

Prospectus Supplement to Prospectus dated June 14, 1996

\$532,764,904



FannieMae

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 1997-54**

The Guaranteed REMIC Pass-Through Certificates offered hereby (the "Certificates") will represent beneficial ownership interests in Fannie Mae REMIC Trust 1997-54 (the "Trust"). The assets of the Trust will consist of (i) two groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates described herein (the "Group 1 MBS" and "Group 2 MBS" and, together, the "Trust MBS") and (ii) a previously issued REMIC certificate specified herein (the "Underlying REMIC Certificate") evidencing a beneficial ownership interest in the related Fannie Mae REMIC Trust (the "Underlying REMIC Trust") as further described in Exhibit A hereto. The assets of the Underlying REMIC Trust evidence direct or indirect beneficial ownership interests in certain principal and interest distributions made in respect of certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (together with the Trust MBS, 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.

See "Additional Risk Factors" on page S-7 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.

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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	Group	Original Principal Balance	Principal Type (1)	Interest Rate	Interest Type (1)	CUSIP Number	Final Distribution Date	Class	Group	Original Principal Balance	Principal Type (1)	Interest Rate	Interest Type (1)	CUSIP Number	Final Distribution Date
A	1	\$131,046,000	SEQ	6.5%	FIX	31359QCY8	February 2021	PA	2	\$166,900,000	PAC	7.5%	FIX	31359QDH4	August 2027
B	1	15,558,000	SEQ	6.5	FIX	31359QCZ5	March 2022	ZA	2	6,850,000	SUP	7.5	FIX/Z	31359QDJ0	August 2026
C	1	41,180,000	SEQ	6.5	FIX	31359QDA9	September 2024	FB	2	21,111,111	SUP	(2)	FLT	31359QDK7	August 2027
VA	1	9,598,000	SEQ/AD	6.5	FIX	31359QDB7	August 2002	SB	2	1,999,999	SUP	(2)	INV	31359QDL5	August 2027
VB	1	15,144,000	SEQ/AD	6.5	FIX	31359QDC5	March 2008	SC	2	2,222,223	SUP	(2)	INV	31359QDM3	August 2027
VC	1	12,473,000	SEQ/AD	6.5	FIX	31359QDD3	August 2011	F	3	32,764,904	SC/PT	(2)	FLT	31359QDN1	March 2027
Z	1	25,000,000	SEQ	6.5	FIX/Z	31359QDE1	August 2027	S	3	(3)	NTL	(2)	INV/IO	31359QDP6	March 2027
FA	2	42,430,556	SUP	(2)	FLT	31359QDF8	March 2024	R	1	1,000	STP	6.5	FIX	31359QDQ4	August 2027
SA	2	8,486,111	SUP	(2)	INV	31359QDG6	March 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 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.
- (3) The S Class will be a Notional Class, will not have a principal balance and will bear interest on its notional principal balance (initially, \$32,764,904). The notional principal balance of the Notional Class will be calculated as specified herein. See "Description of the Certificates—Distributions of Interest—Notional Class" herein.

The Certificates will be offered by Goldman, Sachs & Co. (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, 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 approval of certain legal matters by counsel. It is expected that the Certificates (other than the R Class) will be available on the book-entry system of the Federal Reserve Banks on or about July 30, 1997 (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.

Goldman, Sachs & Co.

The date of this Prospectus Supplement is June 19, 1997

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The yields to investors in the Group 1 and Group 2 Classes (as described herein) will be sensitive in varying degrees to, among other things, the rate of principal distributions on the Group 1 and Group 2 MBS (as described herein), respectively, which in turn will be determined by the rate of principal payments of the related Mortgage Loans and the characteristics of such Mortgage Loans. The yields to investors in the Group 3 Classes (as described herein) will be sensitive in varying degrees to, among other things, the rate of principal distributions on the Underlying REMIC Certificate, which in turn will be sensitive 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 sequence affecting principal distributions on the Underlying REMIC Certificate. The yield to investors in each Class will also be sensitive to the purchase price paid for such Class and, in the case of any Floating Rate or Inverse Floating Rate Class, fluctuations in the level of the 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, 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 the 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 Floating Rate or Inverse Floating Rate Class will be sensitive to the level of the Index. See “Description of the Certificates—Distributions of Interest—Floating Rate and Inverse Floating Rate Classes” herein.

See “Risk Factors—Yield Considerations” in the REMIC Prospectus and “Additional Risk Factors—Additional Yield and Prepayment Considerations” and “Description of the Certificates—Yield Tables” herein.

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

- The Underlying REMIC Certificate has Principal Balance Schedules and, as a result, may receive principal distributions at a rate faster or slower than would otherwise have been the case. 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 the Underlying REMIC Certificate has adhered to its Principal Balance Schedules, whether any related Support classes remain outstanding or whether the Underlying REMIC Certificate otherwise has performed as originally anticipated. Additional information as to the Underlying REMIC Certificate may be obtained by performing an analysis of current Fannie Mae principal factors in the context of applicable information contained in the Underlying REMIC Disclosure Document (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 “Risk Factors—Suitability and Reinvestment Considerations” 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 MBS Prospectus or the Underlying REMIC Disclosure Document (each as defined below). 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 June 14, 1996 (the “REMIC Prospectus”), which is attached to this Prospectus Supplement;
- Fannie Mae’s Prospectus for Guaranteed Mortgage Pass-Through Certificates dated January 1, 1997 (the “MBS Prospectus”);
- Fannie Mae’s Information Statement dated March 31, 1997 and any supplements thereto (collectively, the “Information Statement”); and
- The Prospectus Supplement for the Underlying REMIC Certificate (the “Underlying REMIC Disclosure Document”).

The MBS Prospectus and the Information Statement are incorporated herein by reference and, together with the Underlying REMIC Disclosure Document, 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 REMIC Disclosure Document, may also be obtained from the Dealer by writing or calling its Registration Department at 85 Broad Street, New York, New York 10004 (telephone 212-902-6685).

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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.

Assumed Characteristics of the Mortgage Loans Underlying the Trust MBS (as of July 1, 1997)

<u>Mortgage Loan Group</u>	<u>Approximate Principal Balance</u>	<u>Approximate Weighted Average Remaining Term to Maturity (in months)</u>	<u>Approximate Calculated Loan Age (in months)</u>	<u>Approximate Weighted Average Coupon</u>
Group 1	\$250,000,000	338	18	7.23%
Group 2	\$250,000,000	356	3	8.05%

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

Characteristics of the Underlying REMIC Certificate

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

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

Interest Rates

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

The Floating Rate and Inverse Floating Rate Classes will bear interest during the initial Interest Accrual Period at initial interest rates specified below, and will bear interest during each Interest Accrual Period thereafter, subject to the applicable maximum and minimum interest rates, at rates determined as described below:

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate</u>
FA	6.28750%	9.00000%	0.60%	LIBOR + 60 basis points
SA	13.56250%	42.00000%	0.00%	42% – (5 × LIBOR)
FB	6.68750%	9.00000%	1.00%	LIBOR + 100 basis points
SB	13.85417%	73.88889%	0.00%	73.88889% – (10.5555556 × LIBOR)
SC	9.50000%	9.50000%	0.00%	76% – (9.5 × LIBOR)
F	6.11875% (1)	9.50000%	0.40%	LIBOR + 40 basis points
S	0.20000% (1)	0.20000%	0.00%	9.1% – LIBOR

(1) The initial interest rates listed for the F and S Classes are assumed rates. The actual initial interest rates for the F and S Classes will be calculated on the basis of the applicable formulas for the calculation of such interest rates on the July 16, 1997 Index Determination Date.

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

Notional Class

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

Class

S 100% of F Class

See “Description of the Certificates—Distributions of Interest—*Notional Class*” and “—Yield Tables—*The Inverse Floating Rate Classes*” herein.

Distributions of Principal

The portion of the Principal Distribution Amount allocated to each Class of Certificates will be determined by distributions of principal of the related Trust MBS or Underlying REMIC Certificate, as applicable and, in the case of certain Group 1 and Group 2 Classes, the Group 1 Accrual Amount and Group 2 Accrual Amount, respectively. For such purposes, the Principal Distribution Amount will be allocated among the Group 1, Group 2 and Group 3 Principal Distribution Amounts as described herein under “Description of the Certificates—Distributions of Principal—*Principal Distribution Amount*.”

Group 1 Principal Distribution Amount

Group 1 Accrual Amount

To the VA, VB and VC Classes, in that order, to zero, and then to the Z Class.

Group 1 Cash Flow Distribution Amount

On each Distribution Date, 0.0004% of such amount will be distributed to the R Class.

On each Distribution Date, the remaining amount will be distributed to the A, B, C, VA, VB, VC and Z Classes, in that order, to zero.

Group 2 Principal Distribution Amount

Group 2 Accrual Amount

To the FA and SA Classes, in proportion to their original principal balances, to zero, and then to the ZA Class.

Group 2 Cash Flow Distribution Amount

- (i) to the PA Class to its Planned Balance;
- (ii) to the FA and SA Classes, in proportion to their original principal balances, to zero;
- (iii) to the ZA Class, to zero;
- (iv) to the FB, SB and SC Classes, in proportion to their original principal balances, to zero; and
- (v) to the PA Class, to zero.

Group 3 Principal Distribution Amount

To the F Class, to zero.

Weighted Average Lives (years) *

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>135%</u>	<u>350%</u>	<u>500%</u>
A	15.6	4.4	3.5	1.5	1.1
B	24.0	10.3	8.2	3.5	2.4
C	25.9	13.5	11.0	4.7	3.2
VA	2.7	2.7	2.7	2.7	2.5
VB	8.0	8.0	8.0	6.1	4.4
VC	12.4	12.4	12.4	7.0	5.1
Z	28.6	21.5	19.3	11.2	8.1
R	21.0	10.5	8.9	4.1	2.9

<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>180%</u>	<u>350%</u>	<u>500%</u>
FA and SA	18.8	13.0	3.6	1.5	1.1
ZA	27.8	20.6	11.4	2.7	2.0
FB, SB and SC	29.5	26.4	20.3	3.4	2.3

	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>180%</u>	<u>275%</u>	<u>350%</u>	<u>500%</u>
PA	18.2	7.4	7.4	7.4	6.3	4.7

<u>Group 3 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>180%</u>	<u>350%</u>	<u>500%</u>
F and S	15.0	9.7	4.0	1.5	1.0

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

ADDITIONAL RISK FACTORS

Additional Yield and Prepayment Considerations

The rate of distributions of principal of the Group 1 and Group 2 Classes will be sensitive in varying degrees to the rate of principal distributions on the Group 1 MBS and Group 2 MBS, respectively, which in turn will reflect the rate of amortization (including prepayments) of the related Mortgage Loans. There can be no assurance that the Mortgage Loans underlying the MBS will have the characteristics assumed herein. Because the rate of principal distributions on the Group 1 and Group 2 Classes will be related to the rate of amortization of the Mortgage Loans underlying the related MBS, which are likely to include Mortgage Loans with remaining terms to maturity shorter or longer than those assumed and interest rates higher or lower than those assumed, the rate of principal distributions on such Classes is likely to differ from the rate anticipated by an investor, even if the related Mortgage Loans prepay at the indicated constant percentages of PSA.

The rate of distributions of principal of the Group 3 Classes will be directly related to the rate of principal distributions on the Underlying REMIC Certificate, which in turn will be sensitive to the rate of payments of principal (including prepayments) of the related Mortgage Loans and the priority sequence affecting principal distributions on the Underlying REMIC Certificate. As described in the Underlying REMIC Disclosure Document, the Underlying REMIC Certificate has Principal Balance Schedules and, as a result, may receive principal distributions at a rate faster or slower than would otherwise have been the case. 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 the Underlying REMIC Certificate has adhered to its Principal Balance Schedules, whether any related Support classes remain outstanding or whether the Underlying REMIC Certificate otherwise has performed as originally anticipated. Additional information as to the Underlying REMIC Certificate may be obtained by performing an analysis of current Fannie Mae principal factors in the context of applicable information contained in the Underlying REMIC Disclosure Document, which may be obtained from Fannie Mae as described herein.

It is highly unlikely that the Mortgage Loans underlying any of the MBS or the Underlying REMIC Certificate will prepay at any of the rates assumed herein, will prepay at a *constant* PSA rate until maturity or that such Mortgage Loans will prepay at the same rate. 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 effective yields on the Delay Classes (as defined herein) will be reduced below the yields otherwise produced because principal and interest payable on a Distribution Date will not be distributed until the 18th 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 values of the Delay Classes will be lower than would have been the case if there were no such delay.

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 July 1, 1997 (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 Trust MBS and the Underlying REMIC Certificate (which evidences a beneficial ownership interest in the Underlying REMIC Trust).

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 obligation of Fannie Mae with respect to the Underlying REMIC Certificate is described in the Underlying REMIC Disclosure Document. 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 Trust 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 Certificates—The Corporation’s Guaranty” in the MBS Prospectus, and “Description of the Certificates—General—Fannie Mae Guaranty” in the Underlying REMIC Disclosure Document.

Characteristics of Certificates. The Certificates (other than the R Class) 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 “Book-Entry Procedures” herein and “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 R 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 in a denomination of \$1,000.

Distribution Dates. Distributions on the Certificates will be made on the 18th day of each month (or, if such 18th day is not a business day, on the first business day next succeeding such 18th 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 balances of the Accrual Classes on such 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 Certificate. In the event any issue arises under the trust agreement governing the Underlying REMIC Trust that requires the vote of holders of certificates outstanding thereunder, the Trustee will vote the Underlying REMIC Certificate 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 Trust MBS

The Group 1 and Group 2 MBS will have the aggregate unpaid principal balances and Pass-Through Rates set forth below and the general characteristics described in the MBS Prospectus. The MBS will provide that principal and interest on the related Mortgage Loans will be passed through monthly, commencing in the month following the month of the initial issuance of the MBS. The Mortgage Loans underlying the Group 1 and Group 2 MBS will be conventional Level Payment Mortgage Loans secured by first mortgages or deeds of trust on one- to four-family (“single-family”) residential properties and having original maturities of up to 30 years as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. The characteristics of the

Group 1 and Group 2 MBS and the related Mortgage Loans as of July 1, 1997 (the “Issue Date”) are expected to be as follows:

Group 1 MBS

Aggregate Unpaid Principal Balance	\$250,000,000
MBS Pass-Through Rate	6.50%

Group 1 Mortgage Loans

Range of WACs (per annum percentages)	6.75% to 9.00%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	338 months
Approximate Weighted Average CAGE	18 months

Group 2 MBS

Aggregate Unpaid Principal Balance	\$250,000,000
MBS Pass-Through Rate	7.50%

Group 2 Mortgage Loans

Range of WACs (per annum percentages)	7.75% to 10.00%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	356 months
Approximate Weighted Average CAGE	3 months

The Underlying REMIC Certificate

The Underlying REMIC Certificate represents a beneficial ownership interest in the Underlying REMIC Trust, 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. The Underlying REMIC Certificate provides that distributions thereon will be passed through monthly, commencing in the month following the initial issuance thereof. The general characteristics of the Underlying REMIC Certificate are described in the Underlying REMIC Disclosure Document. Each MBS evidences beneficial ownership interests in a Pool of conventional Level Payment Mortgage Loans secured by first-mortgages or deeds of trust on one- to four-family residential properties, as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus.

The table contained in Exhibit A hereto sets forth certain information with respect to the Underlying REMIC Certificate, including the numerical designation of the Underlying REMIC Trust, the class designation, 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 current principal factor for such class and the principal balance of such class contained in the Trust as of 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 Certificate, telephone Fannie Mae at 1-800-BEST-MBS or 202-752-6547. Other data specific to the Certificates are 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 date the Underlying REMIC Disclosure Document was 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.

Final Data Statement

Following the issuance of the Certificates, Fannie Mae will prepare a Final Data Statement setting forth, among other information, the current principal balance of the Underlying REMIC Certificate as of the Issue Date and, with respect to the Trust MBS, the Pool number, the current WAC (or original WAC, if the current WAC is not available) and the current WAM (or Adjusted WAM, if the current

WAM is not available) of the Mortgage Loans underlying each Trust MBS, along with the weighted average of all the current or original WACs and the weighted average of all the current or Adjusted WAMs, based on the current unpaid principal balances of the Mortgage Loans underlying the Trust MBS 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.

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	A, B, C, VA, VB, VC, Z, PA, ZA and R
Accrual	Z and ZA
Floating Rate	FA, FB and F
Inverse Floating Rate	SA, SB, SC and S
Interest Only	S

* 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 (except with respect to the Accrual Classes) in the month after the Settlement Date. Interest to be distributed or, in the case of the Accrual Classes, 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 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>
FA, SA, F and S Classes	One month period beginning on the 18th day of the month preceding the month of the Distribution Date and ending on the 17th day of the month of the Distribution Date
All Fixed Rate Classes and the FB, SB and SC Classes (collectively, the “Delay Classes”)	Calendar month preceding the month in which the Distribution Date occurs

See “Additional Risk Factors—Additional Yield and Prepayment Considerations” herein.

Accrual Classes. The Z and ZA Classes are Accrual Classes. Interest will accrue on the Accrual Classes at the applicable per annum rates set forth on the cover hereof; however, such interest will not be distributed thereon (i) in the case of the Z Class, until the Distribution Date following the Distribution Date on which the principal balance of the VC Class is reduced to zero and (ii) in the case of the ZA Class, until the Distribution Date following the Distribution Date on which the principal balance of the FA and SA Classes are reduced to zero. Interest so accrued and unpaid on any Accrual Class will be added as principal to the principal balance thereof on each Distribution Date. Distributions of principal of each Accrual Class will be made as described herein.

Notional Class. The S Class will be a Notional Class. The Notional Class will not have a principal balance and will bear interest at the applicable per annum interest rate described herein

during each Interest Accrual Period on its notional principal balance. The notional principal balance of the Notional Class will be equal to the indicated percentage of the outstanding balance specified below immediately prior to the related Distribution Date:

Class

S..... 100% of F 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 Certificate 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 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 balance of the Notional Class.

Floating Rate and Inverse Floating Rate Classes. The following Classes will bear interest during their initial Interest Accrual Period at initial interest rates 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 rates determined as described below:

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate</u>
FA	6.28750%	9.00000%	0.60%	LIBOR + 60 basis points
SA	13.56250%	42.00000%	0.00%	42% - (5 × LIBOR)
FB	6.68750%	9.00000%	1.00%	LIBOR + 100 basis points
SB	13.85417%	73.88889%	0.00%	73.88889% - (10.55555556 × LIBOR)
SC	9.50000%	9.50000%	0.00%	76% - (9.5 × LIBOR)
F	6.11875% (1)	9.50000%	0.40%	LIBOR + 40 basis points
S	0.20000% (1)	0.20000%	0.00%	9.1% - LIBOR

(1) The initial interest rates listed for the F and S Classes are assumed rates. The actual initial interest rates for the F and S Classes will be calculated on the basis of the applicable formulas for the calculation of such interest rates on the July 16, 1997 Index Determination Date.

The yields with respect to such Classes will be affected by changes in the index as set forth in the table above (the “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 Index. Conversely, higher mortgage interest rates could occur concurrently with a decrease in the level of the Index.

The establishment of each Index value by Fannie Mae and Fannie Mae’s determination of the rate or rates of interest for the applicable Class or 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 LIBOR

On each Index Determination Date, until the principal balances and notional principal balance of the Floating Rate and Inverse Floating Rate 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 5.6875% in the case of the applicable Group 2 Classes and will be equal to LIBOR as determined for such Interest Accrual Period for the Underlying REMIC Certificate in the case of the Group 3 Classes.

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	
Sequential Pay	A, B, C, VA, VB, VC and Z
Strip	R
Accretion Directed	VA, VB and VC
Group 2 Classes	
PAC	PA
Support	FA, SA, ZA, FB, SB and SC
Accretion Directed	FA and SA
Group 3 Classes	
Structured Collateral/Pass-Through	F
Notional	S

* See “Description of the Certificates—Class Definitions and Abbreviations” 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 aggregate distributions of principal to be made on the Group 1 MBS (the “Group 1 Cash Flow Distribution Amount”) and any interest accrued and added on such Distribution Date to the principal balance of the Z Class (the “Group 1 Accrual Amount” and together with the Group 1 Cash Flow Distribution Amount, the “Group 1 Principal Distribution Amount”), (ii) the aggregate distributions of principal to be made on the Group 2 MBS in the month of such Distribution Date (the “Group 2 Cash Flow Distribution Amount”) and any interest accrued and added on such Distribution Date to the principal balance of the ZA Class (the “Group 2 Accrual Amount” and together with the Group 2 Cash Flow Distribution Amount, the “Group 2 Principal Distribution Amount”) and (iii) the distribution of principal to be made in the month of such Distribution Date on the Class 1997-7-FB REMIC Certificate (the “Group 3 Principal Distribution Amount”). The portion of the class of Underlying REMIC Certificate held by the Trust will be as set forth in Exhibit A.

Group 1 Principal Distribution Amount

Group 1 Accrual Amount

On each Distribution Date, the Group 1 Accrual Amount, if any, will be distributed, sequentially, as principal of the VA, VB and VC Classes, in that order, until the respective principal balances thereof are reduced to zero, and then to the Z Class.

} Accretion
Directed
Classes and
Accrual
Class

Group 1 Cash Flow Distribution Amount

On each Distribution Date, an amount equal to 0.0004% of the Group 1 Cash Flow Distribution Amount will be distributed as principal of the R Class.

} Strip
Class

On each Distribution Date, the remaining Group 1 Cash Flow Distribution Amount will be distributed, sequentially, as principal of the A, B, C, VA, VB, VC and Z Classes, in that order, until the respective principal balances thereof are reduced to zero.

} Sequential
Pay
Classes

Group 2 Principal Distribution Amount

Group 2 Accrual Amount

On each Distribution Date, the Group 2 Accrual Amount, if any, will be distributed, concurrently, as principal of the FA and SA Classes, in proportion to their original principal balances (or 83.3333336607% and 16.6666663393%, respectively), until the principal balances thereof are reduced to zero, and then to the ZA Class.

Accretion
Directed
Classes
and
Accrual
Class

Group 2 Cash Flow Distribution Amount

On each Distribution Date, the Group 2 Cash Flow Distribution Amount will be distributed as principal of the Group 2 Classes in the following order of priority:

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

PAC
Class

(ii) concurrently, to the FA and SA Classes, in proportion to their original principal balances, until the principal balances thereof are reduced to zero;

(iii) to the ZA Class, until the principal balance thereof is reduced to zero;

(iv) concurrently, to the FB, SB and SC Classes, in proportion to their original principal balances (or 83.3333339912%, 7.8947329986% and 8.7719330102%, respectively), until the principal balances thereof are reduced to zero; and

Support
Classes

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

PAC
Class

Group 3 Principal Distribution Amount

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

Structured
Collateral/
Pass-Through
Class

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 Trust, the priority sequence affecting the principal distributions on the Underlying REMIC Certificate and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the Trust MBS have the principal balances, original terms to maturity, remaining terms to maturity, CAGEs and interest rates, respectively, as specified:

Group 1 MBS	\$250,000,000	360 months	338 months	18 months	7.23%
Group 2 MBS	\$250,000,000	360 months	356 months	3 months	8.05%

- 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 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 related 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	PA	Between 100% and 275%

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 such 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 such 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 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 such Class to its scheduled balance if such prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the related Mortgage Loans (which may include recently originated Mortgage Loans), the Class specified above may not be reduced to its scheduled balance, 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 scheduled balance on each Distribution Date. The Initial Effective Range set forth in the table below is based upon the assumed characteristics of the related Mortgage Loans specified in the Pricing Assumptions.

<u>Related Class</u>	<u>Initial Effective Range</u>
PA	Between 100% and 275%

The actual Effective Range at any time will be based upon the actual characteristics of the related 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 Class specified above 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 such Class to its scheduled balance if such prepayments do not occur at a *constant* PSA rate. It is highly unlikely that the related 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 Classes. When the Support Classes are retired, the PAC Class, if still outstanding, may no longer have an Effective Range and will be more sensitive to prepayments.

Principal Balance Schedule

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>Distribution Date</u>	<u>PA Class Planned Balance</u>
Initial Balance	\$166,900,000.00	October 2001	\$112,734,775.29
August 1997	166,561,824.31	November 2001	111,532,073.21
September 1997	166,180,915.93	December 2001	110,335,257.34
October 1997	165,757,377.07	January 2002	109,144,296.93
November 1997	165,291,332.01	February 2002	107,959,161.43
December 1997	164,782,927.03	March 2002	106,779,820.41
January 1998	164,232,330.37	April 2002	105,606,243.61
February 1998	163,639,732.20	May 2002	104,438,400.93
March 1998	163,005,344.50	June 2002	103,276,262.41
April 1998	162,329,400.97	July 2002	102,119,798.25
May 1998	161,612,156.92	August 2002	100,968,978.81
June 1998	160,853,889.11	September 2002	99,823,774.59
July 1998	160,054,895.61	October 2002	98,684,156.25
August 1998	159,215,495.62	November 2002	97,550,094.60
September 1998	158,336,029.25	December 2002	96,421,560.58
October 1998	157,416,857.36	January 2003	95,298,525.32
November 1998	156,458,361.26	February 2003	94,180,960.05
December 1998	155,460,942.51	March 2003	93,068,836.17
January 1999	154,425,022.63	April 2003	91,962,125.25
February 1999	153,351,042.84	May 2003	90,860,798.95
March 1999	152,239,463.70	June 2003	89,764,829.13
April 1999	151,090,764.86	July 2003	88,674,187.76
May 1999	149,905,444.67	August 2003	87,588,846.97
June 1999	148,684,019.84	September 2003	86,508,779.02
July 1999	147,427,025.10	October 2003	85,433,956.32
August 1999	146,135,012.77	November 2003	84,364,351.43
September 1999	144,808,552.39	December 2003	83,299,937.02
October 1999	143,448,230.28	January 2004	82,240,685.94
November 1999	142,094,616.24	February 2004	81,186,571.15
December 1999	140,747,675.34	March 2004	80,137,565.75
January 2000	139,407,372.81	April 2004	79,093,643.00
February 2000	138,073,674.08	May 2004	78,054,776.27
March 2000	136,746,544.72	June 2004	77,020,939.09
April 2000	135,425,950.53	July 2004	75,992,105.10
May 2000	134,111,857.42	August 2004	74,968,248.09
June 2000	132,804,231.54	September 2004	73,949,341.99
July 2000	131,503,039.17	October 2004	72,935,360.85
August 2000	130,208,246.78	November 2004	71,926,278.86
September 2000	128,919,821.00	December 2004	70,922,070.33
October 2000	127,637,728.65	January 2005	69,922,709.73
November 2000	126,361,936.70	February 2005	68,928,171.63
December 2000	125,092,412.30	March 2005	67,938,430.75
January 2001	123,829,122.76	April 2005	66,953,461.93
February 2001	122,572,035.58	May 2005	65,973,240.13
March 2001	121,321,118.40	June 2005	64,997,740.45
April 2001	120,076,339.03	July 2005	64,026,938.13
May 2001	118,837,665.46	August 2005	63,060,808.51
June 2001	117,605,065.83	September 2005	62,099,327.07
July 2001	116,378,508.44	October 2005	61,142,469.42
August 2001	115,157,961.78	November 2005	60,190,211.28
September 2001	113,943,394.46	December 2005	59,242,528.50

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>Distribution Date</u>	<u>PA Class Planned Balance</u>
January 2006	\$ 58,299,397.06	April 2010	\$ 24,635,805.34
February 2006	57,360,793.07	May 2010	24,211,943.50
March 2006	56,426,692.73	June 2010	23,794,872.06
April 2006	55,500,195.88	July 2010	23,384,485.85
May 2006	54,588,222.66	August 2010	22,980,681.30
June 2006	53,690,550.59	September 2010	22,583,356.41
July 2006	52,806,960.56	October 2010	22,192,410.76
August 2006	51,937,236.78	November 2010	21,807,745.42
September 2006	51,081,166.73	December 2010	21,429,263.00
October 2006	50,238,541.11	January 2011	21,056,867.59
November 2006	49,409,153.77	February 2011	20,690,464.71
December 2006	48,592,801.71	March 2011	20,329,961.36
January 2007	47,789,284.97	April 2011	19,975,265.94
February 2007	46,998,406.65	May 2011	19,626,288.23
March 2007	46,219,972.80	June 2011	19,282,939.41
April 2007	45,453,792.45	July 2011	18,945,132.01
May 2007	44,699,677.48	August 2011	18,612,779.89
June 2007	43,957,442.65	September 2011	18,285,798.21
July 2007	43,226,905.52	October 2011	17,964,103.44
August 2007	42,507,886.39	November 2011	17,647,613.33
September 2007	41,800,208.33	December 2011	17,336,246.88
October 2007	41,103,697.04	January 2012	17,029,924.30
November 2007	40,418,180.91	February 2012	16,728,567.06
December 2007	39,743,490.90	March 2012	16,432,097.81
January 2008	39,079,460.54	April 2012	16,140,440.37
February 2008	38,425,925.89	May 2012	15,853,519.73
March 2008	37,782,725.50	June 2012	15,571,262.04
April 2008	37,149,700.36	July 2012	15,293,594.57
May 2008	36,526,693.86	August 2012	15,020,445.69
June 2008	35,913,551.80	September 2012	14,751,744.87
July 2008	35,310,122.29	October 2012	14,487,422.67
August 2008	34,716,255.76	November 2012	14,227,410.70
September 2008	34,131,804.90	December 2012	13,971,641.61
October 2008	33,556,624.64	January 2013	13,720,049.10
November 2008	32,990,572.11	February 2013	13,472,567.87
December 2008	32,433,506.63	March 2013	13,229,133.62
January 2009	31,885,289.61	April 2013	12,989,683.02
February 2009	31,345,784.62	May 2013	12,754,153.75
March 2009	30,814,857.26	June 2013	12,522,484.39
April 2009	30,292,375.19	July 2013	12,294,614.51
May 2009	29,778,208.07	August 2013	12,070,484.58
June 2009	29,272,227.56	September 2013	11,850,035.97
July 2009	28,774,307.25	October 2013	11,633,210.98
August 2009	28,284,322.65	November 2013	11,419,952.76
September 2009	27,802,151.19	December 2013	11,210,205.36
October 2009	27,327,672.12	January 2014	11,003,913.68
November 2009	26,860,766.57	February 2014	10,801,023.44
December 2009	26,401,317.45	March 2014	10,601,481.23
January 2010	25,949,209.45	April 2014	10,405,234.43
February 2010	25,504,329.03	May 2014	10,212,231.24
March 2010	25,066,564.37	June 2014	10,022,420.66

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>Distribution Date</u>	<u>PA Class Planned Balance</u>
July 2014	\$ 9,835,752.45	November 2018	\$ 3,440,279.29
August 2014	9,652,177.17	December 2018	3,365,066.00
September 2014	9,471,646.12	January 2019	3,291,172.97
October 2014	9,294,111.36	February 2019	3,218,578.88
November 2014	9,119,525.66	March 2019	3,147,262.71
December 2014	8,947,842.55	April 2019	3,077,203.78
January 2015	8,779,016.25	May 2019	3,008,381.73
February 2015	8,613,001.69	June 2019	2,940,776.51
March 2015	8,449,754.51	July 2019	2,874,368.41
April 2015	8,289,230.99	August 2019	2,809,137.99
May 2015	8,131,388.13	September 2019	2,745,066.14
June 2015	7,976,183.56	October 2019	2,682,134.03
July 2015	7,823,575.57	November 2019	2,620,323.14
August 2015	7,673,523.09	December 2019	2,559,615.22
September 2015	7,525,985.70	January 2020	2,499,992.33
October 2015	7,380,923.56	February 2020	2,441,436.78
November 2015	7,238,297.50	March 2020	2,383,931.18
December 2015	7,098,068.90	April 2020	2,327,458.40
January 2016	6,960,199.77	May 2020	2,272,001.59
February 2016	6,824,652.68	June 2020	2,217,544.14
March 2016	6,691,390.81	July 2020	2,164,069.73
April 2016	6,560,377.87	August 2020	2,111,562.27
May 2016	6,431,578.16	September 2020	2,060,005.93
June 2016	6,304,956.51	October 2020	2,009,385.13
July 2016	6,180,478.30	November 2020	1,959,684.54
August 2016	6,058,109.44	December 2020	1,910,889.05
September 2016	5,937,816.38	January 2021	1,862,983.81
October 2016	5,819,566.08	February 2021	1,815,954.19
November 2016	5,703,325.99	March 2021	1,769,785.79
December 2016	5,589,064.09	April 2021	1,724,464.45
January 2017	5,476,748.85	May 2021	1,679,976.20
February 2017	5,366,349.22	June 2021	1,636,307.32
March 2017	5,257,834.63	July 2021	1,593,444.30
April 2017	5,151,174.98	August 2021	1,551,373.83
May 2017	5,046,340.65	September 2021	1,510,082.82
June 2017	4,943,302.46	October 2021	1,469,558.38
July 2017	4,842,031.69	November 2021	1,429,787.82
August 2017	4,742,500.06	December 2021	1,390,758.66
September 2017	4,644,679.75	January 2022	1,352,458.61
October 2017	4,548,543.33	February 2022	1,314,875.58
November 2017	4,454,063.83	March 2022	1,277,997.66
December 2017	4,361,214.68	April 2022	1,241,813.13
January 2018	4,269,969.73	May 2022	1,206,310.46
February 2018	4,180,303.23	June 2022	1,171,478.30
March 2018	4,092,189.82	July 2022	1,137,305.48
April 2018	4,005,604.56	August 2022	1,103,781.00
May 2018	3,920,522.88	September 2022	1,070,894.04
June 2018	3,836,920.58	October 2022	1,038,633.95
July 2018	3,754,773.86	November 2022	1,006,990.25
August 2018	3,674,059.27	December 2022	975,952.63
September 2018	3,594,753.73	January 2023	945,510.92
October 2018	3,516,834.53	February 2023	915,655.13

<u>Distribution Date</u>	<u>PA Class Planned Balance</u>	<u>Distribution Date</u>	<u>PA Class Planned Balance</u>
March 2023	\$ 886,375.44	April 2025	\$ 315,813.80
April 2023	857,662.16	May 2025	298,525.17
May 2023	829,505.76	June 2025	281,598.82
June 2023	801,896.88	July 2025	265,028.48
July 2023	774,826.29	August 2025	248,807.99
August 2023	748,284.90	September 2025	232,931.25
September 2023	722,263.79	October 2025	217,392.32
October 2023	696,754.16	November 2025	202,185.30
November 2023	671,747.35	December 2025	187,304.42
December 2023	647,234.86	January 2026	172,743.99
January 2024	623,208.29	February 2026	158,498.41
February 2024	599,659.41	March 2026	144,562.17
March 2024	576,580.10	April 2026	130,929.85
April 2024	553,962.36	May 2026	117,596.12
May 2024	531,798.35	June 2026	104,555.75
June 2024	510,080.33	July 2026	91,803.56
July 2024	488,800.68	August 2026	79,334.48
August 2024	467,951.92	September 2026	67,143.52
September 2024	447,526.69	October 2026	55,225.77
October 2024	427,517.72	November 2026	43,576.38
November 2024	407,917.88	December 2026	32,190.61
December 2024	388,720.15	January 2027	21,063.78
January 2025	369,917.62	February 2027	10,191.28
February 2025	351,503.50	March 2027 and thereafter	0.00
March 2025	333,471.08		

Yield Tables

General. The tables below indicate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of applicable Classes to various constant percentages of PSA and, where specified, to changes in the 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. *There can be no assurance 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 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. Moreover, 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 Index will remain constant.*

The Inverse Floating Rate Classes. The yields to investors in the Inverse Floating Rate Classes will be very sensitive to the rate of principal payments (including prepayments) of the Mortgage Loans underlying the related MBS or the Underlying REMIC Certificate, as applicable, and to the level of the Index. 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 the S Class would not fully recoup their initial investments.

Changes in the 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 the 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 the initial Interest Accrual Period are the actual and assumed rates appearing in the table under “Distributions of Interest—*Floating Rate and Inverse Floating Rate Classes*” herein and for each Interest Accrual Period subsequent to the initial Interest Accrual Period will be based on the indicated level of the Index and (ii) the aggregate purchase prices of the Inverse Floating Rate Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
SA	99.000000%
SB	88.000000%
SC	88.000000%
S	0.515625%

* 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 LIBOR
(Pre-Tax Yields to Maturity)**

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>180%</u>	<u>350%</u>	<u>500%</u>
3.6875%	24.9%	24.9%	25.0%	25.2%	25.3%
5.6875%	14.1%	14.1%	14.4%	14.8%	15.0%
7.6875%	3.7%	3.7%	4.1%	4.6%	5.0%
8.4000%	0.1%	0.1%	0.5%	1.1%	1.5%

**Sensitivity of the SB 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>180%</u>	<u>350%</u>	<u>500%</u>
3.6875%	42.3%	42.3%	42.3%	44.2%	45.8%
5.6875%	16.2%	16.2%	16.3%	19.0%	20.8%
7.0000% and above	0.5%	0.5%	0.6%	3.8%	5.5%

**Sensitivity of the SC 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>180%</u>	<u>350%</u>	<u>500%</u>
7.0% and below	11.1%	11.1%	11.2%	14.1%	15.9%
7.5%	5.6%	5.7%	5.8%	8.9%	10.7%
8.0%	0.5%	0.5%	0.6%	3.8%	5.5%

**Sensitivity of the S 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>180%</u>	<u>350%</u>	<u>500%</u>
8.9% and below	33.8%	31.4%	14.3%	(42.5)%	(88.3)%
9.0%	13.3%	11.2%	(5.9)%	(75.9)%	*
9.1% and above	*	*	*	*	*

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

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 sequences of distributions of principal of the Group 1 and Group 2 Classes and, in the case of the Group 3 Classes, the priority sequence of distributions of principal of the Underlying REMIC Certificate. The weighted average lives of certain Group 2 Classes

will also depend on the distribution of principal of the PAC Class in accordance with the Principal Balance Schedule. In particular, if the amount distributable as principal of the PAC Class on any Distribution Date exceeds the amount required to reduce the principal balance of such Class to its scheduled amount as set forth in the Principal Balance Schedule, such excess principal will be distributed on the applicable Group 2 Classes on such Distribution Date. Conversely, if the principal distributable on any Distribution Date is less than the amount so required to reduce the PAC Class to its scheduled amount, no principal will be distributed on the applicable Group 2 Classes on such Distribution Date. Accordingly, the rate of principal payments on the Mortgage Loans underlying the Group 2 MBS is expected to have a greater effect on the weighted average lives of the Support Classes than on the weighted average life of the PAC Class. See “Distributions of Principal” herein and “Description of the Certificates—Distributions of Principal” in the Underlying REMIC Disclosure Document.

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:

<u>Mortgage Loans relating to Trust MBS and the Underlying REMIC Trust</u>	<u>Original Terms to Maturity</u>	<u>Remaining Terms to Maturity</u>	<u>Interest Rates</u>	<u>Related Groups</u>
Group 1 MBS	360 months	360 months	9.0%	Group 1
Group 2 MBS	360 months	360 months	10.0%	Group 2
1997-7	360 months	355 months	10.0%	Group 3

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 weighted average remaining terms to maturity and the weighted average CAGEs of the Mortgage Loans are identical to the remaining terms to maturity and CAGEs specified in the Pricing Assumptions.

Percent of Original Principal Balances Outstanding

Date	A Class					B Class					C Class					VA Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	135%	350%	500%	0%	100%	135%	350%	500%	0%	100%	135%	350%	500%	0%	100%	135%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1998	99	89	85	65	51	100	100	100	100	100	100	100	100	100	100	83	83	83	83	83
July 1999	97	76	69	31	8	100	100	100	100	100	100	100	100	100	100	64	64	64	64	64
July 2000	96	64	54	4	0	100	100	100	100	0	100	100	100	100	65	44	44	44	44	44
July 2001	94	52	41	0	0	100	100	100	0	0	100	100	100	84	0	23	23	23	23	14
July 2002	92	42	28	0	0	100	100	100	0	0	100	100	100	32	0	*	*	*	*	0
July 2003	90	31	16	0	0	100	100	100	0	0	100	100	100	0	0	0	0	0	0	0
July 2004	88	22	6	0	0	100	100	100	0	0	100	100	100	0	0	0	0	0	0	0
July 2005	85	13	0	0	0	100	100	68	0	0	100	100	100	0	0	0	0	0	0	0
July 2006	83	5	0	0	0	100	100	0	0	0	100	100	98	0	0	0	0	0	0	0
July 2007	80	0	0	0	0	100	71	0	0	0	100	100	72	0	0	0	0	0	0	0
July 2008	77	0	0	0	0	100	8	0	0	0	100	100	48	0	0	0	0	0	0	0
July 2009	73	0	0	0	0	100	0	0	0	0	100	80	26	0	0	0	0	0	0	0
July 2010	69	0	0	0	0	100	0	0	0	0	100	59	6	0	0	0	0	0	0	0
July 2011	65	0	0	0	0	100	0	0	0	0	100	39	0	0	0	0	0	0	0	0
July 2012	61	0	0	0	0	100	0	0	0	0	100	20	0	0	0	0	0	0	0	0
July 2013	56	0	0	0	0	100	0	0	0	0	100	2	0	0	0	0	0	0	0	0
July 2014	50	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2015	44	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2016	38	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2017	30	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2018	23	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2019	14	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2020	5	0	0	0	0	100	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2021	0	0	0	0	0	53	0	0	0	0	100	0	0	0	0	0	0	0	0	0
July 2022	0	0	0	0	0	0	0	0	0	0	84	0	0	0	0	0	0	0	0	0
July 2023	0	0	0	0	0	0	0	0	0	0	45	0	0	0	0	0	0	0	0	0
July 2024	0	0	0	0	0	0	0	0	0	0	3	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	0	0	0	0	0
July 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	15.6	4.4	3.5	1.5	1.1	24.0	10.3	8.2	3.5	2.4	25.9	13.5	11.0	4.7	3.2	2.7	2.7	2.7	2.7	2.5

Date	VB Class					VC Class					Z Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	135%	350%	500%	0%	100%	135%	350%	500%	0%	100%	135%	350%	500%
Initial Percent	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	107	107	107	107	107
July 1999	100	100	100	100	100	100	100	100	100	100	114	114	114	114	114
July 2000	100	100	100	100	100	100	100	100	100	100	121	121	121	121	121
July 2001	100	100	100	100	100	100	100	100	100	100	130	130	130	130	130
July 2002	100	100	100	100	0	100	100	100	100	62	138	138	138	138	138
July 2003	85	85	85	60	0	100	100	100	100	0	148	148	148	148	116
July 2004	69	69	69	0	0	100	100	100	48	0	157	157	157	157	80
July 2005	51	51	51	0	0	100	100	100	0	0	168	168	168	140	55
July 2006	33	33	33	0	0	100	100	100	0	0	179	179	179	108	37
July 2007	13	13	13	0	0	100	100	100	0	0	191	191	191	83	26
July 2008	0	0	0	0	0	90	90	90	0	0	204	204	204	64	17
July 2009	0	0	0	0	0	62	62	62	0	0	218	218	218	49	12
July 2010	0	0	0	0	0	33	33	33	0	0	232	232	232	37	8
July 2011	0	0	0	0	0	2	2	0	0	0	248	248	229	28	5
July 2012	0	0	0	0	0	0	0	0	0	0	249	249	202	22	4
July 2013	0	0	0	0	0	0	0	0	0	0	249	249	177	16	2
July 2014	0	0	0	0	0	0	0	0	0	0	249	225	154	12	2
July 2015	0	0	0	0	0	0	0	0	0	0	249	199	133	9	1
July 2016	0	0	0	0	0	0	0	0	0	0	249	174	114	7	1
July 2017	0	0	0	0	0	0	0	0	0	0	249	150	96	5	*
July 2018	0	0	0	0	0	0	0	0	0	0	249	128	80	3	*
July 2019	0	0	0	0	0	0	0	0	0	0	249	107	65	2	*
July 2020	0	0	0	0	0	0	0	0	0	0	249	87	52	2	*
July 2021	0	0	0	0	0	0	0	0	0	0	249	68	40	1	*
July 2022	0	0	0	0	0	0	0	0	0	0	249	51	29	1	*
July 2023	0	0	0	0	0	0	0	0	0	0	249	34	19	*	*
July 2024	0	0	0	0	0	0	0	0	0	0	249	18	10	*	*
July 2025	0	0	0	0	0	0	0	0	0	0	176	2	1	*	*
July 2026	0	0	0	0	0	0	0	0	0	0	92	0	0	0	0
July 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	8.0	8.0	8.0	6.1	4.4	12.4	12.4	12.4	7.0	5.1	28.6	21.5	19.3	11.2	8.1

* 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.

Date	FA and SA Classes					PA Class						ZA Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption						PSA Prepayment Assumption				
	0%	100%	180%	350%	500%	0%	100%	180%	275%	350%	500%	0%	100%	180%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1998	99	99	92	76	62	99	96	96	96	96	96	108	108	108	108	108
July 1999	98	98	75	27	0	98	88	88	88	88	88	116	116	116	116	20
July 2000	97	97	55	0	0	97	79	79	79	79	73	125	125	125	0	0
July 2001	95	95	38	0	0	96	70	70	70	70	50	135	135	135	0	0
July 2002	94	94	25	0	0	95	61	61	61	56	35	145	145	145	0	0
July 2003	92	92	15	0	0	93	53	53	53	43	24	157	157	157	0	0
July 2004	91	91	7	0	0	92	46	46	46	34	17	169	169	169	0	0
July 2005	89	89	*	0	0	90	38	38	38	26	11	182	182	182	0	0
July 2006	87	87	0	0	0	88	32	32	32	20	8	196	196	164	0	0
July 2007	85	83	0	0	0	86	26	26	26	16	5	211	211	140	0	0
July 2008	83	76	0	0	0	84	21	21	21	12	4	228	228	110	0	0
July 2009	80	68	0	0	0	82	17	17	17	9	3	245	245	77	0	0
July 2010	78	58	0	0	0	79	14	14	14	7	2	264	264	41	0	0
July 2011	75	48	0	0	0	76	11	11	11	6	1	285	285	5	0	0
July 2012	72	36	0	0	0	73	9	9	9	4	1	307	307	0	0	0
July 2013	69	24	0	0	0	69	7	7	7	3	1	331	331	0	0	0
July 2014	65	11	0	0	0	65	6	6	6	2	*	356	356	0	0	0
July 2015	62	0	0	0	0	60	5	5	5	2	*	384	369	0	0	0
July 2016	58	0	0	0	0	55	4	4	4	1	*	414	299	0	0	0
July 2017	53	0	0	0	0	50	3	3	3	1	*	446	229	0	0	0
July 2018	49	0	0	0	0	44	2	2	2	1	*	481	160	0	0	0
July 2019	44	0	0	0	0	37	2	2	2	1	*	518	92	0	0	0
July 2020	38	0	0	0	0	29	1	1	1	*	*	558	25	0	0	0
July 2021	33	0	0	0	0	21	1	1	1	*	*	602	0	0	0	0
July 2022	26	0	0	0	0	12	1	1	1	*	*	648	0	0	0	0
July 2023	19	0	0	0	0	2	*	*	*	*	*	699	0	0	0	0
July 2024	0	0	0	0	0	*	*	*	*	*	*	616	0	0	0	0
July 2025	0	0	0	0	0	*	*	*	*	*	*	320	0	0	0	0
July 2026	0	0	0	0	0	*	*	*	*	*	*	0	0	0	0	0
July 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	18.8	13.0	3.6	1.5	1.1	18.2	7.4	7.4	7.4	6.3	4.7	27.8	20.6	11.4	2.7	2.0

Date	FB, SB and SC Classes					F and S† Classes					R Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	180%	350%	500%	0%	100%	180%	350%	500%	0%	100%	135%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1998	100	100	100	100	100	98	89	79	67	48	99	94	92	82	75
July 1999	100	100	100	100	100	96	77	57	29	1	99	87	84	64	52
July 2000	100	100	100	83	0	94	69	42	4	0	98	81	76	50	36
July 2001	100	100	100	11	0	92	68	35	0	0	97	75	69	39	25
July 2002	100	100	100	0	0	89	67	30	0	0	96	69	62	30	17
July 2003	100	100	100	0	0	86	66	26	0	0	95	64	56	23	12
July 2004	100	100	100	0	0	83	65	22	0	0	94	59	51	18	8
July 2005	100	100	100	0	0	80	63	19	0	0	92	54	46	14	5
July 2006	100	100	100	0	0	76	62	16	0	0	91	50	41	11	4
July 2007	100	100	100	0	0	72	58	12	0	0	89	46	37	8	3
July 2008	100	100	100	0	0	68	53	8	0	0	88	42	33	6	2
July 2009	100	100	100	0	0	63	48	4	0	0	86	38	29	5	1
July 2010	100	100	100	0	0	57	41	0	0	0	84	35	26	4	1
July 2011	100	100	100	0	0	52	35	0	0	0	82	31	23	3	1
July 2012	100	100	91	0	0	49	27	0	0	0	79	28	20	2	*
July 2013	100	100	82	0	0	46	20	0	0	0	77	25	18	2	*
July 2014	100	100	73	0	0	43	12	0	0	0	74	22	15	1	*
July 2015	100	100	64	0	0	40	4	0	0	0	71	20	13	1	*
July 2016	100	100	56	0	0	37	0	0	0	0	67	17	11	1	*
July 2017	100	100	48	0	0	33	0	0	0	0	64	15	10	*	*
July 2018	100	100	41	0	0	28	0	0	0	0	59	13	8	*	*
July 2019	100	100	34	0	0	24	0	0	0	0	55	11	7	*	*
July 2020	100	100	28	0	0	19	0	0	0	0	50	9	5	*	*
July 2021	100	89	22	0	0	13	0	0	0	0	45	7	4	*	*
July 2022	100	72	17	0	0	7	0	0	0	0	39	5	3	*	*
July 2023	100	56	13	0	0	0	0	0	0	0	32	3	2	*	*
July 2024	100	40	9	0	0	0	0	0	0	0	25	2	1	*	*
July 2025	100	25	5	0	0	0	0	0	0	0	18	*	*	*	*
July 2026	98	10	2	0	0	0	0	0	0	0	9	0	0	0	0
July 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	29.5	26.4	20.3	3.4	2.3	15.0	9.7	4.0	1.5	1.0	21.0	10.5	8.9	4.1	2.9

* 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 the Notional Class, the Decrement Table indicates the percentage of the original notional principal balance outstanding.

Characteristics of the R Class

In addition to distributions of principal and 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 may 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 return 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. Arnold & Porter, special tax counsel to Fannie Mae, will deliver its opinion to Fannie Mae that, assuming compliance with the Trust Agreement, the Trust will qualify 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 “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. The Small Business Job Protection Act of 1996 repeals the bad debt reserve method of accounting for mutual savings banks and domestic building and loan associations for tax years beginning after December 31, 1995. As a result, section 593(d) of the Code is no longer applicable to treat the Certificates as “qualifying real property loans.” See “Certain Federal Income Tax Consequences—Special Tax Attributes” in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Class, the Accrual Classes and the SB and SC Classes will be, and certain other Classes of Certificates may be, issued with original issue discount (“OID”) 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 135% PSA in the case of the Group 1 Classes and 180% PSA in the case of the Group 2 and Group 3 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 either 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, 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 REMIC Prospectus.

Taxation of Beneficial Owners of Residual Certificates

Under the Regulations, the R Class will have no significant value. Special rules regarding the treatment of “excess inclusions” by certain thrift institutions no longer apply because of the amendment of sections 593 and 860E of the Code by the Small Business Job Protection Act of 1996. 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 120% of the “federal long-term rate.” The rate will be published on or about June 20, 1997. 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.

Fannie Mae intends to determine the accruals of OID on the Underlying REMIC Certificate using the same Prepayment Assumption, as provided above, that will be used to determine the accruals of OID on the related Regular Certificates. The IRS, however, could take the position that the proper Prepayment Assumption to be used with respect to the Underlying REMIC Certificate is the Prepayment Assumption set forth in the Underlying REMIC Disclosure Document. 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

General. The Dealer will receive the Certificates in exchange for the Trust MBS and the Underlying REMIC Certificate 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. Before the Settlement Date, Fannie Mae and the Dealer may agree to offer hereby Group 1 and Group 2 Classes in amounts greater than the amounts reflected herein. In such event, the Trust MBS will be increased in principal balance, but it is expected that all such additional Trust MBS will have the same characteristics as described herein under “Description of the Certificates—The Trust MBS.” The proportion that the original principal balance of each Group 1 and Group 2 Class bears to the aggregate original principal balance of all Group 1 and Group 2 Classes, respectively, will remain the same. In addition, the dollar amounts reflected in the Principal Balance Schedule will be increased in a pro rata amount that corresponds to the increase of the principal balance of the applicable Class.

LEGAL MATTERS

Certain legal matters will be passed upon for the Dealer by Cadwalader, Wickersham & Taft.

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Underlying REMIC Certificate

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type (1)	Final Distribution Date	Principal Type (1)	Original Principal Balance of Class	July 1997 Class Factor	Principal Balance in 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
97-7	FB	February 1997	31359NWA5	(2)	FLT	March 2027	CPT	\$214,761,924	0.93614014	\$32,764,904.90	8.070%	339	20	MBS	3

- (1) See “Description of the Certificates—Class Definitions and Abbreviations” in the REMIC Prospectus.
- (2) This Class bears interest during its respective interest accrual period, subject to the applicable maximum and minimum interest rates, as further described in the Underlying REMIC Disclosure Document.

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.

\$532,764,904



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**Guaranteed REMIC
Pass-Through Certificates
Fannie Mae REMIC Trust 1997-54**

PROSPECTUS SUPPLEMENT

Goldman, Sachs & Co.

June 19, 1997