity (in months)</u>	<u>WARM (in months)</u>	<u>WALA (in months)</u>	<u>WAC</u>
\$150,000,000	360	357	2	8.25%

The actual remaining terms to maturity and loan ages of most of the Mortgage Loans will differ from the weighted averages shown above, perhaps significantly. See “Description of the Certificates—Structuring Assumptions” herein.

Interest Rates

The Certificates will bear interest at the applicable per annum interest rates set forth on the cover.

See “Description of the Certificates—Distributions of Interest” herein.

Distributions of Principal

Accrual Amount

To the J Class, to zero, and then to the Z Class.

Cash Flow Distribution Amount

1. To the A, B, C, D, E, G and H Classes, in that order, to their respective Planned Balances.
2. To the J and Z Classes, in that order, to zero.
3. To the A, B, C, D, E, G and H Classes, in that order, to zero.

Weighted Average Lives (years) *

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>75%</u>	<u>120%</u>	<u>200%</u>	<u>500%</u>
A	3.2	1.1	1.1	1.1	1.1
B	8.5	2.5	2.5	2.5	2.3
C	11.6	3.5	3.5	3.5	2.7
D	13.9	4.5	4.5	4.5	2.9
E	16.5	5.9	5.9	5.9	3.3
G	22.1	11.9	11.9	11.9	5.4
H	26.3	24.1	24.1	24.1	11.9
J	7.2	7.2	3.5	2.0	1.0
Z	28.2	22.3	19.1	5.6	2.1

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

ADDITIONAL RISK FACTORS

Additional Yield Considerations

There can be no assurance that the Mortgage Loans will have the characteristics assumed herein. Because the rate of principal distributions on the Certificates will be related to the rate of amortization of the Mortgage Loans, which are likely to include Mortgage Loans with remaining terms to maturity shorter or longer than those assumed, the rate of principal distributions on the Certificates is likely to differ from the rate anticipated by an investor, even if all Mortgage Loans prepay at the indicated constant percentages of PSA. In addition, it is highly unlikely that all Mortgage Loans will prepay at a constant PSA rate until maturity or that the Mortgage Loans will prepay at the same rate.

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 22nd day following the end of the related Interest Accrual Period and will not bear interest during such 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.

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 July 1, 1996 (the “Trust Agreement”), executed by the Federal National Mortgage Association (“Fannie Mae”) in its corporate capacity and in its capacity as 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 GNMA Certificates and will in the aggregate evidence the entire beneficial ownership interest in the distributions of principal and interest thereon.

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 Certificate will be issued as a single certificate and will not have a principal balance.

Characteristics of Certificates. The Certificates, other than the R Certificate, will be represented by one or more certificates to be registered at all times in the name of the nominee of the Depository (as defined herein), which Depository will maintain such Certificates through its book-entry facilities. When used herein with respect to a book-entry Certificate, the terms “Holders” and “Certificate-holders” refer to the nominee of the Depository. 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—Book-Entry Procedures” herein.

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 and, if applicable, exchangeable 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 or, if applicable, exchange 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 Certificate 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.

Fannie Mae Guaranty. Pursuant to its guaranty of the Certificates, 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 Trust Account. The guaranty of Fannie Mae is not backed by the full faith and credit of the United States. See “Description of the Certificates—Fannie Mae’s Guaranty” in the GNMA Prospectus.

Distribution Dates. Distributions on the Classes will be made on the 22nd day of each month (or, if such 22nd day is not a business day, on the first business day next succeeding such 22nd day) (each, a “Distribution Date”), 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 and any interest to be added as principal to the principal balance of the Accrual Class on such Distribution Date.

The GNMA Certificates

The GNMA Certificates will have the aggregate unpaid principal balance and Pass-Through Rate set forth below and the general characteristics described in the GNMA Prospectus. All of the GNMA Certificates are GNMA II Certificates. See “GNMA and the GNMA Programs” in the GNMA Prospectus. The characteristics of the GNMA Certificates and the Mortgage Loans as of July 1, 1996 (the “Issue Date”) are expected to be as follows:

GNMA Certificates

Aggregate Unpaid Principal Balance	\$150,000,000
GNMA Pass-Through Rate	7.50%

Mortgage Loans

WAC	8.25%
Range of WARMs	241 months to 360 months
Approximate Weighted Average WARM	357 months
Approximate Weighted Average WALA	2 months

Following the issuance of the Certificates, Fannie Mae will prepare a Final Data Statement setting forth for each GNMA Certificate, among other things, the Pool number, the original unpaid principal balance, the unpaid principal balance as of the Issue Date, and the remaining term to maturity of the

latest maturing Mortgage Loan underlying such GNMA Certificate as of the Issue Date. The Final Data Statement will not accompany this Prospectus Supplement but will be made available by Fannie Mae. To request the Final Data Statement, telephone Fannie Mae at 1-800-BEST-MBS or 202-752-6547. The contents of the Final Data Statement and other data specific to the Certificates are available in electronic form by calling Fannie Mae at 1-800-752-6440 or 202-752-6000.

Book-Entry Procedures

General

The Certificates, other than the R Certificate, will be represented by one or more certificates to be registered at all times in the name of the nominee of The Depository Trust Company, a New York-chartered limited purpose trust company, or any successor depository selected or approved by Fannie Mae (the “Depository”). In accordance with its normal procedures, the Depository will record the positions held by each Depository participating firm (each, a “Depository Participant”) in the book-entry Certificates, whether held for its own account or as a nominee for another person. State Street will act as paying agent for, and perform certain administrative functions with respect to, the book-entry Certificates.

No person acquiring a beneficial ownership interest in the book-entry Certificates (a “beneficial owner” or an “investor”) will be entitled to receive a physical certificate representing such ownership interest. An investor’s interest in the book-entry Certificates will be recorded on the records of the brokerage firm, bank, thrift institution or other financial intermediary (a “financial intermediary”) that maintains such investor’s account for such purpose. In turn, the financial intermediary’s record ownership of such interest will be recorded on the records of the Depository (or of a Depository Participant that acts as agent for the financial intermediary if such intermediary is not a Depository Participant). Accordingly, an investor will not be recognized by the Trustee or the Depository as a Certificateholder and must rely on the foregoing arrangements to evidence its interest in the book-entry Certificates. Beneficial ownership of an investor’s interest in the book-entry Certificates may be transferred only by compliance with the procedures of an investor’s financial intermediary and of Depository Participants. In general, beneficial ownership of an investor’s interest in the book-entry Certificates will be subject to the rules, regulations and procedures governing the Depository and Depository Participants as in effect from time to time.

Method of Distribution

Each distribution on the book-entry Certificates will be made by the Paying Agent to the Depository in immediately available funds. The Depository will be responsible for crediting the amount of such distributions to the accounts of the Depository Participants entitled thereto, in accordance with the Depository’s normal procedures. Each Depository Participant and each financial intermediary will be responsible for disbursing such distributions to the beneficial owners of the book-entry Certificates that it represents. Accordingly, the beneficial owners may experience some delay in their receipt of distributions.

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	All Classes except R
Accrual	Z
No Payment Residual	R

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

General. The interest-bearing Certificates will bear interest at the respective per annum interest rates set forth on the cover. 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 (except with respect to the Accrual Class) in the month after the Settlement Date. Interest to be distributed or, in the case of the Accrual Class, added to principal 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 Period. Interest to be distributed or added to principal on a Distribution Date will accrue on the interest-bearing Certificates during the one-month period set forth below (an "Interest Accrual Period").

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

See "Yield Considerations" herein.

Accrual Class. The Z Class is an Accrual Class. Interest will accrue on the Accrual Class at the per annum rate set forth on the cover hereof; however, such interest will not be distributed thereon for so long as such Class remains outstanding. Interest so accrued and unpaid on the Accrual Class will be added as principal to the principal balance thereof on each Distribution Date. Distributions of principal of the Accrual Class will be distributed as described herein.

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>
PAC	A, B, C, D, E, G and H
Accretion Directed	J
Support	J and Z
No Payment Residual	R

* See "Description of the Certificates—Class Definitions and Abbreviations" in the GNMA Prospectus.

Principal Distribution Amount

On or about the fifth business day of each month, Fannie Mae will aggregate the amount of principal reported to be receivable on the GNMA Certificates during such month on the basis of published GNMA factors for such month. For any GNMA Certificate for which a factor is not available at such time, Fannie Mae will calculate the amount of scheduled payments of principal distributable in respect of such GNMA Certificates during such month on the basis of the assumed amortization schedules of the related Mortgage Loans. The amortization schedules will be prepared on the assumptions that: (i) each of the Mortgage Loans underlying a single GNMA Certificate amortizes on a level installment basis, had an original term to maturity of 360 months, and has a remaining term to maturity equal to the remaining term to maturity of the latest maturing Mortgage Loan underlying such GNMA Certificate at the origination of such GNMA Certificate, adjusted to the Issue Date; and (ii) each Mortgage Loan underlying a GNMA Certificate bears an interest rate of 9.0% per annum. All such amounts, whether reported in GNMA factors or calculated by Fannie Mae, will be reflected in the REMIC Trust Factors for the Distribution Date in such month and will be distributed to Holders of Certificates of the related Classes on such Distribution Date, whether or not received. There will also be reflected in such REMIC Trust Factors and distributable as principal on such Distribution Date the excess of (a) the distributions of principal of the GNMA Certificates received during the month prior to the month of such Distribution Date over (b) the amounts of

principal calculated as distributable previously in accordance with the GNMA factors and the assumed amortization schedules specified above.

The sum of (i) the aggregate amount distributable as principal of the Classes on any Distribution Date pursuant to the preceding paragraph (the “Cash Flow Distribution Amount”) and (ii) any interest accrued and added on such Distribution Date to the principal balance of the Accrual Class is referred to herein as the “Principal Distribution Amount.”

Accrual Amount

On each Distribution Date, the interest, if any, accrued and added to the principal balance of the Z Class will be distributed as principal of the J Class, until the principal balance thereof is reduced to zero, and then to the Z Class. } Accretion
Directed
Class
and
Accrual
Class

Cash Flow Distribution Amount

On each Distribution Date, the Cash Flow Distribution Amount will be distributed as principal of the Classes specified below in the following order of priority:

- (i) sequentially, to the A, B, C, D, E, G and H Classes, until the principal balances thereof are reduced to their respective Planned Balances for such Distribution Date; } PAC
Classes
- (ii) sequentially, to the J and Z Classes, in that order, until the respective principal balances thereof are reduced to zero; and } Support
Classes
- (iii) sequentially, to the A, B, C, D, E, G and H Classes, in that order, without regard to their Planned Balances and until the respective principal balances thereof are reduced to zero. } PAC
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 following assumptions (the “Pricing Assumptions”):

- all payments (including prepayments) on the Mortgage Loans underlying the GNMA Certificates are distributed on the Certificates in the month in which such payments are received;
- each Mortgage Loan bears interest at a rate of 8.25% per annum and has an original term to maturity of 360 months, a WALA of 2 months and WARM of 357 months;
- 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 Models” in the GNMA Prospectus. It is highly unlikely that prepayments will occur at any *constant* PSA rate or at any other constant rate.

Structuring Range. The Principal Balance Schedules have 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 specified below.

<u>Principal Balance Schedule References</u>	<u>Related Classes</u>	<u>Structuring Range</u>
Planned Balances	PAC	Between 75% and 200%

There is no assurance that the principal balances of the Classes listed above will conform on any Distribution Date to the applicable balances specified for such Distribution Date in the Principal Balance Schedules herein, or that distributions of principal on the related Classes 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 Classes to their scheduled balances will be distributed, the ability to so reduce such Classes will not be enhanced by the averaging of high and low principal payments 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 Classes to their scheduled balances if such prepayments do not occur at a *constant* PSA Rate. Moreover, because of the diverse remaining terms to maturity of the Mortgage Loans (which may include recently originated Mortgage Loans), the Classes specified above may not be reduced to their scheduled balances, even if prepayments occur at a *constant* rate within the Structuring Range specified above.

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

<u>Related Classes</u>	<u>Initial Effective Ranges</u>
A	Between 75% and 793%
B	Between 75% and 378%
C	Between 75% and 312%
D	Between 75% and 256%
E	Between 75% and 224%
G	Between 75% and 200%
H	Between 43% and 200%

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

Principal Balance Schedules

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C Class Planned Balance</u>	<u>D Class Planned Balance</u>	<u>E Class Planned Balance</u>	<u>G Class Planned Balance</u>	<u>H Class Planned Balance</u>
Initial Balance	\$7,619,000.00	\$9,815,000.00	\$5,215,000.00	\$ 9,206,000.00	\$10,135,000.00	\$55,322,000.00	\$7,299,000.00
August 1996	7,464,845.71	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
September 1996	7,291,305.09	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
October 1996	7,098,411.49	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
November 1996	6,886,205.79	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
December 1996	6,654,736.41	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
January 1997	6,404,059.28	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
February 1997	6,134,237.83	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
March 1997	5,845,342.98	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
April 1997	5,537,453.10	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
May 1997	5,210,654.01	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
June 1997	4,865,038.92	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
July 1997	4,500,708.40	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
August 1997	4,117,770.32	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
September 1997	3,716,339.85	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
October 1997	3,296,539.34	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
November 1997	2,858,498.33	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
December 1997	2,402,353.43	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
January 1998	1,928,248.28	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
February 1998	1,436,333.49	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
March 1998	926,766.53	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
April 1998	399,711.68	9,815,000.00	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
May 1998	0.00	9,670,339.93	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
June 1998	0.00	9,108,828.89	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
July 1998	0.00	8,530,362.71	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
August 1998	0.00	7,935,131.95	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
September 1998	0.00	7,323,333.51	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
October 1998	0.00	6,695,170.50	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
November 1998	0.00	6,050,852.15	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
December 1998	0.00	5,408,666.21	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
January 1999	0.00	4,768,603.49	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
February 1999	0.00	4,130,654.85	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
March 1999	0.00	3,494,811.18	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
April 1999	0.00	2,861,063.39	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
May 1999	0.00	2,229,402.44	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
June 1999	0.00	1,599,819.30	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
July 1999	0.00	972,304.99	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
August 1999	0.00	346,850.55	5,215,000.00	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
September 1999	0.00	0.00	4,938,447.05	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
October 1999	0.00	0.00	4,317,085.61	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
November 1999	0.00	0.00	3,697,757.36	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
December 1999	0.00	0.00	3,080,453.46	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
January 2000	0.00	0.00	2,465,165.12	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
February 2000	0.00	0.00	1,851,883.56	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
March 2000	0.00	0.00	1,240,600.05	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
April 2000	0.00	0.00	631,305.87	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
May 2000	0.00	0.00	23,992.34	9,206,000.00	10,135,000.00	55,322,000.00	7,299,000.00
June 2000	0.00	0.00	0.00	8,624,650.82	10,135,000.00	55,322,000.00	7,299,000.00
July 2000	0.00	0.00	0.00	8,021,272.68	10,135,000.00	55,322,000.00	7,299,000.00
August 2000	0.00	0.00	0.00	7,419,849.33	10,135,000.00	55,322,000.00	7,299,000.00
September 2000	0.00	0.00	0.00	6,820,372.21	10,135,000.00	55,322,000.00	7,299,000.00
October 2000	0.00	0.00	0.00	6,222,832.79	10,135,000.00	55,322,000.00	7,299,000.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C Class Planned Balance</u>	<u>D Class Planned Balance</u>	<u>E Class Planned Balance</u>	<u>G Class Planned Balance</u>	<u>H Class Planned Balance</u>
November 2000	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,627,222.57	\$10,135,000.00	\$55,322,000.00	\$7,299,000.00
December 2000	0.00	0.00	0.00	5,033,533.08	10,135,000.00	55,322,000.00	7,299,000.00
January 2001	0.00	0.00	0.00	4,441,755.87	10,135,000.00	55,322,000.00	7,299,000.00
February 2001	0.00	0.00	0.00	3,851,882.53	10,135,000.00	55,322,000.00	7,299,000.00
March 2001	0.00	0.00	0.00	3,263,904.68	10,135,000.00	55,322,000.00	7,299,000.00
April 2001	0.00	0.00	0.00	2,677,813.95	10,135,000.00	55,322,000.00	7,299,000.00
May 2001	0.00	0.00	0.00	2,093,602.02	10,135,000.00	55,322,000.00	7,299,000.00
June 2001	0.00	0.00	0.00	1,511,260.59	10,135,000.00	55,322,000.00	7,299,000.00
July 2001	0.00	0.00	0.00	930,781.39	10,135,000.00	55,322,000.00	7,299,000.00
August 2001	0.00	0.00	0.00	352,156.18	10,135,000.00	55,322,000.00	7,299,000.00
September 2001	0.00	0.00	0.00	0.00	9,910,376.74	55,322,000.00	7,299,000.00
October 2001	0.00	0.00	0.00	0.00	9,335,434.89	55,322,000.00	7,299,000.00
November 2001	0.00	0.00	0.00	0.00	8,762,322.47	55,322,000.00	7,299,000.00
December 2001	0.00	0.00	0.00	0.00	8,191,031.34	55,322,000.00	7,299,000.00
January 2002	0.00	0.00	0.00	0.00	7,621,553.41	55,322,000.00	7,299,000.00
February 2002	0.00	0.00	0.00	0.00	7,053,880.60	55,322,000.00	7,299,000.00
March 2002	0.00	0.00	0.00	0.00	6,488,004.86	55,322,000.00	7,299,000.00
April 2002	0.00	0.00	0.00	0.00	5,923,918.17	55,322,000.00	7,299,000.00
May 2002	0.00	0.00	0.00	0.00	5,361,612.54	55,322,000.00	7,299,000.00
June 2002	0.00	0.00	0.00	0.00	4,801,080.01	55,322,000.00	7,299,000.00
July 2002	0.00	0.00	0.00	0.00	4,242,312.64	55,322,000.00	7,299,000.00
August 2002	0.00	0.00	0.00	0.00	3,685,302.51	55,322,000.00	7,299,000.00
September 2002	0.00	0.00	0.00	0.00	3,130,041.74	55,322,000.00	7,299,000.00
October 2002	0.00	0.00	0.00	0.00	2,576,522.47	55,322,000.00	7,299,000.00
November 2002	0.00	0.00	0.00	0.00	2,024,736.87	55,322,000.00	7,299,000.00
December 2002	0.00	0.00	0.00	0.00	1,474,677.14	55,322,000.00	7,299,000.00
January 2003	0.00	0.00	0.00	0.00	926,335.49	55,322,000.00	7,299,000.00
February 2003	0.00	0.00	0.00	0.00	379,704.18	55,322,000.00	7,299,000.00
March 2003	0.00	0.00	0.00	0.00	0.00	55,156,775.47	7,299,000.00
April 2003	0.00	0.00	0.00	0.00	0.00	54,613,541.67	7,299,000.00
May 2003	0.00	0.00	0.00	0.00	0.00	54,071,995.10	7,299,000.00
June 2003	0.00	0.00	0.00	0.00	0.00	53,532,128.12	7,299,000.00
July 2003	0.00	0.00	0.00	0.00	0.00	52,993,933.10	7,299,000.00
August 2003	0.00	0.00	0.00	0.00	0.00	52,457,402.44	7,299,000.00
September 2003	0.00	0.00	0.00	0.00	0.00	51,922,528.58	7,299,000.00
October 2003	0.00	0.00	0.00	0.00	0.00	51,389,303.96	7,299,000.00
November 2003	0.00	0.00	0.00	0.00	0.00	50,857,721.07	7,299,000.00
December 2003	0.00	0.00	0.00	0.00	0.00	50,327,772.41	7,299,000.00
January 2004	0.00	0.00	0.00	0.00	0.00	49,799,450.51	7,299,000.00
February 2004	0.00	0.00	0.00	0.00	0.00	49,272,747.92	7,299,000.00
March 2004	0.00	0.00	0.00	0.00	0.00	48,747,657.23	7,299,000.00
April 2004	0.00	0.00	0.00	0.00	0.00	48,224,171.03	7,299,000.00
May 2004	0.00	0.00	0.00	0.00	0.00	47,702,281.96	7,299,000.00
June 2004	0.00	0.00	0.00	0.00	0.00	47,181,982.66	7,299,000.00
July 2004	0.00	0.00	0.00	0.00	0.00	46,663,265.82	7,299,000.00
August 2004	0.00	0.00	0.00	0.00	0.00	46,146,124.13	7,299,000.00
September 2004	0.00	0.00	0.00	0.00	0.00	45,630,550.33	7,299,000.00
October 2004	0.00	0.00	0.00	0.00	0.00	45,116,537.16	7,299,000.00
November 2004	0.00	0.00	0.00	0.00	0.00	44,604,077.39	7,299,000.00
December 2004	0.00	0.00	0.00	0.00	0.00	44,093,163.83	7,299,000.00
January 2005	0.00	0.00	0.00	0.00	0.00	43,583,789.29	7,299,000.00
February 2005	0.00	0.00	0.00	0.00	0.00	43,075,946.63	7,299,000.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C Class Planned Balance</u>	<u>D Class Planned Balance</u>	<u>E Class Planned Balance</u>	<u>G Class Planned Balance</u>	<u>H Class Planned Balance</u>
March 2005	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$42,569,628.71	\$7,299,000.00
April 2005.....	0.00	0.00	0.00	0.00	0.00	42,064,828.42	7,299,000.00
May 2005	0.00	0.00	0.00	0.00	0.00	41,561,538.68	7,299,000.00
June 2005	0.00	0.00	0.00	0.00	0.00	41,059,752.42	7,299,000.00
July 2005	0.00	0.00	0.00	0.00	0.00	40,559,462.61	7,299,000.00
August 2005	0.00	0.00	0.00	0.00	0.00	40,060,662.24	7,299,000.00
September 2005.....	0.00	0.00	0.00	0.00	0.00	39,563,344.31	7,299,000.00
October 2005	0.00	0.00	0.00	0.00	0.00	39,067,501.86	7,299,000.00
November 2005	0.00	0.00	0.00	0.00	0.00	38,573,127.94	7,299,000.00
December 2005	0.00	0.00	0.00	0.00	0.00	38,080,215.62	7,299,000.00
January 2006	0.00	0.00	0.00	0.00	0.00	37,588,758.01	7,299,000.00
February 2006	0.00	0.00	0.00	0.00	0.00	37,098,748.22	7,299,000.00
March 2006	0.00	0.00	0.00	0.00	0.00	36,610,179.40	7,299,000.00
April 2006.....	0.00	0.00	0.00	0.00	0.00	36,123,044.72	7,299,000.00
May 2006	0.00	0.00	0.00	0.00	0.00	35,637,337.37	7,299,000.00
June 2006	0.00	0.00	0.00	0.00	0.00	35,153,050.55	7,299,000.00
July 2006	0.00	0.00	0.00	0.00	0.00	34,670,177.50	7,299,000.00
August 2006	0.00	0.00	0.00	0.00	0.00	34,188,711.48	7,299,000.00
September 2006.....	0.00	0.00	0.00	0.00	0.00	33,708,645.76	7,299,000.00
October 2006	0.00	0.00	0.00	0.00	0.00	33,229,973.64	7,299,000.00
November 2006	0.00	0.00	0.00	0.00	0.00	32,752,688.44	7,299,000.00
December 2006	0.00	0.00	0.00	0.00	0.00	32,276,783.50	7,299,000.00
January 2007	0.00	0.00	0.00	0.00	0.00	31,802,252.18	7,299,000.00
February 2007	0.00	0.00	0.00	0.00	0.00	31,329,087.87	7,299,000.00
March 2007	0.00	0.00	0.00	0.00	0.00	30,857,283.98	7,299,000.00
April 2007.....	0.00	0.00	0.00	0.00	0.00	30,386,833.93	7,299,000.00
May 2007	0.00	0.00	0.00	0.00	0.00	29,919,489.44	7,299,000.00
June 2007	0.00	0.00	0.00	0.00	0.00	29,457,355.10	7,299,000.00
July 2007	0.00	0.00	0.00	0.00	0.00	29,000,374.72	7,299,000.00
August 2007	0.00	0.00	0.00	0.00	0.00	28,548,492.71	7,299,000.00
September 2007.....	0.00	0.00	0.00	0.00	0.00	28,101,654.08	7,299,000.00
October 2007	0.00	0.00	0.00	0.00	0.00	27,659,804.42	7,299,000.00
November 2007	0.00	0.00	0.00	0.00	0.00	27,222,889.90	7,299,000.00
December 2007	0.00	0.00	0.00	0.00	0.00	26,790,857.26	7,299,000.00
January 2008	0.00	0.00	0.00	0.00	0.00	26,363,653.82	7,299,000.00
February 2008	0.00	0.00	0.00	0.00	0.00	25,941,227.45	7,299,000.00
March 2008	0.00	0.00	0.00	0.00	0.00	25,523,526.59	7,299,000.00
April 2008.....	0.00	0.00	0.00	0.00	0.00	25,110,500.22	7,299,000.00
May 2008	0.00	0.00	0.00	0.00	0.00	24,702,097.86	7,299,000.00
June 2008	0.00	0.00	0.00	0.00	0.00	24,298,269.57	7,299,000.00
July 2008	0.00	0.00	0.00	0.00	0.00	23,898,965.96	7,299,000.00
August 2008	0.00	0.00	0.00	0.00	0.00	23,504,138.14	7,299,000.00
September 2008.....	0.00	0.00	0.00	0.00	0.00	23,113,737.76	7,299,000.00
October 2008	0.00	0.00	0.00	0.00	0.00	22,727,716.98	7,299,000.00
November 2008	0.00	0.00	0.00	0.00	0.00	22,346,028.48	7,299,000.00
December 2008	0.00	0.00	0.00	0.00	0.00	21,968,625.43	7,299,000.00
January 2009	0.00	0.00	0.00	0.00	0.00	21,595,461.50	7,299,000.00
February 2009	0.00	0.00	0.00	0.00	0.00	21,226,490.87	7,299,000.00
March 2009	0.00	0.00	0.00	0.00	0.00	20,861,668.19	7,299,000.00
April 2009.....	0.00	0.00	0.00	0.00	0.00	20,500,948.61	7,299,000.00
May 2009	0.00	0.00	0.00	0.00	0.00	20,144,287.75	7,299,000.00
June 2009	0.00	0.00	0.00	0.00	0.00	19,791,641.71	7,299,000.00

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July 2009	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$19,442,967.05	\$7,299,000.00
August 2009	0.00	0.00	0.00	0.00	0.00	19,098,220.80	7,299,000.00
September 2009.....	0.00	0.00	0.00	0.00	0.00	18,757,360.45	7,299,000.00
October 2009	0.00	0.00	0.00	0.00	0.00	18,420,343.93	7,299,000.00
November 2009	0.00	0.00	0.00	0.00	0.00	18,087,129.64	7,299,000.00
December 2009	0.00	0.00	0.00	0.00	0.00	17,757,676.41	7,299,000.00
January 2010	0.00	0.00	0.00	0.00	0.00	17,431,943.51	7,299,000.00
February 2010	0.00	0.00	0.00	0.00	0.00	17,109,890.65	7,299,000.00
March 2010	0.00	0.00	0.00	0.00	0.00	16,791,477.97	7,299,000.00
April 2010.....	0.00	0.00	0.00	0.00	0.00	16,476,666.03	7,299,000.00
May 2010	0.00	0.00	0.00	0.00	0.00	16,165,415.82	7,299,000.00
June 2010	0.00	0.00	0.00	0.00	0.00	15,857,688.74	7,299,000.00
July 2010	0.00	0.00	0.00	0.00	0.00	15,553,446.61	7,299,000.00
August 2010	0.00	0.00	0.00	0.00	0.00	15,252,651.65	7,299,000.00
September 2010.....	0.00	0.00	0.00	0.00	0.00	14,955,266.48	7,299,000.00
October 2010	0.00	0.00	0.00	0.00	0.00	14,661,254.13	7,299,000.00
November 2010	0.00	0.00	0.00	0.00	0.00	14,370,578.01	7,299,000.00
December 2010	0.00	0.00	0.00	0.00	0.00	14,083,201.94	7,299,000.00
January 2011	0.00	0.00	0.00	0.00	0.00	13,799,090.12	7,299,000.00
February 2011	0.00	0.00	0.00	0.00	0.00	13,518,207.12	7,299,000.00
March 2011	0.00	0.00	0.00	0.00	0.00	13,240,517.91	7,299,000.00
April 2011.....	0.00	0.00	0.00	0.00	0.00	12,965,987.81	7,299,000.00
May 2011	0.00	0.00	0.00	0.00	0.00	12,694,582.53	7,299,000.00
June 2011	0.00	0.00	0.00	0.00	0.00	12,426,268.14	7,299,000.00
July 2011	0.00	0.00	0.00	0.00	0.00	12,161,011.07	7,299,000.00
August 2011.....	0.00	0.00	0.00	0.00	0.00	11,898,778.12	7,299,000.00
September 2011.....	0.00	0.00	0.00	0.00	0.00	11,639,536.42	7,299,000.00
October 2011	0.00	0.00	0.00	0.00	0.00	11,383,253.48	7,299,000.00
November 2011.....	0.00	0.00	0.00	0.00	0.00	11,129,897.14	7,299,000.00
December 2011	0.00	0.00	0.00	0.00	0.00	10,879,435.59	7,299,000.00
January 2012	0.00	0.00	0.00	0.00	0.00	10,631,837.36	7,299,000.00
February 2012	0.00	0.00	0.00	0.00	0.00	10,387,071.31	7,299,000.00
March 2012	0.00	0.00	0.00	0.00	0.00	10,145,106.65	7,299,000.00
April 2012.....	0.00	0.00	0.00	0.00	0.00	9,905,912.90	7,299,000.00
May 2012	0.00	0.00	0.00	0.00	0.00	9,669,459.91	7,299,000.00
June 2012	0.00	0.00	0.00	0.00	0.00	9,435,717.86	7,299,000.00
July 2012	0.00	0.00	0.00	0.00	0.00	9,204,657.24	7,299,000.00
August 2012	0.00	0.00	0.00	0.00	0.00	8,976,248.87	7,299,000.00
September 2012.....	0.00	0.00	0.00	0.00	0.00	8,750,463.86	7,299,000.00
October 2012	0.00	0.00	0.00	0.00	0.00	8,527,273.65	7,299,000.00
November 2012	0.00	0.00	0.00	0.00	0.00	8,306,649.98	7,299,000.00
December 2012	0.00	0.00	0.00	0.00	0.00	8,088,564.88	7,299,000.00
January 2013	0.00	0.00	0.00	0.00	0.00	7,872,990.70	7,299,000.00
February 2013	0.00	0.00	0.00	0.00	0.00	7,659,900.06	7,299,000.00
March 2013	0.00	0.00	0.00	0.00	0.00	7,449,265.90	7,299,000.00
April 2013.....	0.00	0.00	0.00	0.00	0.00	7,241,061.43	7,299,000.00
May 2013	0.00	0.00	0.00	0.00	0.00	7,035,260.16	7,299,000.00
June 2013	0.00	0.00	0.00	0.00	0.00	6,831,835.88	7,299,000.00
July 2013	0.00	0.00	0.00	0.00	0.00	6,630,762.65	7,299,000.00
August 2013	0.00	0.00	0.00	0.00	0.00	6,432,014.82	7,299,000.00
September 2013.....	0.00	0.00	0.00	0.00	0.00	6,235,567.01	7,299,000.00
October 2013	0.00	0.00	0.00	0.00	0.00	6,041,394.11	7,299,000.00

<u>Distribution Date</u>	<u>A Class Planned Balance</u>	<u>B Class Planned Balance</u>	<u>C Class Planned Balance</u>	<u>D Class Planned Balance</u>	<u>E Class Planned Balance</u>	<u>G Class Planned Balance</u>	<u>H Class Planned Balance</u>
November 2013	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,849,471.29	\$7,299,000.00
December 2013	0.00	0.00	0.00	0.00	0.00	5,659,773.97	7,299,000.00
January 2014	0.00	0.00	0.00	0.00	0.00	5,472,277.84	7,299,000.00
February 2014	0.00	0.00	0.00	0.00	0.00	5,286,958.85	7,299,000.00
March 2014	0.00	0.00	0.00	0.00	0.00	5,103,793.21	7,299,000.00
April 2014.....	0.00	0.00	0.00	0.00	0.00	4,922,757.38	7,299,000.00
May 2014	0.00	0.00	0.00	0.00	0.00	4,743,828.08	7,299,000.00
June 2014	0.00	0.00	0.00	0.00	0.00	4,566,982.27	7,299,000.00
July 2014	0.00	0.00	0.00	0.00	0.00	4,392,197.16	7,299,000.00
August 2014	0.00	0.00	0.00	0.00	0.00	4,219,450.21	7,299,000.00
September 2014.....	0.00	0.00	0.00	0.00	0.00	4,048,719.12	7,299,000.00
October 2014	0.00	0.00	0.00	0.00	0.00	3,879,981.82	7,299,000.00
November 2014.....	0.00	0.00	0.00	0.00	0.00	3,713,216.49	7,299,000.00
December 2014	0.00	0.00	0.00	0.00	0.00	3,548,401.53	7,299,000.00
January 2015	0.00	0.00	0.00	0.00	0.00	3,385,515.58	7,299,000.00
February 2015	0.00	0.00	0.00	0.00	0.00	3,224,537.50	7,299,000.00
March 2015	0.00	0.00	0.00	0.00	0.00	3,065,446.39	7,299,000.00
April 2015.....	0.00	0.00	0.00	0.00	0.00	2,908,221.57	7,299,000.00
May 2015	0.00	0.00	0.00	0.00	0.00	2,752,842.58	7,299,000.00
June 2015	0.00	0.00	0.00	0.00	0.00	2,599,289.17	7,299,000.00
July 2015	0.00	0.00	0.00	0.00	0.00	2,447,541.33	7,299,000.00
August 2015	0.00	0.00	0.00	0.00	0.00	2,297,579.24	7,299,000.00
September 2015.....	0.00	0.00	0.00	0.00	0.00	2,149,383.30	7,299,000.00
October 2015	0.00	0.00	0.00	0.00	0.00	2,002,934.13	7,299,000.00
November 2015.....	0.00	0.00	0.00	0.00	0.00	1,858,212.55	7,299,000.00
December 2015	0.00	0.00	0.00	0.00	0.00	1,715,199.59	7,299,000.00
January 2016	0.00	0.00	0.00	0.00	0.00	1,573,876.48	7,299,000.00
February 2016	0.00	0.00	0.00	0.00	0.00	1,434,224.65	7,299,000.00
March 2016	0.00	0.00	0.00	0.00	0.00	1,296,225.73	7,299,000.00
April 2016.....	0.00	0.00	0.00	0.00	0.00	1,159,861.55	7,299,000.00
May 2016	0.00	0.00	0.00	0.00	0.00	1,025,114.14	7,299,000.00
June 2016	0.00	0.00	0.00	0.00	0.00	891,965.71	7,299,000.00
July 2016	0.00	0.00	0.00	0.00	0.00	760,398.66	7,299,000.00
August 2016	0.00	0.00	0.00	0.00	0.00	630,395.60	7,299,000.00
September 2016.....	0.00	0.00	0.00	0.00	0.00	501,939.30	7,299,000.00
October 2016	0.00	0.00	0.00	0.00	0.00	375,012.74	7,299,000.00
November 2016.....	0.00	0.00	0.00	0.00	0.00	249,599.07	7,299,000.00
December 2016	0.00	0.00	0.00	0.00	0.00	125,681.61	7,299,000.00
January 2017.....	0.00	0.00	0.00	0.00	0.00	3,243.88	7,299,000.00
February 2017	0.00	0.00	0.00	0.00	0.00	0.00	7,181,269.57
March 2017	0.00	0.00	0.00	0.00	0.00	0.00	7,061,742.54
April 2017.....	0.00	0.00	0.00	0.00	0.00	0.00	6,943,646.83
May 2017	0.00	0.00	0.00	0.00	0.00	0.00	6,826,966.64
June 2017	0.00	0.00	0.00	0.00	0.00	0.00	6,711,686.35
July 2017	0.00	0.00	0.00	0.00	0.00	0.00	6,597,790.51
August 2017.....	0.00	0.00	0.00	0.00	0.00	0.00	6,485,263.83
September 2017.....	0.00	0.00	0.00	0.00	0.00	0.00	6,374,091.19
October 2017	0.00	0.00	0.00	0.00	0.00	0.00	6,264,257.63
November 2017.....	0.00	0.00	0.00	0.00	0.00	0.00	6,155,748.34
December 2017	0.00	0.00	0.00	0.00	0.00	0.00	6,048,548.69
January 2018.....	0.00	0.00	0.00	0.00	0.00	0.00	5,942,644.19
February 2018	0.00	0.00	0.00	0.00	0.00	0.00	5,838,020.51

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March 2018	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$5,734,663.48
April 2018.....	0.00	0.00	0.00	0.00	0.00	0.00	5,632,559.08
May 2018	0.00	0.00	0.00	0.00	0.00	0.00	5,531,693.44
June 2018	0.00	0.00	0.00	0.00	0.00	0.00	5,432,052.83
July 2018	0.00	0.00	0.00	0.00	0.00	0.00	5,333,623.69
August 2018	0.00	0.00	0.00	0.00	0.00	0.00	5,236,392.58
September 2018.....	0.00	0.00	0.00	0.00	0.00	0.00	5,140,346.22
October 2018	0.00	0.00	0.00	0.00	0.00	0.00	5,045,471.48
November 2018	0.00	0.00	0.00	0.00	0.00	0.00	4,951,755.35
December 2018	0.00	0.00	0.00	0.00	0.00	0.00	4,859,184.98
January 2019	0.00	0.00	0.00	0.00	0.00	0.00	4,767,747.64
February 2019	0.00	0.00	0.00	0.00	0.00	0.00	4,677,430.75
March 2019	0.00	0.00	0.00	0.00	0.00	0.00	4,588,221.87
April 2019.....	0.00	0.00	0.00	0.00	0.00	0.00	4,500,108.68
May 2019	0.00	0.00	0.00	0.00	0.00	0.00	4,413,079.00
June 2019	0.00	0.00	0.00	0.00	0.00	0.00	4,327,120.78
July 2019	0.00	0.00	0.00	0.00	0.00	0.00	4,242,222.10
August 2019	0.00	0.00	0.00	0.00	0.00	0.00	4,158,371.17
September 2019.....	0.00	0.00	0.00	0.00	0.00	0.00	4,075,556.32
October 2019	0.00	0.00	0.00	0.00	0.00	0.00	3,993,766.02
November 2019	0.00	0.00	0.00	0.00	0.00	0.00	3,912,988.85
December 2019	0.00	0.00	0.00	0.00	0.00	0.00	3,833,213.52
January 2020	0.00	0.00	0.00	0.00	0.00	0.00	3,754,428.86
February 2020	0.00	0.00	0.00	0.00	0.00	0.00	3,676,623.83
March 2020	0.00	0.00	0.00	0.00	0.00	0.00	3,599,787.49
April 2020.....	0.00	0.00	0.00	0.00	0.00	0.00	3,523,909.03
May 2020	0.00	0.00	0.00	0.00	0.00	0.00	3,448,977.76
June 2020	0.00	0.00	0.00	0.00	0.00	0.00	3,374,983.09
July 2020	0.00	0.00	0.00	0.00	0.00	0.00	3,301,914.57
August 2020	0.00	0.00	0.00	0.00	0.00	0.00	3,229,761.83
September 2020.....	0.00	0.00	0.00	0.00	0.00	0.00	3,158,514.64
October 2020	0.00	0.00	0.00	0.00	0.00	0.00	3,088,162.87
November 2020	0.00	0.00	0.00	0.00	0.00	0.00	3,018,696.49
December 2020	0.00	0.00	0.00	0.00	0.00	0.00	2,950,105.60
January 2021	0.00	0.00	0.00	0.00	0.00	0.00	2,882,380.38
February 2021	0.00	0.00	0.00	0.00	0.00	0.00	2,815,511.14
March 2021	0.00	0.00	0.00	0.00	0.00	0.00	2,749,488.28
April 2021.....	0.00	0.00	0.00	0.00	0.00	0.00	2,684,302.32
May 2021	0.00	0.00	0.00	0.00	0.00	0.00	2,619,943.86
June 2021	0.00	0.00	0.00	0.00	0.00	0.00	2,556,403.61
July 2021	0.00	0.00	0.00	0.00	0.00	0.00	2,493,672.39
August 2021	0.00	0.00	0.00	0.00	0.00	0.00	2,431,741.11
September 2021.....	0.00	0.00	0.00	0.00	0.00	0.00	2,370,600.78
October 2021	0.00	0.00	0.00	0.00	0.00	0.00	2,310,242.51
November 2021	0.00	0.00	0.00	0.00	0.00	0.00	2,250,657.50
December 2021	0.00	0.00	0.00	0.00	0.00	0.00	2,191,837.06
January 2022	0.00	0.00	0.00	0.00	0.00	0.00	2,133,772.57
February 2022	0.00	0.00	0.00	0.00	0.00	0.00	2,076,455.52
March 2022	0.00	0.00	0.00	0.00	0.00	0.00	2,019,877.49
April 2022.....	0.00	0.00	0.00	0.00	0.00	0.00	1,964,030.15
May 2022	0.00	0.00	0.00	0.00	0.00	0.00	1,908,905.26
June 2022	0.00	0.00	0.00	0.00	0.00	0.00	1,854,494.67

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July 2022	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$1,800,790.31
August 2022	0.00	0.00	0.00	0.00	0.00	0.00	1,747,784.21
September 2022	0.00	0.00	0.00	0.00	0.00	0.00	1,695,468.48
October 2022	0.00	0.00	0.00	0.00	0.00	0.00	1,643,835.32
November 2022	0.00	0.00	0.00	0.00	0.00	0.00	1,592,877.01
December 2022	0.00	0.00	0.00	0.00	0.00	0.00	1,542,585.91
January 2023	0.00	0.00	0.00	0.00	0.00	0.00	1,492,954.47
February 2023	0.00	0.00	0.00	0.00	0.00	0.00	1,443,975.22
March 2023	0.00	0.00	0.00	0.00	0.00	0.00	1,395,640.77
April 2023	0.00	0.00	0.00	0.00	0.00	0.00	1,347,943.81
May 2023	0.00	0.00	0.00	0.00	0.00	0.00	1,300,877.11
June 2023	0.00	0.00	0.00	0.00	0.00	0.00	1,254,433.51
July 2023	0.00	0.00	0.00	0.00	0.00	0.00	1,208,605.94
August 2023	0.00	0.00	0.00	0.00	0.00	0.00	1,163,387.41
September 2023	0.00	0.00	0.00	0.00	0.00	0.00	1,118,770.99
October 2023	0.00	0.00	0.00	0.00	0.00	0.00	1,074,749.84
November 2023	0.00	0.00	0.00	0.00	0.00	0.00	1,031,317.18
December 2023	0.00	0.00	0.00	0.00	0.00	0.00	988,466.32
January 2024	0.00	0.00	0.00	0.00	0.00	0.00	946,190.62
February 2024	0.00	0.00	0.00	0.00	0.00	0.00	904,483.54
March 2024	0.00	0.00	0.00	0.00	0.00	0.00	863,338.59
April 2024	0.00	0.00	0.00	0.00	0.00	0.00	822,749.36
May 2024	0.00	0.00	0.00	0.00	0.00	0.00	782,709.51
June 2024	0.00	0.00	0.00	0.00	0.00	0.00	743,212.76
July 2024	0.00	0.00	0.00	0.00	0.00	0.00	704,252.90
August 2024	0.00	0.00	0.00	0.00	0.00	0.00	665,823.80
September 2024	0.00	0.00	0.00	0.00	0.00	0.00	627,919.39
October 2024	0.00	0.00	0.00	0.00	0.00	0.00	590,533.66
November 2024	0.00	0.00	0.00	0.00	0.00	0.00	553,660.67
December 2024	0.00	0.00	0.00	0.00	0.00	0.00	517,294.55
January 2025	0.00	0.00	0.00	0.00	0.00	0.00	481,429.48
February 2025	0.00	0.00	0.00	0.00	0.00	0.00	446,059.72
March 2025	0.00	0.00	0.00	0.00	0.00	0.00	411,179.58
April 2025	0.00	0.00	0.00	0.00	0.00	0.00	376,783.44
May 2025	0.00	0.00	0.00	0.00	0.00	0.00	342,865.73
June 2025	0.00	0.00	0.00	0.00	0.00	0.00	309,420.95
July 2025	0.00	0.00	0.00	0.00	0.00	0.00	276,443.66
August 2025	0.00	0.00	0.00	0.00	0.00	0.00	243,928.48
September 2025	0.00	0.00	0.00	0.00	0.00	0.00	211,870.08
October 2025	0.00	0.00	0.00	0.00	0.00	0.00	180,263.20
November 2025	0.00	0.00	0.00	0.00	0.00	0.00	149,102.63
December 2025	0.00	0.00	0.00	0.00	0.00	0.00	118,383.21
January 2026	0.00	0.00	0.00	0.00	0.00	0.00	88,099.85
February 2026	0.00	0.00	0.00	0.00	0.00	0.00	58,247.52
March 2026	0.00	0.00	0.00	0.00	0.00	0.00	28,821.22
April 2026 and thereafter	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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 GNMA Prospectus.

In general, the weighted average lives of the Certificates will be shortened if the level of prepayments of principal of the Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including the timing of changes in such rate of principal payments and the priority sequence of distributions of principal of such Classes and the distribution of principal of such Classes in accordance with the Principal Balance Schedules herein. In particular, if the amount distributable as principal of the Classes on any Distribution Date exceeds the amount required to reduce the principal balances of certain Classes with higher principal payment priorities to their respective scheduled amounts as set forth in the Principal Balance Schedules, such excess principal will be distributed on the remaining Classes on such Distribution Date. Conversely, if the principal distributable on any Distribution Date is less than the amount so required to reduce certain Classes to their respective scheduled amounts, no principal will be distributed on the remaining Classes on such Distribution Date. Accordingly, the rate of principal payments on the Mortgage Loans is expected to have a greater effect on the weighted average lives of the Support Classes than on the weighted average lives of the PAC Classes. See “Distributions of Principal” herein.

The interaction of the foregoing factors may have different effects on 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 under 0% PSA, it has been assumed that each Mortgage Loan bears an interest rate of 9.0% per annum and has an original and remaining term to maturity of 360 months. It is not likely that (i) all of the underlying Mortgage Loans will have the interest rate or remaining term to maturity assumed or (ii) the underlying Mortgage Loans will prepay at a *constant* PSA level. In addition, a portion of the payments (including prepayments) on the Mortgage Loans will be distributed in the month following the month in which such payments are received. Moreover, the diverse remaining terms to maturity of the Mortgage Loans (which may include recently originated 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 WARMS and WALAs of the Mortgage Loans are identical to the distributions of the weighted average WARMS and WALAs specified in the Pricing Assumptions.

Percent of Original Principal Balances Outstanding

Date	A Class					B Class					C Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	75%	120%	200%	500%	0%	75%	120%	200%	500%	0%	75%	120%	200%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1997	87	59	59	59	59	100	100	100	100	100	100	100	100	100	100
July 1998	72	0	0	0	0	100	87	87	87	87	100	100	100	100	100
July 1999	56	0	0	0	0	100	10	10	10	0	100	100	100	100	0
July 2000	38	0	0	0	0	100	0	0	0	0	100	0	0	0	0
July 2001	19	0	0	0	0	100	0	0	0	0	100	0	0	0	0
July 2002	0	0	0	0	0	98	0	0	0	0	100	0	0	0	0
July 2003	0	0	0	0	0	80	0	0	0	0	100	0	0	0	0
July 2004	0	0	0	0	0	61	0	0	0	0	100	0	0	0	0
July 2005	0	0	0	0	0	39	0	0	0	0	100	0	0	0	0
July 2006	0	0	0	0	0	16	0	0	0	0	100	0	0	0	0
July 2007	0	0	0	0	0	0	0	0	0	0	82	0	0	0	0
July 2008	0	0	0	0	0	0	0	0	0	0	29	0	0	0	0
July 2009	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2010	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2011	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2012	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2015	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2017	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	3.2	1.1	1.1	1.1	1.1	8.5	2.5	2.5	2.5	2.3	11.6	3.5	3.5	3.5	2.7

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

Date	D Class					E Class					G Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	75%	120%	200%	500%	0%	75%	120%	200%	500%	0%	75%	120%	200%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1997	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1998	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1999	100	100	100	100	22	100	100	100	100	100	100	100	100	100	100
July 2000	100	87	87	87	0	100	100	100	100	0	100	100	100	100	80
July 2001	100	10	10	10	0	100	100	100	100	0	100	100	100	100	52
July 2002	100	0	0	0	0	100	42	42	42	0	100	100	100	100	32
July 2003	100	0	0	0	0	100	0	0	0	0	100	96	96	96	18
July 2004	100	0	0	0	0	100	0	0	0	0	100	84	84	84	8
July 2005	100	0	0	0	0	100	0	0	0	0	100	73	73	73	1
July 2006	100	0	0	0	0	100	0	0	0	0	100	63	63	63	0
July 2007	100	0	0	0	0	100	0	0	0	0	100	52	52	52	0
July 2008	100	0	0	0	0	100	0	0	0	0	100	43	43	43	0
July 2009	84	0	0	0	0	100	0	0	0	0	100	35	35	35	0
July 2010	48	0	0	0	0	100	0	0	0	0	100	28	28	28	0
July 2011	9	0	0	0	0	100	0	0	0	0	100	22	22	22	0
July 2012	0	0	0	0	0	70	0	0	0	0	100	17	17	17	0
July 2013	0	0	0	0	0	27	0	0	0	0	100	12	12	12	0
July 2014	0	0	0	0	0	0	0	0	0	0	96	8	8	8	0
July 2015	0	0	0	0	0	0	0	0	0	0	87	4	4	4	0
July 2016	0	0	0	0	0	0	0	0	0	0	77	1	1	1	0
July 2017	0	0	0	0	0	0	0	0	0	0	66	0	0	0	0
July 2018	0	0	0	0	0	0	0	0	0	0	54	0	0	0	0
July 2019	0	0	0	0	0	0	0	0	0	0	40	0	0	0	0
July 2020	0	0	0	0	0	0	0	0	0	0	26	0	0	0	0
July 2021	0	0	0	0	0	0	0	0	0	0	10	0	0	0	0
July 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	13.9	4.5	4.5	4.5	2.9	16.5	5.9	5.9	5.9	3.3	22.1	11.9	11.9	11.9	5.4

Date	H Class					J Class					Z Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	75%	120%	200%	500%	0%	75%	120%	200%	500%	0%	75%	120%	200%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1997	100	100	100	100	100	95	95	91	83	56	108	108	108	108	108
July 1998	100	100	100	100	100	90	90	76	52	0	116	116	116	116	64
July 1999	100	100	100	100	100	84	84	58	13	0	125	125	125	125	0
July 2000	100	100	100	100	100	77	77	41	0	0	135	135	135	104	0
July 2001	100	100	100	100	100	71	71	25	0	0	145	145	145	71	0
July 2002	100	100	100	100	100	63	63	10	0	0	157	157	157	46	0
July 2003	100	100	100	100	100	55	55	0	0	0	169	169	162	27	0
July 2004	100	100	100	100	100	47	47	0	0	0	182	182	154	14	0
July 2005	100	100	100	100	100	38	38	0	0	0	196	196	148	5	0
July 2006	100	100	100	100	76	28	28	0	0	0	211	211	144	1	0
July 2007	100	100	100	100	52	17	17	0	0	0	228	228	141	*	0
July 2008	100	100	100	100	36	6	4	0	0	0	245	245	137	*	0
July 2009	100	100	100	100	24	0	0	0	0	0	254	247	132	*	0
July 2010	100	100	100	100	17	0	0	0	0	0	254	240	126	*	0
July 2011	100	100	100	100	11	0	0	0	0	0	254	231	119	*	0
July 2012	100	100	100	100	8	0	0	0	0	0	254	221	112	*	0
July 2013	100	100	100	100	5	0	0	0	0	0	254	209	104	*	0
July 2014	100	100	100	100	3	0	0	0	0	0	254	196	95	*	0
July 2015	100	100	100	100	2	0	0	0	0	0	254	182	87	*	0
July 2016	100	100	100	100	1	0	0	0	0	0	254	167	78	*	0
July 2017	100	90	90	90	1	0	0	0	0	0	254	151	69	*	0
July 2018	100	73	73	73	1	0	0	0	0	0	254	135	61	*	0
July 2019	100	58	58	58	*	0	0	0	0	0	254	119	52	*	0
July 2020	100	45	45	45	*	0	0	0	0	0	254	102	44	*	0
July 2021	100	34	34	34	*	0	0	0	0	0	254	85	36	*	0
July 2022	43	25	25	25	*	0	0	0	0	0	254	67	28	*	0
July 2023	17	17	17	17	*	0	0	0	0	0	206	50	20	*	0
July 2024	10	10	10	10	*	0	0	0	0	0	144	32	13	*	0
July 2025	4	4	4	4	*	0	0	0	0	0	76	14	5	*	0
July 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	26.3	24.1	24.1	24.1	11.9	7.2	7.2	3.5	2.0	1.0	28.2	22.3	19.1	5.6	2.1

* 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.

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 GNMA 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 GNMA 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 GNMA 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 GNMA Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Accrual Class will be, and certain other Classes of Certificates 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 120% PSA. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of

Regular Certificates—*Original Issue Discount*” in the GNMA Prospectus. No representation is made as to whether the Mortgage Loans underlying the GNMA Certificates will prepay at that 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 GNMA Prospectus. In addition, certain Classes of Certificates 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 GNMA 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 GNMA 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 8.31% (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 GNMA 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.

PLAN OF DISTRIBUTION

General. The Dealer will receive the Certificates in exchange for the GNMA 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.

Increase in Certificates. Prior to the Settlement Date, Fannie Mae and the Dealer may agree to offer hereby Certificates in addition to those contemplated as of the date hereof. In such event, the GNMA Certificates will be increased in principal balance, but it is expected that all additional GNMA Certificates will have the same characteristics as described herein under “Description of the Certificates—The GNMA Certificates.” The proportion that the original principal balance of each Class bears to the aggregate original principal balance of all the Classes will remain the same. In addition, the dollar amounts reflected in the Principal Balance Schedules will be increased in pro rata amounts that correspond to any increase in the principal balances of the related Classes of Certificates.

LEGAL MATTERS

Certain legal matters will be passed upon for the Dealer by Brown & Wood, New York, New York. Brown & Wood also performs legal services for Fannie Mae.

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.

\$150,000,000



FannieMae

**Guaranteed REMIC
Pass-Through Certificates**

Fannie Mae REMIC Trust 1996-G2

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PROSPECTUS SUPPLEMENT

MORGAN STANLEY & CO.
Incorporated

June 21, 1996